

ALASKA LEGISLATURE

1222

HOUSE and SENATE FINANCE COMMITTEE FILES,

1993-1994

296



Official Business

Alaska State Legislature

SENATE

P.O. Box V
State Capitol
Juneau, Alaska 99811

AMENDMENT #

BY JACKO

INTENT LANGUAGE

Department of Military & Veterans Affairs
Veterans Services Component

Veterans Service Officer Grant Program

It is the intent of the Legislature that at least 25 percent of grant funds shall be used to deliver services to veterans in communities of less than 400 people.



THE AMERICAN LEGION

DEPARTMENT OF ALASKA
519 WEST 8TH AVENUE, SUITE 208
ANCHORAGE, ALASKA 99501
(907) 278-8598 Headquarters
(907) 278-0041 Fax Number

MAR 07 1994

George Sterbenz
Department Commander
519 West 8th Avenue, Suite 208
Anchorage, Alaska 99501

William Bishop
National Executive Committeeman
302 Marine Way
Kodiak, Alaska 99615

Joseph T. Craig
Alternate NEC
2323 First Avenue
Ketchikan, Alaska 99901

Dean C. Hill
Department Adjutant
519 West 8th Avenue, Suite 208
Anchorage, Alaska 99501

March 4, 1994

The Honorable George Jacko
Alaska State Capitol
Capitol Building, Room 125
Juneau, Alaska 99801-1182

RE: SB-329

Dear Senator Jacko:

The American Legion, Department of Alaska opposes SB-329 introduced by you. The bill requires that 25 percent of grant money be allocated to villages with a population of 400 or less, mandates training of veterans by Service Officers and addresses certain data collection issues already provided in the current operating budget.

SB-329 should be defeated for the following reasons:

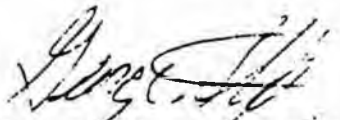
- 1) Currently, there are 73,000 veterans in Alaska, of which 2,500 reside in villages of 400 or less. Grant monies are allocated at a rate of \$6.15 per veteran. Under SB-329, 25 percent of the grant would be spent on 4 percent of Alaska's veterans. This would increase allocations to \$45.00 for village veterans, and reduce the allocation for all other veterans to \$4.78. Clearly, this would be an unlawful preference and prevent adequate servicing for the majority of Alaska's veterans.
- 2) SB-329 may unnecessarily expose The American Legion, Department of Alaska to legal action if Service Officers are required to train veterans for rehabilitation and service work. As proposed, the amendment is in violation of the certifications laws contained in Title 38 USC and contrary to current practices relating to the Department of Veterans Affairs.
- 3) SB-329 duplicates existing provisions contained in our current operating budget. This provision mandates the collection of data, giving a breakdown of spending and veterans served by areas within the State. The provision requires accumulating data in a new way. A procedural plan for implementation is being prepared for submittal in March of this year as part of the normal quarterly reporting procedures.

In a time of scarce resources and spartan budgets, sensible allocation of available funding is imperative. We recognize that rural veterans need equal access to our system. A variety of measures have been implemented including a toll-free service to insure maximum access to those communities.

Notwithstanding these outreach efforts, we have found that many rural veterans use our services less than in other areas because of the wide range of programs available to them from other State and Federal programs. In particular, native veterans routinely take advantage of the native hospitals and home loan programs. If additional funding is available, we would certainly welcome the opportunity to provide a higher degree of service to all of Alaska's veterans.

I request that you give serious consideration to opposing this Bill. Please schedule a hearing on this matter and give us adequate opportunity to appear and testify as to the relevant facts. I am sure that you would not like to see the majority of our veterans suffer a loss of service as a result of an ill-advised Bill that provides unneeded preferential treatment to only a select few.

For God and Country,



George P. Sterbenz
Department Commander

cc: All Alaska Representatives
All Alaska Senators
Gov. Walter Hickel
Lt. Gov. Jack Coghill

SB

330

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)
Date Referred: March 29, 1994

FURTHER REFERRALS:

Date of Committee Action: _____

The FINANCE Committee considered:

CSSB 330(RLS)

CS FOR SENATE BILL NO. 330(RLS)

WATER QUALITY FUNDS AND GRANTS

"An Act relating to water quality enhancement, water supply, wastewater, and solid waste grants; the Alaska clean water fund; the establishment of the Alaska clean water account, the Alaska drinking water fund, and the Alaska drinking water account; and providing for an effective date."

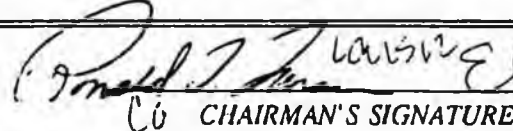
- RECOMMENDATIONS:
 be replaced with CSSB 330(RLS) the same title
 a new title
 have attached amendments(s)
 do pass
 do not pass
 no recommendations
 individual recommendations
 additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

- ATTACHES NEW FISCAL NOTE(S): (Dept) _____
 fiscal impact _____
 zero fiscal note _____

- APPROVES PREVIOUS: (Dept/Date) _____
 fiscal note(s) _____
 zero fiscal note(s) DEC. 2/24/94

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
		Ed Machean		✓	
Banks ^{Yussif}	x	Ronald J. Z...		(3)	
Sean Parnell	✓	Mark Hanku		x	
Kay Brown	✓	Terry Martin		x	
Mike Sporne	✓	
		
		Thomault		x	
		Richard J. Foster		x	
		...			
		...			
		...			
		...			

 Ed Machean
 Co CHAIRMAN'S SIGNATURE

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO. SB 330

Revision Date: _____
Title: Water Quality Funds and Grants

Department Affected: Environmental Conservation

Sponsor: Senator Halford
Requestor: Senator Phillips

BRU: Facility, Construction, and Operation
Component: Facility, Construction, and Operation

COMPONENT SERIAL NO. 637

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						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE

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

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

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary.)

No overall fiscal impacts are anticipated. No new positions will be created. As a result of the Drinking Water Loan Fund portion of the bill, the funding sources for existing personnel will be shifted to the revolving loan fund from a federal grant program, which is being discontinued.

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

Phone: 465-5010
Date: 2/15/94

Approved by Commissioner: Asen Q. Towler
Agency: Department of Environmental Conservation

Date: 2/15/94

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ALASKA STATE LEGISLATURE

Senator Rick Halford

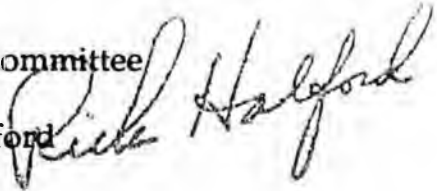
President of the Senate

MEMORANDUM

While in Session:
State Capitol
Juneau, AK 99801-1182
907-465-4958

While in Interim:
P.O. Box 670190
Chugiak, AK 99567
907-694-4958

TO: House Finance Committee

FROM: Senator Rick Halford 

DATE: March 31, 1994

SUBJECT: Sponsor Statement --- Senate Bill 330

Senate Bill 330 proposes modifications to two statutes administered by the Division of Facility Construction and Operation within the Department of Environmental Conservation; AS 46.03.030 (Municipal Matching Grants) and AS 46.03.032 (Alaska Clean Water Fund).

By way of background, in 1987 I sponsored Senate Bill 167 which created the Alaska Clean Water Fund (ACWF) to provide low interest loans for the construction of municipal wastewater projects. This program, capitalized 83 percent by the federal government, was designed to replace the EPA construction grants program. Since the ACWF can only finance wastewater projects, the Legislature also created a separate account for excess State appropriations to provide loans for water supply and solid waste projects. This account has never been capitalized. The ACWF as presently capitalized can provide loans only for wastewater projects.

SB 330 provides funding assistance through grants and loans to Alaska's incorporated municipalities for the construction of water, wastewater and solid waste improvements. By amending AS 46.03.030, the flexibility of funding alternatives available to incorporated governments will be increased. Changes to AS 46.03.032 will position the State to take advantage of a new federal loan program for construction of water supply systems. This legislation is now pending in Congress and by passing this bill this session, it will enable the State to participate at the earliest possible opportunity.

Congress is also presently considering several bills for the re-authorization of the Safe Water Drinking Act. These bills all contemplate a loan program for the construction of water supply projects. It is proposed that federal appropriations and the corresponding State match will be used to capitalize an Alaska Drinking Water Fund.

The proposed changes to AS 46.03.032 clarify the relationship of the ACWF to the account and establishes a parallel Alaska Drinking Water Fund and account. Again, early action by the Legislation allows the State to receive federal funding as soon as it is available.

I request the committees' favorable consideration of Senate Bill 330.

DIVISION OF LEGAL SERVICES

LEGISLATIVE AFFAIRS AGENCY STATE OF ALASKA

(907) 465-3867 or 465-2450

FAX (907) 465-2029

Mail Stop 3101

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

MEMORANDUM

February 18, 1994

SUBJECT: Sectional Summary of SB 330; An Act relating to water quality enhancement, water supply, wastewater, and solid waste grants; the Alaska clean water fund; the establishment of the Alaska clean water account, the Alaska drinking water fund, and the Alaska drinking water account; and providing for an effective date. (Work Order No. 8-LS1739\E)

TO: Senator Rick Halford

FROM: George Utermohle, *GU*
Legislative Counsel

You have requested a sectional summary of SB 330; An Act relating to water quality enhancement, water supply, wastewater, and solid waste grants; the Alaska clean water fund; the establishment of the Alaska clean water account, the Alaska drinking water fund, and the Alaska drinking water account; and providing for an effective date.

A sectional summary of a bill is not an authoritative interpretation of the bill. The bill itself is the best statement of its contents.

Section 1 of the bill repeals and reenacts AS 46.03.030(b) to set out the purposes for which grants may be made to municipalities: a water quality enhancement project; a public water supply, treatment, or distribution system; a wastewater collection, treatment, or discharge system; or a solid waste processing, disposal, or resource recovery system.

Section 2 of the bill makes technical amendments to AS 46.03.030(c).

Section 3 of the bill amends AS 46.03.030(d) to change the definition of eligible costs of projects that can be funded by grants under AS 46.03.030.

Section 4 of the bill repeals and reenacts AS 46.03.030(e) to set out that portion of the eligible costs of a project that may be funded by grants under AS 46.03.030.

Section 5 of the bill adds new subsections to AS 46.03.030 specifying what types of funds may be used to match grants under AS 46.03.030 and requiring that the Department of Environmental Conservation must approve project plans and specifications before construction of the project may begin.

Section 6 of the bill amends AS 46.03.032(d) to change the purposes for which the Alaska clean water fund may be used.

Sections 7, 8, and 9 of the bill make minor technical changes to AS 46.03.032(f), (g), and (l), respectively.

Section 10 of the bill amends AS 46.03.032(m) to require that annual repayments of principal on loans from the Alaska clean water fund must commence within one year after completion of the project for which the loan is made.

Section 11 of the bill adds a new section to AS 46.03 to create the Alaska clean water account as a separate account in the state treasury. The account may be used for the same purposes as the Alaska clean water fund. Repayments of principal on loans from the account shall be deposited in the Alaska clean water fund. Interest payments on loans made from the account are dedicated back to the account.

Section 12 of the bill adds a new section to AS 46.03 to create the Alaska drinking water fund as a separate fund in the state treasury. The Department of Environmental Conservation may adopt regulations to ensure that it administers the fund in a manner consistent with federal law.

Section 13 of the bill adds a new section to AS 46.03 to create the Alaska drinking water account as a separate account in the state treasury. The account may be used for the same purposes as the Alaska drinking water fund. Repayments of principal on loans from the account shall be deposited in the Alaska drinking water fund. Interest payments on loans made from the account are dedicated back to the account.

Section 14 of the bill repeals AS 46.03.030(f) and 46.03.032(n).

Section 15 of the bill allows the Department of Environmental Conservation to retain certain regulations relating to water quality enhancement, water supply, wastewater, and solid waste system grants, the Alaska clean water fund, or the Alaska clean water account until the effective date of regulations adopted by the department to implement changes made by this Act.

Section 16 of the bill provides that, except for secs. 12 and 13, the bill takes effect July 1, 1994.

Senator Rick Halford
February 18, 1994
Page 3

Section 17 of the bill provides that secs. 12 and 13, relating to the Alaska drinking water fund and the Alaska drinking water account, take effect on the effective date of a federal law allowing the state to participate in federal capitalization grants to finance projects related to drinking water.

GU:pl
94-129.plm

DEPT. OF ENVIRONMENTAL CONSERVATION**Department Position Paper
SB 330**

" An Act relating to water quality enhancement, water supply, wastewater, and solid waste grants; the Alaska clean water fund; the establishment of the Alaska clean water account, the Alaska drinking water fund, and the Alaska drinking water account; and providing for an effective date."

Legislative Intent:


SB 330 would amend the statutes governing two funding programs administered by the Department of Environmental Conservation: Municipal Matching Grants and the Alaska Clean Water Fund. The intent of the bill is to: (1) improve existing funding alternatives available to incorporated communities; (2) provide a more equitable method for assisting mid-sized communities with populations ranging from 1,000 to 5,000; (3) expand loan eligibility similar to the Alaska Clean Water Fund to include drinking water projects; (4) enable Alaska to take advantage of federal capitalization grants to the drinking water loan program; and (5) clarify confusing and redundant language contained in the programs' existing statutes (AS 46.03.030 and AS 46.03.032).

Bill/Program Effects:

SB 330 would allow the Department of Environmental Conservation to better assist incorporated communities in financing the planning, design, and construction of water, sewerage, and solid waste systems. Financing programs are available to meet the needs of the State's larger urban communities and smaller unincorporated rural communities. However, incorporated "mid-sized" communities with population bases of 1,000 to 5,000 are not eligible to participate in the Village Safe Water program yet do not have the financial resources to pay one-half of a project's cost as currently required under the Municipal Matching Grants program. By increasing the percent of project costs eligible for grant funding to more closely parallel those allowed under AS 37.06, these communities will be better able to finance the sanitation needs of their residents. SB 330 would also position the State to take advantage of a proposed federal capitalization program by establishing a Drinking water revolving loan fund. Congress is expected to pass authorization language for the program this session. This program would provide communities with a predictable, perpetual and, eventually, self-sustaining financial resource for water supply projects.

The Alaska Department of Environmental Conservation strongly supports SB 330 in its entirety.

This legislation would have a zero fiscal impact on the State's Operating Budget.



Keith Kelton, Director
Division of Facility Construction
and Operation

2-17-94
Date

CITY of HOONAH

P.O. Box 360
Hoonah, Alaska 99829
(907) 945-3663
FAX (907) 945-3445

February 23, 1994

RECEIVED
FEB 28 1994
ASD.....

Randy
TO: Senator Randy Phillips, Chairman
Senate Community & Regional Affairs Committee

Albert W. Dick
FROM: Albert W. Dick
Mayor

SUBJECT: SB 330 - An act relating to water quality enhancement, water supply, wastewater, and solid waste grants; the Alaska clean water fund; the establishment of the Alaska clean water account, the Alaska drinking water fund, and the Alaska drinking water; and providing for an effective date.

The City of Hoonah strongly supports SB 330 in it's entirety.

The City of Hoonah has been operating at 97% water treatment capacity for some time and is desperately in need of a new water treatment system which will allow it to treat a larger capacity of water, meet DEC/EPA regulations pertaining to the treatment of water and provide for future expansion of the City. This is more important as the U. S. Forest Service expands it's office and housing base in the community. It is getting more difficult for us to stay in compliance during peak periods when the Hoonah Cold storage is running.

This system was originally was installed by Indian Health Service some time ago. They have indicated that they would help us out anyway they can to get a new system on line. The City like most small communities does not have the funds to install this system, would be able to handle 15% of the cost. That is why we are requesting support of this bill especially as it pertains to Sec. 4. AS46.03.030(e)(2)(A) 85 percent of the eligible costs for a municipality with a population of 1,000 persons or less; and Sec. 5 AS46.03.030(g) the match required under this section may include (1) federal funds; or (2) state funds, other than those funds received under this section.

AWD:rgp

cc: Mackie, Zharoff, Halford

HOUSE COMMITTEE REPORT

(7)

Date Referred: March 21, 1994

FURTHER REFERRALS:

Finance

Date of Committee Action: 3/29/94

The COMMUNITY AND REGIONAL AFFAIRS Committee considered:

CSSB 330(RLE)

CS FOR SENATE BILL NO. 330(RLS)

WATER QUALITY FUNDS AND GRANTS

"An Act relating to water quality enhancement, water supply, wastewater, and solid waste grants; the Alaska clean water fund; the establishment of the Alaska clean water account, the Alaska drinking water fund, and the Alaska drinking water account; and providing for an effective date."

RECOMMENDATIONS:

be replaced with _____ the same 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) DEC 2/15/94

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Hayley Olberg</i>	✓	<i>Jim Sadler</i>		✓	
		<i>Pat Bunker</i>		✓	
		<i>John A. Kelly</i>		✓	
		<i>Bill Ellis</i>		✓	
		<i>W. Williams</i>		✓	

Hayley Olberg
CHAIRMAN'S SIGNATURE

SB

330

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. 330**

"An Act relating to water quality enhancement, water supply, wastewater, and solid waste grants; the Alaska clean water fund; the establishment of the Alaska clean water account, the Alaska drinking water fund, and the Alaska drinking water account; and providing for an effective date."

and recommends:

- replace with _____ CS SB 330 (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
<u>DEC</u>	<u>2-15-94</u>	<u>0</u>	

Appropriation No Fiscal Note

DO PASS:

Gary Cook
Steve King
J. Gutierrez
Ben May
Paul Doptsis

1. Co-Chair: Signature/Recommendation

OTHER RECOMMENDATIONS:

Irwin Lewis - 10/288

2. Co-Chair: Signature/Recommendation

FISCAL NOTE

No. 1
 Bill Version: SB 330
 (S) Publish Date: 2-24-94

**STATE OF ALASKA
 1994 LEGISLATIVE SESSION**

BILL

Revision Date: _____
 Title: Water Quality Funds and Grants
 Sponsor: Senator Halford
 Requestor: Senator Phillips

Department Affected: Environmental Conservation
 BRU: Facility, Construction, and Operation
 Component: Facility, Construction, and Operation

COMPONENT SERIAL NO. 637

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						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE

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

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

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary.)

No overall fiscal impacts are anticipated. No new positions will be created. As a result of the Drinking Water Loan Fund portion of the bill, the funding sources for existing personnel will be shifted to the revolving loan fund from a federal grant program, which is being discontinued.

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

Phone: 465-5010
 Date: 2/15/94

Approved by Commissioner: Asen Q. Tonder
 Agency: Department of Environmental Conservation

Date: 2/15/94

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CS SENATE BILL NO. 330 *(Fix)*

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - SECOND SESSION

BY SENATOR HALFORD

Introduced: 2/14/94
Referred: CRA, FIN

*Amend #1
p. 3 line 16 (SR)*

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to water quality enhancement, water supply, wastewater, and
2 solid waste grants; the Alaska clean water fund; the establishment of the Alaska
3 clean water account, the Alaska drinking water fund, and the Alaska drinking
4 water account; and providing for an effective date."

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

6 * Section 1. AS 46.03.030(b) is repealed and reenacted to read:

7 (b) The department may grant to a municipality, as funds are available, a grant
8 for any of the following:

- 9 (1) a water quality enhancement project;
- 10 (2) a public water supply, treatment, or distribution system;
- 11 (3) a wastewater collection, treatment, or discharge system;
- 12 (4) a solid waste processing, disposal, or resource recovery system.

13 * Sec. 2. AS 46.03.030(c) is amended to read:

14 (c) There is a water quality enhancement program and water supply,

1 wastewater [SEWAGE], and solid waste systems [FACILITIES] fund created in the
2 department to carry out the purposes of this section.

3 * Sec. 3. AS 46.03.030(d) is amended to read:

4 (d) The department shall, by regulation, identify those costs that are eligible
5 costs for the purposes of this section. Eligible costs [INCLUDE THE COSTS
6 ESTABLISHED IN A CONSTRUCTION CONTRACT THAT ARE NECESSARY
7 FOR CONSTRUCTION OF A PROJECT, BUT] do not include [THE COST OF]
8 interest and financing and right-of-way acquisition, or costs that are related to the
9 operation, maintenance, or repair of a system [PROJECT].

10 * Sec. 4. AS 46.03.030(e) is repealed and reenacted to read:

11 (e) A grant under this section to a municipality for a project funded by an
12 appropriation made by the legislature

13 (1) before July 1, 1994, may not exceed 50 percent of the eligible costs
14 of the project;

15 (2) after July 1, 1994, may not exceed

16 (A) 85 percent of the eligible costs for a municipality with a
17 population of 1,000 persons or less;

18 (B) 70 percent of the eligible costs for a municipality with a
19 population of 1,001 to 5,000 persons; and

20 (C) 50 percent of the eligible costs for a municipality with a
21 population greater than 5,000 persons; however, if a municipality with a
22 population greater than 5,000 persons seeks a grant for a project that relates to
23 a solid waste processing or disposal system that incorporates resource recovery,
24 the department may provide a grant for up to 60 percent of the eligible costs
25 of the project.

26 * Sec. 5. AS 46.03.030 is amended by adding new subsections to read:

27 (g) The match required for grants made under this section may include

28 (1) federal funds; or

29 (2) state funds, other than those funds received under this section or

30 AS 37.06.

31 (h) Construction of a project for which a grant is made under this section may

1 commence only after the department has approved in writing the plans and
2 specifications for the project.

3 * Sec. 6. AS 46.03.032(d) is amended to read:

4 (d) Except as otherwise limited by federal law, the Alaska clean water fund
5 may be used for

6 (1) buying or refinancing the debt obligations of a municipality for
7 a public wastewater treatment system or a [WORKS AND] solid waste management
8 system [DEBT OBLIGATIONS OF MUNICIPALITIES];

9 (2) planning, designing, building, constructing, and rehabilitating a
10 [FACILITIES ASSOCIATED WITH] solid waste management system or a [AND]
11 public wastewater [SEWAGE] collection, treatment, and discharge system
12 [FACILITIES];

13 (3) [CONSTRUCTING, EQUIPPING, MODIFYING, IMPROVING,
14 AND EXPANDING SOLID WASTE MANAGEMENT AND PUBLIC WATER
15 SUPPLY, TREATMENT, AND DISTRIBUTION SYSTEMS;

16 (4) ^{*collateral or for Amend to SR*} ~~guaranteeing or~~ purchasing insurance for a public agency debt
17 obligation [OBLIGATIONS] related to the construction of a solid waste management
18 system or a public wastewater [AND] treatment system;

19 (4) developing and implementing a management program for
20 controlling water pollution from nonpoint sources under 33 U.S.C. 1329; and

21 (5) developing and implementing an estuary conservation and
22 management program under 33 U.S.C. 1330 [WORKS CONSTRUCTION].

23 * Sec. 7. AS 46.03.032(f) is amended to read:

24 (f) The department may spend money from the Alaska clean water fund to
25 pay the costs of administering the fund.

26 * Sec. 8. AS 46.03.032(g) is amended to read:

27 (g) A municipality wishing to borrow money from the Alaska clean water
28 fund shall demonstrate to the satisfaction of the department that the municipality [.]

29 (1) has sufficient legal authority to incur the debt for which it is
30 applying; and

31 (2) [THAT IT] will establish and maintain a dedicated source of

1 revenue or other acceptable revenue source for repayment of the loan.

2 * **Sec. 9.** AS 46.03.032(l) is amended to read:

3 (l) Loan [EXCEPT AS PROVIDED IN (n) OF THIS SECTION, LOAN]
4 repayments and interest earned by loans from the Alaska clean water fund shall be
5 deposited in the Alaska clean water fund.

6 * **Sec. 10.** AS 46.03.032(m) is amended to read:

7 (m) Annual principal payments shall commence within one year after project
8 completion [, OR WITHIN TWO YEARS AFTER THE DATE THE LOAN IS
9 MADE, WHICHEVER IS EARLIER].

10 * **Sec. 11.** AS 46.03 is amended by adding a new section to read:

11 Sec. 46.03.034. **ALASKA CLEAN WATER ACCOUNT.** (a) The Alaska
12 clean water account is established as a separate account which is distinct from other
13 money or funds in the treasury.

14 (b) The Alaska clean water account consists of state appropriations to the
15 Alaska clean water fund in excess of that amount required as a match for a federal
16 capitalization grant under 33 U.S.C. 1381 - 1387 (Clean Water Act).

17 (c) The department shall administer the Alaska clean water account.

18 (d) The Alaska clean water account may be used for purposes described in
19 AS 46.03.032(d).

20 (e) Principal repayments received on loans from the Alaska clean water
21 account shall be deposited in the Alaska clean water fund. Interest payments and
22 earnings shall be deposited in the clean water account.

23 * **Sec. 12.** AS 46.03 is amended by adding a new section to read:

24 Sec. 46.03.036. **ALASKA DRINKING WATER FUND.** (a) The Alaska
25 drinking water fund is established as a separate fund which is distinct from other
26 money or funds in the treasury. The Alaska drinking water fund consists of (1) federal
27 capitalization grants; (2) money appropriated by the legislature to meet federal
28 matching requirements; (3) loan repayments; and (4) if required by federal law or by
29 appropriation, interest received from loan repayments and interest received from
30 investment of money in the Alaska drinking water fund.

31 (b) The department may adopt regulations necessary to ensure that the

1 department administers and uses the Alaska drinking water fund in a manner consistent
2 with federal law.

3 * Sec. 13. AS 46.03 is amended by adding a new section to read:

4 Sec. 46.03.038. ALASKA DRINKING WATER ACCOUNT. (a) The Alaska
5 drinking water account is established as a separate account which is distinct from other
6 money or funds in the state treasury.

7 (b) The Alaska drinking water account consists of state appropriations to the
8 Alaska drinking water fund in excess of that amount required as a match for a federal
9 capitalization grant.

10 (c) The department shall administer the Alaska drinking water account.

11 (d) The Alaska drinking water account may be used for any purpose for which
12 the Alaska drinking water fund may be used.

13 (e) Principal repayments received on loans from the Alaska drinking water
14 account shall be deposited in the Alaska drinking water fund. Interest payments or
15 loans from the Alaska drinking water account and earnings on the Alaska drinking
16 water account shall be deposited in the Alaska drinking water account.

17 * Sec. 14. AS 46.03.030(f) and 46.03.032(n) are repealed.

18 * Sec. 15. Unless repealed by the department, regulations adopted by the Department of
19 Environmental Conservation before July 1, 1994, relating to water quality enhancement, water
20 supply, wastewater, and solid waste system grants, the Alaska clean water fund, or the Alaska
21 clean water account remain in effect until the effective date of regulations adopted by the
22 department to implement changes made by this Act.

23 * Sec. 16. Sections 1 - 11 and 14 - 15 of this Act take effect July 1, 1994.

24 * Sec. 17. Sections 12 and 13 of this Act take effect on the effective date of a federal law
25 authorizing changes to the federal Safe Water Drinking Act to allow the state to participate
26 in federal capitalization grants to finance projects related to drinking water. The commissioner
27 of environmental conservation shall certify to the revisor of statutes the effective date of a
28 federal law described in this section.

3-14-94

This CS approved by
Sen. Riegr, maker of
amendment at p. 3.

Sen. Riegr indicated
a preference to add "security"
following "Collateral," but Ann
said that change would be made
in Senate Rules.

8-LS1739J

CS FOR SENATE BILL NO. 330(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): SENATOR HALFORD

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to water quality enhancement, water supply, wastewater, and
2 solid waste grants; the Alaska clean water fund; the establishment of the Alaska
3 clean water account, the Alaska drinking water fund, and the Alaska drinking
4 water account; and providing for an effective date."

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

6 * Section 1. AS 46.03.030(b) is repealed and reenacted to read:

7 (b) The department may grant to a municipality, as funds are available, a grant
8 for any of the following:

- 9 (1) a water quality enhancement project;
10 (2) a public water supply, treatment, or distribution system;
11 (3) a wastewater collection, treatment, or discharge system;
12 (4) a solid waste processing, disposal, or resource recovery system.

13 * Sec. 2. AS 46.03.030(c) is amended to read:

14 (c) There is a water quality enhancement program and water supply,

1 wastewater [SEWAGE], and solid waste svstems [FACILITIES] fund created in the
2 department to carry out the purposes of this section.

3 * Sec. 3. AS 46.03.030(d) is amended to read:

4 (d) The department shall, by regulation, identify those costs that are eligible
5 costs for the purposes of this section. Eligible costs [INCLUDE THE COSTS
6 ESTABLISHED IN A CONSTRUCTION CONTRACT THAT ARE NECESSARY
7 FOR CONSTRUCTION OF A PROJECT, BUT] do not include [THE COST OF]
8 interest and financing and right-of-way acquisition, or costs that are related to the
9 operation, maintenance, or repair of a svstem [PROJECT].

10 * Sec. 4. AS 46.03.030(e) is repealed and reenacted to read:

11 (e) A grant under this section to a municipality for a project funded by an
12 appropriation made by the legislature

13 (1) before July 1, 1994, may not exceed 50 percent of the eligible costs
14 of the project;

15 (2) after July 1, 1994, may not exceed

16 (A) 85 percent of the eligible costs for a municipality with a
17 population of 1,000 persons or less;

18 (B) 70 percent of the eligible costs for a municipality with a
19 population of 1,001 to 5,000 persons; and

20 (C) 50 percent of the eligible costs for a municipality with a
21 population greater than 5,000 persons; however, if a municipality with a
22 population greater than 5,000 persons seeks a grant for a project that relates to
23 a solid waste processing or disposal system that incorporates resource recovery,
24 the department may provide a grant for up to 60 percent of the eligible costs
25 of the project.

26 * Sec. 5. AS 46.03.030 is amended by adding new subsections to read:

27 (g) The match required for grants made under this section may include

28 (1) federal funds; or

29 (2) state funds, other than those funds received under this section or

30 AS 37.06.

31 (h) Construction of a project for which a grant is made under this section may

1 commence only after the department has approved in writing the plans and
2 specifications for the project.

3 * Sec. 6. AS 46.03.032(d) is amended to read:

4 (d) Except as otherwise limited by federal law, the Alaska clean water fund
5 may be used for

6 (1) buying or refinancing the debt obligations of a municipality for
7 a public wastewater treatment system or a [WORKS AND] solid waste management
8 system [DEBT OBLIGATIONS OF MUNICIPALITIES];

9 (2) planning, designing, building, constructing, and rehabilitating a
10 [FACILITIES ASSOCIATED WITH] solid waste management system or a [AND]
11 public wastewater [SEWAGE] collection, treatment, and discharge system
12 [FACILITIES];

13 (3) collateral ^{security} for [CONSTRUCTING, EQUIPPING, MODIFYING,
14 IMPROVING, AND EXPANDING SOLID WASTE MANAGEMENT AND PUBLIC
15 WATER SUPPLY, TREATMENT, AND DISTRIBUTION SYSTEMS;

16 (4) GUARANTEEING] or purchasing insurance for a public agency
17 debt obligation [OBLIGATIONS] related to the construction of a solid waste
18 management system or a public wastewater [AND] treatment system;

19 (4) developing and implementing a management program for
20 controlling water pollution from nonpoint sources under 33 U.S.C. 1329; and

21 (5) developing and implementing an estuary conservation and
22 management program under 33 U.S.C. 1330 [WORKS CONSTRUCTION].

23 * Sec. 7. AS 46.03.032(f) is amended to read:

24 (f) The department may spend money from the Alaska clean water fund to
25 pay the costs of administering the fund.

26 * Sec. 8. AS 46.03.032(g) is amended to read:

27 (g) A municipality wishing to borrow money from the Alaska clean water
28 fund shall demonstrate to the satisfaction of the department that the municipality [.]

29 (1) has sufficient legal authority to incur the debt for which it is
30 applying; and

31 (2) [THAT IT] will establish and maintain a dedicated source of

1 revenue or other acceptable revenue source for repayment of the loan.

2 * Sec. 9. AS 46.03.032(l) is amended to read:

3 (l) Loan [EXCEPT AS PROVIDED IN (n) OF THIS SECTION, LOAN]
4 repayments and interest earned by loans from the Alaska clean water fund shall be
5 deposited in the Alaska clean water fund.

6 * Sec. 10. AS 46.03.032(m) is amended to read:

7 (m) Annual principal payments shall commence within one year after project
8 completion [, OR WITHIN TWO YEARS AFTER THE DATE THE LOAN IS
9 MADE, WHICHEVER IS EARLIER].

10 * Sec. 11. AS 46.03 is amended by adding a new section to read:

11 Sec. 46.03.034. ALASKA CLEAN WATER ACCOUNT. (a) The Alaska
12 clean water account is established as a separate account which is distinct from other
13 money or funds in the treasury.

14 (b) The Alaska clean water account consists of state appropriations to the
15 Alaska clean water fund in excess of that amount required as a match for a federal
16 capitalization grant under 33 U.S.C. 1381 - 1387 (Clean Water Act).

17 (c) The department shall administer the Alaska clean water account.

18 (d) The Alaska clean water account may be used for purposes described in
19 AS 46.03.032(d).

20 (e) Principal repayments received on loans from the Alaska clean water
21 account shall be deposited in the Alaska clean water fund. Interest payments and
22 earnings shall be deposited in the clean water account.

23 * Sec. 12. AS 46.03 is amended by adding a new section to read:

24 Sec. 46.03.036. ALASKA DRINKING WATER FUND. (a) The Alaska
25 drinking water fund is established as a separate fund which is distinct from other
26 money or funds in the treasury. The Alaska drinking water fund consists of (1) federal
27 capitalization grants; (2) money appropriated by the legislature to meet federal
28 matching requirements; (3) loan repayments; and (4) if required by federal law or by
29 appropriation, interest received from loan repayments and interest received from
30 investment of money in the Alaska drinking water fund.

31 (b) The department may adopt regulations necessary to ensure that the

1 department administers and uses the Alaska drinking water fund in a manner consistent
2 with federal law.

3 * Sec. 13. AS 46.03 is amended by adding a new section to read:

4 Sec. 46.03.038. ALASKA DRINKING WATER ACCOUNT. (a) The Alaska
5 drinking water account is established as a separate account which is distinct from other
6 money or funds in the state treasury.

7 (b) The Alaska drinking water account consists of state appropriations to the
8 Alaska drinking water fund in excess of that amount required as a match for a federal
9 capitalization grant.

10 (c) The department shall administer the Alaska drinking water account.

11 (d) The Alaska drinking water account may be used for any purpose for which
12 the Alaska drinking water fund may be used.

13 (e) Principal repayments received on loans from the Alaska drinking water
14 account shall be deposited in the Alaska drinking water fund. Interest payments on
15 loans from the Alaska drinking water account and earnings on the Alaska drinking
16 water account shall be deposited in the Alaska drinking water account.

17 * Sec. 14. AS 46.03.030(f) and 46.03.032(n) are repealed.

18 * Sec. 15. Unless repealed by the department, regulations adopted by the Department of
19 Environmental Conservation before July 1, 1994, relating to water quality enhancement, water
20 supply, wastewater, and solid waste system grants, the Alaska clean water fund, or the Alaska
21 clean water account remain in effect until the effective date of regulations adopted by the
22 department to implement changes made by this Act.

23 * Sec. 16. Sections 1 - 11 and 14 - 15 of this Act take effect July 1, 1994.

24 * Sec. 17. Sections 12 and 13 of this Act take effect on the effective date of a federal law
25 authorizing changes to the federal Safe Water Drinking Act to allow the state to participate
26 in federal capitalization grants to finance projects related to drinking water. The commissioner
27 of environmental conservation shall certify to the revisor of statutes the effective date of a
28 federal law described in this section.



ALASKA STATE LEGISLATURE

Senator Rick Halford

President of the Senate

MEMORANDUM

While in Session:
State Capitol
Juneau, AK 9801-1182
907-465-4958

While in Interim:
P.O. Box 670190
Chugiak, AK 99567
907-694-4958

TO: Senator Drue Pearce, Co-Chair
Senator Steve Frank, Co-Chair


Senate Finance Committee

Senator George Jacko
Senator Tim Kelly
Senator Steve Rieger
Senator Bert Sharp
Senator Jay Kerttula

FROM: Senator Rick Halford
Sponsor

DATE: February 28, 1994

SUBJECT: Sponsor Statement for Senate Bill 330



Senate Bill 330 proposes modifications to two statutes administered by the Division of Facility Construction and Operation within the Department of Environmental Conservation; AS 46.03.030 (Municipal Matching Grants) and AS 46.03.032 (Alaska Clean Water Fund).

By way of background, in 1987 I sponsored Senate Bill 167 which created the Alaska Clean Water Fund (ACWF) to provide low interest loans for the construction of municipal wastewater projects. This program, capitalized 83 percent by the federal government, was designed to replace the EPA construction grants program. Since the ACWF can only finance wastewater projects, the Legislature also created a separate account for excess State appropriations to provide loans for water supply and solid waste projects. This account has never been capitalized. The ACWF as presently capitalized can provide loans only for wastewater projects.

SB 330 provides funding assistance through grants and loans to Alaska's incorporated municipalities for the construction of water, wastewater and solid waste improvements. By amending AS 46.03.030, the flexibility of funding alternatives available to incorporated governments will be increased.

Changes to AS 46.03.032 will position the State to take advantage of a new federal loan program for construction of water supply systems. This legislation is now pending in Congress and by passing this bill this session, it will enable the State to participate at the earliest possible opportunity.

Congress is also presently considering several bills for the re-authorization of the Safe Water Drinking Act. These bills all contemplate a loan program for the construction of water supply projects. It is proposed that federal appropriations and the corresponding State match will be used to capitalize an Alaska Drinking Water Fund.

The proposed changes to AS 46.03.032 clarify the relationship of the ACWF to the account and establishes a parallel Alaska Drinking Water Fund and account. Again, early action by the Legislation allows the State to receive federal funding as soon as it is available.

I request the committees' favorable consideration of Senate Bill 330.

CITY of HOONAH

P.O. Box 360
Hoonah, Alaska 99829
(907) 945-3663
FAX (907) 945-3445

RECEIVED

FEB 28 1994

Asst.....

February 23, 1994

Randy
TO: Senator Randy Phillips, Chairman
Senate Community & Regional Affairs Committee

Albert
FROM: Albert W. Dick
Mayor

SUBJECT: SB 330 - An act relating to water quality enhancement, water supply, wastewater, and solid waste grants; the Alaska clean water fund; the establishment of the Alaska clean water account, the Alaska drinking water fund, and the Alaska drinking water; and providing for an effective date. .

The City of Hoonah strongly supports SB 330 in its entirety.

The City of Hoonah has been operating at 97% water treatment capacity for some time and is desperately in need of a new water treatment system which will allow it to treat a larger capacity of water, meet DEC/EPA regulations pertaining to the treatment of water and provide for future expansion of the City. This is more important as the U. S. Forest Service expands its office and housing base in the community. It is getting more difficult for us to stay in compliance during peak periods when the Hoonah Cold storage is running.

This system was originally installed by Indian Health Service some time ago. They have indicated that they would help us out anyway they can to get a new system on line. The City like most small communities does not have the funds to install this system, would be able to handle 15% of the cost. That is why we are requesting support of this bill especially as it pertains to Sec. 4. AS46.03.030(e)(2)(A) 85 percent of the eligible costs for a municipality with a population of 1,000 persons or less; and Sec. 5 AS46.03.030(g) the match required under this section may include (1) federal funds; or (2) state funds, other than those funds received under this section.

AWD:rgp

cc: Mackie, Zharoff, Halford

DEPT. OF ENVIRONMENTAL CONSERVATION

**Department Position Paper
SB 330**

" An Act relating to water quality enhancement, water supply, wastewater, and solid waste grants; the Alaska clean water fund; the establishment of the Alaska clean water account, the Alaska drinking water fund, and the Alaska drinking water account; and providing for an effective date."

Legislative Intent:


SB 330 would amend the statutes governing two funding programs administered by the Department of Environmental Conservation: Municipal Matching Grants and the Alaska Clean Water Fund. The intent of the bill is to: (1) improve existing funding alternatives available to incorporated communities; (2) provide a more equitable method for assisting mid-sized communities with populations ranging from 1,000 to 5,000; (3) expand loan eligibility similar to the Alaska Clean Water Fund to include drinking water projects; (4) enable Alaska to take advantage of federal capitalization grants to the drinking water loan program; and (5) clarify confusing and redundant language contained in the programs' existing statutes (AS 46.03.030 and AS 46.03.032).

Bill/Program Effects:

SB 330 would allow the Department of Environmental Conservation to better assist incorporated communities in financing the planning, design, and construction of water, sewerage, and solid waste systems. Financing programs are available to meet the needs of the State's larger urban communities and smaller unincorporated rural communities. However, incorporated "mid-sized" communities with population bases of 1,000 to 5,000 are not eligible to participate in the Village Safe Water program yet do not have the financial resources to pay one-half of a project's cost as currently required under the Municipal Matching Grants program. By increasing the percent of project costs eligible for grant funding to more closely parallel those allowed under AS 37.06, these communities will be better able to finance the sanitation needs of their residents. SB 330 would also position the State to take advantage of a proposed federal capitalization program by establishing a Drinking water revolving loan fund. Congress is expected to pass authorization language for the program this session. This program would provide communities with a predictable, perpetual and, eventually, self-sustaining financial resource for water supply projects.

The Alaska Department of Environmental Conservation strongly supports SB 330 in its entirety.

This legislation would have a zero fiscal impact on the State's Operating Budget.



Keith Kelton, Director
Division of Facility Construction
and Operation

2-17-94
Date

DIVISION OF LEGAL SERVICES

LEGISLATIVE AFFAIRS AGENCY STATE OF ALASKA

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

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

MEMORANDUM

February 18, 1994

SUBJECT: Sectional Summary of SB 330; An Act relating to water quality enhancement, water supply, wastewater, and solid waste grants; the Alaska clean water fund; the establishment of the Alaska clean water account, the Alaska drinking water fund, and the Alaska drinking water account; and providing for an effective date. (Work Order No. 8-LS1739\E)

TO: Senator Rick Halford

FROM: George Utermohle *GU*
Legislative Counsel

You have requested a sectional summary of SB 330; An Act relating to water quality enhancement, water supply, wastewater, and solid waste grants; the Alaska clean water fund; the establishment of the Alaska clean water account, the Alaska drinking water fund, and the Alaska drinking water account; and providing for an effective date.

A sectional summary of a bill is not an authoritative interpretation of the bill. The bill itself is the best statement of its contents.

Section 1 of the bill repeals and reenacts AS 46.03.030(b) to set out the purposes for which grants may be made to municipalities: a water quality enhancement project; a public water supply, treatment, or distribution system; a wastewater collection, treatment, or discharge system; or a solid waste processing, disposal, or resource recovery system.

Section 2 of the bill makes technical amendments to AS 46.03.030(c).

Section 3 of the bill amends AS 46.03.030(d) to change the definition of eligible costs of projects that can be funded by grants under AS 46.03.030.

Section 4 of the bill repeals and reenacts AS 46.03.030(e) to set out that portion of the eligible costs of a project that may be funded by grants under AS 46.03.030.

Senator Rick Halford

February 18, 1994

Page 2

Section 5 of the bill adds new subsections to AS 46.03.030 specifying what types of funds may be used to match grants under AS 46.03.030 and requiring that the Department of Environmental Conservation must approve project plans and specifications before construction of the project may begin.

Section 6 of the bill amends AS 46.03.032(d) to change the purposes for which the Alaska clean water fund may be used.

Sections 7, 8, and 9 of the bill make minor technical changes to AS 46.03.032(f), (g), and (l), respectively.

Section 10 of the bill amends AS 46.03.032(m) to require that annual repayments of principal on loans from the Alaska clean water fund must commence within one year after completion of the project for which the loan is made.

Section 11 of the bill adds a new section to AS 46.03 to create the Alaska clean water account as a separate account in the state treasury. The account may be used for the same purposes as the Alaska clean water fund. Repayments of principal on loans from the account shall be deposited in the Alaska clean water fund. Interest payments on loans made from the account are dedicated back to the account.

Section 12 of the bill adds a new section to AS 46.03 to create the Alaska drinking water fund as a separate fund in the state treasury. The Department of Environmental Conservation may adopt regulations to ensure that it administers the fund in a manner consistent with federal law.

Section 13 of the bill adds a new section to AS 46.03 to create the Alaska drinking water account as a separate account in the state treasury. The account may be used for the same purposes as the Alaska drinking water fund. Repayments of principal on loans from the account shall be deposited in the Alaska drinking water fund. Interest payments on loans made from the account are dedicated back to the account.

Section 14 of the bill repeals AS 46.03.030(f) and 46.03.032(n).

Section 15 of the bill allows the Department of Environmental Conservation to retain certain regulations relating to water quality enhancement, water supply, wastewater, and solid waste system grants, the Alaska clean water fund, or the Alaska clean water account until the effective date of regulations adopted by the department to implement changes made by this Act.

Section 16 of the bill provides that, except for secs. 12 and 13, the bill takes effect July 1, 1994.

Senator Rick Halford
February 18, 1994
Page 3

Section 17 of the bill provides that secs. 12 and 13, relating to the Alaska drinking water fund and the Alaska drinking water account, take effect on the effective date of a federal law allowing the state to participate in federal capitalization grants to finance projects related to drinking water.

GU:pl
94-129.plm

STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

DEPT. OF ENVIRONMENTAL CONSERVATION

Department Position Paper SB 330

" An Act relating to water quality enhancement, water supply, wastewater, and solid waste grants; the Alaska clean water fund; the establishment of the Alaska clean water account, the Alaska drinking water fund, and the Alaska drinking water account; and providing for an effective date."

Legislative Intent:

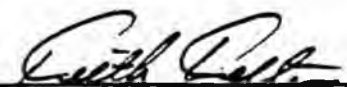
SB 330 would amend the statutes governing two funding programs administered by the Department of Environmental Conservation: Municipal Matching Grants and the Alaska Clean Water Fund. The intent of the bill is to: (1) improve existing funding alternatives available to incorporated communities; (2) provide a more equitable method for assisting mid-sized communities with populations ranging from 1,000 to 5,000; (3) expand loan eligibility similar to the Alaska Clean Water Fund to include drinking water projects; (4) enable Alaska to take advantage of federal capitalization grants to the drinking water loan program; and (5) clarify confusing and redundant language contained in the programs' existing statutes (AS 46.03.030 and AS 46.03.032).

Bill/Program Effects:

SB 330 would allow the Department of Environmental Conservation to better assist incorporated communities in financing the planning, design, and construction of water, sewerage, and solid waste systems. Financing programs are available to meet the needs of the State's larger urban communities and smaller unincorporated rural communities. However, incorporated "mid-sized" communities with population bases of 1,000 to 5,000 are not eligible to participate in the Village Safe Water program yet do not have the financial resources to pay one-half of a project's cost as currently required under the Municipal Matching Grants program. By increasing the percent of project costs eligible for grant funding to more closely parallel those allowed under AS 37.06, these communities will be better able to finance the sanitation needs of their residents. SB 330 would also position the State to take advantage of a proposed federal capitalization program by establishing a Drinking water revolving loan fund. Congress is expected to pass authorization language for the program this session. This program would provide communities with a predictable, perpetual and, eventually, self-sustaining financial resource for water supply projects.

The Alaska Department of Environmental Conservation strongly supports SB 330 in its entirety.

This legislation would have a zero fiscal impact on the State's Operating Budget.



Keith Kelton, Director
Division of Facility Construction
and Operation

2-17-94
Date

SECTIONAL ANALYSIS
S. B. 330 BILL NO.

FOR AN ACT ENTITLED

"An Act relating to water quality enhancement, water supply, wastewater, and solid waste system grants: to the Alaska clean water fund and the Alaska clean water account: and to the establishment of the Alaska drinking water fund and the Alaska drinking water account: and providing for an effective date."

BACKGROUND

This legislation proposes modifications to two statutes administered by the Division of Facility Construction and Operation, within the Department of Environmental Conservation:

AS 46.03.030 Municipal Matching Grants

AS 46.03.032 Alaska Clean Water Fund

These two programs provide funding assistance through grants and loans to Alaska's incorporated municipalities for the construction of water, wastewater and solid waste improvements. The primary purpose for amending AS 46.03.030 is to increase the flexibility of funding alternatives available to incorporated governments. The bill also more closely aligns funding assistance with the participation available from the Governor's matching grants program. Changes to AS 46.03.032 will position the State to take advantage of a new federal loan program for construction of water supply systems. This legislation is now pending in Congress and adoption of changes to the statute, this session, will allow the State to participate at the earliest possible opportunity.

MUNICIPAL MATCHING GRANTS

Bill Sections 1 through 5

Sections 1, 2 & 3 - These sections are rewritten to consolidate language and to clarify intent. This statute has been modified over the years adding new sections on grant eligibility. As a result, the statute has become redundant and confusing. These proposed amendments clarify but do not alter previous intent. The grant eligible expenses are fixed by regulation and will remain the same.

Section 4 - This section is revised to increase the grant percentages available to smaller incorporated municipalities and to more closely align this program with the funding assistance available under AS 37.06. In the past, smaller municipalities have had a difficult time providing the 50 percent local match required to qualify for a state matching grant. This has frequently resulted in sanitation needs going unmet. Unincorporated communities are eligible for 100 percent grants from the Village Safe Water Program. The changes in grant percentages will discourage smaller communities from dissolving their governments to qualify for increased State assistance. For municipalities over 5,000 in population, there is no change in the grant participation currently available.

Section 5 - This amendment alters how Federal funds are to be treated. The original statute adopted in 1972 was written to maximize the use of Environmental Protection Agencies grants. These federal grants were for 75 percent of eligible costs. The statute was written to require the State and the grantee to equally fund the remaining project costs. (The Department may grant....up to 50 percent of eligible costs not financed by the federal government...)

The EPA grants program that generated the existing statute's language has since been discontinued. The requirement that State project funds be reduced for each dollar of federal funding obtained acts as a disincentive for local governments to seek federal grants. By allowing federal funds to be used as match for State grants this amendment will encourage grantees to apply for federal funding. Allowing grantees to reduce local participation will increase the likelihood that projects in smaller communities can be financed.

ALASKA CLEAN WATER FUND

Bill Sections 6 through 13

BACKGROUND

The Alaska Legislature created the Alaska Clean Water Fund (ACWF) in 1987 to provide low interest loans for the construction of municipal wastewater projects. This program, capitalized 83 percent by the federal government, was designed to replace the EPA construction grants program. Since the ACWF can only finance wastewater projects, the Alaska Legislature also created a separate account for excess State appropriations to provide loans for water supply and solid waste projects. This account has never been capitalized. The ACWF as presently capitalized can provide loans only for wastewater projects.

Congress is presently considering several bills for the re-authorization of the Safe Water Drinking Act. These bills all contemplate a loan program for the construction of water supply projects. It is proposed that federal appropriations and the corresponding State match will be used to capitalize an Alaska Drinking Water Fund.

The proposed changes to AS 46.03.032 clarify the relationship of the Alaska Clean Water Fund to the Account and establishes a parallel Alaska Drinking Water Fund and Account. Early action by the Legislature to create a Drinking Water Fund will position the State to receive federal funding as soon as it is available.

Section 6 - This amendment cleans up existing language by removing references to water supply systems, which are now included in Section 12. This section also includes non-point source pollution control and estuary conservation as eligible activities under the ACWF loan program. These changes are made to comply with federal requirements and should have minimal impact on fund use in Alaska.

SECTION 7 - This amendment clarifies the name of the fund to be used in paying the costs of the program administration.

SECTIONS 8,9 & 10 - These amendments clarify fund nomenclature and remove a provision in Section 10 that is not consistent with the federal law.

SECTION 11 - This section establishes an Alaska Clean Water Account to receive State appropriations in excess of the amount required to match the federal capitalization grants. There is no funding currently in this account.

SECTION 12 - This section establishes the Alaska Drinking Water Fund and positions the State to accept federal capitalization grants. Since federal legislation has not yet been adopted, language is broad, authorizing the Department to write the regulations needed to administer the program. This program is intended to parallel the ACWF loan program currently in place for wastewater projects.

SECTION 13 - This section establishes the Alaska Drinking Water Account to receive State appropriations in excess of the amount required to match federal capitalization grants. This is a parallel account to the Alaska Clean Water Account.

SECTIONS 14, 15, 16 & 17 - These sections relate to procedural matters and do not impact the intent of the proposed legislation.

SENATE COMMITTEE REPORT
(FIRST COMMITTEE OF REFERRAL)

MMK
DATE: 2/14/94

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 330

"An Act relating to water quality enhancement, water supply, wastewater, and solid waste grants; the Alaska clean water fund; the establishment of the Alaska clean water account, the Alaska drinking water fund, and the Alaska drinking water account; and providing for an effective date."

and recommends:

[] replace with _____ CS may op _____

[] 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

PKM

individual recommendations

Department	Date	Zero	Fiscal
DEC	2/15/94	φ	

FISCAL NOTE INFORMATION

Department	Date	Zero	Fiscal

[] Appropriation No Fiscal Note

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

DO PASS:

OTHER RECOMMENDATIONS:

Arvis L. Haveler
James A. Haveler (needs vsw amendment)

Reed E. Bell, D. Pres.

Chair: Signature and Recommendation

SENATE COMMITTEE REPORT
(FIRST COMMITTEE OF REFERRAL)

DNK
DATE: 2/14/94

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 330

"An Act relating to water quality enhancement, water supply, wastewater, and solid waste grants; the Alaska clean water fund; the establishment of the Alaska clean water account, the Alaska drinking water fund, and the Alaska drinking water account; and providing for an effective date."

and recommends:

replace with _____ CS may dp _____

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

DKM

FISCAL NOTE INFORMATION

Department	Date	Zero	Fiscal
DEC	2/15/94	φ	

Department	Date	Zero	Fiscal

Appropriation No Fiscal Note

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

DO PASS:

OTHER RECOMMENDATIONS:

Chris H. Traylor
Loren A. Johnson (needs vsw amendment)

Reed E. Bell, D.P.S.

Chair: Signature and Recommendation

SB

331

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 2/18/94

FURTHER:

Date of 5-Day Notice: 2-24-94
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: _____

Finance Committee considered SB 331

"An Act making appropriations to and from the constitutional budget reserve fund under art. IX, sec. 17(c), Constitution of the State of Alaska, for operating and capital expenses of state government for fiscal year 1994; 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

Appropriation No Fiscal Note

DO PASS:

1. _____
Co-Chair: Signature/Recommendation

OTHER RECOMMENDATIONS:

2. _____
Co-Chair: Signature/Recommendation

HISTORY IN THE SENATE

1994
2/18

Read first time and referred to:
FIN

_____ 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 _____

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

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

Read second time

_____ CS Adopted (____) _____ New Title
_____ Amended _____ Advanced

Read third time

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

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

Reconsideration
Reconsideration not taken up

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

Reported correctly engrossed
Signed by President, to House

Secretary of the Senate

HISTORY IN THE HOUSE

19

Read first time and referred to:

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

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

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

Read second time
CS(____) Adopted

Amended

Advanced

Read third time

Return to second for specific amendment

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

_____ Intent adopted

Reconsideration
Reconsideration not taken up

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

_____ Intent adopted

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

Chief Clerk of the House

SENATE-HOUSE HISTORY Continued

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

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

WALTER J. HICKEL
GOVERNOR



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

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

SB 331

February 16, 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 necessary for the state to comply with the January 27, 1994, order of the Alaska Supreme Court in Hickel v. Halford, the litigation concerning the constitutional budget reserve fund. This bill appropriates money from the general fund to fully restore the constitutional budget reserve fund as required by the court's order. In addition, it appropriates money from the constitutional budget reserve fund to the general fund to provide valid funding sources for fiscal year 1994 appropriations. The enactment of this bill is essential for two reasons: it ensures that the state is in compliance with the order of the Alaska Supreme Court, and it provides finality with regard to the validity of fiscal year 1994 appropriations.

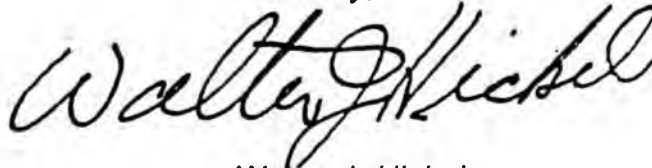
The bill sets out findings concerning the constitutional budget reserve fund and the litigation on this issue. That litigation resulted in an order of the Alaska Supreme Court that the governor restore the constitutional budget reserve fund, with interest. The amount required to restore that fund consistent with the court's interpretation is \$945,636,778.27, plus income that would have been earned upon investment of this money, calculated from the date of receipt by the state. The bill makes appropriations necessary to accomplish this.

The enactment of this bill is essential to the State of Alaska. If enacted into law, the bill will bring the state into compliance with the order of the Alaska Supreme Court. By making appropriations from the constitutional budget reserve fund, the bill provides valid funding sources for fiscal year 1994 appropriations.

*The Honorable Rick Halford
February 16, 1994
Page 2*

This bill accomplishes these goals in a manner that provides finality. For these reasons, I strongly urge your support for this bill.

Sincerely,

A handwritten signature in cursive script that reads "Walter J. Hickel". The signature is written in black ink and is positioned centrally on the page, below the word "Sincerely,".

*Walter J. Hickel
Governor*

SB

333

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 4/8/94

FURTHER:

DATE TURNED INTO OFFICE: 4-19-94

The Finance Committee considered **SENATE BILL NO. 333**

"An Act relating to disclosure of close economic associations by certain state employees and to the prohibition against nepotism in the executive branch of state government; and providing for an effective date."

and recommends:

- replace with _____ CS SB 333 (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
<u>DOA</u>	<u>4/19/94</u>		<u>24.3</u>

PREVIOUS FISCAL NOTES

Department	Date	Zero	Fiscal
<u>Gov.</u>	<u>3/9/94</u>	<u>0</u>	
<u>DOL</u>	<u>3/10/94</u>	<u>0</u>	

Appropriation No Fiscal Note

DO PASS:

Steve R.

Beck Sharp

 1. Don An Pass
 Co-Chair: Signature/Recommendation

OTHER RECOMMENDATIONS:

Tim Kelly - No Rec

 2. True Pence. 10 Pass
 Co-Chair: Signature/Recommendation

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO. CS SB 333 (FIN)

Revision Date: _____ Department Affected: Administration
 Title: An Act relating to disclosure of close economic BRU: Personnel/OEEO
associations..and to the prohibition against nepotism.... Component: Personnel/OEEO
 Sponsor: Senate Rules by request of Leg. Budget & Audit Committee
 Requestor: Senate Finance COMPONENT SERIAL NO. 56

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL	5.6	0	0	0	0	0
TRAVEL	3.1					
CONTRACTUAL	15.6					
SUPPLIES						
EQUIPMENT						
LAND &						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	24.3	0	0	0	0	0

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

CHANGE IN REVENUES						
--------------------	--	--	--	--	--	--

FUNDING SOURCE: (Thousands of Dollars)

1002 Federal						
1003 GF Match						
1004 GF	24.3					
1005 GF/Program						
1006 GF/MHTIA						
OTHER						
TOTAL	24.3	0	0	0	0	0

Estimate of any current year (FY 94) cost: \$ 0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS:

History tells us we can expect to receive a class action suit regarding the changes in the nepotism law from each of 11 bargaining units. The costs above are based on the assumption that 5 will go to hearing. Estimated total cost is \$24,300. See attached breakdown for detail.

Prepared by: Kevin C. Ritchie, Director
 Division: Personnel/OEEO

Phone: 465-4429
 Date: _____

Approved by Commissioner: Nancy Bear Usher
 Agency: Administration

Date: 4/19/94

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Fiscal Note
Calculation Sheet

CS SB 333 (FIN)

Personal Services

5 class action hearings @ rg 21C
3 days preparation
2 days hearing 5,544.00

5,544.00

Travel

Airfare Juneau-Anchorage-Juneau
444.00 x 5 trips 2,220.00
9 days per diem @ \$100 900.00

3,120.00

Contractual

5 days arbitrator @ \$3120 15,600.00

TOTAL \$ 24,264.00

FISCAL NOTE

o. 2

STATE OF ALASKA
1994 LEGISLATIVE SESSION

Bill Version: SB 333

(S) Publish Date: 3-18-94

Revision Date: March 10, 1994
Title: "...disclosure of close economic associations by certain state employees...prohibition against nepotism..."
Sponsor: Senate Rules Committee By Request
Requestor: Senate State Affairs Committee

Department Affected: Department of Law
BRU: Legal Services
Component: Operations
COMPONENT SERIAL NO. 0093

EXPENDITURES/REVENUES:

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND &						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

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

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

FUNDING:

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

POSITIONS:

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

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

ANALYSIS: (Attach a separate page if necessary.)
Please see the attached analysis.

Richard I. Pegues

Prepared by: Richard I. Pegues, Director
Division: Administrative Services Division

Phone: 465-3672
Date: March 10, 1994

Approved by Commissioner: Bruce M. Botelho, Attorney General
Agency: Department of Law

Date: March 10, 1994

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FISCAL NOTE

3
 Bill Version: SB 333
 (S) Publish Date: 3-18-94

STATE OF ALASKA
 1994 LEGISLATIVE SESSION

Revision Date: _____
 Title: "An Act relating to disclosure..."
 Sponsor: Senate Rules Committee
 Requestor: LB&A Committee

Department Affected: Office of the Governor
 BRU: All BRUs
 Component: All Components
 COMPONENT SERIAL NO. _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

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

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

FUND SOURCE	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of any current year (FY94) cost: n/a

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

Prepared by: Michael A. Nizich, Director
 Division: Division of Administrative Services

Phone: 465-3976
 Date: 3/8/94

Approved by Commissioner: Patrick P. Ryan, Chief of Staff
 Agency: Office of the Governor

Date: 3/8/94

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FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO. S 333

ANALYSIS CONTINUATION:

This bill amends the Alaska Executive Branch Ethics Act, under AS 39.52, to add a new section that provides that a public officer in the executive branch must disclose a close economic association involving a substantial financial matter with a person who is likely to be affected by an official action taken or withheld by the public officer. Current law, under AS 34.52.120(b)(4) prohibits a public officer from taking or withholding official action in order to affect a matter in which the public officer has a personal or financial interest. However, the existing law does not include the requirements for prior disclosure of close financial associations that are contained in the bill.

The bill also amends the state's statute prohibiting nepotism, AS 39.90.020, to clearly define the supervisory position of a public officer in relationship to family members and those living regularly in a person's household to whom the prohibition applies.

It is not anticipated that either of these provisions would result in a level of violations that would cause a fiscal impact for the Department of Law.

CS SENATE BILL NO. 333 (Fin)

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE LEGISLATIVE BUDGET AND AUDIT COMMITTEE

Introduced: 2/22/94
Referred: STA, JUD

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to disclosure of close economic associations by certain state
2 employees and to the prohibition against nepotism in the executive branch of state
3 government; and providing for an effective date."

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

5 * Section 1. AS 39.52 is amended by adding a new section to read:

6 Sec. 39.52.155. DISCLOSURE OF CERTAIN ASSOCIATIONS. (a) A
7 public officer shall disclose the formation or maintenance of a close economic
8 association involving a substantial financial matter with a person who is likely to be
9 affected by official action taken or withheld by the public officer.

10 (b) For purposes of this section, a person "is likely to be affected by official
11 action" of a public officer if the person is engaged in a closely regulated field or
12 activity in a region or location that the public officer is responsible for regulating or
13 if the person is directly involved in a matter that has come before the administrative
14 unit in which the public officer is employed. The (personnel board) shall adopt

Handwritten notes: #1, A. G. Walker, Adopted

1 regulations that identify closely regulated fields or activities and the activities that are
2 considered closely regulated.

3 (c) A public officer shall, if it appears to be feasible and in the best interests
4 of the state, refrain from taking or withholding official action in a matter that directly
5 involves a person with whom the public officer has a close economic association. A
6 public officer who takes or withholds official action in a matter that directly involves
7 a person with whom the public officer has a close economic association shall
8 immediately disclose the matter to the public officer's designated supervisor. The
9 disclosure must describe the action taken or withheld, the association, and the way in
10 which the official action or inaction could affect the other person, unless the effect is
11 clear from other information in the disclosure.

12 (d) A designated supervisor who receives a disclosure under (c) of this section
13 shall make a written determination whether the public officer's involvement could
14 constitute a significant conflict of interest and, if so, whether it is feasible and in the
15 best interest of the state to reassign duties to avoid the public officer's potential
16 conflict of interest. The designated supervisor may direct the divestiture or removal
17 by the officer of the financial interests that give rise to the potential conflict of interest
18 if divestiture or removal is in the best interest of the state.

19 (e) A public officer shall file a disclosure required to be made because the
20 person is engaged in a closely regulated field or activity with the public officer's
21 designated supervisor within 10 working days after forming the association. A public
22 officer shall file a disclosure required to be made because a person is directly involved
23 in a matter that has come before the public officer's administrative unit with the public
24 officer's designated supervisor within five working days after becoming aware that the
25 person is directly involved in the matter. The disclosure is a public document. A
26 disclosure under this section must be sufficiently detailed so that a reader of the
27 disclosure can ascertain the nature of the association.

28 (f) In this section, "close economic association" means a financial relationship
29 that exists between a public officer and some other person, including a relationship
30 where the public officer serves as a consultant or advisor to, is a member or
31 representative of, or has a financial interest in an association, partnership, business, or

1 corporation, or a financial transaction between a public officer and another person,
2 including the purchase or sale of a significant personal or business asset.

3 * Sec. 2. AS 39.90.020 is repealed and reenacted to read:

4 Sec. 39.90.020. NEPOTISM PROHIBITED. (a) It is unlawful for a public
5 officer to hold a position as a supervisor over an immediate family member unless the
6 family member holds a position that is subject to legislative confirmation.

7 (b) In this section,

8 (1) "immediate family member" means the spouse, parent, child,
9 including a stepchild and an adopted child, sibling, and grandparent of a person and
10 includes a regular member of the person's household;

11 (2) "position as a supervisor" includes a position as immediate
12 supervisor or as a supervisor within the organizational structure, beginning with the
13 immediate supervisor and extending through the executive head of the agency or
14 department.

15 * Sec. 3. This Act takes effect July 1, 1994.

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

Bill Version: SB 333

(S) Publish Date: 3-18-94

Revision Date: _____
Title: An Act relating to disclosure of close economic associations..and to the prohibition against nepotism....
Sponsor: Senate Rules by request of Leg. Budget & Audit Committee
Requestor: (S) Sta

Department Affected: Administration
BRU: Personnel/OEEO
Component: Personnel/OEEO

COMPONENT SERIAL NO 56

EXPENDITURES/REVENUES: (Thousands)

OPERATING	FY 95	FY 96	FY 97
PERSONAL	6.5	0	0
TRAVEL	3.7		
CONTRACTUAL	15.6		
SUPPLIES			
EQUIPMENT			
LAND &			
GRANTS, CLAIMS			
MISCELLANEOUS			
TOTAL OPERATING	25.8	0	0

4-19-94
DOA to
prepare a new
fiscal note reduced
by \$ 1.5.

-1.5
Ritchie
Dept
will
support
new
note

CAPITAL EXPENDITURES			
CHANGE IN REVENUES			

FUNDING SOURCE:	(Thousands of Dollars)					
1002 Federal						
1003 GF Match						
1004 GF	25.8					
1005 GF/Program						
1006 GF/MHTIA						
OTHER						
TOTAL	25.8	0	0	0	0	0

Estimate of any current year (FY 94) cost: \$ 0

POSITIONS:

FULL-TIME					
PART-TIME					
TEMPORARY					

ANALYSIS: History tells us we can expect to receive a class action suit regarding the changes in the nepotism law from each of 11 bargaining units. The costs above are based on the assumption that 5 will go to hearing. Estimated total cost is 24.3. Costs for the Personnel Board to develop regulations and have necessary public hearings are calculated at 1.5. See attached breakdown for detail.

Prepared by: Kevin C. Ritchie, Director
Division: Personnel/OEEO

Phone: 465-4429
Date: _____

Approved by Commissioner: Nancy Bear Usura
Agency: Administration

Date: 3/14/94

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Fiscal Note
Calculation Sheet

SB 333

Personal Services

5 class action hearings @ rg 21C
3 days preparation
2 days hearing 5,544.00

Personnel Board 1 hearing
director & staff
preparation time 1,000.00

6,544.00

Travel

Airfare Juneau-Anchorage-Juneau
444.00 x 6 trips 2,664.00

10 days per diem @ \$100 1,000.00

3,664.00

Contractual

5 days arbitrator @ \$3120 15,600.00

TOTAL

\$ 25,808.00

ALASKA STATE LEGISLATURE

LEGISLATIVE BUDGET AND AUDIT COMMITTEE

Division of Legislative Audit



P. O. Box 113300
Juneau, AK 99811-3300
(907) 465-3830
FAX (907) 465-2347

MEMORANDUM

TO: The Honorable Drue Pearce, Co-Chair
The Honorable Steve Frank, Co-Chair
Senate Finance Committee

FROM: Randy S. Welker *Randy*
Legislative Auditor

DATE: April 15, 1994

RE: Senate Bill 333

This memo is provided to briefly summarize the contents of Senate Bill 333. The bill was introduced by the Legislative Budget and Audit Committee in response to an audit released last year.

The impetus for the suggested changes comes primarily from our audit of the Department of Public Safety's Division of Fish and Wildlife Protection (FWP). However, the problem identified is not limited to only FWP. Other public officials with discretionary authority could also be placed in a conflict of interest position.

Section 1 of the bill establishes a requirement in the Executive Branch Ethics Act for disclosure of the formation or maintenance of a close economic association similar to that contained in the Legislative Ethics Act.

The bill also requires a public officer, if it appears feasible and in the best interests of the State, to refrain from taking or withholding official action in a matter that directly involves a person with whom the public officer has a close economic association. However, if taking or withholding official action is not avoidable, the public officer shall immediately disclose the action to the public officer's designated supervisor.

The bill requires a supervisor, to whom a public officer has made a disclosure, to make a written determination of whether the officer's involvement could constitute a conflict of interest. The supervisor could reassign duties to avoid the conflict or the supervisor may direct the divestiture or removal by the officer of the financial interest giving rise to the conflict.

Section 2 of the bill is a change to the nepotism prohibition in statute. As the result of an isolated circumstance we found at the Alaska Psychiatric Institute, we are recommending that the statute be expanded. Currently the only relationship that is prohibited is that a person may not be employed in the same department or agency if they are the spouse of, or related by blood to, the executive head of a principal state department or agency.

We are recommending that the statute be expanded to include all supervisory/subordinate relationships (not just a relationship to the commissioner) and that the definition of relationship be expanded to include a regular member of the officer's household.

I have attached a copy of the nepotism recommendation excerpted from our audit of the Alaska Psychiatric Institute. I have also provided a copy of the entire audit report on the Division of Fish and Wildlife Protection.

I appreciate the Committee's consideration of this legislation. If enacted, this legislation will help improve public perception and clarify the legislature's disapproval of close economic associations by public officials who have discretion in taking or withholding official action that may affect the public officer or a person with whom the public officer has an economic association.

Attachment

appropriate managerial response to committee recommendations, the long-term effectiveness of the committee process as well as overall hospital operations, will suffer.

Recommendation No. 2

The legislature should consider expanding the nepotism statute to prohibit supervisory/subordinate relationships of immediate family members.

Alaska Statute (AS) 39.90.020 prohibits nepotism and reads as follows:

It is unlawful for a person who is the spouse of or is related by blood within and including the second degree of kindred to the executive head of a principal state department or agency to be employed in that department or agency.

First, we believe this statute should be expanded beyond just the executive head of principal state agencies to include all supervisory/subordinate relationships. Nepotism at any level can adversely impact the work environment.

Second, we believe this statute should address relationships beyond spousal and blood kindred to include immediate family members. In today's society, close relationships are more common in which an immediate family member is neither a spouse nor a blood relative. Nevertheless, any perceived favoritism shown this family member will likely affect employee morale.

This proposed expansion is not without statutory precedent. The legislature's Standards of Conduct, AS 24.60.090, state:

An individual who is related to a legislative employee may not be employed in a position over which the employee has supervisory authority. In this subsection, 'an individual who is related to' means a member of the legislator's or legislative employee's immediate family or a person who is a legislator's or legislative employee's spousal equivalent [emphasis added]

Further, the Executive Branch Ethics Act, AS 39.52.960, defines an immediate family member as:

. . . a public officer's spouse, a relation by blood within and including the second degree of kindred, and a regular member of the officer's household. [emphasis added]

In defining what constitutes improper influence over state grants and contracts, the Ethics Act states that an "immediate family member:"

... may not attempt to acquire, receive, apply for, be a party to, or have a personal or financial interest in a state grant, contract, lease, or loan if the public officer may take or withhold official action that affects the award, execution, or administration of the state grant contract, lease, or loan.

We see no reason for the State to apply a different standard for improper influence over grants and contracts than for nepotism. "A regular member of the officer's household" should be a standard for both.

During our review of personnel actions, we identified a situation where a public officer approved the appointment and promotion of an employee, when the public officer and employee were cohabitants. There was evidence in the personnel file that the relationship met the definition of an immediate family member as defined above under AS 39.52.960. A perceived act of relational favoritism within an agency, whether factual or not, can adversely affect an agency's efficiency and effectiveness. As this incident was brought to our attention by a number of API employees during audit interviews, we believe that it created significant morale problems at the hospital.

We recommend the legislature expand the current language of AS 39.90.020 to include regular members of an officer's household as part of the nepotism prohibition. Further, we recommend that all supervisory/subordinate relationships be addressed.

Recommendation No. 3

The Department of Health and Social Services (DHSS) should restructure the membership of the API governing body and consider establishing a board of governance.

API is required by JCAHO accreditation standards and state regulations to have a governing body with overall responsibility for the operations of the hospital. The governing body of API consists of the commissioner of DHSS, the director of the Division of Mental Health and Developmental Disabilities (DMHDD), and management of API; namely, the chief executive officer (CEO), the medical director, the hospital administrator, and the president of the medical staff.

The continuity within the governing body has been disrupted over the years because four of the six positions (DHSS commissioner, DMHDD director, API chief executive officer, and medical director) are political appointees and there has been a high turnover of management at API. In addition, the commissioner, division director, and medical director (prior to 1992 the medical director performed the CEO function) did not necessarily have experience in the management of a psychiatric hospital. Consequently, decisions may be deferred to a committee, delayed, or may not be the most efficient/effective option. Since 1988, there have been two commissioners, three division directors, two chief executive officers, five medical directors, five presidents of the medical staff, and three hospital administrators.

Audit Report

**DEPARTMENT OF PUBLIC SAFETY
DIVISION OF FISH AND WILDLIFE
PROTECTION, ENFORCEMENT ISSUES**

March 23, 1993



Audit Control Number:

12-4431-93

Division of Legislative Audit

P.O. Box 113300, Juneau, Alaska 99811-3300

LEGISLATIVE BUDGET AND AUDIT COMMITTEE

DIVISION OF LEGISLATIVE AUDIT

The Legislative Budget and Audit Committee is a permanent interim committee of the Alaska Legislature. The committee is made up of five senators and five representatives, with one alternate from each legislative chamber. The chairmanship of the committee alternates between the two chambers every legislature.

The committee is responsible for providing the legislature with audits of state government agencies. The programs and activities of state government now cost more than \$5 billion a year. As legislators and administrators try increasingly to allocate state revenues effectively and make government work more efficiently, they need information to evaluate the work of governmental agencies. The audit work performed by the Division of Legislative Audit helps provide that information.

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ALASKA STATE LEGISLATURE

LEGISLATIVE BUDGET AND AUDIT COMMITTEE

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March 23, 1993

Members of the Legislative Budget
and Audit Committee:

In accordance with the provisions of Title 24 of the Alaska Statutes, the attached report is submitted for your review.

DEPARTMENT OF PUBLIC SAFETY DIVISION OF FISH AND WILDLIFE PROTECTION ENFORCEMENT ISSUES

March 23, 1993

Audit Control Number

12-4431-93

As stated in the Objectives, Scope, and Methodology section of this report, the audit reviewed various aspects of the Division of Fish and Wildlife Protection (FWP or the division). We determined whether FWP's policies and procedures related to targeting suspected fish and wildlife violators for covert operations were adequate, whether the division's effectiveness may be impacted by public perception of conflicts of interest, and whether the division's association with Fish & Wildlife Safeguard corporation is appropriate.

The audit was conducted in accordance with generally accepted government auditing standards. Audit scope and methodology are discussed in the Objectives, Scope, and Methodology section of this report. Audit results can be found in the Report Conclusions and Findings and Recommendations sections.



Randy S. Welker, CPA
Legislative Auditor

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OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Title 24 of the Alaska Statutes and a special request by the Legislative Budget and Audit Committee, we conducted an audit of various aspects of the Department of Public Safety (DPS or the department), Division of Fish and Wildlife Protection (FWP or the division). The objectives, scope, and methodology of our review were as follows.

Objectives

The objectives of the review were to determine:

1. If FWP's policies and procedures related to targeting suspected fish and wildlife violators for covert operations are adequate.
2. If the division's effectiveness may be impaired due to public perception of conflicts of interest within FWP's ranks.
3. If FWP's relationship with Fish & Wildlife Safeguard corporation (Safeguard) is appropriate.

Scope and Methodology

Our examination included reviewing applicable Alaska Statutes and Alaska Administrative Code regulations, the DPS Operating Procedures Manual and Officer's Information Manual, policy and procedure manuals from other fish and wildlife law enforcement organizations, departmental administrative investigations and disciplinary actions, selected police files, and criminal histories and cases from the Alaska Public Safety Information Network. Further, we examined databases of public information, documentation of tips received, ethics statutes of other states, organizations in other states similar to Safeguard, Safeguard's articles of incorporation and by-laws, and applicable court judgements.

Additionally, we conducted various interviews with management and staff of DPS, U.S. Fish and Wildlife Service, Department of Fish and Game, Department of Commerce and Economic Development, Court System, Department of Law, and Safeguard, as well as other interested parties.

ORGANIZATION AND FUNCTION

Division of Fish and Wildlife Protection

The Division of Fish and Wildlife Protection (FWP or the division) is within the Department of Public Safety (DPS or the department). FWP is charged with protecting the State's resources through enforcement of laws and regulations governing use of fish and game within Alaska and its surrounding waters. The division also participates in the overall mission of the department through enforcement of other criminal laws and participation in search and rescue operations.

Under the overall guidance of the commissioner and deputy commissioner of DPS, a director commands the division. FWP is organized into two sections, Operations and Enforcement. Operations consists of the aircraft, vessel, and administrative sections of the division, and also includes the liaison officer between FWP and Fish & Wildlife Safeguard corporation (Safeguard). Enforcement includes four detachments of enforcement personnel and the Statewide Investigations Section (SIS). While the detachments are primarily concerned with patrols and responding to complaints, SIS is responsible for managing all investigations involving commercial operators as well as any covert operations implemented by the division.

The division headquarters is located in Anchorage. Currently, the four detachments maintain thirty-three posts statewide staffed by Fish and Wildlife Troopers, Fish and Wildlife Enforcement Officers (FWEOs), Fish and Wildlife Aides, and support personnel. FWP Troopers and FWEOs are commissioned officers; while the former are charged with enforcing all laws of the State, the latter are restricted to fish and game statutes and regulations. FWP Aides are non-commissioned assistants to FWP Troopers and FWEOs who aid in the enforcement of fish and game laws and regulations. Support personnel consist of various technical and administrative staff. As of the date of this report, the division had 133 full-time and seasonal employees.

Fish & Wildlife Safeguard corporation

Safeguard is a private, non-profit Alaskan corporation organized in 1984 with the stated purposes of:

1. Promoting statewide fish and wildlife protection for the State of Alaska by assisting law enforcement agencies in the apprehension of fish and wildlife violators.
2. Motivating members of the public to cooperate with fish and wildlife enforcement within the State of Alaska.
3. Providing rewards and awards for such cooperation.

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3. Providing rewards and awards for such cooperation.

4. Creating a greater sense of awareness and concern about various fish and wildlife violations through a coordinated program with the news media, law enforcement agencies, and the general public.
5. Cooperating, whenever possible, with federal, state, other public agencies, and private corporations in carrying out programs consistent with the purpose for which Safeguard was created.

The corporation is composed of three regional boards of directors, each with membership of between seven and twenty individuals, and a statewide board made up of the chair and vice-chair of each regional board. The corporation employs an administrative assistant who is supervised by the statewide board; this individual's office is located within the DPS complex in Anchorage. An Enforcement Officer coordinates activities between Safeguard and FWP.

Since its inception, Safeguard has offered a 24-hour, seven days a week hotline that utilizes a direct line to the Anchorage FWP office for reporting fish and wildlife violations statewide. Callers may remain anonymous. Rewards are determined by the statewide board and purportedly paid if the information provided leads to a citation or an arrest; a conviction is not necessary. Rewards are said to range from \$100 to \$10,000.

REPORT CONCLUSIONS

As stated in the Objectives, Scope, and Methodology section of the report, this audit reviewed the Division of Fish and Wildlife Protection's (FWP or the division) handling of issues related to targeting of suspected fish and wildlife violators for covert operations, public perception of conflicts of interest within division ranks, and the relationship between FWP and Fish & Wildlife Safeguard corporation (Safeguard). Our conclusions are as follows.

Targeting

Covert fish and wildlife law enforcement operations are defined by the division as any investigation that requires FWP investigators or their agents to assume a fictitious identity or rely upon the suspect's belief that the investigators or their agents are other than law enforcement officers. Departmental policies and procedures regarding targeting of suspected fish and wildlife violators are found in the Department of Public Safety's (DPS) Officer's Information Manual (OIM) for FWP and in various other directives.

In response to a prior Division of Legislative Audit recommendation, the OIM was amended in 1992 to document the basis and procedures involved in developing undercover law enforcement actions on resource violators. This amendment places responsibility for supervising and conducting covert law enforcement activities within the division on the Statewide Investigations Section. It further provides the general criteria upon which a covert operation may be initiated; the permissive "may" rather than the mandatory "shall" allows for the division to utilize considerable discretion in determining targets for investigation.

However, the policy does not require that the discretionary criteria or resulting evaluations be documented; the selection process that must occur to initiate costly covert operations with finite resources is not supported in a manner that lends itself to review. FWP personnel state that, on a regular basis, an informal analysis is performed of the outstanding intelligence information received from a myriad of sources. The alleged violators are purportedly ranked by such factors as number of complaints received, chance of conviction, and the gravity of the resource damage. For the most onerous violators, FWP estimates the cost to initiate and complete a covert operation on each of them. From this listing, management approves an operation. FWP management and staff state that there are insufficient funds available to target all alleged violators who, in their mind, deserve it, so operations are selected that have the greatest chance for conviction.

However, as noted above and more fully discussed in Recommendation No. 2, no documentation of this decision-making process is available for review. As well as depriving management of a valuable tool in monitoring selection criteria, this lack of supporting evidence documenting the selection of who to target could leave the division open to charges of favoritism and bias. If an individual targeted for an investigation is convicted, FWP rightfully feels justified; however, this does not provide an answer to the question of what

other possible targets were not selected and the reasons they were not selected. Without adequate documentation, this is a question that cannot be answered. As discussed below, positive public perception is an important factor in maintaining an effective enforcement organization; without adequate documentation and support for important decisions such as these, this perception can only suffer.

In addition to the targeting sections of departmental manuals related to covert actions, FWP also maintains other procedures and directives that relate to these types of operations. However, as we discuss in Recommendation No. 3, this documentation appears outdated and incomplete. No attempt at compiling an updated, cohesive, and comprehensive policy and procedures manual related to covert operations has been made. In the highly-sensitive arena of undercover operations, such a manual is crucial. Approved policies and procedures provide for a consistent method of accomplishing a goal and help diminish variability between different operations.

FWP has acknowledged that there is a great deal of latitude available to them in deciding who to target for undercover activities and how to conduct undercover activities, much of it based upon professional judgement and experience in law enforcement. We agree with that. However, while there is no substitute for professional judgement and experience, neither is there a substitute for adequate documentation. FWP should create and maintain its support for targeting decisions and improve its documentation regarding operational policies and procedures for covert operations.

Public Perception

Alaska Statute 39.52.010, the Executive Branch Ethics Act, declares that it is a policy of the State that high moral and ethical standards among public officers in the executive branch are essential. This is especially true for law enforcement. To maximize their effectiveness, agencies charged with enforcing laws and regulations and protecting life and resources must be considered above reproach. Perceptions by others are critical. An agency's reputation, deserved or not, will impact every aspect of its ability to perform its tasks or accomplish its mission. As such, great care must be taken that the spirit and intent, in addition to the letter, of laws, regulations, and policies that require or promote ethical behavior be met in a clear and convincing manner. Actual conflicts of interest, or even perceived conflicts of interest, serve only to impair effectiveness.

The effectiveness of FWP could be impaired by the public's perception of existence of conflicts of interest within the division. Instances noted during our review, enumerated below, could easily cause a lack of faith regarding whether FWP's actions are perceived as being fair and unbiased or whether the division is managed in the most principled manner.

1. Two managers of the division, one current and one former, have fish and wildlife violations. Prior to being hired into the division, the former manager plead guilty to both the taking of a moose during a closed season and to making a false statement regarding his Alaskan residency to obtain a resident hunting license.

The current manager, while employed by the department in a different capacity, plead no contest to a charge of commercial fishing in closed waters.

2. The fish and wildlife violation history of the managers discussed above is absent from the Alaska Public Safety Information Network (APSIN). APSIN is maintained by DPS and is used by law enforcement agencies, the courts, and others to provide criminal history information. The system is used during the apprehension process, the prosecution phase, and the sentencing of violators and is considered critical to the overall process. The violation by the former manager occurred in 1965, approximately nineteen years prior to APSIN coming on-line; however, other violations from this time frame are captured within the system. In the current manager's case, a copy of the judgement was received by DPS after the system became operational. No explanation has been provided by the department as to why no record exists in APSIN. However, other inaccuracies exist within this system; see Recommendation No. 4 regarding internal controls over APSIN.
3. The case file for a second commercial fishing charge against the current manager cannot be located. Although APSIN shows this individual as the defendant in the case, DPS states this is an error within APSIN and the case disposition should read that it was closed after an investigation. However, no original documentation is available to support this assertion as the case file could not be located by DPS personnel.
4. A former commander of the Statewide Investigations Section, the group responsible for both conducting investigations into commercial violations such as big game guiding and all covert operations, was himself an assistant guide. This officer was in a position to influence and use his discretion over who would or would not be subject to an undercover operation during the same time period he was associated with certain guides.
5. An FWP Trooper, an FWEO, and a Fish and Wildlife Aide each were in violation of AS 08.51.393. This statute, effective May 1992, prohibits certain law enforcement officers from holding various guide-outfitter licenses. The FWP individuals referred to above each held assistant guide-outfitter licenses active as of December 1992. While FWP management provided notice to its staff of this statutory amendment, no follow-up was performed to ensure compliance.
6. Three FWP employees or their spouses and a manager of the division hold or own, or have held or owned while employed by DPS, commercial fishing permits or commercial fishing vessels.
7. An FWP Trooper was reprimanded by management for discussing privileged information at a private gathering that included individuals outside of DPS, including an assistant guide. The department determined that the Trooper discussed a case that was still open; further, the detail of the discussion had "the