

**ALASKA LEGISLATURE**

**HOUSE and SENATE FINANCE COMMITTEE FILES, 1995-1996**

**1426**



- Dr. Sharon Baucom, Board Certified in Family Practice - Presently employed by Prison Health Services as Statewide Medical Director for the Kansas Department of Corrections Project. Dr. Baucom has previously been involved with Kansas University in a teaching capacity with the Department of Family Practice, and has served on Quality Assurance and Utilization Review Committees of local hospitals. Dr. Baucom also provide occasional emergency room coverage at St. Francis Hospital, Topeka, Kansas.
  
- Dr. Michael Pompey, Board Eligible Internal Medicine - Currently employed by PHS as the Medical Director for the Alameda County Sheriff's Department. Dr. Pompey has been active in correctional health care since 1986.

PRISON HEALTH SERVICES, INC.  
 QUALITY IMPROVEMENT ACTIVITY CALENDAR  
 (SAMPLE COPY)

SITE:

YEAR:

ASPECT OF CARE	1	2	3	4	5	6	7	8	9	10	11	12
01/ Monitoring of Chronic Seizure Patient		X			X			X			X	
02/ Monitoring of Hypertensive Patient (Excludes Pregnant O+)			X				X				X	
03/ Appropriateness of Physician & PA Encounters	X	X	X				X	X	X			
04/ Monitoring of the Intake Mental Health Screening Assessment				X						X		
05/ Monitoring of Patient's With Suicidal Ideation or Attempt						X						X
06/ Monitoring of Therapeutic Restraints				X						X		
07/ Monitoring of the Chronic Asthma Patient	X			X			X			X		
08/ Appropriateness of Nursing Encounters	X	X	X				X	X	X			
09/ Monitoring of Pregnant Juveniles/Prenatal Care			X			X			X			X
10/ Monitoring of Site Safety Program			X									
11/ Timeliness and Completeness of Medical Record	X			X			X			X		
12/ Monitoring of Abnormal Lab/X-Ray or Other Test Results	X	X	X				X	X	X			
13/ Appropriateness of Dental Evaluation and Treatment		X			X			X			X	
14/ Monitoring of the Receiving Screening Assessment		X			X			X			X	
15/ Monitoring of Pharmaceutical Services						X						X
16/ Monitoring of the Reception Process		X			X			X			X	
17/ Monitoring of the Diabetic Patient			X			X			X			X
18/ Monitoring of Patients With Central Line Catheters	OCCURRENCE SCREEN											
19/ Monitoring of Amphotericin Administration	OCCURRENCE SCREEN											

PRISON HEALTH SERVICES, INC.  
 QUALITY IMPROVEMENT ACTIVITY CALENDAR  
 (SAMPLE COPY)

SITE:

YEAR:

ASPECT OF CARE	1	2	3	4	5	6	7	8	9	10	11	12
20/ Appropriateness of Infirmiry Care	X			X			X			X		
21/ Monitoring of Hemodialysis Patients	OCCURRENCE SCREEN											
22/ Staff Compliance With Infection Control Policies (Part A)						X						X
23/ Staff Compliance With Infection Control Policies (Part B)						X						X
24/ Identification and Treatment of Tuberculosis						X						X
25/ Medical Management of HIV Seropositive Patient's				X					X			X
26/ Monitoring of Forced Psychotropic Medication	OCCURRENCE SCREEN											
27/ Monitoring of History and Physical Examination						X						X
28/ Monitoring of Crisis Intervention Procedures	OCCURRENCE SCREEN											
29/ Weekly TB Chart Audit	INFECTION CONTROL TOOL											
30/ Monitoring of Segregation Inmates					X						X	
31/ Review of Referrals to Mental Health					X					X		
32/ Appropriateness of Mental Health Treatment Plan	X			X			X			X		
33/ Quality & Appropriateness of Alcohol Detoxification	OCCURRENCE SCREEN											
34/ Appropriateness of Emergency Room Transfers	X		X		X		X		X		X	
35/ Accuracy & Completeness of Medication Admin. Records			X			X			X			X

\*Occurrence screens are to be done at the time of the occurrence or during the immediate time following the occurrence.



**7. MANAGEMENT INFORMATION  
REPORTING**



## 7. MANAGEMENT INFORMATION REPORTING

Our company presently uses a multi-level data collection system to gather and analyze statistical data and utilization rates. We will provide a PC workstation to the Alaska DOC prisons with hardware and software as follows:

### Hardware:

- Compaq 486sx/25 with 8mb RAM and 120mb hard drive
- Super VGA color monitor
- Optima 9600 Baud Modem
- HP Deskjet 500 Printer
- Keyboard and Mouse

### Software:

- DOS 6.0
- Windows 3.1
- Lotus 1-2-3 for Windows
- PC Anywhere (remote communications)

Data collection begins whenever a service is rendered and accounts for all services: physician, pharmacy, specialty consults, emergency room, hospitalization, radiology and others. Information is entered on special forms, provided by PHS, by the personnel providing the service and is accumulated on a continuing basis. This information is distributed on a weekly/monthly basis to the ADOC and other designated State of Alaska staff or departments.

TYPICAL PRISON FACILITY



<u>Description</u>	<u>Quantity</u>
Compaq Prolinea 486sx/25 8 mg memory 120 mg HD 3.5 and 5.25 floppy disks SVGA Color monitor Mouse, DOS, Win 3.1	1
Lotus 1-2-3 for Windows installed	1
WordPerfect for Windows installed	1
PC Anywhere Software	1
HP Deskjet 500 & Cable	1
Kronos Clock & Software	1
Hayes Optima 9600 Modem w/cable	1
6 Outlet Surge Protector	1
Phone Line Installation	1
<b>TOTAL</b>	<b>9</b>

\* The cost of the proposed PHS Management Information Reporting System is included in our Proposal Base Price.



## PRISON HEALTH SERVICES, INC. MONTHLY/YEAR-TO-DATE STATISTICAL REPORT

Facility:  
Month/Year:  
Submitted By:

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year End Total
1. Hospital Admissions													
2. Outside Consultations													
3. Emergency Room Visits													
4. Outside X-rays													
5. Inhouse X-rays													
6. Inhouse EKG's													
7. Inmates seen by Physician													
8. Inmates seen by Dentist													
9. Inmates seen by Psychiatrist													
10. Inmates seen by Psychologist/Counselor													
11. Number of Group Sessions													
12. Inmates seen by staff:													
a. Screens													
b. Nurse sick call													
c. History/Physicals													

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PRISON HEALTH SERVICES, INC.  
MONTHLY/YEAR-TO-DATE STATISTICAL REPORT

Facility:  
Month/Year:  
Submitted By:

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year End Total
d. Phy. Asst./Nurse Prac.													
e. Psych. Nurse													
f. Medical Assistants													
13. Number of Positive PPD's													
14. Chest X-ray and/or treatment													
15. Number of STD													
16. HIV Tests:													
a. Number tested													
b. Number of Positive HIV's													
c. Number of HIV Tests on Prostitutes													
17. Infirmary Admissions													
18. Infirmary Total Patient Days													
19. On-Site Specialty Clinics													
a.													
b.													
c.													
20. Other													

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PRISON HEALTH SERVICES, INC.  
MONTHLY/YEAR-TO-DATE STATISTICAL REPORT

Facility:  
Month/Year:  
Submitted By:

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year End Total
a.													
b.													
c.													
d.													
e.													
f.													
g.													
h.													
i.													
j.													
k.													
l.													
m.													
n.													
o.													
p.													
q.													



8.

**COMMUNITY RELATIONS**



## 8. COMMUNITY RELATIONS

Prison Health Services, Inc. is both aware of and sensitive to the political, financial and personnel issues which are associated with contracting for comprehensive correctional health care. We feel that, as your health care provider, we are responsible for the image of not only our program, but also the effects of our program on the local community. That is why we have implemented a corporate policy to develop solid relationships with the communities we serve. We cite the following as examples of how we currently develop these relationships:

- Working with and reporting to any Criminal Justice Oversight Committees in the state.
- Holding meeting with all state departments, community organizations and interested citizens.
- Working closely with any state departments interested in having articles written and/or published in local, state and national publications.
- Conducting cultural diversity training programs for all employees.
- Identifying local colleges with nursing programs and offering to provide lectures about careers in correctional health care.
- Participating in local community and college job fairs.
- Recruiting locally. PHS places advertisements in all local newspapers to recruit for new facility start-ups and for replacement personnel when positions open.



**9. STATES CURRENTLY CONTRACTING  
WITH PRIVATE HEALTH CARE COMPANIES**



## 9. STATES CONTRACTING WITH PRIVATE HEALTH CARE COMPANIES

### A. States That Are Currently Contracting All or Part of Their Correctional Health Care System

- |                   |                    |
|-------------------|--------------------|
| 1. Alabama        | 15. Nevada         |
| 2. Arizona        | 16. New Mexico     |
| 3. Delaware       | 17. New York       |
| 4. Florida        | 18. Ohio           |
| 5. Georgia        | 19. Pennsylvania   |
| 8. Illinois       | 20. Rhode Island   |
| 9. Iowa           | 21. South Carolina |
| 10. Maine         | 22. South Dakota   |
| 11. Maryland      | 23. Tennessee      |
| 12. Massachusetts | 24. Texas          |
| 13. Michigan      | 25. Virginia       |
| 14. Missouri      | 26. West Virginia  |
|                   | 27. Wyoming        |

### B. States That Have Issued Request for Proposals (RFP) with the Intention of Contracting January 1, 1996

1. New Jersey
2. Vermont

### C. States That Are Working On or Have Completed RFP and Will Release Within the Next Three (3) Months

1. California
2. Idaho
3. Indiana

**HB**

**428**

**SFIN**

**FILE**

# FISCAL NOTE

N 5

Bill Version: CSHB 428 (FIN)

(H) Publish Date: 2/29/96

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

Title: An Act giving notice of and approving a  
lease-purchase agreement for construction & operations...

Sponsor: House Finance

Requestor: \_\_\_\_\_

Dept. Affected Corrections

BRU: All

Components: \_\_\_\_\_

Serial # #0694

**EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)**

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	300.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants, Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>300.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
---------	-----	-----	-----	-----	-----	-----

REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
---------	-----	-----	-----	-----	-----	-----

**FUNDING: (THOUSANDS OF DOLLARS)**

General Fund	300.0	0.0	0.0	0.0	0.0	0.0
Federal Fund	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>300.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**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)**

\$100.0 thousand dollars for RSA to the Dept. of Transportation & Public Facilities initial design specification work for Request for Proposal;  
\$100.0 thousand dollars RSA to DOA to work on site selection & issue RFP; and  
\$100.0 thousand dollars for DOC to contract for identifying population to be served in contract prison, and prepare requirements for contract prison.  
Balance of needs identified will be included in financing package as capitalized costs.


Prepared by:

House Finance Committee

Date: 2/28/96

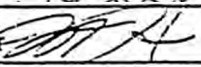
Rep. Mark Hanley, Co-Chair 


Phone: 465-4939

Rep. Richard Foster 

Phone: 465-3789

**COMMITTEE COPY**

Co-Chair 

; Co-Chair 

1

OF

1

Revision Date: \_\_\_\_\_ Dept. Affected: Revenue  
 Title: Lease Purchase Correctional Facility BRU: Revenue Operations  
 Component: Treasury Management  
 Sponsor: House Finance Committee  
 Requestor: (H) JUD COMPONENT SERIAL NO. 121

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
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						
----------------------	--	--	--	--	--	--

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY96) cost \$ \_\_\_\_\_

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

(See Attached Analysis)

Prepared by: Forrest Browne, Debt Manager  
 Division: Treasury  
 Approved by Commissioner: [Signature]  
 Agency: Department of Revenue

Phone: 465-3750  
 Date: 1/25/96  
 Date: 1/25/96

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House Bill No. 428 approves a lease-purchase agreement for the financing, construction, and operation of a correctional facility.

#### **Operating Budget**

The legislation would have no impact on the Treasury Division's operating budget.

#### **Debt Financing Issues**

Our comments are based on several assumptions. First, the lease will be long-term. Second, the lease-purchase agreement terms will be in part based on the contractor borrowing up to \$100,000,000 for designing, constructing, and equipping the facility. And finally, the financing, construction, and operation of the facility will be bundled into a single contract.

If the assumptions are correct, several issues come to mind that may need to be considered.

- 1) This lease-purchase will be considered debt from a bond rating perspective and will be recorded as such in the State's financial statements.
- 2) The contractor may want to securitize the State's lease and offer this debt in the domestic or international financial markets in order to obtain the funds necessary for construction. This process raises several more questions.
- 3) Securitizing the lease over a period of time beyond the expected Prudhoe Bay Curve may have an affect on the State's current bond rating. We are working with our financial advisor to convince the market that the State is working on a plan to fill the fiscal gap and reduce our dependence on oil revenues.
- 4) Consideration should be given to an overall strategy dealing with infrastructure and capital needs of the State. Agreements as outlined in HB No. 428 are only a portion of the total picture. This agreement will reduce the State's debt capacity as we offer our credit to a private contractor and at the same time give up the right to have any control over the debt issuing process.

Can a private contractor issue securitized state leases cheaper than the State? The answer is probably not. We can access tax exempt markets using our existing contracts with our own financial advisor and bond counsel and borrow money at very competitive rates.

Advantages of securing our own financing include the ability to refinance at any time favorable market conditions provide savings. Also, we eliminate the need to unbundle the lease-purchase from the construction and operating contracts should problems arise due to non-performance or default on the part of the contractor.

# SENATE COMMITTEE REPORT

## First Committee of Referral

DATE: 3/20/96

FURTHER: Finance

DATE TURNED INTO OFFICE: 4/24/96

The Labor and Commerce Committee considered CS FOR HOUSE BILL NO. 428(FIN) am

Relating to the authority of the Department of Corrections to contract for facilities for the confinement and care of prisoners.

p H C

and recommends:

- be replaced with Sen CS HRB 428 ( L.C. )
- 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 title
  - new: SCR\* \_\_\_\_\_

SIGNING DO/PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Miles Hill</i>	✓	<i>Tom Duca</i>		✓	
<i>Ann Longum</i>	✓				
		<i>J. S. Saw</i>		✓	
<b>CHAIR:</b>		<b>CHAIR: <i>Tom Kelly</i></b>	✓		

**NEW FISCAL NOTE(S):**

Department	Date	Zero	Fiscal

**PREVIOUS FISCAL NOTE(S):\***

Department	Date	Zero	Fiscal
<i>House Finance Comm.</i>	<i>2/28/96</i>	✓	
<i>Dept. of Rev.</i>	<i>1/15/96</i>	✓	

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

**HB**

**436**

**HFIN**

**FILE**

# HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: April 4, 1996

FURTHER REFERRALS:

Date of Committee Action: 4/12/96

The FINANCE Committee considered:

HB 436

HOUSE BILL NO. 436

MOBILE HOME DEALERS & TITLES

"An Act relating to purchase and sale of mobile homes by mobile home dealers or agents; to mobile home titles; and providing for an effective date."

recommends it be replaced with the following committee substitute CS HB 436 (TRA)  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) DCED, 4/2/96

zero fiscal note(s) \_\_\_\_\_  zero fiscal note(s) DPS 4-2-96

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
<i>Richard Foster</i>	Foster	X			
<i>Mark Hanley</i>	Hanley			X	
<i>Melvin Mulder</i>	Mulder	X			
<i>Terry Martin</i>	Martin	X			
<i>Karl Parnell</i>	Parnell			X	
<i>Vic Kohring</i>	Kohring		X		
<i>Ben Grossendorf</i>	Grossendorf	X			
<i>Mike Navarre</i>	Navarre			X	
<i>Tam Brown</i>	Brown			X	
<i>Kate Kelly</i>	Kelly	X			
<i>Tom Therriault</i>	Therriault			X	

CHAIR'S SIGNATURE *Mark Hanley* *Richard Foster*  
 Hanley Foster

# FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

No. 2  
Bill Version: CSHB 436(TRA)  
(H) Publish Date: 4/2/96

Revision Date: \_\_\_\_\_ Department: Commerce and Economic Development  
Title: An Act relating to purchase and sale of mobile homes BRU: Occupational Licensing  
by mobile home dealers;.... Component: Operations  
Sponsor: Representative Martin  
Requestor: House Transportation COMPONENT SERIAL NC 1844

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	20.2	20.2	20.2	20.2	20.2	20.2
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	3.0	3.0	3.0	3.0	3.0	3.0
SUPPLIES	1.0	1.0	1.0	1.0	1.0	1.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>24.2</b>	<b>24.2</b>	<b>24.2</b>	<b>24.2</b>	<b>24.2</b>	<b>24.2</b>
<b>CAPITAL EXPENDITURES</b>						
<b>CHANGE IN REVENUES</b>	<b>48.4</b>	<b>0.0</b>	<b>48.4</b>	<b>0.0</b>	<b>48.4</b>	<b>0.0</b>

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other 1091 Designated PR	24.2	24.2	24.2	24.2	24.2	24.2
<b>TOTAL</b>	<b>24.2</b>	<b>24.2</b>	<b>24.2</b>	<b>24.2</b>	<b>24.2</b>	<b>24.2</b>

Estimate of any current year (FY 96) cost: \$ 0.0

POSITIONS

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

**ANALYSIS:** (Attach a separate page if necessary)  
CSHB 436(TRA) creates registration for mobile home dealers. Information obtained from the business license database indicates there may be as many as 124 individuals who may seek registration under this bill. The costs identified above assume that a part-time position would be needed to administer this registration program resulting primarily from the work involved with tracking and maintaining the bonding requirements. The costs are explained further on the attached page.

Prepared by: Jennifer Strickler, Administrative Officer  
Division: Occupational Licensing  
Approved by Commissioner: William L. Hensley  
Agency: Commerce and Economic Development

Phone: 465-2144  
Date: March 28, 1996  
Date: 3-23-96

# FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO.: CSHB 436(TRA)

ANALYSIS: (Continued)

## DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT FISCAL NOTE CALCULATIONS

### PERSONAL SERVICES \$20.2

This funding will provide a part-time Occupational Licensing Examiner I position, Range 12.

The position will be responsible to support the registration program by responding to inquiries, processing applications, track and maintain bonding information, evaluate surety bonds and investigate the actual financial responsibility of individual sureties. Tracking canceled bonds and activity placed against the bond prior to its cancellation.

### CONTRACTUAL SERVICES \$3.0

This funding will cover communication costs, printing of applications and statute/regulation booklets, public notice costs, and costs involved with regulation projects.

### SUPPLIES \$1.0

This funding will provide for daily operating desk top supplies.

**TOTAL:** **\$24.2**

### REVENUE

All programs within centralized licensing are required to pay its regulatory costs through fees generated. Like other regulated programs, the registration of mobile home dealers and agents will be responsible to pay Direct program costs in the first year of operation, and pay Direct program costs and Administrative Indirect costs starting in the second year forward.

Continuation of CSHB 436(TRA) Fiscal Note

The expenses identified in this fiscal note represent the Direct program costs. However, to estimate the amount of the registration fee, we have assumed there are 124 individuals who would seek registration under this bill. To calculate the Administrative Indirect costs, 124 mobile home dealers are added to the division's 32,355 total licensees for a total of 32,479 licensees. The 124 is then divided by the 32,479 licensees to determine the percentage of administrative indirect costs mobile home dealers can be held responsible for. ( $124 \div 32,479 = 0.01$ ). Based on FY 95's Administrative Indirect costs of \$1,291,316.69, the mobile home dealers can expect to be pay \$12,913.17.

Again, this fiscal note assumes that mobile home dealers will cover only the direct regulatory costs for the start-up year, FY 97; and both direct and indirect costs for FY 98 and beyond. Administrative indirect costs charged to other programs will be reduced to offset the mobile home dealers and agents contribution.

Total Program Costs are estimated at:

\$ 48.4 Direct Costs for FY 97 & FY 98  
\$ 12.9 Administrative Indirect Costs for FY 98  
\$ 61.3 Total Program Costs to be covered by 124 registrants

Therefore, the mobile home dealers fee in FY 97 is projected to be:

\$494.36 biennial registration fee (\$61,300 Biennial Program Costs divided by 124 licensees)

**1996 LEGISLATIVE SESSION**

BILL NO: 1  
 Bill Version: CSHB 436(TRA)  
 (H) Publish Date: 4/2/96

Revision Date: \_\_\_\_\_  
 Title: Mobile Home Dealers and Titles  
 Sponsor: Representative Martin  
 Requestor: H.TRA

Dept. Affected: Public Safety  
 Component: DPS Statewide Support  
Commissioner's Office  
 COMPONENT SERIAL NO. 0523

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

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>
<b>CAPITAL EXPENDITURES</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>
<b>CHANGE IN REVENUES ( )</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>
Code Revenue						

**FUNDING: (Thousands of Dollars)**

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

Estimate of current year (FY 96) impact: \$ \_\_\_\_\_

**POSITIONS:**

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

ANALYSIS: (Attach a separate page if necessary.)  
 No fiscal impact is anticipated to the Department of Public Safety

Prepared By: Sandy Perry-Provost, Special Assistant to the Commissioner Phone: 465-4322  
 Division: Commissioner's Office Date: 3/28/96  
 Approved by Commissioner: *Dee Smith* Date: 3/28/96  
 Agency: Ronald L. Otte, Dept. of Public Safety

MEMORANDUM

March 19, 1996

TO: Representative Terry Martin  
Alaska House of Representatives

FROM: John Bitney, Legislative Liaison  
Alaska Housing Finance Corporation

SUBJECT: HB 436, an Act relating to mobile homes

Per your request, the following is information from the Alaska Housing Finance Corporation (AHFC) regarding HB 436, an Act relating to purchase of mobile homes by mobile home dealers or agents; to mobile home titles; and providing for an effective date:

Regarding the registration and bonding requirements for mobile home agents, AHFC acknowledges the consumer protection aspects of Section 1. Under HB 436, "a person who is engaged in the business of buying, selling, or dealing in new or used mobile homes and maintains an inventory of mobile homes for sale" must register with the Department of Commerce and Economic Development. The registration and bonding requirements will provide a better guarantee for mobile home purchasers of the integrity of the unit and the sale.

The state title requirement in Section 2 will provide for the availability of a deed of ownership on mobile homes. With AHFC's mobile home financing program (see below), a deed of ownership will offer better security for the corporation. Under current practice, a bill of sale is usually the only proof of ownership for a mobile home.

Under AHFC's current mobile home program, eligible properties are mobile home units located on rented or leased land or older mobile home units situated on fee simple properties. Certain mobile homes permanently affixed to real estate are financiaible under any of the standard loan programs offered through AHFC, such as taxable, tax-exempt, or veterans.

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

## SECTIONAL ANALYSIS CSHB436 (TRA)

### Licensed purchases and sales of mobile homes by dealers; Mandatory DMV titling of mobile homes

#### Section 1.

Adds mobile home dealers to the list of licensed and regulated entities under Occupational Licensing at the beginning of Title 8 (Business/Professional Licensing).

#### Section 2.

Adds a new chapter (67) under Title 8 relating to mobile home dealers. Requires registration and an application to be submitted with accompanying fees to the Division of Occupational Licensing and defines what specific information must be recorded by the dealer. Requires department approval of the application, a two year renewal policy and instructs applicant to maintain a \$50,000 bond in favor of the State and executed by an authorized corporate surety. Describes how action on the bond is taken; the penalties imposed if fraud occurs; and defines "dealer", "department" and "mobile home" in reference to the statute.

#### Section 2.

Requires the Division of Motor Vehicles to issue a certificate of title to the owner of a mobile home upon application. Requires the display of the title as evidence of ownership satisfactory to the department.

#### Section 3.

Establishes an effective date of July 1, 1997.



# CAREY HOMES, INC.

SERVES ALASKA

3317 Mt. View Drive — Anchorage, Alaska 99501

272-5414

3-19-96

Representative Terry Martin

Dear Representative Martin, I'm writing to you today in favor of the Alaska Manufactured Housing Associations proposed changes to House Bill No. 436. We would like to be among the first to take proper steps to increase the protection for our customers and others which believe in the inherent benefits that our industry provides.

In reading HB 436 two positive issues come to mind. First, is a stronger bond which better reflects today's factory built housing. When my father first started in the early 50's, a home would sell off our lot for approximately \$3,500. As our industry has evolved since the 50's so has the prices. Today, our Factory Built Homes compete more and more with the more traditional sick built house. What makes us competitive is our Quality Controlled Construction and of course our price. With this in mind, our office would support the bond increase to \$50,000.. The increase would provide better protection for those who purchase either a new home our a used home from any party who conducts business in our industry.

The second issue of importance is that of titling. Public record of liens and ownership via Department of Motor Vehicles is our only true way to convey clear title to a new owner.

Again I would like to reaffirm our support of the Alaska Manufactured Housing Association revised editions to the House Bill No. 436.

Sincerely,



Mac A. Carey



**GLENCAREN**  
Fine Mobile Home Living  
Location: 2221 Muldoon Road  
ANCHORAGE, ALASKA 99504

20 March: 1996

FAX: 1-907 337-2515

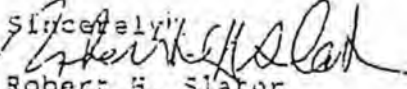
Phone: 1-907-337-9464

TO: REPRESENTATIVE TERRY MARTIN

RE: HOUSE BILL NO. 436

We fully support and urge passage of above referenced bill in its entirety. This <sup>is</sup> in the best interests of the Alaska public and the manufactured housing industry.

Sincerely,

  
Robert H. Slater

THUNDER MOUNTAIN MOBILE PARK AND SALES  
8479 THUNDER MOUNTAIN ROAD  
JUNEAU, AK 99801  
(907)789-7555

3/26/96

Representative Gary Davis  
Transportation Commissioner Chairman  
State Capitol Building  
Juneau, Ak 99801

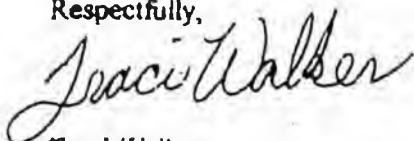
Re: House Bill No. 436

Dear Chairman

As an active Licensed Mobile Home Dealership in Alaska, I would like to express my support for House Bill No. 436. I urge you to pass this bill. Not only does this bill clarify licensing and bonding requirements for Home Dealers, it will protect the consumers of Manufactured and Mobile Homes. There are currently homes being shipped to Alaska that do not meet H.U.D.'s "Alaska Package" requirements and homes that are not being warranted because of this.

It is with regrets, I will not be in town to attend the committee meeting in person, but would be happy to speak with you and/or the committee upon my return, the first of April. Again, I request that you pass House Bill No. 436, it is in the public's best interest. Thank you for your time.

Respectfully,



Traci Walker

TW/lm

cc: Representative Terry Martin

# SOUTHWOOD MANOR

9499 BRAYTON DR. #68  
ANCHORAGE, ALASKA 99507  
(907) 344-0111

March 20, 1996

The Honorable Terry Martin  
Alaska State Representative  
Juneau, Alaska

Dear Representative Martin,

As a dealer in new and used manufactured homes (Mobile Homes), I am in concurrence with House Bill #436 as relates to having dealers and or agents bonded and that the titling of homes should be mandatory.

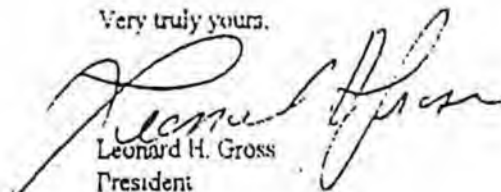
The bonding should apply to the dealers or persons who act in an agency sphere with either the buyer or seller or for his or her own account, but not to the employees (Sales Persons), who are employed by the individual or entity.

My personal feelings are that the bond should be somewhere between the \$10,000.00 require by the D.M.V. as was prior to July 1994 or \$25,000.00 based on present values.

Without titling the homes, there is no central registration on which a buyer can feel 100% safe as to ownership. The present system opens the door to fraud upon the uninformed public.

Thank you for your time and energy in trying to improve and correct the present situation.

Very truly yours,

  
Leonard H. Gross  
President

*ALASKA MANUFACTURED HOUSING ASSOCIATION*

November 1, 1995

Rep. Terry Martin  
355 Donna Drive  
Anchorage, AK 99504

Dear Rep. Martin:

I have been asked by the Board of Directors of Alaska Manufactured Housing Association to write to you about the need for a consumer protection bill regulating the sale of mobile homes.

Even though mobile homes may be valued up to \$100,000.00, they are personal property and do not fall under the protection of real estate laws unless located on a private lot. Mobile home dealers are unlicensed, unbonded and unregulated. Real estate agents, of course, are strictly regulated and the public is protected by a surety fund, licensing requirements, the Real Estate Commission, etc.

In addition, the state does not require DMV to issue title certificates for mobile homes. DMV is authorized, but not required, to title mobile homes. Banks and other lending institutions normally insist on a certificate of title, but seller-financed sales and cash sales offer no protection for buyers or sellers. Long after a sale is completed a buyer's unit and seller's collateral can be claimed by an unknown title holder or lien holder.

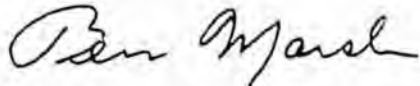
There is a need for some degree of professionalism in agents who broker sales of units, so that unknowledgable buyers and sellers may be protected from risk.

We recommend that you sponsor and introduce a bill that would:

1. Make it mandatory for DMV to issue certificates of title for mobile homes. There is already a \$100 fee for title certification.
2. That *dealers* in new or used mobile homes be required to be licensed by the Division of Occupational Licensing as a separate category.
3. That *agents* handling transfers of ownership also be licensed by the Division.
4. That licensees be required to furnish a bond in the amount of \$50,000 in order to do business in mobile home sales.

We hope you can arrange to have such a bill drafted, if you think it should be, also introduced in the Senate. We will cooperate with you fully in this effort.

Sincerely,



Bernard L. Marsh  
Executive Secretary

BLM:ckf

cc: Dave Carey, President  
Leonard Gross, V.P.  
Ira Walker, B.O.D.

# HOUSE COMMITTEE REPORT

11714

Date Referred to Committee: April 2, 1996

FURTHER REFERRALS:

Finance

Date of Committee Action: 4-3-96

The LABOR AND COMMERCE Committee considered:

HB 436

HOUSE BILL NO. 436

MOBILE HOME DEALERS & TITLES

"An Act relating to purchase and sale of mobile homes by mobile home dealers or agents; to mobile home titles; and providing for an effective date."

recommends it be replaced with the following committee substitute CS HB 436 (TRA)  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/Comm) \_\_\_\_\_  
 fiscal note(s) \_\_\_\_\_  fiscal note(s) CIED 4-2-96

zero fiscal note(s) \_\_\_\_\_  zero fiscal note(s) P.S. 4-2-96

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>[Signature]</i> Kott	✓			
<i>[Signature]</i> Sanders	✓			
<i>[Signature]</i> Porter	✓			
<i>[Signature]</i> Kubina			✓	
<i>[Signature]</i> Elton			✓	
<i>[Signature]</i> Rokeberg			✓	
	(3)		(3)	

CHAIR'S SIGNATURE *[Signature]*  
Kott

(7)

HOUSE COMMITTEE REPORT

Date Referred to Committee: January 19, 1996

FURTHER REFERRALS:

Labor and Commerce  
Finance

Date of Committee Action: 3/27/94

The TRANSPORTATION Committee considered:

HB 436

HOUSE BILL NO. 436

MOBILE HOME DEALERS & TITLES

"An Act relating to purchase and sale of mobile homes by mobile home dealers or agents; to mobile home titles; and providing for an effective date."

recommends it be replaced with the following committee substitute CS HB 436 (TRA)  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) Commerce

fiscal note(s) \_\_\_\_\_

zero fiscal note(s) Public Safety

zero fiscal note(s) \_\_\_\_\_

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<u>Beverly Massek</u> Massek			<input checked="" type="checkbox"/>	
<u>[Signature]</u> Cong			<input checked="" type="checkbox"/>	
<u>[Signature]</u> Brice			<input checked="" type="checkbox"/>	
<u>[Signature]</u> Sanders			<input checked="" type="checkbox"/>	
<u>[Signature]</u> Williams			<input checked="" type="checkbox"/>	
<u>[Signature]</u> G. Davis	<input checked="" type="checkbox"/>			
	(1)		(5)	

CHAIR'S SIGNATURE [Signature]  
G. DAVIS

# 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

7/21/94

HOUSE COMMITTEE REPORT

(7) Date Referred to Committee: January 19, 1996

FURTHER REFERRALS: Labor and Commerce Finance

Date of Committee Action: 3/27/94

The TRANSPORTATION Committee considered:

HB 436

HOUSE BILL NO. 436

MOBILE HOME DEALERS & TITLES

"An Act relating to purchase and sale of mobile homes by mobile home dealers or agents; to mobile home titles; and providing for an effective date."

recommends it be replaced with the following committee substitute CS HB 436 (TRA) [ ] the same title [X] a new title

[ ] additional referral to \_\_\_\_\_ Committee [ ] attached amendment(s)

ADOPTS: \_\_\_\_\_ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) Commerce [X] fiscal note(s) APPROVES PREVIOUS: (Dept/Date) [ ] fiscal note(s)

[X] zero fiscal note(s) Public Safety [ ] zero fiscal note(s)

Table with columns: SIGNING WITH RECOMMENDATIONS, DP, DNP, NR, AM. Rows include signatures and names: Beverly Masek, Cong Brice, Sanders, Williams, G. Davis. Includes counts (1) and (5) in DP and NR columns.

CHAIR'S SIGNATURE [Signature] G. DAVIS

**HB**

**436**

**SFIN**

**FILE**

**SENATE FINANCE COMMITTEE REPORT**

SFC 5/3/96

DATE: 4/24/96

DATE TURNED INTO OFFICE: 5-3-96

The Finance Committee considered CS FOR HOUSE BILL NO. 436(TRA)

Relating to purchase and sale of mobile homes by mobile home dealers;efd.

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>Col. Bob C. ...</i>	<input checked="" type="checkbox"/>	<i>Steve ...</i>	<input checked="" type="checkbox"/>		
<i>Scott ...</i>	<input checked="" type="checkbox"/>	<i>Wanda ...</i>	<input checked="" type="checkbox"/>		
		<i>Paul ...</i>	<input checked="" type="checkbox"/>		
Co-Chair: <i>...</i>	<input checked="" type="checkbox"/>	Co-Chair:			
Co-Chair: <i>Rick ...</i>	<input checked="" type="checkbox"/>	Co-Chair:			

**NEW FISCAL NOTE(S):**

Department      Date      Zero      Fiscal

Department	Date	Zero	Fiscal

**PREVIOUS FISCAL NOTE(S):\***

Department      Date      Zero      Fiscal

#	Department	Date	Zero	Fiscal
#1	DPS	3/28/96	<input checked="" type="checkbox"/>	
#2	DC&ED	3/28/96		24.2

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

# FISCAL NOTE

REPORTED OUT OF  
SFC 5/3/96

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. CSHB 436(TRA)

Revision Date: \_\_\_\_\_  
 Title: An Act relating to purchase and sale of mobile homes  
 by mobile home dealers:....  
 Sponsor: Representative Martin  
 Requestor: House Transportation

Department: Commerce and Economic Development  
 BRU: Occupational Licensing  
 Component: Operations

COMPONENT SERIAL NO. 1844

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	20.2	20.2	20.2	20.2	20.2	20.2
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	3.0	3.0	3.0	3.0	3.0	3.0
SUPPLIES	1.0	1.0	1.0	1.0	1.0	1.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>24.2</b>	<b>24.2</b>	<b>24.2</b>	<b>24.2</b>	<b>24.2</b>	<b>24.2</b>

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

CHANGE IN REVENUES	48.4	0.0	48.4	0.0	48.4	0.0
--------------------	------	-----	------	-----	------	-----

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other 1091 Designated PR	24.2	24.2	24.2	24.2	24.2	24.2
<b>TOTAL</b>	<b>24.2</b>	<b>24.2</b>	<b>24.2</b>	<b>24.2</b>	<b>24.2</b>	<b>24.2</b>

Estimate of any current year (FY 96) cost: \$ 0.0

POSITIONS

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

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

CSHB 436(TRA) creates registration for mobile home dealers. Information obtained from the business license database indicates there may be as many as 124 individuals who may seek registration under this bill. The costs identified above assume that a part-time position would be needed to administer this registration program resulting primarily from the work involved with tracking and maintaining the bonding requirements. The costs are explained further on the attached page.

Prepared by: Jennifer Strickler, Administrative Officer  
 Division: Occupational Licensing  
 Approved by Commissioner: William L. Hensley  
 Agency: Commerce and Economic Development

Phone: 465-2144  
 Date: March 28, 1996  
 Date: \_\_\_\_\_

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For further distribution information, call the Governor's Legislative Office

# FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO.: CSHB 436(TRA)

ANALYSIS: (Continued)

## DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT FISCAL NOTE CALCULATIONS

### PERSONAL SERVICES

\$20.2

This funding will provide a part-time Occupational Licensing Examiner I position, Range 12.

The position will be responsible to support the registration program by responding to inquiries, processing applications, track and maintain bonding information, evaluate surety bonds and investigate the actual financial responsibility of individual sureties. Tracking canceled bonds and activity placed against the bond prior to its cancellation.

### CONTRACTUAL SERVICES

\$3.0

This funding will cover communication costs, printing of applications and statute/regulation booklets, public notice costs, and costs involved with regulation projects.

### SUPPLIES

\$1.0

This funding will provide for daily operating desk top supplies.

**TOTAL:**

**\$24.2**

### REVENUE

All programs within centralized licensing are required to pay its regulatory costs through fees generated. Like other regulated programs, the registration of mobile home dealers and agents will be responsible to pay Direct program costs in the first year of operation, and pay Direct program costs and Administrative Indirect costs starting in the second year forward.

Continuation of CSHB 436(TRA) Fiscal Note

The expenses identified in this fiscal note represent the Direct program costs. However, to estimate the amount of the registration fee, we have assumed there are 124 individuals who would seek registration under this bill. To calculate the Administrative Indirect costs, 124 mobile home dealers are added to the division's 32,355 total licensees for a total of 32,479 licensees. The 124 is then divided by the 32,479 licensees to determine the percentage of administrative indirect costs mobile home dealers can be held responsible for. ( $124 \div 32,479 = 0.01$ ). Based on FY 95's Administrative Indirect costs of \$1,291,316.69, the mobile home dealers can expect to pay \$12,913.17.

Again, this fiscal note assumes that mobile home dealers will cover only the direct regulatory costs for the start-up year, FY 97; and both direct and indirect costs for FY 98 and beyond. Administrative indirect costs charged to other programs will be reduced to offset the mobile home dealers and agents contribution.

Total Program Costs are estimated at:

\$ 48.4 Direct Costs for FY 97 & FY 98  
\$ 12.9 Administrative Indirect Costs for FY 98  
\$ 61.3 Total Program Costs to be covered by 124 registrants

Therefore, the mobile home dealers fee in FY 97 is projected to be:

\$494.36 *biennial* registration fee (\$61,300 Biennial Program Costs divided by 124 licensees)

STATE OF ALASKA

FISCAL NOTE

BILL

No. 1

REPORTED OUT NO: 5/3/96

Bill Version: CSHB 436(TRA)

1996 LEGISLATIVE SESSION

SFC

(H) Publish Date: 4/2/96

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

Dept. Affected:

Public Safety

Title: Mobile Home Dealers and Titles

DPS Statewide Support

Component:

Commissioner's Office

Sponsor: Representative Martin

Requestor: H.TRA

COMPONENT SERIAL NO.

0523

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

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
CHANGE IN REVENUES ( )	-0-	-0-	-0-	-0-	-0-	-0-
Code Revenue						

FUNDING: (Thousands of Dollars)

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

Estimate of current year (FY 96) impact: \$ \_\_\_\_\_

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary.)

No fiscal impact is anticipated to the Department of Public Safety

Prepared By: Sandy Perry-Provost, Special Assistant to the Commissioner

Phone: 465-4322

Division: Commissioner's Office

Date: 3/28/96

Approved by Commissioner: Ronald L. Otte

Date: 3/28/96

Agency: Ronald L. Otte, Dept. of Public Safety

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COMMITTEE COPY

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

# Alaska State Legislature



MAY 15 - JAN 15 358-4169  
716 W. 4TH ST. SUITE 650  
ANCHORAGE, AK 99504

JAN 15 - MAY 15 465-3783  
STATE CAPITOL  
SUNEAU, AK 99801-1182

HOME 333-6990  
353 DONNA DRIVE, #11  
ANCHORAGE, AK 99504

## SECTIONAL ANALYSIS CSHB436 (TRA)

Licensed purchases and sales of mobile homes by dealers;  
Mandatory DMV titling of mobile homes

### Section 1.

Adds mobile home dealers to the list of licensed and regulated entities under Occupational Licensing at the beginning of Title 8 (Business/Professional Licensing).

### Section 2.

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### Section 2.

Requires the Division of Motor Vehicles to issue a certificate of title to the owner of a mobile home upon application. Requires the display of the title as evidence of ownership satisfactory to the department.

### Section 3.

Establishes an effective date of July 1, 1997.





520 East 34th Avenue  
Anchorage, AK 99503-4199  
(907) 561-1900

P.O. Box 101020  
Anchorage, AK 99510-1020

MEMORANDUM

March 19, 1996

TO: Representative Terry Martin  
Alaska House of Representatives

FROM: John Bitney, Legislative Liaison  
Alaska Housing Finance Corporation

SUBJECT: HB 436, an Act relating to mobile homes

Per your request, the following is information from the Alaska Housing Finance Corporation (AHFC) regarding HB 436, an Act relating to purchase of mobile homes by mobile home dealers or agents; to mobile home titles; and providing for an effective date:

Regarding the registration and bonding requirements for mobile home agents, AHFC acknowledges the consumer protection aspects of Section 1. Under HB 436, "a person who is engaged in the business of buying, selling, or dealing in new or used mobile homes and maintains an inventory of mobile homes for sale" must register with the Department of Commerce and Economic Development. The registration and bonding requirements will provide a better guarantee for mobile home purchasers of the integrity of the unit and the sale.

The state title requirement in Section 2 will provide for the availability of a deed of ownership on mobile homes. With AHFC's mobile home financing program (see below), a deed of ownership will offer better security for the corporation. Under current practice, a bill of sale is usually the only proof of ownership for a mobile home.

Under AHFC's current mobile home program, eligible properties are mobile home units located on rented or leased land or older mobile home units situated on fee simple properties. Certain mobile homes permanently affixed to real estate are financiable under any of the standard loan programs offered through AHFC, such as taxable, tax-exempt, or veterans.

*"Housing For All Alaskans"*

# CAREY HOMES, INC.

SERVES ALASKA

3317 Mt. View Drive — Anchorage, Alaska 99501

272-5414

3-19-66

Representative Terry Martin

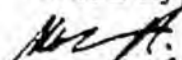
Dear Representative Martin, I'm writing to you today in favor of the Alaska Manufactured Housing Associations proposed changes to House Bill No. 436. We would like to be among the first to take proper steps to increase the protection for our customers and others which believe in the inherent benefits that our industry provides.

In reading HB 436 two positive issues come to mind. First, is a stronger bond which better reflects today's factory built housing. When my father first started in the early 50's, a home would sell off our lot for approximately \$3,500. As our industry has evolved since the 50's so has the prices. Today, our Factory Built Homes compete more and more with the more traditional stick built house. What makes us competitive is our Quality Controlled Construction and of course our price. With this in mind, our office would support the bond increase to \$50,000.. The increase would provide better protection for those who purchase either a new home or a used home from any party who conducts business in our industry.

The second issue of importance is that of titling. Public record of liens and ownership via Department of Motor Vehicles is our only true way to convey clear title to a new owner.

Again I would like to reaffirm our support of the Alaska Manufactured Housing Association revised editions to the House Bill No. 436.

Sincerely,



Mac A. Carey

# SOUTHWOOD MANOR

3489 BRAYTON DR. #68  
ANCHORAGE, ALASKA 99507  
907) 344-0111

March 29, 1994

The Honorable Ferry Martin  
Alaska State Representative  
Juneau, Alaska

Dear Representative Martin:

As a dealer in new and used manufactured homes (Mobile Homes), I am in concurrence with House Bill #436 as relates to having dealers and or agents bonded and that the titling of homes should be mandatory.

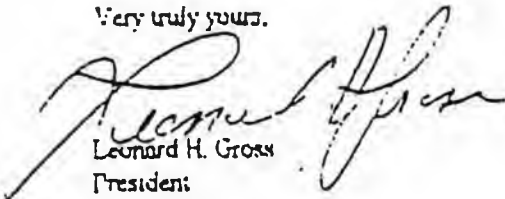
The bonding should apply to the dealers or persons who act in an agency sphere with either the buyer or seller or for his or her own account, but not to the employees (Sales Persons), who are employed by the individual or entity.

My personal feelings are that the bond should be somewhere between the \$10,000.00 require by the D.M.V. as was prior to July 1994 or \$25,000.00 based on present values.

Without titling the homes, there is no central registration on which a buyer can feel 100% safe as to ownership. The present system opens the door to fraud upon the uninformed public.

Thank you for your time and energy in trying to improve and correct the present situation.

Very truly yours,

  
Leonard H. Gross  
President

ALASKA MANUFACTURED HOUSING ASSOCIATION

November 1, 1995

Rep. Terry Martin  
355 Donna Drive  
Anchorage, AK 99504

Dear Rep. Martin:

I have been asked by the Board of Directors of Alaska Manufactured Housing Association to write to you about the need for a consumer protection bill regulating the sale of mobile homes.

Even though mobile homes may be valued up to \$100,000.00, they are personal property and do not fall under the protection of real estate laws unless located on a private lot. Mobile home dealers are unlicensed, unbonded and unregulated. Real estate agents, of course, are strictly regulated and the public is protected by a surety fund, licensing requirements, the Real Estate Commission, etc.

In addition, the state does not require DMV to issue title certificates for mobile homes. DMV is authorized, but not required, to title mobile homes. Banks and other lending institutions normally insist on a certificate of title, but seller-financed sales and cash sales offer no protection for buyers or sellers. Long after a sale is completed a buyer's unit and seller's collateral can be claimed by an unknown title holder or lien holder.

There is a need for some degree of professionalism in agents who broker sales of units, so that unknowledgable buyers and sellers may be protected from risk.

THUNDER MOUNTAIN MOBILE PARK AND SALES  
3479 THUNDER MOUNTAIN ROAD  
JUNEAU, AK 99801  
(907)789-7555

3/26/96

Representative Gary Davis  
Transportation Commissioner Chairman  
State Capitol Building  
Juneau, Ak 99801

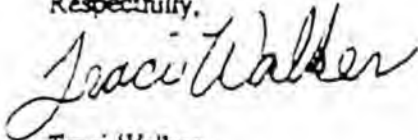
Re: House Bill No. 436

Dear Chairman

As an active Licensed Mobile Home Dealership in Alaska, I would like to express my support for House Bill No. 436. I urge you to pass this bill. Not only does this bill clarify licensing and bonding requirements for Home Dealers, it will protect the consumers of Manufactured and Mobile Homes. There are currently homes being shipped to Alaska that do not meet H.U.D.'s "Alaska Package" requirements and homes that are not being warranted because of this.

It is with regret, I will not be in town to attend the committee meeting in person, but would be happy to speak with you and/or the committee upon my return, the first of April. Again, I request that you pass House Bill No. 436, it is in the public's best interest. Thank you for your time.

Respectfully,



Traci Walker

TW/lm

cc: Representative Terry Martin

# SENATE COMMITTEE REPORT

## First Committee of Reference

DATE: 4/19/96

FURTHER: Finance

DATE TURNED INTO OFFICE: April 20, 1996

The Labor and Commerce Committee considered CS FOR HOUSE BILL NO. 436(TRA)  
 Relating to purchase and sale of mobile homes by mobile home dealers; efd.

PH 4/17/96

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 title
  - new: SCR# \_\_\_\_\_

SIGNING OFFICER	DATE	DEPARTMENT	VOTE	AM
<i>Mike Miller</i>	<i>4/17/96</i>		<i>✓</i>	
<i>John Ferguson</i>	<i>4/17/96</i>		<i>✓</i>	
<i>[Signature]</i>			<i>✓</i>	
<i>[Signature]</i>			<i>✓</i>	
<i>[Signature]</i>			<i>✓</i>	
<i>[Signature]</i>			<i>✓</i>	
<b>CHAIR: <i>Tom Kelly</i></b>	<i>4/17/96</i>		<i>✓</i>	

**NEW FISCAL NOTE(S):**

Department	Date	Zero	Fiscal

**PREVIOUS FISCAL NOTE(S):\***

Department	Date	Zero	Fiscal
<i>DCED</i>	<i>3/25/96</i>	<i> </i>	<i>24.2</i>
<i>Dept. Pub. Safety</i>	<i>3/25/96</i>	<i> </i>	<i> </i>

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

**HB**

**437**

**HFIN**

**FILE**

BY: Brown & Parnell

A M E N D M E N T (1)

TO: CSHB 437 (Jud)

Page 2, line 23-25:

IA Adopted  
no/obj

Delete sentence beginning "Commission membership shall include.."

Insert: "Commission membership shall include at least one person with experience in business, one person with experience in economics, one person with experience in personnel management, one representative of a nonpartisan voters' organization, and one attorney licensed to practice law in this state."

Page 3, lines 30-31 | B1

Delete: "within 60 days after "

Insert: "on or before the last day of the legislative session in which"

AMENDMENT

2

Adopted

TO: CSHB 437 (JUD)

Page 3, line 29 through page 4, line 3 is amended to read:

(c) An order changing the compensation of a justice or judge takes effect unless a bill disapproving the order in its entirety is enacted into law ~~within 30 days after~~ the order is submitted to the legislature. Unless disapproved, an order increasing the compensation of a justice or judge is subject to funding through legislative appropriation and takes effect on the effective date of the first separate appropriation to fund the increase.

↓ on or before the last day of the  
Legislative session in which

(11)

HOUSE COMMITTEE REPORT

Date Referred to Committee: January 30, 1996

FURTHER REFERRALS:

Date of Committee Action: 2/22/96

The FINANCE Committee considered:

HB 437

HOUSE BILL NO. 437

JUDICIAL OFFICERS COMPENSATION COMMISSION

"An Act establishing the Judicial Officers Compensation Commission; relating to the compensation of supreme court justices, judges of the court of appeals, judges of the superior court, and district court judges; and providing for an effective date."

recommends it be replaced with the following committee substitute (SHB 437 (Fin)) [X] 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)
[X] fiscal note(s) GOV [ ] fiscal note(s)

[ ] zero fiscal note(s) [X] zero fiscal note(s) Court, 1/30/96

Table with columns: SIGNING WITH RECOMMENDATIONS, DP, DNP, NR, AM. Rows include signatures and names: Hanley, Mulder, Martin, Parnell, Kahring, Navarre, Brown, Kelly, Therriault.

CHAIR'S SIGNATURE Mark Hanley Hanley

# FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. CSHB 437 (JUD)

Revision Date:	Dept. Affected: <u>Office of the Governor</u>
Title: <u>"An Act establishing the Judicial Officers</u>	SRU: <u>Commissions/Special Offices</u>
Compensation Commission: <u>"..."</u>	Component: <u>Judicial Officers Compensation</u>
Sponsor: <u>House Judiciary</u>	<u>Commission</u>
Requester: <u>House Judiciary</u>	COMPONENT SERIAL NO. _____

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

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 100	FY 01	FY 02
PERSONAL SERVICES	0.0		0.0		0.0	
TRAVEL	10.6		2.3		2.3	
CONTRACTUAL	31.9		28.6		28.6	
SUPPLIES	1.5		1.0		1.0	
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>44.0</b>	<b>0.0</b>	<b>31.9</b>	<b>0.0</b>	<b>31.9</b>	<b>0.0</b>

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

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

**FUND SOURCE** (Thousands of Dollars)

FUND SOURCE	FY 97	FY 98	FY 99	FY 100	FY 01	FY 02
1002 Federal Receipts						
1003 GF Match						
1004 GF	44.0	0.0	31.9	0.0	31.9	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
<b>TOTAL</b>	<b>44.0</b>	<b>0.0</b>	<b>31.9</b>	<b>0.0</b>	<b>31.9</b>	<b>0.0</b>

Estimate of any current year (FY96) cost: \$ 0.0

**POSITIONS**

POSITIONS	FY 97	FY 98	FY 99	FY 100	FY 01	FY 02
FULL-TIME						
PART-TIME						
TEMPORARY						

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

Fiscal note reflects every other year activity with report to legislature in January of odd-numbered years. Analysis attached.

Prepared by: <u>Michael A. Nizich, Director</u>	Phone: <u>465-3876</u>
Division: <u>Division of Administrative Services</u>	Date: <u>2/2/96</u>
Approved by Commissioner: <u>Jim Ayers, Chief of Staff</u>	Date: <u>2/2/96</u>
Agency: <u>Office of the Governor</u>	

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For further distribution information, call the Governor's Legislative Office

Fiscal note assumptions are based on the activity of the State Officer Compensation Commission which held four meetings in first fiscal year for organizational and first report purposes.

**PERSONAL SERVICES** - 0 -

Staff will be provided by the Alaska Court System per sec. 7 (39.23.530)

**TRAVEL** 10.6

Fiscal note assumes 4 meetings and two teleconferences for public comment prior to Commission's first report, and one face-to-face and one teleconference meetings with two teleconference public hearings in subsequent even-numbered years to present required reports to Legislature by January of each odd-numbered year.

First Year

Four face-to-face meetings for five public members and one staff

Airfare	\$6830
Per Diem/trans.	3727

Subsequent Years

One face-to-face meeting for five public members and one staff

Airfare	\$1276
Per Diem/trans.	1009

**CONTRACTUAL** 31.9

First Year

Communication:

Teleconference costs	\$5760
Phones/fax toll charges	2400
Postage	1800

Transportation:

Transportation/express charges	1200
--------------------------------	------

Contractual - continued

Advertising/Printing	
Subscriptions	250
Advertising (6 meetings)	12000
Annual report	7500
Forms/misc.	1000

Subsequent years changes

Teleconferences	\$7200
Advertising	8000
Forms, misc.	250

Supplies

1.5

Miscellaneous supplies for Commission's activities

# FISCAL NOTE

No. 1

Bill Version: CS&B 437 (JUD)

(H) Publish Date: 1/30/96

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

Revision Date: _____	Dept. Affected: <u>Alaska Court System</u>
Title: <u>Judicial Officers Compensation</u>	BRU: <u>Trial Courts</u>
<u>Commission</u>	Component: _____
Sponsor: <u>Judiciary by Request</u>	
Requestor: _____	COMPONENT SERIAL NO. <u>768</u>

Expenditures/Revenues	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0

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

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

Fund Source	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1007 GF/Mental Health						
Other						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY 96) cost: None

Positions						
Full-Time						
Part-Time						
Temporary						

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

No fiscal impact.

Prepared by: <u>C. S. Christensen III, Staff Counsel</u>	Phone: <u>264-8228</u>
Agency: <u>Alaska Court System</u>	Date: <u>01/22/96</u>
Approved by: <u>Arthur H. Snowden, II, Administrative Director</u>	Date: <u>01/22/96</u>
Agency: <u>Alaska Court System</u>	

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**COMMITTEE COPY**

Amendment to CS HB 437(Jud)

by Brown

page 2, line 23-25

Delete sentence beginning "Commission membership shall include...." and insert

"Commission membership shall include at least one person with experience in business, one person with experience in economics, one person with experience in personnel management, one representative of a nonpartisan voters' organization, and one lawyer."

page 3, line 30

Delete "60"

Insert "90"



**Alaska Court System**  
State of Alaska

OFFICE OF ADMINISTRATIVE DIRECTOR

**CHARLES S. CHRISTENSEN III**  
Staff Counsel

303 K Street  
Anchorage, AK 99501  
(907) 264-8228

January 31, 1996

The Honorable Mark Hanley, Co-Chair  
The Honorable Richard Foster, Co-Chair  
House Finance Committee  
P.O. Box V  
Juneau, Alaska 99811

Dear Representatives Hanley and Foster:

I am writing to request a hearing on House Bill 437, establishing a Judicial Officers Compensation Commission. This bill was introduced by the Judiciary Committee at the request of the Alaska Supreme Court.

HB 437 creates a new Judicial Officers Compensation Commission to assume the judicial salary functions of the existing State Officers Compensation Commission. As you know, the existing commission recommends compensation levels for judges and other state officers to the legislature; its proposals frequently go unheeded for reasons unrelated to their merits.

In contrast, the commission created by HB 437 would have the authority to actually establish compensation levels for supreme court justices, judges of the court of appeals, judges of the superior court and district court judges. This commission, appointed by the governor, could submit proposed salary and per diem for those officers to the legislature every two years. These compensation levels would take effect on the effective date of the first appropriation to fund the increase, unless disapproved by a bill that was enacted into law within 60 days of submission.

The Honorable Mark Hanley  
The Honorable Richard Foster  
January 31, 1996  
Page 2

Eight states, as well as the federal government, currently operate compensation commissions with the authority to establish compensation amounts. The purpose behind the existence of these commissions is simple: to see that fair decisions are made regarding the compensation of certain government officials, and to reduce the political battles that inevitably surround such salary decisions.

An essential goal of the State of Alaska must be to attract and retain highly qualified jurists. Achieving this goal requires salaries that are commensurate with the qualifications and responsibilities of the office, which has proven problematic. Alaska's judges last received a cost-of-living adjustment in 1991, and the effects on the system of this real-dollar salary reduction are already evident.

I hope that you will agree with the supreme court on the need for HB 437. Please feel free to contact my office if you require any additional information on this piece of legislation.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'C. S. Christensen III', with a horizontal line extending to the right.

C. S. Christensen III  
Staff Counsel

**CSHB 437(JUD) "An Act establishing the Judicial Officers Compensation Commission; relating to the compensation of supreme court justices, judges of the court of appeals, judges of the superior court, and district court judges; and providing for an effective date."**

- Eight states and the federal government operate a compensation commission which actually sets the salary of certain public officials, rather than merely offering recommendations to the legislature.
- The existing State Officers Compensation Commission does not have the power to establish salaries, only to make recommendations to the legislature. The legislature has generally not acted on its recommendations.
- The commission created by HB 437 is modeled very closely on the existing commission. There are two major differences: the new commission will have the power to establish compensation for justices and judges, not make recommendations, and the new commission will have a list of specific factors it must consider in determining fair compensation for justices and judges.
- The commission has five members appointed by the governor to four-year terms. Among the members must be a business executive, a person with experience in personnel management, a representative of a nonpartisan voters' organization, an economist, and a lawyer. (section 7)
- The commission meets every other year. It must hold public hearings. (section 7)
- The commission may consider the compensation of justices of the supreme court, judges of the court of appeals, judges of the superior court, and district court judges. (section 7)
- "Compensation" is defined as salary and per diem. (section 7)
- No later than the 10th day of the regular session in each odd-numbered year, the commission must submit a report on its findings to the legislature. It may also submit an order changing the compensation of justices and judges. (section 7)
- The legislature has 60 days in which to reject the order by enacting a law. This rejection must be done by law, since the legislature may not overturn an administrative order by resolution. State v. A.L.I.V.E. Voluntary, 606 P.2d 769 (Alaska 1980). If an order is not rejected within 60 days, and if the legislature

has appropriated the money to fund it, the order becomes effective on the effective date of the appropriation. If the order is rejected, it must be rejected in its entirety. (section 7)

- The standards for setting salaries which the commission must follow are modeled on Illinois law, with modifications to reflect Alaska conditions. These standards have been upheld by the Illinois Supreme Court.
- Two jurisdictions operating a statutory compensation commission similar to that proposed by HB 437 have had their law challenged (Illinois and the federal government). This delegation of legislative power to set salaries has been upheld three separate times by the federal courts, as well as by the Illinois Supreme Court.
- A legislative body may delegate its power to set the salaries of public officials, even when the constitution provides that such salaries must be set "by law," as long as the legislature retains the ultimate control over the salaries. This control exists if the following conditions are met:
  1. There should be specific standards to guide the commission in its determination of salaries. HB 437 contains such standards in section 7.
  2. There should be a holdover period in which the legislature can reject the salaries proposed by the commission. In section 7, HB 437 provides for a 60-day period in which the legislature may reject compensation proposed by the commission.
  3. The legislature must retain control over the appropriation process. This control is affirmed in section 7.
  4. The legislature must retain the power to pass overriding legislation at a later date if it wishes to change salaries. Since one legislature cannot bind another, this power cannot be taken away by HB 437.

10

1/30/96

HOUSE COMMITTEE REPORT

(7)  
Date Referred to Committee: January 19, 1996

FURTHER REFERRALS:

Finance

Date of Committee Action: 1/29/96

The JUDICIARY Committee considered:

HB 437

HOUSE BILL NO. 437

JUDICIAL OFFICERS COMPENSATION COMMISSION

"An Act establishing the Judicial Officers Compensation Commission; relating to the compensation of supreme court justices, judges of the court of appeals, judges of the superior court, and district court judges; and providing for an effective date."

recommends it be replaced with the following committee substitute

CSHB 437 (Jud)

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) Court System

zero fiscal note(s) \_\_\_\_\_

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<u>Brian Porter</u> Porter		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<u>David Finkelstein</u> Finkelstein	<input checked="" type="checkbox"/>			
<u>Joe Green</u> Green			<input checked="" type="checkbox"/>	
<u>Bob Bunde</u> Bunde				<input checked="" type="checkbox"/>
	(1)		(2)	(1)

CHAIR'S SIGNATURE Brian Porter

**HB**

**437**

**SFIN**

**FILE**

# FISCAL NOTE

No. 1

Bill Version: CSHB 437(JUD)

(H) Publish Date: 1/30/96

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_ Dept. Affected: Alaska Court System  
 Title: Judicial Officers Compensation BRU: Trial Courts  
Commission Component: \_\_\_\_\_  
 Sponsor: Judiciary by Request  
 Requestor: \_\_\_\_\_ COMPONENT SERIAL NO. 763

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0

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

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

Fund Source (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

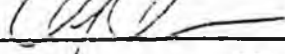

Estimate of any current year (FY 96) cost: None

Positions

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact.

Prepared by: C. S. Christensen III, Staff Counsel   
 Agency: Alaska Court System  
 Approved by: Arthur H. Snowden, II, Administrative Director   
 Agency: Alaska Court System

Phone: 264-8228  
 Date: 01/22/96  
 Date: 01/22/96

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03:00 PM

Rev 1/96

Page 1 of 1

**COMMITTEE COPY**

# FISCAL NOTE

No. 2

Bill Version: CSHB 437(FIN)

(H) Publish Date: 2/26/96

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

Revision Date:	Dept. Affected: <u>Office of the Governor</u>
Title: <u>"An Act establishing the Judicial Officers</u>	BRU: <u>Commissions/Special Offices</u>
Compensation Commission: <u>"</u>	Component: <u>Judicial Officers Compensation</u>
Sponsor: <u>House Judiciary</u>	<u>Commission</u>
Requester: <u>House Judiciary</u>	COMPONENT SERIAL NO. _____

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

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 100	FY 01	FY 02
PERSONAL SERVICES	0.0		0.0		0.0	
TRAVEL	10.6		2.3		2.3	
CONTRACTUAL	31.9		28.6		28.6	
SUPPLIES	1.5		1.0		1.0	
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>44.0</b>	<b>0.0</b>	<b>31.9</b>	<b>0.0</b>	<b>31.9</b>	<b>0.0</b>

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

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

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	44.0	0.0	31.9	0.0	31.9	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
<b>TOTAL</b>	<b>44.0</b>	<b>0.0</b>	<b>31.9</b>	<b>0.0</b>	<b>31.9</b>	<b>0.0</b>

Estimate of any current year (FY96) cost: \$ 0.0

**POSITIONS**

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Fiscal note reflects every other year activity with report to legislature in January of odd-numbered years.  
Analysis attached.

Prepared by: <u>Michael A. Nizich, Director</u>	Phone: <u>465-3876</u>
Division: <u>Division of Administrative Services</u>	Date: <u>2/2/96</u>
Approved by Commissioner: <u>Jim Avers, Chief of Staff</u>	Date: <u>2/2/96</u>
Agency: <u>Office of the Governor</u>	

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HB 437 Analysis

Fiscal note assumptions are based on the activity of the State Officer Compensation Commission which held four meetings in first fiscal year for organizational and first report purposes.

PERSONAL SERVICES - 0 -

Staff will be provided by the Alaska Court System per sec. 7 (39.23.530)

TRAVEL 10.6

Fiscal note assumes 4 meetings and two teleconferences for public comment prior to Commission's first report, and one face-to-face and one teleconference meetings with two teleconference public hearings in subsequent even-numbered years to present required reports to Legislature by January of each odd-numbered year.

First Year

Four face-to-face meetings for five public members and one staff

Airfare	\$6830
Per Diem/trans.	3727

Subsequent Years

One face-to-face meeting for five public members and one staff

Airfare	\$1276
Per Diem/trans.	1009

CONTRACTUAL 31.9

First Year

Communication:

Teleconference costs	\$5760
Phones/fax toll charges	2400
Postage	1800

Transportation:

Transportation/express charges	1200
--------------------------------	------

HB 437 Analysis

Contractual - continued

Advertising/Printing	
Subscriptions	250
Advertising (6 meetings)	12000
Annual report	7500
Forms/misc.	1000

Subsequent years changes

Teleconferences	\$7200
Advertising	8000
Forms, misc.	250

Supplies

1.5

Miscellaneous supplies for Commission's activities

**HB**

**438**

**HFIN**

**FILE**

# HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: March 25, 1996

FURTHER REFERRALS:

Date of Committee Action: 4/16/96 pm

The FINANCE Committee considered:

HB 438

HOUSE BILL NO. 438

RECORDING: INDEX DOCUMENTS BY LOCATION

“An Act relating to the indexing of documents recorded in the state recorder's offices; and providing for an effective date.”

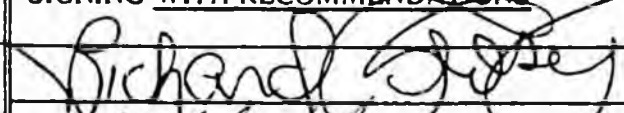
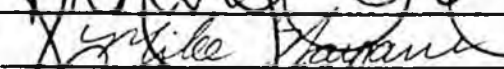

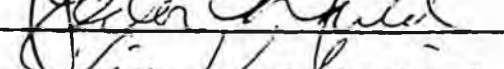

recommends it be replaced [ ] the same title  
 with the following committee substitute \_\_\_\_\_ [ ] a new title

[ ] 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) DNR 3/12/96

[  zero fiscal note(s) DNR [ ] zero fiscal note(s) \_\_\_\_\_

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
 <u>Richard Foster</u>	<input checked="" type="checkbox"/>			
 <u>Nannette Mulder</u>	<input checked="" type="checkbox"/>			
 <u>Julie Kuhn</u>	<input checked="" type="checkbox"/>			
 <u>Gussendorf</u>	<input checked="" type="checkbox"/>			
 <u>Theriault</u>	<input checked="" type="checkbox"/>			

CHAIR'S SIGNATURE \_\_\_\_\_ 

# FISCAL NOTE

**STATE OF ALASKA**  
**1996 LEGISLATIVE SESSION**

**BILL NO. HB438**

Revision Date: 21-Mar-96 Dept Affected Natural Resources  
 Title: An act relating to the indexing of documents BRU: Management and Administration  
 recorded in the state recorder's offices; and providing for ... Component: Recorder's Office/UCC  
 Sponsor: Representative(s) Brice, Kelly, James  
 Requestor: House Resources Component Serial No. 802

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL EXPENDITURES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CHANGE IN REVENUES ( )</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY96) cost: \$ 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

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

HB438 simply adds three words to A.S. 40.17.040(a) to require that the recording system provide a location index in addition to the presently mandated grantor/grantee index. The recording system has in the past tried to maintain a location index as a courtesy for the public, but it has been replete with informational gaps and omissions of data. Since its implementation in 1972, approx., as a courtesy index, more than a third of all research activity by the public is connected with location research. The viability and usefulness of such an index in the future depends on its completeness, which in turn can only be assured if it is a mandatory, rather than discretionary, function. The ability of the component to consistently complete a location index, if mandated, is directly linked to fluctuating incoming workload, which is beyond its ability to control. Beginning in 1994, as the high refinance activity tapered off, and recording volumes declined, the recording system undertook efforts to make the courtesy index more complete by indexing all legal descriptions provided on recorded documents. With the level of recording volume existing at that time, and with the current recording volume, the recording system staff can and do maintain the location index in addition to all of their required ...continued on following page...

Prepared by: Sharon Young, State Recorder Phone: 269-8882  
 Division: Support Services Date: 21-Mar-96  
 Approved by Commissioner: [Signature] Date: 21-Mar-96  
 Agency: Natural Resources

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## FISCAL NOTE ANALYSIS (Continued)

functions. As recording volume growth occurs, staff must spend more time on required functions and may not be able to keep the discretionary index current without additional personal services funding. For purposes of this fiscal note, it is assumed that the recording volumes will remain at or near FY95 and FY96 levels, in which case no additional staffing would be required to maintain the location index. If the workload increases the Recorder's Office will approach LB&A for additional staffing and program receipt authorization. Further, this fiscal note assumes that the location indexing would be prospective only. Costs for researching and adding location information to the historic database to fill the thousands of informational gaps were not taken into account as HB438 appears to only address a new and not retroactive requirement. Passage of this bill would have no adverse impact on the state's economy, on local governments, or on any user group. However, continuing to maintain the location index as a discretionary courtesy index could impact various user groups who rely on location indexing to be accurate and complete. Legislatively requiring a location index in addition to the current grantor/grantee index will ensure that all index information will be available in a consistent and complete format for the tens of thousands of Alaskans who use this information each year.

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

Revision Date: Original  
Title: An act relating to the indexing of documents  
recorded in the state recorder's offices; and providing for an...  
Sponsor: Representative Brice  
Requestor: (H) STA

Dept Affected Natural Resources  
BRU: Management and Administration  
Component Information Resource Management  
Component Serial No. 427

Expenditures/Revenues

(Thousands of Dollars)

	FY97	FY98	FY99	FY00	FY01	FY02
<b>OPERATING EXPENDITURES</b>						
PERSONAL SERVICES	70.0					
TRAVEL						
CONTRACTUAL	20.0	10.0	10.0	10.0	10.0	10.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>90.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>
<b>CAPITAL EXPENDITURES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CHANGE IN REVENUES ( )</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

FUND SOURCE

(Thousands of Dollars)

	FY97	FY98	FY99	FY00	FY01	FY02
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	90.0	10.0	10.0	10.0	10.0	10.0
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>90.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>

Estimate of any current year (FY96) cost: \$ none

POSITIONS

	FY97	FY98	FY99	FY00	FY01	FY02
FULL-TIME	1	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)

HB438 amends AS40.17.040(a) requiring the department to maintain an index system that is designed for the public to find documents by location. Although the Recorder's Office has been maintaining a courtesy location index since 1972, the current system is not designed to effectively find documents by geographic location. In order to meet the requirements of this legislation, the department would develop a public interface to query recorded information by location. The department would convert the existing courtesy location index information into new file structures that support research by a common location key, namely, meridian, township, range and section. This fiscal note covers one full-time analyst/programmer for one year to design and implement the location index with a common geographic key, and covers the Department of Administration chargeback cost for mainframe usage.

AS40.17.040(a) also directs the department to adopt regulations prescribing the manner in which recorded documents shall be indexed. As a result of this legislation, a regulation would need to be adopted clarifying what is meant in.... continued on page 2

Prepared by: Richard McManon, Chief, Land Records Info. Section  
Division: Support Services  
Approved by Commissioner: [Signature]  
Agency: Natural Resources

Phone: 269-8836  
Date: 31-Jan-96  
Date: 31-Jan-96

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**FISCAL NOTE ANALYSIS for HB438 (continued)**

11AAC06.040(a)(6), where it requires documents affecting real property to have a legal description complete enough to geographically locate and identify the parcel.

The department recommends all documents affecting real property, except when not required by statute, to specify the geographic location of the affected parcel by meridian, township, range and section. This will then be used as the common key for the location index mandated in this legislation.

For the purposes of this fiscal note, it is assumed that only the digital information in the existing system will be converted to the new file structure. Documents with location information that was never loaded into the Recorder's Office System, or that was incomplete, is not addressed in this fiscal note, and will not be accessible through the geographic location index.

All transactions affecting real property are tied in some manner to a geographic location. The public now spends hundreds of hours researching the Recorder's Office records for this information through an incomplete and inaccurate courtesy location index or by grantor/grantee if they happen to know the names of the parties involved in the transaction. All development of Alaska's resource depend on knowing the ownership and encumbrances on the land. This information is inextricably linked to the recorded documents. By mandating a location index while the state is in its relative infancy, Alaska can build a recording system that truly meets the needs of its citizens in the 21st century.

**Representative Tom Brice**  
**ALASKA STATE LEGISLATURE**

119 N. Cushman, Ste. 205  
Fairbanks, AK 99701  
907-456-7423 / Fax: 451-9293

*While in Juneau*  
State Capitol  
Juneau, AK 99801-1182  
907-465-3466

**M E M O R A N D U M**

**To:** Representative Mark Hanley, Co-Chair *mark*  
Representative Richard Foster, Co-Chair  
House Finance Committee

**From:** Representative Tom Brice *TB*

**Date:** April 1, 1996

**Re:** HB 438: An Act relating to the indexing of documents recorded in the state recorder's offices; and providing for an effective date.

I would appreciate your scheduling a hearing for HB 438 before the House Finance Committee at your earliest convenience.

HB 438, mandates a geographic location indexing method within the the State Recorder's Office. The result will be the continuation of an effective cataloguing system of lands in the state, and future possibilities of cross referencing that information with the resources, leases, and claims information in other data bases.

The Recorder's office now provides the indexing service as a courtesy. A geography based information system would tie grantor and grantee indices, both required by statute, to a map. This will ensure continuing cross referencing between name indexes, and developing future resource indexes and satellite and aerial geophysical mapping data bases. This capability is important enough that it should be continued as an integral aspect of the state's recording system.

Under the current work load, the Recorder's Office does not anticipate a significant fiscal impact. Land is an important asset in our state, and providing the data for an eventually up-to-date, integrated system for recording and retrieving resource, ownership, and location data is in everyone's best interest.

Thank you for your consideration.

