

LEGISLATIVE FINANCE-HOUSE/SENATE FINANCE COMM. FILES .8879

SB 475 cont. - SB 493 693 *284*

Felonies

Final Disposition	Class B & C	Class A and Unclassified (Except Murder)	Murder in the 1st and 2nd Degrees
Trial	1,500	2,500	5,000
Change of plea after substantive motion work and hearing	1,000	1,500	2,500
Dismissal after substantive motion work and hearing	500	1,000	2,000
Change of plea post-indictment but prior to substantive motion work and hearing	500	1,000	2,000
Change of plea prior to indictment	300		
Dismissal without substantive motion	200		

DATED: _____

EFFECTIVE DATE: _____

Chief Justice Matthews

Justice Rabinowitz

Justice Burke

Justice Compton

Justice Moore

IN THE SUPREME COURT FOR THE STATE OF ALASKA

ORDER NO. _____

Amending Appellate Rule 209(b)
concerning appointment of
counsel for indigents in
criminal appeals.

IT IS ORDERED:

Appellate Rule 209(b) is amended to provide:

(b) Criminal Matters.

(1) In criminal matters the trial court shall authorize appeals by appointed counsel in accordance with Criminal Rule 39 and Administrative Rule 12 [AT PUBLIC EXPENSE ON BEHALF OF PERSONS FINANCIALLY UNABLE TO PAY THE COSTS OF APPEAL IN ACCORDANCE WITH THE RULES AND DECISIONS OF THE APPELLATE COURTS OF ALASKA AND WHERE SUCH APPEALS ARE REQUIRED TO BE PROVIDED BY STATE COURTS BY DECISIONS OF THE SUPREME COURT OF THE UNITED STATES]. Where such appeals are authorized [BY THE TRIAL COURT] the costs which shall be borne at public expense [BY THE STATE SHALL] include those of providing counsel and of preparing a transcript and briefs. [CRIMINAL RULE 39 SHALL BE FOLLOWED IN MAKING THE DETERMINATION OF FINANCIAL INABILITY.]

(2) A defendant authorized to proceed at public expense in the trial court is presumed to be entitled to proceed at public expense on appeal.

(3) The action of the trial court in authorizing or declining to authorize an appeal at public expense is reviewable by a motion in the appellate court, ancillary to the appeal.

(4) Counsel appointed to represent the defendant in the trial court pursuant to Criminal Rule 39 shall remain as appointed counsel throughout an appeal at public expense authorized under this subdivision and shall not be permitted to withdraw except upon the grounds authorized in Administrative Rule 12. In addition, an attorney appointed by the court under Administrative Rule 12(b)(1)(B) will be permitted to withdraw upon a showing that either the public defender agency or the office of public advocacy is able to represent the defendant on appeal. If an appeal is to be taken, in no event will trial counsel be permitted to withdraw until the notice of appeal and the documents required to be filed therewith by Rule 204(b) have been accepted for filing by the clerk of the trial courts [COMPELLING REASONS].

(5)* At the conclusion of the appellate proceeding, the Appellate clerk shall issue a judgment against a defendant represented by appointed counsel for the cost of representation on appeal. The cost of

* This paragraph would be deleted in the alternative version.

Supreme Court Order No. _____
Effective Date: _____
Page 3

Proposed

representation will be determined based on the
following schedule:

<u>Type of Appellate Proceeding</u>	<u>Misdemeanor</u>	<u>Felony</u>
<u>Sentence Appeal</u>	<u>250</u>	<u>500</u>
<u>Merit Appeal</u>	<u>750</u>	<u>1,500</u>
<u>Combined Merit and Sentence Appeal</u>	<u>1,000</u>	<u>2,000</u>
<u>Other Appellate Actions (Petition for Review, Petition for Hearing, etc.)</u>	<u>500</u>	<u>1,000</u>

DATED: _____

EFFECTIVE DATE: _____

Chief Justice Matthews

Justice Rabinowitz

Justice Burke

Justice Compton

Justice Moore

S

B

479

SENATE FINANCE COMMITTEE REPORT

DATE: 3/2/90

FURTHER:

DATE TURNED INTO OFFICE: _____

The Finance Committee considered

SB 479

"An Act making an appropriation to the Department of Transportation and Public Facilities for construction of the Copper River Highway to pioneer road standards; 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: 2/12/90

FURTHER: Finance

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

DATE TURNED INTO OFFICE: 3-1-90

Transportation Committee considered SB 479

"An Act making an appropriation to the Department of Transportation and Public Facilities for construction of the Copper River Highway to pioneer road standards; and providing for an effective date."

+ repts it be as follows:

and recommended:

- replace with _____ CS _____ same title new title
- attached amendment(s)
- _____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

NO FRI approp

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:

[Signature]

2 Paul Grish No Rec
2 [Signature] No Rec
2 [Signature] No Rec

[Signature]
Chair, Signature and Recommendation

Introduced: 2/12/90
Referred: Transportation and Finance

6-2193A

Funding Information: General Fund \$24,500,000
Other Funds -0-
\$24,500,000

BY SEN. KELLY, Faiks, Coghill

1 IN THE SENATE

2 SENATE BILL NO. 479

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making an appropriation to the Department of
7 Transportation and Public Facilities for construction
8 of the Copper River Highway to pioneer road stan-
9 dards; and providing for an effective date."

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

11 * Section 1. The sum of \$24,500,000 is appropriated from the general
12 fund to the Department of Transportation and Public Facilities for con-
13 struction of the Copper River Highway to pioneer road standards.

14 * Sec. 2. The appropriation made by this Act is for a capital project
15 and is subject to AS 37.25.020.

16 * Sec. 3. This Act takes effect July 1, 1990.
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SENATE FINANCE COMMITTEE REPORT

DATE: 4/18/90

FURTHER:

DATE TURNED INTO OFFICE: 4/25/90

The Finance Committee considered

SB 480

Relating to limited partnership derivative actions.

and recommended:

- replace with _____ CS _____
- or adopt _____ CS _____
- attached amendment(s)
- _____ letter of intent adopted

- same title
- new title
- technical title change (HB only)

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

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

fiscal note(s) _____

zero fiscal note(s) _____

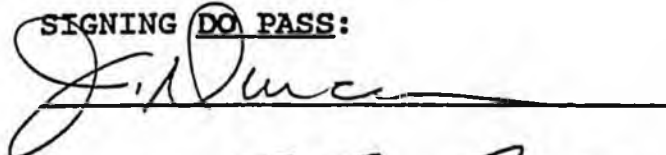
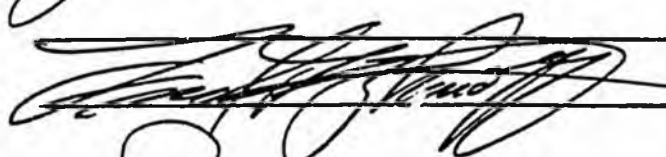
appropriation-no fiscal note

APPROVES PREVIOUS:

Dept/Date:
 fiscal note(s) _____

zero fiscal note(s) DOL Jul 4/9/90

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

1. John B. [unclear] No REC.
co-Chairs, Signatures

2. John [unclear] (NO P.A.S.)
and Recommendations

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An act relating to limited
partnership derivative actions."
Sponsor: Senator Kodey
Requestor: Senate Judiciary

Agency Affected: Department of Law
BRU: Legal Services
Components: Operations

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Please see the attached analysis.

Prepared by: Richard I. Pegues, Director
Division: Administrative Services
Approved by Commissioner: Richard I. Pegues / FOR /
Douglas B. Baily, Attorney General
Agency: Department of Law

Phone: 465-3672
Date: April 9, 1990
Date: April 9, 1990

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

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 480

This bill amends the state's Uniform Limited Partnership Act, AS 32.10, to permit a limited partner to bring an action to recover a judgment in the partnership's favor, if general partners with authority to bring the action have refused to bring the action, or if an effort to bring the action is not likely to succeed. Because the bill deals with private sector actions it will not have a fiscal impact on the Department of Law or on other departments or agencies of government.

BY SEN. RODEY

1 IN THE SENATE

2

SENATE BILL NO. 480

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 limited partnership derivative
7 actions."

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

9 * Section 1. AS 32.10.060 is amended by adding a new subsection to
10 read:

11 (b) A limited partner does not participate in the control of the
12 business within the meaning of (a) of this section by taking the
13 action required or permitted by law to bring or pursue a derivative
14 action under AS 32.10.245.

15 * Sec. 2. AS 32.10 is amended by adding a new section to read:

16 Sec. 32.10.245. DERIVATIVE ACTIONS. (a) A limited partner may
17 bring an action in the right of a limited partnership to recover a
18 judgment in the partnership's favor if general partners with the
19 authority to bring the action have refused to bring the action or if
20 an effort to cause the general partners to bring the action is not
21 likely to succeed.

22 (b) In a derivative action, the plaintiff must be a partner at
23 the time of bringing the action and

24 (1) must have been a partner at the time of the transaction
25 of which the plaintiff is complaining; or

26 (2) the plaintiff's status as a partner must have devolved
27 upon the plaintiff by operation of law or under the terms of the
28 partnership agreement from a person who was a partner at the time of
29 the transaction.

1 (c) In a derivative action, the complaint must set out with
2 particularity the effort of the plaintiff to secure initiation of the
3 action by a general partner or the reasons for not making the effort.

4 (d) If a recovery is made by the plaintiff as a result of a
5 judgment, compromise, or settlement of a derivative action or claim,
6 and if the plaintiff is awarded attorney fees or costs, the court
7 shall direct the plaintiff to remit to the limited partnership the
8 portion of the recovery that remains after deduction of the attorney
9 fees and costs.

10 * Sec. 3. AS 32.10.250 is amended to read:

11 Sec. 32.10.250. PARTIES TO ACTIONS. Except as otherwise provid-
12 ed in AS 32.10.245, a [A] contributor, unless the contributor is a
13 general partner, is not a proper party to a proceeding by or against a
14 partnership, except where the object is to enforce a limited partner's
15 right against or liability to the partnership.

S B

4182

SENATE FINANCE COMMITTEE REPORT

DATE: 3/12/90

FURTHER:

DATE TURNED INTO OFFICE: 3/26/90

The Finance Committee considered

SB 482

"An Act relating to the judiciary."

and recommended:

- replace with _____ CS _____
 - or adopt _____ CS SB 482 (TUD)
 - attached amendment(s)
 - _____ letter of intent adopted
- same title
 - new title
 - technical title change (HB only)

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

ATTACHES NEW FISCAL NOTE(S):

APPROVES PREVIOUS:

fiscal note(s) _____ Dept/Date: _____

fiscal note(s) _____ Dept/Date: _____

zero fiscal note(s) _____

zero fiscal note(s) 2/23/90
Court System

appropriation-no fiscal note

SIGNING DO-PASS:

OTHER RECOMMENDATIONS:

Jim Duncan
Frank

Paul Gil (Do Not Pass unless amended)

1. John B. ...
Co-Chairs' Signatures

2. Paul Gil (No Rec)
and Recommendations

STATE OF ALASKA
1990 LEGISLATIVE SESSION

Bill Version: ^{CS} SB 482 (JW0)
Publish Date: 3/12/90

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Alaska Court System
 Title: An Act relating to the judiciary BRU: Trial Courts
 Sponsor: Faiks Components: _____
 Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

General Funds	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact.

Prepared by: Jan Strandberg, General Counsel
 Division: Alaska Court System
 Approved by: Arthur H. Snowden, II, Administrative Director
 Agency: Alaska Court System

Phone: 264-8228
 Date: 02/23/90
 Date: 02/23/90

Distribution (by preparer):

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

Changes in CS SB 482 (JW0) have no fiscal impact. This fiscal note is appropriate. Projections of no fiscal impact would continue through 1996. CK

Original sponsor(s): SEN. FAIKS

1 IN THE SENATE BY THE JUDICIARY COMMITTEE

2 CS FOR SENATE BILL NO. 482 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act amending the jurisdiction of the district
7 court, and increasing the period during which a
8 district court judge serves under an initial appoint-
9 ment before being subject to voter approval."

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

11 * Section 1. AS 15.35.100(a) is amended to read:

12 (a) Each district judge shall be subject to approval or re-
13 jection at the first general election held more than two years [ONE
14 YEAR] after the judge's appointment under the provisions of AS 22.15.-
15 170. If approved, the judge shall thereafter be subject to approval
16 or rejection in a like manner every fourth year.

17 * Sec. 2. AS 22.15.030(a) is amended to read:

18 (a) The district court has jurisdiction of civil cases, includ-
19 ing foreign judgments filed under AS 09.30.200 and arbitration pro-
20 ceedings under AS 09.43.170, as follows:

21 (1) for the recovery of money or damages when the amount
22 claimed exclusive of costs, interest, and attorney fees does not
23 exceed \$50,000 [\$35,000];

24 (2) for the recovery of specific personal property, when
25 the value of the property claimed and the damages for the detention do
26 not exceed \$50,000 [\$35,000];

27 (3) for the recovery of a penalty or forfeiture, whether
28 given by statute or arising out of contract, not exceeding \$50,000
29 [\$35,000];

1 (4) to give judgment without action upon the confession of
2 the defendant for any of the cases specified in this section, except
3 for a penalty or forfeiture imposed by statute;

4 (5) for establishing the fact of death of any person in the
5 manner prescribed in AS 09.55.020 - 09.55.060;

6 (6) for the recovery of the possession of premises in the
7 manner provided under AS 09.45.070 - 09.45.160 when the value of the
8 arrears and damage to the property does not exceed \$50,000 [\$35,000];

9 (7) for the foreclosure of a lien when the amount in con-
10 troversy does not exceed \$50,000 [\$35,000];

11 (8) for the recovery of money or damages in motor vehicle
12 tort cases when the amount claimed exclusive of costs, interest, and
13 attorney fees does not exceed \$50,000 [\$35,000];

14 (9) over civil actions for taking utility service and for
15 damages to or interference with a utility line filed under AS 42.20.-
16 030;

17 (10) over cases involving injunctive relief for domestic
18 violence under AS 25.35.010 and 25.35.020.

19 * Sec. 3. The provisions of AS 15.35.100(a), as amended by sec. 1 of
20 this Act, apply to district court judges who enter into the duties of the
21 office on or after the effective date of this Act.

Alaska State Legislature



Senate Judiciary Committee

March 23, 1990

MEMORANDUM

TO: Senator Rick Uehling, Co-Chairman
Senator John Binkley, Co-Chairman

FROM: Senator Jan Faiks, Chairman
Senate Judiciary Committee

SUBJECT: SB 482 "An Act relating to the judiciary."

CSSB 482 (Jud) revises the jurisdictional amount of the district court, and changes the time for holding the initial retention election of a district court judge.

As you may know, the district court has jurisdiction in civil cases not exceeding \$35,000; cases exceeding that amount must be tried in superior court. Section two of CSSB 482 (Jud) would raise the jurisdictional amount to \$50,000.

The jurisdictional amount of the district court for many years was \$10,000. In 1985, the Legislature raised this to \$25,000, and in 1987 it was raised to the current level. For years there has been significant support for raising the jurisdictional amount to \$50,000; however, it was felt that the civil justice system would be better served if the level was raised in increments.

The primary effect of raising the jurisdictional amount to \$50,000 would be to move many marginal cases from superior court to district court. This is advantageous for several reasons. First, general civil cases come to trial more quickly in district court than in superior court. For example, in Anchorage the time to disposition of a civil case (excluding small claims) in district court is 286 days; in superior court it is 453 days.

Second, and more importantly, there has been a reduction in the district court caseload in recent years, while the superior court caseload has remained steady or increased. For example, the district court caseload in Anchorage was down 10% in 1989, while the superior court civil caseload remained

steady, and its felony and children's caseload increased. CSSB 482 (Jud) will increase the efficiency of the court system by allowing many civil cases to be heard in the court with the declining caseload.

Sections one and three of CSSB 482 (Jud) change the time for holding the initial retention election of a district court judge. Currently, the law requires a district court judge to stand for retention at the first general election held more than one year after appointment to the bench. CSSB 482 (Jud) provides that a district court judge is subject to approval or rejection at the first general election held more than two years after appointment.

The Judicial Council requested this change because of the conflict current law has with the council's retention evaluation of district court judges. The one year period was established in 1967, and it was intended that a judge would serve at least one full year before his or her performance was "evaluated" at the polls by the voters; in 1975, however, the council was authorized to evaluate judges for retention, to provide guidance to the voters. Results of this evaluation must be submitted to the lieutenant governor by August 7 preceding the election. Since the council's evaluation takes six months, this means that it is possible for the council to start evaluating a district court judge for retention after he or she serves only two or three months on the bench. This defeats the purpose of the one year evaluation time period set up in 1967. By changing this period to two years, a judge will serve at least one full year before the council begins its evaluation.

The changes made by CSSB 482 (Jud) serve the interests of justice by increasing the efficiency of the court system, and authorizing a reasonable time for the Judicial Council to evaluate the performance of a new judge. If you have any questions or comments about this legislation, please do not hesitate to contact my office.



alaska judicial council

1029 W. Third Avenue, Suite 201, Anchorage, Alaska 99501 (907) 279-2526 FAX (907) 276-5046

ACTING EXECUTIVE DIRECTOR
Teresa W. Carns

NON-ATTORNEY MEMBERS
Herbert J. Erickson, M.D.
Leona Okakok
Janis G. Roier

December 12, 1989

ATTORNEY MEMBERS
Daniel L. Callahan
William T. Council
James D. Gilmore

CHAIRMAN, EX OFFICIO
Warren W. Matthews
Chief Justice
Supreme Court

M E M O R A N D U M

TO: Judicial Council

FROM: Staff *[Signature]*

RE: District Court Judges' Terms (AS 15.35.100)

The purpose of this memo is to suggest that the Judicial Council consider sponsoring legislation to increase the length of district court judges' probationary terms in order to allow more adequate time for evaluation. At present, district court judges must stand for retention at the first general election more than one year after appointment, and every four years thereafter.

These terms were established in 1967, some years preceding the 1975 legislation that authorized the Council to evaluate judges standing for retention. At that time, judges would have been "evaluated" by the electorate at the polls one to two years after their appointment. Today, however, the Council conducts an evaluation of each judge that takes about six months. The results of this evaluation must be submitted to the Lieutenant Governor by August 7 preceding the election for publication in the Official Election Pamphlet. The result is that some district court judges have served less than a year before their evaluation begins.

Two district court judges, Michael Wolverton of Anchorage and Peter Froelich in Juneau, are standing for retention in 1990 for the first time. Judge Wolverton was appointed in August of 1988 and under the proposed change would still stand for retention at this election. He will have been on the bench for about 18 months at the time evaluation starts in February of 1990. Judge Froelich was appointed in June of 1989. He will have been on the bench for just under eight months in February. Under the proposed change, he would not stand for retention until 1992.

Memorandum

Re: District Court Judges' Terms (AS 15.35.100)

December 12, 1989

Page Two

Hypothetically, a judge could have an even shorter time before evaluation. A judge appointed on November 5, 1989, for example, would probably not actually start work until a month or so later. The judge could have only two or three months on the bench before being evaluated. This does not seem to be the intent of the legislature in setting the "more than one year after appointment" initial term. Presumably they intended that the judge would be evaluated on the basis of twelve or more months' experience on the bench.

AS 15.35.100 could be revised to make a district court judge "subject to approval or rejection at the first general election held more than two years [one year] after [his] appointment...." This proposal should not create any costs or any other difficulties. A fiscal note of \$0 should be submitted with proposed legislation.

Please let us know your thoughts on this suggestion.

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SENATE FINANCE COMMITTEE REPORT

DATE: 3/20/90

FURTHER:

DATE TURNED INTO OFFICE: 3/29/90

The Finance Committee considered

SB 485

"An Act relating to the Telecommunications Information Council and the provision of information services by the Department of Administration."

and recommended:

replace with _____ CS SB 485 (Finance)
 or adopt _____ CS _____
 attached amendment(s) _____
 _____ letter of intent adopted

same title
 new title
 technical title change (HB only)

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

ATTACHES NEW FISCAL NOTE(S):

fiscal note(s) Dept/Date: DOA - Info Svcs 2.0 2/23/90

zero fiscal note(s) Dept/Date: DOA - Finance 2/20/90

appropriation-no fiscal note

APPROVES PREVIOUS:

fiscal note(s) Dept/Date: _____

zero fiscal note(s) _____

SIGNING DO PASS:

[Signature]

OTHER RECOMMENDATIONS:

[Signature] No Rec

[Signature] No Rec

[Signature] No Rec

[Signature] (No Rec)

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION: CS SB485 (SA) (a)
PUBLISH DATE: 3/20/90

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Telecomm. Inf. Council/Mbrshp&Duties

Agency Affected: Administration
BRU: Information Services

Sponsor: Fahrenkamp
Requestor: State Affairs

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	2.0	2.0	2.0	2.0	2.0	2.0
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	2.0	2.0	2.0	2.0	2.0	2.0

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

GENERAL FUND	2.0	2.0	2.0	2.0	2.0	2.0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	2.0	2.0	2.0	2.0	2.0	2.0

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)

See attached.

Prepared by: Paul Monette, Director Phone: 465-2220
Division: Information Services Date: 2/22/90

Approved by Commissioner: Frank S. Baxter Date: 2/23/90
Agency: Administration

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

Changes in CSSE 485 (Fin)
have no fiscal impact.
This fiscal note is
appropriate. 3/29/90

Department of Administration
Division of Information Services

SB 485 - - FISCAL NOTE

An Act Relating to the Telecommunications Information Council

No fiscal impact is predicted in FY 90.

The fiscal impact projected for FY 91 and beyond is for travel expenses associated with the appointment of a public member to the Telecommunications Information Council. A total of \$2.0 thousand would pay for 4 trips per year @ \$350.00 for air transportation and 2 days per diem. It is assumed that the travel expenses for the Legislative members appointed to the Council would be paid for by the Legislature.

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Administration
 Title: * see below BRU: Finance
 Sponsor: Fahrenkamp Components: _____
 Requestor: _____

* Telecommunications Information and the provision of information services by Department of Administration

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)

There is no anticipated fiscal impact on the Division of Finance.

Any accounting service costs will be billed directly to the fund through the Reimbursable Services Agreement (RSA) process.

Prepared by: Keith Busch *Keith Busch* Phone: 465-2240
 Division: Finance Date: 2/20/90
 Approved by Commissioner: Frank S. Baxter *Frank S. Baxter* Date: 2/20/90
 Agency: Department of Administration

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

Changes in CSSB 485 (Fin) have no fiscal impact. This fiscal note is appropriate. 3/29/90 ml

Original sponsor(s): SEN. FAHRENKAMP

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 485 (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 Telecommunications Informa-
7 tion Council and the provision of information ser-
8 vices by the Department of Administration; and pro-
9 viding for an effective date."

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

11 * Section 1. AS 44.19.502(b) is amended to read:

12 (b) The council is composed of the governor, the commissioner
13 from each principal department of the executive branch, the president
14 of the University of Alaska, [AND] the executive director of the
15 Legislative Affairs Agency, a member of the public appointed by the
16 governor, and one legislator from each house, appointed by the respec-
17 tive presiding officer. The legislators shall serve as nonvoting
18 members of the council. The public member appointed by the governor
19 may not have a direct financial interest in the information services
20 industry. The chief justice of the supreme court may appoint a member
21 to serve on the council. Each commissioner shall appoint a deputy
22 commissioner to serve as an alternate for the commissioner. The vice-
23 president of the University of Alaska shall serve as alternate for the
24 president.

25 * Sec. 2. AS 44.21 is amended by adding a new section to read:

26 Sec. 44.21.045. INFORMATION SERVICES FUND; CHARGES. (a) The
27 information services fund is established as an internal services fund
28 in the Department of Administration. The fund consists of money
29 appropriated to it, money transferred to the department by political

1 subdivisions and state agencies as reimbursement for information
2 services provided by the department, and the proceeds from the sale of
3 surplus or other assets of the department used for information ser-
4 vices.

5 (b) Money transferred to the department by a political subdi-
6 vision or state agency for information services for a fiscal year that
7 exceeds the cost of information services provided to the political
8 subdivision or state agency in that fiscal year constitutes program
9 receipts that are subject to the procedures of AS 37.07.080(h).

10 (c) Except as provided in (b) of this section, money in the fund
11 established under (a) of this section may be expended only in accor-
12 dance with legislative appropriations. Money appropriated to the fund
13 may be used for

14 (1) the costs of the Telecommunications Information Coun-
15 cil, including its costs of performing reviews and studies considered
16 necessary by the council;

17 (2) necessary expenses of providing information services to
18 political subdivisions and state agencies;

19 (3) additions, replacements, or improvement of capital
20 equipment for information services; requests by the department for
21 capital equipment expenditures shall be included in the budget submit-
22 ted by the governor to the legislature under AS 37.07; and

23 (4) other purposes as specified in an appropriation to the
24 fund.

25 (d) The department may charge and collect fees and surcharges
26 for information services provided by it to agencies and political
27 subdivisions of the state. The department shall maintain cost ac-
28 counting records to support rates and billings for information ser-
29 vices provided by the department. The department shall submit a

1 report on the operation of the fund to the governor and the legisla-
2 ture at the time of submission of the departmental budget.

3 (e) A state agency that receives information services from the
4 department shall include in its annual budget, as an identifiable
5 item, its expected fees and surcharges for information services pro-
6 vided by the Department of Administration.

7 (f) Fees and surcharges for information services of the depart-
8 ment are subject to annual review and approval by the Telecommunica-
9 tions Information Council.

10 (g) In this section, "information services" includes automatic
11 data processing services provided under AS 44.21.150 - 44.21.170 and
12 telecommunications services and operations described in AS 44.21.-
13 305 - 44.21.330.

14 * Sec. 3. AS 44.21.160(h) is repealed.

15 * Sec. 4. AS 44.21.045(e) and (f), enacted by sec. 2 of this Act, take
16 effect July 1, 1990.

17 * Sec. 5. Except as provided in sec. 4 of this Act, this Act takes
18 effect immediately under AS 01.10.070(c).

SUMMARY OF PROPOSED CS FOR SENATE BILL NO. 485

- * Section 1. No changes from CSSB 485(SA).
- * Section 2. The proposed substitute makes several changes to Sec. 44.21.045 as contained in CSSB 485(SA). Under subsection (a), in addition to the fund consisting of money appropriated to it and money transferred to the department for information services, it includes the proceeds from the sale of surplus or other assets of the department used for information services.

This wording was added to address concerns over the disposition of sale proceeds. Without specifically providing for the disposition, it is unclear as to where the money should go. The Working Capital Fund, for example, has this ambiguity. This would allow for the proceeds to be used, based on appropriation, to offset future equipment or other asset acquisition costs.

Under subsection (b), it is proposed that instead of excess money at the end of the fiscal year being transferred to an account in the general fund, that the excess money constitutes program receipts that are subject to the procedures of AS 37.07.080(h), the revised program process of the Legislative Budget and Audit Committee.

This provision, coupled with the appropriation language added to subsection (c), requires the department to go before the Legislative Budget and Audit Committee for any unbudgeted RSA money. Effectively, this gives the Legislature oversight of the revenue flow generated by the department for information services in excess of the budgeted amounts.

Subsection (c) adds the provision that except for the revised program process provided for in subsection (b), money in the fund may only be expended in accordance with legislative appropriation.

This language makes it clear that the department cannot use the money in the fund unless it is appropriated by the Legislature. Any "unappropriated" fund balance would be available to offset general fund budget requests for information services operations or capital equipment; or it could be appropriated for any other purpose specified by the Legislature.

The remainder of the proposed CS is the same as the bill that is now before the Finance Committee.

Alaska State Legislature

SB 485
file

SENATOR BETTYE FAHRENKAMP
CHAIRMAN, RESOURCES COMMITTEE
119 N. CUSHMAN STREET, SUITE 201
FAIRBANKS, ALASKA 99701
OFFICE (907) 452-4882
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JUNEAU, ALASKA 99811
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Senate

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

FROM: Senator Bettye Fahrenkamp

DATE: March 21, 1990

SUBJECT: Senate Bill 485

In March, 1989, a legislative audit was released that, among other things, recommended that the Department of Administration needed to improve its accounting controls. The audit recommended establishing an internal service fund for all of its telecommunications services. "...now that DOA/Telcom is providing a centralized service to a number of agencies on a reimbursement basis, and generating revenues from that operation, different accounting treatment must be applied." It went on to enumerate the advantages of creating an ISF, including greater ease in costing and pricing services, the ability to accumulate resources for replacing fixed assets, and isolating interfund services so that governmental fund types do not display revenues and expenditures twice (once by the department furnishing the services, and once by the department receiving the services).

Our goal in this legislation is to do the following:

- 1) Through the Telecommunications Information Council, involve all state departments in establishing the rates to be charged for the use of computer, telephone and other services provided by the Division of Information Services;
- 2) Establish an ISF, into which interagency receipts will be deposited and separately accounted for, with an annual report to the governor and the legislature on monies received and expended to pay for the costs of providing services;
- 3) Give the legislature oversight of large capital equipment purchases and upgrades. These are currently being done mostly through lease-purchase arrangements paid for by interagency receipts. This bill requires that any money charged in excess of the cost to provide services will lapse to the general fund unless appropriated to the ISF. It also requires that the department must include in its budget proposal to the legislature any proposal to spend funds that are allowed to accumulate in the ISF.

With these multiple levels of oversight, establishment of the ISF should result in better management, better accounting, more involvement among other departments in the rates being charged for services they require, and an improved ability to plan for long range needs.

Sectional Analysis of SB 485

Section 1 expands the TIC by adding one more voting member, who is to be a public member who does not have any direct financial interest in the information services industry. The \$2,000 fiscal note from Department of Administration is for travel expenses for the new public member. It also adds two *non-voting* members, one each from the House and the Senate.

Section 2 creates the Information Services Fund, composed of money appropriated to it and money transferred to it by state agencies and political subdivisions to whom the department provides telecommunications and computer services.

Subsection (b) on page two states clearly that all money received shall be separately accounted for, and any money not used to pay the costs of providing information services *lapses back to the general fund* unless it is appropriated by the legislature back to the fund.

Subsection (c) allows the costs of the TIC to be paid from the fund, and also allows capital equipment purchases to be made from the fund, *as long as these purchases are included in the department's budget submitted by the governor to the legislature.*

Subsection (d) requires the department to keep records to support the rate it charges other entities for the services being provided. It requires the department to submit an annual report to the legislature and the governor.

Subsection (e) requires that agencies receiving services from the department shall include the costs of these services in their annual budgets.

Subsection (f) gives the Telecommunications Information Council the authority to review and approve the rates charged by the department for provision of services (e.g., the phone charges and charges for computer usage).

Subsection (g) defines information services as data processing and telecommunications services.

Section 3 repeals a provision made redundant by passage of this bill.

Sections 4 and 5 are the effective dates.

1990 LEGISLATION
POSITION PAPER
DEPARTMENT OF ADMINISTRATION

Division Information Services Bill Number SB 485

Bill Title TIC/Provision of Info. Services

Position Statement: Explain briefly what bill does, its impacts and Department's position, i.e. a) support, b) do not support, c) neutral or d) oppose.

This bill adds three members to the Telecommunications Information Council (TIC): a member of the public appointed by the governor; and one legislator from each house, appointed by the respective presiding officer. The legislators will serve as nonvoting members and the public member may not have a direct financial interest in the information services industry.

In addition, this bill establishes an internal service fund, named the Information Services Fund, in the Department of Administration and sets parameters for receipts into the fund and expenditures from the fund.

The Department supports this bill for the following reasons.

1) The Department encourages participation from the Legislature and the public regarding information and telecommunication plans and policies. Inclusion of representatives from both of these groups in the TIC will help to ensure that participation.

2) The Information Services Fund is viewed as being similar in function to the Highways Working Capital Fund and having similar benefits to the State: a) the linkages of information services revenues and expenditures in the Department of Administration will become visible; b) fees and surcharges for information services provided by the Department will undergo a thorough review and approval process by customers of the services; and, c) requests for services and the expenditure of funds to satisfy those requests, particularly for major hardware and software items identified in TIC-approved plans, will be clearly defined and visible in annual budget requests.

APPROVED:

Director Paul Monette Division Information Services

Signature Paul Monette Date 3/7/90

Commissioner Frank S. Baxter

Signature by Gary M. Bader Date 3/8/90

(For more information, call Sioux Plummer 465-2200)

A SPECIAL REPORT ON THE
DEPARTMENT OF ADMINISTRATION
DIVISION OF TELECOMMUNICATIONS
STATE VOICE TELEPHONE NETWORK

March 6, 1989

Audit Control Number

02-4325-89-S

Commissioner, Department of
Administration

John M. Andrews

Deputy Commissioners, Department
of Administration

Charles E. Taylor
James J. Fox

FINDINGS AND RECOMMENDATIONS

Recommendation No. 1

The Department of Administration, Division of Telecommunications (DOA/Telcom) needs to improve accounting controls over the fiscal operations of its voice telephone network. The Department of Administration should establish an Internal Service Fund (ISF) for all of its telecommunications services, including its voice network.

As described earlier DOA/Telcom provides voice telephone network services to many (but not all) state agencies in the Juneau, Anchorage, and Fairbanks area. DOA/Telcom also provides data and video telecommunication services to state agencies.

Since the state network has been constructed over a number of years with annual appropriations from the general fund, it is not readily identifiable how much has been invested in the state's telecommunication network. The original accounting of the Division of Telecommunications' activities through the general fund was proper at the time. However, now that DOA/Telcom is providing a centralized service to a number of agencies on a reimbursement basis, and generating revenues from that operation, different accounting treatment must be applied. An ISF should be established to account for all telecommunication services provided by DOA/Telcom to user agencies including the voice telephone network.

The ISF classification should be used to account for the financing on a cost-reimbursement basis of services provided by one department or agency to other departments or agencies within the same governmental entity.

An ISF has the following advantages:

- Account for the total cost of the activity;
- Provide greater ease in costing and pricing services;
- Accumulate resources for replacing fixed assets;
- Combine certain governmental fund-type overhead costs so they can be redistributed to the benefiting programs; and,
- Isolate interfund services so that governmental fund types do not display revenues and expenditures related to interfund transactions twice within the same fund type (i.e., usually the general fund) - once by the department furnishing the services and once by the department receiving the services.

We recommend that DOA/Telcom perform the following:

1. Identify the investment in capital (fixed) assets used in all telecommunications services provided to user agencies (voice, data, and video). This includes the cost of microwaves, antennas, towers, tower site preparation, transportation costs to sites, buildings at tower sites, switch and related equipment, terminal and multiplex equipment, power supplies and plant charges, and any other equipment that is utilized in the origination, transmission, or recording of voice, data, or video traffic.

Once the investment (cost) in the equipment is identified, a determination should be made of the percentage of use that the equipment is utilized for each type of service provided, including voice telephone network traffic. (For example, 20% of utilization is dedicated to voice, 40% to data transmission, etc.) The calculated percentage of use should be applied to the identified investment in plant. This amount should then be "capitalized" and depreciated, through the ISF, over its estimated useful life. The calculated annual depreciation should be incorporated into the cost recovery calculations for user rate design.

2. DOA/Telcom should institute procedures to identify and capture the costs mentioned above for its property control system. In the past, transportation and personnel costs associated with microwave site installation or major repair have been expensed without a record maintained of the amount of expenditure by site. Since transportation and personnel costs often exceed the amount of the microwave or tower itself, these costs should be capitalized as part of the equipment and recorded as such on the property control system. These major installation costs should also be recovered from the user agencies by incorporating them into the user rate designs over the estimated useful life of the equipment.
3. Donated equipment that will be used in any form for the state voice telephone network should be recorded at its fair market value at the date of receipt. Presently, donated property is recorded into the property control system at a value of \$1.
4. DOA/Telcom should identify all employees who are associated in any capacity with the voice, data, and video network. This would include engineers, administrators, repair personnel, clerical, data processing, and accounting and billing functions. A percentage estimate of each employees time expended on each of the telecommunications services provided, including the

its operating budget. As part of the annual budget process, agencies submit to the Legislature their estimate of the revenues expected to be received by providing services to other state agencies. These estimated receipts are taken into consideration by the Legislature during its budget deliberations. Oftentimes RSA revenues are a significant part of the budget authorized by the Legislature.

For FY 88 the Legislature authorized a DOA/Telcom budget of approximately \$5.4 million. Included in that amount were a few budgeted RSAs. Except under unusual and unplanned circumstances when additional revenues become available outside the budget process this is the amount the Legislature intended to fund DOA/Telcom operations. However, during the fiscal year an additional \$2.7 million in unbudgeted RSAs were recorded by DOA/Telcom. This had the effect of increasing DOA/Telcom budget (and related expenditure authority) to \$8.1 million. Of that amount, DOA/Telcom lapsed approximately \$122,000, resulting in DOA/Telcom expending approximately \$2.5 million more than originally appropriated by the Legislature during the budget deliberations.

FY 89 is not much different. The authorized budget of \$5.6 million has been increased because of unbudgeted RSAs to \$7.7 million, an increase of \$2.1 million.

A majority of these unbudgeted RSAs result from agencies subscribing to the state voice telephone network.

Normally, the servicing agency party to an RSA will incur expenditures in providing the service it renders to the requesting agency. The RSA is the mechanism for the servicing agency to recover those costs. However, DOA/Telcom's stated position is that there are few, if any, costs for adding additional agencies to the voice network. Since in DOA/Telcom's opinion there are minimal, if any, costs associated with the voice network attributable to any one agency most, if not all, of the RSA can be construed as a "profit" to DOA/Telcom since there are no, or minimal, costs to recover. We would expect to see any amount above and beyond the costs associated with servicing an RSA to supplant the General Funds previously appropriated in the budget and see a similar amount lapsed to the General Fund for subsequent appropriation by the Legislature. However, as noted above this has not been the case. Those RSA funds in excess of cost to provide voice telephone service have been expended by DOA/Telcom. This indicates that DOA/Telcom either did not reveal its full costs of operation to the Legislature during the budget deliberations or that the expenditure of the RSA funds were for other programs or purposes which the Legislature did not intend for DOA/Telcom.

Additional errors noted in the CDR included instances of duplication of calls and incorrect costing of directory assistance calls. One extension detail CDR report correctly categorized and costed two public switched long distance calls, but then duplicated the two calls, with identical data in each field. A different CDR report identified an Alaska directory assistance call but costed it at \$2.76 for two minutes instead of the customary \$.60.

The effect of these classification and costing errors, many of which DOA/Telcom was unaware of, is that state network, public switched long-distance, and local traffic and their corresponding costs are under or overstated for the periods in question. DOA/Telcom should have the CDR software modified to ensure that the data collected classifies and costs calls correctly.

Recommendation No. 4

DOA/Telcom should have the CDR software modified to capture traffic and cost data using the correct parameters.

When the CDR was initially installed, it was programmed to cost public switched long-distance traffic using the parameters that American Telephone and Telegraph (AT&T) utilizes. These parameters are, in many respects, quite different than the parameters that the tariffed Alaskan intrastate long-distance company uses. While AT&T recognizes ten national holidays throughout the year and discounts its rates correspondingly, Alascom lowers its intrastate rates for only Christmas and New Year's Day. Alascom also begins its more expensive weekday day rate at 7 a.m., while AT&T's parameters have the day rate beginning at 8 a.m. The effect of these differing parameters is that CDR will calculate the cost of Alascom intrastate calls made on a holiday other than Christmas and New Year's Day or on a weekday beginning between 7 a.m. and 8 a.m. incorrectly. Any state network call made during those time periods will be compared to an incorrect, comparable Alascom cost with a corresponding incorrectly calculated network savings figure.

In order to calculate accurate network savings and displaced revenue totals, as well as ensure correct billings to user agencies, DOA/Telcom should modify the CDR software to reflect the correct parameters in place for Alascom's intrastate tariffs.

Recommendation No. 5

DOA/Telcom should either have its CDR software modified to capture call traffic and cost data for the telephone circuits leased to the University of Alaska's (UA) three main campuses or require that the campuses provide DOA/Telcom with compatible call detail traffic summaries.

affect CDR processing. In addition, DOA/Telcom should protect its CDR files under the ACF2 computer security system. This would permit access only by authorized individuals or programs.

Recommendation No. 7

DOA/Telcom should consider either eliminating all off-premise extensions (OPXs) in locations where a local exchange telephone company (LEC) provides service or establish a charge for all OPX usage of the state network. Regardless of choice, the CDR software should be modified to record all OPX traffic.

All calls made from OPXs tied to either the Anchorage or Fairbanks switch appear to the CDR as having originated where the switch is physically located. For state network calls, this means a call to Anchorage from an OPX physically located in Delta Junction but off the Fairbanks switch will appear on the CDR as a Fairbanks to Anchorage state network call. The charge will be the standard Fairbanks to Anchorage \$.35 per minute. This is also the case for calls between OPXs off different switches; they will be billed at the Fairbanks to Anchorage rate (see below for discussion of unbilled OPX calls "internal to the switch"). The same holds true for a non-State network intrastate (Alascom) call. If the same OPX in Delta Junction calls a non-State network location such as Barrow, the call is completed through Alascom, who sees the call as originating in Fairbanks and charges the Fairbanks to Barrow tariff, rather than the Delta Junction to Barrow tariff, possibly displacing revenues from the public switched network.

A number of OPXs' physical locations bear no logical relationship to the switch to which they are tied, and the agencies enjoy free long-distance calling because of it. The "E" Detachment of the Alaska State Troopers are physically located in Fairbanks, yet are tied to the Anchorage switch. This means that all calls to Anchorage and its surrounding extended area of service from "E" Detachment's Peger Road headquarters in Fairbanks are made without a charge to them as the CDR sees these calls as being local (Anchorage to Anchorage). Even though they are located only blocks away, the offices of the Department of Transportation and Public Facilities in Fairbanks must pay \$.35 per minute to call Anchorage since they are tied to the Fairbanks switch. FY 88 data showed that the "E" Detachment made 1,566 calls for a total of 5,275 minutes to non-State network Anchorage locations alone; this data does not include calls to Anchorage such as to the Department of Public Safety, as these calls are "internal to the switch" (see below). This free calling is inequitable as the public switched network does not receive any revenue, DOA/Telcom

the CDR output (from which the interagency billing is made) should be compared at regular intervals for the Fairbanks and Anchorage nodes. Total traffic and costs per the CDR should be within a pre-determined percentage of the Alascom totals, or a more detailed analysis should be performed (reviewing to the departmental, divisional, or even extension level.) This reconciliation should be done on a quarterly basis and will help in identifying CDR problems in a timely manner.

As Alascom bills individual agencies in the Juneau node, a sweeping reconciliation such as above is not possible. However, the same basic reconciliation should be performed on a smaller basis using test divisions or departments.

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HOUSE COMMITTEE REPORT

file

(11)

Date Referred: April 20, 1990

FURTHER REFERRALS:

Date of Committee Action: 5/3/90

The FINANCE Committee considered:

CSSB 485 (FINANCE) am

CS SB NO. 485 (Fin) am

TELECOMM. INF. COUNCIL/MBRSHIP & DUTIES

"An Act relating to the Telecommunications Information Council and the provision of information services by the Department of Administration; and providing for an effective date."

RECOMMENDATIONS:

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

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(s):
(Dept)

APPROVES PREVIOUS:

(Date/Dept)

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

- [] fiscal note(s) DIA 3/29/90
- [] zero fiscal note(s) _____
- [] zero fn/analysis _____

SIGNING DO PASS:

SIGNING:

(Check approp. column)

Do Not
Pass No Rec Amend

 _____ CARSON
 _____ SWACKHAMMER
 _____ BROWN
 _____ KOPONEN
 _____ WIMER

<i>Phillips</i> PHILLIPS	✓		
<i>Rieger</i> RIEGER	✓		
<i>Barnes</i> BARNES	✓		

Chairman's Signature

Ronald C. Carson CARSON

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Administration
 Title: Telecomm. Inf. Council/Mbrshp&Duties BRU: Information Services
 Sponsor: Fahrenkamp Components: _____
 Requestor: State Affairs

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	2.0	2.0	2.0	2.0	2.0	2.0
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SUPPLIES	0	0	0	0	0	0
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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	2.0	2.0	2.0	2.0	2.0	2.0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	2.0	2.0	2.0	2.0	2.0	2.0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	2.0	2.0	2.0	2.0	2.0	2.0

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)

See attached.

Prepared by: Paul Monette, Director Phone: .465-2220
 Division: Information Services Date: 2/22/90
 Approved by Commissioner: Frank S. Baxter Date: 2/23/90
 Agency: Administration

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

Department of Administration
Division of Information Services

SB 485 - - FISCAL NOTE

An Act Relating to the Telecommunications Information Council

No fiscal impact is predicted in FY 90.

The fiscal impact projected for FY 91 and beyond is for travel expenses associated with the appointment of a public member to the Telecommunications Information Council. A total of \$2.0 thousand would pay for 4 trips per year @ \$350.00 for air transportation and 2 days per diem. It is assumed that the travel expenses for the Legislative members appointed to the Council would be paid for by the Legislature. o

Amended: 4/9/90
Offered: 3/29/90
Referred: Rules

6-2192G

Original sponsor(s): SEN. FAHRENKAMP

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 485 (Finance) am
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

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14 of the University of Alaska, [AND] the executive director of the
15 Legislative Affairs Agency, a member of the public appointed by the
16 governor, and one legislator from each house, appointed by the respec-
17 tive presiding officer. The legislators shall serve as nonvoting
18 members of the council. The public member appointed by the governor
19 may not have a financial interest in the information services
20 industry. The chief justice of the supreme court may appoint a member
21 to serve on the council. Each commissioner shall appoint a deputy
22 commissioner to serve as an alternate for the commissioner. The vice-
23 president of the University of Alaska shall serve as alternate for the
24 president.

25 * Sec. 2. AS 44.21 is amended by adding a new section to read:

26 Sec. 44.21.045. INFORMATION SERVICES FUND; CHARGES. (a) The
27 information services fund is established as an internal services fund
28 in the Department of Administration. The fund consists of money
29 appropriated to it, money transferred to the department by political
S

1 subdivisions and state agencies as reimbursement for information
2 services provided by the department, and the proceeds from the sale of
3 surplus or other assets of the department used for information ser-
4 vices.

5 (b) Money transferred to the department by a political subdi-
6 vision or state agency for information services for a fiscal year that
7 exceeds the appropriation to the department for information services
8 provided to the political subdivision or state agency for that fiscal
9 year constitutes program receipts that are subject to the procedures
10 of AS 37.07.080(h).

11 (c) Except as provided in (b) of this section, money in the fund
12 established under (a) of this section may be expended only in accor-
13 dance with legislative appropriations. Money appropriated to the fund
14 may be used for

15 (1) the costs of the Telecommunications Information Coun-
16 cil, including its costs of performing reviews and studies considered
17 necessary by the council;

18 (2) necessary expenses of providing information services to
19 political subdivisions and state agencies;

20 (3) additions, replacements, or improvement of capital
21 equipment for information services; requests by the department for
22 capital equipment expenditures shall be included in the budget submit-
23 ted by the governor to the legislature under AS 37.07; and

24 (4) other purposes as specified in an appropriation to the
25 fund.

26 (d) The department may charge and collect fees and surcharges
27 for information services provided by it to agencies and political
28 subdivisions of the state. The department shall maintain cost ac-
29 counting records to support rates and billings for information
30

1 services provided by the department. The department shall submit a
2 report on the operation of the fund to the governor and the legisla-
3 ture at the time of submission of the departmental budget.

4 (e) A state agency that receives information services from the
5 department shall include in its annual budget, as an identifiable
6 item, its expected fees and surcharges for information services pro-
7 vided by the Department of Administration.

8 (f) Fees and surcharges for information services of the depart-
9 ment are subject to annual review and approval by the Telecommunica-
10 tions Information Council.

11 (g) In this section, "information services" includes automatic
12 data processing services provided under AS 44.21.150 - 44.21.170 and
13 telecommunications services and operations described in AS 44.21.-
14 305 - 44.21.330.

15 * Sec. 3. AS 44.21.160(h) is repealed.

16 * Sec. 4. AS 44.21.045(e) and (f), enacted by sec. 2 of this Act, take
17 effect July 1, 1990.

18 * Sec. 5. Except as provided in sec. 4 of this Act, this Act takes
19 effect immediately under AS 01.10.070(c).

Alaska State Legislature




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

Senate

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

MEMORANDUM

TO: Representative Lyman Hoffman
Representative Ron Larson
Co-Chairs, House Finance Committee

FROM: Senator Bettye Fahrenkamp 

DATE: April 23, 1990

SUBJECT: Senate Bill 485
"An Act relating to the Telecommunications Information Council and
the provision of information services by the Department of
Administration; efd"

Senate Bill 485 passed the House State Affairs Committee today, and is now before the House Finance Committee. This bill gives us control, through the budget process, of monies that we have not had control of before -- sometimes as much as \$8 million or more. You will find details in the attached committee packet.

I would very much appreciate your early scheduling of SB 485.

As stated previously, the committee packet contains additional information about the bill. Please feel free to contact me or Joan Hope of my staff if we can provide any further information or answer any questions.

Thank you for your attention to this matter.

Alaska State Legislature



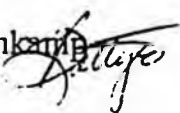
SENATOR BETTYE FAHRENKAMP
CHAIRMAN, RESOURCES COMMITTEE
119 N. CUSHMAN STREET, SUITE 201
FAIRBANKS, AL. SKA 99701
OFFICE (907) 452-4882
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Senate

WHILE IN JUNEAU
PO. BOX V
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OFFICE (907) 465-3834
HOME (907) 780-6027

MEMORANDUM

TO: Representative Lyman Hoffman
Representative Ron Larson
Co-Chairs, House Finance Committee

FROM: Senator Bettye Fahrenkamp 

DATE: April 19, 1990

SUBJECT: Senate Bill 485
"An Act relating to the Telecommunications Information Council and the provision of information services by the Department of Administration; efd"

BILL SUMMARY:

Adds a voting public member to the Telecommunications Information Council, and two non-voting legislative members (one from each body).

Establishes in the Department of Administration an *Information Services Fund*, as recommended by a legislative audit, into which will go all RSA money received in exchange for information services. Provides that any *unbudgeted* RSAs must be approved by the Legislative Budget and Audit Committee before they can be received or expended. Provides that money in the Fund may be expended *only in accordance with legislative appropriations*. Authorizes money that accrues in the fund to be spent for providing information services, providing staff to the Telecommunications Information Council, and for replacing or upgrading capital equipment *subject to appropriation by the legislature*.

Involves the Telecommunications Information council (which is a council composed of the Commissioners of each state department) in setting the rates charged for telephone, computer and other information services. All funds received from the various departments must be separately accounted for.

FISCAL IMPACT:

There is a \$2,000 GF fiscal note, to pay the costs of travel and per diem for the new public member of the Telecommunications Information Council.

DEPARTMENT POSITION:

SB 485 is *supported* by the Legislative Auditor and the Department of Administration.

ABOUT THE BILL:

The purpose of this bill is to provide clearer accounting and more controls over interagency receipts received by the Department of Administration in return for provision of information services (telecommunications and computer services).

This legislation is the result of a legislative audit of the Division of Telecommunications (now the Division of Information Services) in the Department of Administration. The audit recommended that the Division establish an internal services account (ISF) to account for services provided to user agencies.

To quote the audit:

"The ISF classification should be used to account for the financing on a cost-reimbursement basis of services provided by one department or agency to other departments or agencies....An ISF has the following advantages:

- * Account for the total cost of the activity;
- * Provide greater ease in costing and pricing services;
- * Accumulate resources for replacing fixed assets;
- * Combine certain governmental fund-type overhead costs so they can be redistributed to the benefitting programs; and
- * Isolate interfund services so that governmental fund types do not display revenues and expenditures related to interfund transactions twice within the same fund type (i.e., usually the general fund) - once by the department furnishing the services and once by the department receiving the services."

Based on this audit, SB 485 was crafted. It has been reviewed, amended based on recommendations of the Legislative Auditor, and has the support of the Legislative Auditor as well as the Department of Administration.

Senate
Finance

SUMMARY OF PROPOSED CS FOR SENATE BILL NO. 485

- * Section 1. No changes from CSSB 485(SA).
- * Section 2. The proposed substitute makes several changes to Sec. 44.21.045 as contained in CSSB 485(SA). Under subsection (a), in addition to the fund consisting of money appropriated to it and money transferred to the department for information services, it includes the proceeds from the sale of surplus or other assets of the department used for information services.

This wording was added to address concerns over the disposition of sale proceeds. Without specifically providing for the disposition, it is unclear as to where the money should go. The Working Capital Fund, for example, has this ambiguity. This would allow for the proceeds to be used, based on appropriation, to offset future equipment or other asset acquisition costs.

Under subsection (b), it is proposed that instead of excess money at the end of the fiscal year being transferred to an account in the general fund, that the excess money constitutes program receipts that are subject to the procedures of AS 37.07.080(h), the revised program process of the Legislative Budget and Audit Committee.

This provision, coupled with the appropriation language added to subsection (c), requires the department to go before the Legislative Budget and Audit Committee for any unbudgeted RSA money. Effectively, this gives the Legislature oversight of the revenue flow generated by the department for information services in excess of the budgeted amounts.

Subsection (c) adds the provision that except for the revised program process provided for in subsection (b), money in the fund may only be expended in accordance with legislative appropriation.

This language makes it clear that the department cannot use the money in the fund unless it is appropriated by the Legislature. Any "unappropriated" fund balance would be available to offset general fund budget requests for information services operations or capital equipment; or it could be appropriated for any other purpose specified by the legislature.

The remainder of the proposed CS is the same as the bill that is now before the Finance Committee.

(These changes were recommended by the Legislative Auditor and are incorporated in the Finance CS)

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SENATE FINANCE COMMITTEE REPORT

DATE: 3/12/90

FURTHER:

DATE TURNED INTO OFFICE: 3/22/90

The Finance Committee considered

SB 487

"An Act making appropriations to the Alaska Housing Finance Corporation for the senior housing bond account; making an appropriation to the senior housing revolving fund in the Department of Community and Regional Affairs; and providing for an effective date."

and recommended:

replace with _____ CS
 or adopt _____ CS

SB 487 (BLED)

same title
 new title
 technical title change (HB only)

attached amendment(s)

letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

ATTACHES NEW FISCAL NOTE(S):

Dept/Date:

fiscal note(s) _____

zero fiscal note(s) _____

APPROVES PREVIOUS:

Dept/Date:

fiscal note(s) _____

zero fiscal note(s) _____

appropriation-no fiscal note

SIGNING DO PASS:

[Signature]
[Signature]
[Signature]
[Signature]

OTHER RECOMMENDATIONS:

1 [Signature] Do Not Pass 2. [Signature] (No Pass)

Co-Chairs: Signatures and Recommendations

Original sponsor(s): SEN. DUNCAN

1 IN THE SENATE
2 BY THE SENATE SPECIAL COMMITTEE ON
3 BANKING & ECONOMIC DEVELOPMENT
4 CS FOR SENATE BILL NO. 487 (B&ED)
5 IN THE LEGISLATURE OF THE STATE OF ALASKA
6 SIXTEENTH LEGISLATURE - SECOND SESSION
7 A BILL
8 For an Act entitled: "An Act making appropriations to the Alaska Housing
9 Finance Corporation for the senior housing bond
10 account; making an appropriation to the senior hous-
11 ing revolving fund in the Department of Community and
12 Regional Affairs; and providing for an effective
13 date."
14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
15 * Section 1. The sum of \$10,000,000 is appropriated from the Alaska
16 housing finance revolving fund (AS 18.56.082) to the senior housing bond
17 account (AS 18.56.083).
18 * Sec. 2. Except as provided in sec. 3 of this Act, the unrestricted
19 mortgage loan interest payments and other unrestricted receipts, including,
20 without limitation, mortgage loan commitment fees, received or accrued to
21 the senior housing revolving fund (AS 44.47.587) in the Department of
22 Community and Regional Affairs during the period of July 1, 1990, through
23 June 30, 1991, and income earned on assets held in that fund during the
24 period of July 1, 1990, through June 30, 1991, are appropriated to the
25 senior housing revolving fund (AS 44.47.587) in the Department of Community
26 and Regional Affairs for the purposes of that fund.
27 * Sec. 3. The appropriation made by sec. 2 of this Act is reduced by
28 the amount necessary to pay the interest due and payable during state
29 fiscal year 1991 on bonds issued under AS 18.56.083, and the amount of the
reduction, if any, is appropriated from the funding sources described in
sec. 2 of this Act to the senior housing bond account (AS 18.56.083).

1 * Sec. 4. The appropriations made by this Act are for capitalization of
2 funds and do not lapse under AS 37.25.010.

3 * Sec. 5. This Act takes effect only if, and on the day that, an Act
4 establishing a senior housing bond account in the Alaska Housing Finance
5 Corporation enacted by the Sixteenth Alaska State Legislature takes effect.

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4187

HOUSE COMMITTEE REPORT

File

(11)

Date Referred: April 27, 1990

FURTHER REFERRALS:

Date of Committee Action: 5/6/90

The FINANCE Committee considered:

CSSB 487(B&ED)

CS SB NO. 487 (B&ED)

APPROP: SENIOR HOUSING REVOLVING FUND

"An Act making appropriations to the Alaska Housing Finance Corporation for the senior housing bond account; making an appropriation to the senior housing revolving fund in the Department of Community and Regional Affairs; and providing for an effective date."

RECOMMENDATIONS:

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

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):
(Dept)

APPROVES PREVIOUS: (Date/Dept)

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

- fiscal note(s) _____
- zero fiscal note(s) _____
- zero fn/analysis _____

SIGNING DO PASS:

SIGNING:

(Check approp. column)

Do Not Pass No Rec Amend

Ronald J. Larson Larson

Ray Brown Brown

Thomas Koponen Koponen

Walter Umer Umer

Name	Do Not Pass	No Rec	Amend
<u>Tom Hoffman</u> Hoffman	✓		
<u>Bob Swackhammer</u> Swackhammer	✓		
<u>A. Barnes</u> Barnes		X	
<u>Roll E. Phillips</u> Phillips		✓	
<u>Steve Rieger</u> Rieger	✓		

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

Original sponsor(s): SEN. DUNCAN

1 IN THE SENATE
2 BY THE SENATE SPECIAL COMMITTEE ON
3 BANKING & ECONOMIC DEVELOPMENT
4 CS FOR SENATE BILL NO. 487 (B&ED)
5 IN THE LEGISLATURE OF THE STATE OF ALASKA
6 SIXTEENTH LEGISLATURE - SECOND SESSION
7 A BILL
8 For an Act entitled: "An Act making appropriations to the Alaska Housing
9 Finance Corporation for the senior housing bond
10 account; making an appropriation to the senior hous-
11 ing revolving fund in the Department of Community and
12 Regional Affairs; and providing for an effective
13 date."

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

15 * Section 1. The sum of \$10,000,000 is appropriated from the Alaska
16 housing finance revolving fund (AS 18.56.082) to the senior housing bond
17 account (AS 18.56.083).

18 * Sec. 2. Except as provided in sec. 3 of this Act, the unrestricted
19 mortgage loan interest payments and other unrestricted receipts, including,
20 without limitation, mortgage loan commitment fees, received or accrued to
21 the senior housing revolving fund (AS 44.47.587) in the Department of
22 Community and Regional Affairs during the period of July 1, 1990, through
23 June 30, 1991, and income earned on assets held in that fund during the
24 period of July 1, 1990, through June 30, 1991, are appropriated to the
25 senior housing revolving fund (AS 44.47.587) in the Department of Community
26 and Regional Affairs for the purposes of that fund.

27 * Sec. 3. The appropriation made by sec. 2 of this Act is reduced by
28 the amount necessary to pay the interest due and payable during state
29 fiscal year 1991 on bonds issued under AS 18.56.083, and the amount of the
30 reduction, if any, is appropriated from the funding sources described in
31 sec. 2 of this Act to the senior housing bond account (AS 18.56.083).

1 * Sec. 4. The appropriations made by this Act are for capitalization of
2 funds and do not lapse under AS 37.25.010.

3 * Sec. 5. This Act takes effect only if, and on the day that, an Act
4 establishing a senior housing bond account in the Alaska Housing Finance
5 Corporation enacted by the Sixteenth Alaska State Legislature takes effect.

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SENATE FINANCE COMMITTEE REPORT

DATE: 3/6/90

FURTHER:

DATE TURNED INTO OFFICE: _____

The Finance Committee considered

SB 488

"An Act making a special appropriation to the Department of Environmental Conservation for payment as a grant to the Municipality of Anchorage for the Alyeska Basin subdivision water system; 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

SIGNING DO PASS:

APPROVES PREVIOUS:

Dept/Date:

fiscal note(s) _____

zero fiscal note(s) _____

OTHER RECOMMENDATIONS:

1. _____

2. _____

Co-Chairs: Signatures and Recommendations

SENATE COMMITTEE REPORT
FIRST COMMITTEE OF REFERRAL

DATE: 2/14/90

FURTHER: Finance

Date of 5-Day Notice: 2-14-90
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 3-6-90

C & R A

Committee considered

SB 488

Special appropriation to the Dept of Environmental Conservation for payment as a grant to the Munic. of Anchorage for the Alyeska Basin subdivision water system; efd.

+ a major Cmte resp

and recommended:

- 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 _____

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:

1 [Signature]
1 [Signature]

2 [Signature] No rec

1 [Signature]
Chair: Signature and Recommendation

Introduced: 2/12/90
Referred: C&RA and Finance

6-2225A

Funding Information: General Fund \$3,900,000
Other Funds - 0 -
\$3,900,000

BY SEN. SZYMANSKI

1 IN THE SENATE

2 SENATE BILL NO. 488

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
7 ment of Environmental Conservation for payment as a
8 grant to the Municipality of Anchorage for the
9 Alyeska Basin subdivision water system; and providing
10 for an effective date."

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

12 * Section 1. PURPOSE. This Act is in response to the health hazard
13 advisory issued by the Department of Environmental Conservation relating to
14 unacceptably high levels of tetrachlorethylene, a known carcinogen, in the
15 water system of the Alyeska Basin subdivision in Girdwood. This has
16 created an immediate and urgent health and safety issue for many residents
17 of the area.

18 * Sec. 2. The sum of \$3,900,000 is appropriated from the general fund
19 to the Department of Environmental Conservation for payment as a grant
20 under AS 46.03.030 to the Municipality of Anchorage to rehabilitate and
21 reconstruct the Alyeska Basin subdivision water system in Girdwood.

22 * Sec. 3. The appropriation made by this Act is for a capital project
23 and is subject to AS 37.25.020.

24 * Sec. 4. This Act takes effect July 1, 1990.
25
26
27
28

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4192

SENATE FINANCE COMMITTEE REPORT

DATE: 3/6/90

FURTHER:

DATE TURNED INTO OFFICE: 3/15/90

The Finance Committee considered

SB 492

~~SENATE FINANCE COMMITTEE REPORT~~

"An Act relating to the inspection of boilers and pressure vessels."

and recommended:

replace with _____ CS
 or adopt _____ CS

SB 492 (LRC)

same title
 new title
 technical title change (HB only)

attached amendment(s)

_____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

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) _____

DOLabor 3/5/90

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

J. Durca
[Signature]
[Signature]
Paul Grail
John Healy (DO PASS)

1. _____ 2. _____
Co-Chairs: Signatures and Recommendations

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION CS SB 492 (L&C)

PUBLISH DATE: 3/6/90

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Labor
 Title: "An Act relating to the inspection
of boilers and pressure vessels." BRU: Labor Standards & Safety
 Sponsor: Frank, Coghil, Sturgulewski Components: Mechanical Inspection
 Requestor: Senate Labor & Commerce

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	0.0	0.0	0.0

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

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Note: There will be no impact on FY 90.

Prepared by: Tom Stuart, Director Phone: 465-2712
 Division: Labor Standards & Safety Date: 3/5/90
 Approved by Commissioner: Jim Sampson Date: 3/5/90
 Agency: Department of Labor

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

Changes in CSSB492 (L+C)
 have no fiscal impact. This
 fiscal note is appropriate.
 Projections of no fiscal impact
 would continue through 1996.

Original sponsor(s): SEN. FRANK, Coghill, Sturgulewski

1 IN THE SENATE BY THE LABOR & COMMERCE COMMITTEE
2 CS FOR SENATE BILL NO. 492 (L&C)
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 inspection standards for
7 boilers and pressure vessels."

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

9 * Section 1. AS 18.60 is amended by adding a new section to read:

10 Sec. 18.60.315. INSPECTION STANDARDS. The 1989 edition of the
11 National Board Inspection Code Manual for Boiler and Pressure Vessel
12 Inspectors constitutes the minimum boiler and pressure vessel in-
13 spection standard of the state for boilers and pressure vessels after
14 they have received their initial inspection certificates from the
15 Department of Labor. The Department of Labor may adopt regulations
16 for the maximum practical implementation of the manual and may grant
17 an exception from a specific provision of the manual when the depart-
18 ment determines that the implementation of the provision would be
19 impractical.

STEVE FRANK
DISTRICT K
SEAT A

119 N. Cushman, Rm. 213
Fairbanks, Alaska 99701

While in Juneau
P.O. Box V
Juneau, Alaska 99811
(907) 465-3709
Capitol Rm. 514

Alaska State Legislature



Senate

MEMBER
Finance Committee
Resources Committee
Legislative Council
Special Committee on Banking &
Economic Development

VICE-CHAIR
Community & Regional
Affairs Committee

MEMORANDUM

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

FROM: Senator Steve Frank

RE: CS SB 492 "An Act relating to
the inspection of boilers and pressure vessels."

DATE: March 12, 1990

Thank you for hearing SB 492.

The legislation will allow the Department of Labor to adopt the National Board Inspection Code (NBIC) Manual for Boiler and Pressure Vessel Inspectors. The National Board Code is intended to "...maintain the integrity of such boilers and pressure vessels after they have been placed into service..."

Currently, the Department only operates under the American Society of Mechanical Engineers (ASME) code, which establishes the rules of safety governing the design, fabrication and inspection during construction of boilers and pressure vessels. These two codes are intended to be complementary and allow for a complete safety inspection program both before, during and after construction.

The Department of Labor supports this legislation as do the impacted industries, such as, ARCO Alaska, Fairbanks Municipal Utilities System and the Alaska Pulp Corporation. Without SB 492, the Department tells us that they cannot adopt the new code because they do not have the statutory authority.

Thank you for your consideration.

STATE OF ALASKA

DEPARTMENT OF LABOR

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

P.O. BOX 21149
JUNEAU, ALASKA 99802-1149
PHONE: (907) 465-2700

FAX: (907) 465-2784

March 5, 1990

The Honorable Dick Eliason, Chairman
Labor & Commerce Committee
Alaska State Senate
P.O. Box V
Juneau, AK 99811

Dear Senator Eliason:

The Department has reviewed the draft committee substitute for Senate Bill 492 (L&C), which adopts the 1989 National Board Inspection Code Manual for boilers and pressure vessels.

We have worked closely with the sponsor on this bill, and support it.

Thank you.

Sincerely,



Eileen Plate
Special Assistant

EP:kh

Municipal Utilities System

March 2, 1990

Senator Steve Frank
Alaska State Legislature
P.O. Box V
Juneau AK 99811

Dear Senator Frank:

I have had the opportunity to review the Labor and Commerce Committee Substitute for Senate Bill No. 492. The original Senate Bill 492 and the Labor and Commerce Committee Substitute both address a present legislative need for the State of Alaska. The owners and users of pressure vessels throughout the state and the Department of Labor all recognize the necessity for adoption and use of the National Board Inspection Code Manual for boiler and pressure vessel inspectors. However, the legislative procedure has not existed which would allow the Alaska Department of Labor to administratively adopt applicable portions or all of the National Board Inspection Code. The Committee Substitute for Senate Bill No. 492 clearly paves the way and provides the necessary vehicle the Department of Labor needs to continue to perform a valuable service to the citizens of Alaska.

I heartily support the Labor and Commerce Committee Substitute for Senate Bill No. 492 and certainly hope that the remaining necessary steps are completed and fruitful so as to allow the bill to become a very useful piece of legislation.

Sincerely,



Marty M. Lanum
Fairbanks Municipal Utilities System
Electric Utility Superintendent

dj



ALASKA PULP CORPORATION

4600 SAWMILL CREEK ROAD
SITKA, AK 99835-9801

RECEIVED
DECEMBER 20 1990

January 24, 1990

The Honorable Richard Eliason
Alaska State Senate
Room 417, Capitol
P.O. Box V
Juneau, Alaska 99811

Dear Senator Eliason:

Some time ago, I spoke to you about urgent need for Alaska adopting a Uniform Boiler and Pressure Vessel Safety bill.

There is a good deal of interest statewide on this issue because of the arbitrary and constantly changing interpretation of the current law by the Department of Labor. As an example, Department of Labor has required proof testing on boilers and pressure vessels after even very minor repairs. This practice leads to premature leaking and is a step backwards as a safety practice. Boiler manufacturers, insurance underwriters, and the National Board disagree with the State's implementation of this practice of proof testing.

The Municipality of Fairbanks Utilities is currently drafting a bill, and we understand that that bill will be forwarded to the Legislature very shortly.

There is widespread support around the State for this law change. Fundamentally, it would adopt National standards and implement a boiler and pressure vessel law similar to what is currently in use in most of the other states. The current Alaska law was adopted in 1955, which was before the time when there was much in the way of pressure vessel or industrial application in the State.

In any event, we hope that you will be able to support the law revisions when the bill is drafted and gets to your committee.

Very truly yours,

ALASKA PULP CORPORATION

Franklin C. Roppel
Executive Vice President

FCR:lc

cc: John Dapceвич
747-8303
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SENATE FINANCE COMMITTEE REPORT

DATE: 5/1/90

FURTHER: _____

DATE TURNED INTO OFFICE: 5/6/90

The Finance Committee considered

SB 493

"An Act relating to the reconstitution and administration of the mental health trust."

and recommended:

replace with _____ CS SB 493 (Fin) same title
 or adopt _____ CS _____ new title
 attached amendment(s) technical
 Finance letter of intent adopted title change
(HB only)

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

ATTACHES NEW FISCAL NOTE(S):

Dept/Date:

fiscal note(s) _____

zero fiscal note(s) SFC/DNR
5/6/90

APPROVES PREVIOUS:

Dept/Date:

fiscal note(s) _____

zero fiscal note(s) DHSS 5/2/90

appropriation-no fiscal note

SIGNING DO PASS:

[Signature]
[Signature]

OTHER RECOMMENDATIONS:

[Signature] No Rec

[Signature] No Rec

[Signature] No Rec

[Signature] No Rec

1. [Signature] Do Pass

2. [Signature] No Rec

Co-Chairs Signatures and Recommendations

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Dept Natural Resources
 Title: Reconstitution & administration of the mental health trust BRU: Management & Administration
 Sponsor: Senator Coghill Components: Information Resource Management
 Requestor: _____

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	0	0	0	0	0	0
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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)

Prepared by: Senator Rick Uehling, Co-chairman
 Division: Senate Finance Committee

Phone: 465-4821
 Date: 5/6/90

Approved by Commissioner: _____
 Agency: _____

Date: _____

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

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Health & Social Services
 Title: An Act relating to the reconstitution and BRU: _____
administration of the Mental Health Trust
 Sponsor: Senator Coahill Components: _____
 Requestor: Senate Resource Committee

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY92	FY93	FY94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
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FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME	0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

ANALYSIS: (Attach a separate page if necessary)
FY 90 fiscal impact is "0".

Prepared by: Richard Renninger Phone: 465-3331
 Division: Administrative Services Date: _____

Approved by Commissioner: Myra M. Hanson Date: 5/2/90
 Agency: Department of Health and Social Services

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

Changes in CSSB 493 (Fin)
 have no fiscal impact.
 This fiscal note is
 appropriate. 5/6/90 csw