

ALASKA LEGISLATURE

1324

HOUSE and SENATE FINANCE COMMITTEE FILES, 1995-1996

FISCAL NOTE

N^o 11

Bill Version: CSHB 130 (JUD)

(H) Publish Date: 4/12/95

STATE OF ALASKA

1995 LEGISLATIVE SESSION

Revision Date: March 30, 1995 Department: Commerce and Economic Development
 Title: An Act relating to review of public comment on BRU: Occupational Licensing
regulations; examination of regulations by ARRC, etc. Component: Operations
 Sponsor: Representative Kelly
 Requestor: Representative Kelly COMPONENT SERIAL 1844

Expenditures/Revenues	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
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						
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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	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY 95) cost: \$ 0.0

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

CSHB 130 requires a state agency to make new written determinations for each regulations project adopted. The Division of Occupational Licensing anticipates that the new requirements will be met with existing division staff and resources; therefore, no costs are included in this fiscal note.

Prepared by: JoAnne Cummings, Regulations Specialist Phone: 465-2144
 Division: Occupational Licensing Date: 3/30/95
 Approved by Commissioner: William L. Hensley Date: 4/13/95
 Agency: Commerce and Economic Development

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FISCAL NOTE

No. 10

Version: CSHB 130 (JUD)

(H) Publish Date: 4/12/95

STATE OF ALASKA
1995 LEGISLATIVE SESSION

Revision Date: _____
Title: Regulation Adoption Procedures and Review

Department Affected: Commerce and Economic Development
BRU: Banking, Securities and Corporations
Component: Banking, Securities and Corporations

Sponsor: Representative Kelly
Requestor: _____

COMPONENT SERIAL NO. 1233

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL EXPENDITURES	0	0	0	0	0	0
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CHANGE IN REVENUES ()	0	0	0	0	0	0
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FUND SOURCE (Thousands of Dollars)

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

Estimate of current year (FY 95) cost: \$ _____

POSITIONS

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

ANALYSIS: (Attach a separate page if necessary.)

Prepared by: William F. Kirkpatrick, Director
Division: Banking, Securities and Corporations

Phone: 465-2521
Date: 3-30-95

Approved by Commissioner: William L. Hensley
Agency: Commerce and Economic Development

Date: 3/30/95

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

No. 6
Bill Version: HB 130
(H) Publish Date: 3/20/95

Revision Date: 2/13/95
Title: "A Act relating to agency review of public comment on the adoption, amendment, repeal of regulations; ..."
Sponsor: Representative Kelly
Requestor: _____

Department Affected: Office of the Governor
BRU: Executive Operations
Component: Office of the Lieutenant Governor

COMPONENT SERIAL NO. 0011

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	58.0	70.4	72.4	74.8	77.0	79.6
TRAVEL						
CONTRACTUAL	.9	.9	.9	.9	.9	.9
SUPPLIES	.2	.2	.2	.2	.2	.2
EQUIPMENT	4.6	0	0	0	0	0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	73.7	71.5	73.5	75.9	78.1	80.7

CAPITAL EXPENDITURES						
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CHANGE IN						
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FUND SOURCE

1002 Federal Receipts						
1003 GF Match						
1004 GF	73.7	71.5	73.5	75.9	78.1	80.7
1005 GF/Program Receipts						
1006 GF/MHTIA						
OTHER						
TOTAL	73.7	71.5	73.5	75.9	78.1	80.7

POSITIONS

FULL-TIME	1	1	1	1	1	1
PART-TIME						
TEMPORARY						

Estimate of any current year (FY95) cost: 0

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

Prepared by: John Lindback, Chief of Staff *John Lindback* Phone: 465-4081
Division: Office of the Lieutenant Governor Date: _____

Approved by Commissioner: Lieutenant Governor Frank Miller *Frank Miller*
Agency: Office of the Governor Date: 2/13/95

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HB130 Analysis:

HB130 expands the existing "ministerial and mandatory" role of the Lieutenant Governor in the regulation process. HB130 requires the Lieutenant Governor to determine which regulations will be accepted for filing and which will be returned to the agencies. The expanded responsibilities will necessitate an additional staff position. The position, staff assistant rg. 21, will be responsible for the related research and analysis pertaining to each regulatory proposal.

Fiscal note assumes merit increases with each fiscal year.

Personal Services:		68.0
Contractual:		
Communication, postage, courier		.9
Supplies:		.2
Equipment:		4.6
Phone	.5	
Work station set-up	1.2	
IBM PC/Monitor, token ring	2.9	

FISCAL NOTE

No. 3

Bill Version: HB 130

(H) Publish Date: 3/20/95

STATE OF ALASKA

1995 LEGISLATIVE SESSION

Revision Date: Original

Dept Affected: Natural Resources

Title: ARRC review of public comment on the adoption of regulations

BRU: Parks & Recreation Management

Component: Parks Management

Sponsor: Representative Kelly

Requestor: _____

Component Serial No. 452

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY96	FY97	FY98	FY99	FY00	FY01
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

(Thousands of Dollars)

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

Estimate of any current year (FY95) cost: \$ 0

POSITIONS

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

ANALYSIS:

(Attach a separate page if necessary)

The preparation of regulations for public review, the conduct of the public process and submission of the regulations to the Department of Law will require some additional duties of existing staff. No additional funding needed.

Prepared by: Peter J. Panarese
 Division: Parks & Outdoor Recreation
 Approved by Commissioner: _____
 Agency: Natural Resources

Phone: 762-2603
 Date: 4-Feb-95
 Date: 2/7/95

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FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

No. 2
Bill Version: HB 130
(H) Publish Date: 3/20/95

Revision Date: _____
Title: "A Act relating to agency review of public comment on the adoption, amendment, repeal of regulations; ..."
Sponsor: Representative Kelly
Requestor: _____

Department Affected: Office of the Governor
BRU: Elective Operations
Component: Elections

COMPONENT SERIAL NO. 0021

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
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						
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CHANGE IN						
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FUND SOURCE

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

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of any current year (FY95) cost: _____

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

Prepared by: David Koivuniemi, Acting Director
Division: Division of Elections

Phone: 465-5405
Date: 2-2-95

Approved by Commissioner: Lieutenant Governor Fran Ulmer
Agency: Office of the Governor

Date: _____

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Rev 11/93

FISCAL NOTE

No. 1

STATE OF ALASKA
1995 LEGISLATIVE SESSION

Bill Version: HB 130
(H) Publish Date: 3/20/95

Revision Date: _____
Title: "An Act relating to agency review of public comment..."

Department Affected: Administration
BRU: Various
Component: Various

Sponsor: Rep. Kelly
Requestor: Rep. Kelly

COMPONENT SERIAL NO. 45

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
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
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CHANGE IN REVENUES ()	0	0	0	0	0	0
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FUND SOURCE: (Thousands of Dollars)

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

Estimate of any current year (FY 95) cost: \$ -0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)
There is no fiscal impact to the Department of Administration.

Prepared by: Sharon Barten
Division: Administrative Services

Phone: 465-2277
Date: _____

Approved by Commissioner: Mark Boyer
Agency: Department of Administration

Date: 2/13/95

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HB

132

HFIN

FILE

Alaska State Legislature.

REPRESENTATIVE
JERRY MACKIE



House of Representatives

ALASKA STATE CAPITOL
GENERAL ALASKA PRINTING
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—
PO BOX 715
SITKA ALASKA 99801
907 451-1008 OFFICE
907 451-1000 HOME

SPONSOR STATEMENT

ON

HB 132

I introduced HB 132 to bring parity to the state's election process. The principle provision of the bill is the requirement that all candidates for state elective office must enter the primary election contest.

Currently, any Alaskan citizen eligible for elective office may bypass the state's primary election and be placed directly on the general election ballot by a nominating petition. In my view, this causes two inequities. First, the voters are denied full knowledge at the onset of all contestants seeking election to a particular office. Voter access to financial disclosure information of petition candidates is delayed until just 2 months before the general election. Furthermore, voter exposure to petition candidates' views and positions on issues of public interest is limited and compressed.

The second inequity is that the petition process provides a short cut avenue to the general election ballot. It thus acts as an incentive for citizens to get directly on the general election ballot, because it saves money and the campaign scrutiny by the electorate is short. While independent candidates have occasionally won elective office, they more often act as spoilers to the competition between primary election winners. In effect then, the two ballot, primary-general election system, designed to winnow the many candidates down to contests between the few, is subverted. The infusion of petition candidates onto the general election ballot can make it an election system of few primary contests transcending into contests among the many in the general election.

HB 132 would place all candidates before the electorate on an equal footing. This is accomplished by requiring all candidates to be in the primary election. Just as the top vote getter of each political group will move on to the general election ballot, so too will the top vote getter among all independent candidates for a particular elective office. In this manner, the electorate will have an equal opportunity to view and assess all candidates for an elective office. And each candidate will be equally challenged by the election process.

SECTIONAL ANALYSIS
OF
HB 132

Section 1 This section changes the filing date for candidates for elective office who are being nominated by petition to June 1. This date coincides with the primary filing deadline for candidates of a political party [A.S 15.24.040 (a)(1)].

Section 2. Deleted is the provision that petitions for governors and lieutenant governor must file jointly. This necessity for the general election ballot is contained in section 8.

Section 3. The requirements for the nominating petition must include the request that the candidate's name be placed on the primary election ballot in subsection (10). The provision for joint filing of governor and lieutenant governor candidates is deleted.

Section 4. AS 15.25.180(b) is amended to change financial disclosure requirements of petition candidates to coincide with those of political party candidates filing for the primary.

Section 5. A new section is added which governs challenges to the eligibility of a candidate being nominated by petition. AS 15.25.042 and AS 15.25.043 cite the authority and the manner with which the director of elections shall resolve questions of a candidate's eligibility.

Sections 6 and 7. These sections make general election to primary election conforming changes.

Section 8. A new section is added which places the names of the top vote getter of each party or political group on the general election ballot. In subsection (b) the party or political groups' governor and lieutenant governor candidates are paired up. In subsection (c), all nominating petition candidates will be treated as a political group. Hence, top vote getter for a particular office among competing petition candidates shall be placed on the general election ballot.

Alaska State Legislature

ALASKA STATE CAPITOL
JUNEAU, ALASKA 99801-1142
(907) 465-4925

REPRESENTATIVE
JERRY MACKIE

PO BOX 795
CRUIER, ALASKA 99921
(907) 826-3008 OFFICE
(907) 826-2930 HOME

House of Representatives

February 21, 1995

MEMORANDUM

To: Rep. Hanley, Chair
House Finance Committee

From: Rep. Mackie 

Re: Finance hearing on HB 132, election processes.

Thank you for scheduling HB 132 for Wednesday and Thursday. I have recently been approached by the Division of Elections with several suggestions that clear up some ambiguities in HB 132. These suggestions were put forward to better administer the bill's intent.

One issue was how to ensure that there is a necessary pairing of petition candidates for governor and lieutenant governor for the general election ballot. A second issue raised concerned the ability of political groups to replace a candidate that has withdrawn from the race after the primary election.

I have taken the liberty to have a blank CS drafted which incorporates the suggested changes in addition to a couple technical changes for your perusal. Attached is a copy of the CS along with the drafter's explanation of the changes.

**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 14, 1995

SUBJECT: Draft CSHB 132 (), minor parties and independent candidates seeking elected office (Work Order No. 9-LS0481F)

TO: Representative Jerry Mackie

FROM: Jack Chenoweth
Legislative Counsel

The new features of this draft committee substitute are as follows:

Bill section 1 is entirely new. It amends current law concerning the filling of vacancies among candidates nominated by political parties by limiting its operation to candidates of political parties—to distinguish the manner of handling vacancies among nominees by political groups, addressed in proposed AS 15.25.200(2) and the next paragraph of this memo.

Paragraph (2) of AS 15.25.200, amended by bill section 8, is new. The material in this paragraph speaks to the matter of filling vacancies among persons nominated by political groups. My drafting follows Director Dave Koivuniemi's suggestion. However, as this is drafted, it raises the question of whether a political group can take any action to fill a vacancy that occurs after the primary election and before the 48th day preceding the general election. Since a group does not necessarily have the membership or organization of a political party, we can't rely on the vacancy-in-the-nominee-of-a-political-party statute, AS 15.25.110, to help us out. As this is drafted, the implication is that the vacancy occurring any time after 48 days or more before the primary election cannot be filled. We are treating the handling of vacancies by a political party and by a political group differently. Is that where we want to be?

In bill section 9, the last sentence of proposed AS 15.25.205(b), beginning with "However, . . ." is new. This is the agreed upon condition that, in effect, requires that a political party nominate both a candidate for governor and a candidate for lieutenant governor at the primary election in order to bracket the candidacies together on the general election ballot.

Bill sections 10 and 11 are new and are included to delete superfluous references to "general elections" as the purpose of the nominating petitions identified in the two statutes. Under the changes in the bill, nominating petitions involving political groups are filed for inclusion of names on the primary ballot.

Representative Jerry Mackie
February 14, 1995
Page 2

Bill section 12 is new, and speaks to adjustment of the deadline for filing materials for inclusion in the biennial general election pamphlet.

JBC:klb
95-075.klb

9-LS0481NF ✓
Chenoweth
2/14/95

CS FOR HOUSE BILL NO. 132()
IN THE LEGISLATURE OF THE STATE OF ALASKA
NINETEENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES MACKIE, Phillips, Green

A BILL

FOR AN ACT ENTITLED

1 "An Act repealing the ability of persons seeking an elective state executive office or
2 a state or national legislative office to petition for inclusion of their names on the
3 state general election ballot; requiring candidates of all political groups for a state or
4 national legislative office to compete at the state primary election for the placement
5 on the general election ballot of the name of the one candidate from each political
6 group that receives the greatest number of votes cast; requiring candidates of all
7 political groups for state executive office to compete at the state primary election for
8 the placement on the general election ballot of the name of the one candidate for
9 governor from each political group that receives the greatest number of votes cast and
10 the name of the one candidate for lieutenant governor from the same political group
11 that receives the greatest number of votes cast; and making related amendments
12 applicable to nomination vacancies, nominations for special elections, and submitting

1 material for publication in the election pamphlet."

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

3 * Section 1. AS 15.25.110 is amended to read:

4 Sec. 15.25.110. FILLING VACANCIES BY PARTY PETITION. If a candidate
5 of a political party nominated at the primary election dies, withdraws, resigns, becomes
6 disqualified from holding the office for which the candidate is nominated, or is certified
7 as being incapacitated in the manner prescribed by this section after the primary election
8 and 48 days or more before the general election, the vacancy may be filled by party
9 petition. The central committee of any political party or any party district committee may
10 certify as being incapacitated any candidate nominated by their respective party by
11 presenting to the director a sworn statement made by a panel of three licensed physicians,
12 not more than two of whom may be of the same political party, that the candidate is
13 physically or mentally incapacitated to an extent that would in the panel's judgment
14 prevent the candidate from active service during the term of office if elected. The
15 director shall place the name of the person nominated by party petition on the general
16 election ballot. The name of a candidate disqualified under this section may not appear
17 on the general election ballot.

18 * Sec. 2. AS 15.25.150 is amended to read:

19 Sec. 15.25.150. DATE OF FILING PETITION. The petition is filed with the
20 director by actual physical delivery in person at or before 5:00 p.m., prevailing time,
21 June 1 [AUGUST 1] in the year in which a general election is held for the office, or by
22 actual physical delivery to the director by registered or certified mail return receipt
23 requested which is postmarked at or before 5:00 p.m., prevailing time, June 1
24 [AUGUST 1] in the year in which a general election is held for the office, and received
25 not more than 15 days after that time. If the postmark is illegible, a dated receipt from
26 the post office where dispatched shall be acceptable as evidence of mailing. If June 1
27 [AUGUST 1] is a Sunday or holiday, the deadlines for postmarking and receipt of the
28 petition shall be extended 24 hours in each instance.

29 * Sec. 3. AS 15.25.160 is amended to read:

30 Sec. 15.25.160. REQUIRED NUMBER OF SIGNATURES FOR STATEWIDE

1 OFFICE. Petitions for the nomination of candidates for the office of governor, lieutenant
2 governor, United States senator, and United States representative shall be signed by
3 qualified voters of the state equal in number to at least one percent of the number of
4 voters who cast ballots in the preceding general election. [CANDIDATES FOR THE
5 OFFICE OF GOVERNOR AND LIEUTENANT GOVERNOR SHALL FILE
6 JOINTLY.]

7 * Sec. 4. AS 15.25.180(a) is amended to read:

8 (a) The petition must [SHALL] state in substance

9 (1) the full name of the candidate;

10 (2) the full residence address of the candidate, and the date on which
11 residency at that address began;

12 (3) the full mailing address of the candidate;

13 (4) the name of the political group, if any, supporting the candidate;

14 (5) if the candidacy is for the office of state senator or state
15 representative, the election or senate district of which the candidate is a resident;

16 (6) the office for which the candidate is nominated;

17 (7) the date of the election at which the candidate seeks election;

18 (8) the length of residency in the state and in the district of the candidate;

19 (9) that the subscribers are qualified voters of the state or election or
20 senate district in which the candidate resides;

21 (10) that the subscribers request that the candidate's name be placed on
22 the primary election ballot;

23 (11) that the proposed candidate accepts the nomination and will serve if
24 elected, with the statement signed by the proposed candidate;

25 (12) [IF THE CANDIDACY IS FOR THE OFFICE OF THE
26 GOVERNOR, THE NAME OF THE CANDIDATE FOR LIEUTENANT GOVERNOR
27 RUNNING JOINTLY WITH THE CANDIDATE FOR GOVERNOR;

28 (13)] the name of the candidate as the candidate wishes it to appear on the
29 ballot; and

30 ~~(13)~~ [(14)] that the candidate is not a candidate for any other office to be
31 voted on at the primary or general election and that the candidate is not a candidate for

1 this office under any other nominating petition or declaration of candidacy.

2 * Sec. 5. AS 15.25.180(b) is amended to read:

3 (b) A person filing a nominating petition under this section, other than a person
4 subject to AS 24.60 who is filing a petition for a state legislative office, shall
5 simultaneously [ALSO] file with the director a statement of income sources and business
6 interests that complies with the requirements of AS 39.50 [WITHIN 30 DAYS OF
7 FILING THE PETITION]. A person who is subject to AS 24.60 and is filing a
8 nominating petition for state legislative office shall simultaneously file with the director
9 a disclosure statement that complies with the requirements of AS 24.60.200 [WITHIN
10 30 DAYS OF FILING THE PETITION].

11 * Sec. 6. AS 15.25 is amended by adding a new section to read:

12 Sec. 15.25.185. ELIGIBILITY OF CANDIDATE. The provisions of
13 AS 15.25.042 and 15.25.043 apply to determinations of a candidate's eligibility when a
14 candidate seeks nomination by petition under AS 15.25.140 - 15.25.205.

15 * Sec. 7. AS 15.25.190 is amended to read:

16 Sec. 15.25.190. PLACEMENT OF NAMES ON PRIMARY [GENERAL]
17 ELECTION BALLOT. The director shall place the names and the political group
18 affiliation of persons who have been properly nominated by petition on the primary
19 [GENERAL] election ballot.

20 * Sec. 8. AS 15.25.200 is amended to read:

21 Sec. 15.25.200. WITHDRAWAL OF CANDIDATE'S NAME. If a candidate
22 nominated by petition dies or withdraws

23 (1) after the petition has been filed and at least 48 days before the date of
24 the primary [GENERAL] election, the director may not place the name of the candidate
25 on the primary [GENERAL] election ballot; ~~and~~ OR

26 (2) on or after the date of the primary election and 48 days or more
27 before the general election, the director may not place the name of the candidate on
28 the general election ballot.

29 * Sec. 9. AS 15.25 is amended by adding a new section to read:

30 Sec. 15.25.205. PLACEMENT OF NOMINEE ON GENERAL ELECTION
31 BALLOT. (a) Except as provided in (b) of this section, of the names of persons that

1 appear on the primary election ballot under AS 15.25.190, the director shall place on the
2 general election ballot the name of the candidate of each political group that receives the
3 greatest number of votes for an office.

4 (b) For the offices of governor and lieutenant governor, the director shall place
5 on the general election ballot the name of the candidate of each political group receiving
6 the greatest number of votes for the office of governor together with the name of the
7 candidate for lieutenant governor who received the greatest number of votes and who is
8 from the same political group as that candidate. However, the director may not place on
9 the general election ballot the name of the candidate of a political group receiving the
10 greatest number of votes for the office of

11 (1) governor unless there is also a candidate for lieutenant governor of
12 that political group;

13 (2) lieutenant governor unless there is also a candidate for governor of
14 that political group.

15 (c) For purposes of placement of the names of nominees on the general election
16 ballot under this section, all candidates who file nominating petitions without designating
17 a political group name under AS 15.25.180(a) shall be treated as candidates of the same
18 political group.

19 * Sec. 10. AS 15.40.100 is amended to read:

20 Sec. 15.40.100. REQUIREMENTS OF PETITION FOR NO-PARTY
21 CANDIDATES. Petitions for the nomination of candidates not representing a political
22 party shall be signed by qualified voters of the state equal in number to at least one
23 percent of the number of voters who cast ballots in the preceding general election, and
24 shall state in substance that which is required in petitions for nomination by [FOR
25 GENERAL ELECTIONS PROVIDED IN] AS 15.25.180.

26 * Sec. 11. AS 15.40.440 is amended to read:

27 Sec. 15.40.440. REQUIREMENTS OF PETITION FOR NO-PARTY
28 CANDIDATES. Petitions for the nomination of candidates not representing a political
29 party shall be signed by qualified voters equal in number to at least one percent of the
30 number of voters who cast ballots in the proposed nominee's respective election or senate
31 district in the preceding general election. A nominating petition may not contain less

1 than 50 signatures for any district, and shall state in substance that which is required in
2 petitions for nomination **by** [FOR GENERAL ELECTIONS PROVIDED IN]
3 AS 15.25.180.

4 * Sec. 12. AS 15.58.030(b) is amended to read:

5 (b) No later than July 15 of a year in which a state general election will be held,
6 an individual who becomes a candidate for the office of United States senator, United
7 States representative, governor, lieutenant governor, state senator, or state representative
8 under AS 15.25.030 or under AS 15.25.180 may file with the lieutenant governor a
9 photograph and a statement advocating the candidacy. An individual who becomes a
10 candidate for the office of United States senator, United States representative, governor,
11 lieutenant governor, state senator, or state representative [UNDER AS 15.25.180 BY
12 FILING A NOMINATING PETITION OR] by party petition filed under AS 15.25.110
13 [ANOTHER MEANS] may file with the lieutenant governor a photograph and a
14 statement advocating the candidacy [BY JULY 15 OR] within 10 days of becoming a
15 candidate [, WHICHEVER IS LATER].

HOUSE COMMITTEE REPORT

(11)

Date Referred: February 15, 1995

FURTHER REFERRALS:

Date of Committee Action: 2/23/95

The FINANCE Committee considered:

HB 132

HOUSE BILL NO. 132

CANDIDATES FOR STATEWIDE BALLOT

"An Act repealing the ability of persons seeking an elective state executive office or a state or national legislative office to petition for inclusion of their names on the state general election ballot; requiring candidates of all political groups for a state or national legislative office to compete at the state primary election for the placement on the general election ballot of the name of the one candidate from each political group that receives the greatest number of votes cast; and requiring candidates of all political groups for state executive office to compete at the state primary election for the placement on the general election ballot of the name of the one candidate for governor from each political group that receives the greatest number of votes cast and the name of the one candidate for lieutenant governor from the same political group that receives the greatest number of votes cast."

recommends it be replaced

with the following committee substitute

CS HB 132 (FIN)

the same title
 a new title

additional referral to _____ Committee

attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____

APPROVES PREVIOUS: (Dept/Date) _____

fiscal note(s) _____

fiscal note(s) _____

zero fiscal note(s) _____

zero fiscal note(s) offic. of gov 2/15/95

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
<i>Edmund P. ...</i>	millon	X			
<i>Gregory ...</i>	martin			✓	
<i>Robert ...</i>	Parnell	X			
<i>Ben ...</i>	Grussendorf	X			
<i>Tom ...</i>	Therriault	X			
<i>John ...</i>	Brown			✓	
<i>Vicki ...</i>	Kelly	✓			
<i>Vic ...</i>	Kohring	✓			
<i>Mark ...</i>	Hanley	X			
<i>Richard ...</i>	Foster	X			

CHAIR'S SIGNATURE

Mark Hanley
Hanley

Richard Foster
FOSTER

No. 1

Bill Version: HB 132

(H) Publish Date: 2/15/95

FISCAL NOTE

STATE OF ALASKA

19946 LEGISLATIVE SESSION

Revision Date: _____

Title: Candidates for Statewide Ballot

Sponsor: Representative Mackle

Requestor: _____

Department Affected: Office of the Governor

BRU: Division of Elections

Component: General and Primary

COMPONENT SERIAL NO. 22

EXPENDITURES/REVENUES:

OPERATING	FY 95	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

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

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

FUNDING:

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

POSITIONS:

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

Estimate of current year (FY95) impact: _____

ANALYSIS: (Attach a separate page if necessary.)

Prepared by: David Kolvoneimi, Acting Director
Division: Division of Elections

Phone: 465-4611
Date: 2-2-95

Approved by Commissioner: Fran Ulmer, Lieutenant Governor
Agency: Office of the Governor

Date: _____

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COMMITTEE COPY

Page ___ of ___

HB

135

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred: February 8, 1995

FURTHER REFERRALS:

Date of Committee Action: 2/13/95

The FINANCE Committee considered:

HB 135

HOUSE BILL NO. 135

STUDENT LOANS

"An Act relating to student loans; and providing for an effective date."

recommends it be replaced with the following committee substitute CS HB 135 (Fin) the same title a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____ APPROVES PREVIOUS: (Dept/Date) _____
 fiscal note(s) _____ fiscal note(s) _____

zero fiscal note(s) _____ zero fiscal note(s) DOE, 2/8/95

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>Mark P. Hamby</i>	X			
<i>Richard L. ...</i>	X			
<i>Terry ...</i>				<i>need ind.</i>
<i>David ...</i>	X			
<i>Viv ...</i>	X			
<i>Gene ...</i>	X			
<i>Mike ...</i>	X			
<i>Bar ...</i>	X			
<i>Ben ...</i>	X			
<i>Fay Brown</i>	X			

CHAIR'S SIGNATURE *Mark P. Hamby*

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BIF Version: HB 135

(H) Publish Date: 2/8/95

Revision Date: _____ Dept. Affected: EDUCATION
 Title: An Act relating to student loans; and providing BRU: ACPE
 for an effective date. _____ Component: Student Loan Operations

Sponsor: House HESS Committee
 Requestor: House HESS Committee COMPONENT SERIAL NO. 213

Expenditures/Revenues: (Thousands of Dollars)

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

CAPITAL _____

REVENUE FUND SOURCE: _____

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME					
PART-TIME					
TEMPORARY					

Estimate of current year (FY95) impact: \$ _____ \$0

ANALYSIS: (Attach a separate page if necessary)

Zero (0) fiscal impact.

Prepared by: Gillian R. Hays
 Division: Alaska Commission on Postsecondary Education

Phone: 465-6740
 Date: 1-Feb-95

Approved by Executive Director: Joe F. McCormick
 Agency: COMMISSIONER COPY

Date: 2-1-95

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Adopted

9-LS0518VA.1 ✓
Ford
2/10/95

AMENDMENT |

OFFERED IN THE HOUSE

BY REPRESENTATIVE BROWN

TO: HB 135

- 1 Page 1, line 1:
- 2 Delete "relating to student loans"
- 3 Insert "authorizing the Alaska Commission on Postsecondary Education to adopt
- 4 regulations necessary to determine and set an interest rate applicable to a student loan for
- 5 which money is disbursed on or after July 1, 1995, and regulations necessary to implement
- 6 certain loan default sanctions and consolidation of loan provisions beginning July 1, 1995"

BILL ANALYSIS

Section 1. The current interest rate of 8% for Alaska Student Loans is repealed effective July 1, 1995. Before the Commission can enter into student loans for the summer and 1995-96 terms, it must set an interest rate. This transitional language will allow the Commission to adopt regulations to implement the new interest rate under ch. 112, SLA 1994. In the absence of this authority, the Commission has been advised by the Department of Law that it will not be able to set the interest rate for money disbursed after July 1, 1995, and no new loans could be made. Under the Federal Truth in Lending law, student loan applicants must be informed of the interest rate at which they are borrowing money. The applications/promissory notes are printed each spring, and must be distributed before the summer 1995 term stating interest rate information. In order to meet the Commission's schedule for printing and distribution of loan packets for loans disbursed after July 1, 1995, the regulations must be adopted as early as possible.

Provides transitional language to allow adoption of regulations to implement loans default procedures and consolidation of loans. Regulations under this section may not take effect until July 1, 1995.

Section 2 Provides for an immediate effective date of this Act.

MEMORANDUM

State of Alaska

Department of Law

TO: Gillian Hays
Alaska Commission on
Postsecondary Education


DATE: January 13, 1995

FILE NO

TEL NO: 269-5200

SUBJECT: Transition provisions
regarding ch. 112, SLA 1994

FROM:


Teresa Williams
Assistant Attorney General
Commercial Section -- Anchorage

I am writing to explain the necessity for the legislature to immediately adopt transition provisions regarding ch. 112, SLA 1994.

The current interest rate of 8% for Alaska Student Loans is repealed effective July 1, 1995, and the commission has the duty to set the interest rate for money disbursed after that time. Ch. 112, SLA 1994. Before the commission can enter into student loans for the summer and 1995-96 terms, it must set an interest rate. The commission attempted to begin that process in November, 1994. However, the Department of Law's Regulation Attorney has determined that, in the absence of transitional regulation authority, the commission cannot move forward to adopt regulations to establish the elements of the new interest rate until the new legislation becomes effective July 1, 1995.

Commission staff have advised me that loan packets are sent to students and schools in the spring of each year, and students sign promissory notes for student loans during that time for the following school year. However, this year, the students cannot be advised of the interest rate. Under the Federal Truth in Lending law, student loan programs are required to notify students of the interest rate at which they are borrowing money. Additionally, in making decisions about which loan programs to pursue, students need to know the cost of each.

This office has drafted the attached bill language to correct the problem. Section 1 gives the commission authority to immediately begin the adoption process for regulations that will give the commission authority to set the interest rate for money disbursed after July 1, 1995. The bill would allow the regulations to take effect as soon as that project could be completed under the APA, even if that date is before July 1, 1995. In order to meet the commission's schedule for printing and distribution of loan packets for loans disbursed after July 1, 1995, the regulations must be adopted as early as possible.

Gillian Hays
Alaska Commission on
Postsecondary Education

January 13, 1995
Page 2

Section 2 of the bill gives the commission standard transition regulatory authority to immediately begin the process to adopt regulations for other provisions of ch. 112, SLA 1994, relating to loan default procedures and consolidation of loans. Regulations adopted under section 2 may not take effect before July 1, 1995, when the enabling statute becomes effective.

I will be out of the country from January 15 - February 11 and April 1 - 20. If any questions arise during that time about this problem or other issues, please direct them to AAG Linda Kesterson or to AAG Linda O'Bannon, my supervisor.

TEW:mh

Attachment

STATE OF ALASKA

ALASKA COMMISSION ON POSTSECONDARY EDUCATION

3030 VINTAGE BLVD.
JUNEAU, ALASKA 99801-7109
PHONE (907) 465-2962
FAX (907) 465-5316

MEMORANDUM

TO: ACPE Commission Members
ASLC Board Members

FROM: Joe L. McCormick *Joe L. McCormick*
Executive Director

DATE: February 10, 1995

RE: January 1995 Status Report

Legislative Status Report - HB 135 and companion bill SB59 have been introduced giving authority to the Alaska Commission on Postsecondary Education to promulgate emergency regulations to set the interest rate on Alaska Student Loans to be disbursed after July 1, 1995. This legislation must be passed as soon as possible in order to allow the ACPE to have appropriate regulations in place prior to July 1, 1995. The Alaska Commission on Postsecondary Education, at its December 1994 meeting, unanimously approved legislative changes to promote financial stability of the student loan fund and to assist in improving customer support services. ACPE staff are working closely with the Governor's Office and the Office of Management and Budget to secure the Administration's full support for these legislative proposals. The legislative changes proposed are:

- Increase Maximum Graduate Loan Limits
- Reduce Administrative Costs/Streamline Administrative Process
- Program Participation Agreement
- Modify Deferralment Options
- Amend Repayment Options
- Expand Students' Financial Aid Options
- Amending definition of 'default'
- Establish Wage Garnishment Priority
- Deny Loans to Incarcerated Individuals
- Technical Amendments for Residency Requirements
- Amend WICHE for Directed Student Funding

1994 Alaska Student Loan Corporation Financial Audit Completed - final work was completed on the 1994 Alaska Student Loan Corporation Financial Audit. The ASL Corporation board will receive a full presentation of the audit at its March 1, 1995 meeting in Juneau. In a related activity, preparations for a compliance audit of the ASLP loan servicing system in February 1995 were completed. This audit is required by the insurer of the ASLC student loan bonds, AMBAC, and will focus on the operational

aspects of servicing Alaska Student Loans and a review of the improvements made by ACPE since the last compliance audit in March of 1993.

Alaska Student Loan Volume for 1994-1995 by Participating Schools - over \$53.0 million in ASLP awards have been made as of 1-31-95 for this current school year 1994-1995. Approximately \$31.4 million has been awarded to Alaska students attending Alaska schools; approximately \$21.7 million has been awarded to Alaska students attending out-of-state schools. Listed below is a breakdown of the ten schools in Alaska currently receiving the most ASLP funds:

<u>Alaska Schools</u>	<u>Total # of Students</u>	<u>Total \$Amount Loaned</u>
University of Alaska - Anchorage	3,213	\$12,069,063
University of Alaska - Fairbanks	1,952	\$ 8,222,668
University of Alaska - Southeast	349	\$ 1,478,391
University of Alaska -MSC	343	\$1,264,058
Alaska Pacific University - Anchorage	210	\$ 888,473
University of Alaska - Kenai	220	\$ 770,887
Alaska Computer Institute	143	\$ 712,652
Charter College	154	\$ 584,304
Alaska Junior College	133	\$ 547,652
Alaska Vo-Tech Center	123	\$ 496,117

Loan Servicing System Update - ACPE staff completed the bid process for the selection of a firm to assist staff in the search and selection of the new software needed to fully update the current ASLP loan servicing system. Only one bid was received that fully met the requirements to conduct a national search and evaluation of the appropriate software.

It is anticipated to take no more than 60 to 90 days to complete this phase of the project. As reported in the December 1994 Monthly Status Report, the Legislative Budget and Audit Committee approved ACPE to expend \$250,000 of corporate receipts as part of a larger project request (in the capital budget) for an additional \$1.4 million to fully revamp the existing student loan servicing system and replace it with an up-to-date, fully automated system. ACPE is now working with the Governor's Office and the Office of Management and Budget to secure the remaining \$1.4 million funding for the rest of the project.

Critical Dates

February 13, 1995	Loan Servicing Compliance Audit begins
February 20, 1995	President's Day - ACPE Holiday
February 28, 1995	Institutional Authorization Committee meets - Juneau
March 1, 1995	Alaska Student Loan Corporation meets - Juneau
March 1&2, 1995	Alaska Commission on Postsecondary Education meets - Juneau
March 27, 1995	Seward's Day - ACPE Holiday

cc: Management Team

ATTACHMENT ONE

Letters of Interest

* * * ALASKA STUDENT LOAN CUSTOMER SERVICE QUESTIONNAIRE * * *

INSTRUCTIONS: Check the number that best describes your response to the following questions. Please return to the Alaska Student Loan Program. No postage required. Thank you for your assistance.

	Unacceptable		Acceptable		Excellent
	1	2	3	4	5
1. Was your call answered promptly and courteously?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. How well did the representative you spoke with listen and understand your concerns?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. How well did the representative fulfill your needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. How satisfied were you with the customer service you received?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5. How would you rate the overall service you have received from the Alaska Student Loan Program?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>



6. Please share your additional comments with us. In the early '90's, I had atrocious service from this sector. I appear to be excellent now.

OPTIONAL:

Name & Address: MARK Stopka
PO Box 240752
DOUGLAS AK 99824-0752

Social Security Number: 06048 3805



THANK YOU!!

Alaska State Legislature

SENATOR
MIKE MILLER
P O Box 55094
North Pole, Alaska 99705
(907) 488-0862

Senate District Q



Senate

RECEIVED
JAN 27 1995

Alaska Commission on
Postsecondary Education

While in Juneau
State Capitol
Juneau, Alaska
99801-1182
(907) 465-4976

January 24, 1995

Dr. Joe L. McCormick
Executive Director
Ak Comm Postsecondary Ed
3030 Vintage Blvd
Juneau, Ak 99801-7109

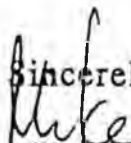
Dear Dr. McCormick,

I appreciate your letter on behalf of the Alaska Commission on Postsecondary Education regarding the services your department provides and the staff contacts for this legislative session.

You were very helpful this past year in keeping us informed on the "status quo" regarding post secondary education.

My staff in the past have made numerous calls to your student loan personnel and have always found them to be helpful and prompt in response to our requests.

We look forward to working with you and your department once again this year.

Sincerely,

Mike Miller
Senator

**Letter to the Commissioners
January 1995**New Commission Appointment

Patricia Hill, Vice President of the North Dakota Board of Higher Education, was appointed to serve on the WICHE Commission representing North Dakota. Many of you may have met Patricia at the December Commission meeting in Tucson. Congratulations and welcome Patricia. North Dakota's Commission representation is a model it shares with Utah: an individual from the state's board of higher education, a state legislator, and the state's chief higher education executive officer. In the past, other states have used this model.

December Commission Meeting-Highlights

Audrey Alvarado (CO) was elected Chair for 1995 and Paul Page (NV) was elected Vice-Chair for 1995 (Chair-elect for 1996). Congratulations to both.

Executive Committee Members for 1995 were selected. Once standing committees have been discussed by the Executive Committee, new committee assignments will be determined.

Commissioners attending their first meeting included: Cheryl Frasca of Alaska, Chuck Ruch of Idaho, Joe Cox of Oregon, and Tad Perry of South Dakota.

Commission Action

- Approved the project, "Models for Interstate/Interinstitutional Academic Degree Programs," to be undertaken jointly by the Student Exchange Program and the Western Cooperative for Educational Telecommunications, if funded.
- Approved the project, "Rural and Non-Rural Consumers' Priorities for Mental Health Services and Outcomes," to be carried out by the Mental Health Program, if funded.
- Approved an increase in the Comprehensive Health Care Benefit for staff in anticipation of a change in insurance carriers involving higher co-payments for staff and lower premium costs for WICHE.
- Approved the audit report for FY 1994 and retained the general fund reserve level at the minimum of \$200,000.

-over-

Memorandum

TO: WICHE Commissioners
FROM: Marla Hamby *Marla*
DATE: January 5, 1995
SUBJECT: New Commission Meeting Dates

At the December 1994 meeting, considerable interest was expressed in changing the Commission meetings from a Friday/Saturday format to a Thursday/Friday format. The site selection committee looked at the cost implications of this change, especially with respect to the "over Saturday night" airfare requirements. It was decided the best approach would be to alternate the formats for the next few meetings.

Future Commission meetings are as follows:

June 15-16, 1995	Thursday/Friday	Clarion, Boulder, Colorado
December 1-2, 1995	Friday/Saturday	Westin, San Francisco Airport, California
June 13-14, 1996	Thursday/Friday	Boulder/Denver, Colorado
December 6-7, 1996	Friday/Saturday	Albuquerque, New Mexico

Major revisions to the meeting schedule are being discussed as well. Suggested revisions will be presented to the Executive Committee for consideration during a conference call in January/February. Most recent plans call for the Executive Committee to meet early on the first day of the meeting. This will mean that Executive Committee members will need to arrive the night before the meeting. You may want to note this on your calendar.

We will keep you posted as decisions are made. If you have any questions, please call me 303/541-0204. Thanks.

Financing College Costs and The Decision to Attend School

By Dr. Joe L. McCormick

The decision to enroll in or return to school to pursue some type of postsecondary educational training is a most important decision that should be examined carefully, taking into account some critical factors. Among the factors a student must consider in pursuing educational training beyond high school are these:

Which program of study or training should I pursue?

The *Alaska Career Guide* contains several articles with ideas to assist you in identifying the type of program that best matches your interests and talents. In addition, it is strongly advised you use the counseling services of the local high school and/or college in your area.

Which school should I enroll in?

Choosing a school is sometimes difficult, sometimes confusing, but is most definitely a very important decision. Do your homework, compare schools on the basis of total costs, reputation in the community, type of school, and actual visits to the school. There are basically three types of schools to consider: a) public institutions operated by the state, b) private traditional colleges, and c) for-profit proprietary schools (sometimes referred to as trade or business schools).

Compare the schools that you are seriously thinking of attending using the "Three C's Test": Cost, Course Content, and Credibility.

Costs: compare the total tuition, fees, books, and other direct school charges for each school that offers the program of study you are considering. Tuition for the same program taught at different schools can be drastically different. In an important and related matter, find out what kinds of student financial aid are available at the school. There are generally three types of aid: grants and/or scholarships, student loans, and part-time employment. Please reference the student financial aid portion of this article and related sections of the *Alaska Career Guide* for more detailed information on student financial aid.

Course Content: for the program of study you are pursuing, what courses (subjects) are actually taught and how long are the courses? Do the course offerings appear reasonable and essential to the program being studied? What is different in the courses offered at the different schools being considered? Ask the school officials to explain any questions you may have about the courses taught in the programs offered.

Credibility: what is the reputation of the school in the community and among students who attend or have attended? Ask the school if it offers job placement and the names of employers that have hired the school's graduates. Ask the school what its retention rate is (how many students stay in school to complete the course of study?). Talk to fellow students and faculty. Ask if the school is accredited and/or licensed to operate by the state and whether or not it is certified to participate in the

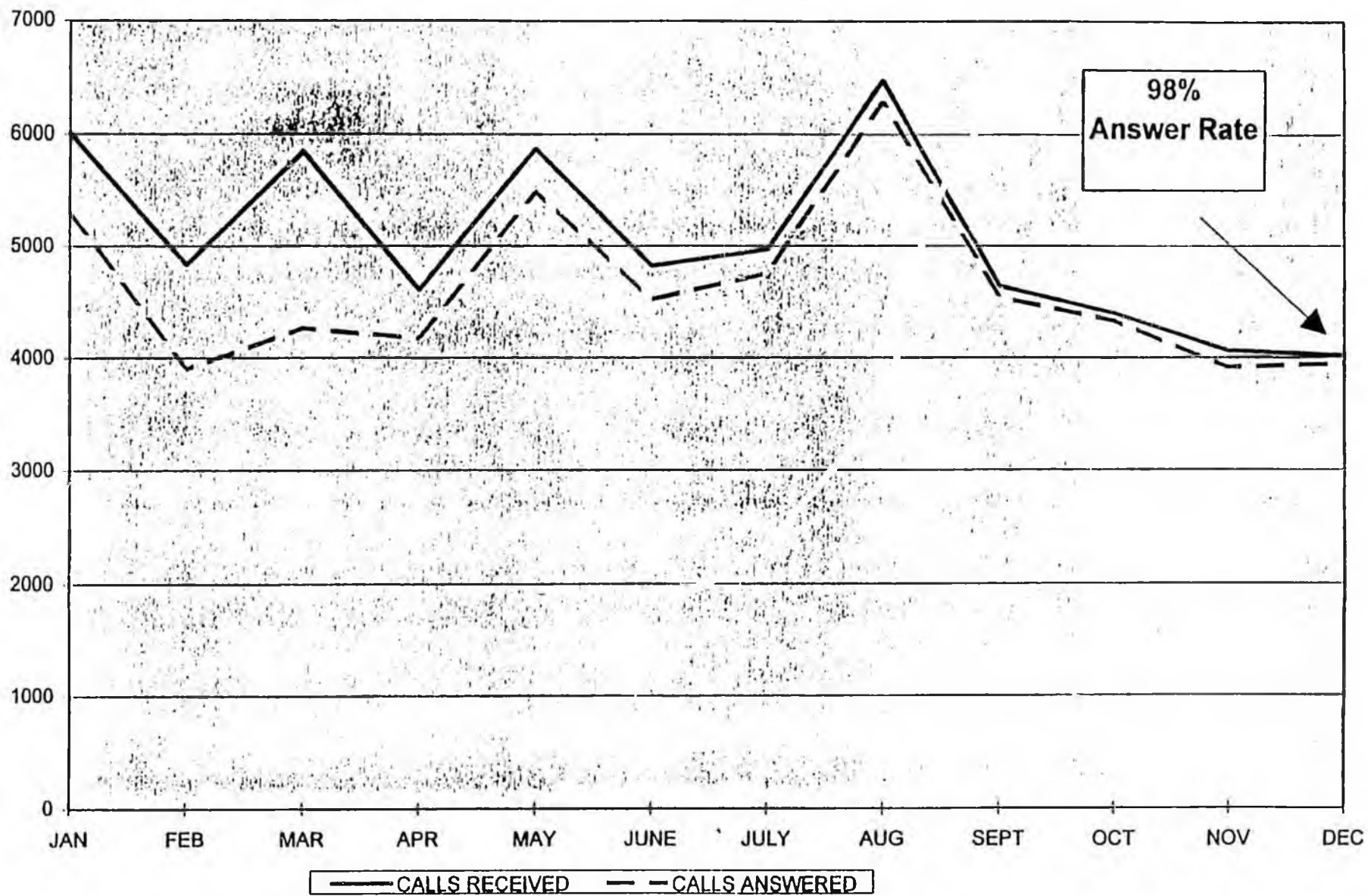
ATTACHMENT THREE

ACPE TELEPHONE & CORRESPONDENCE ACTIVITY

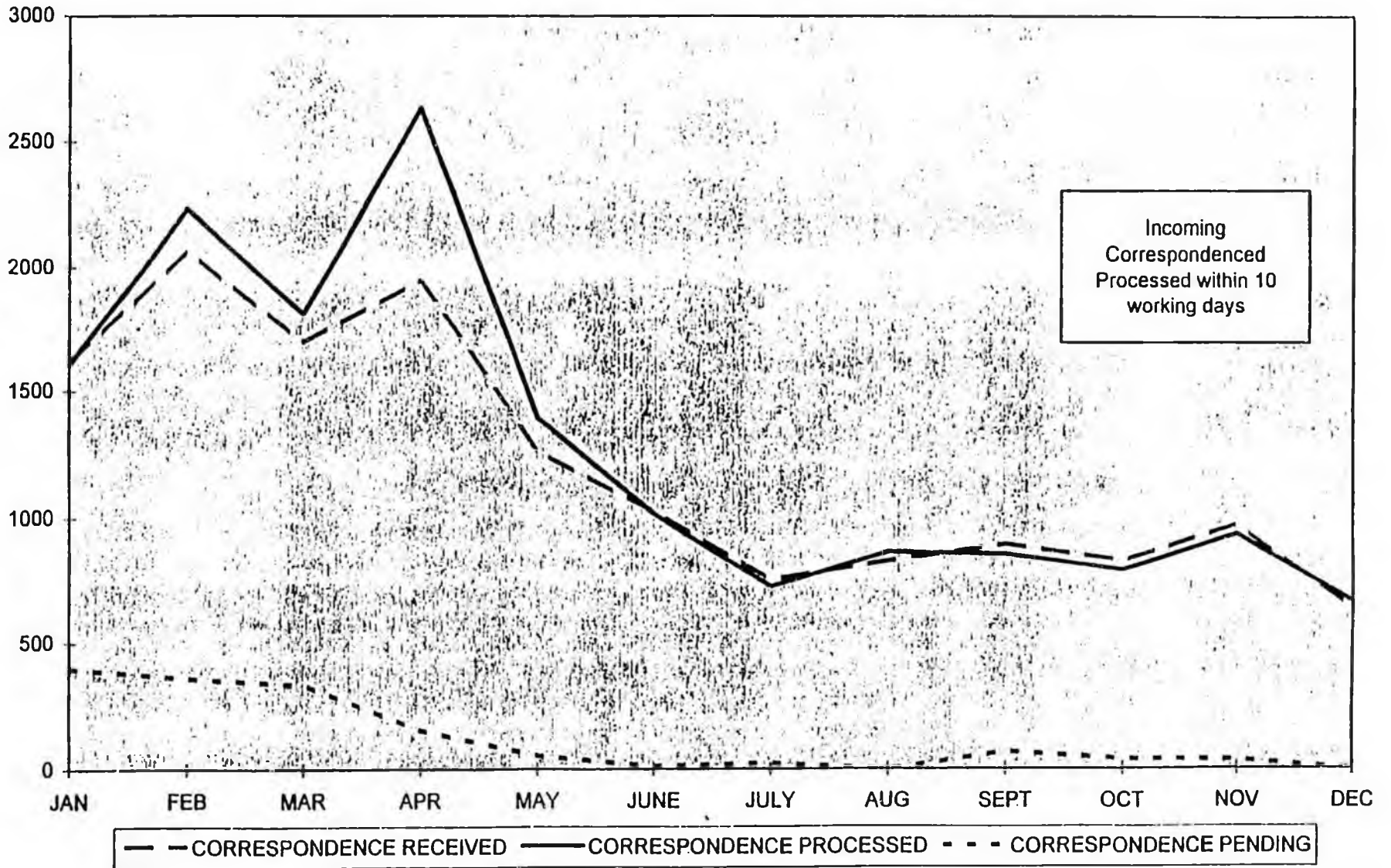
for

1994

1994 TELEPHONE STATISTICS



CORRESPONDENCE PROCESSING
1994



HB

135

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 3/6/95

FURTHER:

DATE TURNED INTO OFFICE: 3-8-95

Finance Committee considered CS FOR HOUSE BILL NO. 135(FIN)

Authorizing the Alaska Commission on Postsecondary Education to adopt regulations necessary to determine and set an interest rate applicable to a student loan, etc.

and recommends:

- be replaced with _____ CS _____
- adopt previous _____ CS _____
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

Senate Bill:

same title
new title

House Bill:

same title
technical change
new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Roll E. Kelly</i>	→	<i>Steve King</i>	✓		
<i>Barry Shuff</i>	✓	<i>David Douglas</i>	✓		
		<i>Paul Shuff</i>	✓		
Co-Chair: <i>[Signature]</i>	✓				
Co-Chair: <i>Kirk Halford</i>	✓				

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

DOE (ACPE)	7/1/95			

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

Alaska State Legislature

Sen. Lyda Green, Chairman
Sen. Loren Leman, Vice-Chairman
Sen. Mike Miller
Sen. Johnny Ellis
Sen. Judith Salo



State Capitol
Room 123
Juneau, Alaska 99801-1182
907-165-3762

Senate Committee on Health, Education and Social Services

MEMORANDUM

TO: Senator Rick Halford, Co-Chairman
Senate Finance Committee

FROM: Senator Lyda Green, Chairman
Senate Committee on Health, Education and Social Services

DATE: February 24, 1995

RE: Scheduling Request for SB 59

I respectfully request that SB 59 be scheduled for a hearing by the Senate Finance Committee at the earliest convenience of the Chairman.

SB 59 was introduced by the Senate HESS Committee at the request of the Alaska Commission on Postsecondary Education.

SB 59 allows the Commission to implement regulations several months prior to the effective date of the legislation that passed last session (July 1, 1995), so that they can be ready to offer loans in a timely manner.

SB 59 makes no statutory changes -- it simply grants the Commission the authority to implement regulations prior to the July 1, 1995 effective date.

Thank you for your consideration. If you have any questions, please contact me or Portia in my office at 3762.

STATE OF ALASKA

ALASKA COMMISSION ON POSTSECONDARY EDUCATION

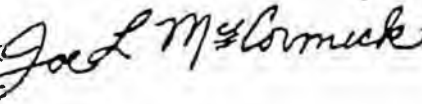
3030 VINTAGE BLVD.
JUNEAU, ALASKA 99801-7109
PHONE (907) 465-2962
FAX (907) 465-5316

MEMORANDUM

TO: ACPE Commission Members
ASLC Board Members

FROM:

Joe L. McCormick
Executive Director



DATE: February 10, 1995

RE: January 1995 Status Report

Legislative Status Report - HB 135 and companion bill SB59 have been introduced giving authority to the Alaska Commission on Postsecondary Education to promulgate emergency regulations to set the interest rate on Alaska Student Loans to be disbursed after July 1, 1995. This legislation must be passed as soon as possible in order to allow the ACPE to have appropriate regulations in place prior to July 1, 1995. The Alaska Commission on Postsecondary Education, at its December 1994 meeting, unanimously approved legislative changes to promote financial stability of the student loan fund and to assist in improving customer support services. ACPE staff are working closely with the Governor's Office and the Office of Management and Budget to secure the Administration's full support for these legislative proposals. The legislative changes proposed are:

- Increase Maximum Graduate Loan Limits
- Reduce Administrative Costs/Streamline Administrative Process
- Program Participation Agreement
- Modify Deferment Options
- Amend Repayment Options
- Expand Students' Financial Aid Options
- Amending definition of 'default'
- Establish Wage Garnishment Priority
- Deny Loans to Incarcerated Individuals
- Technical Amendments for Residency Requirements
- Amend WICHE for Directed Student Funding

1994 Alaska Student Loan Corporation Financial Audit Completed - final work was completed on the 1994 Alaska Student Loan Corporation Financial Audit. The ASL Corporation board will receive a full presentation of the audit at its March 1, 1995 meeting in Juneau. In a related activity, preparations for a compliance audit of the ASLP loan servicing system in February 1995 were completed. This audit is required by the insurer of the ASLC student loan bonds, AMBAC, and will focus on the operational

FEB 10 1995

aspects of servicing Alaska Student Loans and a review of the improvements made by ACPE since the last compliance audit in March of 1993.

Alaska Student Loan Volume for 1994-1995 by Participating Schools - over \$53.0 million in ASLP awards have been made as of 1-31-95 for this current school year 1994-1995. Approximately \$31.4 million has been awarded to Alaska students attending Alaska schools; approximately \$21.7 million has been awarded to Alaska students attending out-of-state schools. Listed below is a breakdown of the ten schools in Alaska currently receiving the most ASLP funds:

<u>Alaska Schools</u>	<u>Total # of Students</u>	<u>Total \$Amount Loaned</u>
University of Alaska - Anchorage	3,213	\$12,069,063
University of Alaska - Fairbanks	1,952	\$ 8,222,668
University of Alaska - Southeast	349	\$ 1,478,391
University of Alaska -MSC	343	\$1,264,058
Alaska Pacific University - Anchorage	210	\$ 888,473
University of Alaska - Kenai	220	\$ 770,887
Alaska Computer Institute	143	\$ 712,652
Charter College	154	\$ 584,304
Alaska Junior College	133	\$ 547,652
Alaska Vo-Tech Center	123	\$ 496,117

Loan Servicing System Update - ACPE staff completed the bid process for the selection of a firm to assist staff in the search and selection of the new software needed to fully update the current ASLP loan servicing system. Only one bid was received that fully met the requirements to conduct a national search and evaluation of the appropriate software.

It is anticipated to take no more than 60 to 90 days to complete this phase of the project. As reported in the December 1994 Monthly Status Report, the Legislative Budget and Audit Committee approved ACPE to expend \$250,000 of corporate receipts as part of a larger project request (in the capital budget) for an additional \$1.4 million to fully revamp the existing student loan servicing system and replace it with an up-to-date, fully automated system. ACPE is now working with the Governor's Office and the Office of Management and Budget to secure the remaining \$1.4 million funding for the rest of the project.

Critical Dates

February 13, 1995	Loan Servicing Compliance Audit begins
February 20, 1995	President's Day - ACPE Holiday
February 28, 1995	Institutional Authorization Committee meets - Juneau
March 1, 1995	Alaska Student Loan Corporation meets - Juneau
March 1&2, 1995	Alaska Commission on Postsecondary Education meets - Juneau
March 27, 1995	Seward's Day - ACPE Holiday

cc: Management Team

MEMORANDUM

State of Alaska

Department of Law


TO: Gillian Hays
Alaska Commission on
Postsecondary Education

DATE: January 13, 1995

FILE NO:

TEL. NO.: 269-5200

SUBJECT: Transition provisions
regarding ch. 112, SLA 1994


FROM: Teresa Williams
Assistant Attorney General
Commercial Section -- Anchorage

I am writing to explain the necessity for the legislature to immediately adopt transition provisions regarding ch. 112, SLA 1994.

The current interest rate of 8% for Alaska Student Loans is repealed effective July 1, 1995, and the commission has the duty to set the interest rate for money disbursed after that time. Ch. 112, SLA 1994. Before the commission can enter into student loans for the summer and 1995-96 terms, it must set an interest rate. The commission attempted to begin that process in November, 1994. However, the Department of Law's Regulation Attorney has determined that, in the absence of transitional regulation authority, the commission cannot move forward to adopt regulations to establish the elements of the new interest rate until the new legislation becomes effective July 1, 1995.

Commission staff have advised me that loan packets are sent to students and schools in the spring of each year, and students sign promissory notes for student loans during that time for the following school year. However, this year, the students cannot be advised of the interest rate. Under the Federal Truth in Lending law, student loan programs are required to notify students of the interest rate at which they are borrowing money. Additionally, in making decisions about which loan programs to pursue, students need to know the cost of each.

This office has drafted the attached bill language to correct the problem. Section 1 gives the commission authority to immediately begin the adoption process for regulations that will give the commission authority to set the interest rate for money disbursed after July 1, 1995. The bill would allow the regulations to take effect as soon as that project could be completed under the APA, even if that date is before July 1, 1995. In order to meet the commission's schedule for printing and distribution of loan packets for loans disbursed after July 1, 1995, the regulations must be adopted as early as possible.

Gillian Hays
Alaska Commission on
Postsecondary Education

January 13, 1995
Page 2

Section 2 of the bill gives the commission standard transition regulatory authority to immediately begin the process to adopt regulations for other provisions of ch. 112, SLA 1994, relating to loan default procedures and consolidation of loans. Regulations adopted under section 2 may not take effect before July 1, 1995, when the enabling statute becomes effective.

I will be out of the country from January 15 - February 11 and April 1 - 20. If any questions arise during that time about this problem or other issues, please direct them to AAG Linda Kesterson or to AAG Linda O'Bannon, my supervisor.

TEW:mh

Attachment

THE QUESTION BEING: "SHALL CSHB 135(FIN) PASS THE HOUSE?" THE ROLL WAS TAKEN WITH THE FOLLOWING RESULT:

CSHB 135(FIN)
THIRD READING
FINAL PASSAGE

YEAS: 33 NAYS: 0 EXCUSED: 4 ABSENT: 3

YEAS: AUSTERMAN, BARNES, BROWN, BUNDE, DAVIES, B.DAVIS, G.DAVIS, ELTON, FINKELSTEIN, GREEN, GRUSSENDORF, HANLEY, JAMES, KELLY, KOHRING, KOTT, MACKIE, MARTIN, MASEK, MOSES, MULDER, OGAN, PARNELL, PHILLIPS, PORTER, ROBINSON, ROKEBERG, SANDERS, THERRIALT, TOOHEY, VEZEY, WILLIAMS, WILLIS

EXCUSED: IVAN, KUBINA, MACLEAN, NAVARRE

ABSENT: BRICE, FOSTER, NICHOLIA

AND SO, CSHB 135(FIN) PASSED THE HOUSE.

HB 135

REPRESENTATIVE VEZEY MOVED AND ASKED UNANIMOUS CONSENT THAT THE ROLL CALL ON THE PASSAGE OF THE BILL BE CONSIDERED THE ROLL CALL ON THE EFFECTIVE DATE CLAUSE. THERE BEING NO OBJECTION, IT WAS SO ORDERED.

CSHB 135(FIN) WAS REFERRED TO THE CHIEF CLERK FOR ENGROSSMENT.

SELECTION=>

PF1
HELP

PF2

PF3
EXIT

PF4
MENU

PF5

PF6
PRINT

PF7
BWD

B005-LAST PAGE

PF8
FWD

PF9

PF10
FIRST

PF11
LAST

PF12
QUI

~~NEW BILL IN
COMMITTEE 3/6/95~~

9-LS0581VA

Cross-Ref. to HB 135

SENATE BILL NO. 59

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Introduced: 2/1/95

Referred: HES, FIN

A BILL

FOR AN ACT ENTITLED

1 "An Act authorizing the Alaska Commission on Postsecondary Education to adopt
2 regulations necessary to determine and set an interest rate applicable to a student
3 loan for which money is disbursed on or after July 1, 1995, and regulations
4 necessary to implement certain loan default sanctions and consolidation of loan
5 provisions beginning July 1, 1995; and providing for an effective date."

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

7 * Section 1. The Alaska Commission on Postsecondary Education may immediately
8 proceed to adopt regulations necessary to

9 (1) determine and set an interest rate applicable to a loan for which money is
10 disbursed on or after July 1, 1995, required under AS 14.43.120(f), as repealed and reenacted
11 in sec. 2, ch. 112, SLA 1994, and under AS 14.43.120(v), as enacted in sec. 4, ch. 112, SLA
12 1994; and

13 (2) implement AS 14.43.120(i), as amended by sec. 3, ch. 112, SLA 1994, and

- 1 AS 14.43.122, as enacted by sec. 5, ch. 112, SLA 1994; regulations authorized by this
- 2 paragraph may not take effect before July 1, 1995.
- 3 * Sec. 2. This Act takes effect immediately under AS 01.10.070(c).

HB

136

HFIN

FILE

(11)

HOUSE COMMITTEE REPORT

Date Referred to Committee: April 29, 1996

FURTHER REFERRALS:

Date of Committee Action: 4/29/96

The FINANCE Committee considered:

HB 136

HOUSE BILL NO. 136

MANDATE SALE OF ALASKA RAILROAD

"An Act mandating the sale of the Alaska Railroad; and providing for an effective date."

recommends it be replaced with the following committee substitute CS HB 136 (FIN) [] the same title [] a new title

[] additional referral to _____ Committee [] attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

[] fiscal note(s) _____

[X] fiscal note(s) HSTA 40 - CED, 4/29/96

[] zero fiscal note(s) _____

[] zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>Richard Foster</i>			X	
<i>Allen Mulder</i>	X			
<i>Terry Martin</i>	X			
<i>Stan Pannell</i>			X	
<i>Eric Kohring</i>			X	
<i>Mike Howard</i>		X		
<i>Jay Brown</i>			X	
<i>Gene Therrault</i>			X	

CHAIR'S SIGNATURE

Richard Foster

Title: Relating to Railroad Sale.
Sponsor: _____
Requestor: Martin

Dept. Affected: Commerce
BRU: Rail Road AARC
Components: _____
Serial #: _____

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
Personal Services						
Travel						
Contractual	250,000	0	0	0	0	0
Supplies						
Equipment						
Land & Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING	250,000	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (THOUSANDS OF DOLLARS)

General Fund						
Federal Fund						
Other AARC Corporate receipts	250,000	0	0	0	0	0
TOTAL	250,000	0	0	0	0	0

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

see attached analysis

Prepared by: House State Affairs
Rep. James
James

Date: 4/29/96
Phone: 465-3743
Phone: _____

AMENDMENT

3

Adopted
no obj

TO: CS FOR HOUSE BILL NO. 136(STA)
FROM: PARNELL

P. 4, ln. 30 after "governor"

Insert: ", the speaker of the house, the president of the senate,"

P. 4, ln. 31 after "1997."

Insert: "Copies of the report shall be made available to the public by the Alaska Railroad Commission."

**DIVISION OF LEGAL SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**

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

240 Main Street, Suite 500
Juneau, Alaska 99801-2101

MEMORANDUM

November 9, 1992

SUBJECT: Alaska Railroad Transfer Act; Restriction on the sale of the
Alaska Railroad (Work Order No. 18-LS0177)

TO: Representative Terry Martin
ATTN: Tom Anderson

FROM: George Utermohle *GU*
Legislative Counsel

This memorandum summarizes the provision of the federal Alaska Railroad Transfer Act (P.L. 97-468, Title VI) that restricts the ability of the legislature to sell the state-owned Alaska Railroad.

The Alaska Railroad Transfer Act became law January 14, 1983. The Act set out the terms under which the Alaska Railroad would be transferred to the State of Alaska. Ownership of the railroad was transferred to the state January 6, 1985.

The federal Act contains two provisions restricting the ability of the state to profitably dispose of the railroad within certain time periods following the transfer of the railroad to the state. One of those provisions has already expired; the other provision will expire in a few more years.

If, within ten years after the date of transfer to the State . . . , the Secretary finds that all or part of the real property transferred to the State under this title, . . . , is converted to a use that would prevent the State-owned railroad from continuing to operate, that real property . . . shall revert to the United States Government, or (at the option of the State) the State shall pay to the United States Government an amount determined to be the fair market value of that property at the time its conversion prevents continued operation of the railroad.

P.L. 97-468, sec. 610(a); 45 U.S.C. 1209(a).

Representative Terry Martin

November 9, 1992

Page 2

The apparent purpose of this provision is to discourage the state from disposing of railroad land in a manner that will cause the state-owned railroad to cease operation during the first ten years following the transfer. It is unclear as to what events would cause this provision to become operative. The phrase "prevent the State-owned railroad from continuing to operate" is particularly unclear. Does the phrase refer just to disposals of real property that would prevent the entire railroad from operating or just part of the railroad, such as between Anchorage and Whittier or Fairbanks and Eielson Air Force Base? Does this provision prevent the disposal of revenue producing land not used for the actual operation of the railroad if the disposal would endanger the long term financial viability of the railroad or does it refer only to disposal of land actually used for railroad operations?

It is evident that this provision virtually precludes any transfer of the railroad to private ownership that included a transfer of railroad land, because the transfer of the railroad to private ownership would prevent the state-owned railroad from continuing to operate. Though this provision is triggered only by the disposal of real property and thus could be avoided by not disposing of real property, it is difficult to envision anyone wanting to buy the railroad if they did not also get the land and buildings used by the railroad.

The ambiguity of this provision places a cloud over any disposal of railroad land until January 7, 1995 when this provision expires.

I am providing this information to you so that you are aware of this temporary impediment to profitable disposal of the Alaska Railroad.

If I can provide further assistance, please advise.

GU:gc
92-508.glc

Amended pg 2
4

CS FOR HOUSE BILL NO. 136(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

Offered:

Referred:

Sponsor(s): REPRESENTATIVE MARTIN

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the establishment and operation of the Alaska Railroad
2 Commission to determine whether sale of the Alaska Railroad is in the best
3 interest of the state; and providing for an effective date."

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

5 * **Section 1. ALASKA RAILROAD COMMISSION.** (a) The Alaska Railroad
6 Commission is established as an agency of the legislative branch. The commission consists
7 of five members. One member shall be appointed by the governor, one member shall be
8 appointed by the president of the senate, one member shall be appointed by the speaker of the
9 house of representatives, one member shall be appointed jointly by the governor, president of
10 the senate, and speaker of the house of representatives from among the employees of the
11 Alaska Railroad Corporation who are members of a bargaining unit representing employees
12 of the railroad, and one member shall be appointed jointly by the governor, president of the
13 senate, and speaker of the house of representatives who is a representative of the major
14 customers of the Alaska Railroad Corporation. The persons making appointments to the

1 commission shall give consideration to the appointment of ^{at least one} ~~persons~~ ^{has} who ~~have~~ experience
2 involving corporate mergers and acquisitions. A vacant seat on the commission shall be filled
3 in the manner that the seat was originally filled.

4 (b) A member of the Alaska Railroad Commission who is a public member is entitled
5 to compensation at a rate of \$250 for each day the member is engaged in the actual
6 performance of duties as a commission member. The commission may provide for
7 compensation for partial days during which a member who is a public member is engaged in
8 actual performance of duties as a commission member. In addition, a member who is a public
9 member is entitled to per diem and travel expenses authorized for boards and commissions
10 under AS 39.20.180. A member of the commission who is not a public member is entitled
11 to the member's usual compensation and travel and per diem expenses as a legislator, state
12 employee, or employee of the Alaska Railroad. In this subsection, a public member of the
13 commission is a member who is not a legislator, state employee, or employee of the Alaska
14 Railroad.

15 (c) Subject to appropriations for the purpose, the Alaska Railroad Commission may
16 contract for professional services as the commission considers necessary. Contracts for
17 professional services under this subsection are exempt from AS 36.30.

18 (d) The Alaska Railroad Commission shall contract for preparation of an evaluation
19 of the Alaska Railroad as a going concern by a qualified railroad appraiser. The commission
20 shall give a preference to a private entity based in the state for the contract to perform the
21 evaluation. The evaluation shall be submitted to the governor and the Legislative Budget and
22 Audit Committee before November 1, 1996. The Alaska Railroad Corporation shall pay for
23 the evaluation from corporate receipts of the Alaska Railroad Corporation. The contract for
24 the evaluation under this subsection is exempt from AS 36.30.

25 (e) On September 1, 1996, and November 1, 1996, the Alaska Railroad Commission
26 shall submit a report to the Legislative Budget and Audit Committee detailing the progress
27 of the commission in implementing this section and the problems encountered by the
28 commission. The Legislative Budget and Audit Committee may request that the commission
29 appear before the committee to brief the committee on the progress of the commission in
30 performing the commission's functions under this section.

31 (f) By January 13, 1997, the Alaska Railroad Commission shall determine whether or

1 not it is in the best interest of the state to sell the Alaska Railroad and all other assets of the
2 Alaska Railroad Corporation classified as necessary for the operation of the railroad. In
3 reaching its determination under this subsection, the commission shall

4 (1) identify all assets, real and personal and tangible and intangible, of the
5 Alaska Railroad Corporation and classify those assets as necessary for the operation of the
6 railroad or as other assets of the corporation;

7 (2) consider the effect of a sale of the Alaska Railroad on the state, on
8 customers, lessees, and employees of the railroad, and on municipalities served or affected by
9 the railroad;

10 (3) consider the effect of privatization of the Alaska Railroad and the
11 conditions of a sale upon the long-term profitability of the railroad;

12 (4) consider the ability of the state to obtain enforceable assurances of
13 continued operation of the railroad at necessary levels of service;

14 (5) consider foreseeable economic effects of a sale of the railroad; and

15 (6) consider the value to the state of direct oversight of operations of the
16 Alaska Railroad Corporation as currently provided under law.

17 (g) Notwithstanding the determination of the commission under (f) of this section,
18 before January 13, 1997, the Alaska Railroad Commission shall also

19 (1) recommend specific conditions to be attached to a sale of the Alaska
20 Railroad, including requirements that the purchaser of the railroad agree to

21 (A) continue operation of the railroad, as an active and functioning
22 transportation system, for a minimum of 20 years following the date of sale of the
23 railroad;

24 (B) accept assignment of all contracts, including agreements with
25 connecting carriers, shippers, or other persons concerning services, operation, property,
26 and facilities of the Alaska Railroad Corporation, entered into by the Alaska Railroad
27 Corporation and in effect on the date of the sale of the Alaska Railroad, provided that
28 the contracts are assignable under terms of the contract or that the other parties to the
29 contract consent to the assignment; this subparagraph does not apply to executive
30 employment contracts;

31 (C) accept assignment of collective bargaining agreements with labor

1 organizations that represent employees of the Alaska Railroad that are in effect on the
2 date of transfer of ownership of the Alaska Railroad until expiration of the agreements;

3 (D) as a condition of the sale and before the transfer of ownership of
4 the Alaska Railroad, negotiate collective bargaining agreements, including provisions
5 for future retirement benefits if appropriate, to take effect upon the expiration of the
6 collective bargaining agreements that are in effect on the date of transfer of ownership
7 of the Alaska Railroad;

8 (E) accept assignment of the retirement obligations owed to employees
9 of the Alaska Railroad at the time of transfer of ownership of the Alaska Railroad;

10 (F) purchase the Alaska Railroad for an amount that is equal to or
11 exceeds the fair market value of the Alaska Railroad and the assets of the Alaska
12 Railroad Corporation that are necessary for the operation of the railroad; and

13 (G) provide proof of financial ability to abide by the terms of sale and
14 to operate the railroad as an active and functioning transportation system;

15 (2) recommend specific procedures and a schedule of events to be followed
16 in selling the Alaska Railroad;

17 (3) evaluate the prospects for and effects of operation of the Alaska Railroad
18 under private ownership;

19 (4) ^{inventory} recommend ^{of contracts} procedures for the disposal of real property, of the Alaska
20 Railroad Corporation that ^{is not} necessary for operation of the Alaska Railroad to the state or
21 to private persons; ^{make recommendations for their disposal}

22 (5) identify measures necessary to assure continued use of the railroad right-of-
23 way corridor for transportation, communication, and transmission purposes and support
24 functions associated with these purposes; and

25 (6) identify conditions or terms of a sale of the Alaska Railroad that may be
26 necessary for consistency with the Alaska Railroad Transfer Act of 1982 (P.L. 97-468, Title
27 IV) and AS 42.40 (Alaska Railroad Corporation Act).

28 (h) The Alaska Railroad Commission shall submit a comprehensive report of its
29 determination, recommendations, identifications, and evaluations made under (f) and (g) of this
30 section and of the evaluation of the Alaska Railroad under (d) of this section to the governor
31 and the Legislative Budget and Audit Committee before January 13, 1997.

TO
Sub
(F)
Page 2

1 (i) Except as provided under this subsection, the meetings of the Alaska Railroad
2 Commission shall be open to the public and shall provide an opportunity for public comment.
3 A subject may not be considered at an executive session unless the subject is mentioned in
4 the motion calling for the executive session or is auxiliary to a subject mentioned in the
5 motion. An action may not be taken at an executive session. Only the following subjects
6 may be discussed in an executive session:

7 (1) matters, the immediate knowledge of which would clearly have an adverse
8 effect upon the finances of the Alaska Railroad Corporation;

9 (2) unless the person has requested to have the subjects discussed in public,
10 subjects that tend to prejudice the reputation and character of a person;

11 (3) matters that, by law or municipal charter or ordinance, are permitted to be
12 kept confidential from public disclosure;

13 (4) matters pertaining to personnel;

14 *ADOPTED* (5) matters pertaining to ^{current or potential litigation involving} the legal position of the Alaska Railroad Corporation;

15 *Delet* (6) ~~land acquisition or disposal, and~~ ^{currently under negotiations}

16 (7) proprietary or other information of a type treated as confidential under the
17 standards and practices of the United States Interstate Commerce Commission, including
18 practices that protect information associated with specific shippers, divisions, and contract rate
19 agreements.

20 (j) Notwithstanding AS 42.40.220 and other provisions of AS 42.40, the Alaska
21 Railroad Commission shall have access to financial records, contracts, legal documents, and
22 other records and documents of the Alaska Railroad Corporation that the commission
23 determines are necessary to perform the commission's functions under this section. The
24 members and staff of the commission shall maintain the confidentiality of confidential records
25 and documents provided by the corporation to the commission.

26 (k) The Alaska Railroad Commission may not expend more than a total of \$250,000
27 to perform the commission's functions under this section.

28 * Sec. 2. This Act is repealed June 30, 1997.

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

REPRESENTATIVE
TERRY MARTIN
CHAIRMAN
BUDGET & AUDIT COMMITTEE
MEMBER
HOUSE FINANCE COMMITTEE

Alaska State Legislature



MAY 15 - JAN 15 258-8169
716 W. 4TH, SUITE 650
ANCHORAGE, AK 99504
JAN 15 - MAY 15 465-3783
STATE CAPITOL
JUNEAU, AK 99801-1182
HOME 333-6990
355 DONNA DRIVE, #11
ANCHORAGE, AK 99504

SPONSOR STATEMENT CSHB 136 (STA)

"An Act mandating the sale of the Alaska Railroad."

Under the Alaska Railroad Transfer Act of 1983, the Alaska Railroad was transferred to the state of Alaska on January 6, 1985. Within ten years of the date of transfer, railroad-owned land could have been purchased by a private entity, subject to restrictions on the State by the federal government. The provision preventing disposal of the land expired on January 7, 1995.

In view that the federal restrictions on transfers have ceased to apply, this is an opportune time to appraise the value of the ARRC in land and assets. It is also important that the State work with potential private enterprises interested in the expansion of the Alaska Railroad.

With that line of thought, CSHB 136 (STA) provides for a commission to be established that will identify assets of the ARRC and determine whether a sale would be viable for the state of Alaska. The commission will be responsible for a comprehensive report analyzing economic factors, land evaluations, and a host of other important aspects of a potential sale. The commission will be established as an agency of the legislative branch and be required to provide an update of their analysis to the Legislative Budget & Audit Committee.



ALASKA RAILROAD CORPORATION



Corporate Address: P.O. Box 107500, Anchorage, Alaska 99510
327 W. Ship Creek Avenue, Anchorage, Alaska 99501

Executive Office
(907) 265-2414
Fax (907) 258-1456

April 8, 1996

The Honorable Drue Pearce
President
Alaska State Senate
State Capitol
Juneau, Alaska 99501-2133

Dear Senator Pearce:

I am in receipt of your April 3, 1996, letter regarding my testimony before the Joint Senate-House Transportation Committees on March 26, 1996.

As I mentioned to you in the Beltz Room immediately following my testimony before the committee, I had realized that I was mistaken in my remarks to the effect that a decision was made in an executive session of the Railroad Board meeting and wanted to set the record straight. I again apologize for the confusion caused by my mistake, but I must assure you that no vote was taken in executive session. All the Board members, including myself, are very sensitive to our obligations in this regard.

I understand from your letter that you are concerned that even the Board's discussion occurred in that executive session. As I also indicated to you after my testimony, I apprised the Board during that October 19, 1995, meeting of a letter I had received from Dennis Washington concerning his interest in entering into a confidential dialogue as to how he would proceed with an offer to purchase the Alaska Railroad. Our discussion occurred in executive session. We believe the discussion of Mr. Washington's letter of inquiry in executive session is supported by sound legal and policy considerations.

I believe the broad policy considerations which support our consideration of the Washington letter in executive session are both obvious and compelling. The Railroad's receipt of an unsolicited letter of inquiry from an investor as experienced and as savvy as Mr. Washington presented a unique challenge, particularly given the lack of any specific financial terms in the proposal. While it is one matter for the Board or the Alaska Legislature to initiate a public discussion of whether to privatize the Alaska

The Honorable Drue Pearce

April 8, 1996

Page 2

Railroad, it is, in our view, a far different matter to loosely initiate that debate solely in response to a preliminary letter of inquiry from a private investor. Whatever one's view as to whether to sell the Railroad, we can certainly agree that any sale or privatization should only be undertaken on the most favorable terms for Alaska. As you know, the timing and structuring of the privatization process may well have a material impact on the sale terms themselves. In short, we thought it important to control the dynamics of the process, at least until Mr. Washington presented a more concrete economic proposal for public consideration of whether, and how, to sell the Alaska Railroad.

Our consideration of the Washington letter in executive session was also clearly authorized under several of the statutory guidelines which govern when an executive session is appropriate. Under our statute, the Board can discuss matters in executive session whose public dissemination "would clearly have an adverse impact on the finances of the corporation." At the most basic level, a discussion of our response strategy certainly had the potential to affect the financial terms of any possible sale negotiations. We were also mindful of the effect a discussion of selling the railroad would have on our financial relationships with our employees, bankers, and customers. The statute also provides for discussion of matters "pertaining to the corporation's legal position." An inquiry such as Mr. Washington's triggered several legal issues in our mind, and a number of these were also discussed in executive session. Without going into details, they relate to what obligations might arise in response to an unsolicited or hostile acquisition proposal, resulting fiduciary duties of Board members, and the applicability of competitive procurement principles to a sale of the railroad. Lastly, we had some concerns that a proposal to acquire one railroad by another would fall within Interstate Commerce Commission jurisdiction and confidentiality rules, another basis for consideration in executive session. A copy of the statute is enclosed for your ready reference.

In light of these considerations, in addition to Mr. Washington's clearly stated desire to maintain confidentiality at the outset of discussions, the matter was therefore established as an executive session item on the October 19, 1995, Board agenda. A copy of the agenda is enclosed, please see also pages two and thirteen of the enclosed October 19, 1995, meeting minutes. It is the Board's practice to specify items for executive session when it adopts the agenda at the beginning of each meeting and then refer to them again when it recesses.

During the executive session, I apprised the Board of the letter which I received from Dennis Washington and showed them a draft copy of a proposed response. Also,

The Honorable Drue Pearce
April 8, 1996
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during the course of that meeting we had a discussion regarding the issue and I heard no objections from any member of the Board to my stated opinion that the subject of selling the Railroad at this time was premature. When we came out of executive session, I then appointed a subcommittee consisting of three Board members to further review the matter (see page 17 of attached minutes).

I have enclosed a copy of the minutes of the October 19, 1995, Board meeting for your review. Audio tapes of Board meetings are only retained until two subsequent meetings have occurred and, therefore, a tape of the October meeting is not available. As for the executive session, as you know no minutes or notes are maintained during executive sessions.

I wholeheartedly concur with your closing statement that the Railroad's decision-making process should be conducted openly, reserving to executive session only those items recognized by AS 42.40.170. That is one reason we welcomed the opportunity to participate in last week's hearing, and we would be pleased to assist the Legislature as it considers this very delicate and significant issue for all Alaskans. Again, I apologize for any misunderstandings caused by my remarks at the hearing and urge you to contact me if I can provide any additional information.

Sincerely,



Governor Bill Sheffield
Chairman, Board of Directors

cc: Governor Knowles
Representative Gail Phillips, Speaker of the House
Representative Terry Martin, Legislative Budget & Audit

ENCLOSURES: October 19, 1995, Board Agenda
October 19, 1995, Board Minutes
Dennis Washington's Letter
AS.42.40.170

ALASKA RAILROAD CORPORATION
BOARD OF DIRECTORS MEETING

October 19, 1995
Anchorage, Alaska

AMENDED AGENDA

I CALL TO ORDER

II ESTABLISHMENT OF QUORUM

III ADOPTION OF AGENDA

IV OLD BUSINESS

Action Items

- A. Approval of Regular Meeting Minutes of September 19-20, 1995

Briefing Items

- B. Status of Contracts, Litigation and Legal Claims (Executive Session)
C. Update on Ship Creek Development
D. Update on Labor Negotiations (Executive Session)
E. Update on Crowley Contract (Executive Session)

V NEW BUSINESS

Action Items

- F. Resolution No. 95-14, Relating to the Financing of the New 100 Ton Open Top Hopper Cars
G. Approval of Leases
1. Contract No. 7030, Orca Enterprises
2. Contract No. 7065, David and Jeanne Gransbury
3. Contract No. 6091, M.K. Properties
4. Contract No. 7050, Somers & Associates (Reconsideration)
5. Contract No. 6848, Pruhs Investment Company, Inc. (Reconsideration)
H. 1996 Budget Process (Work Session), (Portion to be held in Executive Session)

Briefing Items

- I. Financial Highlights
J. Transportation Services Highlights
K. Update on Kenai Flood
1. Contractual Matter with another Railroad (Executive Session)

VI OPPORTUNITY FOR PUBLIC COMMENT

VII ANNOUNCEMENTS

VIII DIRECTOR/CEO/STAFF COMMENTS

IX ADJOURNMENT

ALASKA RAILROAD CORPORATION
MINUTES OF BOARD OF DIRECTORS MEETING

Anchorage, Alaska
October 19, 1995

I

CALL TO ORDER

The Chairman, Governor Bill Sheffield, called the meeting to order at 9:05 a.m., on October 19, 1995, in the Board Room of the Alaska Railroad Headquarters, 327 West Ship Creek Avenue, Anchorage, Alaska.

II

ESTABLISHMENT OF QUORUM

The Chairman requested Board Secretary Jim Blasingame to call the roll. Board members present were Governor Sheffield, Messrs. Binkley, Hatfield, Burton, and Commissioner Perkins. Commissioner Hensley would be arriving late, and Director Lindsey was absent.

A quorum was established.

Staff members present:

J. Blasingame, Board Secretary
P. Johnson, VP/General Counsel
J. Burns, VP/Real Estate & Fac.
D. Frerich, Chief Security

Pat Dunn, VP Finance/Admin.
G. Erickson, VP Transportation Svcs.
S. Banks, Comm. Specialist

III

ADOPTION OF AGENDA

ARRC Board Meeting
October 19, 1995
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BRIEFING ITEMS

Item C. - Update of Ship Creek Development

Mr. John Burns, Vice President, Real Estate and Facilities introduced Mr. Mark LoPatin of LoPatin and Company to provide the Board with a briefing on Ship Creek Development.

Mr. LoPatin stated that he would like to speak about the Northern Crossroads Discovery Center. He stated that there are several phases to this development, and the first phase of it is the residential component, the office component, and the hotel component. He said that he has always put the residential component on the back burner pending more activity downtown. Mr. LoPatin stated that the office component, by market, is moved back with the exception of the Railroad Depot. Mr. LoPatin continued by stating that they are still working with the hotel company, but he feels that getting a facility under construction next year is unlikely.

Mr. LoPatin said that the Northern Crossroads Discovery Center is the center piece for Ship Creek Landing. He stated that this is the tourist component of the development. Mr. LoPatin said that he is very comfortable in real estate development; however, he is very uncomfortable operating a facility like the Northern Crossroads Discovery Center. He stated that this is an operating business; it is day to day. Mr. LoPatin said that he has a vision of it, he knows what to expect, and he knows what should be there; however, operating businesses are not like tenants they are guests. He stated that because of this he wanted to get the top operating companies to work with him on this joint venture in the development of this center.

Mr. LoPatin said that there are three big companies in the tourist related business. He stated that there is Disney, Warner, and Universal Studios, and when he called and asked them who they would recommend for an operator for the Northern Crossroads Discovery Center they said Mr. Peter Crane. Mr. LoPatin said that Mr. Crane is the expert in this type of field and he is their partner. He stated that Mr. Crane worked with Disney in the design of Epcot, and he is one of the first principals working with IMAX. Mr. LoPatin said that when he and Mr. Crane talked about the vision of the Northern Crossroads Discovery Center one of the companies that Mr. Crane said was on the top of his list was ITECH.

He stated that what they are looking for in the Northern Crossroads Discovery Center is a facility that would be a must see attraction; something that every tourist that comes to Anchorage, Alaska must see. Mr. LoPatin then stated that this would not be just a large

CORRECTION

THE FOLLOWING DOCUMENT(S)
HAVE BEEN REFILMED TO
ASSURE LEGIBILITY OR PAGINATION



Rev. 6/98

Central Microfilm Services
Department of Education
State of Alaska

ALASKA RAILROAD CORPORATION
MINUTES OF BOARD OF DIRECTORS MEETING

Anchorage, Alaska
October 19, 1995

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III

ADOPTION OF AGENDA

ARRC Board Meeting
October 19, 1995
Page 1

Governor Sheffield asked for any additions or corrections to the Agenda. Board Secretary James Blasingame stated that there was an addition to the Agenda regarding a contractual matter with another rail line and it could be added in New Business as K-1. He further stated that this issue should be considered in Executive Session.

Next, Board Secretary Blasingame stated that Item B (Status of Contracts, Litigation, and Legal Claims), Item D (Update on Labor Negotiations), Item E (Update on Crowley Contract), a portion of Item H (1996 Budget Process), and now Item K-1 (Contractual Matter with another Railroad), would be the Agenda items considered in Executive Session.

There were no further additions or corrections. Director Binkley moved and Commissioner Perkins seconded that the Agenda be adopted as amended. There were no objections, and the Agenda was adopted as amended.

IV OLD BUSINESS ACTION ITEMS

Item A - Approval of Minutes of September 19-20, 1995.

Governor Sheffield asked whether there were any additions or corrections to the minutes of the Regular Board Meeting of September 19-20, 1995. He stated that on page 12, third paragraph, first sentence should read:

From:he has always like trains.

. Tohe has always liked trains.

Director Binkley moved that the minutes be adopted as amended, and Director/President & CEO Hatfield seconded the motion. There were no further discussions and no objections. The minutes of the Regular Meeting of September 19-20, 1995, were adopted.

Governor Sheffield stated that Director Lindsey has been on the Alaska Railroad Board for seven years and this is the first meeting he has ever missed.

BRIEFING ITEMS

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screen film, but it would create an ambiance that would allow them to get a feel of Alaska, and what they are going to see, or when they are leaving Alaska a memory of what they saw. He said that 70% of the tourists that come to Alaska are here during a four month period of time. Mr. LoPatin said these tourists do not see the Northern Lights, the Iditarod, Prudhoe Bay, and they do not experience a lot of the things that they have heard about or have talked about. He stated that they also want to create a facility that will allow the Alaska residents to bring their guests. Mr. LoPatin said that when the tourists and guests are gone there will be a place for the residents to go to be entertained. He stated that the Northern Crossroads Discovery Center will be more than a large screen theater; it will be a mall with more than twenty-two shops.

Mr. LoPatin said that Ogden Entertainment operates all over the world, and they have created a division and acquired a company, Firehole Entertainment out of New York, that is in the business of developing large screen theaters. He said that Firehole is not an operator of large screen theaters, they have an arrangement with and are in the process of finalizing this arrangement with Mr. Kelvyn Cullimore's company, ITECH. Mr. LoPatin stated that they are very comfortable with Ogden Entertainment. He said that on Tuesday, October 17, 1995, there was a letter of intent signed by Ogden Entertainment to acquire Firehole, and Firehole has an agreement with Kelvyn Cullimore's Company, ITECH, a publicly traded company, and this company is a partner in the development of the Northern Crossroads Discovery Center.

Next, Mr. LoPatin introduced Mr. Peter Crane.

Mr. Crane stated that just about everyone has two businesses; his own and the entertainment business. He said that his first meeting with Mr. LoPatin was when he told him that he did not know a thing about this type of business and needed his help. Mr. Crane said that right then he felt Mr. LoPatin would make it because he was not trying to be an expert in a field he did not know anything about. He stated that he has had his own consulting firm for twenty-four years and he got into this business through being at World Fairs, running Pavilions, and meeting Walt Disney. Mr. Crane said that when Disney World opened he saw an opportunity to help develop other kinds of theme attractions that would not be the magnitude of Disney World, but would serve both seasonal markets and smaller markets.

He stated that working with so many companies they are continually searching for new ideas of how to present something besides the traditional iron rides and live shows. Mr. Crane continued by stating that when he was working with Disney he met the people who developed the first IMAX projector. He said that it uses a very large screen as high as 60 feet high by 70 to 80 feet wide, and it is designed to put everyone in the

audience in a position that everything they see occupies that person's total peripheral vision, be it horizontal or vertical, it plunges the person into the picture and approaches a 3D effect.

Mr. Crane stated that in his work they started to search for ways to find attractions that could support an IMAX theater. He said that the IMAX people approached him and stated that they had only had luck doing conversions of planetariums to dome theaters, and they asked what they could do to broaden their horizons and get into the private sector? Mr. Crane stated that what was missing was good software. He said that there was only institutional films which were suited for planetariums and science centers, but what they had to do for IMAX was try to develop a market that could justify the expenditure for a theater, and still have enough software that would satisfy the needs of the market.

Mr. Crane stated that some of the major steps taken to get the IMAX theater progressing were NASA, Smithsonian, and Marriott Corporation. He said to be successful in this type of market they needed a signature film. Mr. Crane stated that this type of film is for the tourist and visitor who neither has the time, money, or both, to do all the adventuring the signature film is showing. He said that the classic example of an IMAX movie is the one they made of the Grand Canyon. Mr. Crane stated that anyone that tries to go to the Grand Canyon in July or August is struggling through 100,000 people and they might get a fifteen minute look over the south rim and find out everything is booked up. He said that placing the theater outside the park and doing the film that presented all the history, geology, and the romance in the Grand Canyon has given all these people the wonderful opportunity to feel like they experienced the Grand Canyon. Mr. Crane stated that this principle works and there are theaters in Yellowstone, St. Louis Arch, and a film on the 100th anniversary of flight which Wilbur and Orville actually did on the outer banks of the Carolinas.

He said that he came to Alaska several years ago to try to do a dome theater and tie it into a planetarium in a location near the museum. Mr. Crane stated that at that time there was such a shortage of good films that the local market in Anchorage could not justify an IMAX theater. He said that so much has happened since then, there have been plenty of films produced and there is a new film in production on the State of Alaska which the Houston Museum is financing and is being produced by Graphics Films.

Mr. Crane stated that the importance he saw in the Alaska market was it is a healthy residential market. He said that combining a good residential market and a good tourist market gave them substantiating evidence of what lead to the positive recommendation

they gave Mr. LoPatin.

Next, Mr. Crane introduced Mr. Kelvyn Cullimore.

Mr. Cullimore stated that he has brought a video tape with him that they have shown to the tour guides explaining their facility. He said that it explains more clearly of what they are doing than taking a lot of time speaking about it. Mr. Cullimore showed the video. After the video, Mr. Cullimore stated that his company is a member of the American Bus Association and the National Tour Association. He said that they are heavily involved in the tourist industry. Mr. Cullimore stated that Branson, Missouri is the number one tour bus destination in America, and they have four people who deal with only the bus tours. He said that he has been in this business for two years in Branson, Missouri, and nine years in the development of this concept. Mr. Cullimore stated that the hardware is the easiest part, and the software is the second easiest. He said that there is already a film in production on Alaska and it will fit very nicely.

Mr. Cullimore continued by stating that what matters is how the people are treated once they get to one of these facilities, and if they leave feeling good about the facility and feeling good about Alaska. He said that they bring an exciting experience and an opportunity for people to capture the vision of Alaska that they might not be able to get on their own, and most of all, they will get an opportunity to feel the warmth and the cordiality that exist in this part of the country.

Mr. Cullimore stated that another thing that is important is that they create a critical mass. He said that the giant screen theater becomes the focal point, but the restaurants, the other theaters, and the retail shops all create a critical mass that is very important. Mr. Cullimore stated that without all of this put together it would not happen because it is the combination of all of it put together that makes it work.

Director/President & CEO Hatfield asked what the time frame was for building this and where would the money come from. Mr. Cullimore said that he hopes they can get started on construction in 1996 and open in 1997 in time for the heavy season. He stated that they are looking at approximately \$14 million for the facility, film, and everything else. Mr. Cullimore stated that the reason they have not been to the railroad before is because they could not have said with any degree of confidence that the financial resources were there for the facility. He said that for six months they have been negotiating with Firehole Entertainment to be their partner. Mr. Cullimore stated that Firehole announced through public announcement that they have signed an agreement with Ogden to become their entertainment arm. He said that he is told that the commitment from Ogden is that they will supply the funding that Firehole has on the