


**ALASKA LEGISLATURE**

**1208**

**HOUSE and SENATE FINANCE COMMITTEE FILES, 1993-1994**

Please feel free to call me if you have questions or need further information.

Sincerely,

A handwritten signature in cursive script that reads "Nancy J. Slagle".

Nancy J. Slagle  
Director

cc: Nancy Bear Usera, Commissioner  
Department of Administration

# MEMORANDUM

## STATE OF ALASKA Department of Administration Office of the Commissioner

To: Shelby Stasny  
Director  
Office of Management and Budget  
Office of the Governor

Date: March 22, 1994

From: Nancy Bear Usara  
Commissioner  
Department of Administration

Re: Monetary Terms of Confidential  
Unit Agreement

The State of Alaska has concluded negotiations with the Confidential Employees Association (CEA) representing the Confidential Unit and the union membership has ratified the agreement. The following monetary terms are provided so that budget amendment requests may be made to the legislature. I am also providing the legislature with the monetary terms as required by AS 23.40.215(b).

### Monetary Terms

Monetary terms of an agreement are defined in AS 23.40.250(4) as changes that will require an appropriation for their implementation, changes that will result in a change in state revenues, or changes that will result in a change in productive work hours for state employees.

#### I. Require Appropriation.

- A. Effective July 1, 1994, the State will pay the full cost of health insurance contributions for full-time employees. This change will require an increase of \$4.70 in the monthly contribution rate for each eligible employee.
- B. Effective July 1, 1995, the wage and salary rates for all employees will be increased by 2.5%. This is the only increase in the pay rates for the life of this agreement which expires on June 30, 1996. The last time employees in this bargaining unit received an increase in pay rates was January 1, 1992.

#### II. State Revenue.

There are no provisions in the agreement that would change state revenues.

#### III. Productive Work Hours

There are no provisions in the agreement that would change productive work hours.

Shelby Stastny  
March 22, 1994  
Page Two

### **Other Terms**

There are other terms of the collective bargaining agreement which will not require an appropriation but may have a budgetary impact.

- Overtime provisions have been modified to match the requirements of the Fair Labor Standards Act. This change is expected to result in an overall savings.
- Family leave provisions have been added to conform with the Alaska Family Leave Act (AS 23.10.500 - 23.10.550) and the federal Family Medical Leave Act.

### **Conclusion**

Funding for certain monetary terms will be required. Please prepare and forward to the legislature the necessary documents. Please feel free to call on the staff of the Labor Relations Section for any assistance desired.

STATE OF ALASKA BARGAINING UNITS

ALASKA VOCATIONAL TECHNICAL CENTER TEACHERS (AVTEC)

Description: Exempt, non supervisory, teachers in the Department of Education, employed by the Alaska Vocational Technical Center.

Size: 36 employees, as of December 31, 1993

Exclusive Representation: Alaska Vocational Technical Teachers Association (AVTECA)  
President - Ben Ikerd

Affiliation: National Education Association - Alaska (NEA). NEA has an advisory role.

Established: By mutual recognition of AVTECA under AS 23.40 (PERA) on September 19, 1991.

First Agreement Effective: Under PERA, July 1, 1993.

Prior Agreement Expired: June 30, 1992 (negotiated with Board of Education, DOE)

Average Monthly Salary (as of December 31, 1993): \$4,068.54

Average Yearly Salary (as of December 31, 1993): \$48,822.48

Note: Employees normally work 10 1/2 months in each calendar year.

Total Overtime for BU (for year ended December 31, 1993): \$2,878.91

Average Monthly Employer Benefits (as of December 31, 1993): \$987.64

Average Yearly Employer Benefits (as of December 31, 1993): \$11,851.68

Average Years of Service (as of December 31, 1993): 8.73

Notes: Size: Number of employees is based on permanent, probationary and provisional full time employees as of 12/31/93.

Ave. Mo. Salary Source: Ave. Semi-monthly pay for last pay run of the Quarter. 1/31/93. Includes only Permanent, Probationary, and provisional full time employees. Salary includes Regular compensation, Leave, Differential, Standby, Hazard and Leadman Pay. Overtime is not included in the monthly or yearly averages.

Ave. Employer Benefits Source: Payroll calculation sheet/ effective 1/1/94. Includes only Health Ins, Retirement, and SBS. Workers' Comp, leave cash-in, Medicare and Unemployment insurance are excluded.

Yearly OT by BU Source: RH092592 Calendar YTD Pay types by BU as of 12/31/93. Includes total overtime pay for the calendar year for the entire bargaining unit without regard to employee status.

**- AVTEC AGREEMENT -**

AVTECTA AGREEMENT  
JULY 1993-JUNE 1996

Management Goals:

- \* Increase management flexibility to respond effectively to the changing economic conditions of the State while maximizing the quality of government services to the public.
  1. Management Rights - Added management rights clause to contract.
  2. Layoff - Clarified layoff procedure specific to facility.
  3. Sabbaticals - Added, at employer discretion, after seven years continuous service.
  
- \* Improve productivity, accountability, consistency, and efficiency of State government operations.
  1. Leave - FY95 annual leave cashed out and eliminated.
  2. Dispute Resolution - Added complaint procedure for disputes other than interpretation of contract.
  
- \* Realign the cost of personal services, moderating the State's relative position as a provider of wages and benefits so as to reflect the current and foreseeable economic environment.
  1. Education based Wage Rates - FY95 additional credits must be job-related.
  2. Wages - FY94 and FY95 no COLA. FY95 schedule changes result in some increases. FY96 COLA up to 2%. Eliminated automatic 3% longevity increments.
  3. Health Insurance - FY94-95 on employer sponsored plan. FY96 may convert to trust at \$450.

LICENSED ALASKA MARINE HIGHWAY ENGINE ROOM EMPLOYEES (MEBA)

Description: Exempt, licensed engineers responsible for mechanical and electrical functions on ferries, supervise unlicensed engine room personnel.

Size: 75 employees, as of February 15, 1994.

Exclusive Representation: District No. 1 – Pacific Coast District, MEBA.  
Business Agent: Mark Austin - Seattle

Affiliation: AFL-CIO

Established: 1962.

First Agreement Effective: November 30, 1962.

Prior Agreement Expired: March 31, 1993.

Average Monthly Salary (as of 6/30/93): \$6,071.33

Average Yearly Salary (as of 6/30/93): \$72,856

Total Overtime for BU (for year ended December 31, 1993): \$431,338.49

Average Monthly Employer Benefits (as of 6/30/93): \$2,152.83

Average Yearly Employer Benefits (as of 6/30/93): \$25,834

Average Years of Service (as of December 31, 1993): 15.92

Notes: Averages and employee counts provided by AMHS.

Size: Actual active employee count as of 2/15/94. Includes both full time and part time employees.

Avg. Salary: For FY-93. Total wages excluding employer benefits. Includes Overtime, uniform allowances, leave used, regular wages etc.

Avg. Employer Benefits: For FY-93. Includes all employer benefits (Work. Comp, SBS, Health Ins, Pension Plans, Unempl. Ins., Terminal Leave etc.)

— MEBA AGREEMENT —

MEBA  
1993-1996

Management Goals

Increase management flexibility to respond effectively to the changing economic conditions of the State while maximizing the quality of government services to the public.

1. Conditions Not Specifically Covered: Eliminated management's obligation to negotiate on permissive subjects of bargaining.
2. Free Passage: Negotiated a provision that allows management to charge AMHS employees traveling on annual passes for transporting oversized vehicles.

Improve productivity, accountability, consistency, and efficiency of State government operations.

1. Port Engineers Supplement: Reduced paid holidays from 12 to 11, eliminated penalty pay for early call back from vacation status, and limited overtime to preapproved hours only.
2. Discipline: Negotiated fir . discharge language for employees violating the Employer's drug testing policy.
3. Maintenance & Cure: Negotiated a maintenance rate of \$45.00 per day.
4. Personal Leave: Negotiated leave reopener in the fall of 1994.

Realign the cost of personal services, moderating the State's relative position as a provider of wages and benefits so as to reflect the current and foreseeable economic environment.

1. Health Insurance: Negotiated bargaining unit inclusion in the Employer provided plan or a Union provided trust. Health Insurance reopener in the fall of 1994.
2. Wages: 2.9 % Cost of Living adjustment effective 9/1/94 (based on Anchorage CPI). Wage reopener in the fall of 1994 with wage rates effective 9/1/95.
3. Southwest Supplements: Reduced compensation costs for Southwest System employees while assigned to the shipyard.
4. Port Engineers Supplement: Reduced monthly wages and Cost of Living Differential payments.

SUMMARY OF CHANGES  
MEBA 1993 -1996 AGREEMENT

PROVISION	90 - 93 AGREEMENT	93 - 96 AGREEMENT	MARKET STANDARD
RULE 9 - Maintenance & Cure	Standard Worker's Comp provisions.	Jones Act Maintenance Rate: \$45.00 per day.	Washington State maintenance rate \$30.00 per day.
RULE 12 - Moving Expenses:	State obligated to pay employee's moving expenses at any point he or she relocates to Alaska.	State obligated to pay employee's moving expenses within one year of hire if he or she relocates to Alaska.	N/A
RULE 17 - Pay Plan	COLA increase 4/1/90 of 3.3%. COLA increase 4/1/91 of 5.51% and a COLA increase 4/1/92 of 3.6%.	COLA up to 5% effective 9/1/94. Wage reopener in the fall of 1994 with negotiated changes effective 9/1/95.	AMHS non-resident wages slightly higher than comparable wages in the Washington State and British Columbia Ferry Systems.
RULE 27 - Health Insurance	\$423.50 per month per employee.	Employer provided HI plan with option to go to a Union provided HI trust @ \$450.00 per month per employee	Washington State info not available, British Columbia participates in Canadian system.
RULE 30 - Standard Dress	\$300.00 per annum for each employee. \$400.00 per annum for those employees wearing dress uniforms.	\$400.00 per annum for each employee. \$600.00 per annum for those employees wearing dress uniforms.	Washington State and British Columbia Ferry Systems provide uniforms.
SOUTHWEST AGREEMENT - M/V TUSTEMENA	Employees remain on Southwest pay schedule (guarantee of 56 hrs per week) while the ship is in the yard.	Employees transfer to Southeast pay schedule (guarantee of 42 hours per week) while the ship is in the yard.	N/A
SOUTHWEST AGREEMENT -M/V BARTLETT	Employees remain on Southwest pay schedule (guarantee of 84 hrs per week) while the ship is in the yard.	Employees transfer to Southeast pay schedule (guarantee of 42 hours per week) while the ship is in the yard.	N/A

## Bargaining Unit Summary of Negotiations

Unit	Size	Expires	Status
1. Labor, Trades and Crafts (LTC)	1,600	12/31/94	FY 94 funding approved. Negotiations begin in October 1994 for successor. FY95: Additional \$24 per month for health insurance required.
2. Correspondence Teachers (ACSEA)	24	12/31/95	FY 94 funding approved. FY 95 Funding approval required for COLA
3. Confidential (K)	200	12/31/92	Tentative agreement reached for two year agreement. Awaiting ratification.
4. Masters, Mates & Pilots (MM&P)	61	03/31/94	Bargaining scheduled to begin in February 1994.
5. Mt. Edgecumbe Teachers	15	06/30/93	Contract expired. Bargaining ongoing.
6. Marine Engineers (MEBA)	75	10/31/96	New contract; monetary terms not yet approved by the legislature. Funding required FY 95 COLA
7. Supervisory (SU)	1,060	06/30/94	New contract effective 07/01/93. No changes in monetary terms. Tentative agreement reached for successor.
8. General Government (GGU)			
Class 1 (can not strike)	2,000	04/30/93	Contract expired. Bargaining in process.
Class 2 & 3 (can strike)	6,400	12/31/92	Contract expired. Bargaining in process.
9. Public Safety (PSEA)	430	12/31/91	Arbitrator's award received. Monetary terms submitted to the legislature. Terms retroactive to 01/01/92, expire 12/31/94.
10. Inlandboatmen (IBU)	625	03/31/93	Contract expired. Tentative agreement reached, rejected by membership. Bargaining resumed in February 1994.
11. Alaska Vocational Technical Center (AVTEC)	36	06/30/96	New contract; monetary terms not yet approved by the legislature.

Note: Negotiations generally commence 90-120 days prior to contract expiration and may extend beyond termination date. Interest arbitration is possible if impasse is reached with the GGU.

BARGAINING UNIT SUMMARY OF  
NEGOTIATIONS / SALARY & BENEFIT AVERAGES

02/24/94

## BARGAINING UNIT SUMMARY

February 23, 1994

	Size	Average Monthly Salary	Average Yearly Salary	Average Monthly Employer Benefits	Average Yearly Employer Benefits	Average Years of Service
GGU Class 1(GC)	729	3,705	44,460	891	10,696	7.25
Class 1(GY)	134	3,389	40,667	823	9,874	6.20
Class 2 & 3	6804	3,149	37,785	792	9,503	7.42
SU	1,011	4,814	57,762	1,006	12,074	13.01
LTC	1,381	3,526	42,317	956	11,471	9.18
CEA	149	2,912	34,943	761	9,136	7.29
PSEA AA	350	4,309	51,703	974	11,688	11.55
AP	79	4,254	51,051	967	11,599	10.53
IBU	600	2,817	33,814	1,134	13,610	8.90
MEBA	75	6,071	72,856	2,153	25,834	15.71
MM&P	68	5,925	71,110	1,903	22,833	14.97
AVTECA	36	4,069	48,822	988	11,852	8.73
TEAME	16	4,249	50,986	1,014	12,171	5.27
ACSEA	20	4,206	50,473	1,008	12,096	7.8

WALTER J. HICKEL  
GOVERNOR



P. O. Box 110001  
Juneau, Alaska 99811-0001  
(907) 465-3500

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

SB 289

February 9, 1994

*The Honorable Rick Halford  
President of the Senate  
Alaska State Legislature  
State Capitol  
Juneau, AK 99801-1182*

*Dear Mr. President:*

*Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill making appropriations to satisfy the monetary terms of collective bargaining agreements for certain public employees.*

*This bill, if enacted into law, would make a total appropriation of \$368,630 to satisfy the monetary terms of collective bargaining agreements with the Alaska Vocational Technical Center Teachers' Association and the Marine Engineers' Beneficial Association. The appropriations are necessary to satisfy agreed-upon obligations under those agreements.*

*I urge your prompt consideration and passage of the bill.*

*Sincerely,*

A handwritten signature in cursive script that reads "Walter J. Hickel".

Walter J. Hickel  
Governor

**SB**

**292**

**HFIN**

**FILE**



# FISCAL NOTE

No. 1

Bill Version: SB 292

(S) Publish Date: 4-5-94

STATE OF ALASKA  
1994 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_  
 Title: An Act relating to transfers of  
prisoners under the Interstate Compact  
 Sponsor: Sen. Frank  
 Requestor: Senate Judiciary

Dept. Affected: Corrections  
 BRU: All  
 Component: Office of Commissioner;  
Institutions; Admin. Svcs.  
 COMPONENT SERIAL NO. 694-1884

**Expenditures/Revenues**

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>CAPITAL EXPENDITURES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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<b>CHANGE IN REVENUES ( )</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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**FUND SOURCE**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004-GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimate of any current year (FY94) cost: \$ 0

**POSITIONS**

FULL-TIME						
PART-TIME						
TEMPORARY						

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

Please see the attached fiscal analysis.

Prepared by: Diane Schenker, Special Assistant  
 Division: Office of the Commissioner  
 Approved by Commissioner: J. Frank Prewitt, Jr.  
 Agency: Department of Corrections

Phone: 465-4643/786-2147  
 Date: 2/14/94  
 Date: 2/14/94

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Fiscal Analysis/DOC

SB 292

February 14, 1994

Page 2 of 2

The bill would modify language in the Interstate Corrections Compact, making the standard for determining the impact of an out-of-state transfer consistent with AS 33.30.061, i.e., that the transfer will not substantially impair the prisoner's rehabilitation. This could lessen the chances of successful inmate litigation protesting out-of-state placement.

By facilitating out-of-state transfer of prisoners, the bill provides a greater opportunity for the department to avoid increasing operating and capital expenditures for new prison beds in Alaska. Although there is a nationwide shortage of prison space, any prison space available outside Alaska is likely to cost less than building, operating, maintaining, and repairing prison space in Alaska.

According to The Corrections Yearbook (1993), Alaska's daily operating cost per bed in 1992 (\$100.76) was double the national average (\$50.22). Construction costs were almost twice as high as in other states.

# FISCAL NOTE

 No. 2

## STATE OF ALASKA 1994 LEGISLATIVE SESSION

BILL

 Bill Version: SB 292

 (S) Publish Date: 4-5-94

Revision Date: \_\_\_\_\_ Dept. Affected: Public Safety  
 Title: Interstate transfer of prisoners BRU: Alaska State Troopers  
 Component: Detachments  
 Sponsor: Senator Frank  
 Requestor: Senator Frank COMPONENT SERIAL NO. 799

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

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>CAPITAL EXPENDITURES</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>CHANGE IN REVENUES (</b> <small>Revenue Code</small>	-0-	-0-	-0-	-0-	-0-	-0-

**FUNDING: (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-

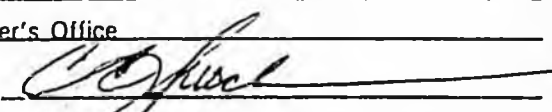
Estimate of current year (FY 94) impact: \$ \_\_\_\_\_

**POSITIONS:**

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

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

As currently written, the Department of Public Safety does not anticipate any fiscal impact.

Prepared By: Lee Ann Lucas Phone: 465-4322  
 Division: Commissioner's Office Date: 02/28/94  
 Approved by Commissioner:  Date: 02/28/94  
 Agency: Richard K. Burton, Dept. of Public Safety

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**SB**

**292**

**SFIN**

**FILE**

# SENATE FINANCE COMMITTEE REPORT

DATE: 4/5/94

FURTHER:

DATE TURNED INTO OFFICE: 4-13-94

The Finance Committee considered SENATE BILL NO. 292

"An Act relating to transfers of prisoners under the Interstate Corrections Compact."

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
DOC	2-14-94	<input checked="" type="checkbox"/>	
DPS	2-23-94	<input checked="" type="checkbox"/>	

Appropriation No Fiscal Note

**DO PASS:**

Steve Keri  
Tom Kelly  
Greg Stokro  
Bob Sharp

**OTHER RECOMMENDATIONS:**

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

1. Anna Do Pass  
 Co-Chair: Signature/Recommendation

2. Steve Keri - Do Pass  
 Co-Chair: Signature/Recommendation

# FISCAL NOTE

No. 1

Bill Version: SB 292

(S) Publish Date: 4-5-94

STATE OF ALASKA  
1994 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_  
Title: An Act relating to transfers of  
prisoners under the Interstate Compact  
Sponsor: Sen. Frank  
Requestor: Senate Judiciary

Dept. Affected: Corrections  
BRU: All  
Component: Office of Commissioner:  
Institutions; Admin. Svcs.  
COMPONENT SERIAL NO. 694-1884

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>CAPITAL EXPENDITURES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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<b>CHANGE IN REVENUES ( )</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004-GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimate of any current year (FY94) cost: \$ 0

**POSITIONS**

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Please see the attached fiscal analysis.

Prepared by: Diane Schenker, Special Assistant  
Division: Office of the Commissioner  
Approved by Commissioner: J. Frank Prewitt, Jr.  
Agency: Department of Corrections

Phone: 465-4643/786-2147  
Date: 2/14/94  
Date: 2/14/94

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# FISCAL NOTE

No. 2

**STATE OF ALASKA  
1994 LEGISLATIVE SESSION**

BILL 1

Bill Version: SB 292

(S) Publish Date: 4-5-94

Revision Date: \_\_\_\_\_ Dept. Affected: Public Safety  
 Title: Interstate transfer of prisoners BRU: Alaska State Troopers  
 Component: Detachments  
 Sponsor: Senator Frank  
 Requestor: Senator Frank COMPONENT SERIAL NO. 799

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

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>CAPITAL EXPENDITURES</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>CHANGE IN REVENUES ( )</b>	-0-	-0-	-0-	-0-	-0-	-0-
<small>Revenue Code</small>						

**FUNDING: (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-

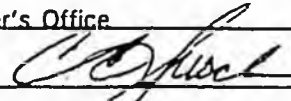
Estimate of current year (FY 94) impact: \$ \_\_\_\_\_

**POSITIONS:**

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

ANALYSIS: (Attach a separate page if necessary.)

As currently written, the Department of Public Safety does not anticipate any fiscal impact.

Prepared By: Lee Ann Lucas Phone: 465-4322  
 Division: Commissioner's Office Date: 02/28/94  
 Approved by Commissioner:  Date: 02/28/94  
 Agency: Richard V. Burton, Dept. of Public Safety

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# FISCAL NOTE

No. 1

Bill Version: SB 292

(S) Publish Date: 4-5-94

STATE OF ALASKA  
1994 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_ Dept. Affected: Corrections  
 Title: An Act relating to transfers of BRU: AT1  
prisoners under the Interstate Compact Component: Office of Commissioner  
 Sponsor: Sen. Frank Institutions; Admin. Svcs.  
 Requestor: Senate Judiciary COMPONENT SERIAL NO. 694-1884

Expenditures/Revenues	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0	0	0	0	0	0

CAPITAL EXPENDITURES	0	0	0	0	0	0
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CHANGE IN REVENUES ( )	0	0	0	0	0	0
------------------------	---	---	---	---	---	---

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004-GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	0	0	0	0	0	0

Estimate of any current year (FY94) cost: \$ 0

POSITIONS						
FULL-TIME						
PART-TIME						
TEMPORARY						

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

Please see the attached fiscal analysis.

Prepared by: Diane Schenker, Special Assistant Phone: 465-4643/786-2147  
 Division: Office of the Commissioner Date: 2/14/94  
 Approved by Commissioner: J. Frank Prewitt, Jr. Date: 2/14/94  
 Agency: Department of Corrections

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Fiscal Analysis/DOC  
SB 292  
February 14, 1994  
Page 2 of 2

The bill would modify language in the Interstate Corrections Compact, making the standard for determining the impact of an out-of-state transfer consistent with AS 33.30.061, i.e., that the transfer will not substantially impair the prisoner's rehabilitation. This could lessen the chances of successful inmate litigation protesting out-of-state placement.

By facilitating out-of-state transfer of prisoners, the bill provides a greater opportunity for the department to avoid increasing operating and capital expenditures for new prison beds in Alaska. Although there is a nationwide shortage of prison space, any prison space available outside Alaska is likely to cost less than building, operating, maintaining, and repairing prison space in Alaska.

According to The Corrections Yearbook (1993), Alaska's daily operating cost per bed in 1992 (\$100.76) was double the national average (\$50.22). Construction costs were almost twice as high as in other states.

# FISCAL NOTE

No. 2

**STATE OF ALASKA  
1994 LEGISLATIVE SESSION**

BILL 1

Bill Version: SB 292

(S) Publish Date: 4-5-94

Revision Date: \_\_\_\_\_ Dept. Affected: Public Safety  
 Title: Interstate transfer of prisoners BRU: Alaska State Troopers  
 Component: Detachments  
 Sponsor: Senator Frank  
 Requestor: Senator Frank COMPONENT SERIAL NO. 799

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

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>CAPITAL EXPENDITURES</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>CHANGE IN REVENUES ( )</b>	-0-	-0-	-0-	-0-	-0-	-0-
<small>Revenue Code</small>						

**FUNDING: (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-

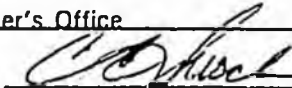
Estimate of current year (FY 94) impact: \$ \_\_\_\_\_

**POSITIONS:**

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

ANALYSIS: (Attach a separate page if necessary.)

As currently written, the Department of Public Safety does not anticipate any fiscal impact.

Prepared By: Lee Ann Lucas Phone: 465-4322  
 Division: Commissioner's Office Date: 02/28/94  
 Approved by Commissioner:  Date: 02/28/94  
 Agency: Richard L. Burton, Dept. of Public Safety

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# SENATE FINANCE COMMITTEE REPORT

DATE: 4/5/94

FURTHER:

DATE TURNED INTO OFFICE: 4-13-94

The Finance Committee considered SENATE BILL NO. 292

"An Act relating to transfers of prisoners under the Interstate Corrections Compact."

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
DOC	2-14-94	<del>0</del>	
D.P.S.	2-28-94	<del>0</del>	

Appropriation No Fiscal Note

**DO PASS:**

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

**OTHER RECOMMENDATIONS:**

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

1. Mark Do Pass  
 Co-Chair: Signature/Recommendation

2. Irvin Pearce - 10 Pass  
 Co-Chair: Signature/Recommendation

**SENATE COMMITTEE REPORT**  
FIRST COMMITTEE OF REFERRAL

DATE: 2/11/94

FURTHER: Finance

Date of 5-Day Notice: 3/24/94  
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 4/5/94

Judiciary Committee considered SB 292

"~~An Act~~ relating to transfers of prisoners under the Interstate Corrections Compact."

and recommends:

and report it back as follows

replace with \_\_\_\_\_ CS \_\_\_\_\_

attaches amendment(s)

adopts \_\_\_\_\_ Letter of Intent

further referral to the \_\_\_\_\_

do pass

do not pass

no recommendation

individual recommendations

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

*Q.121's*

FISCAL NOTE INFORMATION *(new)*

Department	Date	Zero	Fiscal

Department	Date	Zero	Fiscal
CORRECTIONS	2/14/94	✓	
Public Safety	2/23/94	✓	

Appropriation No Fiscal Note

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

DO PASS:

OTHER RECOMMENDATIONS:

*George D. ...*

*Phil ... NO REC*

*Adrian Taylor DO Pass*

Chair: Signature and Recommendation

**SB**

**294**

**SFIN**

**FILE**

# SENATE FINANCE COMMITTEE REPORT

DATE: 2/24/94

FURTHER:

DATE TURNED INTO OFFICE: 3-12-94

The Finance Committee considered SENATE BILL NO. 294

"An Act relating to canned salmon classics; and providing for an effective date."

and recommends:

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

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

adopts \_\_\_\_\_ Letter of Intent

further referral to the \_\_\_\_\_

do pass

do not pass

no recommendation

individual recommendations

**NEW FISCAL NOTES**

Department	Date	Zero	Fiscal

**PREVIOUS FISCAL NOTES**

Department	Date	Zero	Fiscal
<i>DOR</i>	<i>2-15-94</i>	<i>0</i>	

Appropriation No Fiscal Note

DO PASS:

*Twin Kelly*  
*Steve Kim*  
*Jung*  
*Bob*

OTHER RECOMMENDATIONS:

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

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

2. *Steve Pearce 10/2995*  
 Co-Chair: Signature/Recommendation

# FISCAL NOTE

No. 1  
 Bill Version: SB 294  
 (S) Publish Date: 2-24-94

**STATE OF ALASKA**  
**1994 LEGISLATIVE SESSION**

**BILL**

Revision Date:	Dept. Affected:	Revenue
Title: "An Act relating to canned salmon classic; and providing for an effective date."	BRU:	Revenue Operations
Sponsor: Senator Taylor	Component:	Charitable Gaming Division
Requestor: Senate Community and Regional Affairs	COMPONENT SERIAL NO.	1883

**Expenditures/Revenues:** (Thousands of Dollars)

	FY95	FY96	FY97	FY98	FY99	FY00
OPERATING						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0

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

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

**FUNDING:** (Thousands of Dollars)

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

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year: (FY94) impact: \$ 0.0

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

None

Prepared by:	Don Stolworthy, Director	Phone: 465-2279
Division:	Charitable Gaming Division	Date: February 15, 1994
Approved by Commissioner:	Darrel J. Rexwinkel	Date: February 15, 1994
Agency:	Department of Revenue	

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Senate Majority Leader  
Chair, Judiciary Committee  
Vice Chair, Community &  
Regional Affairs



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Fax: 907-586-3927

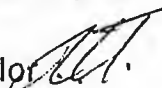
Member, State Affairs Committee  
Committee on Committees  
Western States Legislative Forestry Task Force  
Legislative Council

352 Front Street  
Ketchikan, Alaska 99901  
907-225-8088  
Fax: 907-225-0713

*Senator Robin L. Taylor*

## Memorandum

To: Senator Drue Pearce, Co-Chair  
Senator Steve Frank, Co-chair  
Senate Finance Committee

From: Senator Robin Taylor 

Date: March 1, 1994

Subject: Senate Bill 294; relating to canned salmon classics

The Petersburg Chamber of Commerce last year introduced a "Canned Salmon Lottery" contest to help promote the seafood industry. They thought it appropriate because seafood catching and processing is such a vital part of the Petersburg economy. Due to the statutory 50 cent per ticket limitation for this game they were unable raise sufficient funds to make the program financially viable.

The chamber of commerce thought the small per ticket fee hindered sales and increased the overall operating costs. They would like to raise the cost of tickets to \$2.00. This legislation is needed to allow them to go forward.

Attached is a sponsor statement and back up from the Petersburg Chamber of Commerce. Please contact Terry Otness at extension 6550 for further information on this bill. I would appreciate it if you would schedule this bill promptly. Thank you.

District A

Hyder • Ketchikan • Kupreanof • Meyers Chuck • Petersburg • Saxman • Sitka • Wrangell

# Alaska State Legislature

Senate Majority Leader  
Chair, Judiciary Committee  
Vice Chair, Community &  
Regional Affairs

Member, State Affairs Committee  
Committee on Committees  
Western States Legislative Forestry Task Force  
Legislative Council



**Senator Robin L. Taylor**

State Capitol  
Juneau, Alaska 99801-1-52  
907-265-3473  
Fax: 907-265-3922

352 Front Street  
Ketchikan, Alaska 99901  
907-225-8088  
Fax: 907-225-0713

## Sponsor Statement

### Senate Bill 294

I have introduced this legislation on behalf of the Petersburg Chamber of Commerce. The Petersburg Chamber of Commerce last year initiated a "Canned Salmon Lottery" contest to promote the seafood industry.

Due to the statutory 50 cent per ticket price limitation the chamber was unable raise sufficient funds to make the program self sustaining. The chamber of commerce thought the small ticket fee hindered ticket sales and increased the overall operating cost of the program. They would like to raise the cost to 2 dollars per ticket. To do this legislation is needed to allow them to go forward.

They intend to use funds from the program for chamber operations. With sufficient income the program will be used to fund a college scholarship for Petersburg High School graduates.

I would appreciate your favorable consideration of this bill.

District A:

Hyder • Ketchikan • Kupreanof • Meyers Chuck • Petersburg • Saxman • Sitka • Wrangell



FEB 17 REC'D

# Petersburg Chamber of Commerce

P.O. Box 649

Petersburg, Alaska 99833

(907) 772-3646

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February 10, 1994

Sen. Robin L. Taylor  
Room 601, court  
State Capital  
Juneau, AK 99801-1182

Dear Senator Taylor:

Last year the Petersburg Chamber of Commerce introduced the first annual "*Canned Salmon Classic*". This special event allows individuals a chance to win cash prizes by purchasing tickets to guess what the actual canned salmon pack of the two Petersburg canneries would be. The person with the closest guess wins the grand prize and the next closest taking the second prize. There are winners every time.

We were fortunate to have Alaska Marine Lines, as our major sponsor in 1993. We also received additional support from Willamett Industries, Inc. and Icicle Seafoods, Inc. The generous contributions made by each of these firms greatly enhanced our program.

The main purpose of having the "*Canned Salmon Classic*" was to promote our community of Petersburg and to attract more attention to seafood since the seafood industry is a vital part of our local economy. At the same time the Chamber thought it would be great if we could also provide some scholarship money to graduating high school seniors as part of this event.

The "*Canned Salmon Classic*" was received with great enthusiasm and we are excited about the upcoming year.

One of the changes we would like to make for this year is to raise the ticket price from the current 50¢ to \$2.00. We felt the lower ticket price hindered sales and increased our overall operating cost.

Also, this year we plan to expand the "*Canned Salmon Classic*" to all the major communities in Southeast Alaska. All ten of the communities we

Page 2

Canned Salmon Classic

have applied to have overwhelmingly given us their approval to participate in this event.

Our plan this year is to recruit youth groups to sell the tickets and in return they would receive a commission. This will provide these groups with another source to raise funds for their community programs.

One of the best events of the "*Canned Salmon Classic*" is the "*Seafood Fest*" in October when we announce the winners. This grand finale was held at the Sons of Norway hall in Petersburg. We decorated the hall in a seafood theme and had many booths that local merchants and residents used to give the public a tasty sample of their seafood products at very reasonable prices. We also had live music, kids games, door prizes and seafood recipes donated by ASMI were handed out.

We had over 300 people come to the "*Seafood Fest*" and we expect 700 to attend this year.

All of us here at the Petersburg Chamber of Commerce are very excited about the "*Canned Salmon Classic*" this year, as we know it will be even bigger and better.

Thank you for your assistance on this event and I hope you and your friends get a chance to join in on the fun.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Patrick S. Wilson', written in a cursive style.

Patrick S. Wilson  
Chairman

Enclosures



# PETERSBURG Canning History:

Since the first cannery was built in 1900 and packed 32,750 cases of salmon, Petersburg has been a part of the Alaska fishing industry. For as long as there have been cannery workers and fishermen, wagers have been made on the number of cans that could be packed at each cannery in Alaska. Since the canned salmon pack was directly related to the numbers of fish harvested, fishermen, cannery workers and processor management had an equal chance at winning the prized pool of money at the end of the season.

The Petersburg Chamber of Commerce has opened the contest to everyone, with the introduction of the Petersburg Canned Salmon Classic.

## S.E. Pink Salmon Harvest (in millions of fish)

1988.....	11.2
1989.....	59.0
1990.....	31.2
1991.....	61.5
1992.....	38.0
1993.....	50.0 to 60.0 Est.

## Petersburg Canned Salmon Pack (in 1# can size equivalents)

1988.....	7,781,304
1989.....	34,889,425
1990.....	22,724,065
1991.....	29,018,545
1992.....	27,096,887

## IT'S EASY TO ENTER:

**(1) Buy Tickets** from any of these outlets for 50¢ each:

The Trading Union, Inc.	Pellerito's Pizzeria
Hammer & Wikan, Inc.	Beachcomber Inn
Moose Lodge	Tides Inn
Harbor Bar	Scandia House
Chamber of Commerce	Kito's Kave
Petersburg Fisheries	The Quart House
The Bottle Shop	S.O.S. Value Mart (Kake)

**(2) Fill in** your guess of what the canned salmon pack (in 1# can equivalents) will be at the conclusion of the canning season in 1993. Please print clearly. Also, fill in name, phone and address on lower part of ticket. Please read all rules on ticket.

**(3) Tear off** short stub and deposit the portion of the ticket with your guess into cans with the Petersburg Canned Salmon Classic Labels, at the Chamber office or at various locations in Petersburg, Kake and Wrangell. Record your guesses on the back of this flyer.

**(4) Winning entry** will be announced on November 1, 1993 after the close of the Petersburg canning season. The winning ticket holder has to claim the prize money by Dec. 31st, 1993 or the winnings return to the PCSC. Last day to purchase tickets: August 21, 1993.

**1st Prize: \$2500 Cash**  
**Next Closest Guess: \$500 Cash**

## HOW BIG IS THE CAN?

Although canneries may pack salmon in several sizes of cans, including custom packed product, all figures used to determine the total salmon pack for Petersburg are converted to one pound can equivalents. Canneries providing can pack information to the PCSC committee are: Petersburg Fisheries, Chatham Strait Seafoods and Nelbro Packing Company. Certified pack figures submitted to the PCSC committee are used to compute the final canning figures for Petersburg's Canned Salmon Classic.

## THANK YOU

The PCSC committee thanks the staff and management of Iclide Seafoods Inc., Chatham Strait Seafoods and Nelbro Packing Co. for helping make the Petersburg Canned Salmon Classic possible.

Thanks to our sponsors:



## Willamette Enterprises

Proceeds will be used in part to fund a \$1000  
AML/Petersburg Chamber of Commerce  
Scholarship

## RULES

PCSC is not responsible for misdirected, lost, late or delayed entries.

PCSC will attempt to contact the winner at ticket address. If the winner fails to respond by 12/31/93, the winnings return to the PCSC.

**Department of Revenue**  
**Position Paper**

\*\*\*\*\*

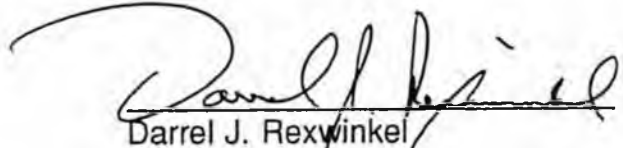
SB-294      "An Act relating to canned salmon classics; and providing for an effective date."

\*\*\*\*\*

SB-294 would expand the types of charitable gaming activities permitted under Alaska Statute 05.15 to include a canned salmon classic conducted by the Petersburg Chamber of Commerce. This canned salmon classic would allow for individuals to purchase an opportunity to guess how many cans of salmon will be canned in Petersburg during the summer fishing season. The person with the closest guess would win a prize.

The department believes that this legislation, in its current form, would have minimal impact on the administration of charitable gaming in Alaska.

3/4/94  
Date

  
\_\_\_\_\_  
Darrel J. Rexwinkel  
Commissioner

**SENATE COMMITTEE REPORT**  
FIRST COMMITTEE OF REFERRAL

*Imp*  
DATE: 2/11/94

FURTHER: Finance

Date of 5-Day Notice: 2/17/94  
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 2-24-94

CRA Committee considered SB 294

~~"An Act relating to canned salmon classics; and providing for an effective date."~~

*& repair it bk as floor*

and recommends:

replace with \_\_\_\_\_ CS \_\_\_\_\_ ( )

attaches amendment(s)

adopts \_\_\_\_\_ Letter of Intent

further referral to the \_\_\_\_\_

do pass

do not pass

no recommendation

individual recommendations

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

*Φ FOR*

FISCAL NOTE INFORMATION

Department	Date	Zero	Fiscal
<i>DOR</i>	<i>2/15/94</i>	<i>Φ</i>	

Department	Date	Zero	Fiscal

Appropriation No Fiscal Note

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

**DO PASS:**

**OTHER RECOMMENDATIONS:**

*2* *Adrian Taylor*

*1* *Foran A. Hansen* *No rec*

*1* *Reed E. Hill* *No Rec*

Chair Signature and Recommendation

**SB**

**295**

**SFIN**

**FILE**

# SENATE FINANCE COMMITTEE REPORT

DATE: 3/24/94

FURTHER:

DATE TURNED INTO OFFICE: 3-23-94

The Finance Committee considered **SENATE BILL NO. 295**

"An Act relating to financial assistance for certain owners or operators of underground petroleum storage tank systems; and providing for an effective date."

and recommends:

- replace with \_\_\_\_\_ CS \_\_\_\_\_ (FINANCE)
- or  adopt previous \_\_\_\_\_ CS SB 295 (Jud.)
- attaches amendment(s)

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

adopts \_\_\_\_\_ Letter of Intent

further referral to the \_\_\_\_\_

do pass

do not pass

no recommendation

individual recommendations

**NEW FISCAL NOTES**

Department	Date	Zero	Fiscal
<u>DOTPE</u>	<u>2-16-94</u>	<u>0</u>	

**PREVIOUS FISCAL NOTES**

Department	Date	Zero	Fiscal
<u>DEC</u>	<u>2-25-94</u>	<u>0</u>	

Appropriation No Fiscal Note

**DO PASS:**

[Signature]

1. [Signature]  
Co-Chair: Signature/Recommendation

**OTHER RECOMMENDATIONS:**

[Signature]  
[Signature]  
[Signature]

2. [Signature] - [Signature]  
Co-Chair: Signature/Recommendation

FISCAL NOTE

Revision Date: Department Affected: DOT&PF  
 Title: Grants/Loans for Storage Tank Owners BRU: E&OS  
 Sponsor: Senate Labor & Commerce Component: D&C  
 Requestor: Component Serial Number: 547

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
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: (Thousands of Dollars)

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/PROCT AM 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:	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 (FY94) impact: \$ \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary)

The Department of Transportation and Public Facilities supports this bill.

Prepared by: Mal Linthwaite/Loren Rasmussen

Phone: 465-2960

Division: E&OS

Date: February 16, 1994

Approved by Commissioner: 

Phone: 465-3901

Agency: Department of Transportation and Public Facilities

Date: February 16, 1994

# FISCAL NOTE

No. 1

**STATE OF ALASKA**  
**1994 LEGISLATIVE SESSION**

**BILL 1**

Bill Version: SB 295

(S) Publish Date: 3-10-94

Revision Date: \_\_\_\_\_  
Title: Grants/Loans for Storage Tank Owners

Department Affected: Environmental Conservation

BRU: Spill Prevention and Response

Sponsor: Senate Labor and Commerce Committee  
Requestor: Senate Resources Committee

Component: Underground Storage Tank

**COMPONENT SERIAL NO. 1207**

**Expenditures/Revenues:**

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ( )						
------------------------	--	--	--	--	--	--

**FUND SOURCE**

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MH ITA						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY94) cost: \$ 0.0

**POSITIONS:**

FULL-TIME	0.0					
PART-TIME	0.0					
TEMPORARY	0.0					

Changes in SB 295 (340) have no fiscal impact. This fiscal note is appropriate.

3/24/94 date  
[Signature] Comptroller (initial)

ANALYSIS: (Attach a separate page if necessary.)

Prepared by: Bob Poe, Director  
Division: Information & Administrative Services

Phone: 465-5010  
Date: 2/25/94

Approved by Commissioner: [Signature]  
Agency: Department of Environmental Conservation

Date: 2/25/94

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New Note.  
Did not  
accompany  
bill.

OF ALASKA  
LEGISLATIVE SESSION

BILL NO.: SB 295

FISCAL NOTE

Department Affected: DOT&PF  
BRU: E&OS  
rants/Loans for Storage Tank Owners

Sponsor: Senate Labor & Commerce  
Requestor: Requestor  
Component: D&C  
Component Serial Number: 547

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
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
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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	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 FUNDING:	0	0	0	0	0	0

POSITIONS

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

Estimate of current year (FY94) impact: \$ \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary)

The Department of Transportation and Public Facilities supports this bill.

Prepared by: Mal Linthwaite/Loren Rasmussen

Phone: 465-2960

Division: E&OS

Date: February 16, 1994

Approved by Commissioner: 

Phone: 465-3901

Agency: Department of Transportation and Public Facilities

Date: February 16, 1994

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# The Storage Tank Assistance Fund

## Questions and Answers

*Headlines are commonplace throughout the state concerning tank owner problems and pollution resulting from leaking underground storage tanks. Many tank owners are reducing their liability and cutting back on services while others have simply gone out of business altogether.*

*The Storage Tank Assistance Program was established to protect Alaska's drinking water supplies and to help Alaska's regulated tank owners and operators meet EPA's tough new environmental laws and regulations pertaining to underground petroleum storage tanks.*

*The goals of the program were simple.*

- \* cleanup existing leaks.*
- \* prevent future leaks.*
- \* help Alaska's tank owners and operators through educational, technical and financial assistance.*



### **WHAT IS A REGULATED TANK?**

- \* Regulated tanks are predominantly motor fuel tanks
- \* In general, gasoline, diesel and waste oil tanks greater than 110 gallons are regulated although there are exemptions.
- \* Heating oil tanks are NOT regulated.
- \* Residential motor fuel tanks less than 1100 gallons for farm or residential use are NOT regulated.
- \* Several other types of tanks are not regulated depending upon their use.

### **WHO REGULATES UNDERGROUND STORAGE TANKS?**

- \* EPA regulates tanks under 40 CFR 280 and 281.
- \* State of Alaska regulates tanks under 18 AAC 78 and 18 AAC 75.
- \* Local governments may regulate tanks under the Uniform Fire Code and the National Fire Protection Association.

### **WHO IS ELIGIBLE FOR FINANCIAL ASSISTANCE?**

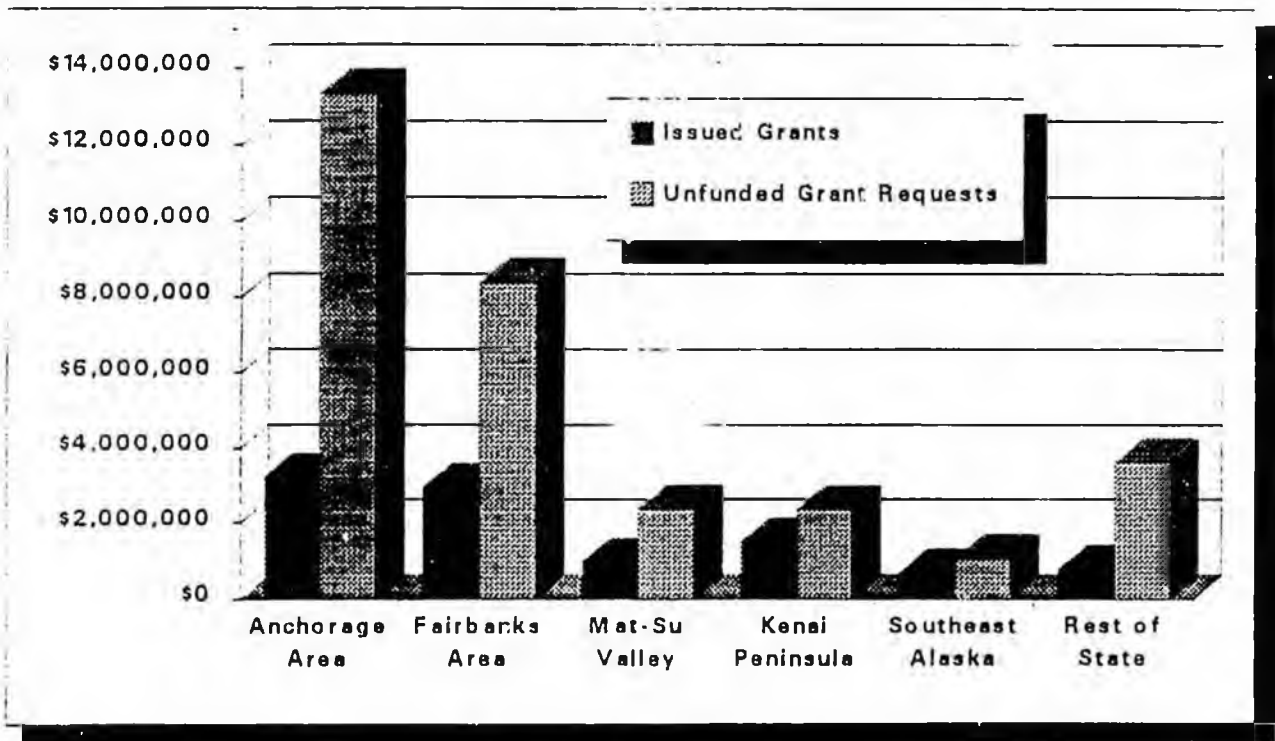
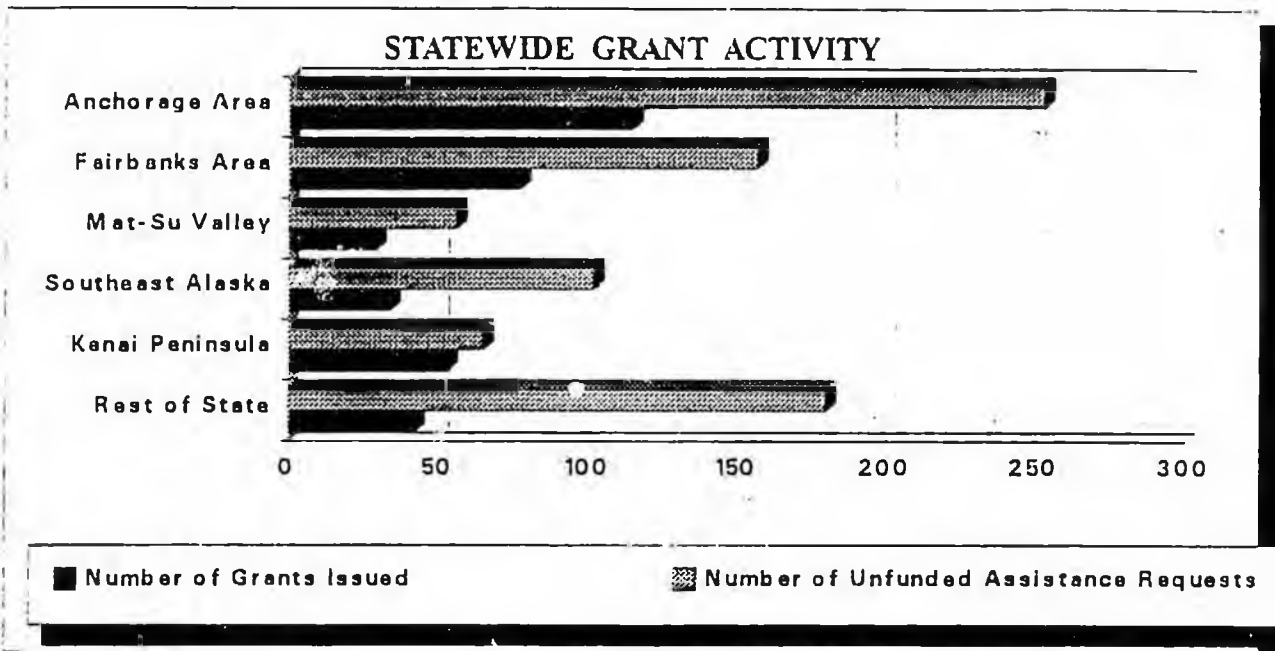
- \* Any commercial or private owner or operator of tanks regulated by the Underground Storage Tank Regulations, 18 AAC 78, is eligible for financial assistance. Essentially, if a tank owner pays into the program, through a registration fee, then the tank is eligible for assistance.
- \* Village, City, Borough or municipally owned tanks are eligible.
- \* State and Federal owned tanks are NOT eligible.

### **WHAT KIND OF TANKS ARE ELIGIBLE?**

- \* Industrial, Contracting, Auto Dealerships, Car Rental Agencies, Trucking and Transportation firms comprise 26% of the eligible tanks.
- \* Nearly 20% of the eligible tanks are used for aircraft refueling, both commercial and private.
- \* Utilities, Fire Stations, Police and Ambulance services total another 19% of the eligible tanks.
- \* Less than 30% of the eligible tanks are fuel retailers such as gas and service stations.

## ARE THE GRANT REQUESTS JUST FROM INTERIOR ALASKA?

\* The problems associated with underground petroleum storage tanks are statewide. Currently, the program has received 368 applications for assistance from the Anchorage area, of which 115 have already been funded. In the Fairbanks area, 234 requests have been received and 77 grants have already been issued. The Kenai Peninsula has made 118 requests, of which 53 have been funded. Southeast Alaska has submitted 136 grant applications while only 34 have been funded to date. The DEC has received 85 assistance requests from the Mat-Su Valley area and 29 applicants have received grants. The rest of the State has accounted for 222 requests and 42 of those requests have been funded.



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## WHAT KIND OF ASSISTANCE IS AVAILABLE?

- \* Technical assistance is available through the Department of Environmental Conservation. Staff provide guidance documents and technical assistance in the proper handling of stored products, system upgrading or closing and cleanup of contamination resulting from leaking tanks.
- \* Educational Assistance is provided by both the Department of Environmental Conservation and the Board of Storage Tank Assistance. Workshops are conducted annually and staff are provided to assist nationally recognized training courses for presentation in Alaska. A quarterly newsletter "Alaska Underground", is published by the Department to provide timely information on technical and regulatory aspects of tank ownership and maintenance, installation and closure as well as the latest developments in cleanup and remediation techniques. The newsletter also provides information to contractors and consultants actually conducting tank work.
- \* Financial Assistance is provided in the form of grants and loans to offset the high cost of upgrading to EPA standards, proper closure and release investigation, corrective action and cleanup.

## WHAT TYPE OF FINANCIAL ASSISTANCE DOES THE PROGRAM PROVIDE?

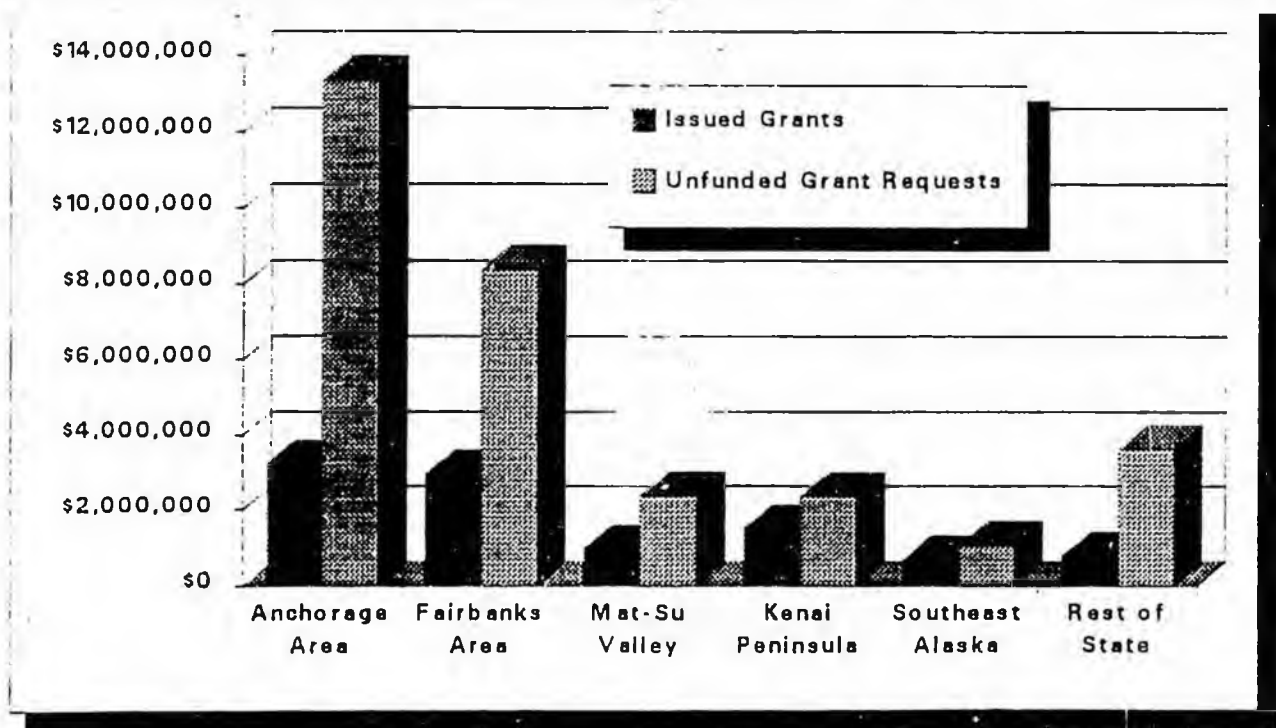
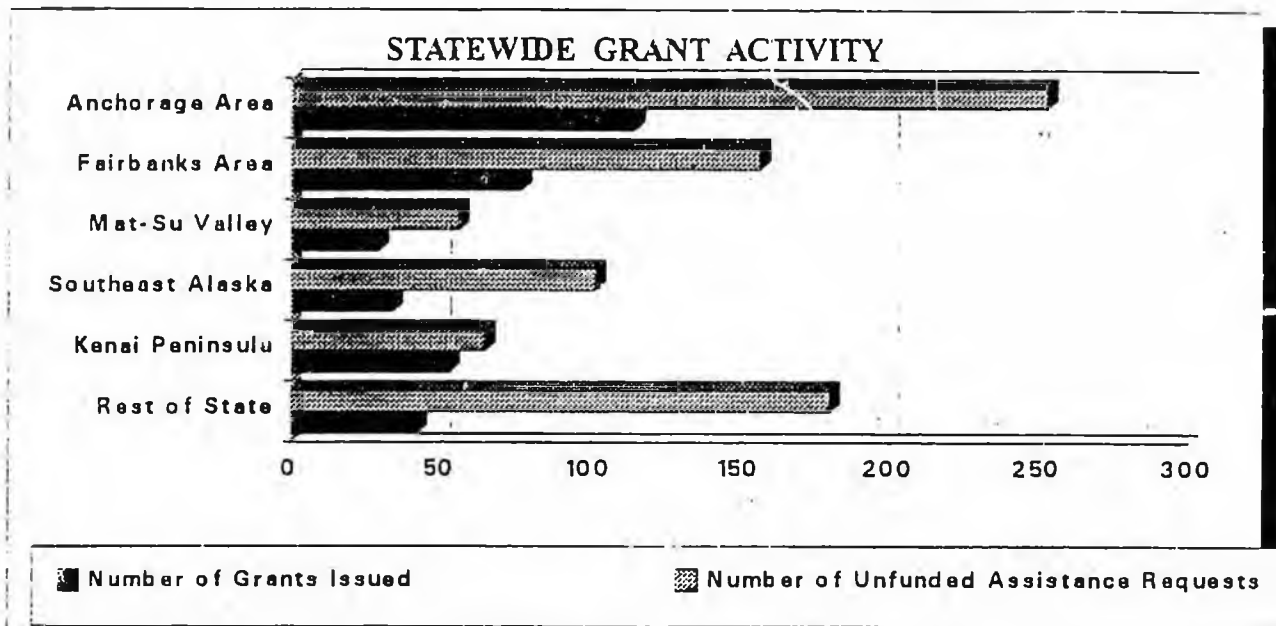
- \* The Storage Tank Assistance fund provides grants for upgrading or closing at 60% of the eligible costs up to a maximum combined grant of \$60,000 per facility.
- \* Grants for cleanup of petroleum contamination are provided to a maximum of \$1 million per occurrence. The owner is responsible for 10% of the cost up to a maximum of \$25,000.
- \* Loans are available for the 10% not covered by the cleanup grant up to a maximum of \$25,000. Owners receiving loans must pay back the loan to the state over five years.

## DOES THE PROGRAM ENCOURAGE PRIVATE PARTICIPATION?

- \* Most upgrades involve multiple tanks and usually range from \$120,000 to well over \$200,000. Typically a grant from the Storage Tank Assistance Fund actually covers only 30% to 40% of the owners cost. The owner must pay the majority of costs involved.
- \* The balance of the upgrading cost is provided by banks in the form of direct loans to the tank owner or operator. Many banks require that an owner or operator be eligible to receive funds from the Storage Tank Assistance Fund and that a letter be provided from the Department stating that the owner will be receiving financial assistance. The banks are then assured that the work will be conducted according to standard practice and in compliance with applicable laws and regulations.
- \* The tank owner or operator actually receives the funds and is directly responsible for supervising the funded activity and insuring the work is conducted in accordance with applicable laws and regulations. The Department of Environmental Conservation only provides guidance and oversight to insure all work is completed properly and consistent with customary practice and costs.
- \* Private sector firms that are approved by the Department or certified by the State conduct work for the owners and operators. The owner or operator contracts directly with the contractors and consultants.

## ARE THE GRANT REQUESTS JUST FROM INTERIOR ALASKA?

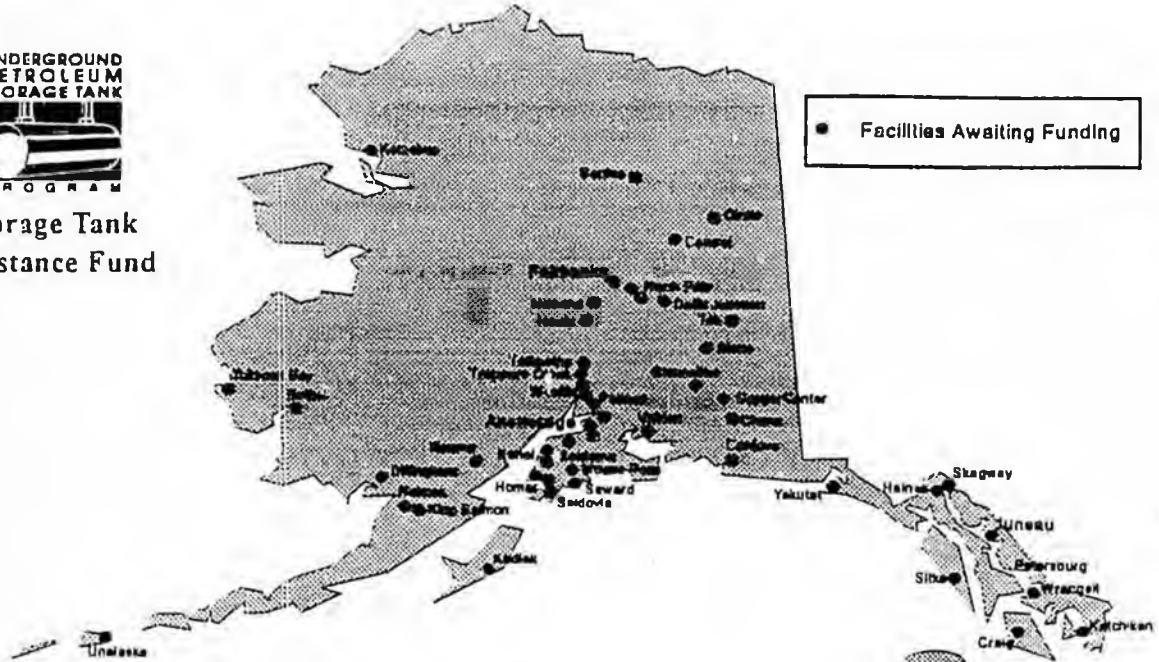
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## Statewide Distribution of UST Closure, Upgrade and Cleanup Assistance Requests



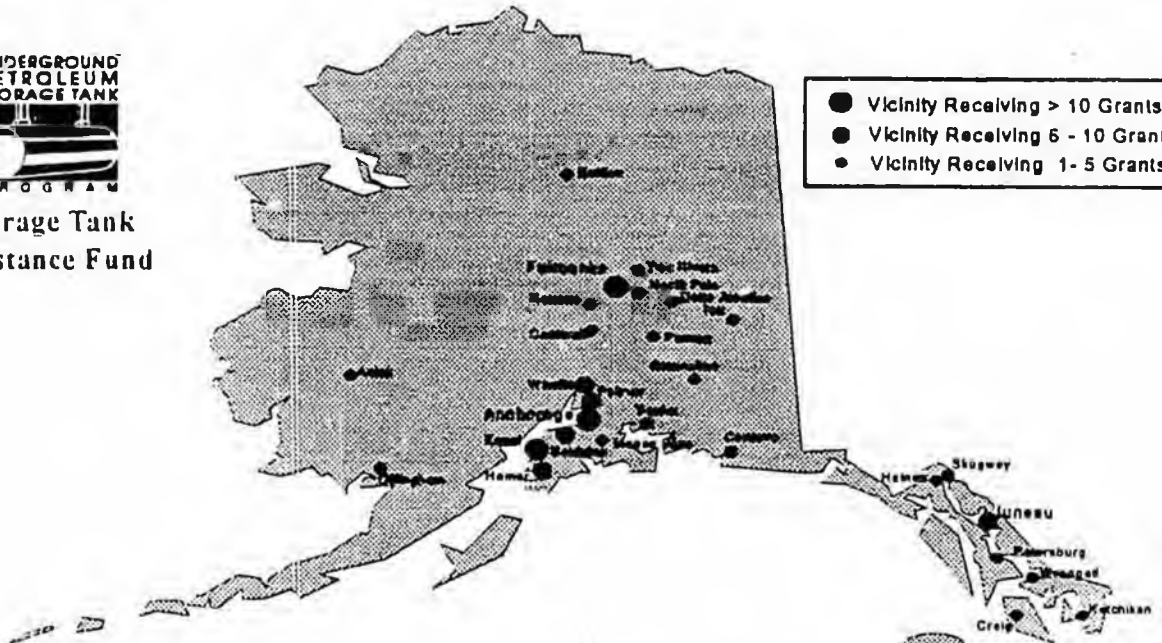
Storage Tank Assistance Fund



## Statewide Distribution of UST Closure, Upgrade and Cleanup Grants



Storage Tank Assistance Fund



## DON'T LARGE FIRMS GET MOST OF THE FUNDS THAT ARE AVAILABLE?

\* Although all regulated tank owners and operators are eligible, all applicants are priority ranked for funding according to regulations and criteria established by the Board of Storage Tank Assistance. The ranking system emphasizes public health threat foremost followed by numerous other considerations such as size of business, i.e. number of tanks owned, whether the company is too small to be self-insurable, nearest alternative fuel source and whether the facility is in a rural location. Several other criteria are used to rank applications with an emphasis on small rural tank owners that pose an imminent public health threat and have acted in good faith to undertake as much of the work as possible on their own. This usually means that unless an imminent public health threat exists, larger companies tend to rank lower on priority ranking lists.

\* All regulated tanks must pay a registration fee, except state and federal tanks, and are therefore eligible for assistance. Although large companies do not normally rank very high on the annual priority ranking lists, it should be noted that larger companies do tend to pay their share of the cost of the program. Registration fees of up to \$500 per tank per year are paid by several large firms with dozens of tanks. Many of these firms consistently rank very low for funding but continue to pay large annual registration fees. Several large firms pay registration fees in excess of \$10,000 annually. When a large company does receive funds, it may have already paid or will eventually pay the State more than it will receive.

## WHY CAN'T OWNERS AND OPERATORS JUST GET A BANK LOAN?

\* Banks do provide loans for certain activities such as closure or upgrading of a facility. The cost of an upgrade ranges from \$120,000 to \$200,000 or more to meet the federal standards. Banks will provide loans to cover that portion of the upgrade that is not covered by a grant from the Storage Tank Assistance Fund. Without assistance from the state, many small tank owners would not have sufficient resources to undertake an upgrade even with bank financing.

\* Banks do not generally provide loans for cleanup purposes. The total cost of a cleanup is not known until the actual cleanup is complete and extremely difficult to estimate. Most Alaska tank owner's principal asset is the actual property that requires cleanup. A parcel of land that is contaminated essentially has no value until clean and actually represent a significant liability. Since collateral is required for nearly all loans, tank owners with contaminated sites normally cannot provide sufficient collateral to back a loan large enough to undertake the cleanup. The average cost of cleanup in Alaska is presently \$140,000 per site although some cleanups are currently approaching \$500,000. These very high cleanup costs are virtually impossible to cover for the average Alaska tank owner.

\* Joint and several liability laws also provide a detriment to bank financing for cleanup activities. Banks that foreclose on property that is contaminated become liable for completion of the cleanup. Many times the cost of the cleanup will be 3 or 4 times the clean site value of the property. Banks also will not provide a loan to a tank owner if the business itself must be shutdown to conduct the cleanup. If a business has no income, it cannot repay a loan. Many businesses have been closed for a year or more while cleanup activities are completed. In numerous cases, the loss of revenues have caused bankruptcy and foreclosure, a fact that banks understand all too well.

### **WHY DO TANK OWNERS HAVE TO UPGRADE THEIR TANKS?**

\* In 1984, federal law (Subtitle I of the Resource Conservation and Recovery Act) mandated that owners of certain kinds of underground storage tanks (UST) containing petroleum products and other regulated substances meet standards which would prevent leaks and assure adequate cleanup where leaks occurred. That law was followed by federal UST regulations in December of 1988.

\* Over 4,400 underground storage tanks have been identified in the State of Alaska. Other tanks probably exist which have not been reported. Most of these tanks are not protected from leaks and spills. These tanks may be unknowingly damaging the State's drinking water supplies. Since groundwater provides drinking supplies for nearly 70% of the population in Alaska, any contamination that reaches groundwater could cause a serious public health threat. Additionally, the vapors from leaks may seep into basements of homes and buildings and cause other safety and health hazards.

### **WHY DO WE HAVE ALL THIS CONTAMINATION FROM TANKS?**

\* Piping leaks, overfills and spillage during deliveries are common problems.

\* A leaking tank can be nearly impossible to detect without special equipment. A considerable number of leaks occur due to failed fittings between the tank and piping, spillage during filling or overfilling, or corrosion.

\* Corrosion holes in steel tanks cannot be seen until the tank or piping has been removed or exposed. A corrosion hole that causes a tenth of a gallon per hour leak would release over 800 gallons of fuel per year into the lands of the state. The leak could go unnoticed for years, slowly percolating through the soil and possibly into the water table. This leaking fuel can eventually migrate toward a private or municipal drinking water well.

### **AREN'T THESE PROBLEMS THE TANK OWNERS FAULT?**

\* Although the leak originates from an owner's facility, the leak is very rarely caused by negligence on the owner's part. The facility was usually installed and operated to a standard of practice that was considered sound and conscientious at the time of installation. Many times the facility owner or operator is treated as a criminal, when in fact the leak or spill might have been caused by natural processes such as corrosion over time or by an accident caused by a passerby. Just a simple case of pouring old fuel or waste oil on the ground or repeated overfilling of vehicle gas tanks by customers can add up to a serious contamination problem for a facility owner.

\* It is worth noting that petroleum contamination was not considered a serious health hazard until just a few years ago, long after these facilities had been installed. The State of Alaska only recently halted routine oiling of roads, now considered dangerous to public health and critical habitats. The underground storage tank rules imposed by EPA are "after the fact" environmental regulations that have caused a notable and detrimental economic impact to small businesses.

## AREN'T THESE PROBLEMS JUST THE "COST OF DOING BUSINESS"?

\* The requirements to clean up contamination from leaking tanks are new "after the fact" regulations from EPA that did not exist when these businesses started nor during most of their existence. Many businesses acquired facilities with old contamination that are now faced with the formidable task of "making right what wasn't a problem before". The cost to clean these contaminated sites has skyrocketed beyond the reach of an average business in Alaska. The cost can easily reach several hundred thousand dollars per site. Investigating the extent of contamination, soil and water sampling, excavation, contaminated soil disposal, total tank and piping system replacement, interim business shutdown, loss of revenues and threats of penalties regarding contamination that occurs through natural corrosion, customer negligence and accidents was not a consideration when these businesses began.

## WHY DID THE STATE GET INVOLVED?

\* During the years 1986 through 1990, increased federal regulations and aggressive EPA enforcement action forced numerous Alaska tank owners out of business. Many of these tank owners could not afford the high cost of cleanup of contamination from their leaking tanks. If an owner cannot pay the cost of cleanup, the State actually undertakes the task using Response Funds. The 1990 Legislature determined that the State should have an assistance-based tank program to keep these affected businesses "in business" as productive members of the Alaska economic community.

\* Many of the facilities affected by the EPA requirements are in outlying areas of the State, on the Alaska Highway, remote lodges, rural community airstrips and fishing villages. Although protecting drinking water supplies in urban areas such as Anchorage and Fairbanks is critical, maintaining essential fuel services for the State is undeniably an important consideration for stable economic growth, tourism and access.

\* After December 31, 1993, most tank owners will be required to demonstrate \$1 million of financial responsibility per occurrence and \$2 million aggregate. Failure to comply may result in \$10,000 daily fines from EPA. Alaskan tank owners can meet the financial responsibility requirement by purchasing pollution liability insurance. Pollution liability insurance is available but very expensive for most small tank owners. The problem still involves the question of eligibility for insurance. Is a facility actually insurable? Many insurance plans call for a clean site to be demonstrated. However, most of these facilities have had numerous incidents of overfilling and spillage during fuel deliveries or in some cases, actual leaks. The Storage Tank Assistance Fund helps owners help themselves by assisting owners of contaminated sites to undertake proper cleanup and become insurable. Insurance policies can then be purchased from the private sector thereby allowing a tank owner to meet the federal financial responsibility requirement.

\* Developing an assistance-based program was considered to be the best way to promote strong pollution prevention practices to avoid future contamination of drinking water supplies. By providing assistance to tank owners to cleanup contamination and to promote the upgrade of their facilities to federal standards, the regulated community was more willing to step forward and report old spills or leaks without the fear of fines and penalties from the EPA. Although the "big stick" approach from EPA got attention, the State's "white hat" approach got results.

\* Alaska was not the only state that recognized the problem tank owners were facing with the new federal requirements. Currently, forty-five states have a financial assistance program for underground storage tanks. Seventeen of those states have recently expanded their programs to include aboveground tanks as well.

## AREN'T MOST OF THE LEAKING TANKS OWNED BY BIG COMPANIES?

\* Just because a facility is named "Alaska Chevron" does not mean it's owned by Chevron. The name signifies just the brand of product sold in most cases. Most businesses covered by the EPA's underground storage tank regulations are small, "Mom-and-Pop" businesses who cannot afford to meet the financial responsibility requirements, pay the fines or clean up contaminated sites. DEC estimates that of the over 4,000 tanks that are in the ground in Alaska, there are over 3,000 presently in use of which nearly 2,000 are privately owned. It is estimated that over two-thirds of the privately owned tanks in Alaska are owned by small, independent companies.

## IS THERE MUCH DEMAND FOR FINANCIAL ASSISTANCE?

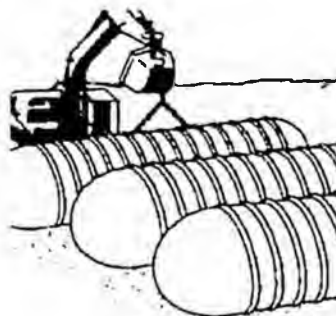
\* Presently, there are 813 unfunded requests for financial assistance for testing, closure, upgrade or cleanup activities in the State of Alaska. The unfunded requests total in excess of \$31 million. Not counted in the total are another 158 requests for reimbursement of work completed between December 22, 1988 and September 5, 1990 that totals \$3.4 million. These requests are eligible for reimbursement after all other requests have been funded.

\* Over \$10.6 million has been expended or encumbered to date on previous requests. Another \$4.5 million is obligated for projects that will begin work in the spring of 1994. It is estimated that an additional 400 applications will be received during fiscal year 94.

## HOW MUCH MONEY HAS THE PROGRAM RECEIVED SO FAR?

\* The Storage Tank Assistance Fund had received an initial capitalization of \$6 million in fiscal year 1991. In fiscal year 1992, no new monies were appropriated to the Fund. For fiscal year 1993, the Alaska Legislature appropriated \$5 million to the Storage Tank Assistance Fund. The Alaska Legislature has appropriated \$4.5 million to the UST Financial Assistance Program for fiscal year 1994 which began July 1, 1993.

\* Funds appropriated by the Alaska State Legislature to the Storage Tank Assistance Fund are allocated annually by the Board of Storage Tank Assistance to different financial assistance programs, the tank cleanup program, the tank upgrading and tank closure program. The Board of Storage Tank Assistance makes the annual allocations after taking into consideration the amount of money in the Fund, the money required to meet the needs for each program, as supported by approved applications and the requirement that the greatest priority be given to funding UST's that present the greatest threat or potential threat to human health.



## WHAT AGENCY ADMINISTERS THE STORAGE TANK ASSISTANCE FUND?

- \* The Department of Environmental Conservation administers the Storage Tank Assistance Fund. The Department is responsible for advertising the application periods, receiving the applications, processing the requests, administering the grants and auditing project costs. The Division of Investments in the Department of Commerce and Economic Development works in partnership with the DEC to provide cleanup loans for eligible UST owners and operators.
- \* The Department of Environmental Conservation has a staff of two Environmental Specialists in Anchorage to process the actual grant applications. A Grants Administrator, Environmental Technician and a Clerk Typist provide additional support for the program. A Project Manager supervises the activities and provides application and project guidance to UST owners and operators, contractors and consultants.
- \* The 1990 Legislature established the seven-member Board of Storage Tank Assistance with two government members and five public members. Members are appointed by the Governor and serve without compensation other than per diem and expenses when traveling. They have an Executive Director, who is their sole employee. The first duty of the Board was to write regulations relating to financial assistance for UST owners and operators. The Board also jointly developed regulations with DEC pertaining to cleanup standards and allowable technologies to be used in the cleanup of contamination resulting from leaking tanks.
- \* The Board is an Appeal Board to mediate disputes between the Department of Environmental Conservation and regulated underground petroleum storage tank owners and operators. In regard to disputes arising over priority rankings and eligible costs, the Board's decisions are binding upon the department and the owner or operator. For corrective action plan disputes, or denials for payment under the retroactive reimbursement program (sec. 7, ch.96, SLA 1990), the board may only issue recommendations.
- \* Although the Board developed the financial assistance regulations, the Department of Environmental Conservation actually implements those regulations by physically processing each applicant's request for financial assistance. This enables the Board to remain objective and unbiased when a dispute arises. The Board is then tasked with resolving the matter in a prompt and conscientious manner.



*For Further Information Contact the Board of Storage Tank Assistance at (907)465-5219 or the Department of Environmental Conservation, UST Program, at (907) 465-5200.  
The UST Financial Assistance Office Can Be Contacted at (907) 273-4342.*



# THE STORAGE TANK ASSISTANCE PROGRAM

## The Storage Tank Assistance Fund -- What is it all about?

- AN ENVIRONMENTAL CLEANUP PROGRAM RESTORING ALASKA'S DRINKING WATER SUPPLIES.

- Providing grants and loans to Alaskan businesses to offset the high cost of environmental cleanups to keep Alaskan businesses in business.

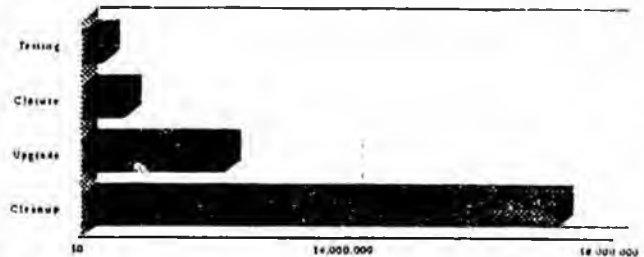
- A POLLUTION PREVENTION PROGRAM FOR UNDERGROUND PETROLEUM STORAGE TANKS.

- Providing incentives and grants to tank owners and operators to upgrade or close their tanks to prevent future leaks.

- AN ALASKAN BUSINESS ASSISTANCE PROGRAM.

- Providing relief to Alaskan businesses and private individuals faced with the high cost of environmental compliance.

Storage Tank Assistance Fund Expenditures Since 1991



## Since Program Inception in 1991

- Over \$ 10.6 Million has been expended or encumbered for financial assistance grants and loans.

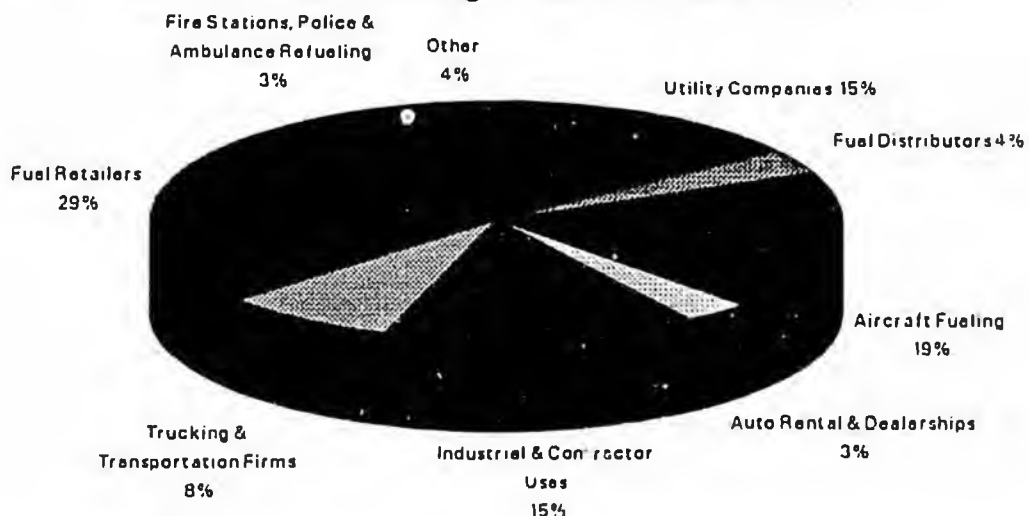
- A total of 386 financial assistance requests for tightness testing or site assessments have been funded.

- 75 financial assistance requests for soil or groundwater cleanup have been funded.

- 52 financial assistance requests to upgrade tanks to new EPA standards and prevent future leaks have been funded.

- 83 financial assistance requests to close out old or unused tanks have been funded.

## Tank Uses for USTs Eligible for Financial Assistance



## **The Storage Tank Assistance Fund**

*Board of Storage Tank Assistance  
410 Willoughby Ave.  
Juneau, Alaska 99801*

*Phone (907) 465-5219  
Fax (907) 465-5218*

*Department of Environmental Conservation  
UST Financial Assistance Unit  
3601 "C" Street, Suite 398  
Anchorage, Alaska 99503*

*Phone (907) 273-4342  
Fax (907) 563-6032*



*Department of Transportation  
and Public Facilities*

# POSITION PAPER

BILL NO: SB 295

APPROVED: 

TITLE: Grants/Loans for Storage  
Tank Owners

DATE: February 16, 1994

The Department of Transportation & Public Facilities supports this bill.

SENATE COMMITTEE REPORT

*Over*

DATE: 3/10/94

FURTHER: Finance

DATE TURNED INTO OFFICE: 3/24/94

Judiciary Committee considered SENATE BILL NO. 295

"~~An~~ Act relating to financial assistance for certain owners or operators of underground petroleum storage tank systems; and providing for an effective date."

and recommends: **and recommends it be replaced with**  
 replace with \_\_\_\_\_ CS SB 295 (JUD)  same title  
or  adopt previous \_\_\_\_\_ CS \_\_\_\_\_  new title  
 attaches amendment(s)  technical title change (HB only)

adopts \_\_\_\_\_ Letter of Intent  
 further referral to the \_\_\_\_\_  
**and report it back as follows**

- do pass
- do not pass
- no recommendation
- individual recommendations

*OFN*

NEW FISCAL NOTES

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTES

Department	Date	Zero	Fiscal
<i>Environ</i>	<i>3-16-94</i>	<input checked="" type="checkbox"/>	

Appropriation No Fiscal Note

DO PASS:

OTHER RECOMMENDATIONS:

*Dr. David Touley (NO REC)*  
*Buzanne Little (NO REC)*

*Adrian L. Taylor*  
Chair: Signature and Recommendation

**SENATE COMMITTEE REPORT**  
FIRST COMMITTEE OF REFERRAL

DATE: 2/11/94

FURTHER: Judiciary  
Finance

Date of 5-Day Notice: 2.24.94  
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 3.9.94

Resources Committee considered SB 295

~~"An Act relating to financial assistance for certain owners or operators of underground petroleum storage tank systems; and providing for an effective date."~~

*8 rpts it on a floor*

and recommends:

replace with \_\_\_\_\_ CS \_\_\_\_\_ ( )

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

attaches amendment(s)

adopts \_\_\_\_\_ Letter of Intent

further referral to the \_\_\_\_\_

do pass

do not pass

no recommendation

individual recommendations

*Ø For*

**FISCAL NOTE INFORMATION**

Department	Date	Zero	Fiscal
DEC	2.25.94	Ø	

Department	Date	Zero	Fiscal

Appropriation No Fiscal Note

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

**DO PASS:**

**OTHER RECOMMENDATIONS:**

*One* *Frank*

\_\_\_\_\_

\_\_\_\_\_

*Doreen Douley (NO REC)*

*Paul R. Admitt (No Rec-)*

*Loren A. Wilson NR*

*Mike Miller Do Pass*

Chair: Signature and Recommendation

**SB**

**301**

**SFIN**

**FILE**

# SENATE FINANCE COMMITTEE REPORT

RETURNED TO FINANCE FROM FLOOR

DATE: 5/5/94

FURTHER:

DATE TURNED INTO OFFICE: 5-5-94

The Finance Committee considered CS FOR SSSB 301(FIN) AM

Allowing a school district to effect a reduction of the \_\_\_\_\_ in elementary and secondary  
 schor \_\_\_\_\_ formula;  
 incr SB 301 REVISE FOUNDATION FORMULA FOR SMALL SCHOOLS consists of  
 a single funding community with an average daily membership of 800 or fewer students; efd.

and recommends:

- replace with 2nd CS SS SB 301 (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
DOE	4/26/94		*96.4

Appropriation No Fiscal Note

DO PASS:

*Tim Kelly*

*Steve ...*

OTHER RECOMMENDATIONS:

*Bob ... N.R.*

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

2. *True ... N.R.*  
 Co-Chair: Signature/Recommendation

512194  
(S) FIN

# FISCAL NOTE

STATE OF ALASKA

BILL NO. CSSSSB 301 (HES)

1994 LEGISLATIVE SESSION

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

Department Affected: Education

Title: An act relating to the calculation of instructional units used in determining state aid for education and...

BRU: K-12

Component: Foundation Program

Sponsor: Senator Taylor

Requestor: Senator Taylor

COMPONENT SERIAL NO. 141

**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	96.4	84.2	(201.9)	0	0	0
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>96.4</b>	<b>84.2</b>	<b>(201.9)</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>CAPITAL</b>						
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<b>REVENUE FUND SOURCE:</b>						
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**FUNDING:**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	96.4	84.2	(201.9)	0	0	0
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>						

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY94) impact: \$ -0-

ANALYSIS: (Attach a separate page if necessary.)

See attached spreadsheets.

Prepared by: Eddy Jeans  
Division: School Finance

Phone: 465-8685  
Date: April 26, 1994

Approved by Commissioner: [Signature]  
Agency: Education

Jerry Covey  
Date: April 26, 1994

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5301

CSSSSB 301 (HES)

SB 301 Section 1 Hold Harmless at 5% of K-12 units			SB 301 Section 1 Hold Harmless at 5% of K-12 units							
			FY95 at 75%	FY96 at 50%	FY97 at 25%					
Sitka										
FY94	K-12	135.71	Sitka change in K-12 Units		9.77	9.77	9.77			
FY95	K-12	125.94	Hold Harmless Units		7.33	4.89	2.44			
Change		9.77	Unit Value		61,000	61,000	61,000			
Percentage		7.20%	Hold Harmless Adjustment		\$447,130	\$298,290	\$148,840			
Potential cost each fiscal year, due to applying Section 1 to Sitka										
SB 301 Section 2(d) Hold Harmless at 50% of K-12 units			SB 301 Section 2(d) Hold Harmless at 50% of k-12 units	SB 301 Section 2(d) Hold Harmless at 50% of K-12 units	Current Law AS 14.17.031(b) Hold Harmless at 10% of K-12 units					
			FY95 at 50%	FY96 at 50%	FY95 at 75%	FY96 at 50%	FY97 at 25%			
Adak										
FY94	K-12	39.01	Adak change in K-12 Units		23.01	16	Adak change in K-12 Units	23.01	23.01	23.01
FY95	K-12	16.00	Hold Harmless Units		11.51	8	Hold Harmless Units	17.26	11.51	5.75
Change		23.01	Unit Value		61,000	61,000	Unit Value	61,000	61,000	61,000
Percentage		58.98%	Hold Harmless Adjustment		\$702,110	\$488,000	Hold Harmless Adjustment	\$1,052,860	\$702,110	\$350,750
Potential savings each fiscal year, due to applying Section 2(d) to Adak								\$350,750	\$214,110	\$350,750
Assumes Adak's enrollment drops to zero before school opens in FY96.										

A M E N D M E N T #1

OFFERED IN THE SENATE  
TO: CSSSSE 301(FIN)

BY SENATOR ZHAROFF

Page 1, line 3, after "formula;":

Insert "increasing the elementary and secondary instructional units received in a district that consists of a single funding community with an average daily membership of 800 or fewer students;"

Page 3, after line 17:

Insert a new bill section to read:

"\* Sec. 3. AS 14.17.041 is amended by adding a new subsection to read:

(e) In a district that consists of a single funding community with an average daily membership of 800 or fewer students, the elementary and secondary instructional units received under (a) or (b) of this section shall be multiplied by the factor determined under the following table:

ADM	Factor
1 - 250	1.12
251 - 500	1.08
526 - 800	1.06."

Renumber the following bill section accordingly.

*Zharoff* moved  
 adopted ( ) unanimous consent  
 or Y 11 N 9  
 failed Y     N

# SENATE FINANCE COMMITTEE REPORT

DATE: 4/27/94

FURTHER:

DATE TURNED INTO OFFICE: 5-4-94

The Finance Committee considered **SSSB 301**

" **SB 301 REVISE FOUNDATION FORMULA FOR SMALL SCHOOLS** for education  
s with 800 or  
lower class...

and recommends:

- replace with CS 55 SB 301 (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

*CS (Fin)  
Title  
change  
coming*

*I do pass  
Please leave  
this note in  
file. Inf.*

**NEW FISCAL NOTES**

Department	Date	Zero	Fiscal

**FISCAL NOTES**

Department	Date	Zero	Fiscal
DOE	4/26/94		96.4

Appropriation No Fiscal Note

**DO PASS:**

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

**OTHER RECOMMENDATIONS:**

*T. Kelly - No Rec*  
*Steve Thi - No Recommendation*  
*J. D. ... No Rec*  
*Sharp No Rec*  
*True ... No Rec*

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

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

# FISCAL NOTE

No. 2

Bill Version: CS SSSB 301 (HES)

(C) Publish Date: 4-27-94

STATE OF ALASKA  
1994 LEGISLATIVE SESSION

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

Title: An act relating to the calculation of instructional units used in determining state aid for education and...

Sponsor: Senator Taylor

Requestor: Senator Taylor

Department Affected: Education

BRU: K-12

Component: Foundation Program

COMPONENT SERIAL NO. \_\_\_\_\_ 141

**Expenditures/Revenues:**

(Thousands of Dollars)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
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GRANTS, CLAIMS	96.4	84.2	(201.9)	0	0	0
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>96.4</b>	<b>84.2</b>	<b>(201.9)</b>	<b>0</b>	<b>0</b>	<b>0</b>

CAPITAL						
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REVENUE FUND SOURCE:						
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**FUNDING:**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	96.4	84.2	(201.9)	0	0	0
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>						

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY94) impact: \$ -0-

ANALYSIS: (Attach a separate page if necessary.)

See attached spreadsheets.

Prepared by: Eddy Jeans

Division: School Finance

Phone: 465-8685

Date: April 26, 1994

Approved by Commissioner: \_\_\_\_\_

Agency: Education

Jerry Covey

Date: April 26, 1994

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A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR KELLY

TO: CSSSSB 301(HES)

Page 1, lines 1 - 2:

Delete all material.

Insert ""An Act allowing a school district to offset a reduction of five percent or more in the elementary and secondary school instructional units that the district is eligible to receive under the foundation formula; and providing for an effective date.""

# FISCAL NOTE

No. 2

Bill Version: CS SSSB 301 (HES)

(C) Publish Date: 4-27-94

STATE OF ALASKA  
1994 LEGISLATIVE SESSION

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

Department Affected: Education

Title: An act relating to the calculation of instructional units used in determining state aid for education and...

BRU: K-12

Sponsor: Senator Taylor

Component: Foundation Program

Requestor: Senator Taylor

COMPONENT SERIAL NO. \_\_\_\_\_ 141

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MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>96.4</b>	<b>84.2</b>	<b>(201.9)</b>	<b>0</b>	<b>0</b>	<b>0</b>

CAPITAL						
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REVENUE FUND SOURCE:						
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**FUNDING:**

(Thousands of Dollars)

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1003 GF Match						
1004 GF	96.4	84.2	(201.9)	0	0	0
1005 GF/Program Receipts						
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Other						
<b>TOTAL</b>						

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY94) impact: \$ -0-

ANALYSIS: (Attach a separate page if necessary.)

See attached spreadsheets.

Prepared by: Eddy Jeans

Phone: 465-8685

Division: School Finance

Date: April 26, 1994

Approved by Commissioner: \_\_\_\_\_

Jerry Covey

Agency: Education

Date: April 26, 1994

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CS 301 (HES)

SB 301 Section 1 Hold Harmless at 5% of K-12 units			SB 301 Section 1 Hold Harmless at 5% of K-12 units					
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			Potential savings each fiscal year, due to applying Section 2(d) to Adak			\$350,750	\$214,110	\$350,750
Assumes Adak's enrollment drops to zero before school opens in FY96.								

2-2

A M E N D M E N T

OFFERED IN THE SENATE  
TO: CSSSSB 301(HES)

BY SENATOR KELLY

Page 1, lines 1 - 2:

Delete all material.

Insert ""An Act allowing a school district to offset a reduction of five percent or more in the elementary and secondary school instructional units that the district is eligible to receive under the foundation formula; and providing for an effective date.""

Amendment to CSSSSB 301(HES)

FAILED

ADD A NEW SECTION

SEC\_\_\_. AS 14.17.041 IS AMENDED BY ADDING A NEW SUBSECTION TO READ:

(e) In a district that consists of a single funding community with an average daily membership of 800 or fewer students, the elementary and secondary instructional units received under (a) or (b) of this section shall be multiplied by the factor determined under the following table:

ADM	Factor
1-250	1.12
251-525	1.08
526-800	1.06

Sec.\_\_\_\_Section \_\_\_\_takes effect July 1, 1995.

SENATE FINANCE  
COMMITTEE (1)  
Amendment Number: \_\_\_\_\_  
Bill Number: SB 301  
Sponsor: Koehn Date: 5/4/94  
Logged In By: RW

SENATE AMENDMENT

#3

BY: Sharp

TO: Page 1, Line 1

SENATE BILL NO. SSSB301 (EN)

and TO: Page 1, Line 7

HOUSE BILL NO. \_\_\_\_\_

Delete

on pg 1, Line 1 the word "five"  
and Replace with the word "Ten"

Page 1, Line 7 delete after  
the word least ~~five~~ the word  
five and replace it with  
the word "Ten".

Sharp moved  
( ) accepted ( ) failed  
or Y \_\_\_\_\_  
Y \_\_\_\_\_

five to ten