

ALASKA LEGISLATURE
HOUSE and SENATE FINANCE COMMITTEE FILES, 1993-1994 **1170**

244

Testimony for Senate Bill 178
House Finance

February 14, 1994

Finance Committee:

I am sick of hearing environmental extremists and way-out legislators crying that good things will come to Alaska if the legislature delivers more restrictive legislation. Who believes that? Industry in this state has its hands tied.

Pass this bill. I support SB 178.

Truly,

James Haley

Box 1642

Winansell Ak.

99929

Testimony for Senate Bill 178
House Finance

Feb. 14, 1994

Representatives E. MacLean, Ron Larson:

Sitka has just lost 400 high-paying jobs because of excessive environmental regulation. These regulations have driven up the cost of doing business to the point that foreign competition has a big advantage over our companies. Our state government and federal government have done enough to hinder commerce in our state. We have done enough to lock up lands from development. We have to support commerce in Alaska. I support SB 178. Please pass it.

Respectfully,

David E. Shultz



February 14, 1994

To the House Finance Committee:

Cape Fox is the village corporation for Saxman on Revillagigedo Island. We are the largest property owner on the Island, and in the Ketchikan Gateway Borough. Our lands include many facilities related to our primary business, timber development. In many instances, our corporation lands are adjacent to other private property.

We support the proposed House Finance Committee Substitute to SB 178.

We are proud of our record of compliance with local, State and Federal law. We are conscientious about permits, notifications and compliance reports. In today's world it is a formidable task to be sure that all laws and regulations are observed. The passage of this law would assure us that we would not be in jeopardy of an allegation of "nuisance" in spite of our compliance with the law.

This bill makes sense to us. We urge passage.

A handwritten signature in dark ink, appearing to read "Ernesta Ballard".

Ernesta Ballard
Chief Executive Officer

UCIDA
PO BOX 389
KENAI AK 99611

CLARIFICATION

ue 80

MONDAY, FEBRUARY 14, 1994 Soldotna/Kenai, Alaska

50 cents newsstands / 26

LETTERS TO THE EDITOR

Carlisle, Elias did good job as Board of Fish members

The character assassination perpetuated by Ben Ellis and Bob Penny on recent Board of Fisheries members Irv Carlisle and Tom Elias is the greatest tragedy surrounding the current debate on Kenai River sockeye allocations.

Claims by Mr. Ellis that his group only wants a fair hearing and not a "patsy" on the board don't ring true when one considers the long history of concern and involvement in sport fishery issues exhibited by Mr. Carlisle and Mr. Elias. Their commitment to maintaining our resources has been truly commendable.

It is ironic that Ben Ellis and Bob Penny both strongly supported Mr. Elias and Mr. Carlisle's nominations to the Board of Fisheries as sport fishermen. Their dissatisfaction appears to stem from the fact that neither Mr. Elias, nor Mr. Carlisle, acted as puppets when voting on fishing issues. They did not vote the way the commercial guides would have wanted, but rather cast their votes in the best interest of the resource.

Board members hear testimony from the Alaska Department of Fish and Game, Habitat Division and Natural Re-

sources as well as public testimony. Their job is to make responsible decisions to ensure sustained yield based on the information presented. The board process is designed to operate in a non-political manner based on only the facts! Any credible board member will NOT be influenced by ANY special interest group and that includes commercial fishermen and commercial sport fishing guides.

I wish to express my appreciation for the excellent service Mr. Elias and Mr. Carlisle provided the Board of Fisheries, the true Alaskan sports fishermen and the resources of the state including the Kenai River sports fishery. I believe the true sports fishermen whose concern is maintaining the Kenai River fishery for tomorrow will agree. As these two gentlemen will no longer be serving on the Board of Fisheries I can only hope they will continue to advocate for the health of our resources. Thank you for a job well done.

Peggy Moore
Kasilof

To - ALASKA HOUSE OF REP.
HOUSE RESOURCES COMMITTEE

OFFICIAL Testimony for Senate Bill 178
House Finance Committee

2/14/94

Rep. Eileen MacLean & Committee Members:

Pass SB 178 and get on to more weighty issues, like subsistence and Mental Health Lands.

DAN KECK
203 HARBOR DR.
SITKA, AK
99835



Prewitt Enterprises

SITKA TOURS • ISLAND BUS CO.

Box 1001
Sitka, Alaska
99835
Phone 747-8443
FAX 907-747-7610

February 15, 1994

Representative Eileen MacLean,
House Finance Sub Committee
Alaska State Legislature
State Capital (MS3100)
Juneau, Ak. 99801-1182

RE: OFFICAL TESTIMONY S.B. 178

Dear Representative MacLean:

Small businesses in Alaska face an ever burdensome load of regulation from all levels of government. For those of us that comply with regulation mandates, it becomes important that some protection is provided from frivolous and unnecessary claims against us. Passage of Senate Bill 178 will provide protection for all Alaska businesses and help protect our hard earned investments from again, unnecessary legal challenges. I appreciate the Sub Committee's consideration, and request passage of S.B. 178.

Respectfully submitted,



John n. Litter



★★★★★ Five Star

COMMUNICATIONS UNLIMITED, INC.**MOBILE COMMUNICATIONS**

P. O. Box 6598 • Ketchikan, AK 99901

**FAXED TO: 465-2278**

Date: February 15, 1994
To: House Finance Committee
From: Don Thornlow
Subject: POSITION OF SUPPORT FOR SB 178

Communications Unlimited, Inc. supports the passage of SB 178 , legislation that deals with civil nuisance lawsuits filed against legal and permitted activities. This legislation is important because of the need to protect responsible industries which have completed the lengthy and costly permitting process.

It is good public policy to limit the ability of third parties to file litigation against projects that are legal and have valid permits. Communications Unlimited, Inc. believes that as long as an entity is within the guidelines of the permit allowing its activity, it should be protected from nuisance litigation. Without this protection, the permitting process is little more than a bureaucratic hurdle before entering the legal arena.

Communications Unlimited, Inc. supports the passage of this important legislation. We believe it exhibits the fact that Alaskans believe in the compatibility of jobs and the environment without excessive government.



CAMPBELL TOWING COMPANY

P.O. Box 170 • Wrangell, Alaska 99929
Telephone: (907) 874-3318 • FAX: (907) 874-3281

TESTIMONY FOR
SENATE BILL 178
House Finance Committee

February 15, 1994

Rep. Eileen MacLean, Ron Larson & Finance Committee:

As a businessperson, I support SB 178. Please pass it with no changes, no amendments, no delays.

Respectfully,

A handwritten signature in cursive script, appearing to read "H. Campbell". The signature is written in dark ink and is positioned below the word "Respectfully,".



SOUTHEAST STEVEDORING CORPORATION

CONTRACTING STEVEDORES

P. O. BOX 8080

KETCHIKAN, ALASKA 99901

Cable Address
"Sousteve"

Telephone
907-225-6157

Fax
907-225-8254

Telex:
413818

FAX: 465-2278

2/15/94

TO: HOUSE FINANCE COMMITTEE

FROM: CLIFF R. TARO, PRESIDENT, SOUTHEAST STEVEDORING CORP
 WRANGELL STEVEDORING INC.
 NORTH PACIFIC MARITIME INC.
 REVILLA TUG CO.
 AMAK TOWING CO.
 SOUTH TONGASS SERVICE
 TARO LEASING
 ALASKA BULK HANDLING INC.
 VICE PRESIDENT, ALASKA LONGSHORE EMPLOYERS ASSN.
 CHAIRMAN,
 OWNER, CRUISE LINES AGENCIES OF ALASKA
 TEMSCO HELICOPTERS INC.

POSITION OF SUPPORT OF SB 178, RELATING TO CIVIL NUISANCE ACTIONS.

SOUTHEAST STEVEDORING CORP. HAS BEEN A RESPONSIBLE BUSINESS OPERATOR, IN ALASKA, FOR OVER 42 YEARS. WE HAVE DEVERSIIFIED INTO OTHER OPERATIONS. WE EMPLOY UP TO 500 ALASKANS.

WE ARE GUIDED BY MANY RULES, REGULATIONS, LAWS ETC.

WE DO NOT FEEL IT IS PROPER FOR A THIRD PARTY TO BE ABLE TO FILE LITIGATION AGAINST PROJECTS WHICH ARE LEGAL AND HAVE THE NECESSARY PERMITS. IT IS DIFFICULT ENOUGH TO REMAIN IN BUSINESS WITHOUT SUCH CIVIL NUISANCE ACTIONS.

WE WILL APPRECIATE YOUR FULL SUPPORT OF SB 178

Testimony for Senate Bill 178

Feb. 15, 1994

Representative MacLean and Committee Members:

My name is Nancy Davis and I am here representing the Sitka Chamber of Commerce in support of Senate Bill 178.

Our town has just lost 400 high-paying jobs from our largest employer because of unilateral actions by the federal government and because the cost of environmental regulations have made it difficult to compete in world markets. We do not know all the impacts from the pulp mill closure, but, as a town, we are trying to find new solutions and opportunities for all our industries: fishing, timber and tourism.

Our state government and federal government need to look at ways we can help Sitka and our industries keep jobs, because oil money and the money that trickles to local governments will not always be as plentiful. We also have done good job in this state to protect lands and to protect the environment. We do not need more restrictive legislation.

SB 178 will give companies and municipalities that operate under major permits a chance to plan for their futures without being sued for nuisances. The bill defines what a nuisance is and the legislation does not shield companies that exceed their permits.

It is now time to find legislation, like SB 178, that will be supportive of our industries and commerce in Alaska. We support SB 178 and urge passage of it.

Thank you,

Nancy Davis

NAWY DAVIS

Box 1033

SITKA AK 99835

747-8097 HOME

747-3272 WORK



Alaska State Legislature

Please enter into the record my testimony to the

~~Finance~~ Comm. (~~Finance~~)

committee name

committee on SENATE Bill 178, dated

2/15/94

bill/subject

I ASK THAT YOU DO EVERYTHING IN YOUR POWER TO DEFEAT THIS BILL (SB178). THIS BILL CONSTITUTES AN INFRINGEMENT ON THE RIGHTS OF ALASKA CITIZENS TO PROTECT THEMSELVES FROM HABITUAL POLLUTORS & ANY ERRANT REGULATORY AGENCY. THE ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION HAS A RECORD OF "BENDING OVER BACKWARDS" TO ACCOMMODATE INDUSTRY IN ALASKA.

THE POWER OF CITIZEN OVERSIGHT IS NEEDED TO KEEP REGULATORY AGENCIES (WHO ARE OFTEN POLITICIZED & LOBBIED BY INDUSTRY) IN LINE WITH THE COMMON GOOD.

AT THE VERY LEAST THE "RETROACTIVITY" CLAUSE (IN SECTION 3) MUST BE DELETED — PAST ACTS COMMITTED WHEN THIS LAW WAS NOT EVEN YET CONCEIVED SHOULD NOT BE FORGIVEN AFTER THE FACT; THEY SHOULD BE RECTIFIED.

Signed:

FLORIAN SEVER — Florian Sever

Testifier

SELF

Representing (Optional)

1706 EDGECLUMBE DR., SITKA AK 99835

Address

747-8466

Phone No.



Alaska State Legislature

Please enter into the record my testimony to the ~~Senate~~ committee name

committee on SB 178 , dated FEB 16, 1994 .
bill/subject

1. I support SB 178'S DEFINITION THAT A NUISANCE MUST BE A "SUBSTANTIAL AND UNREASONABLE INTERFERENCE WITH THE USE AND ENJOYMENT OF PROPERTY."
2. NUISANCE LAWSUITS CAN GENERATE MILLIONS OF DOLLARS OF LEGAL COSTS TO BUSINESSES AND MUNICIPALITIES.
3. IT IS GOOD PUBLIC POLICY TO REMOVE FRIVOLOUS NUISANCE LAWSUITS, ALASKA INDUSTRY IS HINDERED BY INCREASING STATE AND FEDERAL REGULATIONS THAT ARE IMPENDING OUR ABILITY TO COMPETE IN FOREIGN AND DOMESTIC MARKETS.
4. THIS BILL ^{AS PROPOSED} WILL NOT SHIELD PERMIT HOLDERS THAT EXCEED THE LIMITS OF THEIR PERMITS. THIS BILL WILL NOT CIRCUMVENT THE PUBLIC PARTICIPATION NEEDED FOR MAJOR PERMITS.

Signed:

Testifier

- PERSONAL

Representing (Optional)

1815 SANMILL CREEK RD, SITKA, AK 99835

Address

747 - 8697

Phone No.

... to be for the record. - " ... of the

PUBLIC OPINION MESSAGE

SB 178

February 15, 1994

I would like to convey to you that my husband Richard and I are very much in favor of SB 178.

Frivolous lawsuits should be never be allowed at the expense of the taxpayer, as in all legal proceedings. The plaintiff should pick up the tab when the party loses. All the rest of us have to, if we decide to sue.

Ellen Onstott
3224 Orion Cir
Anchorage AK 99517-1644

243-8103 (h)

Distributed at the request of Ellen Onstott by Senator Leman

Mr. C.J.

Zane

274-9019

880 H St. #200A

Anchorage

AK

99501

Date POM Sent

Constituency

Bill Number

Response

Subject

04/05/93

N

SB 178

SUPPORTS

OUR FAMILY OF COMPANIES, HOLLAND AMERICA LINE, WESTMARK AND GRAY LINE OF ALASKA
WHOLEHEARTEDLY SUPPORT THIS BILL. THE COST OF COMPLIANCE WITH THE VAST NUMBER OF LAWS AND
REGULATIONS IS HIGH ENOUGH. ELIMINATION OF PURELY
'NUSIANCE' LAWSUITS IS LONG OVERDUE. C.J. ZANE, DIRECTOR FOR GOVERNMENT AND COMMUNITY
RELATIONS

329²333 Katlian Street

Sitka, Alaska 99835



Fax Message:

To: Senator Robin Taylor
From: Harold Thompson
Date: 4/13/93

Re: Senate Bill 178

Sitka Sound Seafoods is in favor or SB 178 and think it makes sense.

I hope you can support the bill. Thanks for your consideration.

Regards,

A handwritten signature in black ink, appearing to be "H. Thompson", written in a cursive style.

Harold Thompson
President

(907) 747-6662

TELEFAX (907) 747-6268

Telex 090-45-391 SSSSEAFOOD SIKK

FRESH AND FROZEN SALMON, COD, BLACK COD, HALIBUT, ROCK FISH, CRAB, HERRING



Testimony-Senate Bill 178
House Finance Committee

Feb. 14, 1994

Rep. Eileen MacLean:

I support SB 178. Please pass it along to the Rules Committee.

Glenda Comstock
Glenda Comstock
P. O. Box 1472
Sitka, AK 99835

Testimony for Senate Bill 178
House Finance

Feb. 15, 1994

Rep. E. MacLean, R. Larson and Committee:

This bill supports commerce, jobs, communities. I like SB 178 and support it.

Karla Hubbell

KARLA HUBBELL

BOX 2715

SITKA, AK 99835

Testimony-SB 178
House Finance Committee

February 14, 1994

Rep. Eileen MacLean:

SB 178 is a must-pass bill. Do not remove the retroactivity clause. Pass it as it is.

Sincerely,

Caprice D. Scavano

Caprice D. Scavano
202 Lakeview Drive
Sitka, AK 99835

Testimony for SB 178
House Finance Committee

Feb. 14, 1994

Rep. Eileen MacLean:

SB 178 is pro-commerce, pro-jobs, pro-community. I like SB 178 and support it. Please pass it and sent it on its way.

Truly,

Ralph Fenn

Box 114

Sitka, Ak. 99835

Testimony for Senate Bill 178
Nuisance Bill
House Finance Committee

Feb. 15, 1994

Rep. Eileen MacLean, Ron Larson & Finance Committee:

I support SB 178. Please pass it.

Truly, *Jon McGraw*
P.O. Box 784
Sitka Ak.
Jon McGraw

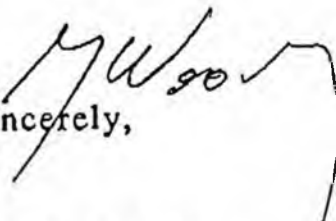
Testimony for Senate Bill 178
Nuisance Bill
House Finance

February 14, 1994

Rep. Eileen MacLean, Rep. Ron Larson & Finance Committee:

I support SB 178. Period.

Sincerely,


GEORGE WOODBURY
Box 671
SITKA, AK 99835

Testimony for Senate Bill 178
Alaska State House Finance Committee

Feb. 14, 1994

Rep. Eileen MacLean, Rep. Ron Larson and Committee:

This bill is fine. I support SB 178.

Truly,

Warren Lee

Warren Lee

Box 1712

SITKA, AK

99835

Testimony for Senate Bill 178
House Finance

Feb. 14, 1994

Rep. E. MacLean and Rep. R. Larson:

Sitka has just lost 400 high-paying jobs from its largest employer. Excessive regulations and government mandates have driven up the cost of doing business to the point that foreign competition has a big advantage over our companies

We have done enough to hinder commerce in our state. We have done enough to lock up and preserve lands from development. We have to support commerce in Alaska. I support SB 178. Please pass it.

Respectfully,

Kurt W. Korthals

KURT W. KORTHALS

P.O. Box 2494

SITKA, ALASKA 99835

TEL: 907-747-6048

Testimony for SB 178
House Finance

Please copy and distribute to other committee members

Feb. 24, 1994

Rep. Eileen MacLean, Committee Chair:

I like SB 178 and fully support it. It's good for our industries and for our cities. Don't listen to those that want Alaska to be off-limits to any reasonable development. We need our legislature to sponsor bills that support commerce and industry in our state and also that also protect the rights of others.

Signed,

Milan Rucka

Milan Rucka
P.O. Box 1255
Sitka, Alaska

99834

03/01/94
14:31:57

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM
PARTICIPANT LIST (ALL PARTICIPANTS)
TCN:40422 SCHEDULED FOR:03/01/94 13:30 TO 14:45
PUBLIC HEARING HOUSE FINANCE

LTN1150
BY:SIT
FOR:SIT

LOCATION: SITKA

SB 178	MR.	VERN	CULP		TESTIFY
SB 178		ARTHUR D.	HACKETT		TESTIFY
SB 178		FLORIAN	SEVER		TESTIFY
SB 178		ROLLO	POOL	AK PULP CORP.	TESTIFY
SB 178		ROBERT	ELLIS		TESTIFY
SB 178	MR.	DON	MULLER		TESTIFY
SB 178	MS.	VALORIE	NELSON		TESTIFY
SB 178	MS.	ERNESTINE	GRIFFIN		TESTIFY
SB 178	MR.	MATT	DONOHUE		TESTIFY
SB 178	MR.	DENTON	PEARSON		TESTIFY

03/01/94 14:32:32 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM
MESSAGE FROM: LIOCKAT IN SITKA

LTN1120
JNU

RE TCN: 40422 SCHEDULED FOR:03/01/94 13:30 TO 14:45
SPONSOR: HOUSE FINANCE PURPOSE: PUBLIC HEARING

MESSAGE TEXT: MR. PEARSON JUST ARRIVED TO TEST. SORRY

SB

180

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 4/13/93

FURTHER:

DATE TURNED INTO OFFICE: _____

The Finance Committee considered SENATE BILL NO. 180

"An Act relating to reimbursement of school construction debt; and providing for an effective date."

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
FIRST COMMITTEE OF REFERRAL

DATE: 3/31/93

FURTHER: FINANCE

Date of 5-Day Notice: 4/11/93
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 4/13/93

HES Committee considered SB 180

"An Act relating to reimbursement of school construction debt; and providing for an effective date."

and recommends it be replaced with

and recommends:

replace with _____ CS SB 180 (HS)

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

attaches amendment(s)

and report it

adopts _____ Letter of Intent

further referral to the _____

do pass

do not pass

no recommendation

individual recommendations

FN

FISCAL NOTE INFORMATION

SB/CS

Department	Date	Zero	Fiscal
DOE	4/8		85-6

Department	Date	Zero	Fiscal

Appropriation No Fiscal Note

Governor's Bill with Previous Fiscal Notes (enter information above)

DO PASS:
 (2) Mike Miller
 (2) Bob Gray

OTHER RECOMMENDATIONS:
 (1) Ed Duncan (No Rec)
 (1) A. G. Sado (No Rec)
 (1) Robert A. Lemaw NR

(1) Steve King No Rec
 Chair: Signature and Recommendation

ALASKA STATE LEGISLATURE
SENATE BILL NO. 180

HISTORY IN THE SENATE

1993
 3/31
 4/13

Read first time and referred to:
HES, FIN

ho RPT() CS 2 DP NR DNP AM
 New Title Same Title Previous FN
 FN OFN To

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

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

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

Read second time

 CS Adopted () New Title
 Amended Advanced

Read third time

 Letter of Intent adopted
 Return to second for specific amendment

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

Reconsideration
 Reconsideration not taken up

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

Reported correctly engrossed
 Signed by President, to House

Secretary of the Senate

HISTORY IN THE HOUSE

19

Read first time and referred to:

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

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

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

Read second time
 CS() Adopted

Amended

Advanced

Read third time

Return to second for specific amendment

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

 Intent adopted

Reconsideration
 Reconsideration not taken up

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

 Intent adopted

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

Chief Clerk of the House

SENATE-HOUSE HISTORY Continued

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

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

STATE OF ALASKA
1993 LEGISLATIVE SESSION

No. 1

Bill Version: SB 180

(S) Publish Date: 4-13-93

Revision Date: _____
Title: An Act relating to reimbursement of school construction debt; and providing for an effective date.

Dept. Affected: EDUCATION
BRU: Executive Administration
Component: CIP Overhead and Associated Costs

Sponsor: Senator Pearce
Requestor: Senator Pearce's Office

COMPONENT SERIAL NO. 157

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES	46.8	48.2	49.7	51.1	52.7	54.3
TRAVEL	8.9	8.9	8.9	8.9	8.9	8.9
CONTRACTUAL	20.3	20.3	20.3	20.3	20.3	20.3
SUPPLIES	0.6	0.6	0.6	0.6	0.6	0.6
EQUIPMENT	9.0	1.5	1.5	1.5	1.5	1.5
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	85.6	79.5	81.0	82.4	84.0	85.6

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

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

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other: 1061 CIP Receipts	85.6	79.5	81.0	82.4	84.0	85.6
TOTAL	85.6	79.5	81.0	82.4	84.0	85.6

POSITIONS:

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

Estimate of current year (FY93) impact: \$

ANALYSIS: (Attach a separate page if necessary)

(SEE ATTACHED)

Changes in SSB 180 (FES) reflect NO FISCAL CHANGE from the original fiscal note. This fiscal note is appropriate.

4/13/93
Date

bh
Committee Chair

Prepared by: Gary M. Bader
Division: Administrative Services

Phone: 465-2875
Date: 2-Apr-93

Approved by Commissioner: _____
Agency: Department of Education

Date: 4/8/93

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information call the Governor's Legislative Office

FISCAL NOTE SB 180

"An Act relating to reimbursement of school construction debt; and providing for an effective date."

This bill will enable wealthier municipalities throughout the State to construct school facilities for unhoused students and to correct safety hazards and code deficiencies in aging facilities. Small municipalities, whose ability to bond is restricted or nonexistent, will still be required to seek State aid through the grant process. It is certain that this bill will result in a large number of requests for approval of school construction projects. This will place an additional burden on the Facilities Section in both clerical and administrative requirements. While it may reduce the number of requests for grants through AS14.11.011 from the larger municipalities, it is likely that they will continue to seek grant funds depending on their current bond debt and fiscal obligations. It is impossible to predict the State liability in FY94 and beyond under SB 180.

This bill will require additional time at the administrative level in order to ensure compliance with the regulations and fiscal accountability. Regulations will need to be developed to determine the level of municipal bond debt and reporting procedures in order to govern administration of this program. In addition, the amendment to AS 14.11.102 would require development of regulations regarding evaluation of projects to include education programs. Necessary review of project plans and on-site reviews to determine eligibility and compliance will increase administrative travel requirements. Funds will be required for travel.

It is anticipated that participation by the Department of Law will increase. Historically, this program has created a need for legal services related to interpretation of the statute and regulations, project eligibility, and the discrepancy between full funding through the grant program and partial funding through the debt retirement process. Funds will be required for contractual services.

One additional position is necessary to ensure compliance with this legislation. Personal services costs are assumed to increase 3% per year after the first year. Equipment costs are \$9.0 the first year and \$1.5 for replacement thereafter.

Funding for the CIP Overhead and Associated Costs component will be based upon a percentage charge from the school construction grant account and inter-agency receipts originating from the Alaska debt retirement fund.

Personal Services		46.8
Administrative Assistant II (14B)	46.8	
Travel		8.9
Administrative travel		
Air fare for 10 site visits (10 x 700 = 7.0)	7.0	
Per Diem for 20 days (20 x 95 = 1.9)	1.9	
Contractual		20.3
Development of regulations	7.5	
Funds for defense of Department position in disputes	10.0	
Additional funds for hearing officer/court reporter	2.5	
Phone lines 1 position @ \$300/year	.3	
Supplies		.6
Supplies for 1 position	.6	
Equipment		9.0
Office furniture (desks, partitions, ect.)	3.0	
Computer Equipment (Computer, token ring, etc.)	6.0	
	FY 94 Total	85.6

**SPONSOR STATEMENT
FOR
SENATE BILL NO. 180**

The continued development and maintenance of Alaska's educational infrastructure is an important issue in Alaska. Several approaches have been suggested to resolve our current problems in constructing and maintaining Alaska's schools, but all of these approaches sacrifice a long term solution in favor of short term spending plans. Senate Bill 180 is part of a three-bill package which proposes a long term solution to constructing and maintaining Alaska's educational infrastructure.

As various short and long term solutions to the school construction, maintenance, and repair have been proposed, it is clear that successful solutions for rural and urban areas are not the same. Several urban areas have expressed strong interest in issuing school construction debt as a way for their residents to share in the cost of building and repairing their community's schools.

Senate Bill 180 reestablishes reimbursement of school construction debt for a limited time period and at a significantly higher match requirement than was offered under previous debt reimbursement programs. This bill reestablishes debt reimbursement for four years, reduces the State of Alaska's share of debt payments to 70%, caps the level of debt that can be incurred by any bonding community in Alaska, and establishes a retroactive effective date to April 1, 1993.

There are two companion bills to SB 180. Senate Bill No. 181 makes a number of key changes to the way school construction, maintenance, and repair projects are reviewed and selected for consideration by the legislature. Senate Joint Resolution No. 30 proposes the establishment of a constitutional school construction and maintenance fund.

**Senate Finance School Construction Package
SB180, SB181, SJR30**

1. **SB180. Relating to Reimbursement of School Construction Debt** This legislation re-establishes the school debt reimbursement program suspended three years ago.

Section 1: Adds new subsection (6)

70% State 30% Local Match

Bonds to be authorized by voters after April 1, 1993 and before March 31, 1997 for the following:

- costs for school construction
- additions to schools
- major rehabilitation projects that exceed \$50,000
- all projects approved by DOE

Section 2: Adds new section (5) requiring "caps" for percentage ratios of allowable municipal debt. Factors include full property value, current local debt, and population. Graduating percentages from 2% to 4.5% based on recommendations by Moody's Investors Service, 1992 Medians.

Section 3: Adds new section 14.11.102 requiring DOE to consider factors for evaluating projects allowable for reimbursement.

Section 4: Immediate effective date clause.

SB

181

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 4/13/93

FURTHER:

DATE TURNED INTO OFFICE: _____

The Finance Committee considered SENATE BILL NO. 181

"An Act relating to grants for school construction; and providing for an effective date."

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
FIRST COMMITTEE OF REFERRAL

DATE: 3/31/93

FURTHER: (FINANCE)

Date of 5-Day Notice: 4/1/93
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 4/13/93

HES Committee considered SB 181

"An Act relating to grants for school construction; and providing for an effective date."

and recommends it
be replaced with

and recommends:

replace with _____ CS SB 181 (HES)

attaches amendment(s) + maj rep it sh w/no rec

- 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

270's

FISCAL NOTE INFORMATION

Department	Date	Zero	Fiscal
SB/CS DCT+PF	4/5/93		32759.1
DCE	4/5/93		50.0

Department	Date	Zero	Fiscal

Appropriation No Fiscal Note

Governor's Bill with Previous Fiscal Notes (enter information above)

DO PASS:

OTHER RECOMMENDATIONS:

Mike Miller No Rec
Duncan No Rec
Drs. Salaf No Rec
Drew A. Roman NR
Bob King No Rec

Steve Rice No Rec
Chair: Signature and Recommendation

HISTORY IN THE SENATE

1993

Read first time and referred to:

3/31

HES, FIN

4/13

HES RPT(1) CS DP 6 NR DNP AM
 New Title Same Title Previous FN
 2 FN OFN To *Amuse*

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

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

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

Read second time

CS Adopted () New Title
 Amended Advanced

Read third time

Letter of Intent adopted
 Return to second for specific amendment

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

Reconsideration

Reconsideration not taken up

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

Reported correctly engrossed
 Signed by President, to House

Secretary of the Senate

HISTORY IN THE HOUSE

19

Read first time and referred to:

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

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

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

Read second time

CS() Adopted

Amended

Advanced

Read third time

Return to second for specific amendment

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

Intent adopted

Reconsideration

Reconsideration not taken up

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

Intent adopted

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

Chief Clerk of the House

SENATE-HOUSE HISTORY Continued

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

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

No. 2

STATE OF ALASKA
1993 LEGISLATIVE SESSION

Bill Version: SB 181

(S) Publish Date: 4-13-93

Revision Date: _____

Department Affected: Education

Title: An Act relating to grants for school construction and providing for an effective date.

BRU: Executive Administration

Sponsor: Senate Finance Committee

Component: CIP Overhead and Associated Costs

Requestor: Senate Finance Committee

COMPONENT SERIAL NO. 156

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	50.0	50.0	50.0	50.0	50.0	50.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	50.0	50.0	50.0	50.0	50.0	50.0

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	50.0	50.0	50.0	50.0	50.0	50.0
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	50.0	50.0	50.0	50.0	50.0	50.0

POSITIONS:

FULL-TIME			
PART-TIME			
TEMPORARY			

Changes in CS SB 181 (1993)
reflect NO FISCAL CHANGE from the original
fiscal note. This fiscal note is appropriate.

4/13/93 kh
date Comte Aide (initial)

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

ANALYSIS: (Attach a separate page if necessary.)

(See Attached)

Prepared by: Gary M. Bader *Gary M. Bader*
Division: Administrative Services

Phone: 465-2875
Date: 4/8/93

Approved by Commissioner: _____ *Jerry Covey*
Agency: Education

Date: 4-8-93

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FISCAL NOTE SB181

"An Act relating to grants for school construction: and providing for an effective date."

This bill would establish a grant review committee for school construction grants. This committee shall consist of the commissioner or appointed designee and five other people selected by the commissioner who have the following qualifications:

1. one person licensed under AS 08.48 as an engineer;
2. one person with a teaching certificate issued by the Department of Education
3. one person licensed as a construction contractor under AS 08.18
4. one person licensed under AS 48.48 as an architect
5. one person with five years of experience in facilities management

Members of the committee are to serve without compensation with the exception of the reimbursement of all related per diem and travel expenses.

The duty of this committee is to review grant applications. The applicants will be evaluated by such factors as emergency requirements; priorities assigned by the districts; new local elementary and secondary programs; existing regional, community and school facilities and their present condition; and alternate education program options.

It is assumed that DOT/PF will provide a standard regional design specification for the construction of schools for the arctic, interior, western and southeastern region of the state. For each school construction project for which a grant is requested under AS 14.11.011., the department shall determine which standard regional school design is applicable.

Contractual:

Contract with a school facilities expert to develop educational specifications and assist the department in conferring with DOT/PF in the development of prototypical school designs.

Total: \$50.0

FISCAL NOTE

Bill Version: SB181

(S) Publish Date: 4-13-93

Revision Date:
Title: School Construction Grants

Department Affected: DOT&PF
BRU: E&OS

Sponsor: Senate Finance Committee
Requestor:

Component: Design. & Const. Stds.
Component Serial Number: 547

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	25.0	25.9	26.8	27.7	28.7	29.7
CONTRACTUAL	59.1	61.1	63.2	65.3	67.6	69.9
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:	84.1	87.0	90.0	93.0	96.3	99.6

CAPITAL	32,675.0	0	0	0	0	0
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REVENUE FUND SOURCE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

1002 FEDERAL RECEIPTS	0	0	0	0	0	0
1003 GF MATCH	0	0	0	0	0	0
1004 GF	32,759.1	87.0	90.0	93.0	96.3	99.6
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 FUNDING:	32,759.1	87.0	90.0	93.0	96.3	99.6

POSITIONS

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

Estimate of current year (FY93) impact: None

Changes in CS SB181 (HES) reflect NO FISCAL CHANGE from the original fiscal note. This fiscal note is appropriate.
4/13/93 Wch

date Comte Aide (initial)

ANALYSIS: (Attach a separate page if necessary)

** See page two (Fiscal Note Summary) for comments pertaining to staffing requirements. Monetary amounts shown for FY 95 and beyond have been inflated by 3.5% annually.

See attached summary and three page analysis for details and assumptions.

Prepared by: Roger W. Allington, Director

Phone: 465-2951

Division: Engineering and Operations Standards

Date: April 8, 1993

Approved by Commissioner: B.A. Campbell
Bruce A. Campbell

Phone: 465-3900

Agency: Department of Transportation and Public Facilities

Date: April 8, 1993

ANALYSIS (cont. from page 1):

Fiscal Note Analysis for SB 181

Fiscal Note Summary:

The proposed legislation is anticipated to have the following impacts.

Section 4 Impacts - FY 94 and 95 (Capital funds for design criteria, specs and prototypes)

Expenditures: Personal services, contractual and travel costs total \$32.7MM.

Personnel: Depending on the required number of prototypes required and the magnitude of funding provided, additional CIP positions may be required.

Section 5 Impacts - FY 94 and beyond (Operating funds for grant review committee activities inflated annually by 3.5%.)

Expenditures: Personal services, contractual and travel costs of \$84,125.

Personnel: No additional personnel are anticipated for these projects.

Program Description:

The proposed bill would require the Department of Transportation and Public Facilities (DOT&PF) to consult with the Department of Education (DOE) in the development of standard regional school designs and specifications (per Sec. 4 of the proposed legislation). Additionally, it is anticipated that the department would be extensively involved in the grant review process (per Sec. 5 of the proposed legislation).

Background Information Relating to the Proposed Legislation:

Definition of the fundamental school construction (program) needs, appropriate design standards and concerns (criteria), and the minimum acceptable construction specifications together with the development of a series of *prototypical* school designs have long been a desire of many different entities within the State of Alaska. It is believed that -- when created -- these documents could be used to formulate a basis on which school construction grants would be funded.

Program Implementation and Resulting Fiscal Impacts:

Despite the fact that the bill contains an effective date, the program would likely "come on line" in somewhat of a staged process. Because sections 3 and 4 are fundamental to the other sections, the requirements of these sections will have to met before the full effect of the legislation will be apparent. Section 4 especially will require an extensive amount of time and effort (by both DOT&PF and the Department of Education) to complete the mandate design criteria, construction specifications and *prototype* designs. As all three elements are intertwined, it should be expected that they will be developed as a package as opposed to piecemeal elements. At a minimum eighteen months to two years should be allocated in the preparation of this component of the legislation. The costs of the developmental aspects associated with this "staged process" appear in the earlier portion (FY 94 and 95) of the fiscal note. Additionally, the anticipated monetary and manpower impacts of section 5, dealing with the "grant

review committee", are included in the FY94 and 95 and are carried into FY 96 and beyond.

Analysis and Assumptions:

The following detailed analysis, covering the five sections of the bill and focusing on the department's specific areas of program involvement, was developed around the following assumptions.

- *Due to a lack of detail and the overall uncertainty of what is expected, the assumptions and resulting cost calculations are assumed to represent a "worse case" scenario.*
- *It is assumed that due to program differences (five in total), school size differences between communities in a given region (large districts VS. small) and the climatic conditions present in each of the four defined regions, that up to 36 prototype schools may have to be designed.*
- *Schools of less than 100 students are considered "small" schools for the purpose of this analysis.*
- *No departmental costs have been developed for the procurement or administration of the consultant contracts. The analysis recognizes that some costs will occur, but it also assumes that there will be some duplication of design effort amongst the 36 school types resulting in some design costs that can then be used to offset administrative costs.*
- *Costs shown in this report reflect a facility based prototype design cost approach. While not done at this time, some consideration towards a component/matrix design approach or perhaps a review of existing (or proposed) designs should be considered. This would allow for communities to build to a higher level of quality provided that the life cycle costs supported a higher initial capital cost.*

Proposed Legislation Section 1 (page 1)

No departmental comment as a result of this section.

Proposed Legislation Section 2 (page 1)

No departmental comment as a result of this section.

Proposed Legislation Section 3 (page 2)

No departmental comment as a result of this section.

Proposed Legislation Section 4 (page 2)

As a result of a lengthy discussion with the project manager ¹ for the new middle school being constructed in Juneau, several new elements of information were presented. This information has been utilized to formulate a number of the preceding assumptions and in brief consists of the following.

- Bare bones cost for new middle school is \$15.1 MM, or \$166.30 / square foot or \$21,570 / student.
- Programmed (desired) square footage / student at a middle school is 150, actually being provide is 128.

¹ Comments were provided By Ms. Cathy Fritz, CBJ Architect and project manager for the \$15.1 million middle school (currently under construction) and a future \$40 million high school facility.

- Ratio of design costs to actual construction costs express as a percentage 7.3%
- Junior high and high school construction costs are \$44,444 / student or approximately 2.06 times the cost of elementary and middle school costs.
- Significant program differences exist between special ed., elementary, middle, jr. high and high school programs that it would necessitate the design of prototypes in each of these areas.

Combining this input together with the assumptions presented earlier would yield design costs for the 36 *prototype* schools as follows:

FOR EACH REGION

Elementary Schools (1): 600 students = 90,000 sq. ft. yields construction costs of	\$15.0MM
Elementary Schools (1): 100 students = 15,000 sq. ft. yields construction costs of	\$ 3.0MM
Middle Schools (1): 600 students = 90,000 sq. ft. yields construction costs of	\$15.0MM
Middle Schools (1): 100 students = 15,000 sq. ft. yields construction costs of	\$ 3.0MM
Jr. High Schools (1): 600 students = 2.06 times middle school const. costs, or	\$30.9MM
Jr. High Schools (1): 100 students = 2.06 times middle school const. costs, or	\$ 6.2MM
High Schools (1): 600 students = 2.06 times middle school const. costs, or	\$30.9MM
High Schools (1): 100 students = 2.06 times middle school const. costs, or	\$ 6.2MM
Special Ed Schools (1): 50 students = 10,000 sq. ft. yields construction costs of	<u>\$ 1.7MM</u>
Total anticipated <i>prototype</i> construction cost per region yields	\$111.9MM

When this is applied to the four regions described within Section 4 of the bill a total construction costs can be computed \$111.9 (4) yields \$447.6MM

And applying the Design/Construction Cost ratio of 7.3% to this total construction cost number yields the anticipate consultant costs \$32.67MM

Proposed Legislation Section 5 (page 2)

Regardless of whether or not DOT&PF personnel are used there will be a cost associated with the grant review process. The review process will require approximately two man months at three quarter time (approximately 275 man hours) of effort in each of the following professional areas:

Personal Services/Contractual where:

- "one person licensed under AS 08.48 as an engineer",
- "one person licensed under AS 08.48 as an architect",
- "one person shall have five years of experience in facilities management",

Costs associated with this phase include:

An Engineer at \$80/hour times 275 hours yields	\$22,000
An Engineer at \$75/hour times 275 hours yields	\$20,625
A Facility manager at \$60/hour times 275 hours yields	<u>\$16,500</u>
Total anticipated personal service costs are ²	\$59,125

² Caliber of individuals depicted under this section of the analysis are commensurate with a range 22 position for the registered Architect and Engineer and a range 20 position for the Facility Manager.

Travel Expense for the three evaluators where:

• three trips are required for each evaluator to attend meetings directly associated with the ranking process	\$4,500
• a travel allowance to review and assess specific school facilities and to compare them against the individual school district/REAA grant request. Lump Sum	\$7,000
Associated per diem allowance (45 days/person @ \$100/day)	<u>\$13,500</u>
Total anticipated travel costs are	\$25,000

Total anticipated costs as associated with section 5 requirements \$82,125

Comparable costs to utilize DOT&PF personnel in lieu of outside consultants would total approximately \$42,000; however, availability of personnel is uncertain.

FISCAL NOTE

Revision Date: 4/13/93
 Title: An Act Relating to grants for school construction, and providing for an effective date
 Sponsor: Senate Finance Committee
 Requestor:

Department Affected: DOT&PF
 BRU: Eng. & Op. Stds.
 Component: Design & Const. Stds.
 Component Serial Number: 547

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES		0	0	0	0	0
TRAVEL	25.0	25.9	26.8	27.7	28.7	29.7
CONTRACTUAL	59.1	61.1	63.2	65.3	67.6	69.9
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:	84.1	87.0	90.0	93.0	96.3	99.6

CAPITAL	1,641.0	0	0	0	0	0
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REVENUE FUND SOURCE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

1002 FEDERAL RECEIPTS	0	0	0	0	0	0
1003 GF MATCH	0	0	0	0	0	0
1004 GF	1,725.1	87.0	90.0	93.0	96.3	99.6
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 FUNDING:	1,725.1	87.0	90.0	93.0	96.3	99.6

POSITIONS

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

Estimate of current year (FY93) impact: None

ANALYSIS: (Attach a separate page if necessary)

** See page two (Fiscal Note Summary) for comments pertaining to staffing requirements. Monetary amounts shown for FY 95 and beyond have been inflated by 3.5% annually.

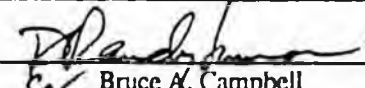
See attached summary and three page analysis for details and assumptions.

Prepared by: Roger W. Allington, Director

Phone: 465-2951

Division: Engineering and Operations Standards

Date: April 15, 1993

Approved by Commissioner: 

Phone: 465-3900

Agency: Department of Transportation and Public Facilities

Date: April 15, 1993

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ANALYSIS (cont. from page 1):

Fiscal Note Analysis for SB 181 CS

Fiscal Note Summary:

The proposed legislation is anticipated to have the following impacts.

Section 4 Impacts - FY 94 and 95 (Capital funds for design criteria, specs and prototypes)

Expenditures: Personal services, contractual and travel costs total \$32.7MM.

Personnel: Depending on the extent of specifications required and the magnitude of funding provided, additional CJP positions may be needed.

Section 5 Impacts - FY 94 and beyond (Operating funds for grant review committee activities inflated annually by 3.5%.)

Expenditures: Personal services, contractual and travel costs of \$84,125.

Personnel: No additional personnel are anticipated for these projects.

Program Description:

The proposed bill would require the Department of Transportation and Public Facilities (DOT&PF) to consult with the Department of Education (DOE) in the development of standard regional school "specifications" (per Sec. 4 of the proposed legislation). Additionally, it is anticipated that the department would be extensively involved in the grant review process (per Sec. 5 of the proposed legislation).

Background Information Relating to the Proposed Legislation:

Definition of the fundamental school construction (program) needs, appropriate design standards and concerns (criteria), and the minimum acceptable construction specifications have long been a desire of many different entities within the State of Alaska. It is believed that -- when created -- these documents could be used to formulate a basis on which school construction grants would be funded.

Program Implementation and Resulting Fiscal Impacts:

Despite the fact that the bill contains an effective date, the program would likely "come on line" in somewhat of a staged process. Because sections 3 and 4 are fundamental to the other sections, the requirements of these sections will have to be met before the full effect of the legislation will be apparent. Section 4 especially, will require an extensive amount of time and effort (by both DOT&PF and the Department of Education) to complete the mandated design criteria and construction specifications. As both elements are intertwined, it should be expected that they will be developed as a package as opposed to piecemeal elements. At a minimum one year to eighteen months should be allocated in the preparation of this component of the legislation. The costs of the developmental aspects associated with this "staged process" appear in the earlier portion (FY 94) of the fiscal note. Additionally, the anticipated monetary and manpower impacts of section 5, dealing with the "grant review committee", are included in the FY94 and are carried into FY 95 and beyond.

Analysis and Assumptions:

The following detailed analysis, covering the five sections of the bill and focusing on the department's specific areas of program involvement, was developed around the following assumptions.

- *Due to a lack of detail and the overall uncertainty of what is expected, the assumptions and resulting cost calculations are assumed to represent a "worse case" scenario.*
- *Given the language within line 12 on page 1 of the proposed legislation, it is assumed that the terminology "specification" which appears on page 2 lines 12, 13, and 17 is actually meant to include design criteria, construction specifications and cost estimates.*
- *It is assumed that due to program differences (five in total), differences in school size - between communities in a given region (large districts VS. small) and the climatic conditions present in each of the four defined regions, that up to 36 prototype schools may have to be specified.*
- *Schools of less than 100 students are considered "small" schools for the purpose of this analysis.*
- *Costs shown in this report reflect a facility based prototype design cost approach. While not done at this time, some consideration towards a component/matrix design approach or perhaps a review of existing (or proposed) designs should be considered. This would allow for communities to build to a higher level of quality provided that the life cycle costs supported a higher initial capital cost.*

Proposed Legislation Section 1 (page 1)

No departmental comment as a result of this section.

Proposed Legislation Section 2 (page 1)

No departmental comment as a result of this section.

Proposed Legislation Section 3 (page 2)

No departmental comment as a result of this section.

Proposed Legislation Section 4 (page 2)

It is anticipated that "basic" design criteria, construction specifications and associated cost estimates would be developed for each of the following scenarios. This set of basic parameters would then be expanded to include factors for climate, structural loading issues, seismic constraints and foundation considerations.

Types of facilities under consideration:

Elementary Schools (I): 600 students = 90,000 sq. ft. yields construction costs of \$15.0MM

Elementary Schools (I): 100 students = 15,000 sq. ft. yields construction costs of \$ 3.0MM

Middle Schools (I): 600 students = 90,000 sq. ft. yields construction costs of \$15.0MM

Middle Schools (I): 100 students = 15,000 sq. ft. yields construction costs of \$ 3.0MM

Jr. High Schools (I): 600 students = 2.06 times middle school const. costs, or \$30.9MM

Jr. High Schools (I): 100 students = 2.06 times middle school const. costs, or \$ 6.2MM

High Schools (I): 600 students = 2.06 times middle school const. costs, or \$30.9MM

High Schools (1): 100 students = 2.06 times middle school const. costs, or \$ 6.2MM
 Special Ed Schools (1): 50 students = 10,000 sq. ft. yields construction costs of \$ 1.7MM

At a minimum an architect, a structural engineer, a mechanical engineer and an electrical engineer would be heavily involved in the process. From time to time a cost estimator would be called in for assistance. It is anticipated that the process would also involve a good deal of effort on the parts of a DOT&PF project manager and a DOE programming person. It is estimated tak approximately 1.5 years to complete the task.

Hence the following costs:

Manpower costs (for 1.5 years of professional service efforts):	
Architect = 3000 hours @ \$85/ hour yields	\$255,000
Structural Engineer = 3000 hours @ \$100/ hour yields	\$300,000
Mechanical Engineer = 3000 hours @ \$90/ hour yields	\$270,000
Electrical Engineer = 3000 hours @ \$90/ hour yields	\$270,000
Cost Estimator = 300 hours @ 100/ hour yields	\$ 30,000
Allowance for support staff: (for architects and engineers):	
Secretary and technical support staff 6000 hours @ \$35/ hour yields	\$210,000
Allowance for professional staff travel: (for architects and engineers):	
A lump Sum allowance of	<u>\$ 30,000</u>
Subtotal of costs associated with professional services activities	\$1,365,000
Manpower costs (for 1.5 years of DOT&PF Design Manager efforts):	
Range 22 C position = 3000 @ \$42/ loaded hourly rate yields	\$126,000
Allowance for travel, procurement expenses and support services	
Allowance is based upon 5% of project costs, yields	<u>\$150,000</u>
GRAND TOTAL OF COSTS (EXCLUDING DOE MANPOWER COSTS)	\$1,641,000

Proposed Legislation Section 5 (page 2)

Regardless of whether or not DOT&PF personnel are used there will be a cost associated with the grant review process. The review process will require approximately two man months at three quarter time (approximately 275 man hours) of effort in each of the following professional areas:

Personal Services/Contractual where:

- "one person licensed under AS 08.48 as an engineer",
- "one person licensed under AS 08.48 as an architect",
- "one person shall have five years of experience in facilities management",

Costs associated with this phase include:

An Engineer at \$80/hour times 275 hours yields	\$22,000
An Engineer at \$75/hour times 275 hours yields	\$20,625
A Facility manager at \$60/hour times 275 hours yields	<u>\$16,500</u>
Total anticipated personal service costs are ¹	\$59,125

¹ Caliber of individuals depicted under this section of the analysis are commensurate with a range 22 position for the registered Architect and Engineer and a range 20 position for the Facility Manager. Comparable costs to utilize DOT&PF personnel in lieu of outside consultants would total approximately \$42,000; however, availability of personnel is uncertain.

Travel Expense for the three evaluators where:

- three trips are required for each evaluator to attend meetings directly associated with the ranking process \$4,500
 - a travel allowance to review and assess specific school facilities and to compare them against the individual school district/REAA grant request. Lump Sum \$7,000
- Associated per diem allowance (45 days/person @ \$100/day) \$13,500
- Total anticipated travel costs are \$25,000

Total anticipated costs as associated with section 5 requirements \$82,125

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO. CSSB 181 (HES)

Revision Date: _____ Dept. Affected: EDUCATION
 Title: An Act relating to grants for school construction: BRU: Executive Administration
and providing for an effective date. Component: CIP Overhead and Associated Costs

Sponsor: Senate Finance Committee
 Requestor: Senate Finance Committee COMPONENT SERIAL NO. 156

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES						
TRAVEL	6.0	6.0	6.0	6.0	6.0	6.0
CONTRACTUAL	50.0	50.0	50.0	50.0	50.0	50.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	56.0	56.0	56.0	56.0	56.0	56.0

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

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

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	56.0	56.0	56.0	56.0	56.0	56.0
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other: 1061 CIP Receipts						
TOTAL	56.0	56.0	56.0	56.0	56.0	56.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

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

ANALYSIS: (Attach a separate page if necessary)

(SEE ATTACHED)

Prepared by: Gary M. Bader Phone: 465-2875
 Division: Administrative Services Date: 4-15-93

Approved by Commissioner: Shula Pitterson for Mike Walker Date: 4/16/93
 Agency: Department of Education

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information call the Governor's Legislative Office

FISCAL NOTE CSSB 181 (HES)

"An Act relating to grants for school construction: and providing for an effective date."

This bill would establish a grant review committee for school construction grants. This committee shall consist of the commissioner or appointed designee and five other people selected by the commissioner who have the following qualifications:

1. one person licensed under AS 08.48 as an engineer
2. one person with a teaching certificate issued by the Department of Education
3. one person licensed as a construction contractor under AS 08.18
4. one person licensed under AS 48.48 as an architect
5. one person with five years of experience in facilities management

Members of the committee are to serve without compensation with the exception of the reimbursement of all related per diem and travel expenses.

The duty of this committee is to review grant applications. The applicants will be evaluated by such factors as emergency requirements; priorities assigned by the districts; new local elementary and secondary programs; existing regional, community and school facilities and their present condition; and alternate education program options.

It is assumed that DOT/PF will provide a standard regional design specification for the construction of schools for the arctic, interior, western, and southeastern region of the state. For each school construction project for which a grant is requested under AS 14.11.011, the department shall determine which standard regional school design specification is applicable.

Travel:

Teacher member of evaluation committee:

3 trips x \$500.00	\$1.5
45 days of per diem at \$100 per day	<u>\$4.5</u>
Total Travel	\$6.0

Contractual:

Contract with a school facilities expert to develop educational specifications and assist the department in conferring with DOT/PF in the development of standard regional design specifications.

Total	\$50.0
-------	--------

**SPONSOR STATEMENT
FOR
SENATE BILL NO. 181**

The continued development and maintenance of Alaska's educational infrastructure has become an increasingly important issue in Alaska. Several approaches have been suggested to resolve our current problems in constructing and maintaining Alaska's schools, but all of these approaches sacrifice a long term solution in favor of short term spending plans. Senate Bill 181 is part of a three-bill package which proposes a long term solution to constructing and maintaining Alaska's educational infrastructure.

As serious consideration was being given this year to the list of school construction, maintenance, and repair projects assembled by the Department of Education (DOE), several problems with the way this list is assembled became apparent. Priorities were established in the DOE regulations which were not intended in the enabling legislation (HB37). Review of projects were completed by individuals with little or no background in school construction and maintenance. Also there was a great deal of variance in both scope and cost between projects which were intended to solve the same educational infrastructure problem for a similar number of students. This bill attempts to solve several of these observed problems.

Senate Bill 181 requires the Department of Education, in cooperation with the Department of Transportation, to establish standard school designs for the four climatic regions of Alaska. These school designs would be structured so that they could be expanded incrementally to accommodate additional students. A grant review committee is established which will be responsible for selecting the school construction and maintenance projects. This committee will include the Commissioner of DOE, an engineer, a construction contractor, an architect, a facility manager, and a certified educator. Past criteria used to prioritize schools on the DOE list are replaced so that urban and rural school priorities are placed on an even plane.

There are two companion bills to SB 181. Senate Joint Resolution No. 30 proposes the establishment of a constitutional school construction and maintenance fund. Senate Bill No. 180 reestablishes reimbursement of school construction debt for a limited period of time with specific borrowing caps established for Alaskan communities.



Department of Transportation
and Public Facilities

POSITION PAPER

BILL NO: SB 181

APPROVED: B.A. Campbell
oe

TITLE: School Construction Grants

DATE: 04/08/93

This bill could develop into a reasonable and appropriate response to the need for adequately funding and controlling the costs of school construction within the State of Alaska. Costs associated with school construction -- under the proposed legislation -- are significant, and it is impossible for DOT&PF to take a "Pro" or "Con" position without further direction and information from the sponsoring legislators and the Department of Education. As such the department's associated Fiscal Note is based almost exclusively upon assumptions, some of which may be incorrect. For these reasons, and recognizing the significant impact associated to the department, I would like to reserve the opportunity to provide additional input on this bill as its development progresses.

2. **SB181. Relating to Grants for School**

Construction This legislation amends the "current" school construction program as follows:

Section 1: A "Review Committee" will establish priorities for school construction; DOE will recommend grants based on Committee's priorities.

Section 2: Adds language to restrict grants to only those that meet specific design criteria applicable to the project.

Section 3: Adds legal reference to review committee duties in Sec. 5.

Section 4: Adds new subsection

- DOE to consult with DOT/PF to develop 4 standard regional design specs; arctic, interior, western, and southeastern.
- DOE to determine which design is applicable to projects.

Section 5: Adds new subsection establishing a "Grant Review Committee" with the following duties:

- Consists of the Commissioner of DOE and 5 other members; engineer, certified teacher, construction contractor, architect, and facilities manager with at least five years experience.
- Committee to review priorities with consideration of factors.

Section 6: July 1, 1993 effective date clause.

SB

183

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred: May 10, 1993

FURTHER REFERRALS:

Date of Committee Action: 5/10/93

The FINANCE Committee considered:

CSSB 183(FIN) am(reengrossed)

CS FOR SB NO. 183(FIN) am(reengrossed) APPRO: EXXON VALDEZ RESTORATION PROJECTS

"An Act making special appropriations for restoration projects relating to the Exxon Valdez oil spill and for oil spill response projects; making appropriations for capital project matching grant funds; making appropriations
TITLE CONTINUED ON PAGE 2

RECOMMENDATIONS:

be replaced with HCS CS SB 183(LAW) 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) _____

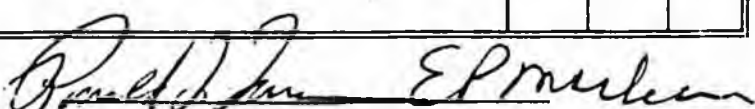
fiscal impact _____

fiscal note(s) _____

zero fiscal note _____

zero fiscal note(s) _____

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<u>Eileen P. Hughes</u> ^{Maclean}	X	<u>Gene Hennault</u> ^{Therman}			X
<u>Richard J. Larson</u> ^{Larson}	X	<u>Mike Spence</u> ^{McQuarrie}		X	X
<u>Mark Hanley</u> ^{Hanley}	X				
<u>Paul Parnell</u> ^{Parnell}	X				
<u>Larry Martin</u> ^{Martin}	X				
<u>Jeff Hoffman</u> ^{Hoffman}	X				


 CHAIRMAN'S SIGNATURE
Larson Maclean

SB

183

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 4/15/93

FURTHER:

DATE TURNED INTO OFFICE: 4-28-93

The Finance Committee considered SENATE BILL NO. 183

"An Act making special appropriations for restoration projects relating to the Exxon Valdez oil spill and for oil spill response projects; and providing for an effective date."

and recommends:

- replace with _____ CS SB 183 (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.

Twin Kelly-DoPan

Alan Kucin

Bert May

OTHER RECOMMENDATIONS:

Yutaka No Pass

1. *DO PASS*
Co-Chair Signature/Recommendation

2. *Lawrence - votes*
Co-Chair Signature/Recommendation

4-14-93
4-28-93
OF MOUND
Adopted

AMENDMENT

OFFERED IN THE SENATE

BY SENATOR FRANK

TO: SB 183

Page 4, line 23, following "into":

Insert:

"competitively awarded"

Page 4, line 23, following "contracts":

Delete:

"with private entities under AS 46.03.020"

**SENATE FINANCE
COMMITTEE**

Amendment Number: ①
Bill Number: SB 183
Sponsor: FRANK Date: 4/16/93
Logged In By: fm

SENATE AMENDMENT

4-28-93
TK
Mond
Adopted

BY: _____

TO: _____ SENATE BILL NO. 183

TO: _____ HOUSE BILL NO. _____

*Pg. 2, Line 19. After the word "spills,"
replace the remainder of the paragraph with
the following.*

The appropriation made by this section may be used for planning, design, engineering and construction of the facility. Until, however, the grantee has provided to the Alaska Industrial Development & Export Authority a financial plan and a feasibility study demonstrating the financial viability of the proposed center and the Alaska Industrial Development & Export Authority has approved the project plan and has found the center to be financially viable, no money from this appropriation may be expended. In addition, no money from this appropriation may be expended for any phase of construction until all financing necessary to complete construction of the entire stand-alone facility has been obtained. Not more than \$4 million may be expended from this appropriation for design of the center.

SENATE FINANCE
COMMITTEE

Amendment Number REVISED #2
Bill Number: 183
Sponsor: _____ Date: 4/20/93
Logged In By: Tom

(TURN IN ORIGINAL AMENDMENT TO SENATE SECRETARY'S OFFICE.
THE AMENDMENT WILL BE NUMBERED, COPIED AND DISTRIBUTED.)

4-28-93
SR moved
Adopted

Amendment ~~#2~~ #3

SB 183

"Work Performance Requirements"

Page 5, line 12:

Delete "substantial, ongoing"

SENATE FINANCE
COMMITTEE (3)
Amendment Number: _____
Bill Number: SB183
Sponsor: _____ Date: 4/16/93
Logged In By: AW

4-28-93
SR moved
Adopted

Amendment #4 ~~45~~

SB 183

"Kachemak Bay State Park visitors center and related facilities"

Page 3, line 2:

Following "Kachemak Bay State Park visitors center":

Insert "and related facilities"

SENATE FINANCE
COMMITTEE (5)
Amendment Number: _____
Bill Number: SB 183
Sponsor: _____ Date: 4/14/93
Logged In By: Bm

4-28-93
TK
Moved
Adopted

Amendment #6

SB 183

"Kenai River Watershed Project"

Page 3, line 28:

Following "to the Department of Fish and Game for":

Insert "habitat"

SENATE FINANCE
COMMITTEE
Amendment Number: 6
Bill Number: SB 183
Sponsor: _____ Date: 4/19/93
Logged In By: Bm

Requested by
Commissioner Rusler
New to files

AMENDMENT

7
4-28-93
SR moved
DP Object
for
explana.
Adopted

TO: SB 183
BY: Sen. Rieger

Page 3, line 6:

Delete "through" and replace with "including"

Page 3, line 8:

After the word "appropriate" and "and a salmon production capacity model for upper Cook Inlet drainages."

SENATE FINANCE
COMMITTEE
Amendment Number: ⑦
Bill Number: SB 183
Sponsor: RIEGER Date: 4/24
Logged In By: RR

Alaska State Senate



SENATOR STEVE RIEGER
District 1

Senate Finance Committee
Chair, Senate Health, Education
and Social Services Committee
Vice Chair, Senate Rules Committee
Vice Chair, Senate Labor and
Commerce Committee

State Capitol
Room 516
Juneau, Alaska 99801
(907) 465-3879

MEMORANDUM

*Druey —
have this
ready as an
amend —*

TO: Senator Drue Pearce, Chair
Senate Committee on Finance

FROM: Senator Steve Rieger *SR*

DATE: April 23, 1993

RE: Senate Bill 183, An Act making special appropriations for
restoration projects relating to the Exxon Valdez oil spill and for
oil spill response projects

I would appreciate your assistance in considering an amendment to Senate Bill 183, An Act making special appropriations for restoration projects relating to the Exxon Valdez oil spill and for oil spill response projects; and providing for an effective date.

On page 3, line 6, delete the word 'through' and replace it with the word including.

On page 3, line 8, after the word 'appropriate,' add and a salmon production capacity model for upper Cook Inlet drainages.

Attached is back-up for this amendment. If you have any questions, please give me a call at 465-3879.

SENATE FINANCE COMMITTEE

Amendment Number: _____
Bill Number: _____
Sponsor: _____ Date: _____
Logged In By: _____

March 31, 1993

NORTHERN COOK INLET DRAINAGE
FISH AND GAME STUDIES

CAPITAL REQUEST FROM THE NORTHERN DISTRICT SET NETTERS
ASSOCIATION OF COOK INLET

\$150,000 request

No monies available in Fish and Game for this project in Capital Budget. Bob
Poe suggests you try for Exxon Valdez oil spill settlement funding.

Perhaps the following sources would lead you to funding for operating:

Department of Fish and Game FY94 Operating Budget

*"Wildlife Conservation Special Projects" \$2,250.0
(Note: Specific projects not known at this time.)

*"FRED Special Projects" \$3,688.2

*You requested F&G studies funding...do these two sources ring a bell with
you?*

NORTHERN DISTRICT SET NETTERS ASSOCIATION OF COOK INLET

P.O. BOX 101480 ★ ANCHORAGE, ALASKA 99510-1480

Est. 1954

CAPITAL BUDGET REQUEST FOR SUSITNA RIVER STUDIES



REQUEST

\$150,000 is requested in each of the next five years to develop a production capacity model for sockeye salmon.

RATIONALE

Upper Cook Inlet stocks are under some of the most intensive pressure in Alaska. Optimum management of these stocks is extremely difficult because of the complex interaction of the fisheries which harvest salmon bound for the many river systems there. Of these systems the Susitna River is the major salmon producing system in Upper Cook Inlet. The fishery resources of the river, including the important sockeye fishery, play an important role in the economies of the Mat/Su and Kenai Boroughs and the Municipality of Anchorage.

Unfortunately, the Susitna River has failed to meet its sockeye escapement goals for seven of the past ten years. Two important elements in resolving this situation are obtaining more detailed information about the production capacity of the Susitna River and obtaining a stock identification data base which allows fishery managers to identify when and where sockeye salmon are being harvested in Upper Cook Inlet. This budget request is asking for the **Production Capacity Model** portion of this equation. Exxon Valdez oils spill settlement money has been designated for the **Stock Identification** portion.

PRODUCTION CAPACITY MODEL--Sockeye salmon spawn in lakes in the Susitna drainage. Little is known of the capability of the systems to generate salmon, how many lakes produce fish, and how many salmon are being produced by the lakes. Of the 27 known salmon producing lakes, 12-15 are the major producers. The requested appropriation would fund a study focusing on those lakes over a five year period. In particular the project would identify potential weir sites beginning July 1, with site evaluation and permit applications filed in the fall. The data gathered over five years would enable fishery managers to determine whether the current Biological Escapement Goal is a proper one, whether there are lakes in the Susitna drainage which should produce more fish than they currently produce, and to adjust management strategies to get more fish into the salmon producing systems.

STOCK IDENTIFICATION--One unfortunate pattern that has developed in the management of the Upper Cook Inlet sockeye fishery is that the fishery managers are unable to determine the number of Susitna-bound sockeye salmon being harvested by