

ALASKA LEGISLATURE

1548

HOUSE and SENATE FINANCE COMMITTEE FILES, 1995-1996

~~SECRET~~
Amendment to Amendment 12
By: Donley

To: SB215
Amendment C.9 by Frank.

Page 1, line 15, after "unhoused;"

Insert: " for purposes of this
subparagraph, students are
considered unhoused if the
students attend school in
temporary, relocatable facilities"

AMENDMENT

TO: CSSB 191, VERSION H

PAGE 3, LINE 5

After AS 15.13.400, add the words: "or a political group as that term is defined in AS 15.60."

Reason for Amendment: In the Election Code, AS 15.13 is entitled State Election Campaigns; AS 15.60 is entitled General Provisions. Both sections contain a definition of 'group' or 'political group.' The amendment clarifies the fact that 'group' is covered in both cases.

STATE OF ALASKA

TONY KNOWLES, GOVERNOR

DEPARTMENT OF FISH AND GAME

OFFICE OF THE COMMISSIONER

P O BOX 25528
JUNEAU, ALASKA 99802-5528
PHONE (907) 365-4100
FACSIMILE (907) 465-2332

April 18, 1996

The Honorable Rick Halford
Alaska State Legislature
State Capitol, Room 508
Juneau, AK 99801-1182

Dear Senator Halford:

The department is requesting your help in making an amendment to CSSB 215(RES). The amendment will provide authority to the Department of Fish and Game to award grants to private entities for specific purposes associated with the management or use of fish and wildlife resources, including protection and rehabilitation of habitat.

The ability to award grants would assist the department by enabling it and private parties to more effectively cooperate on projects of mutual interest. Currently the department is working with private property owners along the Kenai River in the construction of demonstration projects to restore and protect streamside habitat impacted by human development. These are small grants for an average of \$6,000 each and are funded out of funds provided by Senator Stevens through the National Marine Fisheries Service. Currently, because the department doesn't have grant authority, we must utilize a third party to administer the grants. This increases overhead and administrative cost. Other examples of cooperative projects for which grants would be appropriate include projects with hunting and fishing groups to improve access, perform habitat enhancement, and to engage in fish or wildlife stocking and transplanting.

You may remember that the original version of SB 215 provided broad authority for the department to award grants. Senator Pearce was uncomfortable with a grant of such broad authority and amended the bill to remove that section in the Senate Resources Committee. She did express an interest in a narrower provision of grant authority. I have worked with her to develop the enclosed amendment which provides a more defined authority for awarding grants. This amendment has her blessing and she authorized me to pursue including it in the bill.

The Honorable Rick Halford

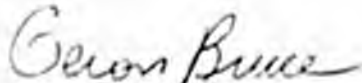
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April 18, 1996

We would appreciate your assistance in amending this bill. If you do not wish to offer the amendment yourself, could you request another member of the finance committee to offer it. Grants would only be awarded from funds specifically authorized by the legislature for specific purposes. This would maintain legislative oversight while providing flexibility and greater administrative efficiency to the department. It would also enable us to make the department's funds go further by matching them with funds, or other in-kind contributions, from private entities.

If you need any further information, please call me.

Sincerely,



Geron Bruce
Special Assistant

Enclosure

SFC-96
4/30/96

SENATE FINANCE
COMMITTEE
Amendment Number: 7
Bill Number: _____
Sponsor: _____ Date: _____
Logged In By: _____

9-GS2023\C.10
Cook
4/29/96

AMENDMENT

OFFERED IN THE SENATE
TO: CSSB 215(RES)

BY SENATOR HALFORD

1 Page 1, line 2, following "compensation;":

2 Insert "limiting entities to which the state may disburse money"

3 Page 3, following line 26:

4 Insert a new bill section to read:

5 "* Sec. 10. LIMITATION ON ENTITIES TO WHICH THE STATE MAY DISBURSE
6 MONEY. Notwithstanding any other provision of law, the state may not disburse state
7 money to an entity that is not incorporated under or subject to the laws of the state. This
8 limitation does not apply to the Annette Island Indian Reserve. This section applies only
9 until July 1, 1998."

10 Renumber the following bill sections accordingly.

11 Page 3, line 27:

12 Delete "12 and 13"

13 Insert "13 and 14"

14 Page 4, line 1:

15 Delete "7 and 10"

16 Insert "7 and 11"

17 Page 4, line 2:

18 Delete "and 8"

18 Insert "8, and 10"

1 substantial or regular portion of the activities for which the communicating person
2 receives payment is performed for the purpose of influencing legislative or
3 administrative action."

SENATE FINANCE
COMMITTEE

Amendment Number: 8

Bill Number: _____

Sponsor: _____ Date: _____

Logged In By: _____

9-LS7000N.2

Bannister

4/9/96

AMENDMENT

OFFERED IN THE SENATE

BY

TO:

1 Page X, line X:

2 Insert a new bill section to read:

3 ** Sec. X. AS 44.99 is amended by adding a new section to article 1 to read:

4 Sec. 44.99.030. LOBBYING CONTRACTS PROHIBITED. (a)

5 Notwithstanding other provisions of law, ~~the following~~ public entities may not
6 contract with a person to pay the person money or other thing of value to lobby the
7 state, a municipality of the state, or an agency of the state or municipality:

- 8 (1) Alaska Aerospace Development Corporation;
- 9 (2) Alaska Commercial Fishing and Agriculture Bank;
- 10 (3) Alaska Energy Authority;
- 11 (4) Alaska Housing Finance Corporation;
- 12 (5) Alaska Industrial Development and Export Authority;
- 13 (6) Alaska Medical Facility Authority;
- 14 (7) Alaska Mental Health Trust Authority;
- 15 (8) Alaska Municipal Bond Bank Authority;
- 16 (9) Alaska Permanent Fund Corporation;
- 17 (10) Alaska Railroad Corporation;
- 18 (11) Alaska Science and Technology Foundation;
- 19 (12) Alaska Seafood Marketing Institute;
- 20 (13) Alaska Student Loan Corporation;
- 21 (14) Alaska Tourism Marketing Council.

22 (b) In this section,

23 (1) "contract with" includes hiring as an employee;

24 (2) "lobby" means to communicate directly or through agents with a
25 public official for the purpose of influencing legislative or administrative action if a

SENATE FINANCE
COMMITTEE

Amendment Number: 9
Bill Number: _____
Sponsor: _____ Date: _____
Logged In By: _____

3 • Section 1. AS 36.30.015(e) is amended to read:

4 (e) The board of directors of the Alaska Railroad Corporation and the board
5 of directors of the Alaska Aerospace Development Corporation shall adopt procedures
6 to govern the procurement of supplies, services, professional services, and construction.
7 The procedures must be substantially equivalent to the procedures prescribed in this
8 chapter and in regulations adopted under this chapter. However, when procuring
9 supplies, services, professional services, or construction contracts that are over
10 \$25,000 and that are related to construction work that the Department of
11 Transportation and Public Facilities authorizes the Alaska Railroad Corporation
12 to perform instead of the Department of Transportation and Public Facilities, the
13 Alaska Railroad Corporation shall use competitive sealed bidding or competitive
14 sealed proposals under AS 36.30.100 - 36.30.270.

SENATE FINANCE
COMMITTEE ¹⁰
Amendment Number: 10
Bill Number: _____
Sponsor: _____ Date: _____
Logged In By: _____

9-GS2023\C.8
Cook
4/27/96

AMENDMENT

OFFERED IN THE SENATE
TO: CSSB 215(RES)

- 1 Page 1, line 10, following "taxpayers;":
- 2 Insert "relating to subsistence use of fish and game; repealing the effective date
- 3 of an amendment to the current state subsistence law;"

- 4 Page 3, line 19:
- 5 Delete "and 17.07.200"
- 6 Insert "17.07.200; secs. 3, 5, and 8, ch. 1, SSSLA 1992; and sec. 12, ch. 1, SSSLA
- 7 1992, as amended by sec. 3, ch. 68, SLA 1995"

APR 16 1996

OFFICE OF THE GOVERNOR

OFFICE OF MANAGEMENT AND BUDGET

P.O. BOX 110020
JUNEAU, ALASKA 99811-0020
PHONE: (907) 465-4660
FAX: (907) 465-3008

April 16, 1996

The Honorable Steve Frank
The Honorable Rick Halford
Co-Chairs, Senate Finance Committee
State Capitol
Juneau, AK 99801-1182

Dear Senators:

By request of the Governor, SB 215 ("An Act streamlining the functions of state government...") was introduced and, subsequently, referred to your committee. On behalf of Governor Knowles, I respectfully request that this legislation be scheduled for a hearing.

As noted in the bill's transmittal letter of January 12, 1996, this measure represents the Governor's "...goal to streamline state government." This legislation deletes requirements to perform several duties that are not essential for the public health, safety or welfare of its people. Further, it modifies various programs to increase efficiency.

This administration is committed to working with you, and your colleagues, on making government work smarter with less. The provisions in this bill address program activities that have no real benefit, are unproductive for business or are burdensome for state staff. I urge you to schedule this legislation.

Your attention to this request is greatly appreciated.

Sincerely,



Annalee McConnell
Director

cc: Senator Steve Reiger
Senator Bert Sharp
Senator Randy Phillips
Senator Fred Zharoff
Senator Dave Donley

SB 215(RES) - RELATING TO STREAMLINING STATE GOVERNMENT - SECTIONAL

Section	Department	Brief Description
1 - 3	Fish & Game	Allows vendors of sport fishing and hunting licenses and tags to retain the full 5% allowed for compensation for their services (see section 10).
4	Commerce & Economic Dev	With the elimination of non-resident affidavit program in section 10, this removes reference to that program in the section dealing with process serving to non-resident corporations
5, 6	Health & Social Services	Allows the department granting authority for the Infant Learning Program within the Division of Public Health
7	Environmental Conservation Environmental Conservation	Repealers (AS 03.05.070) Eliminate requirements that the department report and care for animals suspected of rabies and the disposal of rabid animals (AS 17.07.010 - AS 17.07.200) Eliminates the requirements that the department regulate the vitamin and mineral content of flour and bread sold in the state
8	Commerce & Economic Dev Commerce & Economic Dev Commerce & Economic Dev Natural Resources	Repealers (AS 05.05.010 - AS 05.05.040 and AS 08.01.010(3)) Eliminates the Athletic Commission (AS 05.10.010 - AS 05.10.170) Eliminates the Boxing and Wrestling Commission (AS 08.02.011 and AS 08.01.010(32)) Eliminates the requirement that professional geologists be certified by the department (AS 46.15.190 - AS 46.15.240) Eliminates the Water Resources Board
9	Fish & Game Revenue	Repealers (AS 16.05.390(c) and (d)) Eliminates the calculation required to transmit remainder of vendor compensation for issuance of sport fishing and hunting licenses (see sections 2 - 4) (AS 43.10.160, AS 43.10.180 - AS 43.10.200) Eliminates non-resident affidavit tax bond program

SB 215(RES) - RELATING TO STREAMLINING STATE GOVERNMENT - SECTIONAL

Section	Department	Brief Description
10		Transitional language
11 - 13		Effective dates
Proposed Amendments		
New	Administration	Calculates terminal leave payments based on annualized rate of pay
New	Administration	Shortens the time limit on payment of warrants 1 year - provides consistency with unclaimed property
New	Commerce & Economic Dev and Revenue	Allows the department to collect taxes on insurance premiums more frequently than on an annual basis
New	Governor's Office	Allows the Human Rights Commission to hold hearings at the Commission's office and provides discretion in transcribing hearings.
New	Natural Resources	Reduces the requirements for filing of credits for certain mining exploration costs. This would eliminate the annual filing and certification process and substitute a threshold of when a credit reaches \$250.0 or the holder is ready to take the credit.

TONY KNOWLES
Governor



Harry Staley

P. O. Box 110001
Juneau, Alaska 99811-0001
(907) 465-3500
Fax (907) 465-3532

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

MEMORANDUM

TO: Pat Pourchot
Legislative Director
Office of the Governor

DATE: March 26, 1996

FROM: Michael A. Nizich *M. Nizich*
Administrative Director
Office of the Governor

PHONE: 465-3876

SUBJECT: Statutory Amendment
for Human Rights
Commission

As you may be aware, the Human Rights Commission (HRC) is facing significant budgetary shortfalls due to increases in the number of cases where staff has found substantial evidence of discrimination. When efforts to reach conciliation are unsuccessful, these cases must be brought to public hearing. In order for HRC to achieve closure on these cases while reducing the state's costs, the Commission recently adopted staff recommendations to pursue certain regulatory and statutory amendments related to the hearing process.

Attached is a memorandum from Paula Haley, Executive Director, Human Rights Commission, requesting approval and support for introduction of proposed amendments to AS 18.80.120. Currently AS 18.80.120 requires the Commission to hold the public hearing in the location where the alleged discrimination occurred. Consequently, the Commission has no control over the level of travel expenditures associated with public hearings. The Department of Law indicated that HB 415 and SB 215, streamlining the functions of state government, would be suitable bills for these amendments.

Thank you for your review and consideration. Please advise me of the status of this request as soon as possible.

Attachments

cc: Jim Ayers
Chief of Staff


Paula Haley
Executive Director, HRC

MEMORANDUM

Human Rights Commission

To: Jim Ayers, Chief of Staff
Office of the Governor

Thru: Mike Nizich, Director
Division of Administrative Services

From: Paula M. Haley 
Executive Director

Date: March 22, 1996

Re: Proposed Amendments to Senate Bill 215 (SB215) and House
Bill 415 (HB415) An Act "...streamlining the functions of
state government..."

At the Commission's meeting last week, I presented the cost savings proposals outlined in my February 26, 1996 memorandum to you. The commissioners agreed to move forward with amendments to the agency's regulations and AS 18.80.120. The proposed statutory amendments will require that hearings be held at the Commission's office and will allow discretion in transcribing hearings.

AS 18.80.120 currently requires that hearings be held where the alleged discrimination occurred and that transcriptions be made at the request of any party. The proposed amendments would virtually eliminate travel costs currently associated with hearings and avoid the costly requirement of making transcripts at the direction of any party. I have attached the proposed amendments.

As these amendments will streamline hearings and reduce costs, the Department of Law indicated that HB 415 and SB 215 may be suitable bills to which these amendments could be attached. As these bills were sponsored at the request of the Governor, the Commissioners are seeking your approval to have our proposed amendments included in these bills.

The Commission wishes to seek these changes immediately so that they could become effective in FY 97. SB 215 is currently in the Senate Health, Education and Social Services Committee and HB 415 is currently in the House State Affairs Committee.

Please advise me as to whether the Governor approves of these proposals as amendments to SB 215 and HB 415 and if so, how to proceed. Thank you for your consideration.

pmh
attachment: 1

c:\Human Rights Commissioners

DAVID E. ROGERS
ATTORNEY AND COUNSELOR AT LAW

211 Fourth Street, Suite 108
P.O. Box 33032
Juneau, Alaska 99803
(907) 586-1007 Fax: (907) 586-1007

April 23, 1996

Senator Steve Frank
Senator Rick Halford
Co-Chairs
Senate Finance Committee
Capitol Building, Room 518/508
Juneau, Alaska 99801-1182

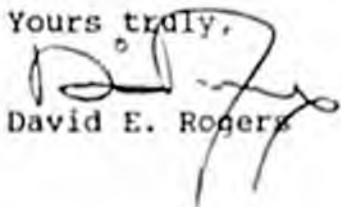
Dear Senator Frank and Senator Halford:

I am writing this letter on behalf of the Council of Alaska Producers. The Administration will be offering in the Senate Finance Committee the attached amendments to SB 215 and SB 216. These proposals - developed cooperatively with the mining industry - would amend the mineral exploration incentive law that passed last session (see attached).

I just wanted to let you know that the Council supports these amendments which improve the process for certification of expenditures and establish an acceptable fee system to help cover the department's direct costs for evaluating an application under the program.

Please let me know if you have any questions.

Yours truly,


David E. Rogers

AMENDMENT

OFFERED IN THE SENATE

TO: CSSB 215(RES)

Page 1, line 2:

Following "compensation;":

Insert "relating to mining exploration incentive credits;"

Page 2, after line 19:

Insert new bill sections to read:

"*Sec. 4. AS 27.30.020 is amended to read:

Sec. 27.30.020. PROCEDURE FOR REQUESTING AND TAKING
THE CREDIT. To obtain the credit authorized by this chapter,

(1) a person shall submit a request for the credit as follow:

(A) the person ~~may~~ (SHALL) submit a request and
a statement of expenditures

(i) whenever the amount of credit certified
in the request totals at least \$250,000 and the period covered is at
least one year; or

(ii) when the person is ready to take the
entire balance of the credit, regardless of the total amount of the
credit [FOR THE PREVIOUS CALENDAR YEAR NOT LATER
THAN 60 DAYS AFTER THE CLOSE OF THAT CALENDAR
YEAR];

(B) the request must be on a form provided by the
commissioner and

(i) describe the work accomplished during
each year of the period covered by the request (PREVIOUS
YEAR), the number of employees, and the names and number of
consultants; [AND]

(ii) provide a detailed list or ledger of
expenditures of the accomplishments described in (i) of this
subparagraph and a list of exploration activity data that in the future
will be made available to the commissioner under (2)(A) of this
section; and

(iii) provide certification by a certified public
accountant to support a claim for annual credit that exceeds
\$40,000;

(C) the person submitting the request is not
required to transmit copies of receipts with the request, but the statement
of expenditures is subject to audit in the discretion of the commissioner;

(D) If the commissioner determines to audit the statement of expenditures, the commissioner may require the person submitting the request to justify claims of expenditures with receipts and other reliable information;

(E) the commissioner shall respond to the request by September 30 by certifying or not certifying the person's expenditures; if the commissioner

(i) does not certify expenditures, the commissioner shall state the reasons for denial of certification and give the person making the request an opportunity to correct any problems or to provide additional information;

(ii) certifies expenditures, the commissioner shall specify the exploration activity data requirements for that year that must be presented to the department at the time of the taking of the credit;

(F) If the commissioner neither certifies nor denies certification of expenditures by September 30, the expenditures are certified as submitted;

(2) the person whose expenditures have been certified under (1) of this section [SUBSECTION] may thereafter request the taking of the credit for the certified expenditures as follows:

(A) the person shall deliver to the commissioner the exploration activity data identified by the commissioner under (1)(E)(ii) of this section, and shall request the commissioner's approval of the taking of the credit;

(B) the commissioner shall approve or disapprove the taking of the credit within six months after receipt of the request for taking of the credit; if the

(i) exploration activity data complies with the requirements identified by the commissioner under (1)(B)(ii) of this section, the commissioner shall approve the taking of the credit;

(ii) request is disapproved, the commissioner shall state the reasons for disapproval and offer the person seeking to take the credit an opportunity to correct any problems or to provide additional exploration activity data or other information;

(C) if the commissioner neither approves nor disapproves the request to take the credit within six months after submission of the request, the taking of the credit is approved.

AMENDMENT

OFFERED IN THE SENATE

TO: CS SB 216(L&C)

Page 1, line 5:

Following "compensation;":

Insert "fees for evaluating or auditing applications for exploration incentive credits;"

Page 2, after line 26:

Insert new bill sections to read:

"*Sec. 4. AS 27.30 is amended by adding a new section to read:

Sec. 27.30.095. PEES. The commissioner may charge a fee for direct costs incurred by the department in evaluating or auditing an application to certify the credit authorized under AS 27.30.010, including the cost of contractors selected by the commissioner to assist in the evaluation or audit. The fee may not exceed \$500 for each application covering one or more years if the amount claimed in the application is \$1,000,000 or less. The fee may not exceed \$1,000 for each application covering one or more years if the amount claimed is more than \$1,000,000.

Remember the following bill sections accordingly.

Page 4, line 1:

Delete "secs. 2 - 6"

Insert "secs. 2 - 7"

Page 4, line 3:

Delete "secs. 2 - 6"

Insert "secs. 2 - 7"

Page 4, line 16:

Delete "Section 7"

Insert "Section 8"

Page 4, line 17:

Delete "Sections 1, 2, 5, 6, and 8"

Insert "Sections 1, 2, 4, 6, 7, and 9"

Page 4, line 18:

Delete "Sections 3 and 4"

Insert "Sections 3 and 5"

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3807 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

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

MEMORANDUM

March 19, 1996

SUBJECT: Single Subject Problems in CSSB 215(RES)

TO: Senator Loren Lemman, Chair
Senate Resources Committee

FROM: Tamara Brandt Cook
Director *TBC*

Here is the committee substitute you requested for this bill. Because the bill has been reported from committee, I have tried not to make many changes to the language requested. However, I did add at the end of the title reference to service on nonresident taxpayers which did not seem to me to be included in the subject description. Please let me know if that is not acceptable. Also, be aware that this bill, both as originally introduced by the Governor and as amended in this committee substitute, may well violate article II, sec. 13 of the state constitution, which provides, in part:

Every bill shall be confined to one subject * * *. The subject of each bill shall be expressed in the title. * * *

With respect to the single subject rule, the courts have generally given the requirement a liberal interpretation, adopting, in Gellett v. State, 522 P.2d 1120 (Alaska 1974), the position stated by the Minnesota Supreme Court in 1891:

All that is necessary is that [the] act should embrace some one general subject; and by this is meant, merely, that all matters treated of should fall under some one general idea, be so connected with or related to each other, either logically or in popular understanding, as to be parts of, or germane to, one general subject.

Id., at 1123, quoting Johnson v. Harrison, 50 N.W. 923, 924 (Minn. 1891). Five years after Gellett, the court stated that the test

requires no more than that the various provisions of [a] single legislative enactment fairly relate to the same subject, or have a natural connection therewith. Quoted in Shert v. State, 600 P.2d 20, 24 (Alaska 1979).

In construing the single subject rule, the court will "disregard mere verbal inaccuracies" and "resolve doubts in favor of validity"; "in order to warrant the setting aside of enactments for failure to comply, the violation must be substantial and plain." Suber v. Alaska State Bond Committee, 414 P.2d 546, 557 (Alaska 1966). The rule should be "construed with considerable breadth. Otherwise statutes might be restricted unduly in scope and permissible subject matter, thereby multiplying and complicating the number of necessary enactment(s) and their interrelationships." Gjellert, at 1122.

Using this broad construction of the rule, the court has approved such single subjects as "water resources" in Gjellert; "state taxation" in North Slope Borough v. Sohio Petroleum Corp., 585 P.2d 534 (Alaska 1978); "land" in State v. First Nat'l. Bank of Anchorage, 660 P.2d 406 (Alaska 1982), and "transportation" in Yute Air Alaska, Inc. v. McAlpine, 698 P.2d 1173 (Alaska 1985). The Alaska Court of Appeals has approved the single subjects "liquor regulation" in Van Brunt v. State, 646 P.2d 872 (Ak. App. 1982); and "criminal law" in Galbraith v. State, 693 P.2d 880 (Ak. App. 1985). In fact, the Alaska Supreme Court and the Alaska Court of Appeals have never found that an Alaska statute violated the single subject rule. This is consistent with the record of other states that have substantially the same rule. Generally, only clear violations of the single subject requirement have been found unconstitutional. (cf. State ex rel Hinkle v. Franklin County Board of Elections, 580 N.E.2d 767 (Ohio 1991) finding a violation of the single subject requirement where a bill on a local option for allowing the sale of alcoholic beverages was added to a bill concerning elected judicial offices)

In recent years, however, the Alaska Supreme Court has begun to reevaluate its broad interpretation of the single subject rule. In First Nat'l. Bank of Anchorage, the court expressed reservations about prior cases, but was unwilling in that case to overturn past precedents. In Yute Air Alaska, Inc., the court again expressed concern with the broad interpretation of the rule, but gave three reasons why it was not ready to reject its past approach: (1) "it is not at all clear that there are workable stricter standards"; (2) the legislation in that case was the result of a voter initiative and the sponsors of the initiative had relied on the court's precedents in preparing it; and (3) because the sponsors were not experts at drafting the court was reluctant to invalidate a worthy or popular cause merely because of doubtful legality.

In his dissent in Yute Air Alaska, Inc., Justice Moore blasted the majority's "test" as meaningless. "This court has mistakenly continued to give the rule such an extremely liberal interpretation that the rule has become a farce," he said. Id. at 1182. Moore suggested a new test: "An act or initiative should embrace one subject. By this we mean that all matters treated should be logically connected." This, he said, means that various provisions of legislation will pass muster if they are inextricably intertwined, if they have an effect on one another, or if they are reasonably interdependent. Moore urged that "[e]nactments should be presented clearly and candidly," and that the court should "use a plainer standard and be more willing to look closely at the logic of an asserted connection and the reasonable

interdependence of separate provisions. . . . to discourage logrolling and . . . duplicity." *Id.* at 1186.

The Moore dissent in *Yute Air* takes on increased importance in light of the California Supreme Court's decision two years later in *Harbor v. Deukmejian*, 742 P.2d 1290 (Cal. 1987). Prior to *Harbor*, the law in California was substantially similar to Alaska. Both states prohibit multiple subjects in the same bill.¹ California's courts had interpreted the single subject rule primarily in the context of the expression rule, but when focusing on single subject their pronouncements were remarkably similar to the Alaska cases cited above.² Justice Mosk's opinion in *Harbor* summed up the California cases as holding that

. . . a measure complies with the [single subject] rule if its provisions are either functionally related to one another or are reasonably germane to one another or the objects of the enactment. *Id.* at 1303.

The *Harbor* case involved a measure relating to "fiscal affairs" and was essentially a budget reconciliation bill, making the "necessary statutory adjustments to implement" the budget enactment. *Id.* at 1291, quoting from the bill's title and from sec. 71, which set out the justification for the bill's immediate effective date. As the court described the bill, it sounds remarkably similar to SB 215. The bill contained "71 sections enacting, amending, and repealing numerous provisions in numerous codes." *Id.* at 1291. The court went on to state, at 1303, that "fiscal affairs" as the subject, and "statutory adjustments" to effect savings consistent with the budget as its object, suffer from "excessive generality" that "violates the purpose and intent of the single subject rule."³ In the heart of its holding, the court said:

[Fiscal affairs and statutory adjustments] are too broad in scope if, as petitioners appear to claim, they encompass any substantive measure which has an effect on the budget. The number and scope of topics germane to "fiscal affairs" in this sense is virtually unlimited. If petitioners' position were accepted, a substantial portion of the many thousand statutes adopted

¹ California's constitution, in art. IV, § 9, provides that ". . . a statute shall embrace but one subject, which shall be expressed in its title." In context, "statute" is equivalent to "bill," so it can be seen that the constitutional provision under consideration in *Harbor* is almost identical to Alaska's.

² See the discussion of the history of California's rule in *Harbor*, 742 P.2d 1290, at 1298-1303.

³ The "primary and universally recognized purpose" of the single subject rule is to prevent log-rolling, the combining of several proposals in a single bill so that legislators can obtain a majority for a measure that might not have been approved as separate measures. See *Harbor* at 1300.

Senator Loren Lemay

March 19, 1996

Page 4

during each legislative session could be included in a single measure even though their provisions had no relationship to one another or to any single object except that they would have some effect on the state's expenditures as reflected in the budget bill. This would effectively read the single subject rule out of the Constitution. We hold, therefore, that Bill 1379 is invalid as a violation of article IV, section 9 of the California Constitution. Id. at 1303-1304. (emphasis added)

See also a prior concurring and dissenting opinion by Justice Mosk in Brosnahan v. Eu, 641 P.2d 200 (Cal. 1982), a case in which an initiative was challenged as violating the single subject rule,⁴ in which he said:

The constitutional requirement is not satisfied by attaching a broad label to a measure and then claiming that its provisions are encompassed under that wide umbrella. Otherwise, initiatives which refer to "property" or "women" or "public welfare" or "the pursuit of happiness" could also be held to constitute one subject, no matter how diverse their terms.

It is my belief that our supreme court, when presented with the issue in the context of a bill like SB 215, will follow the path scouted by Justice Moore in his dissent in Yute Air and more thoroughly explored by Justice Mosk in Harbor (an exploration that was joined, by the way, without dissent by the other justices of California's supreme court). The fact that several of these "omnibus" bills have now been enacted in Alaska provides scant comfort. The practice had gone on for over six years in California before an affected entity brought a challenge.

In SB 215, the stated subject, as expressed in the title, is "streamlining the functions of state government." While this may be a statement of the goals of the bill, it is not a subject, let alone a single subject. Nor is it necessarily descriptive of the contents of the bill. I can see nothing that distinguishes SB 215 from the California measure that was challenged in Harbor. They both attempt to encompass an excessively broad subject matter.

TBC:glc:klb
96-171.glc

⁴ In California, as in Alaska, initiatives are subject to the single subject rule.

SENATE COMMITTEE REPORT

DATE: 3/20/96

FURTHER: Labor & Commerce
Finance

DATE TURNED INTO OFFICE: 3-27-96

The HESS Committee considered SB 215

Omnibus state agency operations and programs.

P.P. 1504 + 1502

and recommends:

- be replaced with _____ CS _____
- adopt previous _____ CS SB 215 _____ (RES)
- 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	DNR	AM
<i>J. E. Salo</i>	<input checked="" type="checkbox"/>	<i>Mike Miller</i>	<input checked="" type="checkbox"/>		
		<i>James D. Fenwick</i>	<input checked="" type="checkbox"/>		
<i>J. E. Salo</i>	<input checked="" type="checkbox"/>				
CHAIR:		<i>Lynne Green</i>	<input checked="" type="checkbox"/>		

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

Revenue	3/12/96		

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

Revenue	3/12/96	<input checked="" type="checkbox"/>	
DNR	1/5/96	<input checked="" type="checkbox"/>	
C&ED	1/9/96		(5.3)
F&G	1/9/96		(200.0)
DEC	1/9/96	<input checked="" type="checkbox"/>	
H. S.S.	1/9/96	<input checked="" type="checkbox"/>	

APPROPRIATION -- no fiscal note

H. S.S. 1/9/96
 *include fiscal notes accompanying Governor's bill
 Revenue 1/9/96

**SENATE COMMITTEE REPORT
First Committee of Referral**

DATE: 1/12/96

FURTHER: HESS
L&C, Finance

Date of 5-Day Notice: 3-12-96
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 2-20-96

The Resources Committee considered SB 215

Omnibus state fees and cost assessments.

ΦFS's (FA)

and recommends:

- be replaced with CS SA 215 (RES)
- 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 <u>DO PASS</u>	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
		<i>Yes to go</i>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
		<i>Finance</i>		<input checked="" type="checkbox"/>	
		<i>Rich Helford</i>		<input checked="" type="checkbox"/>	
CHAIR:		<i>John J. Luman</i>		<input checked="" type="checkbox"/>	

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
<i>Revenue</i>	<i>3/13</i>	<input checked="" type="checkbox"/>	<i>7,150</i>

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal
<i>Revenue</i>	<i>1/96</i>	<input checked="" type="checkbox"/>	
<i>HS/CT</i>	<i>4/96</i>	<input checked="" type="checkbox"/>	
<i>HS/CT</i>	<i>4/96</i>	<input checked="" type="checkbox"/>	
<i>HS/CT</i>	<i>7/96</i>	<input checked="" type="checkbox"/>	
<i>HS/CT</i>	<i>7/96</i>	<input checked="" type="checkbox"/>	
<i>HS/CT</i>	<i>7/96</i>	<input checked="" type="checkbox"/>	

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

SB and CS

SB

216

HFIN

FILE

HOUSE COMMITTEE REPORT

5/6/96
Today's
calendar

Date Referred to Committee: May 4, 1996

FURTHER REFERRALS:

Date of Committee Action: 5/6/96

The FINANCE Committee considered:

CSSB 216(FIN)(title am)

CS FOR SENATE BILL NO. 216(FIN)(title am)

OMNIBUS STATE FEES & COST ASSESSMENTS

"An Act relating to fees, assessments, and costs for certain functions of state or municipal government including hearing costs related to the real estate surety fund, fees for authorization to operate a postsecondary educational institution or for an agent's permit to perform services for a postsecondary educational institution, fees of the state Commission on Human Rights, administrative fees for self-insurers in workers' compensation, fees relating to applications for exploration incentive credits, charges to prisoners, marine and harbor facility use fees, business license fees, fees for training relating to management of hazardous substances and emergency management response, fees for regulation of pesticides and broadcast chemicals; and subdivision plans for sewage waste disposal or treatment; relating to a fuel tax exemption; and providing for an effective date."

recommends it be replaced with the following committee substitute HCS CSSB 216 (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) Labor (2)

^{Senate} fiscal note(s) Pen 5/2/96 DEC 5/4/96
DNE 5/2/96 DOE 5/2/96 CEP
GOV 1/12/96, M&T 1/12/96 1/12/96

zero fiscal note(s)

zero fiscal note(s)

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
<i>[Signature]</i>	KELLY	①	①	7	
<i>[Signature]</i>	TERRAVLT		X		
<i>[Signature]</i>	MARTIN			X	
<i>[Signature]</i>	PARNELL			X	
<i>[Signature]</i>	KOHRING			X	
<i>[Signature]</i>	NAVARRE			X	
<i>[Signature]</i>	GRUSSENDORF			X	
<i>[Signature]</i>	MULDER	X			
<i>[Signature]</i>	BROWN	X			
<i>[Signature]</i>	HANLEY			X	

CHAIR'S SIGNATURE

[Signature]

CORRECTION

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



Rev. 6 92

Central Microfilm Services
Department of Education
State of Alaska

E
(11)

HOUSE COMMITTEE REPORT

5/6/96
Today's
calendar

Date Referred to Committee: May 4, 1996

FURTHER REFERRALS:

Date of Committee Action: 5/6/96

The FINANCE Committee considered:

CSSB 216(FIN)(title am)

CS FOR SENATE BILL NO. 216(FIN)(title am)

OMNIBUS STATE FEES & COST ASSESSMENTS

"An Act relating to fees, assessments, and costs for certain functions of state or municipal government including hearing costs related to the real estate surety fund, fees for authorization to operate a postsecondary educational institution or for an agent's permit to perform services for a postsecondary educational institution, fees of the state Commission on Human Rights, administrative fees for self-insurers in workers' compensation, fees relating to applications for exploration incentive credits, charges to prisoners, marine and harbor facility use fees, business license fees, fees for training relating to management of hazardous substances and emergency management response, fees for regulation of pesticides and broadcast chemicals; and subdivision plans for sewage waste disposal or treatment; relating to a fuel tax exemption; and providing for an effective date."

recommends it be replaced with the following committee substitute HCSSSB216 (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) labor (2)

fiscal note(s) Senate Rev 5/2/96 DEC 5/4/96
DNC 5/2/96 DOE 5/2/96 CED 1/2/96
(2) Gov 1/2/96, MW 1/2/96

zero fiscal note(s)

zero fiscal note(s)

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
<i>Mark Kelly</i>	KELLY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<i>Gene Therriault</i>	THERRIAULT		<input checked="" type="checkbox"/>		
<i>Tommy Martin</i>	MARTIN			<input checked="" type="checkbox"/>	
<i>Paul Parnell</i>	PARNELL			<input checked="" type="checkbox"/>	
<i>John Kohring</i>	KOHRING			<input checked="" type="checkbox"/>	
<i>Scott Navarre</i>	NAVARRE			<input checked="" type="checkbox"/>	
<i>Ben Grussendorf</i>	GRUSSENDORF			<input checked="" type="checkbox"/>	
<i>John Mulder</i>	MULDER	<input checked="" type="checkbox"/>			
<i>Ray Brown</i>	BROWN	<input checked="" type="checkbox"/>			
<i>Mark Hanley</i>	HANLEY			<input checked="" type="checkbox"/>	

CHAIR'S SIGNATURE

Mark Kelly

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. HCS (SSB) 216 (FIN)

Revision Date _____
Title: Omnibus State Fees & Cost
Assessments
Sponsor: Rules Committee
Requestor: _____

Department Affected: Labor
BRU: Workers' Compensation
Component: Workers' Compensation

COMPONENT SERIAL NO. 344

EXPENDITURES/REVENUES:

(Thousands of Dollars)

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	0.0	0.0	0.0

CAPITAL						
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CHANGE IN REVENUE	1.8	1.8	1.8	1.8	1.8	1.8
FUND SOURCE #	1005	1005	1005	1005	1005	1005

FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)
1005 GF Program Receipt	1.8	1.8	1.8	1.8	1.8	1.8
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY96) impact: \$ None

ANALYSIS: (Attach a separate page if necessary)

Proposed legislation would create a \$100 annual Workers' Compensation Self-insured Assessment on all self-insured employers excluding the state, a municipality, a municipal school district or a regional educational attendance area. It would have a zero fiscal impact to the Worker Compensation Division. The new program receipts would offset existing general funds and would take effect January 1, 1997.

Prepared by: Paul Grossi, Director Phone: 465-2790
Division: Workers' Compensation Date: 5/6/96
Approved by Commissioner: Tom Cashen, Commissioner
Agency: Department of Labor Date: 5/6/96

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Revision Date: _____ Dept. Affected: Revenue
 Title: Omnibus State Fees & Cost Assessments BRU: Audit Operations
 Component: Income and Excise Audit
 Sponsor: Rules/Gov
 Requestor: (S) FIN COMPONENT SERIAL NO. 113

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

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (GF)	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0
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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 \$ 0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

(See Attached Analysis)

Prepared by: Paul E. Dick Phone: 465-2312
 Division: Income and Excise Audit Date: May 1, 1996
 Approved by Commissioner: Wilson L. Condon Date: May 1, 1996
 Agency: Revenue

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Bill Analysis

This bill analysis includes only sections which pertain to Department of Revenue.

Section 8 deletes reference to AS 43.40.100(2)F (gasohol) for requirements of a certificate of use which applies to sales of tax-exempt motor fuel.

Section 12 repeals the tax exemption for gasohol.

Operating Costs

Department of Revenue does not anticipate any additional operating costs for implementing the tax exemption. Tax return forms would be updated to delete the line for gasohol under exemptions.

Revenue

For FY 96, the first full fiscal year in which gasohol sales were mandated in Anchorage, Department of Revenue projects that 75 million gallons of gasohol will be claimed as exemptions on motor fuel tax returns. Accordingly, the state will forego \$6 million (8c/gallon times 75 million gallons) in motor fuel tax revenue. Repeal of the exemption will increase General Fund revenue by \$6 million per fiscal year.

FISCAL NOTE

Bill Version: CS SB 216 (FIN)

(S) Publish Date: 5-2-96

STATE OF ALASKA

1996 LEGISLATIVE SESSION

Revision Date: 4/12/96

Department Affected: Education

Title: An Act relating to postsecondary education

BRU: Alaska Commission on Postsecondary Education

Component: Program Administration

Sponsor: Rules

Requester: (S) L&C

COMPONENT SERIAL NO. 212

Expenditures/Revenues:

(Thousands of Dollars)

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						

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

CHANGE IN REVENUES	30 0	30 0	30 0	30 0	30 0	30 0
--------------------	------	------	------	------	------	------

FUND SOURCE

(Thousands of Dollars)

1902 Federal Receipts						
1903 GF Match						
1904 GF						
1905 GF Program Receipts	30 0	30 0	30 0	30 0	30 0	30 0
Other						
TOTAL	30 0	30 0	30 0	30 0	30 0	30 0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY96) impact: \$ -0-

ANALYSIS Section 2 allows the Commission to develop a fees schedule by regulation to cover, but not exceed, the costs associated with an institution's application for authorization to operate or renewal of authorization. The Commission currently funds the Institutional Authorization activities, 1.5 employees, from corporate receipts. Staff researched fee schedules of 25 similar state approving agencies and found that the rates varied from \$100 - \$6000. A number of states utilize a system of scaled fees which are tied to tuition rates or tuition revenues - a mechanism the Commission may wish to adopt.

The above revenue estimate is based on 1995 IA application totals and calculating 4% of the total tuition and fee revenue of the institutions seeking renewal of authorization. The minimum fee would be no less than \$200 and no more than \$2500.

Prepared by Gillian R. Mays, Legislative Liaison

Phone: 465-4719

Division: Alaska Commission on Postsecondary Education

Date: 4/12/96

Approved by Commissioner: Diane Barrans, Executive Director

Agency: Alaska Commission on Postsecondary Education

Date: 4/12/96

FISCAL NOTE

Bill Version: CSSA 216(FN)

(S) Publish Date: 5-2-96

STATE OF ALASKA 1996 LEGISLATIVE SESSION

Revision Date: Original Dept Affected Natural Resources
 Title: An Act relating to fees or assessment of BRU: Resource Development
costs for certain services provided by state government.. Component: Mining Development
 Sponsor: Rules by request of the Governor
 Requestor: Senate Finance Component Serial No. 442

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
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 (1005)	10.0	10.0	10.0	10.0	10.0	10.0

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 (FY96) cost: \$ none

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 Exploration Incentives Credit bill (HB197) enacted during the last session contained a fiscal note that was not approved. This left an annual unfunded mandate of approximately \$62.0. Before signing the bill, the department contacted the mineral industry to determine how to reduce the overall unfunded administrative costs of the new program. Industry, the department, and the Department of Revenue worked together over the summer and fall to develop a consensus position that resolved the funding shortfall addressed in HB416/SB216 and streamlining measures contained in HB415/SB215. With enactment of both HB415/SB215 and HB416/SB216, the overall net existing shortfall for funding the exploration incentives credit program to the department will be significantly reduced and the decision/application process streamlined. This is because the streamlining aspects in HB415/SB215 provide for abolishing the requirement for annual filing and processing with an automatic approval of the commissioner when no action is taken, and substituting a requirement for CPA certification of annual exploration credits exceeding \$40,000 in any one year and a threshold of \$250,000 for filing an application unless the lesser amount is associated with a mine ready to go into production. We estimate there will be 12-14 applications a year, less than 1/2 filed in the first year with only a limited part of the exploration period eligible for credits.

Prepared by: Jules Treston, Director Phone: 289-6825
 Division: Mining and Water Management Date: 24-Apr-96
 Approved by Commissioner: [Signature] Date: 24-Apr-96
 Agency: Natural Resources

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FISCAL NOTE

No. 13

Bill Version: CS SB 016(FIN)
 (S) Publish Date: 5/4/96

STATE OF ALASKA
 1996 LEGISLATIVE SESSION

Revision Date: _____
 Title: Fee Authority Bill
 Sponsor: Rules Committee by request of Governor
 Requestor: Senate Finance

Department Affected: Environmental Conservation
 BRU: Statewide Public Services
 Component: Statewide Public Services

COMPONENT SERIAL NO. 2058

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	19.3	19.3	19.3	19.3	19.3	19.3
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	2.7	2.7	2.7	2.7	2.7	2.7
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
TOTAL OPERATING	22.0	22.0	22.0	22.0	22.0	22.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES (1005)						
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FUND SOURCE

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipt	22.0	22.0	22.0	22.0	22.0	22.0
1006 GF/MNTIA	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
TOTAL	22.0	22.0	22.0	22.0	22.0	22.0

Estimate of any current year (FY 96) 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.)

Bill would allow the department to set and collect fees to review subdivision plans for sewage disposal or treatment in areas outside an organized borough or municipality. Only about 10% of the plan reviews done by the department are from these areas of the state.

Prepared by: Janice Adair
 Division: Director, Division of Environmental Health

Floor: 269-7645
 Date: 5/3/96

Approved by Commissioner: *Michael R.*
 Agency: Department of Environmental Conservation

Date: 5/3/96

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FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. CSSB 215(FIN) AM

Revision Date: 5/8/96 Dept. Affected: Fish and Game
 Title: Omnibus state agency operations BRU: Administration and Support
 Component: Administrative Services

Sponsor: Senate Rules
 Requester: House Finance COMPONENT SERIAL NO. 479

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	1620.01	1620.01	1620.01	1620.01	1620.01	1620.01
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	1620.01	1620.01	1620.01	1620.01	1620.01	1620.01

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()	1620.01	1620.01	1620.01	1620.01	1620.01	1620.01
------------------------	---------	---------	---------	---------	---------	---------

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other Fish and Game Fund	1620.01	1620.01	1620.01	1620.01	1620.01	1620.01
TOTAL	1620.01	1620.01	1620.01	1620.01	1620.01	1620.01

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

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

See attached page.

Prepared by: Kevin Brooks *Kevin Brooks for* Phone: 465-8143
 Division: Division of Administration Date: 5/8/96
 Approved by Commissioner: Fred Rue *Fred Rue for* Date: 5/8/96
 Agency: Fish and Game

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This bill will alter the way in which fish and game license vendor compensation is paid. Currently, the vendor withholds 5% of revenue generated from the sale of sport licenses as commission. The department also pays each vendor an additional \$1 per item sold on a quarterly basis. The amount of additional vendor compensation has been increasing for several years, requiring the department to request supplemental funding each year to cover the increases. This bill will allow vendors to withhold their additional vendor compensation along with their 5% commission. This will result in a reduction of revenue to the fish and game fund and an equal reduction in expenditures to be charge against the fund. This change will streamline the process for paying vendor compensation while having a net zero affect on the fish and game fund. This bill will affect approximately 1000 of the department's 1400 license vendors. It will still be necessary to make payments of up to \$50 to approximately 400 vendors that sell less than 500 licenses per year. The department will continue to report all compensation in the state accounting system and to vendors and the Internal Revenue Service on a form 1099.

An amendment adopted in the Senate allows vendors to assign all of the additional compensation they are entitled to under Section 5 (a)(2) of this bill to a nonprofit fish and game association. Funds so assigned would be transmitted to the department for transfer to the designated nonprofit fish and game association. A check would be issued to the designated nonprofit and a IRS form 1099 to the vendor/agent.

FISCAL NOTE

No. 2
 Version: SB 216
 (S) Publish Date: 1/12/96

**STATE OF ALASKA
 1996 LEGISLATIVE SESSION**

Revision Date: _____ Dept. Affected: Office of the Governor
 Title: "An Act relating to fees or assessments of costs
for certain services provided by state government...." BRU: Commissions/Special Offices
 Sponsor: Rules Committee Component: Human Rights Commission
 Requester: Governor COMPONENT SERIAL NO. 1

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 100	FY 01	FY 02
PERSONAL SERVICES	5.1	5.1	5.1	5.1	5.1	5.1
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	5.1	5.1	5.1	5.1	5.1	5.1

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()	5.1	5.1	5.1	5.1	5.1	5.1
------------------------	-----	-----	-----	-----	-----	-----

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	5.1	5.1	5.1	5.1	5.1	5.1
1037 GF/Mental Health						
Other						
TOTAL	5.1	5.1	5.1	5.1	5.1	5.1

Estimate of any current year (FY96) cost: 0 0.0

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

The Commission receives many requests for training on preventing discrimination from employers, realtors and other organizations. These training sessions may consist of one hour presentations on the agency's responsibilities or full-day workshops on subjects like preventing discrimination against individuals with disabilities and sexual harassment.

The Commission was once able to respond to all requests for education on Alaska's Human Rights Law and easily meet its role of preventing discrimination without impacting on its enforcement activities. The Commission now has fewer staff at a time when the public's demand for services has soared.

Additional revenue generated by training would help offset the cost of overtime for our investigative staff who have recently been determined overtime eligible.

Prepared by: Paula M. Haley, Executive Director *M. Haley* Phone: 7474 x 241
 Division: Human Rights Commission Date: 1/9/96
 Approved by Commissioner: Jim Ayers, Chief of Staff *J. Ayers* Date: 1/10/96
 Agency: Office of the Governor

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FISCAL NOTE

Bill Version: SB 215
 (S) Publish Date: 1/12/96

STATE OF ALASKA
 1996 LEGISLATIVE SESSION

Revision Date: _____ Department: Commerce and Economic Development
 Title: An Act streamlining the functions of state BRU: Occupational Licensing
 government: _____ Component: Operations
 Sponsor: Rules Committee
 Requestor: Governor 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	(4.4)	(4.4)	(4.4)	(4.4)	(4.4)	(4.4)
TRAVEL	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
CONTRACTUAL	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	(5.3)	(5.3)	(5.3)	(5.3)	(5.3)	(5.3)
CAPITAL EXPENDITURES						
CHANGE IN REVENUES	(3.9)	(3.9)	(3.9)	(3.9)	(3.9)	(3.9)

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other 1001 Designated PR	(5.3)	(5.3)	(5.3)	(5.3)	(5.3)	(5.3)
TOTAL	(5.3)	(5.3)	(5.3)	(5.3)	(5.3)	(5.3)

Estimate of any current year (FY 96) cost: \$ 5.3

POSITIONS

FULL-TIME					
PART-TIME					
TEMPORARY					

ANALYSIS: (Attach a separate page if necessary)

Section 8 repeals regulatory oversight statutes and statutory references under centralized licensing for the Athletic Commission (AS 05.05 and AS 05.10), and the certification of professional geologists (AS 08.02.011). The reduction identified in this fiscal note represent direct costs associated with these programs: Athletic Commission at \$3.6, and Professional Geologists at \$1.7. The reduction of revenue is based on fees generated in FY 95. Revenue of the Athletic Commission totalled \$1.4 and licenses are renewed annually. Revenue generated by certification of professional geologists totalled \$2.5 and are based on a one time charge with no expiration.

Prepared by: Jennifer Strickler, Administrative Officer Phone: 465-2144
 Division: Occupational Licensing Date: January 9, 1996
 Approved by Commissioner: William L. Hensley Date: 1-9-96
 Agency: Commerce and Economic Development

STATE OF ALASKA
1996 LEGISLATIVE SESSION

FISCAL NOTE

Bill Version: SB 216
No. 6
(S) Publish Date: 1/12/96

Revision Date:

Title: An Act relating to fees or assessment of costs for certain services provided by state government, ...
Sponsor: Rules Committee
Requestor: Governor

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

COMPONENT SERIAL NO. 1B44

Expenditures/Revenues	(Thousands of Dollars)					
	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
OPERATING EXPENDITURES						
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	841.3	841.3	841.3	841.3	841.3	841.3
--------------------	-------	-------	-------	-------	-------	-------

FUND SOURCE	(Thousands of Dollars)					
	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1091 Designated Program Receipts	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)
1006 GF/MHTIA						
Other 1040 RESF	3.0	3.0	3.0	3.0	3.0	3.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY 98) cost: \$ 0.0

POSITIONS	FULL-TIME	PART-TIME	TEMPORARY

ANALYSIS: (Attach a separate page if necessary)
Section 1 of the bill amends AS 08.85.472(a) to allow real estate surety fund hearing costs on a claim for reimbursement to be charged to the surety fund. Currently, only costs associated with awarded claims may be paid from the fund. The funding source change of \$3.0 from Designated Program Receipts (1091) to the Real Estate Surety Fund (1040) reflect the statutory change made in Section 1. The \$3.0 identified is a very conservative amount since previously, only costs associated with awarded claims were identified. After the first year of charging all surety fund related hearing costs to the surety fund, full costs of related hearings will be documented.
Section 5 of the bill amends AS 43.70.030(a) to increase the business licensing fee from \$28 per year to \$78 biennially. Licensees are currently valid for two-years in which licensees pay \$60. There are approximately 67,300 business licensees which approximately half renew each year. Increasing the fee to \$78 will generate an additional \$841.3 to the General Fund.

Prepared by: Jennifer Stricker, Administrative Officer, Occupational Licensing
Division:
Approved by Commissioner: William L. Hensley
Agency: Commerce and Economic Development
Phone: 465-2144
Date: January 10, 1996
Date: 1/11/96

CS SB 216(FIN) - RELATING TO FEES CHARGED BY STATE AGENCIES - SECTIONAL

Section	Department	Brief Description	Revenues	
			FY97	Future Years
1	Commerce & Economic Dev	Allows the department to charge costs of hearings related to the real estate surety fund on an ongoing basis rather than upon conclusion of a case. This clarifies and simplifies the real estate surety fund statutes by allowing all hearing costs to be charged to the real estate surety fund.	3.0	
2	Education	Allows the department to set fees by regulation for applications to operate and for agents' permits related to postsecondary education institutions. This will allow the corporation to cover costs of this process by allocating these costs across the regulated population. Charges will be based on a sliding scale tied to the tuition/fee revenues of each institution and will set minimums and maximums.	62.5	
3	Governor	Allows the Human Rights Commission to charge fees for education and training services and for materials provided to the public. The Commission has had to direct more of its limited resources towards enforcement and less to training in recent years. This section will allow the Commission to charge for training to deal with this unmet need.	5.1	
4	Labor	Requires self-insured employers to pay a fee to cover the costs of activities related to Workers' Compensation claims processing. The bill exempts municipalities, school districts and regional educational attendance areas from these provisions. 4% user fee on all workers compensation costs paid during the previous calendar year. This is similar to the premium tax paid by employers' for WC policies. This fee would cover the cost of processing & hearings on claim disputes before the	384.4	
5	Natural Resources	Allows the department to charge a fee for direct costs of evaluating or auditing an application for exploration credits for mine development.	10.0	
6		Allows municipalities to charge prisoners for costs of incarceration subject to prisoners' ability to pay.		

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CS SB 216(FIN) - RELATING TO FEES CHARGED BY STATE AGENCIES - SECTIONAL

7	Transportation & Public Facilities	Allows the department to charge for the use of state marine or harbor facilities and requires municipalities that lease state marine or harbor facilities to charge comparable fees and account for those fees separately.		
8	Revenue	Removes gasohol from the requirement of use permits		
9	Commerce & Economic Dev	Increases business license fees charged by Occupational Licensing from \$25 per year to \$75 every 2 years The business license fees have not been changed since statehood. The increased revenues will help close the fiscal gap. Occupational licensing collects the current fees on a biannual basis.	841.3	
10	Military & Veterans' Affairs	Allows the department to charge fees for emergency management response training Municipalities, non-profits and for-profit organizations are interested in receiving training on emergency preparedness. The fees will cover travel and facility rental necessary to conduct the training. The trainer is funded from federal FEMA funds.	0.0	4.0
11	Environmental Conservation	Allows the department to charge chemical firms fees for pesticide and broadcast chemical use and for review of subdivision plans for sewage waste disposal or	320.0	
12	Revenue	Removes the gasohol from the exemptions from the definition of motor fuel	6,000.0	
13, 14		Transitional language		
15 - 17		Effective dates		
			<hr/>	
			7,626.3	4.0

failed -

AMENDMENT # 2

OFFERED IN THE HOUSE

BY Rep. Fesler

TO: CSSB 216 (FIN)(title am)

- 1 Page 3, Line 23, following "exceed":
- 2 Delete "\$70"
- 3 Insert "\$100"

~~Table 5~~ Rescinded
Adopted

AMENDMENT NO. 3

OFFERED IN HOUSE FINANCE

TO: CS for Senate Bill No. 216(FLN)(title am)

Omnibus State Fees and Cost Assessments

new section

* Sec. 4. AS 23.30.090 is amended by adding new subsections to read:

(b) An employer authorized as a self-insurer, except the state, a municipality, a municipal school district, or a regional educational attendance area shall pay to the department for administrative services provided by the department, a \$100 fee, [OF FOUR PERCENT OF THE TOTAL AMOUNT REPORTED IN THE REPORT FILED BY THE EMPLOYER UNDER AS 23.30.155(M) FOR THE PRECEDING CALENDAR YEAR. THE BOARD SHALL ADOPT REGULATIONS ESTABLISHING THE PROCEDURES FOR PAYMENT OF THE FEE UNDER THIS SUBSECTION. THE DEPARTMENT SHALL TRANSFER THE FEES COLLECTED UNDER THIS SUBSECTION TO THE DEPARTMENT OF REVENUE FOR DEPOSIT IN THE STATE TREASURY.

(C) IN (B) OF THIS SECTION, "TOTAL AMOUNT REPORTED" MEANS THE TOTAL OF ALL TEMPORARY TOTAL DISABILITY PAYMENTS, TEMPORARY PARTIAL DISABILITY PAYMENTS, PERMANENT PARTIAL DISABILITY PAYMENTS, PERMANENT PARTIAL IMPAIRMENT PAYMENTS, PERMANENT TOTAL DISABILITY PAYMENTS, MEDICAL BENEFITS, REEMPLOYMENT BENEFITS, DEATH BENEFITS, ATTORNEY FEES, LITIGATION COSTS, PENALTIES, INTEREST, AND OTHER PAYMENTS PAID BY THE EMPLOYER AND REPORTED IN THE EMPLOYER'S ANNUAL REPORT FILED UNDER AS 23.30.155(M).]

TYPICAL: OVER/UNDER-PAYMENT AMOUNTS

Annual Interest Rate Compounded Quarterly: 11%

Interest earned on \$150.00 or less:

In 30 days: \$1.38

In 60 days: \$2.75

In 90 days: \$4.13

Cost to process an underpayment or overpayment: \$150.00

NET RETURN in 30 days: \$1.38 Interest - \$150.00 Cost = -\$148.62

BREAK-EVEN CASE : OVER/UNDER-PAYMENT AMOUNTS

Annual Interest Rate Compounded Quarterly: 11%

Interest earned on \$16,000.00 :

In 30 days: \$146.67

In 60 days: \$293.33

In 90 days: \$440.00

Cost to process an underpayment or overpayment: \$150.00

NET RETURN in 30 days: \$146.67 Interest - \$150.00 Cost = -\$3.33

Memorandum

To: Pat Pourchot

CC: Tom Cashen

From: Paul Grossi, State of Alaska, Dept. of Labor Division of Workers' Compensation

Date: May 3, 1996

Subject: Self Insured User Fee

This memo is written to address concerns listed in letters by Mark Williams of Carr's and Glenn Smith of Scott Wetzel Services. The concerns are regarding the self-insured user fee.

Mark Williams' Letter:

1) Mr. Williams indicated the 4% user fee unequally distributes burden on self-insurers, because the premium tax is only 2.7% for workers' compensation insurance policies.

While this seems unfair to the self-insurer, it is actually less than the premium tax. The premium tax is based on a larger total sum. Premium is the amount charged for a policy and must include the amount claims will cost, overhead for the cost of doing business and a profit for the insurance company.

The 4% user fee is based just on the total workers' compensation payments paid. This is a much smaller total number so the percentage must be higher to make them closer to equal. The actual dollar amount paid to the state would not be larger. If anything, the 4% fee is probably less than what a premium tax would be for the same employer. For example:

A seafood company recently became self-insured. Their last workers' compensation policy premium was \$1,406,448. This would generate a premium tax of over \$37,000. Last year if the company were charged a 4% fee on all compensation paid, they would have paid under \$15,000 to the state.

2) The bill exempts the state and local governments. This is true. When the administration introduced the bill it included local governments. The Senate Labor and Commerce Committee excluded local governments from the fee because they felt this was a "pass through". The State was never included

because the entire operating budget of the Workers' Compensation Division is already paid for out of general funds. It is felt the State already pays its fair share.

Glenn Smith's letters:

1) Mr Smith says the intent of the bill is to generate revenue for the general fund and create an inducement for employers to reduce workplace injuries. While this may be true, the bill does allow the funds being produced by the 4% fee to be used as program receipts by the division reducing its reliance on straight general fund dollars.

2) Mr Smith says that self-insured employers pay premium tax for other lines of insurance. This is true for insured employers as well as self-insured employers.

3) Glenn makes the point that many of the self-insureds purchase an excess workers' compensation insurance policy for which they are charged a premium tax. This is true, although it is unlikely the self-insured fee plus the premium tax on the excess workers' compensation policy would total what a comparable insured pays in premium tax.

Lets go back to the seafood company who recently became self-insured. Last year that company's excess workers' compensation policy premium was \$192,316 the premium tax was \$4807.90. The total, if there had been a 4% fee last year, would have been approx. \$20,000. Again the last premium tax they paid was over \$37,000.

4) The last point Mr. Smith makes is that the premium tax should be eliminated and both insured and self-insured should be charged the 4% user fee. This may be a good idea and good public policy, but can't be addressed in the present legislation. Perhaps the insured user fee issue could be addressed in the future.

**CARR
GOTTSTEIN** FOODS CO.

Mark Williams, President & Chief Executive Officer

6111 A Street, Anchorage, Alaska 99518
 PH: (907) 564 2590 FAX: (907) 564 2590

Date: May 3, 1996

To: - Mark Hanley Fax: 465-2418
 Dick Foster 465-3242
 Joe Green 465-4316
 Pete Kott 465-2819
 Brian Porter 465-3834
 Norm Rokeberg 465-2043
 Eldon Mulder 465-3518
 Terry Martin 465-2291

From: Mark Williams
 President and CEO
 Carr Gottstein Foods Company

Carr Gottstein Foods Company opposes enactment of a "user fee" imposed by Section 3 of CSSB 216 on self insureds on workers' compensation and other benefits paid to injured workers. The proposed fee unequally distributes burden of supporting state insurance regulation because insurance carriers are responsible only for a 2.7% premium tax. The "user fee" concept requires more work to treat insurers and self insured equally. The proposed fee, together with existing premium tax would also generate more revenues than necessary to pay direct costs of insurance regulation and should be reviewed more carefully before implementation. The bill also exempts state and local governments from its provisions, thereby unfairly requiring private industry to pay unfair share of state administrative costs.



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

CARR GOTTSTEIN FOODS CO.

Mark Williams, President & Chief Executive Officer

1011 A Street, Anchorage, Alaska 99518
 PH: (907) 564 2590 FAX: (907) 564 2590

Date: May 3, 1996

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SCOTWITZEL
SERVICES, INC.

Risk Management Planning and Support

May 3, 1996

Brian Porter

RE: SB 216 - User Fee on Self Insureds

Dear Mr. Porter:

Please be advised that I would like to express my opposition to SB 216-User Fee on Self Insureds.


The intent of the Bill is to generate revenue for the general fund under the guise that it would also reduce losses by the 4% being based on the amount of claims paid and therefore bring a consciousness to the self insureds in controlling their losses.

What it doesn't say is that all self insureds in this State are not totally self insured and insure through the standard market for other lines of business and therefore also pay a premium tax of 2.7% on those lines. Further, the State's largest self insured, the State of Alaska, is not subject to this 4% fee and therefore has no incentive to control their losses.

Additionally, almost all self insureds that I'm familiar with pay a premium tax through their excess coverages. My recommendation is that if the purpose of the Bill is to generate revenue as well as reduce losses, that we eliminate the premium tax and charge an equal user fee to both self insureds and insureds, putting everyone on a common ground. Anything less than this would be a discriminatory action and I am vehemently opposed.

Thank you.

Sincerely,


Glenn C. Smith
Assistant Secretary/Branch Manager

GCS/clc

WCCA

WORKERS' COMPENSATION COMMITTEE OF ALASKA
P.O. Box 200611 • Anchorage, Alaska • 99520

May 3, 1996

Representative Foster
Juneau, Alaska

Re: Senate Bill 216 -- Self-Insureds' Tax

Dear Representative Foster:

On behalf of several hundred members of the Workers' Compensation Committee of Alaska (WCCA), and particularly our members who are self-insureds, I urge you to reject a proposed 4% user fee on self-insureds contained in this bill until the matter is more carefully considered by all interested parties.

While self-insureds do not presently pay the same 2.7% "insurance tax" levied by the State to pay administrative expenses of the Divisions of Insurance and Workers' Compensation, we believe a new 4% tax SB 216 would levy on self-insureds should not be enacted in its present form. Specifically:

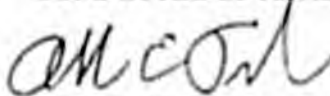
1. A combination of the proposed 4% tax on self-insureds with the existing 2.7% tax on certain forms of insurance will generate substantially more revenues than are presently required to pay actual operating costs of State insurance regulatory agencies. WCCA does not believe that taxes or "user fees" of this sort should be used to generate excess general fund revenues beyond those actually needed to fund specific regulatory activities.

2. WCCA certainly believes that self-insureds and those who purchase insurance should "pay their way" for State administrative costs, and should do so equally. The proposed legislation would not, however, equally distribute the burden of supporting legitimate regulatory activities between self-insureds and those who purchase insurance.

As WCCA pledged to Paul Grossi many months ago, we are more than willing to sit down with the State Administration and come up with a fair means of spreading these burdens equally. Until that happens, however, we do not believe SB 216 is an appropriate vehicle for simply raising new State revenues. We urge you to reject the 4% user fee in that bill. If you have questions regarding this matter, please do not hesitate to contact me.

Cordially,

WORKERS' COMPENSATION
COMMITTEE OF ALASKA



Allan E. Tesche
President

AET/sbi

Workers' Compensation Committee of Alaska
P.O. Box 200631 Anchorage, Alaska 99520

May 5 1996

Representative Richard Foster, Co-Chair
House Finance Committee
Alaska State Legislature

Dear Representative Foster:

Re: Senate Bill 216 -- Self-Insureds' Tax

Please consider this letter as testimony regarding SB 216 I would otherwise offer in person today on behalf of the Workers' Compensation Committee of Alaska.

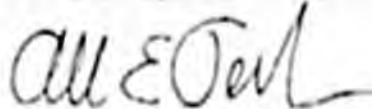
As you know, the Workers' Compensation Committee of Alaska counts as its members hundreds of insured and self insured businesses, non profit, and public entities dedicated to the goals of improving Alaska's workers' compensation system in ways that benefit both employers and employees. We understand and appreciate the need to explore new, and more equitable means of supporting essential State governmental functions such as the activities of the Divisions of Insurance and Workers' Compensation.

For reasons stated in my letter to you last Friday, WCCA opposes the current proposal for a new tax on self insureds which is contained in SB 216. Those comments are not repeated here. Instead, I want the Committee to understand that WCCA remains committed to working with the State Administration and the legislature in crafting more equitable means of allocating the direct costs of those governmental functions among the various entities involved. We would like the opportunity to work with the insureds and self insureds within our organization to develop specific, alternate legislation which would achieve these goals.

On behalf of WCCA, I request the proposed tax on self insureds contained in SB 216 be deferred pending further discussions between the state agencies involved, WCCA, and the insureds and self insureds affected. I remain confident that with sufficient time to work with the entities involved, a consensus on improved language is feasible.

Cordially,

WORKERS' COMPENSATION
COMMITTEE OF ALASKA



Allan E. Tesche, President

Carr-Gottstein Foods Co. response to Senate Bill 216

Carr-Gottstein Foods Co. is opposed to paragraph (b) & (c) of section 3 of senate bill 216. These paragraphs call for a 4% fee to be paid by authorized self-insureds on all costs reported to the state for workers' compensation in the prior year. The costs reported would include all medical benefits, disability benefits, impairment ratings, reemployment benefits, death benefits, attorney fees, litigation costs, penalties, interest, and all other payments which the employer is required to report to the state. For Carrs this would amount to an additional tax (fee) of approximately \$57,000 per year. Listed below are some of the reasons we are opposed to these sections of the bill

- Carrs already pays a 2.7% tax on the excess insurance coverage we purchase for workers' compensation. We also pay a 2.7% tax on all our property coverage, liability coverage, automobile coverage, boiler and machinery coverage, crime coverage, and other insurance we purchase. These premium taxes amounted to approximately \$19,000 last year.
- Currently the insurance premium taxes which the state collects are more than sufficient to fund both the Division of Insurance and the Department of Labor, Workers' Compensation Division with excess funds being used for general government
- Carr-Gottstein is the largest private employer in the state and has chosen to be self insured both for economic reasons and so that we can manage our own claims. We have an active return to work program which has been very successful and has been used as an example to others. We handle claims fairly and expeditiously which means we do not overuse or place a heavy burden on the workers' compensation system.
- One argument for this fee is that it would encourage self-insureds to hold their losses down. I believe that we already have all the incentive we need to keep our claims down. We have been very proactive in doing this and have been extremely successful. This fee would only add to our costs of doing business in an extremely competitive marketplace and industry.
- According to the state records for 1994 (latest year we have) the two self-insureds who reported the largest dollar amount to the state for workers' compensation expenditures would be exempt from the tax (fee). These are: Municipality of Anchorage (reported costs of \$2,148,957 and assessed fee of \$85,958) and Anchorage School District (reported costs of \$1,460,149 and assessed fee of \$58,406). Under the proposed bill one would be exempt as a municipality and the other as a municipal school district
- Carrs has chosen to take the risk with a high self-insured retention (deductible) on our workers' compensation insurance. We feel this fee amounts to nothing more than a tax on underlying coverage we have elected not to purchase
- Our business is extremely competitive and we look for every advantage and cost savings we can find to remain competitive and offer our customers the best possible prices. We can't simply accept increased costs of doing business with the thought that we can pass them along to residents of the State of Alaska.

Sincerely,

Mark R. Williams

President and Chief Executive Officer

The

WCCA Sounder

"A publication for people concerned
about workers' compensation reform"

January/February 1996

**WCCA
opposes use
of workers
compensation
fees to fund
general
government**



Director Paul Grossi (third from left), of the Division of Workers' Compensation, briefs the WCCA's Board on a proposal to impose a user fee on self-insured companies. Also pictured are, left to right, WCCA President Allan Tesche, WCCA Treasurer Eric Tollefson, Alaska Workers' Compensation Board Member Steve Hagedorn and WCCA Board Members Carol Ann Lute and Carol Smith.

'User fee' of 4% proposed on self-insured employers

A 4% "user fee" on workers' compensation claims paid by self-insured companies has been put forward by the Knowles administration to help close the state's fiscal gap. Division of Workers' Compensation Director Paul Grossi met in early February with WCCA to brief employers on the proposed tax.

WCCA board members, representing many of the state's self-insured employers, questioned Grossi closely and exchanged views on the proposal. According to Grossi, the 4% fee would be "comparable to the 2.7% premium" as that employers pay now through their insurance policy. "We see this as a 'fairness type of fee.'"

The current tax generates \$5 million annually, which goes into the general fund and more than supports the budgets for the Division of Insurance and the Division of Workers' Compensation. The new tax would generate an additional \$600,000 to \$700,000 for the state's general fund.

At the meeting WCCA members expressed their willingness to contribute to the support of the Divisions of Insurance and Workers' Compensation. WCCA President Allan Tesche asked Grossi to come up with an appropriate figure which represents "overhead" for the division.

Concerns were expressed about the lack of investigative capability within

Continued on page 5

**Self-insureds
already pay
tax on other
lines and
excess
coverage**

User fees

(continued from page 1)

the division, which has allowed certain unscrupulous workers to file fraudulent workers' compensation claims with impunity.

"They know they'll never get caught," pointed out attorney and WCCA Member-at-Large Shelby Nuenke-Davison. WCCA Treasurer Eric Tollefson, human resources manager at Carrs Quality Centers, added that most employers would be willing to pay for beefed up investigations and prosecutions of workers' compensation fraud.

John Garrett, claims adjuster for Alyeska Pipeline Service Company, noted that Alyeska would probably have no problem paying its fair share for services received—but not for fattening the state's general fund.

Others echoed the same theme: the unfairness of asking the workers' compensation system to support general government. WCCA members pointed out that the Second Injury Fund already goes into the general fund with no interest paid. Board member Veronica Allmaras, employee health manager at Providence Hospital, commented in writing that Providence last year paid more than \$30,000 into the Second Injury Fund. "Just because we're self-insured, that doesn't mean we don't pay taxes."

WCCA's Glenn Smith, of Scott Wetzel Services, who also sent in written objections, pointed out that self-insured employers pay a premium tax on their standard insurance, as well as on their excess coverage.

Director Grossi noted that one attractive feature of the user fee would be that the actual amount paid each year would rise or fall depending on the employer's workers' compensation claims paid. "Obviously, a company with fewer accidents will file fewer claims, schedule fewer hearings and pre-hearings and in general be less of a burden on the state," said Grossi. "We've built in an incentive for maintaining a safe workplace."

Smith, in his written comments, asked, "What incentive do the insurance companies have in holding their losses down when they are only responsible for paying a 2.7% premium tax, which they in turn pass on back to their consumers? Certainly if there is going to be a user fee, then the premium tax should be abol-



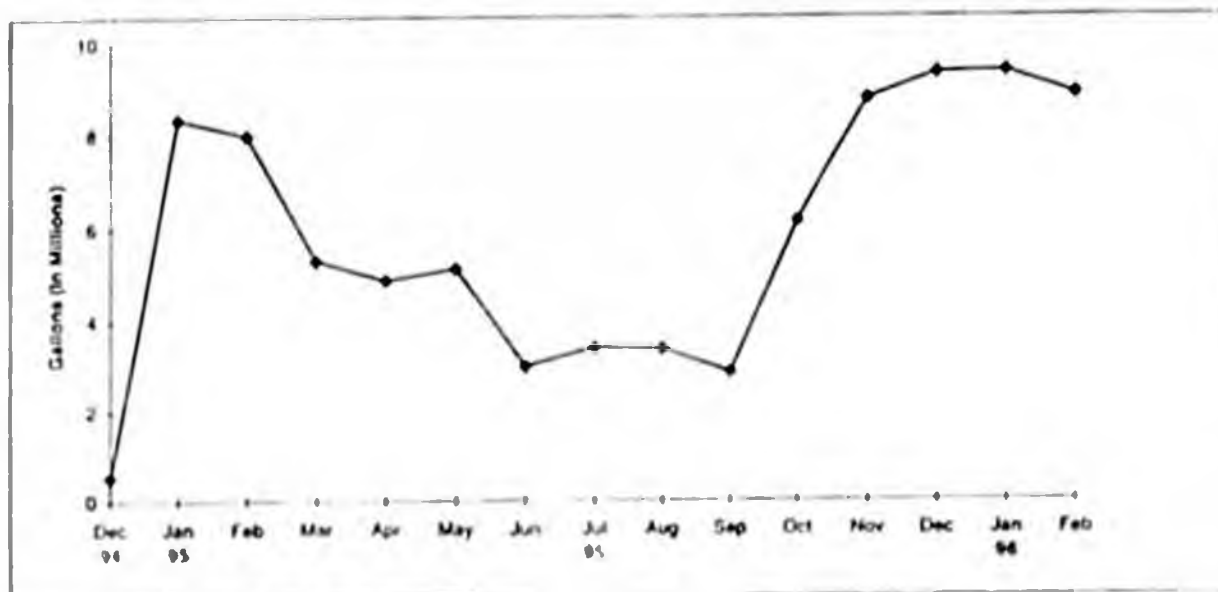
Others participating in the recent briefing were, left to right, WCCA Past President Willy Van Hemert, Member-at-Large Shelby Nuenke-Davison, WCCA Board Members Virginia Collins and (rear) Mark Lutz, and Tom Johnson of Aurora Environmental & Safety. Also in attendance was Alyeska's John Garrett.

ished and a user fee assessed against both insureds and self-insureds... This would put both the standard market and the self-insureds on an even playing field." Smith also noted the inequity of having Alaska's largest self-insured entity, the state itself, exempt from the user fee, and hence its loss control incentives.

WCCA officials expressed their thanks to Director Grossi for the briefing, and the opportunity to discuss the proposed fee.

Alaska Department of Revenue
Income and Excise Audit Division

Gasohol Distributions by Month
Inception to Date through April 10, 1996



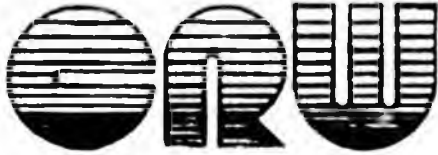
	FY 96 YTD	FY 96 Projected
Total Gallons	52,144,775	75,000,000
Tax Equivalent	\$4,171,582	\$6,000,000

Revenue lost

FY 95 Actuals
\$ 2,400,000

Month	FY 95	FY 96
July		3,414,786
August	N/A	3,383,432
September	(closed month not open)	2,874,991
October		6,149,280
November	January 1991	8,768,003
December	527,623	9,328,066
January	8,327,787	9,365,194
February	7,970,557	8,060,993
March	5,311,785	
April	4,883,918	
May	5,138,818	
June	3,004,248	
Total	35,170,934	62,144,775

FAX Cover Sheet



CRW Engineering Group
3900 Arctic Blvd., Suite 203
Anchorage, AK 99503-5781
Phone (907) 562-3252 Fax 561-2273

To:

From:

Attention: Rep. Mark Hanley
Company: Alaska House of Representatives

Name: Willy Van Hemert, P. E.
Job No.: Date: 5/6/96
Descr.: Senate Bill 216

Fax No: (907)465-2418

Subject:

Total Number of Sheets: 1
(Including this sheet)

Originals in Mail: Yes No

Remarks:

Dear Representative Hanley:

I would like to express my opposition to passage of SB 216 in regards to the 4% user fee imposed on self-insureds. I have long supported the concept of user fees as long as they are equitably dealt with. Unfortunately, the selection of a 4% rate is completely arbitrary. As you are aware, insurance carriers pay only a 2.7% premium tax. This should be the beginning point for considering fees for other user groups. And even then, the Division of Worker's Compensation should be able to justify the financial impact to their division by the various groups. If additional income is generated shouldn't everyone's rates go down?

In regard to equity, I also have a big problem exempting state and local governments. As a person in private industry, I am always facing the issue of government being able to do the work at less cost. Part of that conception comes from the fact that government entities are exempt from many costs or their direct costs are hidden through the administrative process. This is just another example of how government is given a special status at the expense of private industry.

Finally, having worked with the worker's comp issue for the past six years, I know that there is a need to find consensus prior to initiating changes in the system. In this case, the division did not address concerns with the impacted parties early on. Had they reached consensus prior to introducing their bill, your job would have been made much easier. As it now stands, you have a difficult job ahead of you. I would strongly urge you and the committee to eliminate the 4% user fee from SB 216 and make the division work with the self-insureds to reach an acceptable compromise that can be dealt with "easily" in the next legislative session.

1100 PROVIDENCE DRIVE
 PO BOX 150674
 ANCHORAGE, ALASKA
 99511-0674

PH 907 562-2211

May 4, 1996

TO: Senator Gail Phillips
 Representative Mark Hanley
 Senate President Drue Pearce
 Senator Rick Halford
 Senator Mike Miller
 Senator Tim Kelly

FROM: Joan Fisher, Administrator *Fisher*
 Providence Health System in Alaska

RE: SB 216

The Providence Health System in Alaska opposes the enactment of a 4% user fee imposed by Section 3 of SB 216 on self insureds on worker's compensation and other benefits paid to injured workers. The proposed fee unequally distributes the burden of supporting state insurance regulation because insurance carriers are responsible only for a 2.7% premium tax. The "user fee" concept requires more work to treat insurers and self insured equally. The proposed fee, together with raising premium tax, could also generate more revenues than necessary to pay direct costs of insurance regulation and should be reviewed more carefully before implementation.

The bill also exempts state and local governments from its provisions, thereby unfairly requiring private industry to pay unfair share of state administrative costs.

SB

216

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 5/2/96

DATE TURNED INTO OFFICE: 5-2-96

The Finance Committee considered SENATE BILL NO. 216

Relating to fees or assessment of costs for certain services provided by state government; efd.

and recommends:

- be replaced with _____ CS SB 216 (FIN)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by the Finance Committee
- further referral to the _____ Committee

Senate Bill:
 same title
 new title
House Bill:
 same title
 technical change
 new: SCR# _____

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
		<i>[Signature]</i>			
		<i>[Signature]</i>			
		<i>[Signature]</i>			
		<i>[Signature]</i>			
Co-Chair: <i>[Signature]</i>		Co-Chair: <i>[Signature]</i>			
Co-Chair: <i>[Signature]</i>		Co-Chair: <i>[Signature]</i>			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
DOR (Income/Excise)	2/1/96		6,000.0 Rev.
D Labor	2/2/96		384.5 Rev.
DOE	1/2/96		300 Rev.
DNR	1/24/96		100 Rev.
DEC (Fork Lining)	5/3/96		22.0

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal
Gov.	1/10/96		50
DM&A	1/11/96	0	
DC&ED	1/10/96		841.3 Rev.
Gov.	1/10/96	0	
DEC	1/10/96		100.0 Rev.

APPROPRIATION -- no fiscal note

*Include fiscal notes accompanying Governor's bill

FISCAL NOTE

Bill Version: SB 216
(S) Publish Date: 1/12/96

STATE OF ALASKA
1996 LEGISLATIVE SESSION

Revision Date: _____
Title: Governor's Fees Bill
Sponsor: Rules Committee
Requester: Governor Knowles

Department Affected: Revenue
BRU: Alaska Student Aid Corporation
Component: Program Administration

COMPONENT SERIAL NO. 2111

Expenditures/Revenues:

(Thousands of Dollars)

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						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES	62.5*	123.2	125.6	128.2	131.0	133.6
---------------------------	--------------	--------------	--------------	--------------	--------------	--------------

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 CF						
1005 GF/Program Receipts						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY96) impact: \$ -0-

ANALYSIS: (Attach a separate page if necessary.) * estimated revenue upon implementation in January, 1997. Currently these authorization-related activities are performed by 2.5 staff at a cost to the Alaska Student Loan Corporation of approximately \$125,000 each year. Through this Bill, the Corporation would have the authority to develop a method of allocating these costs across the regulated population. We anticipate that this could be done on a sliding scale that is tied to the tuition fee revenues of each institution and would propose that minimum and maximum amounts be set. These funds are program receipts received into the general fund.

Prepared by: Gillian Hays, Legislative Liaison Phone: 485-8718
 Division: Alaska Student Aid Corporation Date: January 11, 1996
 Approved by Executive Director: Diana Barrans *Diana Barrans*
 Agency: Revenue Date: _____

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5/2/96

FISCAL NOTE

FIN

STATE OF ALASKA

BILL NO. SB 216

1996 LEGISLATIVE SESSION

Revision Date: 4/12/96

Department Affected: Education

Title: An Act relating to postsecondary education

BRU: Alaska Commission on Postsecondary Education

Component: Program Administration

Sponsor: Rules

Requester: (S) L&C

COMPONENT SERIAL NO. 212

Expenditures/Revenues:

(Thousands of Dollars)

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						

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

CHANGE IN REVENUES	30 0	30 0	30 0	30 0	30 0	30 0
--------------------	------	------	------	------	------	------

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	30 0	30 0	30 0	30 0	30 0	30 0
Other						
TOTAL	30 0	30 0	30 0	30 0	30 0	30 0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY96) impact \$ -0-

ANALYSIS Section 2 allows the Commission to develop a fees schedule by regulation to cover, but not exceed, the costs associated with an institution's application for authorization to operate or renewal of authorization. The Commission currently funds the Institutional Authorization activities, 15 employees, from corporate receipts. Staff researched fee schedules of 25 similar state approving agencies and found that the rates varied from \$100 - \$6000. A number of states utilize a system of scaled fees which are tied to tuition rates or tuition revenues -- a mechanism the Commission may wish to adopt.

The above revenue estimate is based on 1995 IA application totals and calculating 4% of the total tuition and fee revenue of the institutions seeking renewal of authorization. The minimum fee would be no less than \$200 and no more than \$2500.

Prepared by Gillian R. Hays, Legislative Liaison
 Division: Alaska Commission on Postsecondary Education
 Approved by Commissioner: Diane Barrans, Executive Director
 Agency: Alaska Commission on Postsecondary Education

Phone: 465-6718
 Date: 4/12/96
 Date: 4/12/96

FISCAL NOTE

No. 2

Version: SB 216

(S) Publish Date: 1/12/96

STATE OF ALASKA
1996 LEGISLATIVE SESSION

Revision Date:	Dept. Affected: <u>Office of the Governor</u>
Title: <u>"An Act relating to fees or assessments of costs for certain services provided by state government,..."</u>	BKU: <u>Commissions/Special Offices</u>
Sponsor: <u>Rules Committee</u>	Component: <u>Human Rights Commission</u>
Requester: <u>Governor</u>	COMPONENT SERIAL NO. <u>1</u>

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 100	FY 01	FY 02
PERSONAL SERVICES	5.1	5.1	5.1	5.1	5.1	5.1
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	5.1	5.1	5.1	5.1	5.1	5.1

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

CHANGE IN REVENUES ()	5.1	5.1	5.1	5.1	5.1	5.1
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	5.1	5.1	5.1	5.1	5.1	5.1
1037 GF/Mental Health						
Other						
TOTAL	5.1	5.1	5.1	5.1	5.1	5.1

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

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

The Commission receives many requests for training on preventing discrimination from employers, realtors and other organizations. These training sessions may consist of one hour presentations on the agency's responsibilities or full-day workshops on subjects like preventing discrimination against individuals with disabilities and sexual harassment.

The Commission was once able to respond to all requests for education on Alaska's Human Rights Law and easily meet its role of preventing discrimination without impacting on its enforcement activities. The Commission now has fewer staff at a time when the public's demand for services has soared.

Additional revenue generated by training would help offset the cost of overtime for our investigative staff who have recently been determined overtime eligible.

Prepared by: <u>Paula M. Haley, Executive Director</u>	Phone: <u>7474 x 241</u>
Division: <u>Human Rights Commission</u>	Date: <u>1/9/96</u>
Approved by Commissioner: <u>Jim Ayers, Chief of Staff</u>	Date: <u>1/10/96</u>
Agency: <u>Office of the Governor</u>	

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FISCAL NOTE

Bill Version: SB 216

STATE OF ALASKA 1996 LEGISLATIVE SESSION

BILL (S) Publish Date: 1/12/96

Revision Date: Original Dept Affected: Military & Veteran's Affairs
 Title: An Act relating to fees BRU: Disaster Planning and Control
 Component: Disaster Planning and Control
 Sponsor: Rules Committee
 Requestor: Governor Knowles Component Serial No. 1808

Expenditures/Revenues (Thousands of Dollars)

	FY97	FY98	FY99	FY00	FY01	FY02
OPERATING EXPENDITURES						
PERSONAL SERVICES						
TRAVEL		20	20	20	20	20
CONTRACTUAL		20	20	20	20	20
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	00	40	40	40	40	40
CAPITAL EXPENDITURES	00	00	00	00	00	00
CHANGE IN REVENUES (1005)	00	40	40	40	40	40

FUND SOURCE (Thousands of Dollars)

	FY97	FY98	FY99	FY00	FY01	FY02
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts		40	40	40	40	40
1006 GF/MHTIA						
Other						
TOTAL	00	40	40	40	40	40

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

POSITIONS

	FY97	FY98	FY99	FY00	FY01	FY02
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)

Fiscal impact determined by 2 emergency preparedness classes conducted per year - 20 attendees per class - \$100 per attendee per class. One class will be in Juneau, one in Anchorage. The trainer will be paid for by a federal FEMA grant already included in the FY97 operating budget request.

Prepared by: Carol Carroll, Director Phone: 465-4730
 Division: Administrative Services Date: 11-Jan-96
 Approved by Commissioner: [Signature] Date: 11-Jan-96
 Agency: Military & Veteran's Affairs

FISCAL NOTE

No. 4

Bill Version: SB 216

(S) Publish Date: 1/12/96

STATE OF ALASKA 1996 LEGISLATIVE SESSION

Revision Date: _____
Title: Fee Bill

Department Affected: Environmental Conservation

Sponsor: Rules Committee
Requestor: Governor

BRU: Environmental Health
Component: Laboratory Services

COMPONENT SERIAL NO. 2065

Expenditures/Revenues	(Thousands of Dollars)					
	FY 97	FY 98	FY 99	FY 00	FY 01	FY 01
OPERATING EXPENDITURES						
PERSONAL SERVICES	00	00	00	00	00	00
TRAVEL	00	00	00	00	00	00
CONTRACTUAL	00	00	00	00	00	00
SUPPLIES	00	00	00	00	00	00
EQUIPMENT	00	00	00	00	00	00
LAND & STRUCTURES	00	00	00	00	00	00
GRANTS, CLAIMS	00	00	00	00	00	00
MISCELLANEOUS	00	00	00	00	00	00
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 (1005)	100.0	100.0	100.0	100.0	100.0	100.0

FUND SOURCE

1002 Federal Receipts	00	00	00	00	00	00
1003 GF Match	00	00	00	00	00	00
1004 GF	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)
1005 GF Program Receipt	100.0	100.0	100.0	100.0	100.0	100.0
1006 GF-MHTA	00	00	00	00	00	00
Other	00	00	00	00	00	00
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

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.)

Bill would authorize the department to charge fees to regulate pesticides and broadcast chemicals. Proposed registration fees received from pesticide and broadcast chemical producers would replace general funds. No additional positions are planned.

Prepared by Larry Jones
Division Director, Division of Administrative Services

Phone 465-5010
Date 1/11/96

Approved by Commissioner Lawrence Jones
Agency Department of Environmental Conservation Date 1/10/96

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FISCAL NOTE

No. 6

STATE OF ALASKA
1996 LEGISLATIVE SESSION

Bill Version: SB 216

(S) Publish Date: 1/12/96

Revision Date: _____
 Title: An Act relating to fees or assessment of costs for certain services provided by state government.
 Sponsor: Rules Committee
 Requestor: Governor

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

COMPONENT SERIAL NO. 1841

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	00	00	00	00	00	00

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

CHANGE IN REVENUES	841.3	841.3	841.3	841.3	841.3	841.3
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FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1091 Designated Program Receipts	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)
1005 GF/AMTA						
Other 1040 RESF	30	30	30	30	30	30
TOTAL	00	00	00	00	00	00

Estimate of any current year (FY 96) cost: \$ 00

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Section 1 of the bill amends AS 08.68.472(a) to allow real estate surety fund hearing costs on a claim for reimbursement to be charged to the surety fund. Currently, only costs associated with awarded claims may be paid from the fund. The funding source change of \$3.0 from Designated Program Receipts (1091) to the Real Estate Surety Fund (1040) reflect the statutory change made in Section 1. The \$3.0 identified is a very conservative amount since previously, only costs associated with awarded claims were identified. After the first year of charging all surety fund related hearing costs to the surety fund, full costs of related hearings will be documented.

Section 5 of the bill amends AS 43.70.030(a) to increase the business licensing fee from \$25 per year to \$75 biennially. Licensees are currently valid for two years in which licensees pay \$50. There are approximately 67,300 business licenses which approximately half renew each year. Increasing the fee to \$75 will generate an additional \$841.3 to the General Fund.

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

Phone: 465-2144
 Date: January 10 1996
 Date: 1/11/96

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FISCAL NOTE

No. 7
 Bill Version: SB 216
 (S) Publish Date: 1/12/96

STATE OF ALASKA
 1996 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: Office of the Governor
 Title: "An Act relating to fees and assessment of costs
for certain services provided by state government...." BRU: Office of Management & Budget
 Sponsor: Rules Committee Component: Governmental Coordination
 Requester: Governor COMPONENT SERIAL NO. 18

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 100	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL			3.0	3.3	6.8	7.0
CONTRACTUAL			6.5	6.7	13.4	13.0
SUPPLIES			0.2	0.3	0.6	1.2
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	9.7	10.3	20.8	22.2

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

CHANGE IN REVENUES			32.5	33.8	67.8	70.4
--------------------	--	--	------	------	------	------

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			(22.8)	(23.5)	(47.0)	(48.2)
1004 GF						
1005 GF Program Receipts			32.5	33.8	67.8	70.4
1007 GF Mental Health						
Other						
TOTAL	0.0	0.0	9.7	10.3	20.8	22.2

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

POSITIONS

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

ANALYSIS: (Attach a separate page if necessary)

Sec 6 allows OMB to adopt regulations to charge for services related to consistency reviews under Alaska's Coastal Management Program. For certain types of large projects (e.g., oil and gas development outside of the common carrier pipeline, forest products manufacturing facilities and development, and other large scale proposals), it is cost-effective for the project proponent to have the early involvement of dedicated state staff which facilitates and expedites the review and permitting of their project. Where industry is willing to pay for dedicated staff, this legislation and fiscal note enables DGC to assemble a team consisting of staff from DGC, state agencies and, if applicable, affected coastal districts, to facilitate early design and review of particular projects. Fee levels would be negotiated based on specific project requirements.

While Alaska will always have large projects, without an established record, we cannot predict revenues from this source until these projects near design and permitting stage. State lead time is often less than a fiscal year. This fiscal note anticipates setting fee rates and gaging industry participation during the regulation process in FY97 and FY98. (continued on page 2)

Prepared by: Diane Mayer *Diane Mayer* Phone: 465-3562
 Division: Governmental Coordination Date: 1/10/96
 Approved by Commissioner: Jim Ayers *Jim Ayers* Date: 1/10/96
 Agency: Office of the Governor

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For informational purposes only, this fiscal note shows application of the adopted regulations as it would apply to the operating budget of DGC only for a single project in FY99 and FY00. FY01 and FY02 are based on two large project activities. Each year is adjusted for the current inflation rate. Costs associated with additional state agencies and coastal district participation would be included in the fee negotiations with industry and would be distributed to participants through the RSA process.

Until such time as industry need and predictable fee receipts are determined, revenues generated through these fees will increase unrestricted revenue receipts to the GF and will assist in increasing available GF for legislative appropriation.

FISCAL NOTE

No. 8
Bill Version: SB 216

(S) Publish Date: 1/12/96

**STATE OF ALASKA
1996 LEGISLATIVE SESSION**

BILL NO.

Revision Date: _____
Title: Fees for State Services

Department Affected: Labor
BRU: Workers' Compensation
Component: Workers' Compensation

Sponsor: Rules Committee
Requestor: Governor

COMPONENT SERIAL NO. 144

EXPENDITURES/REVENUES:

(Thousands of Dollars)

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	00	00	00	00	00	00

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

CHANGE IN REVENUE	671.3	671.3	671.3	671.3	671.3	671.3
FUND SOURCE #	1005	1005	1005	1005	1005	1005

FINDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	(671.3)	(671.3)	(671.3)	(671.3)	(671.3)	(671.3)
1005 Gr/Program Receipt	671.3	671.3	671.3	671.3	671.3	671.3
1006 GF/MTIA						
Other						
TOTAL	00	00	00	00	00	00

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY96) impact \$ 00

ANALYSIS: (Attach a separate page if necessary) Proposed Legislation of a 4% Workers' Compensation Self-insured Assessment on all self-insured employers would have a zero fiscal impact to the Workers' Compensation Division. The assessment to self-insured employers is similar to the premium tax paid by all insured employers. Exemption of the State is appropriate because the State already allocates 2.5 million to the Worker's Compensation general fund. If this bill is passed the State's contribution would be reduced, but it would still remain greater than the 4% private sector self-insured employer assessment. The new program receipts would offset existing general fund allocations.

Prepared by: Paul Grossel, Director Phone: 465-2790
Division: Workers' Compensation Date: 1/10/96

Approved by Commissioner: Tom Cashen, Commissioner Date: 1/10/96
Agency: Department of Labor

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STATE OF ALASKA

FISCAL NOTE

BILL NO. CSSB216(L&C)

1996 LEGISLATIVE SESSION

Revision Date: Original Dept Affected Natural Resources

Title: An Act relating to fees or assessment of BRU: Resource Development

costs for certain services provided by state government... Component: Mining Development

Sponsor: Rules by request of the Governor

Requestor: Senate Finance Component Serial No. 442

Expenditures/Revenues	(Thousands of Dollars)					
	FY97	FY98	FY99	FY00	FY01	FY02
OPERATING EXPENDITURES						
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 (1005)	10.0	10.0	10.0	10.0	10.0	10.0
---------------------------	------	------	------	------	------	------

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 (FY96) cost: \$ none

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 Exploration Incentives Credit bill (HB197) enacted during the last session contained a fiscal note that was not approved. This left an annual unfunded mandate of approximately \$62.0. Before signing the bill, the department contacted the mineral industry to determine how to reduce the overall unfunded administrative costs of the new program. Industry, the department, and the Department of Revenue worked together over the summer and fall to develop a consensus position that resolved the funding shortfall addressed in HB415-5B216 and streamlining measures contained in HB415-5B215. With enactment of both HB415-5B215 and HB415-5B216, the overall net existing shortfall for funding the exploration measures contained in HB415-5B215 to the department will be significantly reduced and the decision/application process streamlined. This is because the streamlining affects in HB415-5B215 provide for abolishing the requirement for annual filing and processing with an automatic approval of the commissioner when no action is taken, and substituting a requirement for CPA certification of annual exploration credits exceeding \$40,000 in any one year and a threshold of \$250,000 for filing an application unless the lesser amount is associated with a mine ready to go into production. We estimate there will be 12-14 applications a year, less than 1/2 filed in the first year with only a limited part of the exploration period eligible for credits.

Prepared by: Jules Tieslon, Director Phone: 269-6825

Division: Mining and Water Management Date: 24-Apr-96

Approved by Commissioner: [Signature]

Agency: Natural Resources Date: 24-Apr-96

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. CSSB 216(L&C)

Revision Date: _____
Title: Omnibus State Fees & Cost
 Assessments
Sponsor: Rules Committee
Requestor: Senate Finance

Department Affected: Labor
BRU: Workers' Compensation
Component: Workers' Compensation

COMPONENT SERIAL NO. 344

EXPENDITURES/REVENUES: (Thousands of Dollars)

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	0.0	0.0	0.0

CAPITAL	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
CHANGE IN REVENUE	384.4	384.4	384.4	384.4	384.4	384.4
FUND SOURCE #	1005	1005	1005	1005	1005	1005

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	(384.4)	(384.4)	(384.4)	(384.4)	(384.4)	(384.4)
1005 GF/Program Receipt	384.4	384.4	384.4	384.4	384.4	384.4
1006 GF/MHT/A						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY98) impact: \$ None

ANALYSIS: (Attach a separate page if necessary)
Proposed legislation of a 4% Workers' Compensation Self-Insured Assessment on all self-insured employers, excluding the state, a municipality, a municipal school district, or a regional educational attendance area, would have a 2013 fiscal impact to the Workers' Compensation Division. The assessment to self-insured employers is similar to the premium tax paid by all insured employers. The new program receipts would off set existing general funds and would take effect January 1, 1997.

Prepared by: Paul Grossl, Director Phone: 465-2790
Division: Workers' Compensation Date: 5/2/96
Tom Cashen
Approved by Commissioner: Tom Cashen, Commissioner
Agency: Department of Labor Date: 5/2/96

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Revision Date: _____ Dept. Affected: Revenue
 Title: Omnibus State Fees & Cost Assessments BRU: Audit Operations
 Component: Income and Excise Audit
 Sponsor: Rules/Gov
 Requestor: (S) FIN COMPONENT SERIAL NO. 113

Expenditures/Revenues:

(Thousands of Dollars)

	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
OPERATING EXPENDITURES						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	00	00	00	00	00	00
CAPITAL EXPENDITURES						
CHANGE IN REVENUES (GF)	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0

FUND SOURCE

(Thousands of Dollars)

	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
002 Federal Receipts						
003 GF Match						
004 GF						
005 GF Program Receipts						
037 GF/Mental Health						
Other						
TOTAL	00	00	00	00	00	00

Estimate of any current year (FY96) cost \$ 00

POSITIONS:

	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS (Attach a separate page if necessary)

(See Attached Analysis)

Prepared By: Paul E. Dick Phone: 465-2312
 Division: Income and Excise Audit Date: May 1 1996
 Approved by Commissioner: Wilson L. Condon Date: May 1 1996
 Agency: Revenue

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Bill Analysis

This bill analysis includes only sections which pertain to Department of Revenue.

Section 8 deletes reference to AS 43.40.100(2)F (gasohol) for requirements of a certificate of use which applies to sales of tax-exempt motor fuel.

Section 12 repeals the tax exemption for gasohol.

Operating Costs

Department of Revenue does not anticipate any additional operating costs for implementing the tax exemption. Tax return forms would be updated to delete the line for gasohol under exemptions.

Revenue

For FY 96, the first full fiscal year in which gasohol sales were mandated in Anchorage, Department of Revenue projects that 75 million gallons of gasohol will be claimed as exemptions on motor fuel tax returns. Accordingly, the state will forego \$6 million (8¢/gallon times 75 million gallons) in motor fuel tax revenue. Repeal of the exemption will increase General Fund revenue by \$6 million per fiscal year.

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. CSSB 216 (FIN)

Revision Date: _____
Title: Fee Authority Bill
Sponsor: Rules Committee by request of Governor
Requestor: Senate Finance

Department Affected: Environmental Conservation
BRU: Statewide Public Services
Component: Statewide Public Services

COMPONENT SERIAL NO. 2058

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	19.3	19.3	19.3	19.3	19.3	19.3
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	2.7	2.7	2.7	2.7	2.7	2.7
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
TOTAL OPERATING	22.0	22.0	22.0	22.0	22.0	22.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
----------------------	-----	-----	-----	-----	-----	-----

CHANGE IN REVENUES (1005)						
---------------------------	--	--	--	--	--	--

FUND SOURCE	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipt	22.0	22.0	22.0	22.0	22.0	22.0
1006 GF/MHTIA	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
TOTAL	22.0	22.0	22.0	22.0	22.0	22.0

Estimate of any current year (FY96) cost: 0.0

POSITIONS:	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
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.)

Bill would allow the department to set and collect fees to review subdivision plans for sewage disposal or treatment in areas outside an organized borough or municipality. Only about 10% of the plan reviews done by the department are from these areas of the state.

Prepared by: Janice Adair
Division: Director, Division of Environmental Health

Phone: 269-7643
Date: 5/3/96

Approved by Commissioner: *Michael R*
Agency: Department of Environmental Conservation

Date: 5/3/96

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5/2/96

Tom-

Attached are DEC fiscal notes for SB 216. I am concerned that perhaps neither of them apply given the restrictions contained in the committee amendment. Please advise.

Kathy

2618

Call DEC

5/3 am

Talked w/Janice 9:45 5/3/96

FISCAL NOTE

3/2/96
L & C, FIN

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. HB 416 / SB 216

Revision Date: 7-Mar-96
Title: Fee Authority Bill
Sponsor: Rules Committee
Requestor: Governor

Department Affected: Environmental Conservation
BRU: Statewide Public Services
Component: Statewide Public Services

COMPONENT SERIAL NO. 2058

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL	29.3	29.3	29.3	29.3	29.3	29.3
CONTRACTUAL	0.0	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
TOTAL OPERATING	29.3	29.3	29.3	29.3	29.3	29.3
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES (1005)	220.0	220.0	220.0	220.0	220.0	220.0

FUND SOURCE

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	(190.7)	(190.7)	(190.7)	(190.7)	(190.7)	(190.7)
1005 GF Program Receipt	220.0	220.0	220.0	220.0	220.0	220.0
1006 GF MMTA	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
TOTAL	29.3	29.3	29.3	29.3	29.3	29.3

Estimate of any current year (FY 96) 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.)

Bill would allow the department to set and collect fees to review subdivision plans for sewage disposal or treatment. Fees collected would replace all the general funds that were transferred to this BRU for the domestic wastewater program. The program receipts collected through these fees will fund salary costs of the technical staff conducting those reviews, salary costs of clerical staff and associated support costs.

Prepared by: Marianne See
Division: Director, Division of Statewide Public Service

Phone: 269-7635
Date: 2/3/96

Approved by Commissioner: *Lawrence Emmons*
Agency: Department of Environmental Conservation

Date: 2/7/96

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FISCAL NOTE

3/8/96
LAC, FIN

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. HB 416 / SB 216

Revision Date: 7-Mar-96
Title: Fee Authority Bill

Department Affected: Environmental Conservation

Sponsor: Rules Committee
Requestor: Governor

BRU: Statewide Public Services
Component: Statewide Public Services

COMPONENT SERIAL NO. 2058

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL	29.3	29.3	29.3	29.3	29.3	29.3
CONTRACTUAL	0.0	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
TOTAL OPERATING	29.3	29.3	29.3	29.3	29.3	29.3

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES (1005)	220.0	220.0	220.0	220.0	220.0	220.0
----------------------------	-------	-------	-------	-------	-------	-------

FUND SOURCE

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	(190.7)	(190.7)	(190.7)	(190.7)	(190.7)	(190.7)
1005 GF Program Receipt	220.0	220.0	220.0	220.0	220.0	220.0
1006 GF MITIA	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
TOTAL	29.3	29.3	29.3	29.3	29.3	29.3

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.)

Bill would allow the department to set and collect fees to review subdivision plans for sewage disposal or treatment. Fees collected would replace all the general funds that were transferred to this BRU for the domestic wastewater program. The program receipts collected through these fees will fund salary costs of the technical staff conducting those reviews, salary costs of clerical staff and associated support costs.

Prepared by: Marianne See
Division: Director, Division of Statewide Public Service

Phone: 269-7635
Date: 2/5/96

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

Date: 3/7/96

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FISCAL NOTE

No. 5

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. _____ Bill Version: SB 216
(S) Publish Date: 1/12/96

Revision Date: _____
Title: Fee Bill
Sponsor: Rules Committee
Requestor: Governor

Department Affected: Environmental Conservation
BRU: Statewide Public Services
Component: Statewide Public Services

COMPONENT SERIAL NO. 2058

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 01
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	0.0	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
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 (1005)	220.0	220.0	220.0	220.0	220.0	220.0

FUND SOURCE

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	(220.0)	(220.0)	(220.0)	(220.0)	(220.0)	(220.0)
1005 GF Program Receipts	220.0	220.0	220.0	220.0	220.0	220.0
1006 GF MHTIA	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
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY 96) 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.)

Bill would allow the department to set and collect fees to review subdivision plans for sewage waste disposal or treatment. Fees collected would replace general funds currently funding salary costs of the technical staff conducting those reviews, salary costs of clerical staff and associated support costs.

Prepared by: Larry Jones *Lawrence Jones*
Division: Director, Division of Administrative Services

Phone: 465-5610
Date: 1/11/96

Approved by Commissioner: Lawrence Jones for Commissioner *Lawrence Jones for Commissioner*
Agency: Department of Environmental Conservation *Commissioner BURDEN*
Date: 1/10/96

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**SENATE FINANCE COMMITTEE
LETTER OF INTENT
TO ACCOMPANY
COMMITTEE SUBSTITUTE FOR SB 216 (FIN)**

It is the intent of the legislature that rather than establish authority for the Department of Environmental Conservation to charge review fees for subdivision plans for sewage waste disposal or treatment submitted under AS 46.03.090 within organized boroughs and municipalities, that each organized borough or municipality should determine if such reviews are necessary. If the borough or municipality determines such reviews are necessary, the borough or municipality may establish an appropriate fee for approving the plans.

moved Sen. Frank
w/o objection
adopted

Letter of Intent
AMENDMENT

OFFERED IN THE SENATE

BY: SENATOR FRANK

TO: CSSB 216 (FIN) [version K, Cook, 5/1/96]

Page 5, Line 20:

Insert a new bill section to read:

• Sec. 15. SUBDIVISION PLAN REVIEWS. It is the intent of the legislature that rather than establish authority for the Department of Environmental Conservation to charge review fees for subdivision plans for sewage waste disposal or treatment submitted under AS 46.03.090 within organized boroughs and municipalities, that each organized borough or municipality should determine if such reviews are necessary. If the borough or municipality determines such reviews are necessary, the borough or municipality may establish an appropriate fee for approving the plans.

Renumber remaining sections.

Page 5, Line 21:

Delete " 11, and 14"

Insert "11, 14, and 15"

A FAX

Alaska State Legislature

Date: 5-1-96

To: Legal Services - Attn: Karen

Fax #: 2029 Phone #: 2450

From: Kathy - Senate Finance

Phone #: 2618

Re: Final CSSB 216 (Fix) Using work draft
9-B52024\K as the base, please incorporate the
attached amendment and lengthen the title
to reflect all elements within the bill.

Please return the final to Room 520
of the Capitol Bldg.

Following this page, please find 1 page(s). If this does not reach you in full, please inform us ASAP.



THANK YOU

AMENDMENT to ~~Amendment #3~~ ^{bill #6}

moved Sen. Frank
w/o objection
adopted

OFFERED IN THE SENATE

Sen. Frank

TO: CS SB 216(L&C)

SENATE FINANCE
COMMITTEE

Amendment Number: 3
Bill Number: CS SB 216(L&C)
Sponsor: Gov. Date: 2/23/96
Logged In By: AL

Page 1 line 7
Following "response."
Delete "and"

Page 1, line 8:
Following "chemicals":
Insert "and subdivision plans for sewage waste disposal or treatment:"

Page 3, after line 29:
Insert new bill subsection to read: outside of an organized borough or municipality
(9) subdivision plans for sewage waste disposal or treatment
submitted under AS 46.03.090.

The fees authorized
by this subsection
may not be levied
for review of
subdivisions being
divided into 4 lots
or less where each
lot is at least one
acre in size.

9-GS2024\K
Cook
5/1/96

SFC
5/2/96
RP
moved
Adopted

CS FOR SENATE BILL NO. 216(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
NINETEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

*5/2/96 motion
to have the title
reflect coverage of
the bill
Adopted*

1 "An Act relating to fees, assessments, and costs for certain functions of state
2 or municipal government; relating to a tax exemption; and providing for an
3 effective date."

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

5 • Section 1. AS 08.88.472(a) is amended to read:

6 (a) The [WHEN AN AWARD IS MADE FROM THE REAL ESTATE
7 SURETY FUND UNDER AS 08.88.470, THE] commission may charge to the real
8 estate surety fund the costs of a hearing on a claim for reimbursement held under
9 AS 08.88.465. The commission shall deposit into the real estate surety fund
10 amounts [AS 08.88.071 OR 08.88.465, AMOUNTS SUBSEQUENTLY] recovered
11 [BY THE COMMISSION] for these costs from the licensee under AS 08.88.071(b) or
12 from other parties under AS 08.88.490 [SHALL BE DEPOSITED TO THE REAL
13 ESTATE SURETY FUND].

14 • Sec. 2. AS 14.48.090 is repealed and reenacted to read: