

Leg. Finance-House & Senate Finance Comte Files (1991-1992) 902

1 25.23.240.

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

Position Paper  
SB NO. 395

"An Act relating to Medicaid coverage for certain persons under the age of 21 for whom an adoption assistance agreement is in effect; and providing for an effective date"

SB No. 395 will add a new group to the list in AS 47.07.020 of persons eligible for coverage under Medicaid in Alaska. This new group consists of children under the age of 21 who have special medical needs, who are therefore difficult to place for adoption, and for whom there is in effect a state adoption assistance agreement. The bill would make this new group the last to be eliminated from Medicaid coverage under AS 47.07.035 if there are insufficient appropriations to cover all optional services and groups.

ANALYSIS

At present, adoptive parents of these children are subsidized by the state under AS 25.23.190 -- AS 25.23.210. State money often pays for the cost of medical care provided for these children. Under the federal Medicaid program, a state may select these children as an optional group to be covered by Medicaid. The statutory changes made by the bill would not change the subsidy payments made to the adoptive parents, and there would be no additional requirements imposed on them. The changes would not increase the number of children served, nor the total amount being paid. SB No. 395 would simply allow one-half of the cost of the medical care being paid for by the state to be paid instead with federal money.

Savings to the State in the first full year alone will exceed \$163,000.

POSITION

The Department supports the passage of SB No. 395. Given Alaska's short and long-term revenue picture, it is important that we take advantage of every legitimate opportunity we have to reduce state expenditures by claiming on federal matching funds for the necessary medical services we furnish to needy Alaskans.

Recommended by: Kimberly B. Busch  
Kimberly B. Busch  
Director  
Div. of Medical Assistance

Date:

Approved by:

Theodore A. Mada, MD, MPH  
Theodore A. Mada, MD, MPH  
Commissioner

Date:

26 Feb 92

# Alaska State Legislature

During Session  
State Capitol  
Juneau, Alaska 99801-1182  
(907) 465-2828

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During Interim  
3111 C Street, Suite 540  
Anchorage, Alaska 99503  
(907) 561-2040

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## Senator Virginia Collins

SB 395

### Medicaid Coverage for Certain Adoptees

SB 395 would allow the state to collect federal Medicaid dollars for those in state custody who need medical care in order to be placed for adoption.

Persons with special medical needs under the age of 21, of whom the state has custody, are difficult to place for adoption. Under AS 25.23.190 - .210 (relating to adoption assistance), the state pays for the cost of care provided these children and young adults.

With the passage of SB 395, federal Medicaid could be used to provide health care coverage for this group.

The bill would also make this group the last to be eliminated from Medicaid coverage if sufficient funding were not available.

SB 395 would not affect the payments made to parents who adopt these children nor would it place additional requirements on them.

The bill does not increase the number of children being served nor does it increase the total amount being paid for their medical care.

In an era of projected declines in state revenues, SB 395 is a revenue generator, saves the state money, and does not require any expenditure of state monies.



**SB401**

# SENATE FINANCE COMMITTEE REPORT

DATE: 3/3/92

FURTHER:

DATE TURNED INTO OFFICE: \_\_\_\_\_

The Finance Committee considered SENATE BILL NO. 401

"An Act requiring pay equity for certain public employees and requiring the compensation of certain public employees to be based on the value of the work performed."

# DIED

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**

**DO PASS:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

1. \_\_\_\_\_  
Co-Chair: Signature/Recommendation

**PREVIOUS FISCAL NOTES:** Dept/Date

zero fiscal notes \_\_\_\_\_

\_\_\_\_\_

fiscal notes \_\_\_\_\_

\_\_\_\_\_

**OTHER RECOMMENDATIONS:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. \_\_\_\_\_  
Co-Chair: Signature/Recommendation

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_  
 Title: An Act requiring pay equity for certain public employees and requiring the compensation...  
 Sponsor: Senator Zharoff  
 Requestor: Senator Zharoff

Department Affected: Legislative Affairs Agency  
 BRU: All  
 Component: All

COMPONENT SERIAL NO:

Expenditures/Revenues: (Thousands of Dollars)

	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
<b>OPERATING</b>						
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0	0	0	0	0	0
<b>CAPITAL</b>	0	0	0	0	0	0
<b>REVENUE FUND SOURCE</b>	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER FUND SOURCE						
<b>TOTAL</b>	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)

Zero fiscal impact. It is anticipated that if technical assistance is needed we will be contacting the Department of Administration to assist in completing our agency's report to the Legislature.

Prepared By: Pamela A. Stoops, Director *Pamela Stoops* Phone: 465-3850  
 Division: Administrative Services Date: 2/18/92

Approved By: Warren W. Endicott, Executive Director *Warren Endicott*  
 Agency: Legislative Affairs Agency Date: 2/18/92

FISCAL NOTE

No. 2

Bill Version: SB 401

(S) Publish Date: 3-3-92

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

Revision Date: 03/02/92 Department Affected: Alaska Court System  
 Title: An Act requiring pay equity for BRU: Trial Courts  
certain public employees... Components: \_\_\_\_\_  
 Sponsor: Zharoff  
 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	12.0					
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
TOTAL OPERATING	12.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUNDS	12.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS						
OTHER						
TOTAL	12.0	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)

Cost of performing classification study.

Prepared by: C. S. Christensen III, Staff Counsel Phone: 264-8228  
 Division: Alaska Court System Date: 03/02/92

Approved by: Arthur H. Snowden, II, Administrative Director  
 Agency: Alaska Court System Date: 03/02/92

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

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. SB 401

This fiscal note has been prepared for compliance with AS 24.08.035. It contains the same numbers as the initial fiscal note for implement in the Alaska Quantitative Evaluation System (AQES) based on amendments contained in HB 676 in 1986. No adjustment has been made except to change the date of implementation. A copy of the original fiscal note is attached.

This bill would require the Executive Branch to use a job evaluation system to determine the comparable work value of the work performed by each job class. This bill does not require that this evaluation system be used to determine pay except where male and female dominated classes are underpaid for their value. However, to pay only some sex dominated classes based on a different system creates other inequities. Therefore, this employer would have no choice but to implement the new system for all job classes.

03/12/92 S(FIN)

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. SB401

Introduced: 2/14/92  
Title: Merit System Employees  
Equitable Compensation  
Sponsor: Sens Zharoff, Rodey  
Requestor: Sen Zharoff

Department Affected: UNIVERSITY OF ALASKA  
BRU: Personal Services  
Component: Statewide Services

Component Serial No: 0730

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY93	FY94	FY95	FY96	FY97	FY98
OPERATING						
PERSONAL SERVICES						
TRAVEL						
CONTRACTURAL	60.0					
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	60.0	0.0	0.0	0.0	0.0	0.0
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE FD SOURCE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	60.0					
FEDERAL FUNDS						
OTHER FUNDS						
TOTAL	60.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: -0-

ANALYSIS (Attach additional pages as necessary)

The university will conduct a gender equity study of its job evaluation system using all of the factors identified in the legislation.

Prepared by: Marsha Hubbard, Director  
Division: Statewide Budget Office

Phone: 474-7593  
Date: 3/6/92

Approved by: Brian Rogers, Vice President for Finance  
Agency: University of Alaska

Date: 3/6/92

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

SB 401

1992 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_ Department Affected: Commerce & Economic Dev  
 Title: Pay equity for certain BRU: Alaska State Housing Authority  
public employees Component: \_\_\_\_\_  
 Sponsor: Senators Zharoff, Rodey  
 Requestor: Senator Zharoff COMPONENT SERIAL NO. 

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EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES		5	5	5	5	5
TRAVEL						
CONTRACTUAL		25				
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	30	5	5	5	5

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
FUND SOURCE:						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER	0	30	5	5	5	5
FUND SOURCE: ASHA General Fund						
TOTAL	0	30	5	5	5	5

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ASHA operates on a FY beginning 4/1. The budget for Estimate of current year impact: FY '93 has been submitted, so this could not be implemented until FY '94

ANALYSIS: (Attach a separate page if necessary.)

A wage survey would be conducted annually through our Human Resources. A formal contracted classification study would need to be performed once in FY '94.

Prepared By: Wayne Mundy Phone: 562-2813  
 Division: Alaska State Housing Authority Date: 2/21/92  
 Approved by Commissioner: *Halley Ast Conn*  
 Agency: \_\_\_\_\_ Date: 2-27-92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies).

Alaska State Housing Authority  
Analysis of SB 401

ASHA's Personnel Regulations are governed by the U.S. Department of Housing & Urban Development (HUD) through their Personnel Policies Handbook 7401.7. The handbook sets forth requirements and guidelines, which include establishing positions and salaries comparable to local public practice. ASHA uses the State as its comparability determinant for positions and salaries, as well as personnel policies. HUD conducts periodic management reviews to evaluate our compliance with these policies.

ASHA continually works toward the development and implementation of equitable systems relating to job classification. Our recent efforts include contracting a formal classification study in 1986, followed in 1988 by a thorough analysis of the study results, and a comparison of ASHA and State positions and salaries. ASHA's board of directors approved the resulting new classification plan in 1988. Our hiring and EEO policies and procedures further assure that ASHA will not engage in discriminatory practices.

Forty-five maintenance and custodial employees, about one-fourth of ASHA's employees, are organized for purposes of collective bargaining. HUD regulates the classification of these job classes and mandates that ASHA perform an annual wage rate survey. The Alaska Public Employees Association participates with us in that effort.

HB 401 requires that we present any required appropriations to correct pay inequities to the legislature annually. ASHA is federally funded and is not part of the State budget process.

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

FISCAL NOTE

No. 3

Bill Version: SB 401

(S) Publish Date: 3-3-92

Revision Date: \_\_\_\_\_

Title: Requiring compensation based on value of work.

Department Affected: All Dept.

BRU: All

Component: All

Sponsor: Zharoff

Requestor: Senate State Affairs

COMPONENT SERIAL NO. 

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0	0	0	9,824.6	17,461.4	12,820.9
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
<b>TOTAL OPERATING</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,824.6</b>	<b>17,461.4</b>	<b>12,820.9</b>

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

GENERAL FUND	0	0	0	6,670.7	11,630.3	8,618.6
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE:	0	0	0	3,153.9	5,831.1	4,202.3
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,824.6</b>	<b>17,461.4</b>	<b>12,820.9</b>

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.)

Prepared by: R. H. King  
Division: Personnel

Phone: 465-4430  
Date: February 26, 1992

Approved by Commissioner: Nancy Bear Usura *NBU*  
Agency: Administration

Date: 2/26/92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies).

FISCAL NOTE

No. 4

Bill Version: SB 401

(S) Publish Date: 3-3-92

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_

Title: Requiring compensation based on value of work.

Sponsor: Zharoff

Requestor: Senate State Affairs

Department Affected: Administration

BRU: Personnel/OEEO

Component: Personnel/OEEO

COMPONENT SERIAL NO. 

0	0	5	6
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	120.0	0	0	0	0	0
TRAVEL	20.0	0	0	0	0	0
CONTRACTUAL	40.0	0	0	0	0	0
SUPPLIES	20.0	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
<b>TOTAL OPERATING</b>	<b>200.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>CAPITAL</b>	0	0	0	0	0	0
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<b>REVENUE FUND SOURCE:</b>	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	200.0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE:	0	0	0	0	0	0
<b>TOTAL</b>	<b>200.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	2.0	0	0	0	0	0

Estimate of current year impact: Zero.

ANALYSIS: (Attach a separate page if necessary.) This legislation would force the State to change its classification system from the "whole job" system currently in use. The costs shown are required to complete the development of Alaska Quantitative Evaluation System (AQES) which reached a preliminary stage with a \$500.00 appropriation in 1983.

Prepared by: R. H. King *Richard H. King*  
Division: Personnel/OEEO

Phone: 465-4430  
Date: 2/24/92

Approved by Commissioner: Nancy Bear Usera *Nancy Bear Usera*  
Agency: Administration

Date: 2/26/92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies).

SENATE BILL NO. 401

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY SENATORS ZHAROFF, Rodey

Introduced: 2/14/92

Referred: STA, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act requiring pay equity for certain public employees and requiring the compensation  
2 of certain public employees to be based on the value of the work performed."

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

4 \* Section 1. AS 23.40.070 is amended to read:

5           Sec. 23.40.070. DECLARATION OF POLICY. The legislature finds that joint  
6 decision-making is the modern way of administering government. If public employees have been  
7 granted the right to share in the decision-making process affecting wages and working conditions,  
8 they have become more responsive and better able to exchange ideas and information on  
9 operations with their administrators. Accordingly, government is made more effective. The  
10 legislature further finds that the enactment of positive legislation establishing guidelines for  
11 public employment relations is the best way to harness and direct the energies of public  
12 employees eager to have a voice in determining their conditions of work, to provide a rational  
13 method for dealing with disputes and work stoppages, to strengthen the merit principle where  
14 civil service is in effect, and to maintain a favorable political and social environment. The

1 legislature declares that it is the public policy of the state to promote harmonious and cooperative  
2 relations between government and its employees and to protect the public by assuring effective  
3 and orderly operations of government. These policies are to be effectuated by

4 (1) recognizing the right of public employees to organize for the purpose of  
5 collective bargaining;

6 (2) requiring public employers to negotiate with and enter into written agreements  
7 with employee organizations on matters of wages, hours, and other terms and conditions of  
8 employment;

9 (3) maintaining merit-system principles among public employees and eliminating  
10 sex-based wage disparities in public employment.

11 \* Sec. 2. AS 39.90 is amended by adding new sections to read:

12 ARTICLE 3. PAY EQUITY.

13 Sec. 39.90.200. COMPENSATION POLICY. It is the policy of this state to establish  
14 equitable relationships between female-dominated, male-dominated, and balanced classes of  
15 employees in order to eliminate sex-based wage disparities in public employment. Compensation  
16 relationships are equitable within the meaning of this section when the primary consideration in  
17 negotiating, establishing, recommending, and approving total compensation is achieving equitable  
18 compensation based on comparable work value.

19 Sec. 39.90.210. JOB EVALUATION SYSTEM. (a) Each public employer shall use a  
20 job evaluation system to determine the comparable work value of the work performed by each  
21 class of employees. The system shall be maintained and upgraded to account for new employee  
22 classes and changes in factors affecting the comparable work value of existing classes. Public  
23 employers shall meet and confer with the bargaining organizations representing public employees  
24 on the development or selection of a job evaluation system under this section.

25 (b) At a minimum, the job evaluation system shall be based on the following factors,  
26 measured objectively:

27 (1) the knowledge and skills needed for acceptable job performance, including  
28 substantive knowledge and managerial skills;

29 (2) the intellectual effort required including the creativity and analytical skills  
30 needed for acceptable job performance, the degree to which the employee works independently,  
31 and the complexity of the problems assigned to the employee;

1 (3) the employee's accountability for the employee's actions and the consequences  
2 of the employee's job performance, including the employee's level of discretion and the potential  
3 for benefit or harm to the employer or the public from the employee's job performance; and

4 (4) working conditions, including the physical effort and skills required, whether  
5 the job environment is disagreeable or physically demanding, and the hazards presented by the  
6 job.

7 (c) Each public employer shall submit a report containing the results of the job evaluation  
8 system to the bargaining organizations representing public employees. The report shall be used  
9 by the parties in collective bargaining negotiations. The report must identify, at a minimum, the  
10 female-dominated classes and male-dominated classes for which compensation inequity exists,  
11 based on the comparable work value, and the data, other than data that reveals information about  
12 individual employees or former employees, used to support these findings.

13 (d) After considering the list of classes in which compensation inequity exists, each  
14 public employer shall prepare a plan to create pay equity for those positions. The employer shall  
15 submit the plan to the legislature by January 1 of each odd-numbered year together with the list  
16 of classes in which pay inequity exists and an estimate of the appropriation necessary to achieve  
17 equity in compensation for the classes on the list. The appropriation estimate shall be allocated  
18 by class.

19 (e) The legislature shall review the plan and recommended appropriation from each  
20 public employer and may accept, amend, or reject the plan. If funding for the plan is included  
21 in an appropriation that does not otherwise allocate the amount appropriated, the public employer  
22 shall allocate the funding according to the plan or, if the plan was amended by the legislature,  
23 according to the amended plan. If the funding is insufficient to fully fund the plan, or the  
24 amended plan, if applicable, the employer shall pro rate the amount available among the classes  
25 included in the plan.

26 (f) If a public employer finds that pay inequity exists in a class that is part of a collective  
27 bargaining unit, the employer shall notify the collective bargaining organization representing the  
28 bargaining unit when the employer submits the compensation equity plan to the legislature.  
29 Distribution of any amount appropriated to members of the bargaining unit shall be determined  
30 by the applicable collective bargaining agreement.

31 (g) Notwithstanding AS 23.40.110, it is not an unfair labor practice for a public employer

1 to specify an amount of money to be used solely to correct inequitable compensation  
2 relationships. The public employer may specify an amount to be used for general salary  
3 increases. AS 39.90.200 - 39.90.300 do not diminish the duty of a public employer to bargain  
4 in good faith under AS 23.40.070 - 23.40.260.

5 Sec. 39.90.220. USE AS EVIDENCE. The pay inequity list and the pay equity plan  
6 prepared under AS 39.90.210 may be used as evidence in a proceeding or action alleging  
7 discrimination.

8 Sec. 39.90.230. PUBLIC EMPLOYER NEGOTIATING POSITIONS. (a) In preparing  
9 to negotiate with a collective bargaining organization representing public employees, and in  
10 preparing the position classification plan and the pay plan for other employees, the public  
11 employer shall assure that compensation for

12 (1) positions in the different services of the employer compare reasonably to one  
13 another;

14 (2) positions in public service bears a reasonable relationship to compensation for  
15 similar positions outside public service;

16 (3) management positions bears a reasonable relationship to compensation of the  
17 employees managed by the positions;

18 (4) positions within one service bears a reasonable relationship among related  
19 classes and among various levels within the same occupations.

20 (b) In this section, the compensations paid to different positions bear a reasonable  
21 relationship to one another if the compensation for positions that require

22 (1) comparable skill, effort, responsibility, and working conditions is comparable;  
23 and

24 (2) differing skill, effort, responsibility and working conditions is proportional to  
25 the skill, effort, responsibility, and working conditions required of the different positions.

26 Sec. 39.90.300. DEFINITIONS. In AS 39.90.200 - 39.90.300,

27 (1) "balanced class" means a class in which no more than 70 percent of the  
28 incumbents are male and no more than 70 percent of the incumbents are female;

29 (2) "class" means one or more positions that have similar duties and  
30 responsibilities and require similar qualifications to perform the duties so that the same  
31 descriptive title can be used with clarity for each position in the class, the same selection

1 procedures can be used to recruit employees, and the same compensation schedule can be applied  
2 with equity to all positions in the class working under the same or substantially the same  
3 employment conditions;

4 (3) "comparable work value" means the value of the work measured by the  
5 composite of the skill, effort, responsibility, and working conditions normally required in the  
6 performance of the work;

7 (4) "female-dominated class" means a class in which more than 70 percent of the  
8 incumbents are female;

9 (5) "male-dominated class" means a class in which more than 70 percent of the  
10 incumbents are male;

11 (6) "management positions" means those positions accountable for

12 (A) determining, securing, and allocating human, financial, and other  
13 resources needed to accomplish objectives;

14 (B) determining overall objectives, priorities, and policies within a  
15 program area;

16 (C) handling significant and involved relationships with governmental  
17 leadership; or

18 (D) exercising discretionary powers on a regular basis;

19 (7) "public employer" means

20 (A) a department, institution, board, commission, division, authority,  
21 public corporation, committee, or other administrative unit of the executive, judicial, or  
22 legislative branch of state government, including the University of Alaska and the Alaska  
23 State Housing Authority, but not including the Alaska Railroad Corporation; and

24 (B) a school district or regional educational attendance area.

25 \* Sec. 3. (a) Notwithstanding AS 39.90.210(d), enacted by sec. 2 of this Act, a public employer shall  
26 make the initial report to the legislature under AS 39.90.210(d) by January 1, 1995. The initial report  
27 must include

28 (1) the following information for each job class, as of July 1, 1994:

29 (A) the title of the job class, the number of incumbents, and the percentage of  
30 incumbents who are male and the percentage who are female;

31 (B) the comparable work value of the job class as determined under the system

1 chosen under AS 39.90.210, enacted by sec. 2 of this Act;

2 (C) the minimum and maximum monthly salary authorized for each job class;

3 (2) a description of the job evaluation system used by the public employer;

4 (3) a plan for establishing equitable compensation relationships between female-  
5 dominated and male-dominated job classes, including

6 (A) identification of classes for which a compensation inequity exists based on  
7 the comparable work value of the class;

8 (B) a timetable for implementing pay equity; and

9 (C) the estimated cost of implementing pay equity.

10 (b) If requested by a public employer, the commissioner of administration shall provide technical  
11 assistance in completing the report required by this section.

12 \* Sec. 4. No cause of action arises before the effective date of this Act for failure to comply with  
13 the requirements of this Act.

**SB402**



# Alaska State Legislature

## Senate

Office of the Secretary

OFFICIAL BUSINESS

P.O. BOX V  
CAPITOL BUILDING  
JUNEAU, ALASKA 99811

FOR YOUR IMMEDIATE ATTENTION

DATE: April 6, 1992

TO SENATE COMMITTEE: FINANCE

FROM: Office of the Senate Secretary

The Chairman of the above-referenced Committee has waived the Committee referral on the following bill(s):

SENATE BILL NO. 402

"An Act relating to rural housing loans by regional housing authorities; relating to the use of the housing assistance loan fund; and providing for an effective date."

Please give the bill file(s) to the page delivering this message for forwarding to the next Committee of referral.

Thank you for your prompt attention to this request.

JR/s

# Alaska State Legislature

Sen. Pat Pourchot, Co-Chairman  
Sen. Jay Kerttula, Co-Chairman



State Capitol  
Juneau, Alaska 99801-1182  
907-465-3712

Sen. Al Adams  
Sen. Jim Duncan  
Sen. Lyman F. Hoffman  
Sen. Dick Shultz  
Sen. Rick Uehling

## Senate Finance Committee

### MEMORANDUM

TO: Senate Finance Committee Members  
FROM: Senator Pat Pourchot *Pat*  
RE: Request to Waive SB 402, Housing Assistance Loans  
DATE: March 31, 1992

Senator Shultz, sponsor of SB 402, requested a Senate Finance referral to allow the blending of SB 402 and SB 430. Due to the Single Subject Rule, combining SB 430 and SB 402 is not possible. SB 430 passed out of our committee today.

The sponsor has requested that SB 402 be waived from Senate Finance and that we allow it to return to its journey on the original path.

Please notify my office if you have any questions or concerns about waiving SB 402. Thank you.

NEW BILL IN  
COMMITTEE 3-27-92

SENATE BILL NO. 402

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY SENATOR SHULTZ

Introduced: 2/14/92  
Referred: Community & Regional Affairs

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the use of the housing assistance loan fund; and providing for an  
2 effective date."

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

4 \* Section 1. AS 44.47.560(3) is amended to read:

5 (3) "housing" means owner-occupied, single-family housing and owner-occupied  
6 duplexes in which not more than 25 percent of the gross floor area is or will be devoted to  
7 commercial use;

8 \* Sec. 2. AS 44.47.560(5) is amended to read:

9 (5) "rural" means

10 (A) a community in the second, third, or fourth judicial district of the state  
11 with a population of 5,500 [4,500] or less that is not connected by road or rail to  
12 Anchorage or Fairbanks, or with a population of 1,500 or less that is connected by  
13 road or rail to Anchorage or Fairbanks; or

14 (B) a community in the first judicial district of the state with a population

FISCAL NOTE

No. 1

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

Bill Version: SB 402  
(S) Publish Date: 3-4-92

Revision Date: \_\_\_\_\_ Department Affected: Community and Regional Affairs  
Title: "An Act relating to the use of the housing assistance loan fund; and providing for an effective date." BRU: \_\_\_\_\_  
Sponsor: Senator Schultz Component: \_\_\_\_\_  
Requestor: (S) C&RA COMPONENT SERIAL NO. 

0	0	0	0
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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						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

REVENUE FUND SOURCE:						
----------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	0.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

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

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

Changes in CS SB 402 (CRA) reflect NO FISCAL CHANGE from the original fiscal note. This fiscal note is appropriate.  
3/3/92 JA  
date Comte Aide (initial)

Prepared By: Remond Henderson  
Division: Administrative Services Division

Phone: 465-4708  
Date: 2/20/92

Approved by Commissioner: Ed. Sawyer  
Agency: Department of Community and Regional Affairs

Date: 2/20/92

# **CORRECTION**

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

NEW BILL IN  
COMMITTEE 3-29-92

SENATE BILL NO. 402

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

BY SENATOR SHULTZ

Introduced: 2/14/92  
Referred: Community & Regional Affairs

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the use of the housing assistance loan fund; and providing for an  
2 effective date."

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

4 \* Section 1. AS 44.47.560(3) is amended to read:

5 (3) "housing" means owner-occupied, single-family housing and owner-occupied  
6 duplexes in which not more than 25 percent of the gross floor area is or will be devoted to  
7 commercial use;

8 \* Sec. 2. AS 44.47.560(5) is amended to read:

9 (5) "rural" means

10 (A) a community in the second, third, or fourth judicial district of the state  
11 with a population of 5,500 [4,500] or less that is not connected by road or rail to  
12 Anchorage or Fairbanks, or with a population of 1,500 or less that is connected by  
13 road or rail to Anchorage or Fairbanks; or

14 (B) a community in the first judicial district of the state with a population

- 1 of 5.000 [4,500] or less;
- 2 \* Sec. 3. This Act takes effect July 1, 1992.

FISCAL NOTE

No. 1

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

B Bill Version: SB 402  
(S) Publish Date: 3-4-92

Revision Date: \_\_\_\_\_ Department Affected: Community and Regional Affairs  
Title: "An Act relating to the use of the housing assistance loan fund; and providing for an effective date." BRU: \_\_\_\_\_  
Sponsor: Senator Schultz Component: \_\_\_\_\_  
Requestor: (S) C&RA COMPONENT SERIAL NO. 

0	0	0	0
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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						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

REVENUE FUND SOURCE:						
----------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	0.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

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

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

Changes in CS SB 402 (CRA) reflect NO FISCAL CHANGE from the original fiscal note. This fiscal note is appropriate.

3/3/92 [Signature]  
date Comte Aide (initial)

Prepared By: Remond Henderson  
Division: Administrative Services Division

Phone: 465-4708  
Date: 2/20/92

Approved by Commissioner: [Signature]  
Agency: Department of Community and Regional Affairs

Date: 2/20/92

**SB 412**



# Alaska State Legislature

## Senate

### Office of the Secretary

P.O. BOX V  
CAPITOL BUILDING  
JUNEAU, ALASKA 99811

OFFICIAL BUSINESS

FOR YOUR IMMEDIATE ATTENTION

DATE: May 9

TO SENATE COMMITTEE: Finance

FROM: Office of the Senate Secretary

The Chairman of the above-referenced Committee has waived the Committee referral on the following bill(s):

SB 412

Safe Homes For Runway Minors

Please give the bill file(s) to the page delivering this message for forwarding to the next Committee of referral.

Thank you for your prompt attention to this request.

JR/s

## SENATE BILL NO. 412

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY SENATORS FISCHER, Pearce

Introduced: 2/18/92  
Referred: HES, Finance

## A BILL

## FOR AN ACT ENTITLED

1 "An Act directing the Department of Health and Social Services to develop a program  
2 under which it would designate 'safe homes' for runaway minors; and providing for an  
3 effective date."

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

5 \* Section 1. LEGISLATIVE FINDINGS; INTENT. (a) The legislature finds that licensed programs  
6 for runaway minors need not be the only sources of government-sanctioned assistance for runaway  
7 minors. There exist many concerned citizens in the state who, with appropriate state oversight and  
8 certain limitations of their liability, would volunteer to assist runaway minors in their own private  
9 residences. It would be in the public interest to encourage properly qualified private citizens to seek  
10 designation of their homes as "safe homes" where runaway minors could seek temporary, short-term  
11 shelter and other care.

12 (b) It is the intent of legislature that the Department of Health and Social Services, in  
13 implementing this Act, develop a system for designating "safe homes" that involves less regulation than  
14 is required for licensed programs for runaways under AS 47.10.310 while still requiring adequate

1 assurances for the health and safety of runaway minors in the homes.

2 \* **Sec. 2.** AS 47.10 is amended by adding new sections to read:

3 **ARTICLE 4A. SAFE HOMES FOR RUNAWAY MINORS.**

4 **Sec. 47.10.392. POWERS AND DUTIES OF DEPARTMENT.** (a) The department shall  
5 adopt regulations under which the owner of a private residence may apply for designation of the  
6 residence as a safe home for runaway minors. The regulations must require adequate evidence  
7 that the home and its residents would provide a healthy and safe environment for a runaway  
8 minor.

9 (b) The department may limit the number and ages of runaway minors that may be  
10 sheltered in a safe home at one time. The department may require inspections of the home,  
11 criminal background checks of its residents, record keeping, and other requirements only to the  
12 extent that they are necessary to ensure the health and safety of a runaway minor in the home.

13 **Sec. 47.10.394. OPERATION OF SAFE HOMES.** (a) The owner of a private residence  
14 may not hold out publicly that the residence is a safe home for runaway minors unless the  
15 residence is designated a safe home under AS 47.10.392 - 47.10.399.

16 (b) A safe home may not shelter a runaway minor for more than seven days unless  
17 (1) the minor is the subject of exceptional circumstances, as defined by the  
18 department in regulations; or

19 (2) the department determines that another appropriate setting is not available for  
20 the minor.

21 (c) The owner of a safe home shall promptly inform the department of a runaway minor  
22 in the home who claims to be the victim of child abuse or neglect, as defined in AS 47.17.290,  
23 or whom the owner has reasonable cause to suspect has been a victim of child abuse or neglect.

24 (d) The owner of a safe home shall make good faith efforts to ensure that notice of the  
25 minor's presence in a safe home is given to the minor's legal custodian as soon as possible after  
26 the minor is admitted to the home unless there are compelling circumstances that justify  
27 withholding notice. The notice need not specify the location of the safe home. The owner may  
28 give the notice, or the owner may direct the department to give the notice. If requested by the  
29 owner, the department shall make good faith efforts to give the notice required under this  
30 subsection.

31 **Sec. 47.10.396. CONFIDENTIALITY.** If the department requires record keeping by a

1 safe home, records of the home that identify a runaway minor who has been sheltered in the  
2 home or has sought assistance from the home are confidential and are not subject to inspection  
3 or copying under AS 09.25.110 - 09.25.120 unless

4 (1) after being informed of the minor's right to privacy, the minor consents in  
5 writing to the disclosure of the records;

6 (2) the records are relevant to an investigation or proceeding involving child abuse  
7 or neglect or a child in need of aid petition; or

8 (3) disclosure of the records is necessary to protect the life or health of the minor.

9 Sec. 47.10.398. IMMUNITY FROM LIABILITY. (a) A person in a safe home, or in  
10 a home for which an application to be designated a safe home is being considered by the  
11 department, that is operated in a manner that is consistent with AS 47.10.392 - 47.10.399 and  
12 regulations adopted under those sections is not criminally liable under AS 11.51.130(a)(5) unless  
13 the person aids, induces, causes, or encourages a child under 16 years of age to be repeatedly  
14 absent from school without just cause.

15 (b) Except as provided in (c) of this section, the owner of a safe home, or of a home for  
16 which an application to be designated a safe home is being considered by the department, and  
17 the members of the owner's household other than a runaway minor are not liable for civil  
18 damages as a result of an act or omission

19 (1) in admitting or refusing to admit a runaway minor to the home; or

20 (2) by a runaway minor who is sheltered in the home.

21 (c) The provisions of (b) of this section do not preclude liability for civil damages as a  
22 result of recklessness or intentional misconduct.

23 Sec. 47.10.399. DEFINITIONS. In AS 47.10.392 - 47.10.399,

24 (1) "runaway minor" has the meaning given in AS 47.10.390;

25 (2) "safe home" means a private residence whose owner agrees to shelter, without  
26 compensation, a runaway minor chosen by the owner and that

27 (A) is not licensed under AS 47.35 as a boarding home, foster home,  
28 group home, or institution;

29 (B) is not licensed under AS 47.10.310 as a program for runaway minors;

30 (C) has been designated a safe home under AS 47.10.392 - 47.10.399.

31 \* Sec. 3. AS 47.10.141(b) is amended to read:

1 (b) A peace officer shall take into protective custody a minor described in (a) of this  
2 section if the minor is not otherwise subject to arrest or detention. The peace officer shall honor  
3 the minor's preference to (1) return the minor to the legal custodian if the legal custodian  
4 consents to the return; (2) take the minor to a nearby location agreed to by the minor and the  
5 legal custodian; or (3) take the minor to an office specified by the Department of Health and  
6 Social Services, a program for runaway minors licensed by the department under AS 47.10.310,  
7 a safe home designated by the department under AS 47.10.392 - 47.10.399 that agrees to  
8 shelter the minor, or a facility or contract agency of the department. If an office specified by  
9 the department, a licensed program for runaway minors, a safe home that will accept the minor,  
10 or a facility or contract agency of the department does not exist in the community, the officer  
11 shall take the minor to another suitable location and promptly notify the department. A minor  
12 under protective custody may not be housed in a jail or other detention facility. Immediately  
13 upon taking a minor into protective custody, the officer shall advise the minor orally and in  
14 writing of the right to social services under AS 47.10.142(b), and, if known, the officer shall  
15 advise the legal custodian that the minor has been taken into protective custody.

16 \* Sec. 4. This Act takes effect immediately under AS 01.10.070(c).

# FISCAL NOTE

No. 1

Bill Version: SB 412

(S) Publish Date: 3-25-92

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL

Revision Date Work Draft 03/16/92 Dept. Affected Health and Social Services  
 Title: "An act directing DHSS to develop non-profit agency approved "safe homes" for runaway minors." BRU: Family and Youth Services  
 Component: Central Office  
 Sponsor: Senators Fischer and Pearce  
 Requestor: Senator Fischer COMPONENT SERIAL NO. 0259

**Expenditures/Revenues**

(Thousands of Dollars)

	FY93	FY94	FY95	FY96	FY97	FY98
<b>OPERATING</b>						
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	5.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>5.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>REVENUE</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**FUNDING:**

(Thousands of Dollars)

GENERAL FUND	5.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS	0.0	0.0	0.0	0.0	0.0	0.0
OTHER	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>5.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**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: **NONE**

**ANALYSIS:** (Attach a separate page if necessary)

This bill, if passed, would require the Department of Health and Social Services to develop regulations for agencies to approve "safe homes" for runaway minors.

Changes in CS SB412 (HES)  
 have no fiscal impact. This  
 fiscal note is appropriate.  
ZAMACIO MATTHEW  
 date Comte Aide (initial)

Prepared by: Brian Saylor, Deputy Commissioner  
 Division: Division of Family and Youth Services

Phone: 465-3830  
 Date: March 16, 1992

Approved by Commissioner: Theodore A. Mala, MD, MPH  
 Agency: Department of Health and Social Services

Date: 3/18/92

**Distribution (by preparer):**

Legislative Finance      OMB  
 Legislative Sponsor      Impacted Agency(ies)  
 Requestor

SB413

# SENATE FINANCE COMMITTEE REPORT

DATE: 2/16/92

FURTHER:

DATE TURNED  
INTO OFFICE: \_\_\_\_\_

The Finance Committee considered

SENATE BILL NO. 413

"An Act relating to longevity bonus payments for certain nursing home residents; and providing for an effective date."

# DIED

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

**DO PASS:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

1. \_\_\_\_\_

Co-Chair: Signature/Recommendation

**PREVIOUS FISCAL NOTES:** Dept/Date

zero fiscal notes \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

fiscal notes \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**OTHER RECOMMENDATIONS:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. \_\_\_\_\_

Co-Chair: Signature/Recommendation

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

No. 1  
Version: SB 413  
(S) Publish Date: 2-26-92

Revision Date: February 21, 1992  
Title: An Act relating to longevity  
bonus payments.  
Sponsor: Senator Duncan  
Requestor: \_\_\_\_\_

Department Affected: Administration  
BRU: Longevity Bonus  
Component: Grants

COMPONENT

0	0	2	6
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	87.0	87.0	87.0	87.0	87.0	87.0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	87.0	87.0	87.0	87.0	87.0	87.0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
----------------------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND	87.0	87.0	87.0	87.0	87.0	87.0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE	0	0	0	0	0	0
TOTAL	87.0	87.0	87.0	87.0	87.0	87.0

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: None

ANALYSIS: (Attach a separate page if necessary.)  
See attached.

Prepared by: Dennis L. DeWitt Phone: 465-4400  
Division: Pioneers' Benefits Date: February 21, 1992

Approved by Commissioner: Nancy Bear Usura Date: 2/21/92  
Agency: Administration

Distribution (by preparer): Legislative Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies).

Fiscal Note  
Senate Bill No. 413

February 21, 1992  
Page 2 of 2

There are approximately 29 nursing home residents over 65 years of age who are fully private pay. This estimate was arrived from a telephone survey of private long-term care facilities during December 1991.

The above calculation does not include residents of the skilled nursing sections of the Pioneers' Homes or the Sourdough Unit at Harborview, Valdez.

The effect of this bill on Medicaid/hold harmless provisions is not addressed in above calculations.

29 residents at \$3000 a year = \$87.000 for FY 93

Assumes effective date July 1, 1992.

## SENATE BILL NO. 413

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY SENATORS DUNCAN, Craft, Uehling

Introduced: 2/18/92  
 Referred: STA, Finance

## A BILL

## FOR AN ACT ENTITLED

1 "An Act relating to longevity bonus payments for certain nursing home residents; and  
 2 providing for an effective date."

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

4 \* Section 1. AS 47.45.070(a) is amended to read:

5 (a) An unqualified person is one who

6 (1) does not meet the age or residence requirements as provided for under this  
 7 chapter;

8 (2) meets the age and residence requirements of this chapter but either is confined  
 9 in a state or federal mental health institution or facility and is certified by the state as unable to  
 10 manage personal affairs, or resides in a nursing home as that term is defined in AS 08.70.180  
 11 unless the cost of the nursing home is paid for entirely with money from private sources;  
 12 however, if that person, at the time of commitment or commencement of residence, provided the  
 13 principal support of a spouse, the commissioner of administration may determine to pay the  
 14 confined person's bonus to the person's spouse until the spouse is qualified for a bonus;

1                   (3) is otherwise qualified but confined in a penal or correctional institution or  
2 facility; upon completion of sentence or upon the conferral of a pardon, parole, or probation, the  
3 person may make application; confinement outside the state shall be considered as residence in  
4 the state if a person was convicted and sentenced from a court in Alaska; revocation of parole  
5 or probation shall be cause for immediate disqualification until release from confinement is again  
6 effected;

7                   (4) voluntarily leaves the state and remains absent from the state for a continuous  
8 period of more than 90 days.

9 \* Sec. 2. This Act takes effect July 1, 1992.

**SB416**

# HOUSE COMMITTEE REPORT

(11)

Date Referred: May 10, 1992

FURTHER REFERRALS:

Date of Committee Action: 5/12/92

The FINANCE Committee considered:

CSSB 416(FIN) am

CS FOR SEN. BILL NO. 416 (FIN) am DEFER FISHERY ENHANCEMENT LOAN REPAYMENTS  
 "An Act authorizing the commissioner of commerce and economic development to defer certain principal and interest payments on loans made under the fishery enhancement loan program to accommodate transfer of operational responsibility for state-owned hatcheries."

- RECOMMENDATIONS: [ ] the same title  
 be replaced with HCS CSSB 416 (Fin) [ ] 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 \_\_\_\_\_

[ ] fiscal note(s) SEN DEC 15-7-92  
D F + G

[ ] zero fiscal note \_\_\_\_\_

[ ] zero fiscal note(s) Senate DEC 15

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<u>Mike Savare</u> <span style="float: right; font-size: small;">Mawasse</span>	✓	<u>Eileen P. Maclean</u> <span style="float: right; font-size: small;">Maclean</span>		X	
<u>Tom Brown</u> <span style="float: right; font-size: small;">Brown</span>	✓	<u>Tom Brown</u> <span style="float: right; font-size: small;">Brown</span>		✓	
<del>_____</del>	✓	<del>_____</del> <span style="float: right; font-size: small;">Koponen</span>			X
<del>_____</del>		<u>Ronald J. Larson</u> <span style="float: right; font-size: small;">Larson</span>		X	
<del>_____</del>		<u>Phillips</u> <span style="float: right; font-size: small;">Phillips</span>		✓	
<del>_____</del>		<u>Sharp</u> <span style="float: right; font-size: small;">Sharp</span>		X	
<del>_____</del>		<u>Ulmer</u> <span style="float: right; font-size: small;">Ulmer</span>		X	

Mike Savare E P Maclean  
 CHAIRMAN'S SIGNATURE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

FISCAL NOTE

Bill No. 1  
Bill Version: SB 416  
(S) Publish Date: 4-14-92

Revision Date: 3/12/92  
Title: Defer Fishery Enhancement Loan  
Payments  
Sponsor: Senator Zharoff

Department Affected: Fish and Game  
BRU: FRED  
Component: FRED

Requestor: Senate Labor and Commerce  
Expenditures/Revenues: (Thousands of Dollars)

COMPONENT SERIAL NO. 

4	6	7
---	---	---

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

REVENUE FUND SOURCE:	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 FUND SOURCE:	0	0	0	0	0	0
TOTAL	0.0	0.0	0.0	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 separ

Changes in CSSD 410 (FIN) have no fiscal impact. This fiscal note is appropriate.

5/7/92  
date

KSD  
Compte Aide (initial)

Prepared By: Geron Bruce

Phone: 465-4100

Division: Commissioner's Office

Date: 3/12/92

Approved by Commissioner: Geron Bruce

Agency: Department of Fish and Game

Date: 3/19/92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. OSC., & Impacted Agency(ies).

FISCAL NOTE

No. 5

Bill Version: CSSB 416(FIN)

(S) Publish Date: 5-7-92

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_

Department Affected: Commerce & Econ. Dev.

Title: Defer Fisheries Enhancement Loan  
Repayments

BRU: Alaska Industrial Dev. & Export Auth.

Sponsor: Zharoff, Jones

Component: \_\_\_\_\_

Requestor: Senate Finance

COMPONENT SERIAL NO. 

1	2	3	4
---	---	---	---

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						
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

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

REVENUE FUND RESOURCE:						
------------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: 0

ANALYSIS (Attach a separate page if necessary.)

Assuming request for deferment on Beaver Falls Hatchery would not be made until FY 94.

Prepared By: Bill Scott, Executive Director Phone: 561-8050

Division: Alaska Industrial Dev. & Export Auth. Date: 5/7/92

Approved by Commissioner: Glenn A. Olds

Agency: Department of Commerce & Economic Development Date: 5-7-92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DFR, Gov. Legis. Ofc., and Impacted Agency(ies).

GW/dg119290/050792b

Page 1 of 1

No. 4

FISCAL NOTE

Bill Version: CSSB416(FIN)

(S) Publish Date: 5-7-92

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_

Department Affected: Commerce & Econ. Dev.

Title: Defer Fisheries Enhancement Loan

BRU: Investments

Repayments

Component: \_\_\_\_\_

Sponsor: Zharoff, Jones

Requestor: Senate Finance

COMPONENT SERIAL NO. 

0	3	8	4
---	---	---	---

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						
MISCELLANEOUS	0	480.0	0	38.0	0	0
TOTAL OPERATING	0	480.0	0	38.0	0	0

CAPITAL

FERLF 1070

REVENUE FUND RESOURCE:	0	[480.0]	0	[38.0]	0	0
------------------------	---	---------	---	--------	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	480.0	0	38.0	0	0
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL	0	480.0	0	38.0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: 0

ANALYSIS (Attach a separate page if necessary.)

Assuming request for deferment on Beaver Falls Hatchery would not be made until FY 94.

Prepared By: Martin J. Richard, Director Phone: 465-2510

Division: Investments Date: 5/7/92

Approved by Commissioner: Glenn A. Olds

Agency: Department of Commerce & Economic Development Date: 5.7.92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legls. Ofc., and Impacted Agency(ies).

Page 1 of 1

HOUSE CS FOR CS FOR SENATE BILL NO. 416 (FINANCE)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): SENATORS ZHAROFF, Jones

A BILL

FOR AN ACT ENTITLED

1 "An Act authorizing the commissioner of commerce and economic development to defer  
2 certain principal and interest payments on loans made under the fishery enhancement loan  
3 program to accommodate transfer of operational responsibility for state-owned hatcheries."

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

5 \* Section 1. PURPOSE. It is the purpose of this Act to provide assistance to qualified regional  
6 aquaculture associations and their nonprofit corporations in order to accommodate a transfer of  
7 operational responsibility for hatcheries that are or have been operated by the state. Deferral of the  
8 principal and interest payments due on fisheries enhancement loans by these associations and  
9 corporations would provide these entities necessary operating capital without payment of direct state aid  
10 by appropriations of state money necessary to make those hatcheries self-sufficient.

11 \* Sec. 2. AS 16.10 is amended by adding a new section to read:

12           Sec. 16.10.527. DEFERRAL OF CERTAIN PAYMENTS ON LOANS. (a) In addition  
13           to deferral of repayment of principal under AS 16.10.525, the commissioner may defer repayment  
14           of principal on a loan made under AS 16.10.510 to a regional aquaculture association or a

1 nonprofit corporation owned by a regional aquaculture association if the loan qualifies under (c)  
2 of this section. The regional aquaculture association's or nonprofit corporation's repayment may  
3 be deferred under this section for a period of time determined by the commissioner that is  
4 sufficient to defray the costs of operation of a hatchery that are to be paid from money earned  
5 by the hatchery's fish cost recovery program. The deferment period may not exceed one year.

6 (b) Interest on the principal of a loan made under AS 16.10.510 does not accrue during  
7 the period of deferral approved by the commissioner under this section.

8 (c) The commissioner may defer repayment of a loan under this section if

9 (1) the association or corporation holding the loan has entered into a multi-year  
10 agreement with the state to assume the operational responsibility for and payment of the  
11 associated costs of operation of the hatchery;

12 (2) the subject of the agreement is a state-owned hatchery that had insufficient  
13 returning adult salmon to support a cost-recovery program while operated by the state;

14 (3) the association or corporation assumed operational responsibility for the  
15 hatchery after June 30, 1991; and

16 (4) in the judgment of the commissioner, deferral of repayment of the loan  
17 principal is reasonably necessary for the association or corporation to meet the loan repayment  
18 schedule and to pay all other debts of the association or corporation incurred in the ordinary  
19 course of the association's or corporation's business.

5

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. SB 416

Revision Date: 3/12/92

Department Affected: Fish and Game

Title: Defer Fishery Enhancement Loan

BRU: FRED

Payments

Component: FRED

Sponsor: Senator Zharoff

Requestor: Senate Labor and Commerce  
Expenditures/Revenues: (Thousands of Dollars)

COMPONENT SERIAL NO. 4 6 7

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

REVENUE FUND SOURCE:	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 FUND SOURCE:	0	0	0	0	0	0
TOTAL	0.0	0.0	0.0	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: None

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Geron Bruce

Phone: 465-4100

Division: Commissioner's Office

Date: 3/12/92

Approved by Commissioner: *Geron Bruce*

Agency: Department of Fish and Game

Date: 3/19/92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/D&R, Gov. Legis. OSC., & Impacted Agency(ies).

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. Proposed CSSB 416 (FIN)

1

Revision Date: \_\_\_\_\_  
Title: Defer Fisheries Enhancement Loan  
Repayments  
Sponsor: Zharoff, Jones  
Requestor: Senate Finance

Department Affected: Commerce & Econ. Dev.  
BRU: Alaska Industrial Dev. & Export Aut  
Component: \_\_\_\_\_

COMPONENT SERIAL NO.	1	2	3	4
----------------------	---	---	---	---

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						
MISCELLANEOUS	312.5	0	0	0	0	0
TOTAL OPERATING	312.5	0	0	0	0	0

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

REVENUE FUND RESOURCE:						
------------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	312.5	0	0	0	0	0
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: 0

ANALYSIS (Attach a separate page if necessary.)

See Division of Investments, Department of Commerce and Economic Development, fiscal note analysis. AIDEA fisheries enhancement loans and receipts therefrom are pledged to the repayment of the DeLong Mountain Transportation Project Revenue Bonds.

Prepared By: Bill Scott, Executive Director Phone: 561-8050  
 Division: Alaska Industrial Dev. & Export Auth. Date: 4/22/92  
 Approved by Commissioner: Glenn A. Olds  
 Agency: Department of Commerce & Economic Development Date: 4.21.92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legls. Ofc., and Impacted Agency(ies).

Page 1 of 1

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. Proposed CSSB 416 (FIN)

2

Revision Date: \_\_\_\_\_  
 Title: Defer Fisheries Enhancement Loan  
Repayments  
 Sponsor: Zharoff, Jones  
 Requestor: Senate Finance

Department Affected: Commerce & Econ. Dev.  
 BRU: Investments  
 Component: \_\_\_\_\_

COMPONENT SERIAL NO. 

0	3	8	4
---	---	---	---

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						
MISCELLANEOUS	0	480.0	480.0	567.2	529.2	0
TOTAL OPERATING	0	480.0	480.0	567.2	529.2	0
CAPITAL						
FERLF 1070						
REVENUE FUND RESOURCE:	0	<480.0>	<480.0>	<567.2>	<529.2>	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	480.0	480.0	567.2	529.2	0
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL	0	480.0	480.0	567.2	529.2	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: 0

ANALYSIS (Attach a separate page if necessary.)

SEE ATTACHED

Prepared By: Martin J. Richard, Director Phone: 465-2510  
 Division: Investments Date: 4/21/92  
 Approved by Commissioner: Glenn A. Olds  
 Agency: Department of Commerce & Economic Development Date: 4.21.92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., and Impacted Agency(ies).

Page 1 of 2

GW/dg11928D-1/042292b

(Rev. 12/91)

FISCAL NOTE - CSSB 416 (FIN)

ANALYSIS:

	<u>CIAA Tutka 7/1/92</u>	<u>SSRAA Beaver Falls 7/1/92</u>	<u>FUND TOTAL</u>
FY 93	---	*312.5	0
FY 94	---	480.0	480.0
FY 95	---	480.0	480.0
FY 96	38.0	529.2	567.2
FY 97	---	529.2	529.2
FY 98	---	---	---

\*This figure is included in the Alaska Industrial  
Development & Export Authority fiscal note.

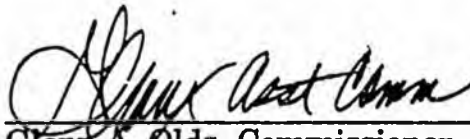
**SB 416: "Defer Fisheries Enhancement Loan Repayments"**

SB 416 makes changes to the fisheries enhancement loan program to provide financial assistance to regional aquaculture associations and their nonprofit corporations that are taking over hatcheries previously operated by the state. This financial assistance will be accomplished without direct appropriations to the Department of Fish and Game or the regional aquaculture associations by reducing the amount of interest charged to these associations on loans received under the fisheries enhancement loan program. SB 416 allows the department to approve a noninterest accrual and nonpayment period to defray the costs of operation of a state-owned hatchery that has been transferred to a qualified regional aquaculture association. This time period which would be determined by the commissioner could not exceed five years from the date that the association assumes operating responsibility for the hatchery and can only be approved if certain conditions are met.

Those conditions are:

1. the association or corporation holding the loan has entered into or is prepared to enter into an agreement with the state to take over the operation of a state-owned facility; and
2. deferral of repayment of the loan would materially assist the association or corporation to pay the operational costs of the hatchery.

The department is neutral on this legislation. While the passage of SB 416 will result in fewer dollars returning to the loan fund over the next few years and may increase the department's general fund request for this program, there will be savings over the long term due to a reduction in the amount of general fund monies spent by the Department of Fish and Game to operate the facilities being transferred.

  
\_\_\_\_\_  
Glenn A. Olds, Commissioner

Date: 3.17.92



## SENATOR FRED F. ZHAROFF

### ALASKA STATE LEGISLATURE

P. O. BOX 405, KODIAK, ALASKA 99815 (907) 486-5259

DURING SESSION:

P. O. BOX V, JUNEAU, ALASKA 99811 • (907) 485-3473 • 465-3474

DISTRICT N

ALASKA PENINSULA • ALEUTIAN CHAIN • BRISTOL BAY • KODIAK ISLAND • LAKE CLARK/LAKE ILIAMNA • PRIBILOF ISLANDS • SHUMAGIN ISLANDS

#### MEMORANDUM

TO: Representative Mike Navarre  
Co-Chair  
Representative Eileen MacLean  
Co-Chair  
House Finance Committee

FROM: Senator Fred F. Zharoff

DATE: May 9, 1992

RE: CS For Senate Bill No. 416 - "An Act authorizing the commissioner of commerce and economic development to defer certain principal and interest payments on loans made under the fishery enhancement loan program to accommodate transfer of operational responsibility for state-owned hatcheries."

BILL SUMMARY: CSSB 416 would allow the commissioner of commerce to defer repayment of principal and interest on fisheries enhancement loans in order to allow regional aquaculture associations enough time to establish cost recovery programs at former state-operated hatcheries. The deferral period may not exceed five years.

Four conditions must be met for the commissioner to authorize a deferral. First, the regional aquaculture association must have entered into a multi-year agreement to take over the operations of a state-owned hatchery. Second, the hatchery involved must have had insufficient salmon returns to support a cost-recovery program while it was operated by the state. Third, the state did not transfer management of the hatchery before June 30, 1991. And fourth, the commissioner must determine that the deferral would materially assist the association in paying the operational costs of the hatchery.

FISCAL IMPACT: The Department of Commerce and Economic Development's fiscal note reflects the interruption in payments to the fisheries enhancement revolving loan fund. The department estimates the amount deferred as \$480,000 for FY 94, \$480,000 for FY 95, \$567,200 for FY 96, \$529,200 for FY 97, and zero for FY 98. The Alaska Industrial and Development Authority's fiscal note is \$312,500 for FY 93. The Department of Fish and Game's fiscal note is zero.

PREVIOUS ACTION: The Senate Labor and Commerce Committee moved the bill on April 14 (1 DP, 4 NR). The Senate Finance Committee moved the bill on May 7 (1 DP, 5 NR). Passed the State Senate 18-1 on May 8. The House Resources Committee moved the bill on May 9.

BACKGROUND: The state's policy in recent years has been to encourage and facilitate the transfer of state-owned fish hatcheries to qualified regional aquaculture associations. While state hatcheries are entirely dependent on general fund appropriations for operating costs, regional aquaculture associations are allowed to conduct cost-recovery operations, where surplus fish returning to the hatcheries are harvested and sold to cover hatchery operating costs.

Due to natural salmon cycles, varying periods of time are required before the transferred hatcheries can establish viable cost-recovery programs. By allowing the deferral of principal and non accrual of interest, CSSB 416 would provide the associations with the operating capital necessary to make the transferred hatcheries financially self-sufficient.

The Beaver Falls Salmon Hatchery outside Ketchikan is the one hatchery that would be immediately affected by this bill. The Southern Southeast Regional Aquaculture is interested in turning Beaver Falls into a full production sockeye hatchery, if funds are available. The passage of CSSB 416 would allow SSRAA to proceed with a 20 year agreement to operate the hatchery.

ATTACHED BACKUP INFORMATION:

1. Fiscal note from the Alaska Industrial Development and Export Authority.
2. Fiscal note from the Department of Commerce and Economic Development.
3. Department of Commerce and Economic Development position paper on the original bill.
4. Projections on number of sockeye to be produced at Beaver Falls and their value to the fishery.
5. Fiscal note from the Department of Fish and Game.
6. Letter from Mr. Carl Rosier, Fish and Game commissioner, describing the current status of the state's hatcheries as of April 2, 1992.

To: Carl Olds	From: P. Amend
Co:	SSRAA, Inc.
Fax # 463-3043	Fax # (907) 225-1848
# of Pages 2	Phone # (907) 225-9808

SECTION 9  
BENEFIT ANALYSIS

RECOVERY VALUE AND VALUE TO THE FISHERY

\* Revised 4

This program is based on these estimates of recovery value and value to the fishery.

1. "Zero" Smolts

Fry to SW Pens	6,500,000		5,200,000
"Zero" Smolts Released (95%)	6,200,000		5,000,000
Ocean Survival to Adults (6%)	370,000	(8%)	400,000
Available to Common Property Fishery (80%)	220,000		240,000
Value to the CPF @ \$8/fish	\$1,320,000	\$ 7.30	\$ 1,752,000
Available to Cost Recovery Harvest (40%)	150,000		160,000
Recovery Value (CRV) @ \$6/fish	\$900,000		\$ 760,000

2. Fry Rearing Program

These fry are assumed to be used in the FRP program. The values would depend on the program. For our purposes, we will assume the use of half of the available 10 million fry.

Fry Released in Lakes	5,000,000		6,000,000
Smolts Produced (20%)	1,000,000		1,200,000
Ocean Survival to Adults (12%)	120,000		144,000
Available to Common Property Fishery (80%)	72,000		86,400
Value to CPF @ \$6/fish	\$432,000	\$ 7.30	620,000
Available for Wildstock Enhancement (40%)	48,000		57,000

3. Summary

Total Eggs Required (56 incubators)	14,000,000		14,000,000
Adult Survival	490,000		546,000
Available to Common Property Fishery	292,000		326,400
Available for Cost Recovery Harvest	150,000		160,000
Available for Wildstock Enhancement	48,000		57,000
Recovery Value Cost Recovery Harvest	\$900,000		\$ 960,000
Value to Common Property Fishery	\$1,752,000		\$ 2,382,000

Note that all of the recovery value (on CRH) is based on the "zero" program.

OPERATING COST

As indicated in the prior section, the operation costs are estimated to be \$670,000 per year. This is less than the recovery value through Cost Recovery Harvest by 25%.

# STATE OF ALASKA

DEPARTMENT OF FISH AND GAME

OFFICE OF THE COMMISSIONER

WALTER J. HICKEL, GOVERNOR

P.O. BOX 3-2000  
GENERAL DELIVERY 99503-2000  
PHONE: (907) 465-4100

6

SB 416

April 2, 1992

The Honorable Drue Pearce  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

\*\*\*\*\*  
F A X T R A N S M I T T A L M E M O  
\*\*\*\*\*

TO: Ray Gillespie

DEPT: \_\_\_\_\_ FAX #: \_\_\_\_\_

FROM: Johnny Holland PHONE: \_\_\_\_\_

CO: \_\_\_\_\_ FAX #: \_\_\_\_\_

Post-it brand fax transmittal memo 7671

Finally!

NO. OF PAGES
5

Dear Senator Pearce:

During the March 18 Senate Subcommittee on Commerce and Labor hearing, Dr. J. S. Holland, Assistant Director of the department's Fisheries Rehabilitation, Enhancement and Development (FRED) Division, responded to questions posed by committee members. The committee requested clarification of the funding status of the state's hatcheries. Also, at one point, Dr. Holland mentioned the FRED Division's public hatchery strategic plan, three copies of which are enclosed.

Of the 20 state-owned hatcheries, nine are currently operated and/or funded by the private sector. Of those contracted hatcheries, Beaver Falls has no long-term contract commitment by the private sector and faces closure in FY 93. Negotiations are ongoing for the Southern Southeast Regional Aquaculture Association (SSRAA) to operate Beaver Falls. A long-term contractual commitment by SSRAA to operate Beaver Falls is dependent on both a hatchery upgrade CIP request (currently on the Governor's CIP list) and on deferment of fishery enhancement loans.

Three of the remaining 11 hatcheries (Clear, Elmendorf, and Ft. Richardson) are sport fish production facilities and, as such, are primarily funded by Sport Fish Restoration Act federal aid funds with matching funds provided from the fish and game fund or general fund. Following development of the enclosed public hatchery strategic plan, the FRED Division learned that Anadromous Fish Conservation Act federal aid funds will no longer be available. This leaves the Deer Mountain Hatchery with only half of the necessary funds needed to operate it in FY 93. The division is seeking additional funding sources for Deer Mountain, but if this funding does not come through, the facility will face closure in FY 93.

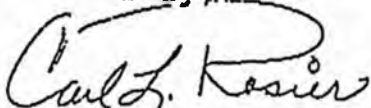
Of the remaining seven state hatcheries, three (Big Lake, Klawock, and Russell Creek) have been slated for closure in FY 93 given the magnitude of the department's proposed FY 93 budget reduction. At

April 2, 1992

this time, there are no private sector salmon producers that have expressed an interest in contracting the operations of any of these facilities, as cost-recovery options are severely limited. The four remaining hatcheries (Crystal Lake, Snettisham, Crooked Creek, and Sikusuilaq Springs) each have unique properties; i.e., major impact on international fisheries treaties, research status, major impact on sport fish production, etc., that require they remain open.

I hope this information is useful when considering Senate Bill 416.

Sincerely,



Carl L. Rosier  
Commissioner

Enclosures

cc: Geron Bruce  
J. S. Holland  
Jeff Koenings

Alaska Department of Fish and Game—FRED Division  
Public Hatchery Strategic Plan

Hatchery	Location	Species	Program * Intent	Comments	FY92		Oper. Plan FY	Plan Agenc	Percent ** Subsistence	Percent Sport	Percent Commercial			
					Operating Costs	Funding Source								
Beaver Falls	Ketchikan	Sockeye	CF	Contracted to SSRAA with GF for FY92 operation.	\$294.8		92	SSRAA	***	0%	100%			
Big Lake	Big Lake	Sockeye	CF, PU	Major production of enhancement fi for Anchorage area. Sockeye shortfunded in FY93.	\$60.0	CIP	92	FRED	14%	1%	85%			
		Coho	SF, CF, PU		\$312.4	GF						5%	65%	30%
Cannery Creek	Whillier	Pink	CF	Operated by PWSAC			89	PWSAC			100%			
Clear	Clear	Arctic char	SF	Major sport fish production facility Vital to US/Can chum and chinook programs	\$22.9	GF	92	FRED			100%			
		Arctic grayling	SF		\$313.6	DJ/WB					100%			
		Lake trout	SF		\$92.5	F&G					100%			
Crooked Creek	Soldotna	Sockeye	CF, PU	Sockeye contracted to CIAA. Contributes substantially to sport fish program through egg tak for other facilities.	\$46.0	CIAA	92	FRED	3%	2%	95%			
		Coho	SF, PU		\$340.3	GF		CIAA				5%	95%	
		Steelhead	SF		\$3.8	PGR						100%		
		Chinook	SF					100%						
Crystal Lake	Pelersburg	Chinook CL rel.	US/C, SF, CF	Large US/Can capital investment including Harding River, Deep Cove, and Farragut River. Provides 5-7 million chinook eggs in addition to its own needs primary stream rehab work from unique isolation modules.	\$602.6	GF	92	FRED			44%			
		Chinook remote	US/C, CF		\$15.0	PgR					1%	99%		
		Coho	SF, PU, CF		\$12.8	DJ/WB					***	17%	83%	
		Steelhead	SF								100%			
Deer Mountain	Ketchikan	Chinook	RES, SF, CF	Fisheries technology development results supplied to other state and private programs. Prim tourist facility, over 250,000 annually. Major role in public education. Urban (SF) fisheries program being developed with Rainbow trout.	\$149.7	GF	92	FRED	***	40%	60%			
		Coho	SF, PU, CF		\$141.5	ANAD						***	17%	83%
		Steelhead	SF		\$13.0	DJ/WB							100%	
		Rainbow	SF									100%		

Hatchery	Location	Species	Program Intent	Comments	Operating Costs	Funding Source	Operational FY	Plan Assn	Percent Subsistence	Percent Sport	Percent Commercial
Sikusuilag	Kotzebue	Chum	CF, SUB	Developmental facility for fisheries technology. Potential for subsistence harvest. To be contracted in 1999.	\$390.8	GF	99	Reg. Asso	20%		80%
Snellisham	Juneau	Sockeye CIF	US/C, CF, RE	Tremendous involvement in US/Can projects, transboundary river sock enhancement plus SE Baranof chum. Applied technology development for sockeye smolt. Major sport fish production in Juneau recreation project.	\$612.8	GF	92	FRED	***		100%
		Sockeye (smolt)	US/C, CF		\$108.0	US/CAN			***		100%
		Chinook (Deep)	US/C, CF		\$94.1	W/B				6%	94%
		Chinook (juvenile)	SF							34%	66%
Trail Lakes	Moose Pass	Coho Sockeye	SF, CF CF	Operated by CIAA			89	CIAA	***	75%	25% 100%
Tufka	Homer	Pink Chum Sockeye	CF CF CF	Contracted to CIAA		CIP	92	CIAA	*** ***	2%	98% 100% 100%

\* - Legend- subsistence (SUB), sport fish(SF), commercial fish(CF), research (RES), US/Canada (US/C)

\*\* - Includes personal use

\*\*\* - Thought to contribute to subsistence but as yet unquantified

\*\*\*\* - SSRAA - Southern Southeast Regional Aquaculture Association

PWSAC - Prince William Sound Aquaculture Corporation

CIAA - Cook Inlet Aquaculture Association

NSRAA - Northern Southeast Regional Aquaculture Association

REG. ASSOC. - as yet unknown aquaculture association.

Pg.R. - program receipts

hatchery	Location	Species	Program Intent	Comments	Operating Costs	Funding Source	Operational FY	Operational Pta Agen	Percent ** Subsistence	Percent Sport	Percent Commercial
Zemendorf	Anchorage	Chinook	SF	Major sport fish production facility	\$112.8	F&G	92	FRED	1%	90%	9%
		Coho	SF	High visibility tourist attraction	\$385.2	DJ/WB			3%	87%	10%
					\$67.7	GF					
Ft Richardson	Anchorage	Chinook	SF	Major sport fish production facility	\$143.9	GF	92	FRED		88%	13%
		Coho	SF		\$596.0	DJ/WB				90%	10%
		Rainbow	SF, RES		\$181.6	F&G				100%	
Gulkana	Glennallen	Sockeye Chinook	CF, SUB CF, SF, SUB	The most cost effective sockeye facility in the world. 35 million sockeye salmon egglake annually. FY92 contract for one year, potential long term contract.	\$41.2	GF	92	FRED/ PWSAC	8% 20%	2% 30%	90% 50%
Hidden Falls	Sitka	Chinook	CF	\$2.5 million chinook expansion with US/Can funds. Operated by NSRAA.			89	NSRAA			100%
		Chum	CF							100%	
2 Kitai Bay	Kodiak	Pink	CF	Operated by state with funds provided by KRAA.			92	FRED/KRAA			100%
		Chum	CF							100%	
		Coho	SF, CF							50%	50%
		Sockeye	CF							100%	
3 Klawock	Klawock	Sockeye	SUB	BIA funds to address local projects. GF used in projects to rehabilitate POW in post-logging years.	\$424.3	GF	92	FRED	100%		
		Coho	CF, SUB		\$10.0	PgR(non-existent)				7%	93%
		Steelhead	SF		\$18.0	DJ/WB				100%	
'4 Main Bay	Whillier	Sockeye	CF	Operated by PWSAC			92	PWSAC		1%	99%
'5 Pillar Creek	Kodiak	Sockeye	CF	Primarily operated with funds provided by KRAA. Some GF involved.	\$37.9	GF	92	FRED/KRA	***		100%
'6 Russell Creek	Cold Bay	Chum	CF	FY92 PgR from Aleutian's East Borough. Fisheries developmental facility to be contracted in FY99	\$420.0	GF	99	Reg. Assoc.			100%
		Pink	CF		\$52.8	PgR				1%	99%
		Coho	SF, CF							50%	50%

**SB416**

SENATE FINANCE COMMITTEE REPORT

DATE: 4/14/92

FURTHER:

DATE TURNED INTO OFFICE: 5/7/92

The Finance Committee considered SENATE BILL NO. 416

"An Act authorizing the commissioner of commerce and economic development to defer certain principal and interest payments on loans made under the fishery enhancement loan program to accommodate transfer of operational responsibility for state-owned hatcheries."

and recommends:

[X] replace with CS SD 416 (FINANCE)
or [ ] adopt previous CS
[ ] attaches amendment(s)

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

[ ] adopts Letter of Intent

[ ] further referral to the

[ ] do pass

[ ] do not pass

[ ] no recommendation

[X] individual recommendations

NEW FISCAL NOTES: Dept/Date

[ ] zero fiscal notes

[X] fiscal notes DECD - INVESTMENTS
DECD - AIDEA

[ ] appropriation--no fiscal note

DO PASS:

[Signature]

1. [Signature] no rec

Co-Chair: Signature/Recommendation

PREVIOUS FISCAL NOTES: Dept/Date

[X] zero fiscal notes FISH PGM 3-12-92
FREN DIV.

[ ] fiscal notes

OTHER RECOMMENDATIONS:

[Signature] - no Rec
[Signature] - no Rec

2. [Signature] No Rec

Co-Chair: Signature/Recommendation

FISCAL NOTE

lo. 1  
 Bill Version: SB 416  
 (S) Publish Date: 4-14-92

STATE OF ALASKA  
 1992 LEGISLATIVE SESSION

Revision Date: 3/12/92  
 Title: Defer Fishery Enhancement Loan  
 Payments  
 Sponsor: Senator Zharoff

Department Affected: Fish and Game  
 BRU: FRED  
 Component: FRED

Requestor: Senate Labor and Commerce  
 Expenditures/Revenues: (Thousands of Dollars)

COMPONENT SERIAL NO.	4	6	7
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OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE:	0	0	0	0	0	0
TOTAL	0.0	0.0	0.0	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 sheet)

Changes in CSSB 416 (FIN) have no fiscal impact. This fiscal note is appropriate.  
5/7/92 date KSA Comte Aide (initial)

Prepared By: Geron Bruce Phone: 465-4100  
 Division: Commissioner's Office Date: 3/12/92  
 Approved by Commissioner: [Signature]  
 Agency: Department of Fish and Game Date: 3/19/92

STATE OF ALASKA  
LEGISLATIVE SESSION

FISCAL NOTE

No. 4

Bill Version: CSSB416(FIN)

(S) Publish Date: 5-7-92

Revision Date: \_\_\_\_\_

Department Affected: Commerce & Econ. Dev.

Title: Defer Fisheries Enhancement Loan

BRU: Investments

Repayments

Component: \_\_\_\_\_

Sponsor: Zharoff, Jones

Requestor: Senate Finance

COMPONENT SERIAL NO. 

0	3	8	4
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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						
MISCELLANEOUS	0	480.0	0	38.0	0	0
TOTAL OPERATING	0	480.0	0	38.0	0	0

CAPITAL						
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FERLF 1070

REVENUE FUND RESOURCE:	0	[480.0]	0	[38.0]	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0	480.0	0	38.0	0	0
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL	0	480.0	0	38.0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: 0

ANALYSIS (Attach a separate page if necessary.)

Assuming request for deferment on Beaver Falls Hatchery would not be made until FY 94.

Prepared By: Martin J. Richard, Director Phone: 465-2510

Division: Investments

Approved by Commissioner: Glenn A. Olds Date: 5/7/92

Agency: Department of Commerce & Economic Development Date: 5.7.92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBF, Gov. Legls. Ofc., and Impacted Agency(ies).

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GW/dg11928D-1/050792c

(Rev. 12/91)

**STATE OF ALASKA  
1992 LEGISLATIVE SESSION**

**FISCAL NOTE**

No. 5

Bill Version: CSSB 416(FIN)

(S) Publish Date: 5-7-92

Revision Date: \_\_\_\_\_

Department Affected: Commerce & Econ. Dev.

Title: Defer Fisheries Enhancement Loan  
Repayments

BRU: Alaska Industrial Dev. & Export Auth.

Component: \_\_\_\_\_

Sponsor: Zharoff, Jones

Requestor: Senate Finance

COMPONENT SERIAL NO. 

1	2	3	4
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**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						
MISCELLANEOUS	0	0	0	0	0	0
<b>TOTAL OPERATING</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

CAPITAL						
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REVENUE FUND RESOURCE:						
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**FUNDING: (Thousands of Dollars)**

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS						
OTHER FUND SOURCE:						
<b>TOTAL</b>						

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: 0

**ANALYSIS (Attach a separate page if necessary.)**

Assuming request for deferment on Beaver Falls Hatchery would not be made until FY 94.

Prepared By: Bill Scott, Executive Director Phone: 561-8050

Division: Alaska Industrial Dev. & Export Auth. Date: 5/7/92

Approved by Commissioner: Glenn A. Olds

Agency: Department of Commerce & Economic Development Date: 5-7-92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., and Impacted Agency(ies).

GW/dg11929D/050792b

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(Rev. 12/91)

CS FOR SENATE BILL NO. 416 (FINANCE)  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:  
Referred:

Sponsor(s): SENATORS ZHAROFF, Jones

A BILL

FOR AN ACT ENTITLED

1 "An Act authorizing the commissioner of commerce and economic development to defer  
2 certain principal and interest payments on loans made under the fishery enhancement loan  
3 program to accommodate transfer of operational responsibility for state-owned hatcheries."

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

5 \* Section 1. PURPOSE. It is the purpose of this Act to provide assistance to qualified regional  
6 aquaculture associations and their nonprofit corporations in order to accommodate a transfer of  
7 operational responsibility for hatcheries that are or have been operated by the state. Deferral of the  
8 principal and interest payments due on fisheries enhancement loans by these associations and  
9 corporations would provide these entities necessary operating capital without payment of direct state aid  
10 by appropriations of state money necessary to make those hatcheries self-sufficient.

11 \* Sec. 2. AS 16.10 is amended by adding a new section to read:

12 Sec. 16.10.527. DEFERRAL OF CERTAIN PAYMENTS ON LOANS. (a) In addition  
13 to deferral of repayment of principal under AS 16.10.525, the commissioner may defer repayment  
14 of principal on a loan made under AS 16.10.510 to a regional aquaculture association or a