

ALASKA LEGISLATURE

HOUSE and SENATE FINANCE COMMITTEE FILES, 1993-1994

951

25

1 and employee contribution, if any. With money in the fund, the [THE] commissioner
2 of administration shall pay premiums, [AND] claims, and administrative costs
3 required under [IN ACCORDANCE WITH] the insurance policies in effect under
4 AS 39.30.090 and 39.30.160, or required under self-insurance arrangements in
5 effect under AS 39.30.091 [WITH MONEY IN THE FUND].

6 * Sec. 58. AS 39.30.095(c) is amended to read:

7 (c) The commissioner of administration or the designee of the commissioner
8 is administrator of the fund. The commissioner may contract with

9 (1) an insurer authorized to transact business in this state under
10 AS 21.09, or a hospital or medical service corporation authorized to transact
11 business in this state under AS 21.87 [INSURANCE CARRIER] to reimburse the
12 state for the cost of administering group insurance provided under AS 39.30.090 and
13 39.30.160; and

14 (2) a life or disability insurer authorized to transact business in the
15 state under AS 21.09, a hospital or medical service corporation authorized to
16 transact business in this state under AS 21.87, or a third-party administrator
17 licensed to transact business in this state for the administration of benefit claims
18 and payments under AS 39.30.091.

19 * Sec. 59. AS 39.30.095(d) is amended to read:

20 (d) If the commissioner of administration determines that there is more money
21 in the fund than the amount needed to pay premiums, [OR] benefits, and
22 administrative costs for the current fiscal year, the surplus, or so much of it as the
23 commissioner of administration considers advisable, may be invested by the
24 commissioner of revenue in the same manner as retirement funds are invested under
25 AS 14.25.180.

26 * Sec. 60. AS 41.21.020 is amended by adding a new subsection to read:

27 (c) The department may accept cash and other donations from public or private
28 sources to assist and support the department in carrying out the purposes of this
29 chapter.

30 * Sec. 61. AS 41.21.026(a) is amended to read:

31 (a) Notwithstanding (b) of this section, the [THE] department may charge

1 or collect a fee in a park unit for

- 2 (1) rental of public use cabins or other overnight lodgings;
 3 (2) overnight use of a developed campsite;
 4 (3) special park use permits;
 5 (4) competitive and exclusive commercial use permits;
 6 (5) noncompetitive and nonexclusive commercial use permits;
 7 (6) use of a sewage holding tank dump station;
 8 (7) admission to or guided tours of visitor centers and historic sites;

9 [AND]

10 (8) use of an improved boat ramp in a park facility developed
 11 principally for boat launching;

12 (9) sale of firewood;

13 (10) sale of merchandise for informational or educational purposes
 14 related to public use and understanding of parks, including maps, plans, and
 15 other graphic materials;

16 (11) use of a developed facility that has developed parking and rest
 17 rooms; and

18 (12) presentation or attendance at programs related to natural or
 19 cultural history, outdoor skills or education, or other topics concerned with public
 20 use, enjoyment, or understanding of parks.

21 * Sec. 62. AS 44.46.025(a) is amended to read:

22 (a) The Department of Environmental Conservation may adopt regulations that
 23 prescribe reasonable fees, and establish procedures for the collection of the fees, to
 24 cover the applicable direct costs, not including travel, of inspections, permit
 25 preparation and administration, plan review and approval, and other [THE
 26 FOLLOWING] services provided by the department relating to [:]

27 (1) agriculture and animals [INSPECTIONS, PERMIT
 28 ADMINISTRATION, PLAN REVIEW AND APPROVAL, AND OTHER RELATED
 29 SERVICES PROVIDED] under AS 03.05; food, drugs, and cosmetics under [,]
 30 AS 17.20; [,] and public accommodations and facilities under AS 18.35;

31 (2) [AIR QUALITY PERMITS UNDER AS 46.03.140 AND 46.03.160;

1 (3) HAZARDOUS WASTE PERMITS UNDER AS 46.03.299 AND
2 46.03.302;

3 (4) PLAN APPROVALS AND PERMITS FOR] sewerage system and
4 treatment works and wastewater disposal systems, and [PLAN APPROVALS FOR]
5 drinking water systems, under AS 46.03.720;

6 (3) [(5)] oil discharge financial responsibility [APPROVALS] under
7 AS 46.04.040;

8 (4) [(6)] oil discharge contingency plans [PLAN APPROVALS] under
9 AS 46.04.030;

10 (5) [(7)] water and wastewater operator training under AS 46.30;

11 (6) control of solid waste facilities under AS 46.03.020(10) and
12 46.03.100;

13 (7) certification of laboratories conducting environmental analyses
14 of public drinking water systems or of oil or hazardous substances, or conducting
15 other analyses required by the department;

16 (8) certification of federal permits or authorizations under
17 33 U.S.C. 1341, sec. 401 (Clean Water Act).

18 * Sec. 63. AS 44.46.025 is amended by adding a new subsection to read:

19 (c) The department may adopt regulations that prescribe reasonable fees to
20 cover the direct costs of air quality permit programs under AS 46.03.140 and
21 46.03.160, and may establish procedures for the collection of those fees.

22 * Sec. 64. Section 1, ch. 27, SLA 1987 is amended to read:

23 Section 1. The operation of AS 43.05.085 and AS 43.20.013 is suspended until
24 January 1, 1995 [1993].

25 * Sec. 65. AS 13.26.410(b) and AS 37.05.210(1) are repealed.

26 * Sec. 66. AS 44.46.025(c), enacted by sec. 63 of this Act, is repealed on the day after the
27 day the federal administrator approves the state program under 42 U.S.C. 7661a(d) (Clean Air
28 Act, sec. 502(d)). The commissioner of environmental conservation shall immediately notify
29 the lieutenant governor and the revisor of statutes of the day the federal administrator grants
30 the approval described under this section.

31 * Sec. 67. TEMPORARY FEES IN STATE PARKS. The following fees apply for the

1 following activities in units of the state park system until the earlier of July 1, 1995, or the
2 date that the Department of Natural Resources adopts a regulation under AS 41.21.026, as
3 amended by sec. 61 of this Act, that establishes a fee for that activity:

4 (1) sale of firewood: \$4 per bundle;

5 (2) use of a developed facility that has developed parking and rest rooms: \$2
6 per vehicle, or \$25 for an annual pass;

7 (3) admission to visitor centers or historic sites: \$1 for each person over 10
8 years of age;

9 (4) presentation or attendance at programs related to natural or cultural history,
10 outdoor skills or education, or other topics concerned with public use, enjoyment, or
11 understanding of parks: \$2 for each person over 10 years of age.

12 * Sec. 68. IMPLEMENTATION OF BIENNIAL LICENSURE BY ALCOHOLIC
13 BEVERAGE CONTROL BOARD. (a) Approximately one-half of the applicants for renewal,
14 for 1994, of a license issued by the Alcoholic Beverage Control Board, as determined by the
15 director of the Alcoholic Beverage Control Board, shall be eligible for a one-year license.
16 These licenses expire, unless renewed, on December 31, 1994, and may be renewed biennially
17 in even-numbered years after that. The 1994 renewal fee for these licenses is one-half of the
18 biennial license fee.

19 (b) The remaining approximately one-half of the 1994 renewal applicants, as
20 determined by the director, shall be eligible for a two-year license. These licenses expire,
21 unless renewed, on December 31, 1995, and may be renewed biennially in odd-numbered
22 years after that.

23 (c) The director shall notify each licensee in writing as to whether the licensee shall
24 apply for renewal under (a) or (b) of this section, and of the actual amount of the renewal fee.
25 The notice must be given not later than December 1, 1993. However, the failure of the
26 director to provide the notice required in this subsection does not prevent a license from
27 expiring on February 28, 1994, in accordance with AS 04.11.540, if the renewal application
28 is not filed on or before that date.

29 * Sec. 69. IMPLEMENTATION OF BIENNIAL LICENSING BY THE DEPARTMENT
30 OF LABOR. Notwithstanding AS 18.62.020, as amended by sec. 46 of this Act, and to ensure
31 that approximately one-half of all certificates of fitness expire in any one fiscal year,

1 approximately one-half of the applicants for renewal certificates of fitness during the first three
2 fiscal years after the effective date of sec. 46 of this Act, as determined by the Department
3 of Labor, shall receive a one-year renewal certificate, which may be renewed biennially after
4 that. The renewal fee for a one-year certificate is \$80.

5 * Sec. 70. TRANSITION. Notwithstanding secs. 74 - 76 of this Act, an agency of the
6 state that has regulation adoption authority or that is authorized by this Act to adopt
7 regulations, may proceed to adopt regulations necessary to implement that agency's respective
8 provisions in this Act. The regulations take effect under AS 44.62 (Administrative Procedure
9 Act), but not before the respective effective date of the relevant section or sections of this Act.

10 * Sec. 71. RETROACTIVITY OF SEC. 64. Section 64 of this Act is retroactive to
11 January 1, 1993.

12 * Sec. 72. The amendments to AS 13.26.410(a) made by sec. 33 of this Act have the effect
13 of amending Alaska Rule of Probate Procedure 16(d) by providing for compensation for
14 guardian's services without an order of the court.

15 * Sec. 73. Sections 67 - 71 of this Act take effect immediately under AS 01.10.070(c).

16 * Sec. 74. Sections 33 - 35, 44 - 66, and 72 of this Act take effect July 1, 1993.

17 * Sec. 75. Sections 1 - 32 of this Act take effect December 31, 1993.

18 * Sec. 76. Sections 36 - 43 of this Act take effect July 1, 1994.

CS House Bill 65 (JUD) - Fiscal Sectional					
Section	Department	Brief Description	Discussion of Fiscal Impact	GF Revenues (including savings)	Cost
1 thru 32	Revenue	The Alcoholic Beverage Control Board currently issues licenses annually. These amendments make the process biennial and accordingly, double license fees.	Will enable staff to spread workload out over two years thereby enabling more efficient processing and utilization of existing staffing levels.		
33 thru 35	Administration	Enables the Office of Public Advocacy to charge fees for public guardians based on ability to pay. In response to a recommendation by Legislative Audit that OPA pursue additional funding sources to support its activities.	Due to time required to develop and implement regulations, no revenue is projected for FY 94. Until fee schedule is established, future revenue projections are difficult.	Not yet determined	
36 thru 38	Education	Alaska Commission on Postsecondary Education: Authorizes assessment of a 1% guarantee fee to offset losses resulting from student loan debt cancellation due to death, disability or bankruptcy of the student. Will be similar to a loan origination fee.	Total revenue to be generated in FY 94 is 500.0 in corporate receipts. In 1992, 912.8 was written off by the corporation.	500.0	
39 thru 43	Education	Provides for the same 1% loan guarantee fee to be charged on other student loan programs: Memorial Scholarship Loan Program, Teacher Scholarship Loan Program, and Family Education Loan Program.	Total revenue to be generated in FY 94 is 13.0 in corporate receipts	13.0	

CS House Bill 65 (JUD) - Fiscal Sectional

Section	Department	Brief Description	Discussion of Fiscal Impact	GF Revenues (including savings)	Cost
44	Fish and Game	Amends the statute to pay vendor compensation for sale of licenses from the fish and game fund. Currently, revenue from the sale of licenses is deposited into the Fish and Game Fund and vendors are compensated out of the general fund.	The House Finance budget already makes this fund source switch. It reduces the general funds by -553.9 and replaces it with 553.9 in Fish and Game funds.	553.9	
45	Labor	Enables the Department to set fees by regulation for administering examinations and processing applications for special boiler and pressure vessel inspector commissions (currently there is no charge).	Anticipate fee of \$25.00 which will annually generate estimated \$375.00 to general fund.	0.4	
46	Labor	Amends the Certificates of Fitness chapter by eliminating the current statutory requirement that plumber and electrician certificates are valid for one or three years; gives the department the authority to set time frame by regulation.	No fiscal impact; currently revenues fluctuate due to one or three year renewal. Change to a two year certificate will stabilize program receipts coming to the department.		
47	Public Safety	Alaska Police Standards Council: Amends the Council's "Powers" section by adding the authority to issue regulations to collect fees for processing applications for state certification of police, probation, parole and correctional officers.	Based on issuance of 228 certificates at a charge of \$50.00 each, an estimated 11.4 in general fund program receipts is expected to be generated. The amount is projected to increase by 5% in future years.	11.4	

CS House Bill 65 (JUD) - Fiscal Sectional

Section	Department	Brief Description	Discussion of Fiscal Impact	GF Revenues (including savings)	Cost
48	Labor	Amends the Employment Agencies statute by increasing the application filing fee for employment agency permits from the current \$10 to \$100. Time frame for issuance was set in regs to annually.	Only eight agencies are currently licensed; fee increase will generate an additional \$720.00.	0.7	
49	Administration	Amends the "Definition of Program Receipts" statute to exclude money the state receives for administering group insurance programs. Currently AETNA reimburses the state for administering the health insurance program.	The House Finance version of the operating budget includes this fund source shift from general fund/program receipts to Benefit Systems Receipts.	683.0	
		This amendment will classify these funds as "Benefit Systems Receipts" instead of the current classification of "general fund/program receipts."			
50 thru 51	Administration	Amends State Insurance Catastrophe Reserve Account statute by depositing insurance claim settlements into this account instead of the General Fund (up to the existing \$5 million maximum account	No fiscal impact; however will enable compliance with existing federal cost allocation standards. Failure to comply may require state		
		balance). Federal government criticized that since federal funds are used to pay risk management premiums, it is appropriate some of the insurance settlements be deposited in the Reserve Account.	to reimburse some federal funds.		

CS House Bill 65 (JUD) - Fiscal Sectional

Section	Department	Brief Description	Discussion of Fiscal Impact	GF Revenues (including savings)	Cost
52	Natural Resources	Amends the "Parks and Recreational Facilities" chapter concerning the "Duties of the Dept. of Natural Resources" to clarify the department's authority to accept cash or other donations to support state park operations.	No fiscal impact.		
53	Natural Resources	Amends the "Fees for the use of state park system facilities" by authorizing the department to set fees for day use of state parks, admission to visitor centers, sale of firewood, and a number of other activities.	Installation of estimated 44 fee stations would be phased. Revenue estimate from these fees is reflected in sec. 57.		
54	Environmental Conservation	Amends "Fees for services" by allowing DEC to charge for a number of activities which it is required to do by law, but for which it does not have the authority to charge fees. Examples are solid waste and hazardous waste management.	Because regulations would have to be adopted, fees would not be collected until FY 95 and projected increased revenues are 700.0. FY 94 cost of implementation is 75.3. This impact is not reflected in FY 94 operating budget.	700.0	75.3
55	Environmental Conservation	Authorizes DEC to set fees to recover its indirect costs of administering the air quality permit program. This change is required by the Federal government. Currently the department has the authority to cover the direct costs of the program.	Due to start up delays, revenues and expenditures would not be in place until FY 95.	3,747.1	1,882.0

CS House Bill 65 (JUD) - Fiscal Sectional

Section	Department	Brief Description	Discussion of Fiscal Impact	GF Revenues (including savings)	Cost
56	Administration	Repeals AS 13.26.410 (b) which relates to CPA amendment and charging for public guardian services. Statute currently says a court shall determine the ability to pay.			
	Administration	Repeals AS 37.05.210(1) which deletes "Uniform Accounting" requirement that DOA shall monthly and annually prepare reports showing the financial condition and monthly transactions of each fund. Outdated; reports are automatically generated.			
57	Natural Resources	Establishes a temporary fee schedule for state parks to charge during the time the department is promulgating regulations authorized in section 53 of the Labor and Commerce version.	FY 94 costs of 76.0 includes installing 18 fee collection stations and the design/production of fee collection envelopes and the fee stations. Revenues of 150.0 are estimated in FY 94 and increase in future years.	150.0	76.0
58	Revenue	Provides the time table for implementing the biennial issuance of liquor licenses by the Alcoholic Beverage Control Board.			
59		Authorizes impacted departments to get an early start in the process of promulgating regulations by not waiting for bill's July 1 effective date to begin the public notice, etc. process.			

CS House Bill 65 (JUD) - Fiscal Sectional					
Section	Department	Brief Description	Discussion of Fiscal Impact	GF Revenues (including savings)	Cost
60		Provides that the amendments which authorize OPA to charge fees for public guardians have the effect of amending Alaska Rule of Probate Procedure 16(d) and therefore this statutory change will not require an order of the court.			
61		Immediate effective date for sections 57 - 59.			
62		July 1, 1993 effective date for sections 33-35, 44-46 and 60; however sec. 55 (DEC air quality fees) takes effect only if HB 167 or SB 103 does not become law.			
63		December 31, 1993 effective date for sections 1-32 (ABC Board license changes).			
64		July 1, 1994 effective date for sections 36-43 (student loan fees)			
Total				6,384.5	2,058.3

STATE OF ALASKA

DEPARTMENT OF LABOR

OFFICE OF THE COMMISSIONER

WALTER J. HICKEL, GOVERNOR

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

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April 16, 1993

The Honorable Ron Larson
Co-Chair, House Finance Committee
Alaska State Legislature
State Capitol, Room 502
Juneau, Alaska 99801-1182

Dear Representative Larson:

We would appreciate your consideration of an amendment to Committee Substitute for House Bill No. 65 (Judiciary) relating to fees charged by various state agencies. Sections 44, 45, 46 and 48 related to the fee authority required by the department for the operation of its programs were deleted from Committee Substitute for House Bill No. 65 (Labor & Commerce) in the House State Affairs Committee. Three sections, sections 44, 45 and 48, were reinstated in the House Judiciary Committee as sections 45, 46 and 48.

However, the section that was not reinstated would remove an existing fee structure from statute and enable the department to establish by regulation the fees for 1) an application/examination, 2) certificate of fitness or renewal and for 3) duplicate certificate for electricians and plumbers. This section of the bill would have no direct fiscal impact, however, the department anticipates changing the fee structure by regulation.

1) A \$50 application and examination fee would generate approximately \$23.8 annually in program receipts. No application/examination fee is currently charged.

2) Regulations establishing a \$160, two-year certificate of fitness fee--with an \$80, one-year certificate of fitness issued for a three year period until the current three-year certificates are phased out--are anticipated. These fee changes are expected to generate \$93.5 annually.

The revenue associated with this change is included in the department's operating budget submittal as program receipts. The fiscal note does not reflect the receipt of the revenue because it is in the operating budget.

The Honorable Ron Larson
Page 2

April 16, 1993

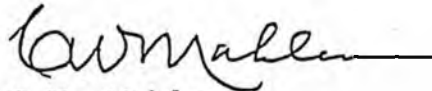
Currently, \$40 is charged for a one year certificate and \$75 is charged for a three year certificate.

3) A regulation establishing a \$10 fee for duplicate certificates of fitness would generate approximately \$1.2 annually in program receipts. The \$10 fee reflects the cost of providing the duplicate certificate. A fee is not currently charged for duplicate certificates.

Essentially, deleting this section means an additional budget cut to the Division of Labor Standards & Safety of \$93,500. In addition to the six positions deleted in the FY '94 operating budget, the loss of the \$93,500 will mean the loss of an additional inspector position. A 25% decrease in electrical inspections or a 50% decrease in plumbing or elevator inspections would be the result of such a reduction.

Thank you for your consideration of my request to amend Committee Substitute for House Bill No. 65 (Judiciary) to include section 46 from Committee Substitute for House Bill No. 65 (Labor & Commerce).

Sincerely,



C.W. Mahlen
Commissioner

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO : CS HB 65 (L&C)

Sec. 46

Revision Date: _____
 Title: Financial Administration of State
Government
 Sponsor: Rules Committee
 Requestor: House State Affairs

Department Affected: Labor
 BRU: Labor Standards & Safety
 Component: Mechanical Inspection
 COMPONENT SERIAL NO. 346

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	22.5	22.5	22.5	22.5	22.5	22.5
TRAVEL						
CONTRACTUAL						
SUPPLIES	2.5	2.5	2.5	2.5	2.5	2.5
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	25.0	25.0	25.0	25.0	25.0	25.0

CAPITAL						
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REVENUE	25.0 *	25.0 *	25.0 *	25.0 *	25.0 *	25.0 *
FUND SOURCE:	PR #1005	PR #1005	PR #1005	PR #1005	PR #1005	PR #1005

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt	25.0	25.0	25.0	25.0	25.0	25.0
1006 GF/MHTIA						
Other						
TOTAL	25.0	25.0	25.0	25.0	25.0	25.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: S None

ANALYSIS: (Attach a separate page if necessary)

See attached

Prepared by: Don Study, CSP, Director *Don Study* Phone: 465-6003
 Division: Labor Standards & Safety Date: 3/3/93

Approved by Commissioner: Charles W. Mahler *Charles W. Mahler*
 Agency: Department of Labor Date: 3/3/93

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Fiscal Note Analysis for:

Financial Administration of State Government

The Department of Labor is affected by four sections of this bill. Separate fiscal notes have been prepared for each section. Sections 44 through 46 of this bill would allow the department to establish certain fees and certification time periods by regulation. Section 48 would increase an existing fee set by statute.

In anticipation of new fees and fee increases to be set by regulation, a fund source change from general funds to program receipts was included in the department's FY 94 budget submittal. Because the \$93.5 in fee income is reflected in the department's operating budget, it is excluded from this fiscal note.

The net fiscal impact of the sections of this bill (and associated regulations) relevant to this department is the general fund gains \$94.6, and the department gains \$25.0 expenditure authorization to cover the costs of services provided.

Section 46:

This section would remove an existing fee structure from statute and enable the department to establish by regulation the fees for an application and examination, certificates of fitness, renewal or duplicate certificate for electricians and plumbers.

This section of the bill would have no direct fiscal impact, however, the department anticipates changing the fee structure by regulation. No application/examination fee is currently charged; a \$50 application and examination fee would generate approximately \$23.8 annually in program receipts. This fee reflects the cost of providing these services.

A regulation establishing a \$10 fee for duplicate certificates of fitness would generate approximately \$1.2 annually in program receipts. The \$10 fee reflects the cost of providing the duplicate certificate.

* Regulations establishing a \$160, two-year certificate of fitness fee--with an \$80, one-year certificate of fitness issued for a three year period until the current three-year certificates are phased out--are anticipated. These fee changes are expected to generate \$93.5 annually. The revenue associated with this change is included in the department's operating budget submittal as program receipts. Two points are relevant: 1) the general fund gains \$93.5 and 2) the fiscal note does not reflect the receipt of the revenue because it is in the operating budget.

For purposes of calculating fiscal impact, an effective date of July 1, 1993 is assumed.

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

April 26, 1993

Hon. Ron Larson, Co-Chairman
House Finance Committee
Alaska House of Representatives
State Capitol, Room 502
Juneau, Alaska 99801-1182

Re: Proposed amendment to
CSHB 65(JUD)
Our file no. 773-93-0020

Dear Representative Larson:

You have asked whether there are constitutional problems under art. II, sec. 13, of the Alaska Constitution (providing in part that every bill shall be confined to one subject) with a proposed amendment to CSHB 65(JUD). The proposed amendment is attached, and relates to state reimbursement for certain taxpayer payments (still referred to as "individual tax credits" under current law).

CSHB 65(JUD) is an omnibus bill designed to improve the finances of state government by increasing revenue or by saving operating expenses by changing certain government operations. The proposed amendment is consistent with the common thread of CSHB 65(JUD) and, we believe, would withstand a challenge on single-subject ground.

The amendment concerns the repeal of two statutes authorizing refund, paid by the state, to individuals for eligible political donations made or eligible child care paid. Since there is no state personal income tax, these payments would have to come from the general fund and not as an offset against individual tax payments. Therefore, in essence, the change is no different from a reduction of any other state benefit in order to reduce the operating costs of state government. The proposed amendment to CSHB 65(JUD) reduces the cost against the general fund and saves the state money, similar to other changes in CSHB 65(JUD).

The Alaska Supreme Court has historically broadly construed the single-subject rule and has not yet found that a legislative Act violated that rule. See State v. First Nat'l Bank of Anchorage, 660 P.2d 406 (Alaska 1982).

WALTER J. HICKEL, GOVERNOR

REPLY TO:

1031 W 4th AVENUE SUITE 200
ANCHORAGE, ALASKA 99501-1994
PHONE: (907) 276-3550
FAX: (907) 276-3697

KEY BANK BUILDING
100 CUSHMAN ST. SUITE 400
FAIRBANKS, ALASKA 99701-4679
PHONE: (907) 452-1568
FAX: (907) 456-1317

P.O. BOX K— STATE CAPITOL
JUNEAU, ALASKA 99811-0300
PHONE: (907) 465-3600
FAX: (907) 463-5205

465-6735

Hon. Ron Larson, Co-Chair, House Finance
Our file: 773-93-0020.

April 26, 1993
Page 2

We believe that the inclusion in CSHB 65(JUD) of the proposed amendment is consistent with this precedent and would be defensible in court.

Also, since questions have arisen over how the amendment affects individual taxpayers, it may be appropriate to use the following title amendment to more clearly show that the change is to reduce a benefit program rather than change a tax provision, since a state personal income tax no longer exists. The title amendment might more appropriately be shown as:

Page 1, line 9:

Following "Department of Administration;":

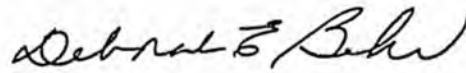
Insert "relating to state reimbursement of certain campaign contributions and costs of household and dependent care services to individual taxpayers;"

If you need additional information, please contact me.

Sincerely,

CHARLES E. COLE
ATTORNEY GENERAL

By:



Deborah E. Behr
Assistant Attorney General

DEB:cl

cc: Rod Mourant
Dept. of Revenue

Kris Lethin
Legislative Liaison
Office of the Governor

Following "secs.":

Delete "62 - 64"

Insert "64 - 66"

Page 18, following line 22:

Insert a new bill section to read:

"* Sec. 62. Section 54 of this Act, and the repeals of AS 43.05.085 and AS 43.20.013, made by sec. 57 of this Act, are retroactive to January 1, 1993."

Page 18, line 23:

Following "Sections":

Delete "57 - 59"

Insert "58 - 60"

Page 18, line 24:

Following "33 - 35,":

Delete "44 - 56, and 60"

Insert "44 - 57, 61, and 62"

Page 18, line 25:

Following "sec.":

Delete "55"

Insert "56"

A M E N D M E N T

to CSHB 65 (JUD)

Page 1, line 9:

Following "Department of Administration;":

Insert "relating to individual tax credits;"

Page 15, following line 28:

Insert a new bill section to read:

"* Sec. 54. AS 43.20.012 is amended to read:

Sec. 43.20.012. LIMITATION ON APPLICATION OF CHAPTER [; CREDITS]. The tax imposed by this chapter does not apply to individuals or to fiduciaries. [HOWEVER, AN INDIVIDUAL MAY FILE A RETURN UNDER THIS CHAPTER IN ORDER TO RECEIVE A TAX CREDIT UNDER AS 43.20.013.]"

Renumber the following bill sections accordingly.

Page 17, line 13:

Following "AS 13.26.410(b)":

Delete "and"

Insert ";"

Following "AS 37.05.210(1)":

Insert "; AS 43.05.085; and AS 43.20.013"

Page 18, line 15:

HEB

65

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 3/18/94

FURTHER: _____

DATE TURNED INTO OFFICE: _____

The Finance Committee considered **CS FOR HOUSE BILL NO. 65(FIN)**

Licenses, certificates, permits and fees; state insurance catastrophe reserve account; group life and health insurance; donations for parks and recreation; fiscal reporting and accounting by the Dept of Administration; suspension of tax credit provisions; amending Alaska Rule of Probate Procedure 16(d); efd.

Died in SFC 1994.

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

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTES

Department	Date	Zero	Fiscal

Appropriation No Fiscal Note

DO PASS:

OTHER RECOMMENDATIONS:

1. _____
Co-Chair: Signature/Recommendation

2. _____
Co-Chair: Signature/Recommendation

SENATE COMMITTEE REPORT

DATE: 4/29/93

FURTHER: FINANCE

DATE TURNED INTO OFFICE: 3/14/94

JUDICIARY Committee considered CS FOR HOUSE BILL NO. 65(FIN)

Licenses, certificates, and permits; relating to the provision of group life or group health insurance for state employees; authorizing the Dept of Natural Resources to accept certain donations for parks and recreation; fiscal reporting and accounting by the Dept of Administration; extending the suspension of certain tax credit provisions; and amending Alaska Rule of Probate Procedure 16(d); efd.

may of the Cmte records do not pass

and recommends:

- replace with _____ CS _____ (_____)
- 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

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTES

Department	Date	Zero	Fiscal
<i>new</i> LABOR <i>study</i>	4/27/93		✓
Rev	3/5/93	✓	
et <i>study</i>	2/16/93	✓	
Admin (4)	4/19/93	✓	
Not <i>known</i>	4/12/93	✓	

Appropriation No Fiscal Note

DO PASS:

Do Not Pass
Richard Halford

OTHER RECOMMENDATIONS:

Do Not Pass
3
Do Not Pass
Do Not Pass
Do Not Pass

Do Not Pass
Chair: Signature and Recommendation

SENATE FINANCE COMMITTEE REPORT

DATE: 4/28/93

FURTHER: _____

DATE TURNED INTO OFFICE: _____

The Finance Committee considered **CS FOR HOUSE BILL NO. 65(FIN)**

Relating to licenses, certificates, and permits; relating to the administration of the state insurance catastrophe reserve account; relating to the provision of group life or group health insurance for state employees; authorizing the Dept of Natural Resources to accept certain donations for parks and recreation; relating to fiscal reporting and accounting by the Dept of Administration; extending the suspension of certain tax credit provisions; and amending Alaska Rule of Probate Procedure 16(d); efd.

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

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTES

Department	Date	Zero	Fiscal

Appropriation No Fiscal Note

DO PASS:

OTHER RECOMMENDATIONS:

1. _____

Co-Chair: Signature/Recommendation

2. _____

Co-Chair: Signature/Recommendation

Original called 4-29-93

3-21-94 Copy to
Billy this date
w/notice that 13
remaining notes
have not been
updated.

FISCAL NOTES

CS FOR HOUSE BILL NO. 65(FIN) -
Financial administration of state government.

1993

<u>Dept.</u>	<u>Opt.</u>	<u>Revenue</u>	<u>Date</u>
DPS	0	8.5	1-13-93
Post.Sec. (SLOpt.)	0	13.0	1-12-93
Post.Sec. (SL)	0	500.0	1-12-93
DOA (Risk Mgmt.)	0		1-13-93
DOA (Finance)	0		1-13-93
DOA (OPA)	0		2-26-93
DEC	43.1	446.1	4-27-93
DF&G	0	Funding change (553.9)GF to other	4-15-93
DOLabor (W&H)	0	0.7	4-27-93
DOLabor (Mech.Ins.)	0	0.4	4-27-93
DNR	76.0	150.0	4-12-93
DOA (R&B)	0	0	4-21-93
COURTS	0	0	4-16-93
DH&SS	0	0	4-19-93
DOR	0	0	3-15-93
DOLabor (Mech.Ins.)	0	0	4-27-93
DOLabor (Mech.Ins.)	26.8	26.8	4-27-93

1994

DOLabor (W&H and (Mech.Ins.) This note replaces four previous DOLabor notes.	0	0.4	3-17-94
--	---	-----	---------



Alaska State Legislature

Senate

Office of the Secretary

OFFICIAL BUSINESS

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

FOR YOUR IMMEDIATE ATTENTION

DATE: 4-29-93

TO SENATE COMMITTEE: FINANCE (Kathy Holmquist)

FROM: Office of the Senate Secretary

The Senate President has added/changed the referral(s) on the following bill(s):

HB-~~SB~~-65 FINANCIAL ADMINISTRATION OF STATE GOVERNMENT

Please give the bill file(s) and the signed letter (this note) to the page delivering this message.

Thank you for your prompt attention.

SIGNATURE OF PERSON RECEIVING THIS NOTE

JR/s

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

No. 11
Bill Version: HB 65
(H) Publish Date: 1/15/93

Revision Date: _____ Dept. Affected: Public Safety
Title: An act relating to the improvement BRU: Alaska Police Standards Council
of:state Finances ...sec. 47 Component: Alaska Police Standards Council
Sponsor: Rules
Requestor: Governor COMPONENT SERIAL NO. 519

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

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL						
REVENUE FUND	8.5	8.9	9.4	9.8	10.3	10.9
SOURCE: 1005						

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY 93) impact: \$ None

ANALYSIS: (Attach a separate page if necessary.)

See attached.

Phib
1/13/93 Prepared By: Jack W. Wray Phone: 465-4378
Division: Alaska Police Standards Council Date: 1/13/93
Approved by Commissioner: *Richard L. Burton* Date: 1/13/93
Agency: Richard L. Burton, Dept. of Public Safety

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Department of Public Safety
Fiscal Note Analysis
Lawlog 93-0020
Page 2 of 2

Passage of this legislation will allow the Council to amend their regulations to include a fee schedule for the issuance of police, probation, parole, and correctional officer certificates and police and correctional instructor certificates.

Estimated revenue amounts are based on the Council's issuance of 170 non-State employee police, probation, parole and correctional officer certificates and police and correctional instruction certificates during FY 92. Charge per certificate is calculated at \$50.00 per certificate and the yearly increase in revenue is based on a 5% population increase and a corresponding increase in number of officers and instructors.

FISCAL NOTE

No. 12
 Bill Version: HB 65
 (H) Publish Date: 1/15/93

STATE OF ALASKA
 1993 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: Alaska Commission on
 Title: An act relating to the improvement of BRU: Postsecondary Education
state finances...sec. 39-45 Component: Student Loan Operations
 Sponsor: Rules Committee
 Requestor: Governor COMPONENT SERIAL NO. 213

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING						

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

REVENUE FUND SOURCE:	1022	13.0	13.0	13.0	13.0	13.0	13.0
----------------------	------	------	------	------	------	------	------

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ _____

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Doug Hanon, Finance Officer *DH* Phone: 465-6757
 Division: Alaska Commission on Postsecondary Education Date: 1/12/93
 Approved by Commissioner: _____ Date: _____
 Agency: _____

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FISCAL NOTE

No. 13
 Bill Version: HB 65
 (H) Publish Date: 1/15/93

STATE OF ALASKA
 1993 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: Alaska Commission on
 Title: An Act relating to the improvement of BRU: Postsecondary Education
state finances...sec. 36-38 Component: Student Loans
 Sponsor: Rules Committee
 Requestor: Governor COMPONENT SERIAL NO. 212/213

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING						

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

REVENUE FUND SOURCE: 1022	500.0	500.0	500.0	500.0	500.0	500.0
---------------------------	-------	-------	-------	-------	-------	-------

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ _____

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Doug Hanon, Finance Officer Phone: 465-6757
 Division: Alaska Commission on Postsecondary Education Date: 1/12/93
 Approved by Commissioner: _____ Date: _____
 Agency: _____

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FISCAL NOTE

No. 14

Bill Version: HB 65

(H) Publish Date: 1/15/93

STATE OF ALASKA
1993 LEGISLATIVE SESSION

Revision Date: _____

Title: "An Act relating to the
improvement of state finances..." Sec. 60-61

Sponsor: Rules Committee

Requestor: Governor

Department Affected: Administration

BRU: Risk Management

Component: Risk Management

COMPONENT SERIAL NO. 71

Expenditures/Revenues:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

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

REVENUE FUND SOURCE: GF/PRG 1005	0	0	0	0	0	0
-------------------------------------	---	---	---	---	---	---


FUNDING:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0


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 (FY93) impact: None

ANALYSIS: (Attach a separate page if necessary.)

Prepared by: Don Hitchcock, Director 
Division: Risk Management

Phone: (907) 465-2180
Date: 1-13-93

Approved by Commissioner: Nancy Bear Usura 
Agency: Administration

Date: 1/13/93

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FISCAL NOTE

No. 15
 Bill Version: HB 65
 (H) Publish Date: 1/15/93

STATE OF ALASKA
 1993 LEGISLATIVE SESSION

Revision Date: _____
 Title: 'An Act relating to improvement of state
finances through reduction of operating . . . ' Sec. 60-61
 Sponsor: Rules Committee
 Requestor: Governor

Department Affected: Administration
 BRU: Finance
 Component: Finance

COMPONENT SERIAL NO. 59

Expenditures/Revenues:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

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

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

FUNDING:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

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 (FY93) impact: 0

ANALYSIS: (Attach a separate page if necessary.)

Prepared by: Don Wanie, Director *DW 1/13*
 Division: Finance

Phone: 465-2240
 Date: _____

Approved by Commissioner: Nancy Bear Usara *N Bear*
 Agency: Administration

Date: 1/13/93

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FISCAL NOTE

20
 Bill Version: CSHB 65(L&C)
 (H) Publish Date: 3/1/93

STATE OF ALASKA
 1993 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: Administration
 Title: "An Act relating to improvement of State finances through reduction of operating costs..." BRU: Office of Public Advocacy
 Component: Office of Public Advocacy
 Sponsor: (H) Rules
 Requestor: (H) L&C COMPONENT SERIAL NO. 43

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

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

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

FUNDING:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
Other	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS

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

Estimate of current year (FY93) impact: \$ none

ANALYSIS: (attach a separate page if necessary.)

Prepared By: Brant McGee, Public Advocate Phone: 274-1684
 Division: Office of Public Advocacy Date:

Approved by Commissioner: Nancy Bear Usura Date: 2/20/93
 Agency: Department of Administration

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FISCAL NOTE

No. 21

Bill Version: CSHB 65 (FIN)

(H) Publish Date: 4/27/93

STATE OF ALASKA
1993 LEGISLATIVE SESSION

Revision Date: 27-Apr-93
Title: Financial Administration of State
Government
Sponsor: Governor
Requestor: House Finance

Department Affected: Environmental
Conservation
BRU: See attachment
Component: _____

COMPONENT SERIAL NO. attached

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	36.6	36.6	36.6	36.6	36.6	36.6
TRAVEL						
CONTRACTUAL	1.0					
SUPPLIES	0.5					
EQUIPMENT	5.0					
LAND&STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	43.1	36.6	36.6	36.6	36.6	36.6

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

REVENUE	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
FUND SOURCE:	446.1	446.1	446.1	446.1	446.1	446.1

FUNDING:

1002 FEDERAL RECEIPTS						
1003 GF MATCH						
1004 GF						
1005 GF/PROGRAM RECPT	43.1	36.6	36.6	36.6	36.6	36.6
1006 GF/MHTIA						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME	1.0	1.0	1.0	1.0	1.0	1.0
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ NONE

ANALYSIS: (Attach a separate page if necessary.)

See attached

Prepared by: Janice Adair, Assistant Commissioner
Division: Commissioner's Office

Phone: 465-5010
Date: 4/27/93

Approved by Commissioner: *Janice Adair*
Agency: Department of Environmental Conservation

Date: 4/27/93

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

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ATTACHMENT

Analysis - Department of Environmental Conversation

BRU ENVIRONMENTAL HEALTH

Palmer Lab Component (#651)

Private lab certification program receipts are estimated to be 20.2.

BRU ENVIRONMENTAL QUALITY

Water Quality Management Component (#645)

For the 401 permit certification 30.7 is estimated in program receipts.

Solid Waste Management Component (#1427)

By placing a surcharge on each ton of waste 375.0 in program receipts is extracted.

Monitoring and Laboratory Support (#643)

Private lab certifications would generate 20.2 in program receipts.

OPERATING EXPENDITURES

Administrative Services Component (#635)

A FTE Accounting Clerk III (R-10) at an annual cost of 36.6 would be necessary to handle billing procedures and collection of the user fees. This position would begin in FY94 to aide in program development and recordkeeping procedures. An initial cost of 5.0, .5 in supplies, and 1.0 in contractual services are anticipated position support costs. Position would not be filled until regulations adopting fee schedules were in place.

Section 63 maintains current air permit fees thus would have no fiscal impact.

Position Title Accounting Clerk III		No. of Positions 1	Range / Step 10	Bag Unit CCU
Time Status 1 FTE	Staff Months 12	Location Juneau		Election District II:3 S:B
TYPE OF EXPENDITURE		Amount		
Salary	24.7			
Benefits	11.9			
Premium Pay				
Other				
Total Personal Services	36.6	36.6		
Travel				
Contractual		1.0		
Commodities		.5		
Equipment		5.0		
Other				
Total Cost		43.1		
FUNDING SOURCE FOR TOTAL COST				
Federal Receipts	1002			
G. F. Match	1003			
General Fund	1004	43.1		
IA Receipts	1007			
CH Receipts	1061			
Other	Program receipts			
Justification				
<p>An additional staff person is essential for receiving, recording, and depositing fees collected under the expanded user fee program. This position would also issue invoices, track receipts and reports on collections to program staff. During FY94, staff would aide in planning document flow and record keeping system/database.</p> <p>An initial expenditure for equipment, supplies and contractual services are anticipated position support costs.</p>				

**Request For
New Position**

AGENCY Department of Environmental Conservation

BRU Administrative Services

COMPONENT

FY 94

Page **1** of **1**
Revised Date

P-3
 86.21
 CSHS 6 ST (Final)

FISCAL NOTE

No. 22

STATE OF ALASKA
1993 LEGISLATIVE SESSION

Bill Version: CSHB 65 (FIN)

(H) Publish Date: 4/27/93

Revision Date: 3/24/93

Department Affected: Fish and Game

Title: An act relating to the financial

BRU: Administration and support

administration of state government

Component: Administration and support

Sponsor: House Rules Committee

Requestor: House Judiciary

COMPONENT SERIAL NO. 0479

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

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

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

FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	(553.9)	(560)	(560)	(560)	(560)	(560)
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other	553.9	560	560	560	560	560
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ 0

ANALYSIS: (Attach a separate page if necessary.)

See attached page.

Prepared By: Geron Bruce

Phone: 465-6143

Division: Commissioner's Office

Date: _____

Approved by Commissioner: Carl L. Rosier

Agency: Department of Fish and Game

Date: April 15, 1993

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Page 1 of 2 Pages

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X10.22
CS/H3 65(Fin)

Department of Fish & Game
Fiscal note CSSB 65 (JUD)

April 15, 1993
Page 2

Analysis:

This fiscal note is presented for informational purposes only. The change in funding sources it describes is already reflected in the FY94 operating budgets proposed by both the House and the Senate.

FISCAL NOTE

No. 23
 Bill Version: CSHB 65 (FIN)
 (H) Publish Date: 4/27/93

STATE OF ALASKA
 1993 LEGISLATIVE SESSION

Revision Date: _____
 Title: Financial Administration of State
 Government
 Sponsor: House Rules Committee by Request
 Requestor: House Rules

Department Affected: Labor
 BRU: Labor Standards & Safety
 Component: Wage & Hour

COMPONENT SERIAL NO. 345

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
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	0.7	0.7	0.7	0.7	0.7	0.7
FUND SOURCE:	PR #1005	PR #1005	PR #1005	PR #1005	PR #1005	PR #1005

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

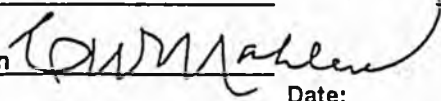
FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ None

ANALYSIS: (Attach a separate page if necessary)

See attached

Prepared by: Donald G. Study, CSP, Director Phone: 465-6003
 Division: Labor Standards & Safety Date: 4/27/93

Approved by Commissioner: Charles W. Mahlen 
 Agency: Department of Labor Date: 4/27/93

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No. 23
CS/HB 65 (Finc)
p 2

Fiscal Note Analysis for:

Financial Administration of State Government

The Department of Labor is affected by four sections of this bill. Separate fiscal notes have been prepared for each section. Sections 45 through 47 of this bill concern fees and certification time periods for departmental programs. Section 49 would increase an existing fee set by statute.

In anticipation of new fees and fee increases, a fund source change from general funds to program receipts was included in the department's FY 94 budget submittal. Because the \$93.5 in fee income is reflected in the department's operating budget, it is excluded from this fiscal note.

The net fiscal impact of the sections of this bill (and associated regulations) relevant to this department is the general fund gains \$94.6, and the department gains \$26.8 expenditure authorization to cover the costs of services provided.

Section 49:

Section 49 of this bill raises the fee for an employment agency license from \$10 to \$100. This fee has not been increased since 1953. This increase reflects the costs of review performed by the department for these operating permits.

The eight licensed employment agencies operating in the state will pay a total of an additional \$0.7 annually for licensing. The department will continue to absorb the cost of reviewing and issuing these permits and the \$0.7 additional revenue collected will be deposited into the general fund.

For purposes of calculating fiscal impact, an effective date of July 1, 1993 is assumed.

FISCAL NOTE

No. 24

Bill Version: CSHB 65 (FIN)

(H) Publish Date: 4/27/93

STATE OF ALASKA
1993 LEGISLATIVE SESSION

Revision Date: _____
 Title: Financial Administration of State
Government
 Sponsor: House Rules Committee by Request
 Requestor: House Rules

Department Affected: Labor
 BRU: Labor Standards & Safety
 Component: Mechanical Inspection

COMPONENT SERIAL NO. 346

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
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	0.4	0.4	0.4	0.4	0.4	0.4
FUND SOURCE:	PR #1005	PR #1005	PR #1005	PR #1005	PR #1005	PR #1005

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

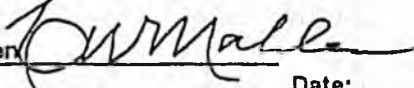
FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ None

ANALYSIS: (Attach a separate page if necessary)

See attached

Prepared by: Donald G. Study, CSP, Director Phone: 465-6003
 Division: Labor Standards & Safety Date: 4/27/93

Approved by Commissioner: Charles W. Mahler 
 Agency: Department of Labor Date: 4/27/93

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Fiscal Note Analysis for:

NO. 24
CS HB 65 (Fin)
p. 2

Financial Administration of State Government

The Department of Labor is affected by four sections of this bill. Separate fiscal notes have been prepared for each section. Sections 45 through 47 of this bill concern fees and certification time periods for departmental programs. Section 49 would increase an existing fee set by statute.

In anticipation of new fees and fee increases, a fund source change from general funds to program receipts was included in the department's FY 94 budget submittal. Because the \$93.5 in fee income is reflected in the department's operating budget, it is excluded from this fiscal note.

The net fiscal impact of the sections of this bill (and associated regulations) relevant to this department is the general fund gains \$94.6, and the department gains \$26.8 expenditure authorization to cover the costs of services provided.

Section 45:

This section would allow the department to adopt regulations establishing fees for administering special inspector examinations and processing applications for special boiler and pressure vessel inspector commissions. The department currently performs these functions without charge.

Regulations establishing a \$25 application and examination fee are anticipated. This would generate approximately \$0.4 annually in receipts to the general fund.

For purposes of calculating fiscal impact, an effective date of July 1, 1993 is assumed.

FISCAL NOTE

No. 25

Bill Version: CSHB 65 (FIN)

(H) Publish Date: 4/27/93

STATE OF ALASKA
1993 LEGISLATIVE SESSION

Revision Date 4/12/93 Department Affected: Natural Resources
 Title: "An Act Relating to Financial Administration of State Government" BRU: Park & Recreation Management
 Components: Park Management
 Sponsor: Rules Committee
 Requestor: House Judiciary Component Serial No. 452

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	38.2	19.0	15.0	15.0	0.0	0.0
TRAVEL						
CONTRACTUAL	27.0	15.0	12.0	12.0	0.0	0.0
SUPPLIES	10.8	6.0	5.0	5.0	0.0	0.0
EQUIPMENT						
LAND&STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	76.0	40.0	32.0	32.0	0.0	0.0
CAPITAL						

REVENUE fund source:	150.0 PR	200.0 PR	300.0 PR	400.0 PR	400.0 PR	400.0 PR
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	76.0					
1005 GF/Program Receipts		40.0	32.0	32.0	0.0	0.0
1006 GF/MHTIA						
Other						
TOTAL	76.0	40.0	32.0	32.0	0.0	0.0

POSITIONS:

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

Estimate of current year (FY93) impact: \$ No fiscal impact anticipated

ANALYSIS: (Attach a separate page if necessary)
 See Attached

Prepared by: Nell C. Johannsen Phone: 762-2600
 Division: Parks & Outdoor Recreation Date: 12-Apr-93
 Approved by Commissioner: Glenn A. Olds Date: 12-Apr-93
 Agency: Department of Natural Resources

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No. 25
CSHB 65 (F.W.)
P. 2

Department of Natural Resources

CSHB65(JUD) Bill Analysis

April 12, 1993

The state park fee program to be funded by this fiscal note consists of the design, construction and installation of fee collection stations at approximately 44 locations in the state park system. Each fee station is estimated to cost \$4,000, including labor, supplies and contractual expenses.

The fee stations would be installed in phases, over a four year period. Eighteen stations would be installed in FY94, and ten stations installed in FY95. Eight stations would be installed in both FY96 and FY97. First year costs include design and production of fee collection envelopes and annual pass decals, as well as design and production of standard drawings and plans for the fee stations. These one-time costs are estimated at \$4,000.

No new positions would be required by this legislation. Additional administrative and management costs would be absorbed by existing staff.

The estimate of revenue to be produced by this bill is based on visitation records for selected park units, as well as financial records for the existing camping fee program. In the fourth year of implementation, this new fee program is expected to generate annual revenues of approximately \$400,000. Potential revenues to the state from this program exceed the state's costs in each of the four year implementation period. In subsequent years, these user fees would help offset increased park maintenance and operating costs as well as possible general fund budget reductions. The net financial effect of this program would be positive, with fee revenues greater than operating costs.

FISCAL NOTE

No. 26

STATE OF ALASKA
1993 LEGISLATIVE SESSION

Bill Version: CSHB 65 (FIN)
(H) Publish Date: 4/27/93

Revision Date: _____ Dept. Affected: Administration
 Title: An Act relating to the ... Alcoholic Beverage BRU: Retirement and Benefits
 Control Board... Department of Labor fees... Component: Retirement and Benefits
 Sponsor: Rules
 Requestor: _____ COMPONENT SERIAL NO. 64

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

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

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts	***	***	***	***	***	***
1006 GF/MHTTA	0	0	0	0	0	0
Other	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS

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

Estimate of current year (FY93) impact: \$ none

ANALYSIS: (attach a separate page if necessary.) ***This bill changes approximately 683.0 the BRU receives for administering certain group insurance programs from program receipts to other state funds. The funding source change is reflected in the Governor's FY94 Budget.
 The bill also authorizes the Administration to self-insure the health and life programs for State employees. Self-insurance has shown itself to be a cost saving mechanism for many entities. The administration has no estimates of how much might be saved through self insurance since it is dependent on variables such a claims experience and interest earnings. It does not intend to proceed unless there is a savings and that the estimated savings at that time is determined.

Prepared By: Robert F. Stalnaker *Robert F. Stalnaker* Phone: 465-4470
 Division: Retirement and Benefits Date: 4-19-93

Approved by Commissioner: Nn Bear Usara *Nn Bear Usara* Date: 4/21/93
 Agency: Department of Administration

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ADMIN ACCOUNT

No. 27

FISCAL NOTE

Bill Version: CSHB 65 (FIN)

(H) Publish Date: 4/27/93

STATE OF ALASKA
1993 LEGISLATIVE SESSION

Revision Date: 04/16/93 Department Affected: Alaska Court System
 Title: Financial Administration of State BRU: Trial Courts
 Government Components:
 Sponsor: Senate Rules (by request of Governor)
 Requestor: COMPONENT SERIAL NO. 768

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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REVENUE						
FUND SOURCE:						

FUNDING: (Thousands of Dollars)

1002 FEDERAL RECEIPTS						
1003 GF MATCH						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/PROGRAM RECEIPTS						
1006 GF/MHTIA						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY 93) impact: None

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

Prepared by: C. S. Christensen III, Staff Counsel *CMC* Phone: 264-8228
 Division: Alaska Court System Date: 04/16/93

Approved by: Arthur H. Snowden, II, Administrative Director *AS* Date: 04/16/93
 Agency: Alaska Court System

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FISCAL NOTE

28

STATE OF ALASKA
1993 LEGISLATIVE SESSION

Bill Version: CSHB 65 (FIN)
(H) Publish Date: 4/27/93

Revision Date: _____ Dept. Affected: Health and Social Services
 Title: An Act relating to licenses, certificates, and permits administered and fees charged... BRU: Medial Assitance
 Sponsor: House Rules, at Governor's request Component: Medicaid Non Facility
 Requestor: _____ COMPONENT SERIAL NO. 0229

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
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	0.0	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
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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REVENUE FUND SOURCE						
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FUNDING:

(Thousands of Dollars)

FUNDING	FY94	FY95	FY96	FY97	FY98	FY99
1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

POSITIONS	FY94	FY95	FY96	FY97	FY98	FY99
FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$0.0

ANALYSIS: (Attach a separate page if necessary)

The sections of the original bill that referenced Medicaid support for subsidized adoptions have been removed by the House Rules-Committee substitute. The subsidized adoption provisions are now addressed in HB 178.

(33d)

Prepared by: Dave W. Williams
 Division: Medical Assistance

Phone: 907-465-3355
 Date: 4/16/93

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

Date: 4-19-93

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FISCAL NOTE

No. 29
 Bill Version: CSHB 65 (FTM)
 (H) Publish Date: 4/27/93

STATE OF ALASKA
 1993 LEGISLATIVE SESSION

Revision Date: March 5, 1993 Dept. Affected: Revenue
 Title: Improvement of state finances through reduction of operating costs BRU: Alcohol Beverage Control Board
costs of certain state agencies and establishment of certain fees... Component: Alcohol Beverage Control Board
 Sponsor: House Rules by Request of the Governor
 Requestor: _____ COMPONENT SERIAL NO. 100

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ 0.00

ANALYSIS: (Attach a separate page if necessary)

The administrative efficiencies and savings that will result from biennial licensing will assist the board in its attempt to maintain adequate performance in spite of budget reductions which total 71% for FY93.

Prepared by: Rod R. Mourant *Rod R. Mourant* Phone: 465-2300
 Division: Commissioner's Office Date: 3/5/93
 Approved by Commissioner: Darrel J. Rexwinkel *Darrel J. Rexwinkel* Date: 3/5/93
 Agency: Revenue

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FISCAL NOTE

No. 30

Bill Version: CSHB 65 (FIN)

(H) Publish Date: 4/27/93

**STATE OF ALASKA
1993 LEGISLATIVE SESSION**

Revision Date: _____
 Title: Financial Administration of State
Government
 Sponsor: House Rules Committee by Request
 Requestor: House Rules

Department Affected: Labor
 BRU: Labor Standards & Safety
 Component: Mechanical Inspection
 COMPONENT SERIAL NO. 346

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
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	0.0	0.0	0.0	0.0	0.0	0.0
FUND SOURCE:	PR #1005	PR #1005	PR #1005	PR #1005	PR #1005	PR #1005

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ None

ANALYSIS: (Attach a separate page if necessary)

See attached

Prepared by: Donald G. Study, CSP, Director Phone: 465-6003
 Division: Labor Standards & Safety Date: 4/27/93

Approved by Commissioner: Charles W. Mahlen
 Agency: Department of Labor Date: 4/27/93

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NO. 30
CS #3 65(Fin)
P 2

Fiscal Note Analysis for:

Financial Administration of State Government

The Department of Labor is affected by four sections of this bill. Separate fiscal notes have been prepared for each section. Sections 45 through 47 of this bill concern fees and certification time periods for departmental programs. Section 49 would increase an existing fee set by statute.

In anticipation of new fees and fee increases, a fund source change from general funds to program receipts was included in the department's FY 94 budget submittal. Because the \$93.5 in fee income is reflected in the department's operating budget, it is excluded from this fiscal note.

The net fiscal impact of the sections of this bill (and associated regulations) relevant to this department is the general fund gains \$94.6, and the department gains \$26.8 expenditure authorization to cover the costs of services provided.

Section 46:

Section 46 would change time periods for certificates of fitness for plumbers and electricians from a one- or three-year certificate to two-year certificates. The department would have the authority to phase in the two-year certificates over an expected three year period.

This bill would have no fiscal impact other than stabilizing revenues to the department.

For purposes of calculating fiscal impact, an effective date of July 1, 1993 is assumed.

FISCAL NOTE

No. 31
 Bill Version CSHB 65 (FIN)
 (H) Publish Date: 4/27/93

STATE OF ALASKA
 1993 LEGISLATIVE SESSION

Revision Date: _____
 Title: Financial Administration of State
 Government
 Sponsor: House Rules Committee by Request
 Requestor: House Rules

Department Affected: Labor
 BRU: Labor Standards & Safety
 Component: Mechanical Inspection
 COMPONENT SERIAL NO. 346

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	24.3	24.3	24.3	24.3	24.3	24.3
TRAVEL						
CONTRACTUAL						
SUPPLIES	2.5	2.5	2.5	2.5	2.5	2.5
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	26.8	26.8	26.8	26.8	26.8	26.8

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

REVENUE	26.8 *	26.8 *	26.8 *	26.8 *	26.8 *	26.8 *
FUND SOURCE:	PR #1005	PR #1005	PR #1005	PR #1005	PR #1005	PR #1005

FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt	26.8	26.8	26.8	26.8	26.8	26.8
1006 GF/MHTIA						
Other						
TOTAL	26.8	26.8	26.8	26.8	26.8	26.8

POSITIONS:

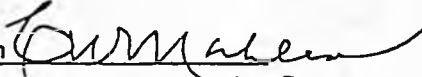
FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ None

ANALYSIS: (Attach a separate page if necessary)

See attached

Prepared by: Donald G. Study, CSP, Director Phone: 465-6003
 Division: Labor Standards & Safety Date: 4/27/93

Approved by Commissioner: Charles W. Mahlen 
 Agency: Department of Labor Date: 4/27/93

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Fiscal Note Analysis for:

Financial Administration of State Government

NO. 31
CSAB 65(Fin)
4/27/93
p. 2

The Department of Labor is affected by four sections of this bill. Separate fiscal notes have been prepared for each section. Sections 45 through 47 of this bill concern fees and certification time periods for departmental programs. Section 49 would increase an existing fee set by statute.

In anticipation of new fees and fee increases, a fund source change from general funds to program receipts was included in the department's FY 94 budget submittal. Because the \$93.5 in fee income is reflected in the department's operating budget, it is excluded from this fiscal note.

The net fiscal impact of the sections of this bill (and associated regulations) relevant to this department is the general fund gains \$94.6, and the department gains \$26.8 expenditure authorization to cover the costs of services provided.

Section 47:

This section would establish fees for an application/examination and for duplicate certificates of fitness for electricians and plumbers. Section 47 would also increase fees for certificates of fitness and for renewals of certificates.

No application/examination fee is currently charged; a \$50 application/examination fee would generate approximately \$23.8 annually in program receipts. This fee reflects the cost of providing these services.

No fee is currently charged for duplicate certificates; a \$25 fee for duplicate certificates of fitness would generate approximately \$3.0 annually in program receipts. The \$25 fee reflects the cost of providing the duplicate certificate.

Currently, \$40 is charged for a one year certificate and \$75 is charged for a three year certificate. A \$160, two-year certificate of fitness fee--with an \$80, one-year certificate of fitness issued for a three year period until the current three-year certificates are phased out -is proposed. These fee changes are expected to generate \$93.5 annually. The revenue associated with this change is included in the department's operating budget submittal as program receipts. Two points are relevant: 1) the general fund gains \$93.5 and 2) the fiscal note does not reflect the receipt of the revenue because it is in the operating budget.

For purposes of calculating fiscal impact, an effective date of July 1, 1993 is assumed.

FISCAL NOTE

32

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO :

Bill Version: CSHB 65 (FIN)

(S) Publish Date: 3-18-94

Revision Date: _____
 Title: Financial Administration of State
Government
 Sponsor: House Rules Committee by Request
 Requestor: Senate Judiciary

Department Affected: Labor
 BRU: Labor Standards & Safety
 Component: Wage & Hour and
Mechanical Inspection
 COMPONENT SERIAL NO. 345 & 346

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
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	0.4	0.4	0.4	0.4	0.4	0.4
FUND SOURCE:	PR #1005	PR #1005	PR #1005	PR #1005	PR #1005	PR #1005

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY94) impact: \$ None

ANALYSIS: (Attach a separate page if necessary)
 Sec. 49 of CSHB 65 (Fin) would change employment agency licensing from biannual to annual, and would increase income to the general fund from renewal fees by approximately \$350 per year. The balance of CSHB 65 (Fin) would have a net zero affect on the Wage and Hour and Mechanical Inspection components.

Prepared by: Donald G. Study, CSP, Director *Donald G. Study* Phone: 465-6003
 Division: Labor Standards & Safety Date: 3/17/94
 Approved by Commissioner: Charles W. Mahler *Charles W. Mahler*
 Agency: Department of Labor Date: 3/17/94

*Note —
 This fiscal
 note
 replaces
 notes 5,
 23, 24,
 30 & 31.*

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ALASKA STATE LEGISLATURE
HOUSE BILL NO. 65

HISTORY IN THE HOUSE

1993	Read first time and referred to: <u>L & C STA Jud Fin</u> Revised FN #5
Y16 2/1	
3/1	<u>L & C</u> RPT CS(<u>L & C</u>) <input checked="" type="checkbox"/> New Title <u>3</u> DP <input checked="" type="checkbox"/> DNP <u>1</u> NR <input checked="" type="checkbox"/> AM 1(rev) Pub Sub FN <u>1</u> OFN <u>18</u> Previous FN
3/24	<u>STA</u> RPT CS(<u>STA</u>) <input checked="" type="checkbox"/> New Title <u>3</u> DP <input checked="" type="checkbox"/> DNP <u>4</u> NR <input checked="" type="checkbox"/> AM FN OFN <u>14</u> <u>6</u> Previous FN
4/13	<u>Jud</u> RPT CS(<u>Jud</u>) <input checked="" type="checkbox"/> New Title <u>2</u> DP <input checked="" type="checkbox"/> DNP <u>1</u> NR <u>1</u> AM FN OFN <u>6</u> <u>12</u> Previous FN
4/27 4/27	<u>Fin</u> RPT CS HB 65 (Fin) New Title Read second time CS(<u>Fin</u>) Adopted <u>14</u> FN <u>5</u> <input checked="" type="checkbox"/> previous FN <u>1</u> prev. FN
	Amended
4/27	Advanced
4/27	Read third time
	Return to second for specific amendment
	PASSED EFD Same <input checked="" type="checkbox"/> or Yeas <u>30</u> Yeas Nays <u>6</u> Nays Excused <u>0</u> Excused Absent <u>4</u> Absent <i>+ et rule</i>
	<u> </u> Intent adopted
	Reconsideration Reconsideration not taken up
	PASSED ON RECON. EFD Same <u> </u> or Yeas Yeas Nays Nays Excused Excused Absent Absent
	<u> </u> Intent adopted
4/27	Reported correctly engrossed Signed by Speaker to the Senate <i>[Signature]</i> Chief Clerk of the House

HISTORY IN THE SENATE

1993	Read first time and referred to: <u>FIN</u> <u>add JUD</u>
4/28 4/29	
1444 8/18	<u>Jud</u> RPT() CS DP <u>NR</u> <u>4</u> DNP AM <u>0</u> New Title Same Title <u>7</u> Previous FN FN OFN To <u>7/18</u>
	<u> </u> RPT() CS DP <u> </u> NR <u> </u> DNP AM New Title Same Title <u> </u> Previous FN FN OFN To <u> </u>
	<u> </u> RPT() CS DP <u> </u> NR <u> </u> DNP AM New Title Same Title <u> </u> Previous FN FN OFN To <u> </u>
	<u> </u> Rules Calendar() CS <u> </u> AM <u> </u> Other New Title Same Title <u> </u> Previous FN FN OFN <u> </u>
	Read second time
	<u> </u> CS Adopted () <u> </u> New Title <u> </u> Amended <u> </u> Advanced
	Read third time
	<u> </u> Letter of Intent adopted <u> </u> Return to second for specific amendment
	PASSED EFD Same <u> </u> or Yeas Yeas Nays Nays Excused Excused Absent Absent
	Reconsideration Reconsideration not taken up
	PASSED EFD Same <u> </u> or Yeas Yeas Nays Nays Excused Excused Absent Absent
	Reported correctly engrossed Signed by President, to the House <u> </u> Secretary of the Senate

HOUSE-SENATE HISTORY Continued

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

19	<p>(H) Adopted CC Rpt _____ Y ___ N ___ E ___ A ___ _____ Efd same or Y ___ N ___ E ___ A ___</p> <p>(S) Adopted CC Rpt _____ Y ___ N ___ E ___ A ___ _____ Efd same or Y ___ N ___ E ___ A ___</p> <p>To enrolling Reported enrolled and sent to Governor</p> <p>_____ By Governor</p> <p>Legislative Resolve Number _____</p> <p>Filed with Lieutenant Governor</p>
-----------	---

HB

66

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred: March 2, 1993

FURTHER REFERRALS:

Date of Committee Action: 3/25/93

The FINANCE Committee considered:

HB 66

HOUSE BILL NO. 66

MUNICIPAL PROPERTY TAX EXEMPTIONS

"An Act relating to municipal property tax exemptions for certain residences and to property tax equivalency payments for certain residents; and providing for an effective date."

RECOMMENDATIONS:

be replaced with CS HB66 Fin 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 DOE

fiscal note(s) _____

zero fiscal note _____

zero fiscal note(s) DOA 11/5/93
PCRA 11/5/93

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<u>Eileen P. Mackean</u>	<input checked="" type="checkbox"/>	<u>Ronald J. Larson</u>		<input checked="" type="checkbox"/>	
<u>Mark Hanley</u>	<input checked="" type="checkbox"/>	<u>Terry Martin</u>		<input checked="" type="checkbox"/>	
		<u>Scott Parrell</u>		<input checked="" type="checkbox"/>	
		<u>Ben S. Gussendorf</u>		<input checked="" type="checkbox"/>	
		<u>Mike Savare</u>		<input checked="" type="checkbox"/>	
		<u>Jay Brown</u>		<input checked="" type="checkbox"/>	
		<u>Gene Therman</u>		<input checked="" type="checkbox"/>	

Ronald J. Larson EP Mackean
CHAIRMAN'S SIGNATURE

FISCAL NOTE

STATE OF ALASKA

BILL NO. CSHB 66(FIN)

1993 LEGISLATIVE SESSION

Revision Date: 3-26-93

Department Affected: Education

Title: An act relating to municipal property tax exemptions
certain residences and to property tax equivalency payment

BRU: K-12

Sponsor: Governor

Component: Foundation Program

Requestor: House Finance

COMPONENT SERIAL NO. 141

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	0	0	0-(3,655.9)	0-(3,802.1)	0-(3,954.2)	0-(4,112.4)
MISCELLANEOUS						
TOTAL OPERATING	0	0	0-(3,655.9)	0-(3,802.1)	0-(3,954.2)	0-(4,112.4)

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

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

FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0	0	0-(3,655.9)	0-(3,802.1)	0-(3,954.2)	0-(4,112.4)
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0	0	0-(3,655.9)	0-(3,802.1)	0-(3,954.2)	0-(4,112.4)

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

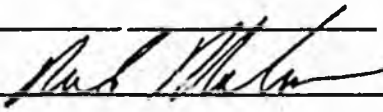
Estimate of current year (FY93) impact: \$ _____

ANALYSIS: (Attach a separate page if necessary.)

See Attached.

Prepared by: Eddy Jeans
Division: School Finance

Phone: 465-8685
Date: 3-26-93

Approved by Commissioner: 
Agency: Education

Jerry Covey
Date: 3-26-93

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Assumes a 4% annual increase after FY95 due to estimated property value increase. Fiscal note contains a range of savings from zero to (3,655.9) in FY96 because of the amendment in Section 1(a) which states "However, the value of property exempted under AS 29.45.052 may not be included in the determination". This amendment allows each municipality to voluntarily participate in the exemption of property owned by senior citizens and disabled veterans. Properties covered by the optional deferral and property not exempted from taxation will be included in the full value determination.

Under the foundation program, AS 14.17.025, property that is included in the municipalities full value determination increases a district's required local contribution while decreasing the state general fund obligation.

FISCAL NOTE

No. 1
 Bill Version: HB 66
 (H) Publish Date: 1/15/93

STATE OF ALASKA
 1993 LEGISLATIVE SESSION

Revision Date: _____
 Title: An act relating to municipal tax exemptions
 Sponsor: Rules Committee
 Requestor: Governor

Department Affected: Administration
 BRU: Div. of Pioneers' Benefits
 Component: Central Office

COMPONENT SERIAL NO. 34

Expenditures/Revenues:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

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

FUNDING:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

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 (FY93) impact: 0

ANALYSIS: (Attach a separate page if necessary.)
 There is no fiscal impact on programs in the Division of Pioneers' Benefits

Prepared by: Dennis L. DeWitt, Director
 Division: Pioneers' Benefits

Phone: 465-4400
 Date: 12/28/92

Approved by Commissioner: Nancy Bear Usher
 Agency: Administration

Date: 12/28/92

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FISCAL NOTE

Revision Date: _____ Dept. Affected: Community & Regional Affairs
Title: "An Act relating to property tax exemptions...." BRU: Senior Citizens/Disabled Veterans
Component: Renters Equivalence Rebate

Sponsor: _____
Requestor: _____ COMPONENT SERIAL NO. 654

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

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

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

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0	0	0	0	0	0

POSITIONS:

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

Estimate of current (FY93) impact \$ none

ANALYSIS: (Attach a separate page if necessary)

The Renters Rebate program was instituted in order to treat seniors, who paid rent for their homes, on an equitable basis with those seniors who owned their own homes in terms of property tax relief. Since the Homeowners' program is being proposed for deletion with legislation making it a local option of the municipality, funding for the Renters Rebate program is also being deleted.

NOTE: This fiscal impact is reflected in the proposed FY94 operating budget.

Prepared by: Demond Hendrick Phone: 465-4708
Division: Administrative Services Date: 12/29/92

Approved by Commissioner: Rh for EDGAR BLATCHFORD Date: 12/29/92

Agency: Community & Regional Affairs

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FISCAL NOTE

Revision Date: _____ Dept. Affected: Community & Regional Affairs
 Title: "An Act relating to property tax exemptions...." BRU: Senior Citizens/Disabled Veterans
 Component: Homeowner's Property Tax
 Sponsor: _____ Exemption
 Requestor: _____ COMPONENT SERIAL NO. 653

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

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

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

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0	0	0	0	0	0

POSITIONS:

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

Estimate of current (FY93) impact \$ none

ANALYSIS: (Attach a separate page if necessary)
 As the law currently exists, municipalities are required to fund the balance of the program not funded by the state. Full funding for this program is approximately 13 million, however, at the current state general fund level of 2838.8 (21.8% of full funding amount), municipalities are required, by statute, to fund the balance. This places an extreme hardship on municipalities who are already faced with declining revenues. Therefore, the department proposes to delete the funding for this program and support legislation which would make the program a local option of the municipalities.
 Note: This fiscal impact is reflected in the proposed FY94 operating budget.

Prepared by: Kimond Henderson Phone: 465-4708
 Division: Administrative Services Date: 12/29/92

Approved by Commissioner: R.H. for EDGAR BLACKHALL Date: 12/29/92

Agency: Community & Regional Affairs

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Cook
3/5/93

CS FOR HOUSE BILL NO. 66()
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL
FOR AN ACT ENTITLED

1 "An Act relating to an exemption from and deferral of municipal property taxes
2 for certain primary residences, to property tax equivalency payments for certain
3 residents, to the determination of full and true value of taxable property in a
4 municipality; and providing for an effective date."

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

6 * Section 1. AS 14.17.140(a) is amended to read:

7 (a) To determine the amount of local effort under AS 14.17.025 and to aid the
8 department and the legislature in planning, the Department of Community and
9 Regional Affairs, in consultation with the assessor for each district, shall determine the
10 full value of the taxable real and personal property in each city or borough district.
11 If there is no local assessor or current local assessment for a district, then the
12 Department of Community and Regional Affairs shall make the determination of full
13 value from information available. In making the determination, the Department of
14 Community and Regional Affairs shall be guided by AS 29.45.110. However, the

1 value of property exempted under AS 29.45.052 may not be included in the
2 determination. The determination of full value shall be made by October 1 and sent
3 by certified mail, return receipt requested, on or before that date to the president of the
4 school board in each district. Duplicate copies shall be sent to the commissioner. The
5 governing body of a borough or city that is a school district may obtain judicial review
6 of the determination. The superior court may modify the determination of the
7 Department of Community and Regional Affairs only upon a finding of abuse of
8 discretion or upon a finding that there is no substantial evidence to support the
9 determination.

10 * Sec. 2. AS 29.45.030(h) is amended to read:

11 (h) Nothing [EXCEPT AS PROVIDED IN (g) OF THIS SECTION,
12 NOTHING] in (j) [(e) - (j)] of this section affects similar exemptions from property
13 taxes granted by a municipality on September 10, 1972, or prevents a municipality
14 from granting similar exemptions by ordinance as provided in AS 29.45.050.

15 * Sec. 3. AS 29.45.030(k) is amended to read:

16 (k) The department shall adopt regulations to implement the provisions of [(g)
17 AND] (j) of this section.

18 * Sec. 4. AS 29.45 is amended by adding new sections to read:

19 Sec. 29.45.052. OPTIONAL EXEMPTION FOR CERTAIN RESIDENCES.

20 (a) The real property owned and occupied as the primary residence and permanent
21 place of abode by a resident of the state who is (1) 65 years of age or older; (2) a
22 disabled veteran; or (3) at least 60 years old and the widow or widower of a person
23 who qualified for an exemption under former AS 29.45.030(e) or under (1) or (2) of
24 this section, may by ordinance be exempted from taxation on all or part of the assessed
25 value of the real property. Only one exemption may be granted for the same property
26 and, if two or more persons are eligible for an exemption for the same property, the
27 parties shall decide between or among themselves who is to receive the benefit of the
28 exemption. Real property may not be exempted under this subsection if the assessor
29 determines, after notice and hearing to the parties, that the property was conveyed to
30 the applicant primarily for the purpose of obtaining the exemption. The determination
31 of the assessor may be appealed under AS 44.62.560 - 44.62.570.

1 (b) In this section,

2 (1) "disabled veteran" means a disabled person separated from the
3 military service of the United States under a condition that is not dishonorable, whose
4 disability was incurred or aggravated in the line of duty in the military service of the
5 United States, and whose disability has been rated as 50 percent or more by the branch
6 of service in which that person served or by the Department of Veterans' Affairs;

7 (2) "real property" includes mobile homes, whether classified as real
8 or personal property for municipal tax purposes.

9 Sec. 29.45.054. OPTIONAL DEFERRAL FOR CERTAIN RESIDENCES. (a)
10 Payment of taxes on all or part of the assessed value of real property may be deferred
11 by ordinance if the property is owned and occupied as the primary residence and
12 permanent place of abode by a resident of the state who is (1) 65 years of age or
13 older; (2) a disabled veteran; or (3) at least 60 years old and the widow or widower
14 of an individual who qualified for an exemption under former AS 29.45.030(e) or for
15 a deferral under (1) or (2) of this section. The taxes become due when the property
16 ceases to be owned by the resident who qualified for the deferral or the spouse if the
17 spouse also qualified for a deferral. Only one deferral may be granted for the same
18 property and, if two or more persons are eligible for a deferral for the same property,
19 the parties shall decide between or among themselves who is to receive the benefit of
20 the deferral. Payment of taxes may not be deferred under this subsection if the
21 assessor determines, after notice and hearing to the parties, that the property was
22 conveyed to the applicant primarily for the purpose of obtaining the deferral. The
23 determination of the assessor may be appealed under AS 44.62.560 - 44.62.570.

24 (b) In this section,

25 (1) "disabled veteran" means a disabled person separated from the
26 military service of the United States under a condition that is not dishonorable, whose
27 disability was incurred or aggravated in the line of duty in the military service of the
28 United States, and whose disability has been rated as 50 percent or more by the branch
29 of service in which that person served or by the Department of Veterans' Affairs;

30 (2) "real property" includes mobile homes, whether classified as real
31 or personal property for municipal tax purposes.

- 1 * Sec. 5. AS 29.45.030(a)(6), 29.45.030(e), 29.45.030(f), 29.45.030(g), 29.45.030(i),
- 2 29.45.040, and 29.45.050(i) are repealed.
- 3 * Sec. 6. This Act takes effect January 1, 1994.

MEMORANDUM

State of Alaska

Department of Community
and Regional Affairs

TO: Representative Eileen MacLean
Co-Chair House Finance

DATE: March 5, 1993

FILE NO: CS HB 66/FIN/3-5

THRU:

TELEPHONE:(907) 465-4700

FROM: Bruce R. Geraghty *BRG*
Deputy Commissioner

SUBJECT: CS HB 66()
Proposed WORK DRAFT

Thank you for scheduling HB 66 in House Finance Committee, Monday, March 8, 1993 at 1:30 pm.

Attached you will find:

- 1) DCRA Position Paper for the WORK DRAFT
- 2) DCRA Sectional Analysis of the WORK DRAFT

The Fiscal Note continues to be Zero for this work draft, and we will be pleased to provide you with a correct fiscal note should the committee adopt this work draft.

Please distribute this information to your committee. Thank you.

STATE OF ALASKA
DEPARTMENT OF COMMUNITY
& REGIONAL AFFAIRS

POSITION PAPER

Bill No.: CS HB 66()
Work Draft:

DCRA FN: Zero

Sponsor: Governor

Position: Support

Title: An Act relating to an exemption from and deferral of municipal property taxes for certain residences, to property tax equivalency payments for certain residents, to the determination of full and true value of taxable property in a municipality; and providing for an effective date.

The legislature created the mandatory tax exemption program in 1973. However, since 1985 the legislature has failed to fully refund to communities (only 20% in FY 93) the total cost of this mandated exemption. The renters rebate program was established in 1976 as a means of providing the same benefit to seniors and disabled veterans that rent their residence. The rebate program in FY 93 was funded at 85% of those eligible. The estimated cost of the property tax program in FY 94 is \$15.4 million. The estimated cost of the renters rebate program in FY 94 is \$1.3 million. The departments proposed FY 94 budget does not fund either program.

The department strongly supports the Work Draft, returning the Governor's language for the optional senior citizens/disabled veterans property tax exemption; simplifying the deferral option introduced in the House HESS committee; containing an exemption from the true value determination for educational funding; and changing the effective date to January 1, 1994.

The department strongly supports making the senior citizens/disabled veterans property tax exemption available to municipalities as an optional local tax exemption program. Encouraging seniors citizens and disabled veterans to remain in their own residences, is an issue best handled at the local level. Local governments are in the best position to evaluate the needs of their population with regard to local property taxation issues. In light of the legislative funding history, it is important to afford municipalities the taxing flexibility to appropriately meet the needs of their community.

The property tax deferral option presented in this bill has merit, so long as the deferral provides the greatest amount of flexibility for municipalities to design their own program. Both the Alaska Municipal League and the Older Alaskans Commission have testified in support of the deferral option.

In the departments preliminary research, the deferral concept appears to benefit municipalities in the long run through payment of property taxes at the time of sale. However a question arises as to the effect this would have on seniors citizens or disabled veterans ability to sell a residence where a deferral had been granted and they wish to purchase more suitable independent housing. Also there is a question regarding municipal accounting practices. Deferred taxes would be accounted for as current year receivable, the same as taxes paid, even though the moneys might not be paid for several years or decades. This could result in cash shortages for some municipalities. The department is unsure at this time whether the cash shortage is a result of the deferral or because of the relationship of the deferral to a "tax cap", if one existed, and the accounting practices. The department is also concern with the effect on the marketability of property, at the time of sale, with a large municipal lien due to deferred taxes. For these reason, the department supports this concept as long as deferral is totally optional to municipalities as a taxation tool, with maximum flexibility for municipalities to implement a deferral program by ordinance tailored to their local situation.

The department supports CS HB 66() WORK DRAFT.

Edgar Blatchford

Edgar Blatchford
Commissioner

MARCH 8-93

Date

STATE OF ALASKA
DEPARTMENT OF COMMUNITY
& REGIONAL AFFAIRS

Sectional Analysis

Bill No.: CS HB 66()
WORK DRAFT

DCRA FN: Zero

Sponsor: Governor

Position: Support

Title: An Act relating to an exemption from and deferral of municipal property taxes for certain residences, to property tax equivalency payments for certain residents, to the determination of full and true value of taxable property in a municipality; and providing for an effective date.

Section 1. Amends AS 14.17.140(a), DETERMINATION OF FULL AND TRUE VALUE BY DCRA, to remove real property owned and occupied by senior citizens or disabled veterans, from the departments determination of the full value of the taxable real and personal property in each city or borough district, when the city or borough has exempted this property by ordinance under section 29.45.052 of this bill. This provision maintains the status quo. Presently under the existing mandatory municipal tax exemption for senior citizens and disabled veterans residences, the properties are excluded from the municipalities "full value determination".

Section.2. Amends AS 29.45.030(h) stating that nothing in this section defining disabled veteran and real property, affects similar exemptions contained in AS 29.45.050 or in existence on September 10, 1972.

AS 29.45.050 OPTIONAL EXEMPTIONS AND EXCLUSIONS, contains numerous exemptions available to municipalities at this time. For example, AS 29.45.050(i) is a senior citizen/disabled veteran property tax exemption for their residences on the assessed value of the property exceeding \$150,000. Subsection (i) is repealed in section 5 of this bill.

Other exemptions allowed under AS 29.45.050 include; boats and vessels; non-profit community service property; historic sites; non-profit land for agricultural purposes; and others.

Section 3. Repeals DCRA's authority to adopt regulations to implement AS 29.45.030(g), the existing mandatory exemption reimbursement provision; this provision is repealed by Section 5 of this Act. In this section, (j) refers to the Department of Public Safety, and its regulatory authority regarding senior citizens motor vehicle registration tax exemption.

Section 4. Adds two new sections to AS 29.45.

The first section, AS 29.45.052 OPTIONAL EXEMPTION FOR CERTAIN PRIMARY RESIDENCES, gives specific authority for municipalities to grant senior citizens, disabled veterans, or their widows or widowers, an exemption from property taxation by municipal ordinance. This ordinance may be based on need. There may only be one exemption for the same property. Transfer of a property for the purpose of receiving the exemption is prohibited. The section also includes an appeals process where a dispute results from a possible conveyance of a property for the purpose of obtaining the exemption.

Disabled veteran is defined as a veteran with a 50% disability incurred as a result of military service.

Real Property is defined to include mobile homes.

The second part of this section, simplifies the deferral concept introduced in the House HESS Committee.

AS 29.45.054. OPTIONAL DEFERRAL FOR CERTAIN RESIDENCES. This section allows a municipality to defer taxes on the assessed value on real property owned and occupied as a primary residence and permanent place of abode by a senior citizen, disabled veteran or their widow or widower. The taxes become due when the property ceases to be owned by the resident, or spouse, who qualified for the deferral. Only one deferral may be granted for the same property. Conveyance of a property for the purposes of obtaining the deferral is prohibited. Judicial appeal is provided for, when a dispute results from the local assessors decision not to grant a deferral due to determining that conveyance of the property took place for the purposes of obtaining the deferral.

Disabled veteran is defined as a veteran with a 50% disability incurred as a result of military service.

Real property is defined to include mobile homes.

Section 5. Repeals all aspects of the state mandated property tax exemption and renters rebate for senior citizens and disabled veterans.

The specific sections repealed are:

1. Under AS 29.45.030. REQUIRED EXEMPTIONS. (mandated exemptions statute)

AS 29.45.030(a)(6): The real property of senior citizens and disabled veterans as conditioned in (e).

AS 29.45.030(e) : Defines the mandatory senior citizen and disabled veterans property tax exemption on the first \$150,000 of assessed value.

AS.29.45.030(f) : Prescribes for municipalities the application process and the municipal waiver of untimely filed application authority.

AS.29.45.030(g) : Provides the conditions governing the states reimbursement of municipalities for revenues lost due to the mandatory senior citizens and disabled property tax exemption. Explicitly stating that "If appropriations are not sufficient to fully fund reimbursements under this subsection, the amount available shall be distributed pro rata among eligible municipalities."

AS.29.45.030(i) : This subsection contains definitions of disabled veterans and real property.

2. AS.29.45.040 : PROPERTY TAX EQUIVALENCY PAYMENTS,
This is commonly referred to as the renters rebate program.
This program is also pro rata relative to legislative appropriation;

3. Under AS.29.45.050. OPTIONAL EXEMPTIONS AND EXCLUSIONS.

AS.29.45.050(i) :This subsection grants authority for municipalities to, by ordinance approved by the voters, exempt from taxation the assessed value exceeding \$150,000 of senior citizen and disabled veterans. There is no reference to "hardship" in this provision.

Section 6. Establishes effect date of January 1, 1994.

Back-up

STATE OF ALASKA

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

WALTER J. HICKEL, GOVERNOR

P.O. BOX 112100
JUNEAU, ALASKA 99811-2100
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333 W. 4TH AVENUE, SUITE 220
ANCHORAGE, ALASKA 99501-2341
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March 12, 1993

The Honorable Eileen MacLean
Alaska State Representative
Finance Committee
Alaska State Legislature
Juneau, AK 99801-1182

Dear Representative MacLean:

At your request, the following represents a brief overview of the process used by the Office of the State Assessor in determining the Full Value of Municipalities. The Full Value Determination is used in education foundation funding and municipal revenue sharing, both of which are formula driven. This simply means that as certain characteristics, such as population or assessed value, of a particular municipality change, so does the amount of funding received.

The Full Value Determination (FVD) can be defined as being the equalized measure of taxable wealth of a municipality. In theory, the more wealth a municipality has, (measured by it's equalized tax base), the better it can afford to provide education and other basic services. Consequently, the FVD is supposed to represent the total taxable value (wealth) of a municipality. This measurement should reflect the total value estimate of property that a municipality could levy taxes against should it so desire.

In order to estimate the FVD, the Office of the State Assessor "equalizes" each assessment district so that, when comparisons are made between municipalities, the comparisons utilize similar data. In other words, when the FVD is given for different municipalities, they represent all the taxable value of each municipality. If, for example, two similar municipalities have a total taxable value of \$1,000,000 but municipality "A" chooses to optionally exempt all personal property subsequently reducing it's assessed value by, for example, one-half, an unequalized comparison would show one municipality with a value of \$500,000 and the other at \$1,000,000. This comparison would then indicate that one municipality could raise only half the revenue as the other with the same mill levy, even though they both had the same measurement of wealth. In order to reflect the "true" value of both municipalities, the value of the optionally exempted property would be added into the FVD.

The Honorable Eileen MacLean
March 12, 1993
Page two

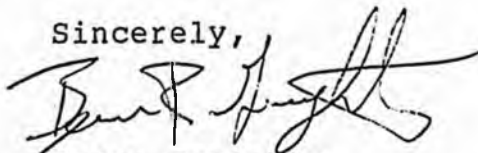
Additionally, when a FVD is made by the State Assessor, the local assessed values are reviewed for adherence to AS 29.45.110. This is to insure that the assessed values represent full and true value, which is sometimes referred to as 100% of market value. If the assessed value is found to be either high or low, it is adjusted accordingly. This process is accomplished by utilizing sales-ratio studies, which in most cases, is undertaken by the local assessing office. The State Assessor then estimates, with the assistance of the local assessor, the value of all property which has been optionally exempted and adds this value to the adjusted local assessed value. The sum of the adjusted local assessed value, any state oil and gas property assessed under AS 45.56 and the value of any optionally exempted property represents the Full Value Determination.

Typically, whenever the FVD changes, formula driven state funding is also changed. The committee substitute for HB66 excludes the value of senior citizens and disabled veterans from the FVD for educational foundation funding. Consequently, under this substitute version, there would be no impact on educational foundation funding if a municipality chose the optional exemption. If, however, this version was amended to include the value in the FVD it would have an affect. For example, in the Municipality of Anchorage, the current senior citizen/disabled veteran program exempts approximately \$400 million in value. If this were included in the FVD, it would reduce the state's educational contribution by 4 mills or \$1.6 million. Other municipalities which comprise school districts would be affected in the same manner.

State shared revenue is also formula driven using the FVD, however, our analysis indicates that the inclusion of the senior citizen/disabled veteran value would have a very small affect on revenue sharing. In almost all cases, the result was less than a 2% difference.

I hope this has helped in addressing your questions regarding this matter. If you feel further explanation is needed, please feel free to contact me at your convenience.

Sincerely,



Bruce Geraghty
Deputy Commissioner

cc: Robert K. Walsh, Director
Municipal and Regional Assistance Division

DIVISION OF LEGAL SERVICES

**LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MAR 19 1993

MEMORANDUM

March 19, 1993

SUBJECT: Tax Exemption for Certain Residential Property (HB 66)

TO: Representative Kay Brown

FROM: Tamara Brandt Cook *TBC*
Director

Under HB 66 as introduced by the Governor a mandatory municipal property tax exemption is converted to an optional exemption applicable to the categories of residents that currently qualify for the mandatory exemption. In addition, under the Governor's bill, a municipality is authorized to base the optional exemption on "hardship." You have informed me that there has been contradictory testimony as to the need for this language, with some testimony indicating a belief that the imposition of a "needs based" eligibility requirement is within the discretion of the municipality even in the absence of language authorizing the imposition of such a requirement.

In my opinion, if it is the intent to allow a municipality to impose other eligibility criteria in crafting the property tax exemption, statutory language must specifically grant the municipality that power. AS 29.45.010(b) provides "If a tax is levied on real property or on personal property, the tax must be assessed, levied, and collected as provided in this chapter." So, unless a specific provision in AS 29.45 permits a municipality to exercise discretion in the formulation of an ordinance relating to taxation, the municipality is bound by the literal requirements of the statutes.

In HB 66 a municipality is granted the option of granting a tax exemption for certain property. However, if the option is exercised by a municipality, it must be exercised in accordance with the requirements of the statute that authorized the exemption.

TBC:gc
93-246.glc

A M E N D M E N T

OFFERED IN THE HOUSE BY REPRESENTATIVES BROWN AND NAVARRE
TO: CSHB 66() (Draft dated 3/15/93)

Page 2, after line 18:

Insert a new bill section to read:

"* Sec. 4. AS 29.45 is amended by adding a new section to read:

Sec. 29.45.042. DEFERRAL FOR CERTAIN RESIDENCES. (a) Payment of taxes on the first \$150,000 of the assessed value of real property is deferred if the property is owned and occupied as the primary residence and permanent place of abode by a resident of the state who is eligible under (b) of this section and is (1) 65 years of age or older; (2) a disabled veteran; or (3) at least 60 years old and the widow or widower of an individual who qualified for an exemption under former AS 29.45.030(e) or for a deferral under (1) or (2) of this subsection. The taxes become due when the property ceases to be owned by the resident who qualified for the deferral or the spouse if the spouse also qualified for a deferral. Only one deferral may be granted for the same property and, if two or more persons are eligible for a deferral for the same property, the parties shall decide between or among themselves who is to receive the benefit of the deferral. Payment of taxes may not be deferred under this section if the assessor determines, after notice and hearing to the parties, that the property was conveyed to the applicant primarily for the purpose of obtaining the deferral. The determination of the assessor may be appealed under AS 44.62.560 - 44.62.570.

(b) To qualify for a deferral for a year, the adjusted gross income of an individual for the prior year may not exceed \$24,000 if the individual filed a single return, or \$36,000 if the individual files jointly with another. The determination of adjusted gross income is based upon the federal income tax return filed by the individual.

(c) In this section,

12-1-93 1993

A M E N D M E N T

OFFERED IN THE HOUSE

BY REPRESENTATIVE BROWN

TO: CSHB 66() (Draft dated 3/15/93)

Page 2, line 25:

After "property."

Insert "The exemption may be based upon economic hardship as provided in the ordinance."

Page 3, line 15:

After "section."

Insert "The deferral may be based upon economic hardship as provided in the ordinance."

Senior Citizen and Disabled Veteran
Property Tax Exemption Programs
Department of Community and Regional Affairs

Property Tax Exemption Program

Created in 1974, the Senior and Disabled Veteran Property Tax Exemption Program exempts senior citizens (65 years of age or older) and disabled veterans (with a 50% or greater service-related disability) from payment of property tax on the first \$150,000 of assessed valuation of the applicant's permanent place of abode. Program participants apply each year directly to the municipality in which they seek a tax exemption. The effected municipalities compile annual reports of exempted applicants, exempted assessed values and exempted tax amounts. Based on these figures, the municipalities apply to the Department for reimbursement for property tax revenues lost due to this state-mandated program. After the submitted applications are audited and certified, the Department issues warrants to the municipalities. If taxes exempted under this program exceed funding appropriation levels, the State issues payments on a prorated basis. This has been the case since FY 86. In FY 93, state funding covered about 20% of the reimbursement requests submitted by municipalities.

Senior Citizen/Disabled Veteran Property Tax Equivalency Program

This program was created in 1976 as a companion program to the property tax exemption program. The program rebates eligible applicants for that portion of their yearly rent on their permanent place of abode that goes toward the payment of real property taxes. Applicants must be at least 65 years of age or disabled veterans and rent property that is subject to a local property tax. Rent rebate payments are calculated as one percent of the local mill rate times the total annual rent. Applicants apply directly to the Department and payments are issued to each eligible applicant. Rebate payments are prorated if program costs exceed the annual program appropriation. The renter rebate program has exceeded funding levels since 1986. In FY 93 applicants will each receive about 85% of the amount calculated by formula.

CORRECTION

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

A M E N D M E N T

OFFERED IN THE HOUSE BY REPRESENTATIVES BROWN AND NAVARRE
TO: CSHB 66() (Draft dated 3/15/93)

Page 2, after line 18:

Insert a new bill section to read:

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(c) In this section,

(1) "disabled veteran" means a disabled person separated from the military service of the United States under a condition that is not dishonorable, whose disability was incurred or aggravated in the line of duty in the military service of the United States, and whose disability has been rated as 50 percent or more by the branch of service in which that person served or by the Department of Veterans' Affairs;

(2) "real property" includes mobile homes, whether classified as real or personal property for municipal tax purposes."

Renumber the following bill sections accordingly.

Page 2, line 18:

Delete "new sections"

Insert "a new section"

Page 3, lines 9 - 31:

Delete all material.