

LEGISLATIVE FINANCE-HOUSE / SENATE FINANCE COMM. FILES 8879

SB 428 - SB 431 1977 687 278

HOUSE COMMITTEE REPORT *file*

(11)
 Date Referred: March 15, 1990
 (Waived from Transportation 3/15) FURTHER REFERRALS:

Date of Committee Action: 4/29/90

The FINANCE Committee considered: CSSB 428 (Trsp)
 CS SENATE BILL NO. 428 (Trsp) MARINE HIGHWAY ACCOUNTING & FUNDING

"An Act relating to the Alaska marine highway system, its funding and its budget; establishing the Alaska marine highway system fund; and providing for an effective date."

RECOMMENDATIONS:
 be replaced with HCS CSSB 428 (FIN) the same title
 a new title
 have attached amendment(s)
 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 HFC fiscal note(s) _____
 zero fiscal note _____ zero fiscal note(s) DOA
 zero with analysis _____ zero fn/analysis _____

SIGNING DO PASS: SIGNING: (Check approp. column)

	Do Not Pass	No Rec	Amend
<u>Ronald J. Larson</u> Larson			
<u>Clarence Swackhammer</u> Swackhammer			
<u>Walter Brown</u> BROWN			
<u>Harold Koponen</u> Koponen			
<u>J. Ulmer</u> ULMER			
<u>Lynn Hoffman</u> Hoffman	X		
<u>Dieter Shultz</u> Shultz	X		
<u>Wm. Riegler</u> Riegler		✓	
<u>Genea Barnes</u> Barnes	X		
<u>Keywallis Walsh</u> Walsh	X		

Lynn Hoffman Hoffman
 CO Chairman's Signature
Ronald J. Larson Larson

SB

428

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: AK Marine Highway System
Sponsor: Rules Committee/Governor
Requestor: House Finance Committee

Agency Affected: Administration
BRU: Central Administration
Components: Finance

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	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	37,110.7	38,756.4	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of Dollars)

GENERAL FUND	<37,110.7>	<38,756.4>	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
- OTHER GF prg recp	37,110.7	38,756.4				
TOTAL			-0-	-0-	-0-	-0-

POSITIONS:

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

ANALYSIS : Beginning July 1, 1990 the gross revenue of the Alaska Marine Highway System will be deposited in a special account in the General Fund, the Alaska Marine Highway Fund, instead of the unrestricted General Fund revenue account. The funds will be collected and held for use during FY 92. This impact does not occur in any subsequent year and is needed as a one time action to establish a workable fund balance.

Prepared by: House Finance Committee Phone: 465-3727
Division: Co-Chairman Ron Larson Date: 4/19/90

Approved by Commissioner: Co-Chairman Lyman Hoffman Date: 4/19/90
Agency: *Lyman Hoffman*

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

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Administration
Title: An Act relating to AMHS, its funding BRU: Finance
and its budget, establishing the AMHS fund.
Sponsor: Duncan Components: Finance
Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
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)

No additional appropriation for the Division of Finance is anticipated to be required. The only involvement of the Division of Finance is to establish the Alaska Marine Highway System Fund as an account in the General Fund. Required reporting and administration of the fund will be under the control of the Alaska Marine Highway System.

Prepared by: Keith Busch, Director *Keith Busch* Phone: 465-2240
Division: Finance Date: 2/16/90
Approved by Commissioner: Frank S. Baxter *Frank S. Baxter* Date: 2/16/90
Agency: Department of Administration

Distribution (by preparer):

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

Changes in CS SB 428 (Trsp.)
have no fiscal impact.
This fiscal note is CM
appropriate.

Original sponsor(s): SEN. DUNCAN, Jones, Eliason, Halford, Kelly;
 REP. C.Davis

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 428 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska marine highway system,
 7 its funding and its budget; establishing the Alaska
 8 marine highway system fund; and providing for an
 9 effective date."

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

11 * Section 1. AS 19.65 is amended by adding new sections to read:

12 ARTICLE 2. ALASKA MARINE HIGHWAY SYSTEM FUND AND BUDGET.

13 Sec. 19.65.050. LEGISLATIVE FINDINGS, PURPOSE, AND INTENT. (a)

14 The legislature finds that

15 (1) the Alaska marine highway system is an essential part
 16 of the state transportation system, and that it warrants continued and
 17 predictable state support;

18 (2) many communities' economies are dependent on a steady
 19 and stable marine highway system service level;

20 (3) the state's tourism industry is greatly enhanced by a
 21 dependable marine highway transportation network; and

22 (4) efficient and prudent management of the system will
 23 benefit the state's economy and foster economic development.

24 (b) It is the purpose of AS 19.65.050 - 19.65.100 to

25 (1) enable the Alaska marine highway system to manage and
 26 operate in a manner that will enhance performance and accountability
 27 by allowing the system to account for and spend its generated revenue;

28 (2) provide the management tools necessary to efficiently
 29 operate the Alaska marine highway system;

1 (3) within constitutional constraints, provide for a pre-
2 dictable funding base for system operations; and

3 (4) provide for predictability and stability in the service
4 level furnished to communities served by the system.

5 (c) It is the intent of AS 19.65.050 - 19.65.100 to

6 (1) encourage prudent administration through cost manage-
7 ment and accurate budgeting by managers of the Alaska marine highway
8 system;

9 (2) increase revenue from the operation of the system
10 consistent with the public interest, increase service consistent with
11 sound fiscal policy, and assist the prudent management and operation
12 of the system; and

13 (3) achieve stability in the level of service communities
14 can anticipate through accurate planning and scheduling.

15 Sec. 19.65.060. ALASKA MARINE HIGHWAY SYSTEM FUND. (a) There
16 is created, as a special account in the general fund, the Alaska
17 marine highway system fund, into which shall be deposited

18 (1) the gross revenue of the Alaska marine highway system;

19 (2) money that is appropriated to the Alaska marine highway
20 system fund by the legislature in an amount that is consistent from
21 year to year and is the amount necessary, after consideration of gross
22 revenue, to provide stable services to the public consistent with the
23 provisions of AS 19.65.050(b)(4), which appropriations are not one-
24 year appropriations and the balances of which do not lapse under
25 AS 37.25.010; and

26 (3) any other money that is appropriated to the Alaska
27 marine highway system fund by the legislature, which appropriations
28 are not one-year appropriations and the balances of which do not lapse
29 under AS 37.25.010.

1 (b) Nothing in this chapter exempts money deposited into the
2 Alaska marine highway system fund from the requirements of AS 37.07
3 (Executive Budget Act) or dedicates that money for a specific purpose.

4 Sec. 19.65.070. REVENUE ACCOUNTING. (a) The Alaska marine
5 highway system shall account for and remit to the Department of Reve-
6 nue in accordance with AS 37.10.050 all gross revenue generated from
7 the operation of the Alaska marine highway system during each annual
8 operating cycle. The money shall then be deposited in the Alaska
9 marine highway system fund.

10 (b) The Alaska marine highway system shall submit a written
11 report to the legislature, no later than the 10th day of each regular
12 legislative session, regarding the previous annual operating cycle.
13 The report must identify

14 (1) gross revenue generated during the previous annual
15 operating cycle;

16 (2) gross revenue generated during the current annual
17 operating cycle and an estimate of gross revenue for the remainder of
18 the current annual operating cycle;

19 (3) projections of the gross revenue to be generated during
20 the next annual operating cycle; and

21 (4) the difference between previous gross revenue estimates
22 prepared under this section and the revenues actually generated.

23 Sec. 19.65.080. ANNUAL APPROPRIATION. (a) Commencing with
24 appropriations for the fiscal year that begins July 1, 1991, on an
25 annual basis and under AS 37.07 (Executive Budget Act), the legis-
26 lature may appropriate amounts from the Alaska marine highway system
27 fund to the Alaska marine highway system.

28 (b) The Department of Transportation and Public Facilities may
29 request the legislature to appropriate money from the Alaska marine

1 highway system fund to the marine highway system for capital improve-
2 ments, if

3 (1) the appropriation under (a) of this section has been
4 made;

5 (2) the amount in the fund, without regard to the appro-
6 priation under (a) of this section, exceeds the total of gross revenue
7 deposited in the fund and the general fund appropriations under
8 AS 19.65.060(a)(2) by 10 percent; and

9 (3) the amount requested for appropriation under this
10 subsection does not exceed 50 percent of the balance remaining after
11 the appropriation for annual management and operations is made under
12 (a) of this section.

13 (c) The unexpended and unobligated balance of money appropriated
14 from the Alaska marine highway system fund lapses into the Alaska
15 marine highway system fund at the end of the fiscal year for which it
16 was appropriated.

17 Sec. 19.65.100. DEFINITIONS. In AS 19.65.050 - 19.65.100,

18 (1) "annual operating cycle" means the annual state fiscal
19 year beginning on July 1 and ending at midnight on the following June
20 30;

21 (2) "gross revenue" means all money, except money refunded
22 to ticket holders and others for unused services, that is generated
23 from the operation of the Alaska marine highway system, including that
24 derived from vessel operations and uses of Alaska marine highway
25 system facilities.

26 * Sec. 2. This Act takes effect July 1, 1990.
27
28
29

FEB 20 1990

(Trsp)

Bill Version CS SB 428 (c)

Publish Date: 2/28/90

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Relating to the Alaska Marine Highway System
Sponsor: Duncan
Requestor: Senate Transportation

Agency Affected: Marine Highway System Fund
BRU: _____
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
OPERATING						
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
LANDS & 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	37110.7	38756.4	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	(37110.7)	(38756.4)	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	(37110.7)	(38756.4)	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: FY 90 fiscal effect is zero. The figures reflect projected total ferry system revenues which would be deposited in the Alaska Marine Highway System Fund, and subsequently available for appropriation, as estimated by DOTPF/Marine Highway System.

Prepared By: Milt Barker MB
Division: Treasury

Phone: 465-2350
Date: February 15, 1990

Approved by Commissioner: [Signature]
Agency: Department of Revenue

Date: 2/15/90

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

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION: CS SB 428 (Trsp) (b)
PUBLISH DATE: 2/26/90

REQUEST: FISCAL NOTE

Revision Date:
Title: An Act relating to the Alaska Marine Highway System
Sponsor: Duncan
Requestor: Duncan

Agency Affected: DOT&PF
BRU: Alaska Marine Highway System
Components:

FEB 15 1990

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTURAL	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:

Prepared by: W. Keith Gerken
Division: Deputy Commissioner, Operations

Phone: 465-3900
Date: Feb. 14, 1990

Approved by Commissioner: Mark S. Hickey *Mak S. Hickey*
Agency: Department of Transportation and Public Facilities

Date: 2/14/90

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

Changes in CS SB 428 (trsp)
have no fiscal impact.
This fiscal note is *cm*
appropriate.

BILL ANALYSIS

- * 1 The total operating and capital needs of the Alaska Marine Highway System will not be changed by this bill. The actual amounts appropriated may change because of the more direct connection between the earnings and funding.
- * 2 Beginning July 1, 1990 the gross revenue of the Alaska Marine Highway System will be deposited in a special account in the General Fund, the Alaska Marine Highway Fund, instead of the unrestricted General Fund revenue account. We have not depicted this as an expenditure or a revenue reduction since the same level of funds are being collected and they are just being held for use during FY 92. This impact does not occur in any subsequent year and is needed as a one time action to establish a workable fund balance.
- * 3 The sources of funding used for the appropriations to the Alaska Marine Highway System will change for FY 92. The source will become the Alaska Marine Highway System Fund instead of the General Fund.

S

B

429

SENATE FINANCE COMMITTEE REPORT

DATE: 4/17/90

FURTHER:

DATE TURNED INTO OFFICE: _____

The Finance Committee considered

SB 429

"An Act relating to a surety fund fee and the bond for licensure as an operator of a game of chance or contest of skill; creating the charitable gaming surety fund; and providing for an effective date."

and recommended:

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

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

Bill died in Committee.

ATTACHES NEW FISCAL NOTE(S):

Dept/Date:

fiscal note(s) _____

zero fiscal note(s) _____

appropriation-no fiscal note

APPROVES PREVIOUS:

Dept/Date:

fiscal note(s) _____

zero fiscal note(s) _____

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

1. _____

2. _____

Co-Chairs: Signatures and Recommendations

SENATE COMMITTEE REPORT
FIRST COMMITTEE OF REFERRAL

DATE: 2/1/90

FURTHER: Finance

Date of 5-Day Notice: 2/22/90
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 4/12/90

Labor and Commerce Committee considered SB 429

"An Act relating to a surety fund fee and the bond for licensure as an operator of a game of chance or contest of skill; creating the charitable gaming surety fund; and providing for an effective date."

and recommended: ^{and report it} _{back as follows}

[] replace with _____ CS _____ [] same title
[] attached amendment(s) [] new title

[] _____ letter of intent adopted

[] do pass

[] do not pass

[] no recommendation

[✓] individual recommendations

[] further referral to _____

[Handwritten signature]

ATTACHES NEW FISCAL NOTE(S):

Department(s)/Date:

Department(s)/Date:

[] fiscal note(s) _____

[] zero fiscal note(s) _____

[] appropriation-no fiscal note

[✓] Governor's bill w/fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

[Handwritten signature]

3 *Do Not Pass*
Patricia Foxley
no rec.

[Handwritten signature]
Chair: Signature and Recommendation

Introduced: 2/1/90
Referred: Labor and Commerce and Finance

go00250s

BY THE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

1 IN THE SENATE

2 SENATE BILL NO. 429

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to a surety fund fee and the bond
7 for licensure as an operator of a game of chance or
8 contest of skill; creating the charitable gaming
9 surety fund; and providing for an effective date."

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

11 * Section 1. AS 05.15.122(b) is amended to read:

12 (b) The department may issue an operator's license to a natural
13 person, municipality, or qualified organization that

14 (1) applies on the form provided by the department;

15 (2) pays the annual fee of \$500;

16 (3) discloses the identity of persons employed by the
17 applicant in a managerial or supervisory capacity;

18 (4) submits proof of liability insurance satisfactory to
19 the department; and

20 (5) pays a surety fund fee to the department as required
21 under AS 05.15.230 [POSTS A BOND OR SECURITY SATISFACTORY TO THE
22 DEPARTMENT IN THE AMOUNT OF \$25,000 FOR EACH PERMIT UNDER WHICH THE
23 OPERATOR OPERATES UP TO A MAXIMUM OF \$100,000].

24 * Sec. 2. AS 05.15 is amended by adding new sections to read:

25 ARTICLE 4. CHARITABLE GAMING SURETY FUND.

26 Sec. 05.15.220. CHARITABLE GAMING SURETY FUND ESTABLISHED. The
27 charitable gaming surety fund is established as a special account in
28 the general fund.

29 S Sec. 05.15.225. MONEY DEPOSITED IN GENERAL FUND. Money received

1 by the department under AS 05.15.220 - 05.15.275 shall be deposited in
2 the charitable gaming surety fund established by AS 05.15.220. The
3 commissioner of administration shall separately account for the money
4 deposited in the charitable gaming surety fund. The annual estimated
5 balance in the account may be used by the legislature to make appro-
6 priations to the department to carry out the purposes of the
7 charitable gaming surety fund, including the cost of investigations
8 and hearings under AS 05.15.220 - 05.15.275.

9 Sec. 05.15.230. SURETY FUND FEE. (a) A distributor, operator,
10 municipality, or qualified organization, when obtaining or renewing a
11 charitable gaming license or permit, shall, subject to (b) of this
12 section, pay to the department, in addition to the license fee or
13 permit fee, a surety fund fee that the department sets by regulation
14 in an amount

15 (1) not to exceed \$250 for municipalities and qualified
16 organizations; and

17 (2) not to exceed \$1,000 for distributors and operators.

18 (b) When the total amount of money in the charitable gaming
19 surety fund reaches \$1,000,000, the department may not require payment
20 of the surety fund fee. When the amount in the fund drops below
21 \$900,000, the department again shall require a surety fund fee as set
22 under (a) of this section.

23 Sec. 05.15.235. CLAIM FOR PAYMENT. (a) Only a permittee hold-
24 ing a valid permit issued under this chapter may seek reimbursement
25 from the charitable gaming surety fund for a loss as described in (b)
26 of this section.

27 (b) A permittee seeking reimbursement for a loss suffered in a
28 transaction as a result of fraud, misrepresentation, deceit, or negli-
29 gence on the part of a distributor or operator licensed under this

1 chapter shall file a claim for reimbursement with the department. The
2 department shall by regulation set the period of time within which a
3 permittee seeking reimbursement must make a claim. The permittee
4 shall make a claim for reimbursement to the department on a form
5 furnished by the department. The form shall be executed under penalty
6 of perjury, and information required to be supplied must include the
7 following:

- 8 (1) the name and address of the permittee;
- 9 (2) the name and address of the distributor or operator;
- 10 (3) the amount of the alleged loss;
- 11 (4) the date or period of time during which the alleged
12 loss occurred;
- 13 (5) the date upon which the alleged loss was discovered;
- 14 and
- 15 (6) a general statement of the facts pertaining to the
16 claim.

17 (c) The claimant shall mail or deliver to the distributor or
18 operator alleged to have committed the conduct resulting in the loss a
19 copy of a claim filed with the department under (b) of this section,
20 within 10 days after filing the claim.

21 (d) A permittee who files a claim under this section shall pay a
22 filing fee to the department at the time the claim is filed. The
23 department shall by regulation set the amount of the filing fee. The
24 filing fee shall be refunded only if

- 25 (1) the department makes an award to the permittee from the
26 charitable gaming surety fund; or
- 27 (2) the claim is withdrawn by the permittee before the
28 department holds a hearing on the claim.

29 **Sec. 05.15.240. CONSIDERATION OF CLAIM. (a) In considering a**

1 claim for reimbursement, the department may

2 (1) investigate the alleged facts and engage the services of
3 an investigator, accountant, or other expert necessary to process the
4 claim;

5 (2) compel, by subpoena, the attendance of witnesses and
6 the production of books, papers, and documents pertaining to the
7 claim; and

8 (3) administer oaths and affirmations.

9 (b) The department shall conduct a hearing if requested by the
10 claimant or the distributor or operator.

11 (c) A certified or authenticated copy of a record, including a
12 transcript of testimony, of a hearing held under AS 05.15.128 in which
13 fraud, misrepresentation, deceit, or negligence on the part of a
14 distributor or operator is established, constitutes sufficient
15 evidence to support a finding.

16 (d) Before the department awards payment of a claim, the dis-
17 tributor or operator shall be afforded an opportunity to file with the
18 department, within 10 days after receipt of notification of the claim
19 under AS 05.15.235, either a written statement in opposition to the
20 claim or an application for the presentation of additional evidence at
21 a hearing conducted by the department.

22 (e) The permittee bears the burden of proof of establishing that
23 the permittee suffered losses in a transaction as a result of fraud,
24 misrepresentation, deceit, or negligence on the part of a distributor
25 or operator and the extent of those losses. All facts must be estab-
26 lished by a preponderance of the evidence.

27 (f) The department may postpone consideration of a claim until
28 after a hearing under AS 05.15.128 or until after a pending or contem-
29 plated court proceeding is completed.

1 Sec. 05.15.245. FINDINGS AND PAYMENT. At the conclusion of the
2 department's consideration of a claim filed under AS 05.15.235, it
3 shall state in writing its findings and conclusions. If the depart-
4 ment finds that the permittee has suffered a loss in a transaction as
5 a result of fraud, misrepresentation, deceit, or negligence on the
6 part of a distributor or operator, the department may award a
7 permittee reimbursement up to \$100,000.

8 Sec. 05.15.250. HEARING COSTS. Costs incurred by the department
9 for an investigation or a hearing under AS 05.15.240 may not be con-
10 sidered in determining the maximum reimbursement to be awarded under
11 AS 05.15.245 and 05.15.255.

12 Sec. 05.15.255. MAXIMUM AWARD. (a) The maximum award under
13 AS 05.15.245 is \$100,000 for any one distributor or operator.

14 (b) If the \$100,000 limit specified in (a) of this section is
15 insufficient to pay in full the valid claims of all permittees who
16 have filed claims against that distributor or operator, the \$100,000
17 shall be distributed among the permittees in the ratio that their
18 individual claims bear to the aggregate of valid claims, or in another
19 manner that the department considers equitable. Distribution shall be
20 made among the permittees entitled to share in the recovery, without
21 regard to the sequence in which their claims were filed.

22 Sec. 05.15.260. SEQUENCE OF CLAIM PAYMENT. If the money
23 appropriated from the charitable gaming surety fund is insufficient at
24 a given time to satisfy an award, the department shall, when
25 sufficient money has been appropriated, satisfy unpaid claims in the
26 sequence that the claim orders were originally issued, plus
27 accumulated interest at the rate of 10.5 percent a year.

28 Sec. 05.15.265. RIGHT TO SUBROGATION. When the department has
29 paid an award to a permittee, the department is subrogated to all

1 rights of the claimant to the amount paid, and the claimant shall
2 assign to the state all right to that portion of the claim. Amounts
3 subsequently recovered by the department shall be deposited in the
4 charitable gaming suraty fund in the general fund.

5 Sec. 05.15.270. DISCIPLINARY ACTION AGAINST DISTRIBUTORS AND
6 OPERATORS. (a) Except as provided in (b) of this section, a distrib-
7 utor's or operator's full repayment of all obligations to the state in
8 connection with a claim under AS 05.15.235 does not affect
9 disciplinary proceedings brought under this chapter.

10 (b) When an award is made, the department shall suspend the
11 license of the distributor or operator. A suspension ordered under
12 this subsection may be lifted if the distributor or operator reaches
13 an agreement with the department and has repaid to the state the
14 amount awarded to the permittee and the costs of investigating and
15 hearing the claim under AS 05.15.240.

16 Sec. 05.15.275. SURETY FUND REGULATIONS. The department may
17 adopt regulations under the Administrative Procedure Act (AS 44.62)
18 necessary to carry out the purposes of AS 05.15.220 - 05.15.275.

19 * Sec. 3. AS 05.15.167 is repealed.

20 * Sec. 4. Sections 1 and 2 of this Act take effect immediately under
21 AS 01.10.070(c).

22 * Sec. 5. Section 3 of this Act takes effect July 1, 1990.
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FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Charitable Gaming Surety Fund

Agency Affected: Commerce & Economic Dev.
BRU: Occupational Licensing

Sponsor: Rules Committee
Requestor: Governor

Components: _____

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 *	174.0	*	*	*	*	*
MISCELLANEOUS						
TOTAL OPERATING	174.0	*	*	*	*	*

CAPITAL	0	0	0	0	0	0
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REVENUE	174.0	174.0	174.0	174.0	174.0	174.0
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER Surety Fund	174.0	*	*	*	*	*
TOTAL	174.0	*	*	*	*	*

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary) Since the surety fund is established as an account within the general fund, legislative appropriation will be required each fiscal year in order for claims to be paid.

*The amount the division will request in FY 92 to FY 96 is indeterminate at this time and will depend on the amount of claims paid out in the previous year(s).
(See attached for revenue analysis.)

Prepared by: Jennifer Strickler, Administrative Officer Phone: 465-2144
Division: Occupational Licensing Date: _____

Approved by Commissioner: Larry Morsuli Date: 1/29/90
Agency: Department of Commerce & Economic Development

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

FISCAL NOTE ANALYSIS

CHARITABLE GAMING SURETY FUND

The Charitable Gaming Surety Fund is anticipated to be established in late FY 90, with an initial surety fund assessment of \$174.0 being collected in FY 90 prior to the release of existing operator bonds in July of 1990..

Revenue coming into the Charitable Gaming Surety Fund each year is based on:

Permittees:	973 permittees x \$150 ¹ each year	\$145,950.00
Operators:	12 operators x \$1000 ¹ each year	12,000.00
Distributors:	16 distributors x \$1000 ¹ each year	<u>16,000.00</u>
	YEARLY TOTAL	<u>\$173,950.00</u>

The purpose of the charitable gaming surety fund is to reimburse a permittee for a loss suffered in a transaction resulting from fraud, misrepresentation, deceit, or negligence on the part of a licensed operator or distributor. It is estimated that approximately \$175.0 will be collected each year into the surety fund during renewal of the gaming permits and licenses. Therefore, the balance of the surety fund each year, assuming no payment of claims, will be:

FY 91	\$ 173,950.00
FY 92	\$ 347,900.00
FY 93	\$ 521,850.00
FY 94	\$ 695,800.00
FY 95	\$ 869,750.00
FY 96	\$1,043,700.00

Once the fund reaches the \$1,000.0 level, the division would revise annual surety fund fees to maintain the fund near the \$1,000.0 level, taking into account any payments made from the fund during the previous fiscal year. We would recommend that an initial contribution to the surety fund always be set at the same level.

Expenditures from the surety fund cannot be predetermined at this time; however, the bill specifies that a maximum of \$100,000 may be paid upon conclusion of a claim against an operator or a distributor for each transaction. In addition, the bill provides that appropriate administrative costs may be charged against the fund. Until the fund develops a claims history, the division is not able to estimate with any accuracy the potential administrative costs associated with claims processing.

¹ The \$150 and \$1,000 surety fund fees shown above are used for projection purposes. Actual fees would be set by regulation after public hearing.

STEVE COWPER
GOVERNOR



429

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 1, 1990

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

Dear Mr. President:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to charitable gaming and creating a charitable gaming surety fund. This bill will create a surety fund to protect charities that are harmed by an operator or distributor of a game. The bill will also repeal the current licensure bonding requirement for operators, thus removing an obstacle to licensing operators. This bill will aid charities while at the same time making it easier for operators to become licensed.

The bill has three main components. First, the bill creates the charitable gaming surety fund. Next, the bill specifies the procedures that must be used to file and decide claims. Finally, the bill provides for the complete repeal of all licensure bonding requirements for operators of charitable games as of July 1, 1990.

The charitable gaming surety fund, a special account in the general fund, will be composed of fees paid by permittees, distributors, operators, municipalities, or qualified organizations when they obtain or renew their permits or licenses to participate in charitable gaming. The money generated by the fees will be deposited in the general fund where the commissioner of administration shall separately account for it. The legislature may appropriate the annual estimated balance of this account to the Department of Commerce and Economic Development to carry out the purposes of the charitable gaming surety fund. This method of creating the fund does not violate Alaska's constitutional prohibition against dedicated funds, art. IX, sec. 7, since the money from the fees must be first deposited into the general fund and go through the legislature's appropriation process before it can be used by the department.

The Department of Commerce and Economic Development will control amounts appropriated from this fund, as it is the

entity that regulates games of chance and skill. When sec. 3 of this bill becomes law, operators will no longer have to post a bond with the department to be licensed. However, bonds that are currently posted will remain with the department until July 1, 1990, to protect permittees until the surety fund has a chance to grow. If the fund does not grow fast enough to cover valid claims, there are still provisions in the bill that will provide for an eventual recovery for the claimant, but it is hoped that the fees will accumulate quickly enough to assure an adequate balance in the fund fairly soon after its creation.

The claim procedures are fairly straightforward. When a permittee is harmed through an operator's or a distributor's actions, the permittee may file a claim with the department for reimbursement of the permittee's loss. The permittee must prove by a preponderance of the evidence that the loss was suffered as a result of fraud, misrepresentation, deceit, or negligence on the part of an operator or distributor, but once the permittee has done so the department will make an award to the permittee to cover the loss. The operator or distributor must be notified of the claim, and the operator or distributor may respond to the claim either in writing or at a hearing.

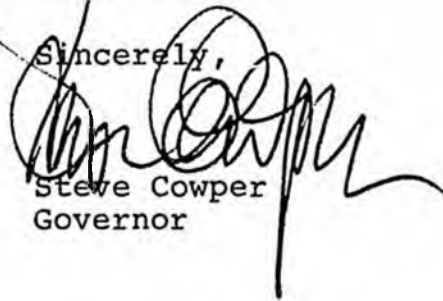
After the hearing, if the permittee is successful, the department shall reimburse the permittee for the permittee's loss up to the amount of \$100,000 per operator or distributor. Not more than \$100,000 may be paid for each operator's or distributor's conduct, regardless of the number of permittees injured. If there are valid claims over the \$100,000 limit, the \$100,000 shall be distributed pro rata among the permittees. If there is not enough money appropriated to pay valid claims, as soon as there is sufficient money the permittees' claims will be satisfied (but again, only up to the \$100,000 limit per operator or distributor).

If a claim is found valid, the department shall suspend the license of the operator or distributor involved. The operator or distributor must repay awards and hearing costs and must also reach an agreement with the department before a suspension may be lifted.

The surety fund provisions in this bill have an immediate effective date; thus the department may begin collecting fees to begin building the fund the day after the bill becomes law. As explained previously, bonds that are currently posted will not be released until July 1, 1990, so that they will continue to protect permittees until then.

This legislation is a progressive step toward dealing with an obstacle to licensing operators and distributors of charitable games. The method proposed by this bill will protect permittees while at the same time easing licensing hurdles. This bill is an attempt to come to a solution that will lessen the burden on both sides of the charitable gaming community. I appreciate your efforts concerning this topic and urge your favorable action on the bill.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Cowper", written over the typed name and title.

Steve Cowper
Governor

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B

4300

SENATE FINANCE COMMITTEE REPORT

DATE: 4/24/90

DATE TURNED INTO OFFICE: _____

The Finance Committee considered

SB 430

"An Act establishing the Susitna Valley Remote Recreation Area."

and recommended:

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

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

Bill died in committee.

ATTACHES NEW FISCAL NOTE(S):

Dept/Date:

fiscal note(s) _____

zero fiscal note(s) _____

appropriation-no fiscal note

APPROVES PREVIOUS:

Dept/Date:

fiscal note(s) _____

zero fiscal note(s) _____

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

1. _____

2. _____

Co-Chairs: Signatures and Recommendations

SENATE COMMITTEE REPORT

DATE: 3/21/98

FURTHER:

Final

DATE TURNED INTO OFFICE: 4-24-98

RESOURCES Committee considered SB 430

Susitna Valley Remote Recreation Area

and recommended: and a majority of the committee recommend

replace with _____ CS SB 430 (Res)
 or adopt _____ CS _____

same title
 new title
 technical title change (HB only)

attached amendment(s) and report it back as follows ~~and do pass~~
 _____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

2 FN

further referral to _____

ATTACHES NEW FISCAL NOTE(S): Dept/Date:

fiscal note(s) F46, ONE

APPROVES PREVIOUS:

Dept/Date:

fiscal note(s) _____

zero fiscal note(s) _____

zero fiscal note(s) _____

appropriation-no fiscal note

Governor's bill w/fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

[Signatures]

[Signature]
Chair: Signature and Recommendation

SENATE COMMITTEE REPORT
FIRST COMMITTEE OF REFERRAL

6-1800H/2

DATE: 2/2/90

FURTHER: Resources
Finance

Date of 5-Day Notice: 2-7-90
(in accordance with Uniform Rule 23)

DATE TURNED
INTO OFFICE: 3-20-90

C & R A Committee considered SB 430

"An Act establishing the Susitna Valley Remote Recreation Area."

and recommended:

- replace with ~~CS~~ SB 430 (S&RA) [] same title
and report it new title
back as follows
- [] attached amendment(s)
- [] _____ letter of intent adopted

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

2 FN's
\$ fiscal note forthcoming from DF+G for CS

ATTACHES NEW FISCAL NOTE(S):

Department(s)/Date:

Department(s)/Date:

- fiscal note(s) DNR - Div. Land & Water Mgmt 3/15/90 [] zero fiscal note(s) _____
DF+G (CS) CS+SB DF+G (SB)

- [] appropriation-no fiscal note
- [] Governor's bill w/fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

1 Pat Sanchez

2 Mark Noe

1 Mike Jeger Do Pass
Chair: Signature and Recommendation

Original sponsor(s): SEN. RODEY

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 CS FOR SENATE BILL NO. 430 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act changing the definition of 'multiple use' of
7 state land and relating to the review of the Susitna
8 area plan."

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

10 * Section 1. AS 38.04.910(5) is amended to read:

11 (5) "multiple use"

12 (A) means the management of state land and its various
13 resource values so that it is used in the combination that will
14 best meet the present and future needs of the people of Alaska,
15 making the most judicious use of the land for [SOME OR] all of
16 the [THESE] resources or related services over areas large enough
17 to provide sufficient latitude for periodic adjustments in use to
18 conform to changing needs and conditions;

19 (B) [IT] includes

20 (i) [(A)] the use of the [SOME] land for less
21 than all of the resources but does not exclude compatible
22 competing uses; [,] and

23 (ii) [(B)] a combination of balanced and diverse
24 resource uses that takes into account the short-term and
25 long-term needs of present and future generations for renew-
26 able and nonrenewable resources, including, but not limited
27 to, recreation, remote recreation, range, timber, minerals,
28 watershed, wildlife and fish, roadless areas, and natural
29 scenic, scientific, and historic values;

1 * Sec. 2. REVIEW OF SUSITNA AREA PLAN. (a) The commissioner of natu-
2 ral resources shall undertake and complete the review of the Susitna area
3 plan within three years from the effective date of this Act.

4 (b) In the review of the Susitna area plan, the commissioner of
5 natural resources shall consider remote recreation and the designation of
6 roadless areas and shall contract for an independent economic survey of
7 tourism, recreation, including both remote recreation and site-specific
8 recreation, within the area described by the Susitna area plan. The inde-
9 pendent economic survey may not be conducted by an agency supervised by the
10 governor or by an officer supervised by the principal executive officer of
11 a department but may be conducted by an agency such as the Institute of
12 Social and Economic Research of the University of Alaska.

13 (c) The commissioner shall submit the revised Susitna area plan to
14 the presiding officers of each house of the legislature on its completion.
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Offered: 3/21/90
Referred: Resources and Finance

6-1800H

Original sponsor(s): SEN. RODEY

1 IN THE SENATE

BY THE C&RA COMMITTEE

2 CS FOR SENATE BILL NO. 430 (C&RA)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to state land management generally
7 and within the Susitna Valley."

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

9 * Section 1. AS 38.04.910(5) is amended to read:

10 (5) "multiple use" means the management of state land and
11 its various resource values so that it is used in the combination that
12 will best meet the present and future needs of the people of the state
13 [ALASKA], making the most judicious use of the land for some or all of
14 these resources or related services over areas large enough to provide
15 sufficient latitude for periodic adjustments in use to conform to
16 changing needs and conditions; it includes

17 (A) the use of some land for less than all of the
18 resources, and

19 (B) a combination of balanced and diverse resource
20 uses that takes into account the short-term and long-term needs
21 of present and future generations for renewable and nonrenewable
22 resources, including, but not limited to, recreation, remote
23 recreation, range, timber, minerals, watershed, wildlife and
24 fish, roadless areas, and natural scenic, scientific, and his-
25 toric values;

26 * Sec. 2. REVIEW OF SUSITNA AREA PLAN. (a) The commissioner of natu-
27 ral resources shall undertake and complete the review of the Susitna area
28 plan within three years from the effective date of this Act.

29 (b) In the review of the Susitna area plan, the commissioner of
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1 natural resources shall consider remote recreation and the designation of
2 roadless areas and shall contract for an independent economic survey of
3 tourism, recreation, including both remote recreation and site-specific
4 recreation, within the area described by the Susitna area plan. The inde-
5 pendent economic survey may not be conducted by an agency supervised by the
6 governor or by an officer supervised by the principal executive officer of
7 a department but may be conducted by an agency such as the Institute of
8 Social and Economic Research of the University of Alaska.

9 (c) The commissioner shall submit the revised Susitna area plan to
10 the presiding officers of each house of the legislature on its completion.
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Introduced:
Referred: C&RA, Resources
and Finance

6-1800A

BY SEN. RODEY

1 IN THE SENATE

2 SENATE BILL NO. 430

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the Susitna Valley Remote Recre-
7 ation Area."

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

9 * Section 1. AS 41.21 is amended by adding new sections to article 4 to
10 read:

11 Sec. 41.21.496. PURPOSE. The purpose of AS 41.21.496 - 41.21.-
12 498 is to establish the area described in AS 41.21.498 as the Susitna
13 Valley Remote Recreation Area. The Susitna Valley Remote Recreation
14 Area is established to

15 (1) manage, protect, and maintain fish and wildlife habitat
16 so that traditional public uses of fish and wildlife populations may
17 continue on a sustained yield basis;

18 (2) perpetuate and enhance public enjoyment of fish and
19 wildlife and their habitat, including fishing, hunting, trapping,
20 viewing, and photography;

21 (3) perpetuate and enhance remote recreation including
22 camping, boating, cross-country skiing, dog sledding, hiking, sight-
23 seeing by plane, snowmobiling, and all-terrain vehicle use while
24 ensuring the scenic and natural integrity of the area;

25 (4) perpetuate and enhance continued remote commercial
26 recreation, including air taxi services, lodges, guided hunting and
27 fishing, adventure tours, riverboat charter services, and commercial
28 operations supporting these industries in a quality environment;

29 (5) protect and perpetuate the remote character that has
S

1 historically attracted people to the area and upon which the present
2 and future recreational uses and community uses depend;

3 (6) allow additional public uses of the Susitna Valley
4 Remote Recreation Area in a manner compatible with the purposes stated
5 in (1) - (5) of this section.

6 Sec. 41.21.497. MANAGEMENT OF THE SUSITNA VALLEY REMOTE RECRE-
7 ATION AREA. (a) The commissioner is responsible for the management
8 of the surface and subsurface estate within the Susitna Valley Remote
9 Recreation Area. The commissioner shall adopt and may revise a man-
10 agement plan for the Susitna Valley Remote Recreation Area after
11 public hearings. The management plan must include guidelines relating
12 to mining leasing and location, commercial tourism and recreation
13 facilities, access, and the location and identity of future land
14 disposals and access to them to ensure that the activity occurs in a
15 manner that is consistent with AS 41.21.496.

16 (b) The commissioner of fish and game is responsible for the
17 management of the fish and wildlife resources and public use of fish
18 and wildlife in the Susitna Valley Remote Recreation Area consistent
19 with the purposes of AS 41.21.496 - 41.21.498. The commissioner of
20 fish and game and the commissioner of public safety have necessary
21 access for fish and wildlife management, research, and enforcement
22 purposes.

23 (c) The commissioner

24 (1) may not

25 (A) subject to valid existing rights, allow mining
26 under AS 38.05.135 - 38.05.275 except under (2)(A) of this sub-
27 section;

28 (B) dispose of timber for commercial use under AS 38.-
29 05.110 - 38.05.120, AS 41.15, or AS 41.17 except under (2)(B) of

1 this subsection; or

2 (C) allow the construction of publicly financed or
3 maintained roads connected to the interstate highway system;

4 (2) may

5 (A) permit mining leasing under AS 38.05.205 if the
6 commissioner has allowed mining leasing under the management plan
7 adopted by the commissioner under (a) of this section and estab-
8 lished appropriate conditions for permits, operating plans, and
9 leases to mitigate the effects of mineral development activities
10 and prevent, to the extent practicable, degradation of the recre-
11 ational use of the Susitna Valley Remote Recreation Area;

12 (B) permit the harvest of timber by negotiated per-
13 sonal use sales under AS 38.05.115 for house logs and firewood by
14 individuals and commercial facilities such as lodges.

15 (d) The commissioner may, if consistent with the purposes of
16 AS 41.21.496 - 41.21.498 and the management plan adopted under (a) of
17 this section, authorize the construction and operation of commercial
18 tourism and recreation facilities and services under AS 41.21.027.

19 (e) The commissioner shall permit access to private land and
20 borough land, including mining claims and other valid existing rights,
21 within the Susitna Valley Remote Recreation Area. The access is
22 subject to regulation to protect the natural and other values of the
23 land and water within the Susitna Valley Remote Recreation Area and
24 access does not necessarily require access by a road. The commis-
25 sioner may not permit the construction of roads within the Susitna
26 Valley Remote Recreation Area to permit access unless the commissioner
27 determines that other modes of access are not adequate or feasible.

28 (f) The commissioner shall permit traditional access to the
29 Susitna Valley Remote Recreation Area by motorized or nonmotorized

1 means of transportation to private land and for lawful hunting, fish-
2 ing, trapping, and recreational purposes in a manner that is com-
3 patible with AS 41.21.496. The commissioner and the commissioner of
4 fish and game may jointly develop regulations for traditional access.

5 (g) The commissioner may determine a use to be incompatible with
6 AS 41.21.496 in the management plan or a revision of it after public
7 hearings. If the commissioner determines that a use is incompatible
8 with AS 41.21.496, the management plan must state

- 9 (1) each determination of incompatibility;
10 (2) the specific area where the incompatibility exists;
11 (3) the time within which the incompatibility exists; and
12 (4) the reasons for incompatibility.

13 Sec. 41.21.498. SUSITNA VALLEY REMOTE RECREATION AREA ESTAB-
14 LISHED. The vacant and unappropriated state-owned land and water and
15 the state land and water acquired in the future lying within the
16 boundaries described in this section, excluding the land and water
17 described within AS 41.23.500, are designated as the Susitna Valley
18 Remote Recreation Area, reserved for all purposes compatible with
19 their primary purpose as public remote recreation land, and are as-
20 signed to the commissioner for control and management:

21 Township 15 North, Range 7 West, Seward Meridian

22 Section 5: W1/2

23 Section 6

24 Township 16 North, Range 7 West, Seward Meridian

25 Sections 1 - 21

26 Sections 28 - 33

27 Township 16 North, Ranges 8 - 10 West, Seward Meridian

28 Township 16 North, Range 11 West, Seward Meridian

29 Sections 1 - 19

1 Section 24
2 Township 16 North, Range 12 West, Seward Meridian
3 Sections 1 - 6
4 Sections 8 - 15
5 Sections 23 - 24
6 Township 17 North, Range 5 West, Seward Meridian
7 Sections 6 - 7
8 Sections 17 - 20
9 Township 17 North, Ranges 6 - 12 West, Seward Meridian
10 Township 18 North, Range 5 West, Seward Meridian
11 Sections 18 - 19
12 Sections 30 - 31
13 Township 18 North, Ranges 6 - 12 West, Seward Meridian
14 Township 19 North, Range 5 West, Seward Meridian
15 Sections 4 - 9
16 Sections 16 - 20
17 Township 19 North, Ranges 6 - 12 West, Seward Meridian
18 Township 20 North, Range 5 West, Seward Meridian
19 Sections 2 - 10
20 Sections 15 - 21
21 Sections 28 - 33
22 Township 20 North, Ranges 6 - 12 West, Seward Meridian
23 Township 21 North, Range 5 West, Seward Meridian
24 Sections 1 - 12
25 Sections 14 - 23
26 Sections 26 - 35
27 Township 21 North, Ranges 6 - 15 West, Seward Meridian
28 Township 22 North, Range 3 West, Seward Meridian
29 Sections 3 - 5

1 Sections 8 - 9
2 Sections 16 - 17
3 Sections 20 - 21
4 Township 22 North, Ranges 5 - 15 West, Seward Meridian
5 Township 23 North, Range 1 West, Seward Meridian
6 Section 7
7 Sections 18 - 19
8 Sections 29 - 30
9 Township 23 North, Range 2 West, Seward Meridian
10 Section 13
11 Sections 19 - 30
12 Township 23 North, Range 3 West, Seward Meridian
13 Sections 22 - 28
14 Sections 33 - 35
15 Township 23 North, Ranges 5 - 15 West, Seward Meridian
16 Township 24 North, Ranges 6 - 15 West, Seward Meridian
17 Township 25 North, Ranges 9 - 14 West, Seward Meridian
18 Township 26 North, Range 9 West, Seward Meridian
19 Sections 4 - 9
20 Sections 16 - 36
21 Township 26 North, Ranges 10 - 13 West, Seward Meridian
22 Township 27 North, Ranges 10 - 13 West, Seward Meridian
23 Township 28 North, Ranges 12 - 13 West, Seward Meridian.
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FISCAL NOTE

REQUEST:

Revision Date: 3/21/90
Title: Susitna Valley Remote Recreation Area
Sponsor: Rodey
Requestor: _____

Agency Affected: Fish and Game
BRU: Habitat Division
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	65.0	65.0	65.0			
TRAVEL	.5	.5	.5			
CONTRACTUAL	5.0	5.0	5.0			
SUPPLIES	.5	.5	.5			
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	71.0	71.0	71.0	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						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

See attached continuation page

Prepared by: Frank Rue, Director Phone: 465-4105
Division: Habitat Date: _____
Approved by Commissioner: Alvin W. Peltz Date: 3/28/90
Agency: Department of Fish and Game

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

The CS for SB 430 requires that the Alaska Department of Natural Resources (DNR) undertake and complete a review of the Susitna Area Plan within three years from the effective date of the Act (FY93 or 94). SB 430 specifically requires DNR to consider remote recreation and the designation of roadless areas. An independent economic evaluation of the value of recreation and tourism in the Susitna Valley is also mandated by the bill.

It is anticipated that the revision process will attract a very high degree of public attention and participation. The Alaska Department of Fish and Game (ADF&G) will not only have to provide information on fish and wildlife resources, habitats and uses, but will also have to collect and provide timely information on recreation and tourism related to fish and wildlife resources. This will require ADF&G to expand our expertise and information base in this area. It is anticipated that there will be numerous public meetings, and hearings over key issues. ADF&G's participants will also be expected to review, analyze, and respond to numerous technical reports, policies, and proposals.

To meet ADF&G's statutory mandates, it is anticipated that a full time habitat biologist III, with appropriate clerical and cartographic support, would be necessary to provide ADF&G representation on this project. Additional project support and supervision would be provided by other Habitat, Sport Fish, Wildlife Conservation, Subsistence, and Commercial Fisheries staff.

Budget Summary No FY 90 impact.

Line 100 Personal Services

HBIII	12 mo.	55.2
CTIII	3 mo.	5.2
Cart.	1 mo.	<u>4.6</u>
Total		65.0

Line 200 Travel and Per Diem
to Mat-Su Valley

Total .5

Line 300 Telephones, Photocopying, Reproduction, etc.

Total 5.0

Line 400 Maps and Supplies

Total .5

Grand Total 71.0

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION : CSSB 430 (Res)(a)
 PUBLISH DATE : 4/24/90

FISCAL NOTE

REQUEST:

Revision Date: 17-Apr-90 Agency Affected: Natural Resources
 Title: Susitna Valley Remote Recreation BRU: Land & Water Mgmt
 Area
 Sponsor: Senator Rodey Components: Land & Water Mgmt
 Requestor: Senate Resources

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	137.9	137.9	99.6	0.0	0.0	0.0
TRAVEL	2.0	2.0	2.0	0.0	0.0	0.0
CONTRACTUAL	48.4	173.9	21.9	0.0	0.0	0.0
SUPPLIES	3.0	3.0	3.0	0.0	0.0	0.0
EQUIPMENT	5.0	0.0	0.0	0.0	0.0	0.0
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	196.3	316.8	126.5	0.0	0.0	0.0

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	196.3	316.8	126.5			
FEDERAL FUNDS						
OTHER						
TOTAL	196.3	316.8	126.5	0.0	0.0	0.0

POSITIONS:

FULL-TIME	3.0	3.0	1.0	0.0	0.0	0.0
PART-TIME	0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY	1.0	1.0	3.0	0.0	0.0	0.0

ANALYSIS: (Attach a separate page if necessary)

See Attached

Prepared by: Ron Swanson Phone: 762-2680
 Division: Land & Water Management Date: 17-Apr-90
 Approved by Commissioner: [Signature] Lennie Gorsuch Date: 17-Apr-90
 Agency: Department of Natural Resources

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

ANALYSIS

Background

1. Update will combine Susitna and Willow Subbasin area plans.
2. Area includes original land in area plans minus land in the Beluga Subregion within the Kenai Peninsula Borough that will be included in the Kenai Area Plan. Land within management plans that are completed or in progress will not be addressed by the area plan except for regional (Chapter 2) guidelines that apply to the management planning areas. Management plans cover Hatcher Pass, Matanuska Valley Moose Range, state refuges, state parks and recreation areas, state recreation rivers, Deception Creek, and Kashwitna. This proposal assumes a plan will be in progress for the Willow Mt. Critical Habitat Area.

This proposal assumes that legislative designations will not be in place, nor management plans mandated for Jim-Swan Lakes Recreation Area, Susitna State Forest, Chelatna Public Use Area, SB 430, or other new areas prior to the update.

3. The update will do more detailed planning in the Knik Glacier-Jim-Swan Lakes and Susitna Corridor areas. The Susitna Corridor work will fulfill the requirement for a management plan.

Staffing

1. All positions are step A. Estimates include benefits but not merit increases.
2. Planning staff include 1 range 18, 1 range 16, 1 range 14, and 1/3 range 8 clerk. The If the Susitna State Forest bill passes and sets up a separate management planning process, the range 14 can be changed to a 1/2-time 14 or a tech position.

Travel

Travel includes per diem for overnight stays during public meetings in Talkeetna, Trapper Creek, Glacier View, and Lake Louise. One trip per year to Juneau for legislative briefings also is included.

Contractual

1. This estimate assumes the legislature will direct consideration of roadless areas. If this alternative is considered, a statistical public attitude survey will be required. \$40,000 is included for a public attitude survey.

during the public review of alternatives.

2. This estimate assumes the legislature will require a study of recreation and tourism. Absent more detail on the questions to be addressed by this study, it is estimated that \$150,000 will be needed to contract for this study.
3. Printing costs include an introductory brochure and resource assessment in FY91, an agency review draft, public review draft, and summary brochure in FY 92; and the final plan and summary review draft in FY 93. The plans will encompass both the Willow and SAP plans and may require two volumes.
4. Transportation costs include mileage to Palmer-Wasilla for public meetings and planning team meetings, and to Willow, Talkeetna, Trapper Creek, Glacier View, Sutton, and Lake Louise for public meetings. Air charter costs are included for public meetings in Skwentna, and for overflights to the Susitna valley, Matanuska valley, and Knik valley.

Equipment

Desks, chairs, and computer equipment.

Miscellaneous and Supplies

Xeroxing, newsletters, rental for public meeting rooms, mylar, graphic supplies, airphotos, etc.

Position Title Natural Resource Manager I		No. of Positions 1	Range/Step 18/A	Barg. Unit GGU
Time Status Full	Staff Months 12	Location Anchorage		Election District
Justification				
<u>Background</u>				
Type of Expenditure		Amount		
1	2	3		
Salary*	37.4	////////////////////		
Benefits*	12.3	////////////////////		
Premium Pay (Included in Above)	////////////////////	////////////////////		
Other	////////////////////	////////////////////		
Total Personal Services	////////////////////	49.7		
Travel		1.0		
Contractual		1.4		
Commodities		0.5		
Equipment				
Other				
Total Cost		52.6		
Funding Source for Total Cost				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004			
Program Receipts/GF	1005	52.6		
I-A Receipts	1007			
CEP Receipts	1061			
Other				
* Personal Services Salary and Benefits Costs are from PACS.				
<p>1. Update will combine Susitna and Willow Subbasin area plans.</p> <p>2. Area includes original land in area plans <u>minus</u> land in the Beluga Subregion within the Kenai Peninsula Borough that will be included in the Kenai Area Plan. Land within management plans that are completed or in progress will not be addressed by the area plan except for regional (Chapter 2) guidelines that apply to the management planning areas. Management plans cover Hatch Pass, Matanuska Valley Moose Range, state refuges, state parks and recreation areas, state recreation rivers, Deception Creek, and Kashwitna. This proposal assumes a plan will be in progress for the Willow Mt. Critical Habitat Area. This proposal assumes that legislative designations will not be in plan, nor management plans mandated for Jim-Swan Lakes Recreation Area, Susitna State Forest, Chelatna Public Use Area, SB 430 or other new areas prior to the update. 3. The update will do more detailed planning in the Knik Glacier-Jim-Swan Lakes and Susitna Corridor areas. The Susitna Corridor work will fulfill the requirement for a management plan.</p> <p>3. The update will do more detailed planning in the Knik Glacier-Jim-Swan Lakes and Susitna Corridor areas. The Susitna Corridor work will fulfill the requirement for a management plan.</p>				
<u>Staffing</u>				
<p>1. Planning staff include 1 range 18, 1 range 16, 1 range 14, and 1/3 range 8 clerk. If the Susitna State Forest bill passes and sets up a separate management planning process, the range 14 can be changed to 1/2-time or a tech position.</p> <p>2. This position will be the project manager.</p>				

REQUEST FOR
NEW POSITION

AGENCY Natural Resources
BRU Land & Water Mgmt
COMPONENT Land & Water Mgmt

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Revised Date 3-13-90

FY 91

Position Title Natural Resource Officer II		No. of Positions 1	Range/Step 16/A	Barg. Unit GGU
Time Status Full	Staff Months 12	Location Anchorage		Election District
Type of Expenditure		Amount		
1	2	3		
Salary*	32.4	////////////////////		
Benefits*	10.7	////////////////////		
Premium Pay (Included in Above)	////////////////////	////////////////////		
Other	////////////////////	////////////////////		
Total Personal Services	////////////////////	43.1		
Travel		0.5		
Contractual		1.0		
Commodities		0.5		
Equipment				
Other				
Total Cost		45.1		
Funding Source for Total Cost:				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004	45.1		
Program Receipts/GF	1005			
I-A Receipts	1007			
CIP Receipts	1061			
Other				
* Personal Services Salary and Benefits Costs are from PACS.				

Justification Background

- Update will combine Susitna and Willow Subbasin area plans.
- Area includes original land in area plans minus land in the Beluga Subregion within the Kenai Peninsula Borough that will be included in the Kenai Area Plan. Land within management plans that are completed or in progress will not be addressed by the area plan except for regional Chapter 2) guidelines that apply to the management planning areas. Management plans cover Hatch Pass, Matanuska Valley Moose Range, state refuges, state parks and recreation areas, state recreation rivers, Deception Creek, and Kashwitna. This proposal assumes a plan will be in progress for the Willow Mt. Critical Habitat Area.

This proposal assumes that legislative designations will not be in plan, nor management plans mandated for Jim-Swan Lakes Recreation Area, Susitna State Forest, Chelatna Public Use Area, SB 430 or other new areas prior to the update.3.The update will do more detailed planning in the Knik Glacier-Jim-Swan Lakes and Susitna Corridor areas. The Susitna Corridor work will fulfill the requirement for a management plan.
- The update will do more detailed planning in the Knik Glacier-Jim-Swan Lakes and Susitna Corridor areas. The Susitna Corridor work will fulfill the requirement for a management plan.

Staffing

- Planning staff include 1 range 18, 1 range 16, 1 range 14, and 1/3 range 8 clerk. If the Susitna State Forest bill passes and sets up a separate management planning process, the range 14 can be changed to 1/2-time 14 or a tech position.

REQUEST FOR
NEW POSITION

AGENCY Natural Resources
BRU Land & Water Mgmt.
COMPONENT Land & Water Mgmt.

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Revised Date 3-13-90

FY 91

Position Title Natural Resource Officer I		No. of Positions 1	Range/Step 14/A	Barg. Unit GGU
Time Status Full	Staff Months 12	Location Anchorage		Election District
Type of Expenditure		Amount		
1	2	3		
Salary*	28.2	////////////////////		
Benefits*	9.3	////////////////////		
Premium Pay (Included in Above)		////////////////////		
Other		////////////////////		
Total Personal Services		//////////////////// 37.5		
Travel		0.5		
Contractual		1.0		
Commodities		0.5		
Equipment				
Other				
Total Cost		39.5		
Funding Source for Total Cost				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004	39.5		
Program Receipts/GF	1005			
I-A Receipts	1007			
CIP Receipts	1061			
Other				
* Personal Services Salary and Benefits Costs are from PACS.				

Justification Background

- Update will combine Susitna and Willow Subbasin area plans.
- Area includes original land in area plans minus land in the Beluga Subregion within the Kenai Peninsula Borough that will be included in the Kenai Area Plan. Land within management plans that are completed or in progress will not be addressed by the area plan except for regional Chapter 2) guidelines that apply to the management planning areas. Management plans cover Hatch Pass, Mataruska Valley Moose Range, state refuges, state parks and recreation areas, state recreation rivers, Deception Creek, and Kashwitna. This proposal assumes a plan will be in progress for the Willow Mt. Critical Habitat Area.

This proposal assumes that legislative designations will not be in plan, nor management plans mandated for Jim-Swan Lakes Recreation Area, Susitna State Forest, Chelatna Public Use Area, SB 430 or other new areas prior to the update.3.The update will do more detailed planning in the Knik Glacier-Jim-Swan Lakes and Susitna Corridor areas. The Susitna Corridor work will fulfill the requirement for a management plan.
- The update will do more detailed planning in the Knik Glacier-Jim-Swan Lakes and Susitna Corridor areas. The Susitna Corridor work will fulfill the requirement for a management plan.

Staffing

- Planning staff include 1 range 18, 1 range 16, 1 range 14, and 1/3 range 8 clerk. If the Susitna State Forest bill passes and sets up a separate management planning process, the range 14 can be changed to 1/2-time 14 or a tech position.

REQUEST FOR
NEW POSITION

AGENCY Natural Resources
BRU Land & Water Mgmt.
COMPONENT Land & Water Mgmt.

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Revised Date 3-13-90

FY 91

**STATE OF ALASKA
1990 LEGISLATIVE SESSION**

BILL VERSION: CSSB 430 (C&RA)(a)
PUBLISH DATE: 3/21/90

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: SUSTINA Area Plan Update
CSSB 430
Sponsor: Sen. Szvanski
Requestor: _____

Agency Affected: DNR
BRU: Land & Water Mgmt.
Component: Land & Water Mgmt.

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	137.9	137.9	99.6			
TRAVEL	2.0	2.0	2.0			
CONTRACTUAL	33.4	33.9	21.9			
SUPPLIES	3.0	3.0	3.0			
EQUIPMENT	5.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	181.3	176.8	126.5			
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME	3	3	1			
PART-TIME						
TEMPORARY	1	1	3			

ANALYSIS : (Attach a separate page if necessary)

SEE ATTACHED

Prepared by: Ron Swanson **Phone:** 762-2680
Division: DLWM **Date:** 3-13-90
Approved by Commissioner: [Signature] **Date:** 3/15/90
Agency: _____

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor

ANALYSIS

Background

1. Update will combine Susitna and Willow Subbasin area plans.
2. Area includes original land in area plans minus land in the Beluga Subregion within the Kenai Peninsula Borough that will be included in the Kenai Area Plan. Land within management plans that are completed or in progress will not be addressed by the area plan except for regional (Chapter 2) guidelines that apply to the management planning areas. Management plans cover Hatcher Pass, Matanuska Valley Moose Range, state refuges, state parks and recreation areas, state recreation rivers, Deception Creek, and Kashwitna. This proposal assumes a plan will be in progress for the Willow Mt. Critical Habitat Area.

This proposal assumes that legislative designations will not be in place, nor management plans mandated for Jim-Swan Lakes Recreation Area, Susitna State Forest, Chelatina Public Use Area, SB 430, or other new areas prior to the update.

3. The update will do more detailed planning in the Knik Glacier-Jim-Swan Lakes and Susitna Corridor areas. The Susitna Corridor work will fulfill the requirement for a management plan.

Staffing

1. All positions are step A. Estimates include benefits but not merit increases.
2. Planning staff include 1 range 18, 1 range 16, 1 range 14, and 1/3 range 8 clerk. If the Susitna State Forest bill passes and sets up a separate management planning process, the range 14 can be changed to a 1/2-time 14 or a tech position.

Travel

Travel includes per diem for overnight stays during public meetings in Talkeetna, Trapper Creek, Glacier View, and Lake Louise. One trip per year to Juneau for legislative briefings also is included.

Contractual

1. This estimate assumes the legislature will direct consideration of roadless areas. If this alternative is considered, a statistical public attitude survey will be required. \$10,000 is included for a public attitude survey during the public review of alternatives.
2. This estimate assumes the legislature will require a study of recreation and tourism. Absent more detail on the questions to be addressed by this study, it is estimated that \$25,000 will be needed to contract for this study.
3. Printing costs include an introductory brochure and resource assessment in FY91, an agency review draft, public review draft, and summary brochure in FY 92; and the final plan and summary review draft in FY 93. The plans will encompass both the Willow and SAP plans and may require two volumes.

4. Transportation costs include mileage to Palmer-Wasilla for public meetings and planning team meetings, and to Willow, Talkeetna, Trapper Creek, Glacier View, Sutton, and Lake Louise for public meetings. Air charter costs are included for public meetings in Skwentna, and for overflights to the Susitna valley, Matanuska valley, and Knik valley.

Equipment

Desks, chairs, and computer equipment.

Miscellaneous and Supplies

Xeroxing, newsletters, rental for public meeting rooms, mylar, graphic supplies, airphotos, etc.

Position Title Natural Resource Manager I		No. of Positions 1	Range/Step 18/A	Barg. Unit GGU
Time Status Full	Staff Months 12	Location Anchorage		Election District
Type of Expenditure		Amount		
1	2	3		
Salary*	37.4	////////////////////		
Benefits*	12.3	////////////////////		
Premium Pay (Included in Above)	////////////////////	////////////////////		
Other	////////////////////	////////////////////		
Total Personal Services	////////////////////	49.7		
Travel		1.0		
Contractual		1.4		
Commodities		0.5		
Equipment				
Other				
Total Cost		52.6		
Funding Source		Per Total Cost		
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1084			
Program Receipts/GF	1005	52.6		
I-A Receipts	1007			
CIP Receipts	1061			
Other				
* Personal Services Salary and Benefits Costs are from PACS.				

Justification

Background

- Update will combine Susitna and Willow Subbasin area plans.
- Area includes original land in area plans ~~and~~ land in the Beluga Subregion within the Kenai Peninsula Borough that will be included in the Kenai Area Plan. Land within management plans that are completed or in progress will not be addressed by the area plan except for regional (Chapter 2) guidelines that apply to the management planning areas. Management plans cover Hatch Pass, Matanuska Valley Moose Range, state refuges, state parks and recreation areas, state recreation rivers, Deception Creek, and Kashvitna. This proposal ~~assumes a p~~ will be in progress for the Willow Mt. Critical Habitat Area. This proposal assumes that legislative designations will not be in plan, nor management plans mandated for Jim-Swan Lakes Recreation Area, Susitna State Forest, Chelstna Public Use Area, SR 430 or other new areas prior to the update. 3. The update will do more detailed planning in the Knik Glacier-Jim-Swan Lakes and Susitna Corridor areas. The Susitna Corridor work will fulfill the requirements for a management plan.
- The update will do more detailed planning in the Knik Glacier-Jim-Swan Lakes and Susitna Corridor areas. The Susitna Corridor work will fulfill the requirement for a management plan.

Staffing

- Planning staff include 1 range 18, 1 range 16, 1 range 14, and 1/3 range 8 clerk. If the Susitna State Forest bill passes and sets up a separate management planning process, the range 8 can be changed to 1/2-time or a tech position.
- This position will be the project manager.

REQUEST FOR
NEW POSITION

AGENCY Natural Resources
 BRG Land & Water Mgmt
 COMPONENT Land & Water Mgmt

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 Revised Date 3-13-90

FY 91

Position Title Natural Resource Officer II			No. of Positions 1	Range/Step 16/A	Org. Unit GGU
Time Status Full	Staff Months 12		Location Anchorage		Election District
Type of Expenditure			Amount		
1			2		3
Salary*			32.4		/
Benefits*			20.7		/
Premium Pay (Included in Above)			/		/
Other			/		/
Total Personal Services			/		43.1
Travel			/		0.5
Contractual			/		1.0
Commodities			/		0.5
Equipment			/		
Other			/		
Total Cost			/		45.1
Funding Source for Total Cost					
Federal Receipts 1002			/		
S.F. Match 1003			/		
General Fund 1004			/		45.1
Program Receipts/GF 1005			/		
T-A Receipts 1007			/		
CIP Receipts 1061			/		
Other			/		
* Personal Services Salary and Benefits Costs are from PACS.					
			Justification Background		
			<p>1. Update will combine Susitna and Willow Subbasin area plans.</p> <p>2. Area includes original land in area plans minus land in the Selkirk Subregion within the Kenai Peninsula Borough that will be included in the Kenai Area Plan. Land within management plans that are completed or in progress will not be addressed by the area plan except for regional Chapter 2) guidelines that apply to the management planning areas. Management plans cover Hatch Pass, Matanuska Valley Moose Range, state refuges, state parks and recreation areas, state recreation rivers, Deception Creek, and Kookwitna. This proposal assumes a plan will be in progress for the Willow Mt. Critical Habitat Area.</p> <p>This proposal assumes that legislative designations will not be in place, nor management plans mandated for Jim-Swan Lakes Recreation Area, Susitna State Forest, Chelstna Public Use Area, SB 430 or other new areas prior to the update. 3. The update will do more detailed planning in the Knik Glacier-Jim-Swan Lakes and Susitna Corridor areas. The Susitna Corridor work will fulfill the requirement for a management plan.</p> <p>3. The update will do more detailed planning in the Knik Glacier-Jim-Swan Lakes and Susitna Corridor areas. The Susitna Corridor work will fulfill the requirement for a management plan.</p>		
			Staffing		
			<p>1. Planning staff include 1 range 18, 1 range 16, 1 range 14, and 1/3 range 8 clerk. If the Susitna State Forest bill passes and sets up a separate management planning process, the range 14 can be changed to 1/2-time 14 or a tech position.</p>		

**REQUEST FOR
NEW POSITION**

AGENCY Natural Resources
 BRU Land & Water Mgmt.
 COMPONENT Land & Water Mgmt.

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 Revised Date 3-13-90

FY 91

Position Title Natural Resource Office - 1		No. of Positions 1	Range/Step 14/A	Barg. Unit GGU
Time Status Full	Staff Months 12	Location Anchorage		Election District
Type of Expenditure		Amount		
1	2	3		
Salary*	28.2	////////////////////		
Benefits*	9.3	////////////////////		
Premium Pay (Included in Above)	////////////////////	////////////////////		
Other	////////////////////	////////////////////		
Total Personal Services	////////////////////	37.5		
Travel		0.5		
Contractual		1.0		
Commodities		0.5		
Equipment				
Other				
Total Cost		39.5		
Funding Source for Total Cost				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004	39.5		
Program Receipts/G2	1006			
I-A Receipts	1007			
CIP Receipts	1001			
Other				
* Personal Services Salary and Benefits Costs are from PACS.				

Justification
Background

- Update will combine Susitna and Willow Subbasin area plans.
- Area includes original land in area plans plus land in the Estiva Subregion within the Kenai Peninsula Borough that will be included in the Kenai Area Plan. Land within management plans that are completed or in progress will not be addressed by the area plan except for regional Chapter 2) guidelines that apply to the management planning areas. Management plans cover Hatch Pass, Matanuska Valley Moose Range, state refuges, state parks and recreation areas, state recreation rivers, Deception Creek, and Kachitna. This proposal assumes a plan will be in progress for the Willow Mt. Critical Habitat Area.

This proposal assumes that legislative designations will not be in plan, nor management plans mandated for Jim-Swan Lakes Recreation Area, Susitna State Forest, Chelatina Public Use Area, SB 638 or other new areas prior to the update. The update will do more detailed planning in the Knik Glacier-Jim-Swan Lakes and Susitna Corridor areas. The Susitna Corridor work will fulfill the requirement for a management plan.
- The update will do more detailed planning in the Knik Glacier-Jim-Swan Lakes and Susitna Corridor areas. The Susitna Corridor work will fulfill the requirement for a management plan.

Staffing

- Planning staff include 1 range 18, 1 range 16, 1 range 14, and 1/3 range 8 clerk. If the Susitna State Forest bill passes and sets up a separate management planning process, the range 14 can be changed to 1/2-time 16 or a tech position.

**REQUEST FOR
NEW POSITION**

AGENCY Natural Resources
 BRU Land & Water Mgmt.
 COMPONENT Land & Water Mgmt.

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 Revised Date 3-13-90

FY 91

Position Title Clerk Typist III		No. of Positions 1	Range/Step 8/A	Barg. Unit GGU
Time Status Part	Staff Months 4	Location Anchorage		Election District
Type of Expenditure		Amount		
1	2	3		
Salary*	6.5	////////////////////		
Benefits*	1.1	////////////////////		
Premium Pay (Included in Above)	////////////////////	////////////////////		
Other	////////////////////	////////////////////		
Total Personal Services	////////////////////	7.6		
Travel		0		
Contractual		0		
Commodities		0.5		
Equipment				
Other				
Total Cost		8.1		
Funding Source for Total Cost				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004	8.1		
Program Receipts/GF	1005			
I-A Receipts	1007			
CIP Receipts	1061			
Other				
* Personal Services Salary and Benefits Costs are from PACS.				
		Justification <u>Recreation</u> <ol style="list-style-type: none"> Update will combine Susitna and Willow Subbasin area plans. Area includes original land in area plans plus land in the Selwag Subregion within the Kenai Peninsula Borough that will be included in the Kenai Area Plan. Land within management plans that are completed or in progress will not be addressed by the area plan except for regional Chapter 2) guidelines that apply to the management planning areas. Management plans cover Hatch Pass, Mataruska Valley Moose Range, state refuges, state parks and recreation areas, state recreation rivers, Reception Creek, and Kakhvitna. This proposal assumes a plan will be in progress for the Willow Mt. Critical Habitat Area. This proposal assumes that legislative designations will not be in plan, nor management plans mandated for Jim-Swan Lakes Recreation Area, Susitna State Forest, Chelatna Public Use Area, SR 430 or other new areas prior to the update.3.The update will do more detailed planning in the Knik Glacier-Jim-Swan Lakes and Susitna Corridor areas. The Susitna Corridor work will fulfill the requirement for a management plan. The update will do more detailed planning in the Knik Glacier-Jim-Swan Lakes and Susitna Corridor areas. The Susitna Corridor work will fulfill the requirement for a management plan. Staffing <ol style="list-style-type: none"> Planning staff include 1 range 18, 1 range 16, 1 range 14, and 1/3 range 8 clerk. If the Susitna State Forest bill passes and sets up a separate management planning process, the range 14 can be changed to 1/2-time 14 or a tech position. 		

REQUEST FOR
NEW POSITION

AGENCY Natural Resources
 BRU Land & Water Mgmt.
 COMPONENT Land & Water Mgmt.

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 Revised Date 3-13-90

FY 91

Position Title Natural Resource Officer I		No. of Positions 1	Range/Step 14/A	Barg. Unit GGU
Time Status Full	Staff Months 12	Location Anchorage		Election District
Type of Expenditure		Justification Background		
	Amount			
1	2	3		
Salary*	28.2	////////////////////////////////////		
Benefits*	9.3	////////////////////////////////////		
Premium Pay (Included in Above)		////////////////////////////////////		
Other		////////////////////////////////////		
Total Personal Services		//////////////////////////////////// 37.5		
Travel		0.5		
Contractual		1.0		
Commodities		0.5		
Equipment				
Other				
Total Cost		39.5		
Funding Source for Total Cost				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004	39.5		
Program Receipts/GF	1005			
I-A Receipts	1007			
CIP Receipts	1061			
Other				
* Personal Services Salary and Benefits Costs are from PACS.		<p>1. Update will combine Susitna and Willow Subbasin area plans.</p> <p>2. Area includes original land in area plans minus land in the Beluga Subregion within the Kenai Peninsula Borough that will be included in the Kenai Area Plan. Land within management plans that are completed or in progress will not be addressed by the area plan except for regional Chapter 2) guidelines that apply to the management planning areas. Management plans cover Hatch Pass, Matanuska Valley Moose Range, state refuges, state parks and recreation areas, state recreation rivers, Reception Creek, and Kachwitna. This proposal assumes a plan will be in progress for the Willow Mt. Critical Habitat Area.</p> <p>This proposal assumes that legislative designations will not be in plan, nor management plans mandated for Jim-Swan Lakes Recreation Area, Susitna State Forest, Chelatna Public Use Area, S8 430 or other new areas prior to the update.3.The update will do more detailed planning in the Knik Glacier-Jim-Swan Lakes and Susitna Corridor areas. The Susitna Corridor work will fulfill the requirement for a management plan.</p> <p>3. The update will do more detailed planning in the Knik Glacier-Jim-Swan Lakes and Susitna Corridor areas. The Susitna Corridor areas. The Susitna Corridor work will fulfill the requirement for a management plan.</p> <p>Staffing</p> <p>1. Planning staff include 1 range 18, 1 range 16, 1 range 14, and 1/3 range 3 clerk. If the Susitna State Forest bill passes and sets up a separate management planning process, the range 14 can be changed to 1/2-time 14 or a tech position.</p>		

REQUEST FOR
NEW POSITION

AGENCY Natural Resources
BRU Land & Water Mgmt.
COMPONENT Land & Water Mgmt.

Page 6 of 7
Revised Date 3-13-90

FY 91

Position Title Clerk Typist III		No. of Positions 1	Range/Step 8/A	Org. Unit GGU
Time Status Part	Staff Months 4	Location Anchorage		Election District
Type of Expenditure		Amount		
1	2	3		
Salary*	6.5	////////////////////		
Benefits*	1.1	////////////////////		
Premium Pay (Included in Above)		////////////////////		
Other		////////////////////		
Total Personal Services		7.6		
Travel		0		
Contractual		0		
Commodities		0.5		
Equipment				
Other				
Total Cost		8.1		
Funding Source for Total Cost				
Federal Receipts	1002			
G.F. Patch	1003			
General Fund	1004	8.1		
Program Receipts/GF	1005			
T-A Receipts	1007			
CIP Receipts	1061			
Other				
* Personal Services Salary and Benefits Costs are from PACS.				

Justification Background

- Update will combine Susitna and Willow Subbasin area plans.
- Area includes original land in area plans plus land in the Beluga Subregion within the Kenai Peninsula Borough that will be included in the Kenai Area Plan. Land within management plans that are completed or in progress will not be addressed by the area plan except for regional Chapter 2) guidelines that apply to the management planning areas. Management plans cover Hatch Pass, Hatanaka Valley, Kasaan Range, state refuges, state parks and recreation areas, state recreation rivers, Deception Creek, and Keshultna. This proposal assumes a plan will be in progress for the Willow Mt. Critical Habitat Area.

This proposal assumes that legislative designations will not be in plan, nor management plans mandated for Jim-Swan Lakes Recreation Area, Susitna State Forest, Chelona Public Use Area, SB 438 or other new areas prior to the update. The update will do more detailed planning in the Knik Glacier-Jim-Swan Lakes and Susitna Corridor areas. The Susitna Corridor work will fulfill the requirement for a management plan.
- The update will do more detailed planning in the Knik Glacier-Jim-Swan Lakes and Susitna Corridor areas. The Susitna Corridor work will fulfill the requirement for a management plan.

Staffing

- Planning staff include 1 range 18, 1 range 16, 1 range 14, and 1/3 range 8 clerk. If the Susitna State Forest bill passes and sets up a separate management planning process, the range 14 can be changed to 1/2-time 14 or a tech position.

REQUEST FOR
NEW POSITION

AGENCY Natural Resources
 BRU Land & Water Mgmt.
 COMPONENT Land & Water Mgmt.

Page 7 of 7
 Revised Date 3-13-90

FY 91

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION : SB 430 (a)
 PUBLISH DATE : 3/21/90

FISCAL NOTE

REQUEST:

Revision Date:	_____	Agency Affected:	<u>Natural Resources</u>
Title:	<u>Susitna Valley Remote Recreation</u>	BRU:	_____
	<u>Area</u>		_____
Sponsor:	<u>Sen. Rodey</u>	Components:	_____
Requestor:	_____		_____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	122.2	211.2	221.2	89.0	89.0	89.0
TRAVEL	2.0	3.0	3.5	2.0	2.0	2.0
CONTRACTUAL	9.0	15.0	52.2	33.0	33.0	18.0
SUPPLIES	0.5	1.0	1.0	0.5	0.5	0.5
EQUIPMENT			7.0	1.5	1.5	7.0
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	133.7	230.2	284.9	126.0	126.0	116.5
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

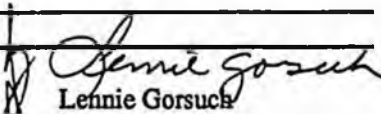
GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	2.0	4.0	4.0	2.0	2.0	2.0
PART-TIME	2.0	2.0	2.0	0.0	0.0	0.0
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

See Attached

Prepared by:	<u>Martha Welborn</u>	Phone :	<u>762-2660</u>
Division:	<u>LWM</u>	Date :	<u>15-Feb-90</u>
Approved by Commissioner:	 <u>Lennie Gorsuch</u>	Date:	_____
Agency:	<u>Department of Natural Resources</u>		

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

ANALYSIS

FY 91

100	Planning staff:		
	18A	\$50.5	
	16A	44.5	
	12A (1/2)	17.6	
	8A (1/3)	9.6	
		<u>122.2</u>	
200	Travel	2.0	Public meetings, reconnaissance, and fieldwork
300	Contractual	2.0	Publish introductory brochure
		2.0	Xeroxing, newsletters, etc.
		5.0	Resource assessment research
		<u>9.0</u>	
400	Supplies	0.5	Graphic and misc. supplies
TOTAL		133.7	

FY 92

100	Planning staff:		
	18A	\$50.5	
	16A	44.5	
	12A (1/2)	17.6	
	8A (1/3)	9.6	
	Management staff:		
	16A	\$44.5	
	16A	44.5	
		<u>211.2</u>	
200	Travel	3.0	Public meetings, field work, enforcement
300	Contractual	3.0	Print resource assessment (150)
		7.0	Print agency review draft (300)
		2.0	Newsletters, xeroxing, etc.
		3.0	Public attitude survey, research
		<u>15.0</u>	
400	Supplies	1.5	Graphic and misc. supplies
TOTAL		230.2	

FY 93

100	Planning staff:		
	18A	\$50.5	
	16A	44.5	
	12A (1/2)	17.6	
	8A (1/3)	9.6	
	Management staff:		
	16A	\$44.5	
	16A	44.5	
		<u>211.2</u>	
200	Travel	3.5	Public meetings, field work, enforcement
300	Contractual	7.0	Print public review draft (300)
		0.7	Print draft plan brochure (1000)
		10.0	Print final plan (500 copies)
		1.5	Print plan summary (1500 copies)
		8.0	Air & boat charter & vehicle rental for field staff
		<u>25.0</u>	Trail construction, informational signs, etc.
		52.2	
400	Supplies	1.0	Graphics and misc. supplies
500	Equipment	7.0	Equipment for field staff, incl. radios and 4-wheelers
TOTAL		<u>289.9</u>	

FY 94

100	Management staff:		
	16A	\$44.5	
	16A	44.5	
		<u>89.0</u>	
200	Travel	2.0	Field work, enforcement, maintenance
300	Contractual	25.0	Trail construction, informational signs, etc.
		8.0	Air/boat charter and car rental
		<u>33.0</u>	
400	Supplies	0.5	Miscellaneous supplies
500	Equipment	1.5	Equipment maintenance

TOTAL 126.0

FY 95

100	Management staff:		
	16A	\$44.5	
	16A	44.5	
		<u>89.0</u>	
200	Travel	2.0	Field work, enforcement, maintenance
300	Contractual	25.0	Trail construction, informational signs, etc.
		8.0	Air/boat charter and car rental
		<u>33.0</u>	
400	Supplies	0.5	Miscellaneous supplies
500	Equipment	1.5	Equipment maintenance
TOTAL		126.0	

FY 96

100	Management staff:		
	16A	\$44.5	
	16A	44.5	
		<u>89.0</u>	
200	Travel	2.0	Field work, enforcement, maintenance
300	Contractual	10.0	Trail maintenance, informational signs, etc.
		8.0	Air/boat charter and car rental
		<u>18.0</u>	
400	Supplies	0.5	Miscellaneous supplies
500	Equipment	7.0	Equipment replacement and maint.
TOTAL		116.5	

NOTES:

1. Assumes all personnel are at step A. Includes benefits but not merit increases.
2. Travel costs assume public meetings will be held in Trapper

Palmer), and Anchorage, and that some planning team meetings will be held in Wasilla and Palmer. Includes per diem for overnights in Trapper Creek and Talkeetna, and standby flight time for trips to Skwentna. Assumes charter flight time = \$250/hr.

3. Assumes plan will take three years. Implementation staff will begin work in year 2 of the plan (i.e., reviewing permit applications, etc.) and will gear up to a full program of field work and enforcement by year 3.
4. Assumes a three-year program to construct trails, campsites, and other facilities identified through the plan; maintenance would continue in subsequent years.
5. Field staff transportation is by a combination of car to trailheads then 4-wheeler, air charter, and boat charter since roads are prohibited in the 2.1 million-acre area. Field equipment costs include 4-wheelers and radios.

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: Susitna Valley Remote
Recreation Area
 Sponsor: Senator Rodey
 Requestor: _____

Agency Affected: _____
 BRU: Department of Fish and Game
 Components: _____

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				

CAPITAL	0	0				
----------------	---	---	--	--	--	--

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

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0				

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

No impact on FY 90 Budget

Prepared by: Erank Rue, Director
 Division: Habitat Division

Phone: 465-4105
 Date: 2/24/90

Approved by Commissioner: *[Signature]*
 Agency: _____

Date: 2/16/90

Distribution (by preparer):

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



STATE OF ALASKA
OFFICE OF THE GOVERNOR

BILL ANALYSIS

DEPARTMENT Fish and Game	DIVISION Habitat	BILL NUMBER SB430	SPONSOR Senator Rodey
SHORT TITLE OF BILL Susitna Valley Remote Recreation Area			
DEPARTMENT POSITION Opposed			
PREPARED BY Frank Rue, Director	DATE 2.15.90	COMMISSIONER'S SIGNATURE <i>[Signature]</i>	DATE 2/15/90

SUMMARY

OTHER AGENCIES AFFECTED BY BILL Dept. of Natural Resources Dept. of Transportation Dept. of Fish and Game	CONSTITUENT GROUP(S) AFFECTED BY BILL see attached
ORGANIZATIONAL SUPPORT FOR BILL see attached	ORGANIZATIONAL OPPOSITION TO BILL Matanuska-Susitna Borough

FISCAL IMPACT: NONE FISCAL NOTE ATTACHED

BACKGROUND/LEGISLATIVE INTENT see attached

ANALYSIS OF BILL/PROGRAM EFFECTS see attached

AMENDMENTS PROPOSED The bill should require Alaska Department of Natural Resources and Alaska Department of Fish and Game to jointly develop guidelines for traditional access. To accomplish this, the word [MAY] in line 4 on page 4 of the proposed bill should be substituted with the word shall (Bill version introduced 2/2/90).

PLEASE ATTACH A SEPARATE SHEET FOR ADDITIONAL COMMENTS OR ANALYSIS.

S

B

43

1

SENATE FINANCE COMMITTEE REPORT

DATE: 2/23/90

FURTHER:

DATE TURNED INTO OFFICE: 4/19/90

The Finance Committee considered SB 431

Act relating to health facility payment rates.

and recommended:

[x] replace with CS SB 431 (Fin) [x] same title
[] or adopt CS [] new title
[] attached amendment(s) [] technical title change (HB only)
[] letter of intent adopted

- [] do pass
[] do not pass
[] no recommendation
[x] individual recommendations
[] further referral to

ATTACHES NEW FISCAL NOTE(S): Dept/Date:
[x] fiscal note(s) DHSS 220.4
[] zero fiscal note(s)

APPROVES PREVIOUS: Dept/Date:
[] fiscal note(s)
[] zero fiscal note(s)

[] appropriation-no fiscal note

SIGNING DO PASS:
[Signature]

OTHER RECOMMENDATIONS:
King Duncan No Rec.
Paul J. Shauff No Rec.
Rich Healy (NO REC)

1. [Signature] -- 2. [Signature]
Co-Chairs Signatures and Recommendations

DO NOT PASS UNNECESSARY & ADDS ANOTHER 4 NEW STATE EMPLOYEES

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: DHSS
 Title: An Act relating to health facility payment BRU: Administrative Services
 rates
 Sponsor: Senate HESS Components: Medicaid Rate Advisory Commission
 Requestor: Senate HESS

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY92	FY93	FY94	FY 95	FY 96
PERSONAL SERVICES	164.8	197.7	197.7	197.7	197.7	197.7
TRAVEL	7.6	7.6	7.6	7.6	7.6	7.6
CONTRACTUAL	16.0	15.4	15.4	15.4	15.4	15.4
SUPPLIES	3.2	3.2	3.2	3.2	3.2	3.2
EQUIPMENT	28.8	1.5	1.5	1.5	1.5	1.5
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	220.4	225.4	225.4	225.4	225.4	225.4

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	110.2	112.7	112.7	112.7	112.7	112.7
FEDERAL FUNDS	110.2	112.7	112.7	112.7	112.7	112.7
OTHER						
TOTAL	220.4	225.4	225.4	225.4	225.4	225.4

POSITIONS:

FULL-TIME	4	4	4	4	4	4
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

There is no effect on FY90. See attached analysis for effect on FY91 - FY96.

Prepared by: Jack Nielson, Executive Director
 Division: Medicaid Rate Advisory Commission
 Approved by Commissioner: *Kam Miller, Act*
 Agency: Department of Health & Social Services

Phone: 562-1996
 Date: 04/19/90
 Date: 4/19/90

Distribution (by preparer):

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

Facility reimbursement rates for medicaid and general relief medical are currently set by use of a consistent methodology. This bill will require the department to issue written findings and conclusions regarding the rate established by the department for each facility. The bill also provides that the Commission may review alternative rate setting methodologies and requires the Commissioner to appoint a technical advisory committee and to hold public hearings regarding rate setting regulations and the establishment of a new rate setting methodology.

The increased demand placed by the requirement of detailed findings and the legislative expectation of activity, including committee meetings and public hearings, to establish a new rate setting system will require at least two additional budget analysts. Without these positions, the requirements of the bill cannot be met without impairing the staff's capacity to meet the present demands placed on them, not only regarding rate rate setting, but also to fully protect the state's position in our relationship to the federal Health Care Financing Administration.

The bill also requires that a hearing concerning appeals of disputed rates be conducted within 120 days. Two positions are required to satisfy this provision: An appeals specialist (Budget Analyst III), and a secretary. The appeals specialist will answer discovery requests and requests for information, participate in depositions, serve as an expert witness, and perform other technical analysis. The secretary will provide critical word processing support to the current hearings examiner.

SUMMARY of FUNDING REQUIREMENTS CSSB431 (FIN)

	FY91	FY92 - FY96
Line 100		
Department Rate Setting Staff		
Program Budget Analysts III		
2 PFT @ Range 19A 10 months		
71100 Salary	66,720	80,064
71600 Benefits	24,707	29,649
Department Appeals Staff		
Program Budget Analyst III		
1 PFT @ Range 19A 10 months		
71100 Salary	33,360	40,032
71600 Benefits	12,354	14,824

April 19, 1990

Fiscal Note CSSB431 (FIN)

	FY91	FY92 - FY96
Secretary I		
1 PFT @ Range 10B 10 months		
71100 Salary	18,930	22,716
71600 Benefits	<u>8,683</u>	<u>10,419</u>
TOTAL LINE 100	164,754	197,704
Line 200		
72240 Field Travel	4,000	4,000
72250 Per Diem	<u>3,600</u>	<u>3,600</u>
TOTAL LINE 200	7,600	7,600
Line 300		
73300 Communications	4,160	4,160
73323 Install 4 new phones	670	
73500 Printing, Binding	1,600	1,600
73850 Office Space 4 new pos.	<u>9,600</u>	<u>9,600</u>
TOTAL LINE 300	16,030	15,360
Line 400		
74200 Office Supplies	1,600	1,600
74560 DP Supplies	<u>1,600</u>	<u>1,600</u>
TOTAL LINE 400	3,200	3,200
Line 500		
75790 Telephones 4 new pos.	720	
75830 3 Enhanced PCs w/ Peripherals @ 6.3 ea	18,900	
75830 1 Std PC w/Peripherals	4,000	
76055 Office furn. 4 new pos.	5,200	
75690 Replacement Equipment		<u>1,500</u>
TOTAL LINE 500	<u>28,820</u>	<u>1,500</u>
GRAND TOTAL	\$220,404	\$225,364

Adopted
4-19-90 6-1971D
w/Amended
DHSS F/R

Original sponsor(s): HESS Committee

IN THE SENATE

BY THE FINANCE COMMITTEE

CS FOR SENATE BILL NO. 431 (Finance)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SIXTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to health facility payment rates; and providing for an effective date."

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

* Section 1. AS 47.07.070(a) is amended to read:

(a) The [~~COMMISSION SHALL ADVISE THE~~] department shall set [ON] the prospective rate of payment to a health facility under this chapter and AS 47.25.120 - 47.25.300 based on a fair rate for reasonable costs incurred by the facility. The department may not set a rate until after a public hearing before the Medicaid Rate Advisory Commission except that this hearing requirement is not applicable if a new rate is immediately necessary to afford exceptional relief to a facility as determined under regulations adopted by the department.

[~~THE DEPARTMENT SHALL SET THE RATES OF PAYMENT TO A HEALTH FACILITY.~~]

The department shall by regulation list the factors it considers in making its rate determinations under this section. A rate set under this section does not take effect until it is approved in writing by the commissioner of health and social services or the agency assigned by the commissioner to perform this function. The written determination of a rate set by the department after a hearing must include a statement of the department's findings, a description of the basis of the findings and conclusions, a citation to the regulations supporting the findings and conclusions, and a statement of the decision [, AFTER CONSIDERATION OF ANY RECOMMENDATIONS MADE BY THE COMMISSION].

* Sec. 2. AS 47.07.070 is amended by adding a new subsection to read:

(f) The commissioner of health and social services shall appoint a technical advisory committee and hold public hearings on the department's rate setting regulations, rate setting methodology, and alternative payment systems.

* Sec. 3. AS 47.07.075 is amended to read:

Sec. 47.07.075. APPLICATION OF ADMINISTRATIVE PROCEDURE ACT. Actions of the department regarding health facility payment rates under this chapter and AS 47.25.120 - 47.25.300 are subject to the provisions of the Administrative Procedure Act (AS 44.62) except as provided in (b) of this section.

* Sec. 4. AS 47.07.075 is amended by adding a new subsection to read:

(b) The commissioner shall, by regulation, establish time limits applicable to the various phases of an administrative appeal process involving an appeal of the amount of a payment rate set by the department for a facility. The time limits set under the regulations supersede conflicting time limits in AS 44.62.330 - 44.62.630. The regulations must provide that

(1) a hearing for an appeal described in this subsection must be scheduled under AS 44.62.410 to occur no more than 120 days after written notice of rate appeal has been received by the department from a facility unless the facility requests a delay or good cause for the delay is demonstrated to the satisfaction of the hearing officer;

(2) the commissioner must, within 30 days after receiving the recommendation of the hearing officer, either render a decision in the case or refer the case back to a hearing officer for additional findings;

(3) if either time limit set under (1) or (2) of this subsection is not met, the department shall report the noncompliance

to the legislature and the governor by the following January 20 with an explanation of the length of delay, reasons for the delay, and proposed corrective action by the department to ameliorate the causes of delay.

* Sec. 5. AS 47.07.180(a) is amended to read:

(a) The commission shall [REVIEW PROPOSED PAYMENT RATES OF HEALTH FACILITIES AND] advise the department on policies relating to payment rates for health facilities under this chapter and AS 47.25.-120 - 47.25.300. The commission may also review the department's regulations on payment rates and recommend an alternative rate-setting system if it determines that the department's system is inadequate.

* Sec. 6. AS 47.07.180(c) is repealed.

* Sec. 7. This Act takes effect July 1, 1990.

Outdated

6-1971D
Lauterbach
4/3/90

4/17/90
PF-3 284
JD

Original sponsor(s): HESS Committee

1 IN THE SENATE

2 CS FOR SENATE BILL NO. 431 ()

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to health facility payment rates;
7 and providing for an effective date."

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

9 * Section 1. AS 47.07.070(a) is amended to read:

10 (a) After a public hearing before the Medicaid Rate Advisory
11 Commission, [THE COMMISSION SHALL ADVISE] the department shall set
12 [ON] the prospective rate of payment to a health facility under this
13 chapter and AS 47.25.120 - 47.25.300 based on a fair rate for reason-
14 able costs incurred by the facility. [THE DEPARTMENT SHALL SET THE
15 RATES OF PAYMENT TO A HEALTH FACILITY.] The department shall by
16 regulation list the factors it considers in making its rate determina-
17 tions under this section. A rate set under this section does not take
18 effect until it is approved in writing by the commissioner of health
19 and social services or the agency assigned by the commissioner to
20 perform this function. The written determination of a rate set by the
21 department after a hearing must include a statement of the depart-
22 ment's findings, a description of the basis of the findings and con-
23 clusions, a citation to the regulations supporting the findings and
24 conclusions, and a statement of the decision [, AFTER CONSIDERATION OF
25 ANY RECOMMENDATIONS MADE BY THE COMMISSION].

26 * Sec. 2. AS 47.07.070 is amended by adding a new subsection to read:

27 (f) The commissioner of health and social services shall appoint
28 a technical advisory committee and hold public hearings on the depart-
29 ment's rate setting regulations, rate setting methodology, and

1 alternative payment systems.

2 * Sec. 3. AS 47.07.075 is amended to read:

3 Sec. 47.07.075. APPLICATION OF ADMINISTRATIVE PROCEDURE ACT.
4 Actions of the department regarding health facility payment rates
5 under this chapter and AS 47.25.120 - 47.25.300 are subject to the
6 provisions of the Administrative Procedure Act (AS 44.62) except as
7 provided in (b) of this section.

8 * Sec. 4. AS 47.07.075 is amended by adding a new subsection to read:

9 (b) The commissioner shall, by regulation, establish time limits
10 applicable to the various phases of an administrative appeal process
11 involving an appeal of the amount of a payment rate set by the depart-
12 ment for a facility. The time limits set under the regulations super-
13 sede conflicting time limits in AS 44.62.330 - 44.62.630. The regu-
14 lations must provide that

15 (1) a hearing for an appeal described in this subsection
16 must be scheduled under AS 44.62.410 to occur no more than 120 days
17 after written notice of rate appeal has been received by the depart-
18 ment from a facility unless the facility requests a delay;

19 (2) the commissioner must, within 30 days after receiving
20 the recommendation of the hearing officer, either render a decision in
21 the case or refer the case back to a hearing officer for additional
22 findings;

23 (3) if either time limit set under (1) or (2) of this
24 subsection is not met, the department shall report the noncompliance
25 to the legislature and the governor by the following January 20 with
26 an explanation of the length of delay, reasons for the delay, and
27 proposed corrective action by the department to ameliorate the causes
28 of delay.

29 * Sec. 5. AS 47.07.180(a) is amended to read:

1 (a) The commission shall [REVIEW PROPOSED PAYMENT RATES OF
2 HEALTH FACILITIES AND] advise the department on policies relating to
3 payment rates for health facilities under this chapter and AS 47.25.-
4 120 - 47.25.300. The commission may also review the department's
5 regulations on payment rates and recommend an alternative rate-setting
6 system if it determines that the department's system is inadequate.

7 * Sec. 6. AS 47.07.180(c) is repealed.

8 * Sec. 7. This Act takes effect July 1, 1990.

Final Version

Amendments to SB 431 based on hearing before Senate Finance Subcommittee:

- 1) Page 1, line one should be changed to read,
" After a public hearing before the
Medicaid Advisory Rate Commission the dept.
....."
- 2) Substitute on line 18 (p. 1) the following language,
is substituted beginning with "A rate set under this
section does not take effect until it is approved
in writing by the commissioner or the agency assigned
to perform this function. Every rate set by the
department after a hearing must state the ~~the~~
department's findings, the basis of its findings and
conclusions supported by regulation, together with its
decision."
- 3) Page 2, line 10, change 15 days to 30 days
- 4) Page 2, beginning with line 14... substitute the
following language.
(3) "if either time limits set under (1) or (2)
of this subsection are not met, the commissioner
or the commissioner's designee shall report to
the legislature and the governor on January 20th
each year of the noncompliance, with an explanation
of the length of delay, reasons for the delay and
proposed corrective actions by the department
to ameliorate the situation."
- 5) ~~Page 2, line 10, change 15 days to 30 days~~ (Not in agreement)
- 6) Page 2, line 24, please insert a new sentence to
read, "The commissioner shall appoint a technical
advisory committee and hold public hearings
on the department's regulations, rate setting
methodology and alternative payment systems."
(Not in agreement)

The commissioner has indicated that with these changes, as outlined above, and except where noted that the department would not oppose this bill. It would be most important to then get support for passage in the House of Representatives.

Concerning the fiscal note it is the position of the association that additional staff is necessary to fully carry out the department's responsibility in setting rates and adjudicating appeals. The association is in support of the 2 additional budget analyst's and their expenses for a total cost of \$111,093.

HEALTH ASSOCIATION OF ALASKA

STATEMENT OF SUPPORT

CSSB 431 - Amendments Medicaid Rate Setting Process

April 16, 1990

SB 431, amending the Medicaid rate setting process for health facilities was introduced by the Senate HESS Committee. This, following public hearings on the implementation of Executive Order #72 (Effective March 11, 1989). That order transferred the rate and regulating authority of the Medicaid Rate Commission to the Department of Health & Social Services, and placed the Commission in an advisory capacity to the Department.

The Purpose of SB 431 is to clarify "confusion," created by the implementation of Executive Order #72.

The Finance Subcommittee bill will:

1. Establish that the Medicaid Rate Advisory Committee will hold public hearings on health facility Medicaid rates. Page 1, Section 1, Line 10.
2. Writes into law that either the Commissioner or the Agency appointed by the Commissioner will set the Medicaid rate for health facilities, and that a written determination of a rate set must include a written statement of the Department's findings. Page 1, Section 1, Line 17.
3. Directs the Commissioner to appoint technical advisory committees and hold public hearings on the Department's rate setting regulations, methodology, and alternative payment systems. Page 1, Section 2, Line 27.
4. Requires that a hearing for an appeal must be scheduled within 120 days after written notice is received by the Department. Page 2, Section 4, Line 16.
5. Requires the Commissioner to render a decision on appeals with 30 days. Page 2, Section 4, Line 19.

6. Requires the Commissioner to report noncompliance of meeting appeal deadlines to the Governor. Page 2, Section 4, Line 24.
7. Authorizes Advisory Commission to review the Department's regulations and recommend alternative payment systems. Page 3, Section 5, Line 4.

FOR MORE INFORMATION CONTACT: HARLAN KNUDSON - 586-1790
HEALTH ASSOCIATION OF ALASKA

JERRY REINWAND - 586-8966

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STEVE COWPER, GOVERNOR

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

3601 "C" STREET, SUITE 578
P.O. BOX 240249
ANCHORAGE, ALASKA 99524-0249

DATE: December 12, 1989

TO: Honorable Myra M. Munson
Commissioner, DHSS

FROM: *Doug Elliott*
Doug Elliott
Hearing Officer
DHSS/Commissioner's Office

SUBJECT: Status Report

Attached please find a status report for all Medicaid rate appeals filed since 1986. Cases are listed in the order of filing, using the existing case numbering system. For your convenience, an alphabetical index is also attached.

In my report of June 21, 1989, I mentioned my efforts to expedite the hearing process, stating: "My goal is to set new appeals for hearing within six months, and to submit proposed decisions within three months after the completion of the hearing or posthearing briefing." I am pleased to report substantial progress toward this goal.

I am now current on proposed decisions. The only case now under advisement is Humana '89 (Case No. 89-MRC-2), in which the final brief was submitted November 21, 1989. I expect to submit the proposed decision in that case well within the three month time frame. The appeal was filed on January 6, 1989. It is a case involving a number of issues and several million dollars in dispute. The case has progressed quite expeditiously, in spite of necessary continuances.

The first two appeals I received since my June report were scheduled for hearing within six months of receipt. St. Ann's appeal of the amended exceptional relief decision was filed with the Commissioner on July 20, 1989, and received by me July 27, 1989. The hearing was set for November 7, 1989, but was taken off the calendar at the request of counsel for both parties. Charter North's appeal of its rates for 1988 and 1989 (Case No. 89-MRC-8) was filed on July 21, 1989, and received by me September 1, 1989.

It is set for hearing on February 21, 1990, and so far is running on schedule. Several additional appeals were referred to me last month, and prehearing conferences will be held in the next few weeks.

It will not always be possible to conduct hearings within six months. Hearings must be scheduled for dates when all of the attorneys, witnesses and other necessary participants are available, and this can be difficult. Once a hearing date has been set, a continuance may be requested by one or both parties due to unforeseen circumstances. Moreover, as discussed below, the parties often request that appeals be stayed pending other proceedings. Absent good cause to do otherwise, my policy is to schedule hearings for the earliest date the parties can be ready.

Thirteen appeals have been filed in 1989 to date. This is the same number filed last year, and one more than in 1987. There are currently 30 cases pending before me; however, this number includes 16 cases that have been stayed pending other proceedings, and three FY 88 cases remanded to me for further proceedings on the malpractice insurance issue. Final decisions in three cases are currently being appealed to Superior Court, and the proposed decision in one case is currently before the Commissioner. Final decisions have been issued in all appeals of FY 86 and 87 rates, except for the one FY 87 case now awaiting decision. Most of the FY 88 cases remain open pending resolution of the malpractice issue and/or the upper limits issue which several long term care facilities are pursuing before the Grant Appeal Board. My expectation is that once these issues are resolved, many of the cases that have been stayed can be resolved without evidentiary hearings.

DE:sr

cc: MRAC Members
Jack Nielson
Facility Administrators
Attorneys of Record
Health Association of Alaska

APPEAL STATUS REPORT

<u>Case Number</u>	<u>Facility/ Fiscal Year</u>	<u>Status</u>
86-MRC-1	Humana/86	Final decision issued by Commissioner 11/2/89; appealed to Superior Court.
86-MRC-2	Providence/86	Final decision issued by MRC 6/17/88.
86-MRC-3	Denali Center/ 86	Appeal withdrawn by facility; case closed 2/9/88.
86-MRC-4	Humana/87	Proposed decision submitted 11/24/89.
86-MRC-5	OLOCCC/87	Final decision issued by MRC 1/28/89; appealed to Superior Court.
87-MRC-1	Cordova/87	Final decision issued by Commissioner 9/26/89.
87-MRC-2	Providence/87	Final decision issued by MRC 12/8/88.
87-MRC-3	St. Ann's/87	Appeal withdrawn by facility; case closed 12/18/87.
87-MRC-4	Wrangell/87	Final decision issued by MRC 8/22/88, modified 10/13/88.
87-MRC-5	Hope Cottages/ 88	Final decision issued by MRC 9/24/88; appealed to Superior Court.
87-MRC-6	Wrangell/88	Proposed decision submitted 7/25/89; remanded by Commissioner for further proceedings on malpractice insurance issue 9/26/89; supplemental proceedings scheduled for February 1990.
87-MRC-7	So. Peninsula/ 88	Amended proposed decision submitted 7/3/89; remanded by Commissioner for further proceedings on malpractice insurance issue 9/26/89; supplemental proceedings scheduled for February 1990.
87-MRC-8	Humana/88	Record to be re-opened for further proceedings on malpractice insurance issue; supplemental proceedings scheduled for February 1990.
87-MRC-9	Petersburg/ 85 Audit	Stayed at request of counsel pending Supreme Court appeal.

87-MRC-10	St. Ann's/88	Proposed decision submitted 8/7/89; remanded by Commissioner for further proceedings on malpractice issue 9/26/89; supplemental proceedings scheduled for February 1990.
87-MRC-11	OLOCCC/88	Stayed at request of facility pending resolution of malpractice, workers' comp. issues in other cases.
87-MRC-12	Cordova/85 Audit	Stayed at request of counsel pending Supreme Court appeal.
88-MRC-1	Providence/88	Briefing completed 1/24/89; remand to be re-opened for further proceedings on malpractice insurance issue; supplemental proceedings scheduled for February 1990.
88-MRC-2	Denali Center/ 88	Hearing originally set for September 19, 1989; continued until December 19, 1989.
88-MRC-3	Wesleyan/88	Hearing originally set for September 7, 1989; continued until early 1990 at request of counsel.
88-MRC-4	Cordova/88 (pass-through costs)	Stayed at request of counsel.
88-MRC-5	Cordova/88 (Timeliness)	Stayed at request of counsel.
88-MRC-6	Norton Sound/ 7/1/- 9/30/88	Appeal withdrawn by facility; case closed 12/13/88.
88-MRC-7	So. Peninsula/ 85 Audit	Stayed at request of counsel pending Supreme Court appeal in Petersburg/Cordova case.
88-MRC-8	Wesleyan/89	Hearing originally set for September 7, 1989; continued until early 1990 at request of counsel.
88-MRC-9	Petersburg/88 Reduction	Stayed at request of counsel pending collateral proceedings.
88-MRC-10	Heritage Place/ 88 Reduction	Stayed at request of counsel pending collateral proceedings.
88-MRC-11	St. Ann's/88 Reduction	Stayed at request of counsel pending collateral proceedings.