

Leg. Finance-House & Senate Finance Comte Files (1991-1992) 880

SENATE FINANCE COMMITTEE REPORT

DATE: 5/10/91

FURTHER:

DATE TURNED INTO OFFICE: _____

The Finance Committee considered SENATE BILL NO. 248

"An Act relating to early intervention services for certain young children and their families; 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 _____

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: 4/12/91

FURTHER: Finance

Date of 5-Day Notice: 02 May 91
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 10 May 91

HESS Committee considered SB 248

Early intervention services for certain young children and their families; efd.

mg do ps

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 _____

DFM

ATTACHES NEW FISCAL NOTE(S):

Department(s)/Date:

Department(s)/Date:

fiscal note(s) HESS (3)
4/12/91

zero fiscal note(s) _____

appropriation-no fiscal note

Governor's bill w/fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

[Handwritten signatures]

Cedric J. [Signature]
Chair: Signature and Recommendation

REQUEST: **FISCAL NOTE**

Revision Date: _____ Agency Affects: Health & Social Services
 Title: Early intervention services for BRU: Community Developmental
certain young children & families Disabilities Grants
 Sponsor: Zharoff, Collins Components: Respite Care
 Requester: Senate HES

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			650.0	800.0	950.0	1,200.0
Miscellaneous						
TOTAL OPERATING	0.0	0.0	650.0	800.0	950.0	1,200.0

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
----------------	------------	------------	------------	------------	------------	------------

REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
----------------	------------	------------	------------	------------	------------	------------

FUNDING: (Thousands of Dollars)

General Funds/MHT	0.0	0.0	650.0	800.0	950.0	1,200.0
Federal Funds						
Other						
TOTAL	0.0	0.0	650.0	800.0	950.0	1,200.0

POSITIONS

Full-Time		0	0	0	0	0
Part-Time		0	0	0	0	0
Temporary		0	0	0	0	0

ANALYSIS: (attach a separate page if necessary)

See Attached

Prepared By: Margaret Lowe, Director
 Division: MENTAL HEALTH & DEVEL. DISABILITIES

Phone: 465-3370
 Date: 04/18/91

Approved By Commissioner: Theodore Mala, M.D., MPH
 Agency: HEALTH & SOCIAL SERVICES

Date: _____

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

Senate Bill 248

Fiscal Note

Respite care services offered by the Division of Mental Health and Developmental Disabilities are part of the interagency system of services in SB 248. However, a small percentage of families eligible for services under SB 248 do not meet the Division's developmental disabilities eligibility criteria. These funds would provide respite services for those families who qualify for services under SB 248, but do not meet the criteria for respite services in the Division of Mental Health and Developmental Disabilities.

REQUEST: FISCAL YEAR

Revision Date: _____ Agency Affect: Health & Social Services
 Title: Early intervention services for BRU: State Health Services
certain young children & families
 Sponsor: Zharoff, Collins Components: Infant Learning
 Requester: Senate HES

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		3,000.0	4,250.0	5,500.0	6,750.0	8,000.0
Miscellaneous						
TOTAL OPERATING	0.0	3,000.0	4,250.0	5,500.0	6,750.0	8,000.0

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
----------------	------------	------------	------------	------------	------------	------------

REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
----------------	------------	------------	------------	------------	------------	------------

FUNDING: (Thousands of Dollars)

General Funds/MHT	0.0	3,000.0	4,250.0	5,500.0	6,750.0	8,000.0
Federal Funds						
Other						
TOTAL	0.0	3,000.0	4,250.0	5,500.0	6,750.0	8,000.0

POSITIONS

Full-Time		0	0	0	0	0
Part-Time		0	0	0	0	0
Temporary		0	0	0	0	0

ANALYSIS: (attach a separate page if necessary)

See Attached

Prepared By: Peter M. Nakamura, MD, MPH, Director
 Division: PUBLIC HEALTH

Phone: 465-3090
 Date: 04/18/91

Approved By Commissioner: Theodore Mala, M.D., MPH
 Agency: HEALTH & SOCIAL SERVICES

Date: 4/18/91

Distribution (by preparer):

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

Senate Bill 248

Fiscal Note

These funds include increases for a number of programs in the system needed to meet the needs of this population. For example, these programs include the infant learning program, public health nursing and maternal, child health services in the Handicapped Children's Program. Full implementation includes providing basic ILP services, evaluations, and all identified services needed by the child and family.

The total cost for full implementation will be less than the projected costs once private insurance, sliding fee scales and all medicaid reimbursements are taken into consideration.

Personal services costs include several public health nursing positions, and limited fiscal personnel to obtain full reimbursement from medicaid, private insurance and other billable sources, which will significantly defray costs.

Travel costs include the costs necessary to serve increased numbers of families in villages and remote areas as well as monitoring and technical assistance for local programs.

Contractual costs include purchasing medical and therapy services for children and families. The grants line includes funds for infant learning programs in unserved areas and to reduce wait lists.

REQUEST: FISCAL NOTE

Revision Date: _____ Agency Affect: Health & Social Services
 Title: Early intervention services for BRU: State Health Services
certain young children & families
 Sponsor: Zharoff, Collins Components: Maternal, Child & Family Health
 Requester: Senate HES

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
Personal Services			235.0	336.0	437.0	538.0
Travel			26.0	31.0	36.0	41.0
Contractual		100.0	250.0	400.0	550.0	700.0
Supplies						
Equipment						
Land & Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING	0.0	100.0	511.0	767.0	1,023.0	1,279.0
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE	0.0	0.0	0.0	0.0	0.0	0.0

FUNDING: (Thousands of Dollars)

General Funds/MHT	0.0	100.0	511.0	767.0	1,023.0	1,279.0
Federal Funds						
Other						
TOTAL	0.0	100.0	511.0	767.0	1,023.0	1,279.0

POSITIONS

Full-Time		0	4	6	7	9
Part-Time		0	0	0	0	0
Temporary		0	0	0	0	0

ANALYSIS: (attach a separate page if necessary)

See Attached.

Prepared By: Peter M. Nakamura, MD, MPH, Director
 Division: PUBLIC HEALTH

Phone: 465-3090
 Date: 04/18/91

Approved By Commissioner: Theodore Mala, M.D., MPH
 Agency: HEALTH & SOCIAL SERVICES

Date: _____

Distribution (by preparer):

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

Senate Bill 248

Fiscal Note

These funds include increases for a number of programs in the system needed to meet the needs of this population. For example, these programs include the infant learning program, public health nursing and maternal, child health services in the Handicapped Children's Program. Full implementation includes providing basic ILP services, evaluations, and all identified services needed by the child and family.

The total cost for full implementation will be less than the projected costs once private insurance, sliding fee scales and all medicaid reimbursements are taken into consideration.

Personal services costs include several public health nursing positions, and limited fiscal personnel to obtain full reimbursement from medicaid, private insurance and other billable sources, which will significantly defray costs.

Travel costs include the costs necessary to serve increased numbers of families in villages and remote areas as well as monitoring and technical assistance for local programs.

Contractual costs include purchasing medical and therapy services for children and families. The grants line includes funds for infant learning programs in unserved areas and to reduce wait lists.

SENATE BILL NO. 248

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY SENATORS ZHAROFF, Collins

Introduced: 4/12/91
Referred: HES, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to early intervention services for certain young children and their
2 families; and providing for an effective date."

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

4 * Section 1. FINDINGS. The legislature finds that

5 (1) there are 32,000 children in the state under the age of three, six percent of whom
6 experience developmental delays or disabilities and an additional four percent of whom are at risk of
7 delays or disabilities due to social, environmental, or biological factors;

8 (2) there are existing programs, such as infant learning, head start, parent and child
9 centers, child development services, handicapped children's programs, community developmental
10 disabilities programs, and child care assistance programs that can and do meet many of the needs of
11 young children and their families if the programs are family-oriented, community-based, coordinated,
12 and provided with sufficient resources;

13 (3) many current social programs are aimed at addressing needs after problems occur
14 rather than addressing prevention and early intervention; early identification and treatment have proven

1 to eligible children under the age of three who have developmental delays or disabilities and, on
2 a discretionary basis, to those children under the age of three who are at risk of developmental
3 delays or disabilities;

4 (2) bring together and make optimal use of all available federal, state, local, and
5 private resources for the benefit of children under the age of three with developmental delays or
6 disabilities and their families;

7 (3) expand and improve existing learning and early intervention services and to
8 provide and arrange for comprehensive services through local agencies and statewide support pro-
9 grams.

10 Sec. 47.20.070. ESTABLISHMENT OF PROGRAM. (a) The department, with the
11 assistance of the Governor's Council for the Handicapped and Gifted, shall establish a
12 coordinated, comprehensive, statewide system of multidisciplinary interagency programs that
13 provide appropriate early intervention services to eligible persons under this chapter.

14 (b) The department is the lead agency for purposes of federal law with respect to the
15 administration of the early intervention services system required under (a) of this section. The
16 department shall establish and administer the system required under (a) of this section so that the
17 state is eligible for the maximum available federal financial support.

18 (c) In connection with the system established under (a) of this section, the department
19 shall

20 (1) develop a state plan that identifies the best methods of providing services to
21 children under the age of three with developmental delays or disabilities and their families and
22 report to the governor on the extent to which that plan is being implemented in the state;

23 (2) develop and implement an educational program concerning the nature and
24 effects of developmental delays and disabilities;

25 (3) serve as a clearinghouse for educational materials and information about
26 developmental delays and disabilities;

27 (4) organize and encourage training programs for persons who provide services
28 to children under the age of three with developmental delays and disabilities and their families;

29 (5) establish a training program for paraprofessionals who provide services to
30 children under the age of three with developmental delays and disabilities and their families;

31 (6) cooperate with other public and private agencies and individuals to facilitate

1 the transition of children served in the early intervention system to the formal education system.

2 Sec. 47.20.080. PROGRAM ELIGIBILITY. (a) A child and the child's family are
3 eligible for early intervention services under this chapter if the child is under the age of three and

4 (1) experiencing developmental delay or disability; or

5 (2) at risk of experiencing developmental delay or disability if early intervention
6 services are not provided.

7 (b) The department shall serve children and their families who are eligible for services
8 under (a)(1) of this section. If all persons eligible under (a)(1) of this section are receiving all
9 the services included in the individualized family service plans developed for them under
10 AS 47.20.100, the department shall, within available funds, serve children and their families who
11 are eligible for services under (a)(2) of this section.

12 Sec. 47.20.090. FINDING AND EVALUATING ELIGIBLE PARTICIPANTS. (a) The
13 department shall establish a comprehensive system for finding children and their families who
14 are eligible for services under this chapter. This child find system must

15 (1) include a public awareness program focusing on early identification of
16 developmentally delayed and disabled children under three years of age;

17 (2) provide for participation by primary referral sources; and

18 (3) include procedures with timelines for referral of eligible participants to service
19 providers.

20 (b) The department shall, within 45 days after a child's referral for services under (a) of
21 this section, ensure that all affected public agencies and service providers

22 (1) provide for a comprehensive multidisciplinary evaluation of the functioning
23 of the child and the needs of the child's family so that the family can appropriately assist in the
24 development of the child;

25 (2) in consultation with the child's parents, develop a written individualized
26 service plan that identifies how the needs of the child and the family will be met.

27 Sec. 47.20.100. INDIVIDUALIZED FAMILY SERVICE PLAN. The individualized
28 family service plan developed under AS 47.20.090(b)(2) must be based on the evaluation
29 conducted under AS 47.20.090(b)(1) and must include

30 (1) provisions for case management services to implement the plan, including the
31 name of the case manager from the profession most immediately relevant to the child's or

1 family's needs who will be responsible for the implementation of the plan and coordination with
2 other agencies and persons;

3 (2) a statement of the child's present levels of physical development, cognitive
4 development, language and speech development, psychosocial development, and self-help skills,
5 based on appropriate objective criteria;

6 (3) a description of the family's concerns, priorities, and resources as they relate
7 to the future enhancement of the child's development;

8 (4) a description of the specific early intervention services that meet the unique
9 needs of the child and the family, including the frequency, intensity, and method with which the
10 services should be delivered;

11 (5) the projected dates for initiation of services and the anticipated duration of the
12 services;

13 (6) an outline of the major outcomes expected to be achieved for the child and
14 the family along with the criteria, procedures, and timelines that will be used to determine the
15 degree to which progress toward achieving the outcomes are being made and whether
16 modifications or revisions of the outcomes or services are necessary; and

17 (7) a statement of the steps that will be taken to support the transition of the child
18 and the family to the use of services available under other appropriate programs, including
19 programs for children who are three years of age or older.

20 Sec. 47.20.110. OTHER DUTIES OF THE DEPARTMENT. (a) The department shall
21 adopt regulations necessary to implement this chapter, including regulations

22 (1) for personnel development, including preservice and in-service training
23 programs for providers of early intervention services;

24 (2) to govern resolution of intraagency and interagency disputes about the
25 provision of services under this chapter and the financial responsibility of the respective parties
26 for those services;

27 (3) that ensure that services are provided to children and their families in a timely
28 manner pending the resolution of disputes among public agencies or service providers;

29 (4) providing for due process with respect to the rights of children and parents
30 who are eligible for services under this chapter; the regulations must provide that during the
31 pendency of a complaint about a change in services, the child and family shall continue to

1 receive the prior services unless the state and the family otherwise agree, or, if the complaint
2 relates to an application for initial services, the child and family shall receive the services that
3 are not in dispute.

4 (b) The department shall establish a system for compiling data on the numbers of
5 children and their families in the state who need early intervention services, the numbers being
6 served, the types of services provided, and other information as required under federal law.
7 Personally identifiable information obtained under this chapter is confidential for purposes of
8 AS 09.25.110 - 09.25.120.

9 Sec. 47.20.290. DEFINITIONS. In this chapter,

10 (1) "department" means the Department of Health and Social Services;

11 (2) "developmentally delayed" means functioning at least 15 percent below a
12 chronological or corrected age or 1.5 standard deviations below age appropriate norms in one or
13 more of the following areas: cognitive development, gross motor development, sensory
14 development, speech or language development, or psychosocial development, including self-help
15 skills and behavior, as measured and verified by appropriate diagnostic instruments and
16 procedures or through systematic observation of functional abilities in a daily routine by two
17 professionals and a parent, developmental history, and appropriate assessment procedures;

18 (3) "disability" means having an identifiable physical, mental, sensory, or
19 psychosocial condition that has a probability of resulting in developmental delay even though a
20 developmental delay may not be exhibited at the time the condition is identified, including

21 (A) chromosomal abnormalities associated with delays in development,
22 such as Down's syndrome, Turner's syndrome, Cornelia de Lange syndrome, or fragile
23 X syndrome;

24 (B) other syndromes and conditions associated with delays in development,
25 such as fetal alcohol syndrome, cocaine and other drug-related syndromes, metabolic
26 disorders, cleft lip, or cleft palate;

27 (C) neurological disorders associated with delays in development, such as
28 cerebral palsy, microcephaly, hydrocephaly, spina bifida, or periventricular leukomalacia;

29 (D) sensory impairment, such as hearing loss or deafness, visual loss or
30 blindness, or a combination of hearing and visual loss, that interferes with the child's
31 ability to respond effectively to environmental stimulus;

1 (E) congenital infections, such as rubella, cytomegalovirus, toxoplasmosis,
2 or acquired immune deficiency syndrome;

3 (F) chronic illness or conditions that may limit learning or development,
4 such as cystic fibrosis, bronchopulmonary dysplasia, tracheostomies, amputations, arthritis,
5 or muscular dystrophy;

6 (G) psychosocial disorders, such as reactive attachment disorder, infant
7 autism, or childhood schizophrenia; or

8 (H) atypical growth patterns consistent with a prognosis of developmental
9 delay based upon parental and professional judgment, such as failure to thrive;

10 (4) "early intervention services" or "services" means services that are designed
11 to meet the developmental needs of a child under the age of three who is developmentally
12 delayed or disabled or the needs of the child's family so that the family can support the child's
13 development; the services may include

14 (A) family training, counseling, and home visits;

15 (B) special instruction;

16 (C) speech pathology and audiology;

17 (D) occupational therapy;

18 (E) physical therapy;

19 (F) psychological services;

20 (G) case management services;

21 (H) medical services only for diagnostic or evaluation purposes;

22 (I) early identification, screening, and assessments; and

23 (J) health services for the child that are necessary to enable the child to
24 benefit from the other early intervention services.

25 * Sec. 3. AS 47.80.900(6) is amended to read:

26 (6) "person with a handicap" means a person with a developmental disability as
27 defined in (7) of this section or a person who is hard of hearing, deaf, speech impaired, visually
28 handicapped, seriously emotionally disturbed, orthopedically or otherwise health impaired, or who
29 has a specific learning disability; the term includes but is not limited to "exceptional children"
30 as defined in AS 14.30.350 [AS 14.30.350(1) AND AS 47.20.050];

31 * Sec. 4. AS 47.20.005, 47.20.010, 47.20.020, and 47.20.050 are repealed.

1 * Sec. 5. This Act takes effect July 1, 1991.

ALASKA STATE LEGISLATURE
SENATE BILL NO. 248

HISTORY IN THE SENATE

1971

Read first time and referred to:

4/12

Hess, Finance.

5/10

~~1/12~~ RPT() CS 3 DP NR DNP AM
New Title Same Title Previous FN
FN LOFN To Strom

RPT() CS DP NR DNP AM
New Title Same Title Previous FN
FN OFN To

RPT() CS DP NR DNP AM
New Title Same Title Previous FN
FN OFN To

Rules Calendar() CS AM Other
New Title Same Title Previous FN
FN OFN

Read second time

CS Adopted () New Title
Amended Advanced

Read third time

Letter of Intent adopted
Return to second for specific amendment

PASSED EFD Same ___ or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

Reconsideration

Reconsideration not taken up

PASSED EFD Same ___ or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

Reported correctly engrossed
Signed by President, to House

Secretary of the Senate

HISTORY IN THE HOUSE

19

Read first time and referred to:

RPT CS() New Title
DP DNP NR AM
FN OFN Previous FN

RPT CS() New Title
DP DNP NR AM
FN OFN Previous FN

RPT CS() New Title
DP DNP NR AM
FN OFN Previous FN

Read second time
CS() Adopted

Amended

Advanced

Read third time

Return to second for specific amendment

PASSED EFD Same ___ or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

Intent adopted

Reconsideration

Reconsideration not taken up

PASSED ON RECON. EFD Same ___ or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

Intent adopted

Reported correctly engrossed, signed by the Speaker
and returned to the Senate

Chief Clerk of the House

SENATE-HOUSE HISTORY Continued

19

Received from the House

Version: _____

Concur in House amendment

Y ___ N ___ E ___ A ___

_____ Efd same or Y ___ N ___ E ___ A ___

Failed to concur in House amendment, ask House recede

Y ___ N ___ E ___ A ___

House failed to / receded from amendment

Y ___ N ___ E ___ A ___

CC appointed by Senate _____ Chair

CC appointed by House _____ Chair

(S) Granted Limited Powers of Free Conference

(H) Granted Limited Powers of Free Conference

19

(S) Adopted CC Rpt _____

Y ___ N ___ E ___ A ___

_____ Efd same or Y ___ N ___ E ___ A ___

(H) Adopted CC Rpt _____

Y ___ N ___ E ___ A ___

_____ Efd same or Y ___ N ___ E ___ A ___

To enrolling

Received from enrolling

Sent to Governor

_____ By Governor

Chapter Number _____

Filed with Lieutenant Governor

SENATE FINANCE COMMITTEE REPORT

DATE: 4/24/92

FURTHER:

DATE TURNED INTO OFFICE:

5/5/92

The Finance Committee considered SENATE BILL NO. 254

"An Act relating to the exemption for permanent fund dividends from the collection of debts, to the collection of debts by execution on dividends, and to claims on a dividend; and providing for an effective date."

and recommends:

replace with _____ CS _____ (FINANCE)
or adopt previous _____ CS SB 254 (JUD)
 attaches amendment(s)

same title
 new title
 technical title change (HB only)

adopts _____ Letter of Intent

further referral to the _____

do pass

do not pass

no recommendation

individual recommendations

NEW FISCAL NOTES: Dept/Date

zero fiscal notes _____

fiscal notes _____

appropriation--no fiscal note

PREVIOUS FISCAL NOTES: Dept/Date

zero fiscal notes DOR 2/12/92
AK COURTSYS 2/11/92

fiscal notes _____

DO PASS:

Jim Duncan
Tom Holton
Paul Smith
Kirk Deh
1. *Pat Hammett*
Co-Chair: Signature/Recommendation

OTHER RECOMMENDATIONS:

2. _____
Co-Chair: Signature/Recommendation

FISCAL NOTE

No. 1

Bill Version: SB 254

Bill (S) Publish Date: 4-24-92

STATE OF ALASKA
1992 LEGISLATIVE SESSION

Revision Date: _____ Department Affected: Alaska Court System
 Title: An Act relating to the exemption for BRU: Trial Courts
permanent fund dividends from collection of debts Components: _____
 Sponsor: Judiciary Committee by request
 Requestor: _____ COMPONENT SERIAL NO.

000 000	000 768
-----------	-----------

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

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

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						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact.

Changes in SSB 254 (JUD)
reflect NO FISCAL CHANGE from the original
fiscal note. This fiscal note is appropriate.

4/24
date

67UB
Compte Aide (initial)

Prepared by: C. S. Christensen III, Staff Counsel

Division: Alaska Court System

Phone: 264-8228

Date: 02/11/92

Approved by: Arthur H. Snowden, II, Administrative Director

Agency: Alaska Court System

Date: 02/11/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE

STATE OF ALASKA
 1992 LEGISLATIVE SESSION

BILL NO. SB 254

Revision Date: _____
 Title: An Act relating to claims on permanent fund dividends
 Sponsor: Senate Judiciary Committee
 Requestor: Senate Judiciary Committee

Agency Affected: Revenue
 BRU: Permanent Fund Dividend Division
 Components: Permanent Fund Dividend Division
 COMPONENT SERIAL NO. 9 8 1

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
OPERATING						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LANDS & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Changes in CSB (JUD) reflect NO FISCAL CHANGE from the original fiscal note. This fiscal note is appropriate.

4/24 67LB
 date Comte Aide (initial)

Estimate of current year impact: None.

ANALYSIS: None required.

Prepared By: Thomas C. Williams
 Division: Permanent Fund Dividend Division

Phone: 465-2323
 Date: February 12, 1992

Approved by Commissioner: David Rapch
 Agency: Revenue

Date: 2/12/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

CS FOR SENATE BILL NO. 254 (JUDICIARY)
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE JUDICIARY COMMITTEE

Offered: 4/24/92
Referred: Finance

Sponsor(s): SENATE JUDICIARY COMMITTEE BY REQUEST

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the exemption for permanent fund dividends from the collection of
2 debts, to the seizure of dividends for the collection of debts, to claims on a dividend, and
3 providing that claims on defaulted scholarship loans have third priority among claims
4 against a dividend; and providing for an effective date."

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

6 * Section 1. AS 09.38.015(a) is amended to read:

7 (a) An individual is entitled to exemption of the following property:

8 (1) a burial plot for the individual and the individual's family;

9 (2) health aids reasonably necessary to enable the individual or a dependent to
10 work or to sustain health;

11 (3) benefits paid or payable for medical, surgical, or hospital care to the extent
12 they are or will be used to pay for the care;

13 (4) an award under AS 18.67 (Violent Crimes Compensation Board) or a crime
14 victim's reparations act of another jurisdiction;

- 1 (5) benefits paid or payable as a longevity bonus under AS 47.45;
2 (6) compensation or benefits paid or payable and exempt under federal law;
3 (7) liquor licenses granted under AS 04;
4 (8) limited entry permits granted under AS 16.43, except as provided in that
5 chapter;
6 (9) tuition credits under an advance college tuition payment contract authorized
7 under AS 14.40.809(a);
8 (10) that portion of a permanent fund dividend exempted under
9 AS 43.23.065(a).

10 * Sec. 2. AS 09.38.030(b) is amended to read:

11 (b) An individual who does not receive earnings either weekly, semi-monthly or monthly
12 is entitled to a maximum exemption for the aggregate value of cash and other liquid assets
13 available in any month of \$1,400, except as provided in AS 09.38.050. The term "liquid assets"
14 includes deposits, securities, notes, drafts, accrued vacation pay, refunds, prepayments, and
15 receivables, but does not include permanent fund dividends before or after receipt by the
16 individual.

17 * Sec. 3. AS 43.23.065 is amended to read:

18 Sec. 43.23.065. EXEMPTION OF AND LEVY ON PERMANENT FUND DIVIDENDS.

19 (a) Except as provided in (b) of this section, 45 percent of the annual permanent fund dividend
20 payable to an individual is exempt from levy, execution, garnishment, attachment, or any other
21 remedy for the collection of debt. This exemption applies to an eligible individual's permanent
22 fund dividend both before and after payment is made to the individual. No other exemption
23 applies to a dividend. Notwithstanding other laws, a writ of execution upon a dividend that
24 has not been delivered to the debtor may be served on the commissioner by certified mail,
25 return receipt requested. Upon receipt of a writ by certified mail, return receipt requested,
26 the commissioner shall deliver that portion of the dividend executed upon to the court along
27 with the case name and number.

28 (b) An exemption is not available under this section for permanent fund dividends taken
29 to satisfy

30 (1) child support obligations required by court order or decision of the child
31 support enforcement agency under AS 25.27.140 - 25.27.220:

1 (2) court ordered restitution under AS 12.55.045 - 12.55.051 or 12.55.100;

2 (3) claims on defaulted scholarship loans under AS 43.23.067;

3 (4) court ordered fines;

4 (5) [OR (3)] a debt owed by an eligible individual to an agency of the state,
5 unless the debt is contested and an appeal is pending, or the time limit for filing an appeal has
6 not expired.

7 (c) Claims listed in (b) of this section have priority in the order listed over other claims
8 on a permanent fund dividend whether payments are sought through legal actions for the
9 collection of debts or through assignments from the debtor.

10 * Sec. 4. AS 43.23.065 is amended by adding a new subsection to read:

11 (d) An assignment of or levy, execution, garnishment, attachment, or other remedy for
12 the collection of debt applied to a dividend for a year may not be accepted by the department
13 before April 1 of that same year. AS 09.38.080(c) and 09.38.085 do not apply to a levy on a
14 permanent fund dividend. The department shall include the case number with a dividend or
15 portion of a dividend transmitted to the court in response to a writ of execution or other court
16 order. At the time payment is made to the court, the department shall send to the individual at
17 the address provided in the individual's dividend application and to the court that issued the writ
18 or order a notice that contains

19 (1) notification that all or part of the individual's dividend has been seized under
20 a writ of execution or court order;

21 (2) the name and address of the court that issued the writ or order;

22 (3) the case number for which the writ or order was issued;

23 (4) the amount seized under the writ or order; and

24 (5) notification that the individual has 30 days from the date the notice is mailed
25 in which to file with the court an objection to the seizure if a mistake has been made.

26 * Sec. 5. AS 43.23.067(b) is amended to read:

27 (b) The Alaska Commission on Postsecondary Education [UPON RECEIPT OF A
28 CLAIM UNDER (a) OF THIS SECTION THE DEPARTMENT] shall notify the individual of
29 a [THE] claim under (a) of this section. The notice shall be sent to the address provided in the
30 individual's permanent fund dividend application and must provide the following information:

31 (1) the amount of the claim; and

1 (2) notice that the amount of the permanent fund dividend that does not exceed
2 the amount of the claim shall be paid to the Alaska Commission on Postsecondary Education
3 unless the commission releases the claim or the individual requests a hearing within 30 days after
4 the date the notice is sent by the commission [DEPARTMENT].

5 * Sec. 6. AS 43.23.067(c) is amended to read:

6 (c) AS 44.62.330 - 44.62.630 apply to a hearing requested by an individual under (b)(2)
7 of this section. [IF A REQUEST FOR A HEARING IS NOT RECEIVED BY THE
8 DEPARTMENT WITHIN THE REQUIRED TIME LIMIT, THE DEPARTMENT SHALL PAY
9 TO THE ALASKA COMMISSION ON POSTSECONDARY EDUCATION THE AMOUNT OF
10 THE PERMANENT FUND DIVIDEND THAT DOES NOT EXCEED THE AMOUNT OF THE
11 CLAIM.]

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

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. CS SB 254 (JUDICIARY)

Revision Date: April 23, 1992
Title: An Act relating to claims on permanent fund dividends
Sponsor: Senate Judiciary Committee
Requestor: Senate Finance Committee

Agency Affected: Revenue
BRU: Permanent Fund Dividend Division
Components: Permanent Fund Dividend Division
COMPONENT SERIAL NO. 9 8 1

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
OPERATING						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LANDS & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None.

ANALYSIS: None required.

Prepared By: for Thomas C. Williams

Phone: 465-2323

Division: Permanent Fund Dividend Division

Date: April 23, 1992

Approved by Commissioner: [Signature]

Agency: Revenue

Date: 4/23/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

4-28-92

New fiscal note



JUDICIARY CS FOR SENATE BILL 254

SECT 1: Amends AS 09.38.015 (a) which pertains to exemptions on property, to clarify that an individual is entitled to an exemption of a portion of a permanent fund dividend under AS 43.23.064 (a).

SECT 2: Amends AS 09.38.030 (b) to clarify that liquid assets exemptions do not apply to a permanent fund dividend.

SECT 3: Again clarifies that the liquid assets exemption does not apply to an individual's permanent fund dividend. Adds language to allow writs of execution on a dividend to be served on the Commissioner of the Department of Revenue by certified mail. Upon receipt of a writ, the commissioner will deliver that portion of the dividend executed upon to the Alaska Court System. Places claims on defaulted scholarship loans third in priority to execute on dividends. Adds court ordered fines to the same priority list of exemptions that are not included in those exemptions that are limited to a 45 percent limitation. Clarifies that the priorities listed in this subsection have priority over other claims whether payments are sought through legal actions or through assignments from debtors.

SECT 4: Maintains the existing practice of the Department of Revenue of not accepting assignments, executions, levys, garnishments, attachments before April 1 of the dividend year. Provides that AS 09.38.080 (c) and 09.38.085, relating to notices, do not apply to a levy on a dividend. Instead, the Department of Revenue will supply notice and this section delineates the information that will be included in the notice.

SECT 5: Clarifies that the Postsecondary Education Commission rather than to the Department of Revenue will notify an individual of a claim against a dividend and that requests for hearings related to these matters will be sent to the Commission rather than the Department of Revenue.

SECT 6: Conforms changes in Section 5 to AS 43.23.067 (c).

SECT 7: Effective date.

SECTIONAL ANALYSIS

CSSB 254 (JUD) "An Act relating to the exemption for permanent fund dividends from the collection of debts, to the seizure of dividends for the collection of debts, to claims on a dividend, and providing that claims on a defaulted scholarship loans have third priority among claims against a dividend; and providing for an effective date."

Section 1. Amends AS 09.38.015(a) to clarify that an individual is entitled to an exemption of a portion of a permanent fund dividend under AS 43.23.064(a).

Section 2. Amends AS 09.38.030(b) to clarify that the liquid assets exemption does not apply to an individual's permanent fund dividend.

Section 3. Amends AS 43.23.065 in five ways: First, it conforms with section 2 of this bill, to clarify that the liquid assets exemption does not apply to an individual's permanent fund dividend. Second, it adds court-ordered fines to the list of debts for which a permanent fund dividend exemption is not available to an individual. Third, it provides that claims on defaulted student loans have priority over other debts owed to state agencies when a dividend is seized. Fourth, it provides that claims listed in AS 43.23.065(b) have priority over other debts whether payment is sought through legal action or through assignment. Fifth, it allows a writ of execution on a dividend to be served on the Department of Revenue by certified mail rather than by process server.

Section 4. Provides that AS 09.38.080(c) and 09.38.085, relating to notice, do not apply to a levy on a permanent fund dividend. Instead, the Department of Revenue must provide notice of the levy to a debtor. Also provides that the department may not accept an assignment of or an execution on a dividend prior to April 1 of a dividend year.

Section 5. Amends AS 43.23.067(b), relating to seizure of a dividend to pay a student loan, to clarify that a debtor's request for a hearing must be made to the Postsecondary Education Commission, rather than the Department of Revenue.

Section 6. Amends AS 43.23.067(c) to conform with the amendment made by section 5.

Section 7. Immediate effective date.

SECTIONAL ANALYSIS

- SB 254 "An Act relating to the exemption for permanent fund dividends from the collection of debts, to the collection of debts by execution on dividends, and to claims on a dividend; and providing for an effective date."
- Section 1. Amends AS 09.38.015(a) to clarify that an individual is entitled to an exemption of a portion of a permanent fund dividend under AS 43.23.064(a).
- Section 2. Amends AS 09.38.030(b) to clarify that the liquid assets exemption does not apply to an individual's permanent fund dividend.
- Section 3. Conforms AS 14.43.120(i) with the change made in section 4 of the bill, by renumbering the statutory reference from AS 43.23.065(b)(3) to (b)(4).
- Section 4. Amends AS 43.23.065 in three ways: First, it conforms with section 2 of this bill, to clarify that the liquid assets exemption does not apply to an individual's permanent fund dividend. Second, it adds court-ordered fines to the list of debts for which a permanent fund dividend exemption is not available to an individual. Third, it provides that claims listed in AS 43.23.065(b) have priority over other debts whether payment is sought through legal action or through assignment.
- Section 5. Provides that AS 09.38.080(c) and 09.38.085, relating to notice, do not apply to a levy on a permanent fund dividend. Instead, the Department of Revenue must provide notice of the levy to a debtor.
- Section 6. Amends AS 43.23.067(b), relating to seizure of a dividend to pay a student loan, to clarify that a debtor's request for a hearing must be made to the Postsecondary Education Commission, rather than the Department of Revenue.
- Section 7. Amends AS 43.23.067(c) to conform with the amendment made by section 6.
- Section 8. Immediate effective date.



Alaska Court System
State of Alaska

OFFICE OF ADMINISTRATIVE DIRECTOR

CHARLES S. CHRISTENSEN III
Staff Counsel

303 K Street
Anchorage, AK 99501
(907) 264-8228

April 30, 1992

The Honorable Jay Kerttula, Co-Chair
The Honorable Pat Pourchot, Co-Chair
Senate Finance Committee
P.O. Box V
Juneau, Alaska 99811

Dear Senator Kerttula and Senator Pourchot:

I am writing to request that the Finance Committee schedule SB 254, relating to claims on a permanent fund dividend, at its earliest convenience. This bill was introduced at the request of the Alaska Supreme Court, and was drafted with the assistance of the Department of Law and the Department of Revenue. Its primary purpose is to improve the procedures surrounding execution by a creditor on the permanent fund dividend of a debtor.

As you know, existing law provides that a creditor may execute on the dividend of a debtor, just as a creditor may execute on a debtor's bank account or other property. The amount which the creditor may seize is limited to 55% of a dividend, unless the creditor is executing on the dividend in order to satisfy a child support obligation, court-ordered restitution, or a debt owed to the state. In such cases, the entire dividend may be seized.

The current procedures surrounding execution on a dividend are contradictory, cumbersome, expensive, and frequently fail to give adequate notice to the debtor. Specific problems, and the corrections proposed in SB 254, are as follows:

1. Existing law requires the creditor to serve notice of the execution on the debtor. This causes several problems. First, aside from being unwieldy and expensive, existing

The Honorable Jay Kerttula
The Honorable Pat Pourchot
April 28, 1992
Page 2

notice procedures are unnecessary, since the Department of Revenue automatically notifies a debtor that the dividend has been seized. Second, the creditor frequently does not know where the debtor can be reached in order to be notified of the claim. Great expense can be incurred in attempting to locate and serve the debtor, and if he cannot be found, the execution may take place without notice. Third, since the state is frequently the creditor seeking execution, the unnecessary expense of the notice requirement prevents it from attempting to recover many small debts.

SB 254 corrects these problems by eliminating the existing notice requirement, and instead requiring the Department of Revenue to provide legally adequate notice to the debtor. Because the department already sends notice to debtors, no additional expense will be incurred by expanding the information provided in that notice. Because the debtor has provided a current address to the department in order to receive a dividend, the debtor is more likely to receive notice of the seizure than under the existing procedure. Finally, because notice procedures will be less expensive, the state will be able to economically pursue far more debts than it does now (section 4).

2. As noted above, AS 43.23.065 provides that 45% of a dividend is exempt from execution for most debts. However, AS 09.38.030(b) provides a liquid assets exemption for debtors which can be read to exempt all of a dividend from execution. Most courts have rejected this reading, because it subverts the legislature's purpose in enacting the 45% exemption. SB 254 resolves this issue by making it clear that the liquid assets exemption does not apply to dividends (sections 2 and 3).
3. As noted above, creditors may seize an entire dividend, not just 55% of it, to pay for child support obligations, restitution, or other debts owed to a state agency, in that order of priority. A court-ordered fine for a violation of state law is a "debt owed . . . to a state agency" and thus is not subject to the exemption. However, criminal fines imposed by a municipality are subject to the exemption. SB 254 corrects this inequity by adding court-ordered fines for either state or municipal violations to the list of exemptionless debts (section 3).
4. While current law prioritizes claims against a dividend, it is not clear whether the listed priorities apply only in the

The Honorable Jay Kerttula
The Honorable Pat Pourchot
April 28, 1992
Page 3

case of execution, or if the listed priorities also apply to voluntary assignments of a dividend. SB 254 provides that the priorities apply in both cases (section 3).

The Judiciary Committee substitute for SB 254 makes three additional changes to existing law:

First, the CS provides in section 3 that a writ of execution upon a dividend may be served on the Department of Revenue by certified mail, rather than by process server as is currently required.

Second, the CS provides in section 3 that claims on defaulted student loans shall be given priority over other debts owed to state agencies when a dividend is seized by the state.

Third, the CS provides in section 5 that the Department of Revenue may not accept an assignment of or an execution on a dividend before April 1 of a dividend year.

Passage of SB 254 will improve the procedures surrounding execution on a permanent fund dividend by giving better notice to debtors that their dividend is being seized, and making it less expensive for the state to execute on persons who fail to pay child support or other debts. We urge your favorable consideration.

Very truly yours,



C. S. Christensen III
Staff Counsel

Memorandum

Alaska Court System

TO: Chris Christensen
Staff Counsel

DATE: April 10, 1991

FROM: Susan Miller
Special Projects

SUBJ: Brief Description of
PFD Executions Bill

This bill has two main purposes:

1. to improve the procedure for giving notice to debtors when their permanent fund dividends are seized, and
2. to resolve a question concerning the exemptions to which the debtors are entitled.

The first purpose is accomplished in Section 5 of the bill by requiring the Department of Revenue, rather than the creditor, to send notice of the seizure to the person whose dividend is seized. The department is already sending a similar notice. This bill merely increases the amount of information in the notice. This notice will be more likely to reach the right person because the department is much more likely to have the most current address for the person than the creditor is.

The second purpose is accomplished in Sections 2 and 4 of the bill. These sections confirm that the only exemption available for the PFD is the 45% exemption granted by the PFD exemption statute, AS 43.23.065. That is, the liquid assets exemption in AS 09.38.030(b) does not apply to these dividends. I understand that this is the position currently taken by most, but possibly not all, judges.

In addition, the bill does the following:

3. Section 4 will:
 - a. allow a person's entire dividend (not just 55% of it) to be seized to pay a court ordered fine, whether the fine is owed to the state or to a municipality, and
 - b. give court ordered fines priority over other debts owed to state agencies when a PFD is seized.
4. Section 4 of the bill also amends the statute which establishes the priority of claims against the PFD to make it clear that a voluntary assignment to pay one of the listed debts has the same priority as an involuntary seizure to satisfy the debt.

Bill Analysis

TO: Chris Christensen
RE: PFD Bill

Page 2

5. Section 6 and 7 of the bill make a minor revision in AS 43.23.067, the statute which defines the procedure for seizing a PFD for nonpayment of a student loan. These changes will merely conform the statute to the current practice of the Department of Revenue and the Commission on Postsecondary Education. Specifically, the changes make it clear that:
 - a. any request for hearing on the seizure of a dividend must be made to the commission, not to the department, and
 - b. the department need not hold the dividend for 30 days to see if a request for hearing will be filed.
6. Sections 1 and 3 of the bill make essentially "technical changes as follows:
 - a. Section 1 adds the AS 43.23.065 PFD exemption to the list of exemptions in the Exemptions Act, AS 09.38.015.
 - b. Section 3 conforms a statute citation in AS 14.43.120 to an amendment made in Section 4 of the bill.

SM:co

cc: Arthur H. Snowden, II

Susan



Alaska Court System

State of Alaska

OFFICE OF ADMINISTRATIVE DIRECTOR

303 K Street
Anchorage, Alaska 99501

February 17, 1992

The Honorable Rick Halford, Chair
Senate Judiciary Committee

The Honorable Dave Donley, Chair
House Judiciary Committee

The Honorable Jay Kerttula, Co-Chair
The Honorable Pat Pourchot, Co-Chair
Senate Finance Committee

The Honorable Mike Navarre, Co-Chair
The Honorable Eileen MacLean, Co-Chair
House Finance Committee

Dear Legislators:

We are writing to express the joint support of the Alaska Court System and the Departments of Revenue, Law, Public Safety and Administration for House Bill 291 and Senate Bill 254, companion legislation relating to the collection of debts by execution on permanent fund dividends.

HB 291 and SB 254 were introduced at the request of the Alaska Supreme Court, and drafted with the assistance of the Departments of Law and Revenue. Their primary purpose is to improve the existing procedures surrounding execution by a creditor on the permanent fund dividend of a debtor.


Current procedures are cumbersome, expensive, and unnecessary. They result in increased case processing costs for the court system, increased debt collection costs for the Department of Law, and increased process serving costs for the Department of Public Safety. To resolve these problems, HB 291 and SB 254 transfer certain procedural responsibility for the notification of debtors to the Department of Revenue. There is no fiscal

The Honorable Rick Halford, et al
February 18, 1992
Page 2

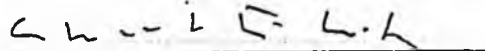
impact associated with Revenue's increased responsibility. Law will find it easier to recover debts owed to the state, and even debtors will benefit, in that it is more likely that they will receive notice of an impending execution.

HB 291 and SB 254 are rare examples of legislation that benefits several state governmental entities by merely shifting responsibility in a mutually agreeable way. We urge you to bring these bills before your committees at your earliest convenience, and to give them your favorable consideration.

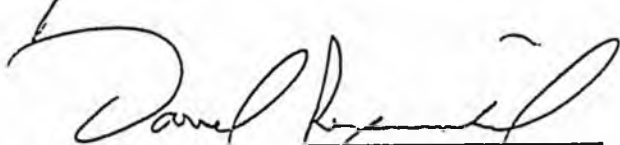
Sincerely,



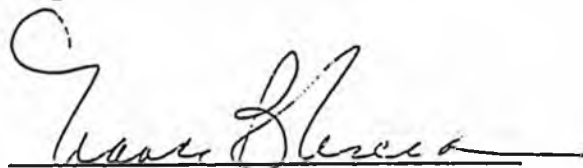
Arthur H. Snowden, II
Alaska Court System



Charles E. Cole
Department of Law



Darrel J. Rexwinkel
Department of Revenue



Nancy Bear-Usara
Department of Administration



Richard L. Burton
Department of Public Safety



Alaska Court System
State of Alaska

OFFICE OF ADMINISTRATIVE DIRECTOR

CHARLES S. CHRISTENSEN III
Staff Counsel

303 K Street
Anchorage, AK 99501
(907) 264-8228

January 17, 1992

The Honorable Rick Halford
Chairman, Senate Judiciary Committee
P.O. Box V
Juneau, Alaska 99811

Dear Senator Halford:

I am writing to request that the Judiciary Committee schedule SB 254, relating to claims on a permanent fund dividend, at its earliest convenience. This bill was introduced at the request of the Alaska Supreme Court, and was drafted with the assistance of the Department of Law and the Department of Revenue. Its primary purpose is to improve the procedures surrounding execution by a creditor on the permanent fund dividend of a debtor.

As you know, existing law provides that a creditor may execute on the dividend of a debtor, just as a creditor may execute on a debtor's bank account or other property. The amount which the creditor may seize is limited to 55% of a dividend, unless the creditor is executing on the dividend in order to satisfy a child support obligation, court-ordered restitution, or a debt owed to the state. In such cases, the entire dividend may be seized.

The current procedures surrounding execution on a dividend are contradictory, cumbersome, expensive, and frequently fail to give adequate notice to the debtor. Specific problems, and the corrections proposed in SB 254, are as follows:

1. Existing law requires the creditor to serve notice of the execution on the debtor. This causes several problems. First, aside from being unwieldy and expensive, existing notice procedures are unnecessary, since the Department of Revenue automatically notifies a debtor that the dividend has been seized. Second, the creditor frequently does not know where the debtor can be reached in order to be notified

of the claim. Great expense can be incurred in attempting to locate and serve the debtor, and if he cannot be found, the execution may take place without notice. Third, since the state is frequently the creditor seeking execution, the unnecessary expense of the notice requirement prevents it from attempting to recover many small debts.

SB 254 corrects these problems by eliminating the existing notice requirement, and instead requiring the Department of Revenue to provide legally adequate notice to the debtor. Because the department already sends notice of seizure to debtors, no additional expense will be incurred by expanding the information provided in that notice. Because the debtor has provided a current address to the department in order to receive a dividend, the debtor is more likely to receive notice of the seizure than under the existing procedure. Finally, because notice procedures will be less expensive, the state will be able to economically pursue far more debts than it does now (section 5).

2. As noted above, AS 43.23.065 provides that 45% of a dividend is exempt from execution for most debts. However, AS 9.38.030(b) provides a liquid assets exemption for debtors which can be read to exempt all of a dividend from execution. Most courts have rejected this reading, because it subverts the legislature's purpose in enacting the 45% exemption. SB 254 resolves this issue by making it clear that the liquid assets exemptions does not apply to dividends (sections 2 and 4).
3. As noted above, creditors may seize an entire dividend, not just 55% of it, to pay for child support obligations, restitution, or other debts owed to a state agency, in that priority. While court-ordered fines (such as a fine imposed as the penalty in a criminal case) are owed to the state, some argue that they are not "a debt owed . . . to a state agency" and thus are subject to the exemption. Also, criminal fines imposed by a municipality are subject to the exemption. SB 254 corrects this problem by adding court-ordered fines for either state or municipal violations to the list of exemptionless debts (section 4).
4. While current law prioritizes claims against a dividend, it is not clear whether the listed priorities apply only in the case of execution, or if the listed priorities also apply to voluntary assignments of a dividend. SB 254 provides that the priorities apply in both cases (section 4).

The Honorable Rick Halford
January 17, 1992
Page 3

Passage of SB 254 will improve the procedures surrounding execution on a permanent fund dividend by giving better notice to debtors that their dividend is being seized, and making it less expensive for the state to execute on persons who fail to pay child support or other debts. We urge your favorable consideration.

Very truly yours,



C. S. Christensen III
Staff Counsel

CSC:bh

SENATE BILL NO. 254

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE JUDICIARY COMMITTEE BY REQUEST

Introduced: 4/17/91
Referred: Judiciary, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the exemption for permanent fund dividends from the collection of
2 debts, to the collection of debts by execution on dividends, and to claims on a dividend;
3 and providing for an effective date."

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

5 * Section 1. AS 09.38.015(a) is amended to read:

6 (a) An individual is entitled to exemption of the following property:

7 (1) a burial plot for the individual and the individual's family;

8 (2) health aids reasonably necessary to enable the individual or a dependent to
9 work or to sustain health;

10 (3) benefits paid or payable for medical, surgical, or hospital care to the extent
11 they are or will be used to pay for the care;

12 (4) an award under AS 18.67 (Violent Crimes Compensation Board) or a crime
13 victim's reparations act of another jurisdiction;

14 (5) benefits paid or payable as a longevity bonus under AS 47.45;

1 (6) compensation or benefits paid or payable and exempt under federal law;
2 (7) liquor licenses granted under AS 04;
3 (8) limited entry permits granted under AS 16.43, except as provided in that
4 chapter;

5 (9) that portion of a permanent fund dividend exempted under
6 AS 43.23.065(a).

7 * Sec. 2. AS 09.38.030(b) is amended to read:

8 (b) An individual who does not receive earnings either weekly, semi-monthly or monthly
9 is entitled to a maximum exemption for the aggregate value of cash and other liquid assets
10 available in any month of \$1,400, except as provided in AS 09.38.050. The term "liquid assets"
11 includes deposits, securities, notes, drafts, accrued vacation pay, refunds, prepayments, and
12 receivables, but does not include permanent fund dividends before or after receipt by the
13 individual.

14 * Sec. 3. AS 14.43.120(i) is amended to read:

15 (i) If a loan is in default, the commission shall notify the borrower that repayment of the
16 remaining balance is accelerated and due by sending the borrower a notice by registered or
17 certified mail. The permanent fund dividend of a borrower may be taken under
18 AS 43.23.065(b)(4) [AS 43.23.065(b)(3)] to satisfy the balance due on the defaulted loan.

19 * Sec. 4. AS 43.23.065 is amended to read:

20 Sec. 43.23.065. EXEMPTION OF AND LEVY ON PERMANENT FUND DIVIDENDS.

21 (a) Except as provided in (b) of this section, 45 percent of the annual permanent fund dividend
22 payable to an individual is exempt from levy, execution, garnishment, attachment, or any other
23 remedy for the collection of debt. This exemption applies to an eligible individual's permanent
24 fund dividend both before and after payment is made to the individual. No other exemption
25 applies to a dividend.

26 (b) An exemption is not available under this section for permanent fund dividends taken
27 to satisfy

28 (1) child support obligations required by court order or decision of the child
29 support enforcement agency under AS 25.27.140 - 25.27.220;

30 (2) court ordered restitution under AS 12.55.045 - 12.55.051 or 12.55.100; [OR]

31 (3) court ordered fines; or

1 (4) a debt owed by an eligible individual to an agency of the state, unless the debt
2 is contested and an appeal is pending, or the time limit for filing an appeal has not expired.

3 (c) Claims listed in (b) of this section have priority in the order listed over other claims
4 on a permanent fund dividend whether payments are sought through legal actions for the
5 collection of debts or through assignments.

6 * Sec. 5. AS 43.23.065 is amended by adding a new subsection to read:

7 (d) AS 09.38.080(c) and 09.38.085 do not apply to a levy on a permanent fund dividend.
8 The department shall include the case number with a dividend or portion of a dividend
9 transmitted to the court in response to a writ of execution. At the time payment is made to the
10 court, the department shall send to the individual at the address provided in the individual's
11 dividend application and to the court that issued the writ a notice that contains

12 (1) notification that all or part of the individual's dividend has been seized under
13 a writ of execution;

14 (2) the name and address of the court that issued the writ;

15 (3) the case number for which the writ was issued;

16 (4) the amount seized under the writ; and

17 (5) notification that the individual has 30 days from the date the notice is mailed
18 in which to file with the court an objection to the seizure if a mistake has been made.

19 * Sec. 6. AS 43.23.067(b) is amended to read:

20 (b) Upon receipt of a claim under (a) of this section the department shall notify the
21 individual of the claim. The notice shall be sent to the address provided in the individual's
22 permanent fund dividend application and must provide the following information:

23 (1) the amount of the claim; and

24 (2) notice that the amount of the permanent fund dividend that does not exceed
25 the amount of the claim shall be paid to the Alaska Commission on Postsecondary Education and
26 that the [UNLESS THE COMMISSION RELEASES THE CLAIM OR THE] individual
27 [REQUESTS A HEARING] within 30 days after the date the notice is sent by the department
28 may request the commission to hold a hearing on the claim.

29 * Sec. 7. AS 43.23.067(c) is amended to read:

30 (c) AS 44.62.330 - 44.62.630 apply to a hearing requested by an individual under (b)(2)
31 of this section. [IF A REQUEST FOR A HEARING IS NOT RECEIVED BY THE

1 DEPARTMENT WITHIN THE REQUIRED TIME LIMIT, THE DEPARTMENT SHALL PAY
2 TO THE ALASKA COMMISSION ON POSTSECONDARY EDUCATION THE AMOUNT OF
3 THE PERMANENT FUND DIVIDEND THAT DOES NOT EXCEED THE AMOUNT OF THE
4 CLAIM.]

5 * Sec. 8. This Act takes effect immediately under AS 01.10.070(c).

SENATE COMMITTEE REPORT
FIRST COMMITTEE OF REFERRAL

DATE: 4/17/91

FURTHER Finance

Date of 5-Day Notice: 2/6/92
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 4-24-92

Judiciary Committee considered SB 254

Claims on permanent fund dividends
Exemption for permanent fund dividends from the collection of debts, to the collection of debts by execution on dividends, and to claims on a dividend; efd.

and a majority of the committee recommends it be replaced with

and recommended:

- replace with _____ CS SB 254 (JUD) same title
- attached amendment(s) new title
- _____ letter of intent adopted

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

2 of 1's

ATTACHES NEW FISCAL NOTE(S):

Department(s)/Date:

Department(s)/Date:

- fiscal note(s) _____
- _____
- _____

- zero fiscal note(s) _____
- REVIEW 2/11/92 SB 254
- CONF 2/12/92 SB 254

appropriation-no fiscal note

Governor's bill w/fiscal note

SIGNING DO/PASS:

[Signature]

[Signature]

OTHER RECOMMENDATIONS:

Rich Halford *do pass*

Chair: Signature and Recommendation

SENATE FINANCE COMMITTEE REPORT

DATE: 5/3/91

FURTHER:

DATE TURNED INTO OFFICE: _____

The Finance Committee considered SENATE BILL NO. 255

"An Act requiring the administrator of the teachers' retirement system and the public employees' retirement system to include a post retirement pension adjustment in benefits before August 1 each year; 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 _____

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: 4/17/91

FURTHER: Finance

Date of 5-Day Notice: 4-18
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 5/1/91

State Affairs Committee considered SB 255

Teachers' retirement system and the public employees' retirement system to include a post retirement pension adjustment in benefits before August 1 each year; efd.

and recommended: and a majority of the committee recommends to pass

- [] 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

FBI

ATTACHES NEW FISCAL NOTE(S):

Department(s)/Date:

Department(s)/Date:

- [X] fiscal note(s) Admin 4/25/91 [] zero fiscal note(s)

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

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

Handwritten signatures of committee members.

Chair: Signature and Recommendation: Valh Brey do pass

FISCAL NOTE

1
 Bill Version: SB 255
 (S) Publish Date: 5/3/91

STATE OF ALASKA
 1991 LEGISLATIVE SESSION

Revision Date: _____
 Title: An act requiring that Automatic PRPA's in the PERS and TRS be paid by July 31 each year when due.

Department Affected: Administration
 BRU: Retirement and Benefits

Sponsor: Duncan
 Requestor: _____

Component: Retirement and Benefits

COMPONENT SERIAL NO. 64

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	30.0	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	30.0	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	30.0	0	0	0	0	0
TOTAL	30.0	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

Estimate of current year impact: Zero

ANALYSIS: (attach a separate page if necessary.) The \$30.0 cost to personal services are to pay for the personal services effort to make the needed computer changes to the PRPA automated systems. There is no measurable financial impact to the Teachers' or Public Employees' Retirement System with passage of this bill.

Prepared By: Gary Bader *Bob Statman*
 Division: Retirement and Benefits

Phone: 465-4460
 Date: 4/25/91

Approved by Commissioner: Millett Keller *Millett Keller*
 Agency: Department of Administration

Date: 4/25/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB & Impacted Agency(ies).

SENATE BILL NO. 255

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY SENATOR DUNCAN

Introduced: 4/17/91
 Referred: State Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act requiring the administrator of the teachers' retirement system and the public
 2 employees' retirement system to include a post retirement pension adjustment in benefits
 3 before August 1 each year; and providing for an effective date."

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

5 * Section 1. AS 14.25.143(f) is amended to read:

6 (f) An increase in benefit payments under this section is effective July 1 of each year and
 7 is based on the percentage increase in the consumer price index for urban wage earners and
 8 clerical workers for Anchorage, Alaska during the previous calendar year as determined by the
 9 United States Department of Labor, Bureau of Labor Statistics. If an increase is granted in a
 10 year, the administrator shall include the increase in the benefit payments paid to members
 11 as soon as feasible and in any case no later than the payment made in the month of July.

12 * Sec. 2. AS 39.35.475(f) is amended to read:

13 (f) An increase in benefit payments under this section is effective July 1 of each year and
 14 is based on the percentage increase in the Consumer Price Index for urban wage earners and

1 clerical workers for Anchorage, Alaska during the previous calendar year as determined by the
2 United States Department of Labor, Bureau of Labor Statistics. If an increase is granted in a
3 year, the administrator shall include the increase in the benefit payments paid to members
4 as soon as feasible and in any case no later than the payment made in the month of July.

5 * Sec. 3. This act takes effect immediately under AS 01.10.070(c).

ALASKA STATE LEGISLATURE
SENATE BILL NO. 255

HISTORY IN THE SENATE

1991
4/17
6/3

Read first time and referred to:
STATE Affairs, FINANCE

~~SFB~~ RPT() CS 4 DP ___ NR ___ DNP ___ AM
New Title ___ Same Title ___ Previous FN ___
 FN ___ OFN ___ To Finance

RPT() CS ___ DP ___ NR ___ DNP ___ AM
New Title ___ Same Title ___ Previous FN ___
FN ___ OFN ___ To ___

RPT() CS ___ DP ___ NR ___ DNP ___ AM
New Title ___ Same Title ___ Previous FN ___
FN ___ OFN ___ To ___

Rules Calendar() CS ___ AM ___ Other ___
New Title ___ Same Title ___ Previous FN ___
FN ___ OFN ___

Read second time

CS Adopted () New Title ___
Amended ___ Advanced ___

Read third time

Letter of Intent adopted ___
Return to second for specific amendment ___

PASSED EFD Same ___ or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

Reconsideration
Reconsideration not taken up

PASSED EFD Same ___ or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

Reported correctly engrossed
Signed by President, to House

Secretary of the Senate

HISTORY IN THE HOUSE

19

Read first time and referred to:

RPT CS() New Title
DP DNP NR AM
FN OFN Previous FN

RPT CS() New Title
DP DNP NR AM
FN OFN Previous FN

RPT CS() New Title
DP DNP NR AM
FN OFN Previous FN

Read second time
CS() Adopted

Amended

Advanced

Read third time

Return to second for specific amendment

PASSED EFD Same ___ or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

Intent adopted

Reconsideration
Reconsideration not taken up

PASSED ON RECON. EFD Same ___ or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

Intent adopted

Reported correctly engrossed, signed by the Speaker
and returned to the Senate

Chief Clerk of the House

SENATE-HOUSE HISTORY Continued

19	<p>Received from the House Version: _____</p> <p>Concur in House amendment Y ___ N ___ E ___ A ___ _____ Efd same or Y ___ N ___ E ___ A ___</p> <p>Failed to concur in House amendment, ask House recede Y ___ N ___ E ___ A ___</p> <p>House failed to / receded from amendment Y ___ N ___ E ___ A ___</p> <p>CC appointed by Senate _____ Chair</p> <p>_____</p> <p>CC appointed by House _____ Chair</p> <p>_____</p> <p>(S) Granted Limited Powers of Free Conference</p> <p>(H) Granted Limited Powers of Free Conference</p>
----	--

19	<p>(S) Adopted CC Rpt _____ Y ___ N ___ E ___ A ___ _____ Efd same or Y ___ N ___ E ___ A ___</p> <p>(H) Adopted CC Rpt _____ Y ___ N ___ E ___ A ___ _____ Efd same or Y ___ N ___ E ___ A ___</p> <p>To enrolling Received from enrolling Sent to Governor</p> <p>_____ By Governor</p> <p>Chapter Number _____</p> <p>Filed with Lieutenant Governor</p>
----	---



Alaska State Legislature

SENATOR JIM DUNCAN

P. O. Box V JUNEAU, ALASKA 99811-3100
(907) 465-4766

COMMITTEES:
VICE CHAIR —
FINANCE
VICE CHAIR —
STATE AFFAIRS
RULES
BUDGET & AUDIT
ETHICS REFORM

To: Senator Pat Pourchot
Co-Chair
Senate Finance Committee

From: Senator Jim Duncan

Subject: Hearing for SB 255

Date: May 6, 1991

I request the earliest possible Senate Finance Committee hearing for Senate Bill 255.

SB 255 amends sections of the law covering the Teachers Retirement System and the Public Employees Retirement System to stipulate a specific deadline for payment of post retirement pension adjustments.

The administration has been slow in paying these adjustments even though previous legislation requires timely payment. In fact, the administration has been interpreting the legislation to say that the automatic adjustment should not come until there's been a determination as to whether there will be an ad hoc increase for the cost of living. That is not the way the legislation was intended to work.

SB 255 will make it clear that post retirement pension adjustments be automatic, should be given annually, and paid by the month of July each year.

Your favorable consideration of SB 255 is appreciated.

1991 LEGISLATION
POSITION PAPER
DEPARTMENT OF ADMINISTRATION

Division Retirement and Benefits Bill Number SB 255

Bill Title "An act requiring that automatic PRPA's in the PERS and TRS be paid by July 31 each year when due."

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

We oppose this bill. This bill would require that automatic post retirement pension adjustments (PRPA) in both the PERS and TRS be paid by July 31 of each year. This would require a change to the division's automated systems as well as the division's policies towards issuing PRPA's.

The Alaska constitution requires that a retiree receive the best benefit accrued during their period of participation under the retirement system. In the case of PRPA's, 98% of retirees in the PERS and TRS can qualify for either of two PRPA's, the automatic or ad-hoc PRPA. Information concerning the ad-hoc PRPA is not available until the end of September each year. At that time, the Commissioner of Administration can consider the merits of issuing an ad-hoc. The current automated systems are designed to compare the benefits granted under both PRPA's and apply the highest one in each case.

To apply the automatic PRPA each year before the status of the ad-hoc is determined will mean that any time that an ad-hoc is granted, the division will be required to retroactively adjust the amount of benefits that many retirees have received to reflect the correct PRPA. We feel that the extra effort and cost each year is unnecessary when considering that most PRPA's have been paid retroactively to July 1 by November of each year.

APPROVED:

Director Gary M. Bader Division Retirement and Benefits

Signature Bob Statnaker Date 4/25/91

Commissioner Millett Keller

Signature Millett Keller Date 4/25/91

(For more information, call Barbara Pritchett 465-2200)

Rev. 1/91

SENATE FINANCE COMMITTEE REPORT

DATE: 4/17/91

FURTHER:

Noticed 5-1-91

DATE TURNED INTO OFFICE: 5-7-91

The Finance Committee considered SB 256
Compensation of legislators; efd.

and recommended:

replace with _____ CS SB 256 (Fix)
 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):

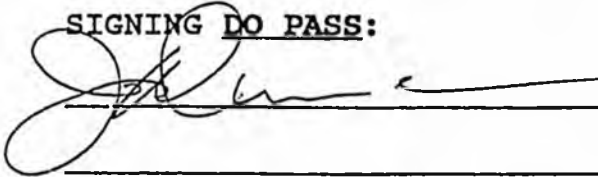
Dept/Date:
 fiscal note(s) LAA 5-7-91
7601.7
 zero fiscal note(s) _____

APPROVES PREVIOUS:

Dept/Date:
 fiscal note(s) _____
 zero fiscal note(s) _____

appropriation-no fiscal note

SIGNING DO PASS:



OTHER RECOMMENDATIONS:

Al Adams - Do NOT Pass
Paul King NO REC

1. Pat Hunkler no rec 2. Kurt Hule Do NOT pass
Co-Chairs: Signatures and Recommendations

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO: CSSB 256(Fin)

Revision Date: _____
Title: "An Act relating to compensation of legislators; and providing for an effective date."
Sponsor: Senate Rules Committee
Requestor: Senate Finance

Department Affected: Legislative Affairs Agency
BRU: Legislative Council

Component: Salaries & Allowances

COMPONENT SERIAL NO: 776

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	832.0	832.0	832.0	832.0	832.0	832.0
TRAVEL	-230.1	-230.1	-230.1	-230.1	-230.1	-230.1
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	601.9	601.9	601.9	601.9	601.9	601.9

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
---------	-----	-----	-----	-----	-----	-----

REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
---------	-----	-----	-----	-----	-----	-----

FUNDING: (Thousands of Dollars)

GENERAL FUND	601.9	601.9	601.9	601.9	601.9	601.9
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	601.9	601.9	601.9	601.9	601.9	601.9

POSITIONS:

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

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary)

CSSB 256(Fin) relates to compensation of legislators. It increases the annual salary of legislators from a range 10A (\$24,012) to a range 16A (\$35,340). CSSB 256(Fin) eliminates the long-term per diem payment for legislators. See attached for detail.

Prepared By: Pamela A. Stoops, Director
Division: Administrative Services

Pamela A. Stoops

Phone: 465-3850
Date: 5/7/91

Approved By: Warren W. Endicott, Executive Director
Agency: Legislative Affairs Agency

Warren W. Endicott

Date: 5/7/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

CONTINUATION OF FISCAL NOTE: CSSB 256(Fin)

PERSONAL SERVICES

1. Compensation of legislators.

Effective July 1, 1991 the salary for legislators will be increased from \$24,012 annually to \$35,340 annually. The increase in compensation and benefits is \$831,956 for FY 92.

832.0

TRAVEL

2. Long term per diem eliminated.

Long term per diem payments are vouchered and vary per legislator. Amount budgeted for FY 92 is \$230,100. Legislators are entitled to \$65.00 per day while engaged in committee business or other legislative business at their place of permanent residence. In FY 90 \$159,350 was expended on long- term per diem payments to legislators.

<230.1>

CS SENATE BILL NO. 256 (Fin)

IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE

Introduced: 4/17/91
Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to compensation of legislators; and providing for an effective date."

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

3 * Section 1. AS 24.10.100 is amended to read:

4 Sec. 24.10.100. SALARY OF LEGISLATORS. The annual [MONTHLY] salary for
5 each member of the legislature is equal to \$35,000 [STEP A, RANGE ¹⁶ ~~10~~ OF THE SALARY
6 SCHEDULE IN AS 39.27.011(a) FOR JUNEAU]. The president of the senate and the speaker
7 of the house of representatives are each entitled to an additional \$500 a year during tenure of
8 office.

9 * Sec. 2. AS 24.10.105(c) is amended to read:

10 (c) A legislator is entitled to receive per diem at the long-term rate

11 [(1)] during a legislative session if the legislator is living in the legislator's place
12 of permanent residence during the session [; AND13 (2) WHILE ENGAGED IN COMMITTEE BUSINESS OR OTHER
14 LEGISLATIVE BUSINESS AT THE LEGISLATOR'S PLACE OF PERMANENT

1 RESIDENCE].

2 * Sec. 3. This Act takes effect July 1, 1991.

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO: SB 256

Revision Date: _____
Title: "An Act relating to compensation of legislators; and providing for an effective date."
Sponsor: Senate Rules Committee
Requestor: Senate Finance

Department Affected: Legislative Affairs Agency
BRU: Legislative Council

Component: Salaries & Allowances

COMPONENT SERIAL NO: 776

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	807.3	807.3	807.3	807.3	807.3	807.3
TRAVEL	<230.1>	<230.1>	<230.1>	<230.1>	<230.1>	<230.1>
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	577.2	577.2	577.2	577.2	577.2	577.2

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
---------	-----	-----	-----	-----	-----	-----

REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
---------	-----	-----	-----	-----	-----	-----

FUNDING: (Thousands of Dollars)

GENERAL FUND	577.2	577.2	577.2	577.2	577.2	577.2
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	577.2	577.2	577.2	577.2	577.2	577.2

POSITIONS:

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

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary)

SB 256 relates to compensation of legislators. It increases the annual salary of legislators from \$22,872 to \$35,000. SB 256 eliminates the long-term per diem payment for legislators. See attached for detail.

Prepared By: Pamela A. Sloops, Director
Division: Administrative Services

Pamela A. Sloops

Phone: 465-3850
Date: 5/3/91

Approved By: Warren W. Endicott, Executive Director
Agency: Legislative Affairs Agency

Warren W. Endicott

Date: 5/3/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

CONTINUATION OF FISCAL NOTE: SB 256

PERSONAL SERVICES

1. Compensation of legislators.

Effective July 1, 1991 the salary for legislators will be increased from \$22,872 annually to \$35,000 annually. The increase in compensation and benefits is \$807,279 for FY 92.

807.3

TRAVEL

2. Long term per diem eliminated.

Long term per diem payments are vouchered and vary per legislator. Amount budgeted for FY 92 is \$230,100. Legislators are entitled to \$65.00 per day while engaged in committee business or other legislative business at their place of permanent residence. In FY 90 \$159,350 was expended on long- term per diem payments to legislators.

<230.1>

~~SB 256~~
SB 256

RECOMMENDATIONS

A. THE BASE SALARIES

The Commission makes the following salary recommendations for the legislative branch:

President of the Senate	\$40,500 per year
Speaker of the House.....	\$40,500 per year
All other Legislators	\$40,000 per year

The Commission also makes the following recommendations:

1. **Interim Per Diem.** When the legislature is not in session, legislators should be paid per diem only for bona fide legislative business requiring overnight travel.
2. **Per Diem Rates.** The Department of Administration should review per diem rates paid to all State employees. The Commission believes that current per diem rates are too low to adequately cover reasonable lodging and meal expenses in most Alaska towns and cities.
3. **Office Allowances.** The present lump-sum distribution for legislative office expenses should be eliminated. An account system should be instituted in the Legislative Affairs Agency whereby each legislator could "charge" up to \$4,000 for stationery, printing, postage and office equipment.
4. **Travel.** The Commission considers that, in order to maintain constituent contact, each legislator should be reimbursed for two round-trip visits to his or her home district during the legislative session.
5. **Benefits.** The Commission recommends that the current system of retirement and other legislative benefits be retained.

B. RATIONALE

Since much of the rationale for the foregoing recommendations is already contained in the Commission's 1987 Report, it will not be reiterated. However, some supplementary comments are in order.

With respect to the recommended legislative salary issue, the Commission concluded that salaries for the three co-equal branches of state government should bear some equivalence. Thus, having determined that the salaries of the Governor of the State of Alaska and its Chief Justice should both be \$100,000 per year, an attempt was made to equate those full-time salaries with the part-time service rendered by legislators.

The \$40,000 figure was derived from a recognition that, for a 120 day session,

SENATE FINANCE COMMITTEE REPORT

DATE: 3/6/92

FURTHER:

DATE TURNED
INTO OFFICE: _____

The Finance Committee considered SENATE BILL NO. 260

"An Act making an appropriation to the Department of Transportation and Public Facilities for the Tatitlek ferry facility and related roads; and providing for an effective date."

and recommends:

- replace with _____ CS _____ (FINANCE)
or adopt previous _____ CS _____ (_____)
 attaches amendment(s)

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

adopts _____ Letter of Intent

further referral to the _____

do pass

do not pass

no recommendation

individual recommendations

NEW FISCAL NOTES: Dept/Date

zero fiscal notes _____

fiscal notes _____

appropriation--no fiscal note

PREVIOUS FISCAL NOTES: Dept/Date

zero fiscal notes _____

fiscal notes _____

DO PASS:

1. _____

Co-Chair: Signature/Recommendation

OTHER RECOMMENDATIONS:

2. _____

Co-Chair: Signature/Recommendation

SENATE COMMITTEE REPORT

DATE: 4/17/91

FURTHER: Finance

Date of 5-Day Notice: 3/27/92
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 3-10-92

Transportation Committee considered SB 260

Appropriation to the Dept. of Transportation/Public Facilities for the Tatilek ferry facility and related roads; efd.

and recommended: and a majority of the committee recommend do pass

- [] replace with _____ CS _____
[] or adopt _____ CS _____

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

[] attached amendment(s)
[] Transportation letter of intent adopted

[X] do pass

[] do not pass

[] no recommendation

[] individual recommendations

[] further referral to _____

For & Attached as Amended Letter of Intent

ATTACHES NEW FISCAL NOTE(S):

APPROVES PREVIOUS:

[X] fiscal note(s) Dept/Date: DOTPF/1/9/92

[] fiscal note(s) Dept/Date: _____

[] zero fiscal note(s) _____

[] zero fiscal note(s) _____

[] appropriation-no fiscal note

[] Governor's bill w/fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

Handwritten signatures under Signing Do Pass

Handwritten notes: Please meet at this time - Use Force - Pass - use \$10M fine funds

Chair: Signature and Recommendation

DO PASS

Alaska State Legislature



Sen. Curt Menard, *Chair*
Sen. Lloyd Jones, *Vice-Chair*
Sen. Beltje Fahrenkamp, *Member*
Sen. Druc Pearce, *Member*
Sen. Dick Shultz, *Member*

P.O. Box V
Juneau, AK 99811

907 465-4921

Senate Transportation Committee

LETTER OF INTENT SB 260 (March 5, 1992)

It is the intent of the Senate Transportation Committee in passing SB 260 from committee that the Senate Finance Committee review all potential funding sources for purposes of funding the Tatitlek ferry facility and related roads. Given the impacts of the Exxon-Valdez oil spill on the community of Tatitlek, the finance committee should review the possibilities of accessing criminal and civil settlement funds for the purpose of constructing a ferry facility and related roads at Tatitlek.

STATE OF ALASKA
1992 LEGISLATIVE SESSION

No. 1
BILL Version: SB 260
(S) Publish Date: 3-6-92

FISCAL NOTE

Revision Date: 04/17/91 Department Affected: DOT&PF
Title: Approp: Tatitlek Ferry Terminal and Roads BRU: AMHS Marine Operations
Sponsor: Rodey Component: Southwest Vessel Operations
Requestor: Component Serial Number: 631

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY93	FY94	FY95	FY96	FY97	FY98
PERSONAL SERVICES	0	0	2.3	2.3	2.3	2.3
TRAVEL	0	0	1.1	1.1	1.1	1.1
CONTRACTUAL	0	0	66.0	66.0	66.0	66.0
SUPPLIES	0	0	2.5	2.5	2.5	2.5
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	71.9	71.9	71.9	71.9

CAPITAL	200.0	1,900.0	0	0	0	0
---------	-------	---------	---	---	---	---

REVENUE FUND SOURCE	0	0	3.4	3.4	3.4	3.4
---------------------	---	---	-----	-----	-----	-----

FUNDING: (Thousands of Dollars)

GENERAL FUNDS	200.0	1,900.0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE	0	0	71.9	71.9	71.9	71.9
TOTAL FUNDING:	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

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary)

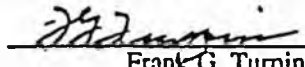
See attached position paper.

Prepared by: John Halterman

Phone: 465-3950

Division: Alaska Marine Highway System

Date: January 9, 1992

Approved by Commissioner: 
Frank G. Turpin

Phone: 465-3900

Agency: Department of Transportation and Public Facilities

Date: January 9, 1992

Distribution By Preparer: Leg. Finance, Leg. Sponsor, Requestor, OMB/DBR, Gov. Leg. Office, Impacted Agency(ies).

SENATE BILL NO. 260

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY SENATOR RODEY

Introduced: 4/17/91
 Referred: Transportation, Finance
 Funding Information: General Fund \$1,900,000
 Other Funds -0-
 \$1,900,000

A BILL

FOR AN ACT ENTITLED

1 "An Act making an appropriation to the Department of Transportation and Public
 2 Facilities for the Tatitlek ferry facility and related roads; and providing for an effective
 3 date."

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

5 * Section 1. The sum of \$1,900,000 is appropriated from the general fund to the Department of
 6 Transportation and Public Facilities for construction of the Tatitlek ferry facility and related roads at the
 7 west site recommended in the "Tatitlek Ferry Terminal Feasibility Study," Project X 74663, prepared
 8 by Tongass Engineers, Inc.

9 * Sec. 2. The appropriation made by this Act is for a capital project and lapses under AS 37.25.020.

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

ALASKA STATE LEGISLATURE
SENATE BILL NO. 260

HISTORY IN THE SENATE

19 91
4/17
1992

Read first time and referred to:
Transportation Finance

3/6

3 RPT() CS 3 DP 1 NR ___ DNP ___ AM
New Title ___ Same Title ___ Previous FN ___
 FN ___ OFN Spokane To Stewart

___ RPT() CS ___ DP ___ NR ___ DNP ___ AM
New Title ___ Same Title ___ Previous FN ___
___ FN ___ OFN ___ To ___

___ RPT() CS ___ DP ___ NR ___ DNP ___ AM
New Title ___ Same Title ___ Previous FN ___
___ FN ___ OFN ___ To ___

___ Rules Calendar() CS ___ AM ___ Other ___
New Title ___ Same Title ___ Previous FN ___
___ FN ___ OFN ___

Read second time

___ CS Adopted () ___ New Title ___
___ Amended ___ Advanced ___

Read third time

___ Letter of Intent adopted
___ Return to second for specific amendment

PASSED EFD Same ___ or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

Reconsideration
Reconsideration not taken up

PASSED EFD Same ___ or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

Reported correctly engrossed
Signed by President, to House

Secretary of the Senate

HISTORY IN THE HOUSE

19

Read first time and referred to:

___ RPT CS() ___ New Title
___ DP ___ DNP ___ NR ___ AM
___ FN ___ OFN ___ Previous FN

___ RPT CS() ___ New Title
___ DP ___ DNP ___ NR ___ AM
___ FN ___ OFN ___ Previous FN

___ RPT CS() ___ New Title
___ DP ___ DNP ___ NR ___ AM
___ FN ___ OFN ___ Previous FN

Read second time
CS() Adopted

Amended

Advanced

Read third time

Return to second for specific amendment

PASSED EFD Same ___ or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

___ Intent adopted

Reconsideration
Reconsideration not taken up

PASSED ON RECON. EFD Same ___ or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

___ Intent adopted

Reported correctly engrossed, signed by the Speaker
and returned to the Senate

Chief Clerk of the House

SENATE-HOUSE HISTORY Continued

19	<p>Received from the House Version: _____</p> <p>Concur in House amendment Y ___ N ___ E ___ A ___ _____ Efd same or Y ___ N ___ E ___ A ___</p> <p>Failed to concur in House amendment, ask House recede Y ___ N ___ E ___ A ___</p> <p>House failed to / receded from amendment Y ___ N ___ E ___ A ___</p> <p>CC appointed by Senate _____ Chair</p> <hr/> <p>CC appointed by House _____ Chair</p> <hr/> <p>(S) Granted Limited Powers of Free Conference</p> <p>(H) Granted Limited Powers of Free Conference</p>
----	--

19	<p>(S) Adopted CC Rpt _____ Y ___ N ___ E ___ A ___ _____ Efd same or Y ___ N ___ E ___ A ___</p> <p>(H) Adopted CC Rpt _____ Y ___ N ___ E ___ A ___ _____ Efd same or Y ___ N ___ E ___ A ___</p> <p>To enrolling Received from enrolling Sent to Governor</p> <p>_____ By Governor</p> <p>Chapter Number _____</p> <p>Filed with Lieutenant Governor</p>
----	--

5-15-91
3 (TRP)
FIR



Department of Transportation
and Public Facilities

POSITION PAPER

BILL NO: SB 260

APPROVED:

A handwritten signature in cursive, appearing to read "J. J. Jurgin", written over a horizontal line.

TITLE: Approp: Tatitlek Ferry Terminal
and Roads

DATE: May 8, 1991

Introduction

SB 260 directs the Department of Transportation and Public Facilities to construct a ferry dock and related roads at the west site as recommended in the "Tatitlek Ferry Feasibility Study," prepared by Tongass Engineers, Inc., in 1985.

Service History

Officially, AMHS does not serve the area. The M/V Bartlett has called at the Tatitlek and Ellamar area for several years as a flag stop. There are no facilities in either community. The M/V Bartlett has transferred people and baggage to skiffs which come out to meet the travelers. At best, it is a very undesirable way to serve a community.

Level of Service vs. Capital Improvements

Standards for construction are based on service needs. Public and institutional demand is for features that affect the quality and quantity of passenger convenience, operational effectiveness and efficiency, flexibility and reliability. Facilities not meeting expectations and optimum operational utility inherently cause dissatisfaction and pressure to bring them to optimum standards.

Functional ferry passenger terminal buildings with restrooms, waiting area and ticket capability, are standard expectations for most travelers. For effectiveness and operational efficiency in all weather conditions, it is desirable to have vessel port and starboard landing capability. This feature improves docking time considerably in adverse conditions, allows maximum loading flexibility, and provides redundancy in event of damage to part of the facility. Staging areas large enough to effectively stage waiting traffic, circulate transitory traffic, and efficiently transfer vehicles and people to

For Further Information contact Katy McHugh at 465-3900.

0
2
2
0

BILL NO: SB 260

DATE: May 6, 1991

ships is also expected in addition to adequate safe access. Site improvement features like pave staging areas, illuminated areas, emergency electrical generation, shore power to service, and watering capability provide safety, operational efficiencies, and reliability.

In the case at Tatitlek and Ellamar, it is possible to support a lesser level of service that will meet the major service objectives but leave several needs and demands unmet. Considering the village setting, it may be that the needs and demands of this area will be more than satisfied with a basic minimum facility proposed in the study.

Traffic Projections

There is no real way to accurately project how much traffic will be generated by a scheduled call at the proposed site. There are approximately 100 residents between the two communities. At the time of the original feasibility study, there were about 4 motor vehicles in Tatitlek and no connecting road system. The feasibility report does not recommend investing in vehicle loading capability, but does recommend providing for light freight capabilities. Assuming each resident makes at least two round trips per year and 20 vehicles up to 10 feet (all terrain types) travel, and that fares are at 50% of Cordova to Valdez rates, revenue generation is expected to be approximately \$3,400.00 ($\$7.00 \times 100 \times 2 \times 2 \text{ ways} + \$15.00 \times 20 \times 2 \text{ ways}$). There were 137 trips each way in 1990 between Cordova-Valdez. Added transportation may generate some traffic by contractors, logging companies and others who may have activity in the area, but it would take significant movements to greatly affect the revenue picture. Traffic between the two communities is unpredictable without further analysis. Overall, revenue potential is extremely light in comparison to capital and maintenance cost and will not be the compelling reason to serve. Providing basic service is possible at a minimal increase in operating costs.

Maintenance Costs and Impacts

Maintenance would cause an incremental increase to the spring and fall Whittier-Cordova maintenance program, but can be accomplished with some stretch of the existing resources at a cost to existing facilities. The addition of one site to the Prince William Sound area would reduce the number of crew days in Southeast by at least 4 crew days per year. This is estimated to cost about \$4,500.00 for personal services, travel and per diem. Materials and supplies would be additional at an estimated cost of \$2,500.00 per year. Access trails between the two communities are assumed to be maintenance free once improvements are made.

Service Costs

BILL NO: SB 260

DATE: May 6, 1991

Service cost increments are primarily for fuel at 170 gallons per 13-mile leg into and out of Ellamar, plus 60 minutes at dock. This would be about \$237.00 per call, or \$64,880.00 per year. There could be a number of late night call outs of deck personnel for summer schedule, which would increase the cost of service.

The current winter schedule has the M/V Bartlett leaving Cordova at 8:30 a.m. and arriving at Valdez at 2:15 p.m. the same day. The proposed summer 1991 schedule would require an additional 2 hours in time for each trip between Cordova and Valdez.

Criteria for Service

Guidelines for determining levels of service are provided in the Draft System Plan. The criteria for determining when new service will be provided to a community are:

- I. There is capacity available to provide new service or additional capacity to provide the new service can be added within the fiscal capabilities of AMHS at the time that the request for new service is made;
 - A. There appears to be available capacity to serve the proposed community at a net increase in cost to the state of approximately \$70,000.00 per year.
- II. It has no safe, reliable, reasonably affordable passenger roll-on/roll-off freight and vehicular access, private or commercial to other coastal communities by a land highway, to other coastal communities with a local highway or regional economic center, or to the continental surface transportation network (i.e., highways, rail and public and/or private carriers);
 - A. There is a 2500-foot gravel airstrip serving the area. AMHS serves on a flag stop basis and transfers passengers and luggage/freight to small boats near Ellamar. There is no surface highway, rail or other public or private regular transportation mode serving the area. There is an existing public dock next to the village of Tatitlek. It is not suitable for anything but the occasional fishing boat freight shipment.
 - B. There is no safe, reliable, reasonably affordable passenger roll-on/roll-off freight and vehicular access, private or commercial:

BILL NO: SB 260

DATE: May 6, 1991

1. to other coastal communities by land highway;
 2. to other coastal communities with a local highway or regional economic center; or
 3. to the continental surface transportation network (i.e., highways, rail, and public and/or private carriers).
- C. The proposed project would not provide road access but would provide limited roll-on/roll-off capability for small all terrain vehicles. Walk-on passenger service would not compete with other public or private surface carriers. The proposed project would impact and could be considered to compete with air carriers serving the area. The proposed service could be considered to compete with local barge or water borne transportation services.
- III. The net cost to the state of providing the services will not increase the state subsidy required to operate the system;
- A. The revenue projection for this service is \$3,400.00 per year.
 - B. The cost estimate for this service is \$71,900.00 per year.
 - C. The net increase cost to the state will be approximately \$65,500.00 per year.
- IV. The community has officially expressed the desire for AMHS service;
- A. The Legislature by intent language requested that a feasibility study be accomplished in 1996.
 - B. The Legislature has introduced a funding bill for construction (SB 260). It is assumed at this time that the community has officially expressed a desire for AMHS service.
- V. The readily identifiable economic impacts of providing the service are greater than the net cost of the services;
- A. It is unknown whether the economic impacts of providing service exceed the net cost of providing service.
- VI. The cost to the traveler for complementary modes of travel are prohibitively high;

BILL NO: SB 260

DATE: May 6, 1991

- A. Air transportation is the complementary mode of travel. Cost per seat from Cordova to Ellamar is \$160.00 and the cost per seat to Tatitlek is approximately \$175.00.
- VII. The revenue from a specifically tourist and recreational service can offset the cost of providing the service.
 - A. There is no information that would support the position that a tourist or recreational service would offset the cost of providing the service.

Summary and Conclusion

There are two obvious service options available. 1) AMHS can continue to serve Tatitlek and Ellamar as a ilag stop without any further consideration for safety, convenience, schedule, market size, or construction of facilities; 2) Provide passenger and freight roll-on/roll-off facilities for service at Tatitlek and schedule year-round service that would greatly improve basic access, safety, reliability, and affordable service; or, 3) Provide full highway vehicle roll-on/roll-off service.

Recommendations

AMHS supports basic transportation proposals that can be supported by revenues. Increases in service requires an increase in operating budget.

A fiscal note has been prepared for SB 260.

AMHS has reviewed the 1986 project estimate and recommends that an appropriation of \$200,000.00 be appropriated for design to prepare plans, specifications and a detailed construction estimate. The 1986 estimate is considered to be 30% to 50% low at this time because of inflation and estimate reliability. Public hearings are required as such service will greatly impact the life style and quality of life at the village.

Information from public hearings have a great impact on the scope of projects. It may not be feasible to construct all aspects of the project for \$1,900,000.00. Estimates based on detailed designs are more realistic.

Moreover, the use of funds for this project must be weighed against future obligations to maintain the vessels of the fleet and the existing AMHS shore facilities.

Alaska State Legislature



Sen. Curt Menard, *Chair*
Sen. Lloyd Jones, *Vice-Chair*
Sen. Betye Fahrenkamp, *Member*
Sen. Druc Pearce, *Member*
Sen. Dick Shultz, *Member*

P.O. Box V
Juneau, AK 99811
907 465-4921

Senate Transportation Committee

LETTER OF INTENT SB 260 (March 5, 1992)

It is the intent of the Senate Transportation Committee in passing SB 260 from committee that the Senate Finance Committee review all potential funding sources for purposes of funding the Tatitiek ferry facility and related roads. Given the impacts of the Exxon-Valdez oil spill on the community of Tatitlek, the finance committee should review the possibilities of accessing criminal and civil settlement funds for the purpose of constructing a ferry facility and related roads at Tatitiek.

HOUSE COMMITTEE REPORT

(11)

Date Referred: February 7, 1992

FURTHER REFERRALS:

Date of Committee Action: 4/15/92

The FINANCE Committee considered:

CSSB 269(HES)

CS FOR SENATE BILL NO. 269 (HES)

TESTING FOR CHLAMYDIA AND GONORRHEA

"An Act relating to testing for chlamydia and gonorrhea."

RECOMMENDATIONS:

be replaced with CSSB 269 (HES) the same title a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal impact DASS

fiscal note(s) _____

zero fiscal note _____

zero fiscal note(s) _____

SIGNING <u>DO PASS</u>	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Mike Navarre</i> NAVARRE	<input checked="" type="checkbox"/>	<i>EP Mulhean</i> MULHEAN		X	
<i>Mark Boyer</i> BOYER	<input checked="" type="checkbox"/>	<i>George Jacke</i> JACKE		X	
<i>Jay Brown</i> BROWN	<input checked="" type="checkbox"/>	<i>Barbara Barnes</i> BARNES		X	
<i>Mike Womer</i> WOMER	<input checked="" type="checkbox"/>	<i>Barb Sharp</i> SHARP		X	
<i>Ken Koponen</i> KOPONEN	<input checked="" type="checkbox"/>	<i>Phillips</i> PHILLIPS		<input checked="" type="checkbox"/>	
		<i>Ronald Larson</i> LARSON		<input checked="" type="checkbox"/>	FISCAL NOTE

Mike Navarre *EP Mulhean*
 CHAIRMAN'S SIGNATURE