

ALASKA LEGISLATURE

1573

HOUSE and SENATE FINANCE COMMITTEE FILES, 1995-1996

Mr. Tom
PO Box 100648

Lakosh

*Northstar
file*

338-1606

Anchorage AK 99510
Date POM Sent Constituency Bill Number
04/09/96 N SB 318

Distribution 07
Response Opposes
Subject

Affiliation

Reg Voter
U

PLEASE PROVIDE FOR A PUBLIC COMMENT HEARING WITH A TELECONFERENCE SITE IN ANCHORAGE. THIS BILL VIOLATES MY CONSTITUTIONAL RIGHTS, UNDER ARTICLE I SECTION 5, BY IMPAIRING A CONTRACT. PROPER PROCEDURE REQUIRES DISSOLUTION OF THE UNIT, REVERSION OF LEASES, AND RE-OFFERING OF THE LEASES PURSUANT TO COMPETITIVE BIDDING PROCEDURE THIS AUGUST.

04/15/96

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM

LTN1150

15:43:23

PARTICIPANT LIST (ALL PARTICIPANTS)

BY:ANC

TCN:60744 SCHEDULED FOR:04/15/96 15:30 TO 17:00

FOR:ANC

PUBLIC HEARING

SENATE RESOURCES

LOCATION: ~~ANCHORAGE~~
SB 318 #

~~JERRY~~

~~SCOTCHON~~

~~SCOTCHON~~

DAN R. GILBERTSON
1240 GILMORE TRAIL
FAIRBANKS, ALASKA 99712
907-457-3989

POSTAGE PAID

March 26, 1996

MAR 29 1996

TO:

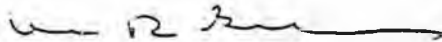
Petroleum News*Alaska
Anchorage Daily News, Fax: 907-258-2157
Fairbanks Daily News Miner, Fax: 907-452-7917
Legislative Information Office - All Legislators mailed to Juneau
Bert Sharp - Chair Interior Delegation Hand Delivered
Gene Therriault - State Representative
Mike Stepovich
Ken Boyd, Director, Division of Oil & Gas, Fax: 907-562-3852
Charlie Cole

Enclosed please find a copy of our letter to Commissioner Shively. We are copying this letter to you not only for informational purposes but for any assistance that you as representatives of the people of our State could provide. At a time when the Legislator and the Senate seem to be going in a pro-development stage, why is it that we as individuals cannot get the same considerations.

Once read, I am sure you will find the attached letter extremely self-explanatory. I am sure you can understand my frustration with this situation.

Thank you.

Sincerely,



Dan R. Gilbertson

Dan R. Gilbertson

1240 GILMORE TRAIL
FAIRBANKS, ALASKA 99712

Telephone 907-467-3889

March 26, 1996

Commissioner John Shively
Department of Natural Resources
400 Willoughby Avenue
Juneau, Alaska 99801-1724

VIA FAX TO: 1-907-465-3886

Dear Commissioner Shively,

As a small independent investor on the North Slope, one of only a handful in comparison to the major oil companies up there, I have some serious concerns as to why the Major Oil Companies and the State seem to be so bound and determined to allow only big oil on the North Slope. Specifically, this is in reference to Lease #365537, Lease Date commencing on 11/30/85 for 10 years (this lease has a 16 2/3% Royalty to the State of Alaska).

Let me provide you with some of the specifics on the above mentioned lease.

At one time this lease was part of the Badami Unit, and at the State's request, put into a separate unit (the Rheingold Exploration Unit). Obviously the Badami Unit overshadowed the Rheingold Unit, and there was no reason to have two separate units. We are still unclear as to why we were removed from the Badami Unit in the first place. We were the only lease not owned by major companies excluded from the Badami Unit. Perhaps you can shed some light on this as well.

A year ago, we negotiated with British Petroleum in good faith and thought we had consummated a deal to sell them this lease. BP was not negotiating in good faith. They would discuss the agreement with us verbally and then when we received the written agreement from them, it was not as previously discussed. To put it concisely they negotiated in bad faith.

My reason for this statement is that I suspected that BP was at their State acreage limit while they were negotiating with us. We then offered our lease to ARCO. ARCO stated they were not interested in that area, but then, one month later, at the December 5, 1995 lease sale #80, purchased the adjoining lease to ours- more than likely on BP's behalf.

As our lease was about to expire, we realized that we would not have a deal, and would need to come up with another game plan.

Since that time we have been attempting to seek a lease extension from the Division of Oil and Gas. It became glaringly apparent that we were not going to be allowed to be part of any Unit Agreement.

During the last week of November 1995, we sent our annual lease payment check in the amount of \$14,400.00 with our request for an extension of our lease which was to expire on November 30, 1995. The State subsequently cashed this check, but has yet to notify us if in fact our lease has been extended.

Is it safe to assume that since your department cashed the check, the lease is in fact extended? If so, I would appreciate some verification of this extension.

At this time it would be in the best interest of the State to provide us with an extension on the lease so we can proceed with our plans.

Currently, the Division of Oil & Gas, the Governor's Office, and the Legislators are going the extra mile to promote development on these fields in the North Slope and working directly with the Major Oil Companies. I think it would be very beneficial for the State to provide the same considerations and courtesies to the small independents that have been provided to the major oil companies. Earlier Commissioners have extended leases indefinitely with a discovery well on-site, and being that this north-slope lease has a discovery well, I think we should be given the same consideration. Eight two leases previously extended were ADL #47466 for ARCO and ADL #45527 for ARCO/EXXON.

I am concerned that if you do not encourage independent leaseholders on the North Slope the same negotiating ability on lease terms and conditions as granted by ARCO, that you will never know the true quantities and value of oil.

The State has had a hand in creating a monopoly for the major oil companies on the North Slope and the people of Alaska should demand that there be some other type of mechanism structured in so that individuals and independents have equal access to Alaska's resources, so vital for the long term economic development of Alaska and its people.

As a lifelong resident of Alaska, whose family has been involved with oil and gas leases for 3 generations, I expect equal consideration be given individuals and independents that has been granted to the major oil companies.

If the State is to grant us a lease extension - there is nothing to lose, and it is a win-win situation. I feel that we could afford to pay a much higher royalty rate than what the major's say is to high. Alaska has much lower royalty rates than any other country. Our lease has a 16 2/3% royalty to the State of Alaska.

Oil and gas leasing in Alaska is open to all comers; individual, independents, and major oil companies. The State should respond to all lease owners in a consistent and fair manner and not favor just big oil in their decisions.

We feel our lease; ADL #365537 should be extended as we have previously requested and by this letter are asking your assistance and action on this request.

We would appreciate your response on this within 5 days.

Please let me know if you need anything further.

I look forward to your immediate response in the above matter. Thank you for your consideration.

Sincerely,


Dan R. Gilbertson

CC: Petroleum News*Alaska
Anchorage Daily News
Fairbanks Daily News-Miner
Legislative Information Office - All Legislators
Bert Sharp - Chair of the Interior Delegation
Charlie Cole
Cliff Burglin
Jack Sexton
Jacquie Gilber
Ken Boyd, Director, Division of Oil & Gas

ALBERS EQUAL AREA/NAD27

BEAUFORT SEA

NORTH

AND UNIT

BADAMI UNIT

(App. Filed 1/21/54)

HOMER UNIT

R17E

R18E

R19E

R20E

SHUVONIK RIVER

(App. Filed 6/54)

brennan

communications

April 4, 1996

Senator Loren Leman
via fax

Dear Loren:

I hope you will support the legislation necessary to amend the lease terms allowing BP's North Star project to proceed. We in the contractor community consider North Star a vital step toward developing the potential of small fields on the North Slope. I am personally convinced that is where the future of Alaska's economy lies. Big fields are wonderful, but experience shows they are few and far between.

Net profits bidding may have been a worthwhile experiment, but the experiment failed and acknowledging that is essential to correcting its problems. Since little cash had to be advanced for net profits leases, the incentive for prospective bidders was to ratchet their estimates on potential production to the maximum and bid as though a dream field were involved. If the acreage proved not to be that rich, their investment was relatively small and they could walk away.

The problem for the state was that the lease was then prohibited from development by a contract written for a much larger field than actually exists there. The state entrapped itself. Net profits leases fail to take Murphy's Law into account. Fortunately the Legislature is in a position to correct the problem and put this vital small field into production. Thanks for the time and effort you have put into this issue.

I look forward to seeing you at the State Convention.

Sincerely,



Tom Brennan

Lauesen and Company • Anchorage • Alaska

721 Breakwater Circle • 99515-3633 • (907) 345-4060 • (907) 345-4544 (fax) • email 73244.372@compuserve.com

Thursday, April 4, 1996
(Hon.) Senator Loren Lehman
Alaska State Senate
Juneau, Alaska 99811

Via Fax

RE: BP Proposal: Big Dipper Oil: gratitude to you and Senator Taylor

I note in today's paper (ADN: 4.4.96: B1: SENATE PANEL CONSIDERS BP PROPOSAL) that BP spokesman Luttrell emphasized that the fundamental difference between the net profit share arrangement in Venezuela and Alaska is the profitability of the field. This is *prima facie* baloney! There are a myriad of other differences built into the Venezuela deal including foreign exchange benefits and equity in the project which gives a reduction of the net to the venture by allowing profit-taxing by a JV holding company...I am attempting to get more details via the internet and will pass them on to you.

You and Senator Taylor are absolutely right to question this deal. Think of Alaska as an Oil Company. Let's call it "Big Dipper Oil". Think of each Alaskan as a shareholder in that Company. Now think of yourself as a member of the Board of Directors of Big Dipper. Now consider the fiduciary responsibility of that Board AND the CEO (Governor) to ensure profit maximization. In this context, then I must ask the following: Why in the hell are we not requesting Statements of Interest from every potential development partner in the World? Why are we giving the Franchise for our State's Future to the Big Oil Triumvirate when there is a world virtual alliances and partnerships available out there. Why don't we buy back the *@#! lease if we prospect a better deal? Why don't we start acting with some *cajones* when these companies sit down at the table--this is OUR future at play!

Senator, I am a lifelong Alaskan, a lifelong Democrat, and a (former) supporter of the Governor, but as far as I can tell, you and Senator Taylor are the only ones in leadership who are asking the right questions. Thank you for exercising your fiduciary duties in this monumentally important issue.

Please pass this along to Senator Taylor with my gratitude...

March 11, 1996

Petition to:

Loran Leman
State Capitol
Juneau, Alaska 99801-1182

MAR 15 1996

I am writing as an Alaskan oil worker who is concerned about the recent turn of events with BP Exploration (Alaska).

Recently BP has taken to task to "outsource" its Alaskan workers on the North Slope. On February 19, 1996 BP Management stepped up and announced it would "outsource" five groups in the Maintenance Department, a total of about 75 people. This company is doing no this but eliminating company positions in order to turn around and fill them with Out of State workers, at lower pay and benefits. This displacement of these workers will compromise the safety of the workers as well as the Environment. This is only the beginning.

As an Alaskan legislator, you need to look into this disturbing trend and take action. When incentives are given to Alaskan oil industries to further

a stable economy, there have to be consequences when the oil companies do not follow through with their obligations

BP has entered into agreement with:
Empco Services of New Orleans (workers for overhauls on major rotation equipment)
Fairmont Supply Co of Price, Utah (parts and warehouse supplier),
Anderson Worldwide Professional Services Corp of Dallas, Texas (accounting services). As you may have noticed all of the above companies are out of state owned and operated. Other oil companies are following BP's lead. This trend will lead to an overall reduction in wages and benefits throughout Alaska's economy, as the Oil Industry workers have strongly influenced the income levels Alaskans have come to expect for their labors. Now is the time for you to take action and make them accountable for their blatant disregard of the Alaskan workers' future

BP has lobbied the State for lower taxes and fewer restrictions. They have always said if they get what they want there would be more jobs for Alaskans - we all believed them. If BP continues their plan to "outsource" the

Maintenance, accounting, and warehouse personnel, the only jobs that will come into existence will be the ones at the refineries in Japan, Korea, and Taiwan.

The oil companies need to be responsible and evaluated regularly to make sure they are not only looking out for their stockholders, but also their employees and the State of Alaska who have contributed to their success.

Please write and inform me as to how you stand on this issue and what you intend to do about it.

Sincerely,

Lucille M. Aspelund

Lucille M. Aspelund
P.O. Box 870430
Wasilla, AK 99687

907-373-7335

Konopacki

WHY IS IT...?

...that the people who make all the decisions blame everything on those of us who don't?



...that the people who really DO make too much money, keep complaining that WE make too much money?



...that government incentives for the rich means giving them MORE, while incentives for the poor means giving them LESS?



...that employers keep demanding highly educated workers, and then replace us with low-skill minimum-wage earners because we're "too expensive?"



Petition to

MAR 11 1996

Loren Leman

Legislator

State Capitol

Juneau, Alaska 99801-1182

I am writing as an oil worker in Alaska who is concerned about the recent turn of events with BP Exploration (Alaska) Inc.

Recently, BP has taken to task to "outsource" its highly trained BP employees on the North Slope. On February 19, 1996, BP management stepped up and announced it would "outsource" five groups in the Maintenance Department, a total of about 75 people. This company is doing nothing but eliminating company positions in order to turn around and fill them with inexperienced, transient workers at lower wages and benefits. This displacement of these workers will compromise the safety of the workers, as well as the environment. This is only the beginning.

As an Alaskan Legislator, you need to look into this disturbing trend and take action. When incentives are given to the Alaska Oil Industry to further a stable economy, there have to be consequences when the companies do not follow through with their obligations. Dick Olver, Deputy Chief Executive of BPX said, "Our investment in Alaska ... our risks in Alaska ... the jobs they create and the revenues they generate for state government and Alaskan companies ... are the bedrock for the bridge to Alaska's economic future." In fact, BP has entered into agreements with: Enpro Services of New Orleans (workers for overhauls on major rotating equipment), Fairmont Supply Co. of Price, Utah (parts and warehouse supplier), Andersen Worldwide Professional Services Corp. of Dallas, Texas (accounting services). Other oil companies are following BP's lead. This trend will undoubtedly lead to an overall reduction in wages and benefits throughout Alaska's economy, as the Oil Industry workers have strongly influenced the income levels Alaskans have come to expect for their labors. Now is the time for us all to take action and make them accountable for their blatant disregard of the Alaskan workers' future.

Another grave concern to you as a Legislator is the possibility of an oil spill or other environmental disaster caused by an inexperienced or transient work force. The North Slope is an unforgiving environment where experience and training prevent accidents.

MAR 11 1996

Petition to

LORAN LEMAN

Legislator

State Capitol

Juneau, Alaska 99801-1182

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The dedicated employees on the North Slope have worked hard for years to produce oil for BP. In return, the employees, BP and the state have all benefited from the revenues generated and spent throughout the state. The state's economy is dependent on oil, and therefore the state is dependent on competent, dedicated, trained, qualified workers to make sure the safety of the workers and the environment is not compromised. Those of us who live, work, raise our families, etc., in Alaska have a very strong investment in the future of the state, both financially and environmentally.

When BP has lobbied the state for lower taxes and fewer restrictions, they have always said if they get what they want there will be more jobs for Alaskans - we all believed them. Now we have the lifting of the Export Ban, which according to BP will add jobs in Alaska as well as on the West Coast. If BP continues their plan to "outsource" the maintenance personnel, accounting, etc., the only jobs that will come into existence will be the ones at the refineries in Japan, Korea and Taiwan. This "outsourcing" is not being done because BP cannot afford to do otherwise - the headlines in BP Today read, "95 results best in BP History." Alaska is supplying 95 percent of BP's U.S. oil and gas production and 40 percent of its worldwide total.

The oil companies need to be responsible and evaluated regularly to make sure they are not only looking out for their stockholders, but also their employees and the State of Alaska who have contributed to their success.

Please write and inform me as to how you stand on this issue and what you intend to do about it.

Sincerely;


Signature

3-6-96
Date

3018-LEXINGTON AV.
Address

ANCHORAGE AK 99502

Petition to

Larsen Larsen

Legislator

State Capitol

Juneau, Alaska 99801-1182

MAR 11 1996

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MAR 11 1996

Petition to

Loren Loman

Legislator

State Capitol

Juneau, Alaska 99801-1182

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Please write and inform me as to how you stand on this issue and what you intend to do about it.

Sincerely;

Paul E. Munn 3-5-96
Signature Date
746 Cranberry Ridge
Address
Fairbanks, AK 99712



BP EXPLORATION

John C. Morgan
President, Alaska

MAR 24 1996

BP Exploration (Alaska) Inc.
900 East Benson Boulevard
P.O. Box 196612
Anchorage, Alaska 99519-6612
(907) 564-5422

March 22, 1996

Senator Loren Leman
Alaska State Legislature
State Capitol Rm. 113
Juneau, AK 99801-1182

Dear Senator Leman,

It has been brought to my attention that some employees of BP Exploration may have raised their concerns to you about our business decision to outsource certain functions on the North Slope and in Anchorage. Because this matter may have been brought before you, I feel that it is important for us to give you information on what we are doing and the reasons behind it.

In the face of Prudhoe Bay's continuing production decline, it is essential that we structure our business so that it will remain profitable into the next century, while not sacrificing our ability to use the best practices and technology available to us. We are continuously examining how to achieve significant cost savings in order to reduce our per barrel operating costs since this is key to keeping the Prudhoe Bay field and Alaska an attractive and competitive option. That is the primary motivation behind the outsourcing decisions we have made and those that we are currently considering. These changes allow us to be more efficient and ensure access to the most current technology at a cost that takes into account the economies of scale which are only available to us through outsourcing.

Recently proposed changes in four areas of our Prudhoe Bay Maintenance and Projects department appear to be fueling considerable concern. These changes include telecommunications, the toolroom, the welding shop, and the paint/carpenter shop. The largest impact would be felt in telecommunications where 15 BP and contractor employees would be affected if a planned study shows that it would be both feasible and beneficial to outsource this function, most likely to an Alaskan company such as GCI. Another two BP people will be affected when the toolroom operation is assigned to Fairmont, a contractor who already manages our Prudhoe Bay materials operation. Welding, painting and carpentry will be done in existing VECO workshops, affecting an additional six BP employees. We do expect that there will be additional impacts to our contractor workforce, but do not yet have detailed information.

Roughly half of these employees are members of the Oil, Chemical and Atomic Workers Union (OCAW) and so, as agreed to by OCAW in their labor agreement with the company, we have given 60 days notice of our intention to outsource and are prepared to enter into discussions with the union on alternatives and effects.

We are well aware of the unfortunate reality that any change such as this does affect current workers and we have always tried to minimize the impacts of such changes through generous severance terms, benefits extension, outplacement help and other assistance programs. Our intent is to help the North Slope employees who will be affected by our proposed changes, within the limitations imposed by the labor agreement with OCAW. However, we recognize that those affected employees and others are concerned and that they may be expressing that concern by questioning our commitment to hire Alaskans.

I want to assure you that our commitment to maintaining and improving the oil industry's role in hiring Alaskans is a sincere one which we take very seriously. Last week, BP and representatives from 19 other oil industry companies unveiled an Alaska hire initiative which outlines specific actions we will take toward realizing this commitment. They include examining our internal policies and practices, working with the state to ensure an adequately trained and available workforce, looking closely at our recruitment and hiring efforts, and setting goals and measuring performance against them.

However, it is important to recognize that the greatest opportunity to increase jobs for Alaskans is through new development and new development can only occur if we remain globally competitive, both with respect to new investment opportunities and in our base business.

I hope that the information I have provided is helpful to you. Please know that BP welcomes the opportunity to discuss this and other issues which come before you. Thank you for your time and concern.

Sincerely,

A handwritten signature in black ink, appearing to read "John C. Morgan". The signature is written in a cursive style with a prominent initial "J" and a long, sweeping underline.

John C. Morgan

SB

319

SFIN

FILE

4/23/96
(FIN)

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SB 319

Revision Date: _____ Dept. Affected: Revenue
Title: Lapse of Appropriations BRU: All
Component: All

Sponsor: S Finance
Requester: S Finance COMPONENT SERIAL NO. _____

Expenditures/Revenues (Thousands of Dollars)

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

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

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

FUND SOURCE (Thousands of Dollars)

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

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

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

See attachment.

Prepared by: Bob Baratko Phone: 465-2312
 Division: Administrative Services Division Date: 4/17/96
 Approved by: _____
 Commissioner: Deborah Voigt Date: 4/17/96
 Agency: Revenue

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
For further distribution information, call the Governor's Legislative Office

SB 319

Although we are submitting a zero fiscal note, the Department of Revenue feels that there will be an adverse impact on the agency's procurement necessitated by the constraints imposed by SB319. In a given year, we would be losing 1/4 to 1/3 of our ordering "window", primarily at a time when most agencies are able to identify funding availability. Another of the side effects of this bill is the inability of the State to enter into contracts which cross fiscal years. This puts additional constraints on managers and forces them to spend more, faster and minimizes their flexibility to deal with situations which may arise later in the fiscal year. These situations do not translate to doing business more efficiently or with the public interest in mind.

SB319 penalizes managers for situations which are out of their control, such as the delivery date of items. Examples of possible "real life" situations follow:

1. Office furniture (desks and bookshelves) are ordered (delivery order faxed) from Correctional Industries on January 15. Agreed upon delivery date is May 15. In the middle of August, a letter is received from Correctional Industries stating that they received too many orders, and delivery would be delayed at least another two months. We would be unable to use prior year funds to pay the bill since the encumbrances would have lapsed under SB319, even though no funds were included in the current year budget for these items and the items were ordered well in advance.
2. A professional services contract for a feasibility study would HAVE to have delivery of final product and final invoicing before August 31. It is unreasonable for us to require that the contractor give his report to us with one hand and his invoice in the other. Even if he/she did so on August 31, it is probable that the agency could not acquire approvals and process the payment that quickly.

During these times of fiscal austerity, managers need to maintain flexibility in using available financial resources as well as in identifying and addressing needs within their agency. The constraints imposed by SB319 do not support good management practices.

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SB 319

Revision Date: _____
 Title: "An Act relating to the lapse of unexpected balances of one-year appropriations; and providing for an effective date."
 Sponsor: Senate Finance Committee
 Requestor: (S) F: N

Department Affected: Administration
 BRU: General Services
 Component: Purchasing
 COMPONENT SERIAL NO. 60

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	354.6	354.6	354.6	354.6	354.6	354.6
TRAVEL						
CONTRACTUAL	3.5					
SUPPLIES	1.0					
EQUIPMENT	32.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	391.1	354.6	354.6	354.6	354.6	354.6

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

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

FUND SOURCE:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	391.1	354.6	354.6	354.6	354.6	354.6
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
TOTAL	391.1	354.6	354.6	354.6	354.6	354.6

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

POSITIONS:

FULL-TIME	6	6	6	6	6	6
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

This bill would eliminate automatic reappropriation of certain encumbrances past June 30 for funds from one-year appropriations, requiring State agencies to pay for goods or services from funds appropriated the fiscal year in which they are received.

Current practice per Alaska Administrative Manual 25.160, is to allow agencies to encumber funds for Purchase Requisitions (generally for goods and non-professional services expected to exceed \$25,000) received by the Division of General Services on or before June 1. These encumbrances are then valid through the following fiscal year and the following fiscal year's reappropriation period, regardless of whether the goods or services are actually received during the fiscal year in which funds are encumbered.

(continued)

Prepared by: Duqan Petty
 Division: General Services

Phone: 465-2250
 Date: _____

Approved by Commissioner: _____
 Agency: _____

Date: 4/11/96

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FISCAL NOTE
STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SB 319

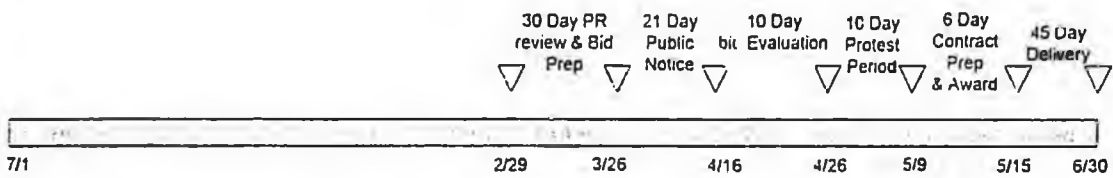
ANALYSIS: (continued)

The June 1 cutoff date was established in March, 1988. Prior to fiscal year 1988, General Services established a date each fiscal year by which Purchase Requisitions would have to be received in order to establish a valid encumbrance at year-end. The date established was based on an estimate of the division's ability to accomplish the procurement and have the goods delivered or services ordered for the agency by June 30. Estimates were established after considering existing and anticipated workloads and staffing levels. The last cutoff date established for fiscal year 1987 was in February. The division had 17 full-time Contracting Officers on staff in fiscal year 1987.

In January, 1988, the current State Procurement Code became effective. This major revision to procurement law resulted in an increased dollar threshold for formal procurements, as well as a more time consuming and complex process. The results of this revision for General Services was that the procurements retained and performed by the division were only higher value and more complex, requiring more time is spent per procurement transaction. The dollar threshold for formal procurements is now \$25,000.

The division's steady loss of professional procurement staff to budget reductions has further compounded this effect. Today, the Division of General Services employs 10 Contracting Officers, compared to 17 in FY 87. Another factor of significance is that General Services is now largely responsible for conducting highly technical and lengthy telecommunications procurements.

The following diagram shows the average minimum times necessary for completion of key tasks in the formal procurement cycle.



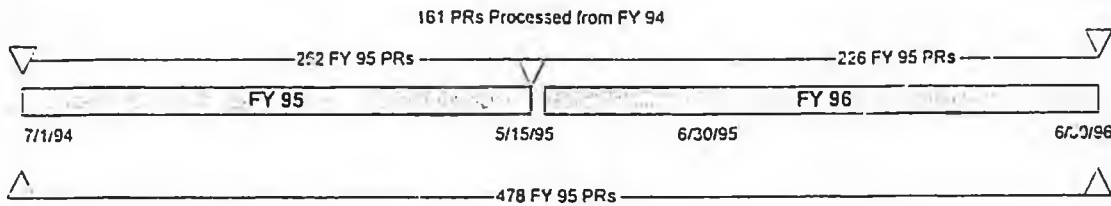
This diagram illustrates that, in order to complete the procurement cycle by May 15 (to allow adequate time for delivery to the requesting agency by June 30), a Purchase Requisition must be received by General Services by February 29. This estimate assumes a moderate amount of time spent on Purchase Requisition review/revision and ITB preparation, the minimum legal public notice period, a moderate bid evaluation period, a reasonable time for award and contract development, the minimum legal protest period (assuming no protests are received), and a 45-day delivery period. This is a very conservative estimate of the time necessary to complete the formal Invitation to Bid process given the high value, highly technical nature of many modern procurements, and the legal constraints in place. This chart shows that the average minimum time necessary from receipt of a Purchase Requisition by General Services to the delivery of the goods or services to the requesting agency is approximately 17 weeks, or 122 days. In order to have a reasonable expectation of delivery on or before June 30, a Purchase Requisition must be received by General Services by February 29. More complex procurements requiring longer lead times must be received even sooner.

This estimate does not take the potential for lengthy protests and appeals into account. Protests and appeals are a common occurrence in formal procurements, and can often take several weeks or months to resolve through a two-tiered administrative process. Should this bill pass, the potential exists for many procurements to be delayed because of protests and appeals, thereby causing the entire process to fail when delivery times are pushed past fiscal year end.

As shown in the following diagram, this bill would require General Services to compress procurement actions currently undertaken during a two-year period to a period of eight months.

FISCAL NOTE
STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SB 319



If goods and services must be received by June 30 in order to prevent loss of operating funds, formal procurements must be completed and orders placed by May 15 to ensure timely delivery. The above diagram shows that 252 of the 478 Purchase Requisitions received by General Services in fiscal year 1995 were completed by May 15, 1995. The remaining 226 Purchase Requisitions received in fiscal year 1995 must be completed by June 30, 1996.

Compressing a year of procurements into an eight-month period (July 1 to February 29) effectively reduces procurement time by 33 percent. The Division of General Services employed 10 Contracting Officers in fiscal year 1995.

Therefore, if workloads were evenly distributed over the eight month period, statistics indicate that in order to accomplish all procurements resulting from the 478 fiscal year 1995 Purchase Requisitions the division received, the division would have needed an additional 3.3 Contracting Officers ($10 \times 33\% = 3.3$). Since the Governor's fiscal year 1997 budget anticipates a reduction in the division of one Contracting Officer, the division would need an additional 4.3 Contracting Officers in future years.

The timing of agency procurement requests, work flow issues, and the learning curve of new employees must be considered. Agencies typically do not identify and request procurement actions at the beginning of a fiscal year to satisfy all their needs for the entire year. A cutoff date in February will create an uneven distribution of work. As has been our experience in the past with end-of-year cutoff dates, the bulk of the Purchase Requisitions will be submitted at or near the cutoff deadline. In some cases, requisitions will be hastily prepared to meet the cutoff date, requiring additional division staff time to adequately specify needs.

Examples of agency needs that may not be met as a result of inadequate funding for this bill, which would result in harm to the citizens of the State, include vessel charters and forestry services. If we are unable to charter fishery vessels at the proper time, the Department of Fish and Game will be unable to monitor critical fisheries, which could require them to manage those fisheries in a more conservative way and possibly shorten openings.

The model in Figure One also assumes that the Contracting Officer assigned does not have a backlog of procurements on hand, an assumption that is rarely, if ever, true. After taking the statistical analysis and the factors caused by a February cutoff date into account, the division believes an accurate assessment of additional resources needed to comply with this bill and procure timely goods and services will take an additional 6 Contracting Officers.

The cost of one journey level Contracting Officer (range 18A) is \$59,100, including benefits. $6 \times \$59.1 = \354.6

The estimated cost of an average Contracting Officer workstation, including computer hardware and software requirements is \$3,700 ($\$3.7 \times 5^* = \18.5). The cost for all other equipment, furniture, supplies, and training is estimated at \$3,000 per Contracting Officer ($\$3.0 \times 6 = 18.0$).

The total estimated cost for the first year is \$391.1. Each subsequent year is estimated to cost \$354.6

* The division will use one computer on hand already.

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SB 319

Revision Date: _____ Dept. Affected EDUCATION
 Title: An Act relating to the lapse of unexpended BRU: Administrative Services
balances of one-year appropriations; Component: _____

Sponsor: Senate Finance Committee
 Requestor: Senate Finance Committee COMPONENT SERIAL NO. 157

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES	42.0	42.0	42.0	42.0	42.0	42.0
TRAVEL						
CONTRACTUAL	2.0	2.0	2.0	2.0	2.0	2.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	44.0	44.0	44.0	44.0	44.0	44.0

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

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	44.0	44.0	44.0	44.0	44.0	44.0
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other:						
TOTAL	44.0	44.0	44.0	44.0	44.0	44.0

POSITIONS:

FULL-TIME	1.0					
PART-TIME						
TEMPORARY						

Estimate of current year (FY96) impact: \$ 0.0

ANALYSIS: (Attach a separate page if necessary)

This legislation will require expedited handling of year end purchases to ensure that orders are placed, encumbered, received, invoiced, paid and liquidated during the most critical time period for finance offices. The department's main customers are Alaska's school districts that are generally closed during the summer. Invoicing and grant payments are delayed based on receipt of documentation from the districts. Often times, required reports regarding use of funds are not available until late fall. This legislation would severely impact the ability of the department to provide services to school districts. A full-time Accounting Technician I is requested to comply with the legislation.

Prepared by: Karen J. Rehfeld, Director *Karen Rehfeld*
 Division: Administrative Services

Phone: 465-8650
 Date: April 17, 1996

Approved by Commissioner: Shirley J. Holloway, Ph.D. Commissioner *Shirley Holloway*
 Agency: Department of Education

Date: April 17, 1996

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FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SB 319

Revision Date: _____ Dept. Affected: Revenue
 Title: Lapse of Appropriations BRU: All
 Component: All
 Sponsor: S Finance
 Requester: S Finance COMPONENT SERIAL NO. _____

Expenditures/Revenues (Thousands of Dollars)

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

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

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

FUND SOURCE (Thousands of Dollars)

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

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

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

See attachment.

Prepared by: Bob Baratko Phone: 465-2312
 Division: Administrative Services Division Date: 4/17/96
 Approved by: _____
 Commissioner: Deborah Vogt Date: 4/17/96
 Agency: Revenue

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SB 319

Although we are submitting a zero fiscal note, the Department of Revenue feels that there will be an adverse impact on the agency's procurement necessitated by the constraints imposed by SB319. In a given year, we would be losing 1/4 to 1/3 of our ordering "window", primarily at a time when most agencies are able to identify funding availability. Another of the side effects of this bill is the inability of the State to enter into contracts which cross fiscal years. This puts additional constraints on managers and forces them to spend more, faster and minimizes their flexibility to deal with situations which may arise later in the fiscal year. These situations do not translate to doing business more efficiently or with the public interest in mind.

SB319 penalizes managers for situations which are out of their control, such as the delivery date of items. Examples of possible "real life" situations follow:

1. Office furniture (desks and bookshelves) are ordered (delivery order faxed) from Correctional Industries on January 15. Agreed upon delivery date is May 15. In the middle of August, a letter is received from Correctional Industries stating that they received too many orders, and delivery would be delayed at least another two months. We would be unable to use prior year funds to pay the bill since the encumbrances would have lapsed under SB319, even though no funds were included in the current year budget for these items and the items were ordered well in advance.
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During these times of fiscal austerity, managers need to maintain flexibility in using available financial resources as well as in identifying and addressing needs within their agency. The constraints imposed by SB319 do not support good management practices.

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SB 319 | _____

Revision Date: _____ Dept. Affected: DOT&PF
 Title: Lapse of Appropriations BRU: Office of the Commissioner
 Component: various
 Sponsor: Finance
 Requester: Senate Finance COMPONENT SERIAL NO. 530

Expenditures/Revenues (Thousands of Dollars)

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

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

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
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	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)

In the long term this bill would not change the cost of processing and providing state services. Unless the effective date is delayed from June 30, 1996 there will be an undeterminable administrative cost of dealing with confusion. This confusion could be avoided if the bill were applied to the next fiscal year. A change in the bill to allow the encumbrance of funds, instead of accounts payable, to meet the condition, "goods or services received by the state on or before June 30..." would also cause less confusion and effort and result in the same outcome.

Prepared by: Ron Lind *Ron Lind* Director Phone: 465-3911
 Division: Stwd Administrative Services Date: 4/1/96
 Approved by: *Ron Lind* Commissioner Date: 4/2/96
 Agency: Department of Transportation and Public Facilities

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SB

320

HFIN

FILE

(11)

JUSE COMMITTEE REPC. I

Date Referred to Committee: April 20, 1996

FURTHER REFERRALS:

Date of Committee Action: 5/1/96

The FINANCE Committee considered:

SB 320

SENATE BILL NO. 320

NEW SUPERIOR COURT JUDGE FOR DILLINGHAM

"An Act increasing the number of superior court judges designated for the Third Judicial District to provide an additional superior court judge at Dillingham."

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

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

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

[x] fiscal note(s) DOA

[x] fiscal note(s) Senate Courts 4/15/96

[] zero fiscal note(s)

[] zero fiscal note(s)

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
<i>Richard Foster</i>	Foster	X			
<i>Terry Martin</i>	Martin	X			
<i>John R. Parrell</i>	Parrell	X			
<i>Die. Kohring</i>	Kohring	X			
<i>Ben Grussendorf</i>	Grussendorf	X			
<i>Mike Navarre</i>	Navarre			X	
<i>Tan Brown</i>	Brown	X			
<i>Let's Kelly</i>	Kelly	X			
<i>Gene Therriault</i>	Therriault	X			

CHAIR'S SIGNATURE _____

Richard Foster
Foster

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SB 320

Revision Date: _____
 Title: An Act to provide an additional superior court judge at Dillingham.
 Sponsor: Senate Finance Committee
 Requestor: Senate Finance

Department Affected: Administration
 BRU: Public Defender Agency
 Component: Public Defender Agency
 COMPONENT SERIAL NO. 1631

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	53.7	53.7	53.7	53.7	53.7	53.7
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT	1.5	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	55.2	53.7	53.7	53.7	53.7	53.7

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

FUND SOURCE: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	55.2	53.7	53.7	53.7	53.7	53.7
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
TOTAL	55.2	53.7	53.7	53.7	53.7	53.7

Estimate of any current year (FY 96) cost: \$ 0

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary.)

See attached sheet.

Prepared by: John B. Salemi, Director
 Division: Public Defender Agency

Phone: (907) 264-4412
 Date: _____

Approved by Commissioner: Mark Boyer *MP Boyer*
 Agency: Department of Administration

Date: 4/15/96

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FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SB 320

ANALYSIS: (continued)

Currently the Public Defender office in Dillingham is staffed with one attorney and one legal secretary. While there is a significant law enforcement presence in Dillingham, the court system has neither a superior court or district judge at the location. Judges travel to Dillingham from Anchorage approximately once a month to handle the calendar. Additionally, there is no District Attorney's office in Dillingham, as it was closed after ten years of operation approximately two years ago.

The establishment of a superior court judge position in Dillingham will coincide with the District Attorney's plan to reopen its Dillingham office. With these developments the pace of litigation for Public Defender cases will increase dramatically. Rather than preparing each month for a flurry of activity during the trial week (the week the visiting judge travels to Dillingham) the cases will be spread out over a much larger time frame. When an entire trial calendar is compressed into one week, cases tend to settle out short of trial because of the time crunch. With a local superior court judge, and a district attorney presence in the area, there will undoubtedly be more trial activity.

The Dillingham Public Defender office has neither a paralegal nor investigator. It will be necessary to establish a paralegal support position to handle the functions of witness coordination, fact gathering and other support trial preparation. Even with this added position, it is expected that the Dillingham PD will have fewer resources than its complement on the prosecution side.

Without this additional position, the processing of cases will be significantly delayed, creating a backlog for the court system. It is especially critical to have this support position in that it is envisioned that the Dillingham Public Defender attorney will have expanded travelling responsibilities, to include Naknek, Sand Point, Unalaska and St. Paul Island. While the PD staff attorney is off location travelling to these areas, the paralegal will do intake of new cases, to include jail interviews, setting up bail hearings and opening/organizing new case files. The paralegal will also have a role with respect to the coordination of cases in the travelling calendars aforementioned.

BUDGET ANALYSIS

Paralegal Assistant I	53.7
Personal Services	53.7
Equipment (One Time)	<u>1.5</u>
TOTAL	55.2

FISCAL NOTE

No. 1

STATE OF ALASKA
1996 LEGISLATIVE SESSION

Bill Version: SB 320

(S) Publish Date: 4/15/96

Revision Date: _____
 Title: New superior court judge for Dillingham

Dept. Affected: Alaska Court System
 BRU: Trial Courts
 Component: _____

Sponsor: Senate Finance
 Requestor: Senate Judiciary

COMPONENT SERIAL NO. 700

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	201.8	201.8	201.8	201.8	201.8	201.8
TRAVEL						
CONTRACTUAL						
SUPPLIES	2.0	2.0	2.0	2.0	2.0	2.0
EQUIPMENT	23.0					
LAND & STRUCTURES						
GRANTS & CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	226.8	203.8	203.8	203.8	203.8	203.8

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

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

Fund Source

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	226.8	203.8	203.8	203.8	203.8	203.8
1006 GF/Program Receipts						
1037 GF/Mental Health						
Other						
TOTAL	226.8	203.8	203.8	203.8	203.8	203.8

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

Positions

Full-Time	2.0	2.0	2.0	2.0	2.0	2.0
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

See attached analysis.

Prepared by: C. S. Christensen III, Staff Counsel
 Agency: Alaska Court System

Phone: 284-8228
 Date: 04/01/96

Approved by: Arthur H. Snowden, II, Administrative Director
 Agency: Alaska Court System

Date: 04/01/96

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Page 1 of 2

**Alaska Court System
Fiscal Analysis
SB 320**

Personal Services

Position

	<u>Salary</u>	<u>Benefits</u>	<u>Total</u>
Superior Court Judge, PFT, 12 months, Dillingham	\$103,588	\$52,795	\$156,391
In-Court Clerk/Secretary, range/step 12A, PFT, 12 months, Dillingham	31,824	13,549	<u>45,373</u>
Total Personal Services			<u>201,764</u>

Supplies

Office supplies for new positions			<u>2,000</u>
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Equipment (one-time cost)

Desk, chair, filing cabinet and computer equipment for new positions			7,000
Conversion of public law library to electronic format			<u>16,000</u>
Total Equipment			<u>23,000</u>

Estimated Total Cost			<u>226,764</u>
-----------------------------	--	--	-----------------------

TONY KNOWLES, GOVERNOR

PLEASE REPLY TO:

CRIMINAL DIVISION CENTRAL
OFFICE
P.O. BOX 110300
JUNEAU, ALASKA 99811-0300
PHONE: (907) 465-3428
FAX: (907) 465-4043

OFFICE OF SPECIAL PROSECUTION
AND APPEALS
310 K STREET, SUITE 308
ANCHORAGE, ALASKA 99501-2084
PHONE: (907) 269-6250
FAX: (907) 269-6270

DEPARTMENT OF LAW

CRIMINAL DIVISION

April 23, 1996

The Hon. Brian Porter
Alaska State Legislature
State Capitol, Room 118
Juneau, AK 99801-1182

Dear Representative Porter:

The Department of Law strongly supports SB 320, a bill which creates a new superior court judge position in Dillingham. We believe that creation of this judgeship is essential to our ability to provide adequate criminal justice services to the Bristol Bay region.

I recently traveled to Dillingham with Attorney General Bruce Botelho and Anchorage District Attorney Ken Goldman. While there we participated in a public meeting and heard many residents of the community discuss their criminal justice needs. We also met separately with region leaders, including city officials, school officials, Native leaders, victims' advocates, and police officials. From all we heard the same message - delivery of criminal justice services by those living outside the region simply does not work. Although most of our discussions revolved around the need for a resident district attorney, it is clear that the criminal justice needs of the community will not be met until there is a resident superior court judge.

For example, until there is a superior court judge, grand juries for felony cases arising in the Bristol Bay and Aleutian Chain regions must be conducted in Anchorage, and, because the judges serving this region live in Anchorage, many motion hearings on these cases are heard in Anchorage. This means that the district attorney for the region must spend a significant amount of time in Anchorage handling grand juries and motion hearings.

Although we requested in September 1995 that we be allowed to conduct grand juries on Bristol Bay cases in Dillingham, this request was turned down by the

court system, which concluded "Grand juries require management by a Superior Court judge. That would have to be done telephonically which may be OK in some cases, but in most cases is not appropriate. Our grand juries are convened in areas served by Superior Court judges which makes management of the grand jury that much easier."


This is not the only problem created by the lack of a Superior Court judge. Because the judge travels to Dillingham/Naknek only one week a month, that is the only week available to conduct trials, a period of time that is wholly inadequate. The result of having inadequate time on the calendar is that we are forced to enter into plea agreements in order to avoid having cases dismissed for failure to bring a defendant to trial within 120 days. In other words, there are cases that we cannot pursue at appropriate levels based on the limited court time that is currently available.

I know you share our belief that protecting the public through adequate prosecution of criminal offenses is a priority for all communities in the state. SB 320 is an important step forward in fully protecting the citizens of Bristol Bay and the Aleutian Chain.

Please let me know if you need any additional information about this important legislation.

Very truly yours,

BRUCE M. BOTELHO
ATTORNEY GENERAL

By: 
Laurie H. Otto
Deputy Attorney General

LHO:jf

cc: Senator Rick Halford



CITY OF
DILLINGHAM
A L A S K A

APR 30 1996

4/11/96

Senator Rick Halford
Co-Chair Senate Finance Committee
Alaska State Legislature
State Capitol (MS 3100)
Juneau, Alaska 99801-1182

Dear Senator Halford:

Several weeks ago, 80 to 90 community members met with Bruce Botelho, Laurie Otto, and Ken Goldman to air their concerns about the need to reestablish the District Attorneys office here.

Speaker after speaker expressed their concerns that too many Dillingham cases were being dismissed by the Anchorage District Attorney's office. They stated that this practice does not send the right message because there is little threat of punishment and no incentive to mend ones ways.

Mr. Goldman suggested that the high dismissal rate was caused by improperly prepared cases. This was quite a surprise because we have seen nothing to date to support this contention. I suspect the truth in the matter lies elsewhere. When the District Attorney comes to town, he is extremely busy and very cognizant of airline schedules so he can get back to Anchorage for the weekend.

We mean no disrespect for the Anchorage office because I am sure they are overloaded with work and short on funding. However, the impact of not having local prosecutors and judges will be magnified in future felony cares because there case dismissal are sending the wrong message.

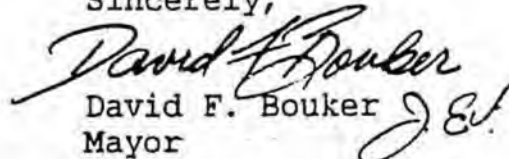
While the community's original intention were to ask for reinstatement of the District Attorney's office here, Mr. Botelho suggested that justice would be better served to ask for a Superior Court judge and this would automatically require a resident District Attorney. I might add that our courthouse had an office designated for a Superior Court Judge some fifteen years ago but it was never occupied.

In the meantime, the population and crime level has significantly increased.

We are pleased to note that Mr. Botelho's office is supporting your bill SB320 and are gratified that you have taken the time to listen to us. This effort will not only have a beneficial impact on Dillingham but, on all of the communities in Southwestern Alaska.

Thank you again.

Sincerely,

A handwritten signature in cursive script that reads "David F. Bouker". The signature is written in dark ink and is positioned above the printed name and title.

David F. Bouker
Mayor

HOUSE COMMITTEE REPORT

4/24/96

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

FURTHER REFERRALS:

Finance

Date of Committee Action: 4/24/96

The JUDICIARY Committee considered:

SB 320

SENATE BILL NO. 320

NEW SUPERIOR COURT JUDGE FOR DILLINGHAM

"An Act increasing the number of superior court judges designated for the Third Judicial District to provide an additional superior court judge at Dillingham."

recommends it be replaced with the following committee substitute _____
[] 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) _____ [2 fiscal note(s) Senate Courts/4-15-96]

[] zero fiscal note(s) _____ [] zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
<i>Brian Porter</i>	Porter	✓			
<i>Joseph Green</i>	Green			✓	
<i>Don Bunde</i>	Bunde	✓			
<i>John Toohy</i>	Toohy	✓			
<i>Verzen</i>	Verzen			✓	
<i>Paul Finkelstein</i>	Finkelstein	✓			
<i>Betty Davis</i>	B. DAVIS	✓			
		(5)		(2)	

CHAIR'S SIGNATURE *Brian Porter*
Porter

SB

320

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 4/11/96

DATE TURNED INTO OFFICE: 4-13-96

The Finance Committee considered SENATE BILL NO. 320

Increasing the number of superior court judges designated for the Third Judicial District to provide an additional superior court judge at Dillingham.

and recommends:

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

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

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

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
Courts	4/1/96		226.8

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SB 320

Revision Date: _____ Dept. Affected: Alaska Court System
 Title: New superior court judge for Dillingham BRU: Trial Courts
 Component: _____
 Sponsor: Senate Finance
 Requestor: Senate Judiciary COMPONENT SERIAL NO. 768

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	201.8	201.8	201.8	201.8	201.8	201.8
TRAVEL						
CONTRACTUAL						
SUPPLIES	2.0	2.0	2.0	2.0	2.0	2.0
EQUIPMENT	23.0					
LAND & STRUCTURES						
GRANTS & CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	226.8	203.8	203.8	203.8	203.8	203.8

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

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

Fund Source (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	226.8	203.8	203.8	203.8	203.8	203.8
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
TOTAL	226.8	203.8	203.8	203.8	203.8	203.8

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

Positions

Full-Time	2.0	2.0	2.0	2.0	2.0	2.0
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

See attached analysis.

Prepared by: C. S. Christensen III, Staff Counsel Phone: 264-8228
 Agency: Alaska Court System Date: 04/01/96
 Approved by: Arthur H. Snowden, II, Administrative Director Date: 04/01/96
 Agency: Alaska Court System

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

Alaska Court SystemFiscal AnalysisSB 320Personal Services

<u>Position</u>	<u>Salary</u>	<u>Benefits</u>	<u>Total</u>
Superior Court Judge, PFT, 12 months, Dillingham	\$103,596	\$52,795	\$156,391
In-Court Clerk/Secretary, range/step 12A, PFT, 12 months, Dillingham	31,824	13,549	<u>45,373</u>
Total Personal Services			<u>201,764</u>

Supplies

Office supplies for new positions			<u>2,000</u>
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Equipment (one-time cost)

Desk, chair, filing cabinet and computer equipment for new positions			7,000
Conversion of public law library to electronic format			<u>18,000</u>
Total Equipment			<u>23,000</u>

Estimated Total Cost			<u>226,764</u>
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FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SB 320

Revision Date: _____
 Title: "An Act to provide an additional superior court judge at Dillingham.
 Sponsor: Senate Finance Committee
 Requestor: Senate Finance

Department Affected: Administration
 BRU: Public Defender Agency
 Component: Public Defender Agency

COMPONENT SERIAL NO. 1631

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	53.7	53.7	53.7	53.7	53.7	53.7
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT	1.5	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	55.2	53.7	53.7	53.7	53.7	53.7

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

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

FUND SOURCE: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
100 GF	55.2	53.7	53.7	53.7	53.7	53.7
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
TOTAL	55.2	53.7	53.7	53.7	53.7	53.7

Estimate of any current year (FY 96) cost: \$ 0

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary.)

See attached sheet.

Prepared by: John B. Salemi, Director
 Division: Public Defender Agency

Phone: (907) 264-4412
 Date: _____

Approved by Commissioner: Mark Boyer
 Agency: Department of Administration

Date: 4/15/96

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information, call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SB 320

ANALYSIS: (continued)

Currently the Public Defender office in Dillingham is staffed with one attorney and one legal secretary. While there is a significant law enforcement presence in Dillingham, the court system has neither a superior court or district judge at the location. Judges travel to Dillingham from Anchorage approximately once a month to handle the calendar. Additionally, there is no District Attorney's office in Dillingham, as it was closed after ten years of operation approximately two years ago.

The establishment of a superior court judge position in Dillingham will coincide with the District Attorney's plan to reopen its Dillingham office. With these developments the pace of litigation for Public Defender cases will increase dramatically. Rather than preparing each month for a flurry of activity during the trial week (the week the visiting judge travels to Dillingham) the cases will be spread out over a much larger time frame. When an entire trial calendar is compressed into one week, cases tend to settle out short of trial because of the time crunch. With a local superior court judge, and a district attorney presence in the area, there will undoubtedly be more trial activity.

The Dillingham Public Defender office has neither a paralegal nor investigator. It will be necessary to establish a paralegal support position to handle the functions of witness coordination, fact gathering and other support trial preparation. Even with this added position, it is expected that the Dillingham PD will have fewer resources than its complement on the prosecution side.

Without this additional position, the processing of cases will be significantly delayed, creating a backlog for the court system. It is especially critical to have this support position in that it is envisioned that the Dillingham Public Defender attorney will have expanded travelling responsibilities, to include Naknek, Sand Point, Unalaska and St. Paul Island. While the PD staff attorney is off location travelling to these areas, the paralegal will do intake of new cases, to include jail interviews, setting up bail hearings and opening/organizing new case files. The paralegal will also have a role with respect to the coordination of cases in the travelling calendars aforementioned.

BUDGET ANALYSIS

Paralegal Assistant I	53.7
Personal Services	53.7
Equipment (One Time)	<u>1.5</u>
TOTAL	55.2

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SB 320

Revision Date: _____ Dept. Affected: Alaska Court System
 Title: New superior court judge for Dillingham BRU: Trial Courts
 Component: _____
 Sponsor: Senate Finance
 Requestor: Senate Judiciary COMPONENT SERIAL NO. 768

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	201.8	201.8	201.8	201.8	201.8	201.8
TRAVEL						
CONTRACTUAL						
SUPPLIES	2.0	2.0	2.0	2.0	2.0	2.0
EQUIPMENT	23.0					
LAND & STRUCTURES						
GRANTS & CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	226.8	203.8	203.8	203.8	203.8	203.8
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ()						

Fund Source (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	226.8	203.8	203.8	203.8	203.8	203.8
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
TOTAL	226.8	203.8	203.8	203.8	203.8	203.8

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

Positions

Full-Time	2.0	2.0	2.0	2.0	2.0	2.0
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

See attached analysis.

Prepared by: C. S. Christensen III, Staff Counsel Phone: 264-8228
 Agency: Alaska Court System Date: 04/01/96
 Approved by: Arthur H. Snowden, II, Administrative Director Date: 04/01/96
 Agency: Alaska Court System

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

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

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SB 320

ANALYSIS: (continued)

Currently the Public Defender office in Dillingham is staffed with one attorney and one legal secretary. While there is a significant law enforcement presence in Dillingham, the court system has neither a superior court or district judge at the location. Judges travel to Dillingham from Anchorage approximately once a month to handle the calendar. Additionally, there is no District Attorney's office in Dillingham, as it was closed after ten years of operation approximately two years ago.

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BUDGET ANALYSIS

Paralegal Assistant I	53.7
Personal Services	53.7
Equipment (One Time)	<u>1.5</u>
TOTAL	55.2

4/16/96

Fiscal Note received
after the bill was
reported out. Copy
to Larry & House
Finance.

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. SB 320

Revision Date: _____ Dept. Affected: Alaska Court System
 Title: New superior court judge for Dillingham BRU: Trial Courts
 Component: _____
 Sponsor: Senate Finance
 Requestor: Senate Judiciary COMPONENT SERIAL NO. 768

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	201.8	201.8	201.8	201.8	201.8	201.8
TRAVEL						
CONTRACTUAL						
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EQUIPMENT	23.0					
LAND & STRUCTURES						
GRANTS & CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	226.8	203.8	203.8	203.8	203.8	203.8
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ()						

Fund Source (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	226.8	203.8	203.8	203.8	203.8	203.8
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
TOTAL	226.8	203.8	203.8	203.8	203.8	203.8

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

Positions

Full-Time	2.0	2.0	2.0	2.0	2.0	2.0
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

See attached analysis.

Prepared by: C. S. Christensen III, Staff Counsel Phone: 264-8228
 Agency: Alaska Court System Date: 04/01/96
 Approved by: Arthur H. Snowden, II, Administrative Director Date: 04/01/96
 Agency: Alaska Court System

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

Alaska Court System
Fiscal Analysis
SB 320

Personal Services

<u>Position</u>	<u>Salary</u>	<u>Benefits</u>	<u>Total</u>
Superior Court Judge, PFT, 12 months, Dillingham	\$103,586	\$52,795	\$156,391
In-Court Clerk/Secretary, range/step 12A, PFT, 12 months, Dillingham	31,824	13,549	<u>45,373</u>
Total Personal Services			<u>201,764</u>

Supplies

Office supplies for new positions		<u>2,000</u>
-----------------------------------	--	--------------

Equipment (one-time cost)

Desk, chair, filing cabinet and computer equipment for new positions		7,000
Conversion of public law library to electronic format		<u>16,000</u>
Total Equipment		<u>23,000</u>

Estimated Total Cost		<u><u>226,764</u></u>
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BILL: SB 320
BILL VERSION:
SPONSOR(S): FINANCE

SHORT TITLE: NEW SUPERIOR COURT JUDGE FOR DILLINGHAM

CURRENT STATUS: (S) RLS

STATUS DATE: 04/15/96

TITLE: "AN ACT INCREASING THE NUMBER OF SUPERIOR COURT JUDGES DESIGNATED FOR THE THIRD JUDICIAL DISTRICT TO PROVIDE AN ADDITIONAL SUPERIOR COURT JUDGE AT DILLINGHAM."

03/29/96	2967	(S)	READ THE FIRST TIME - REFERRAL(S)
03/29/96	2968	(S)	JUDICIARY, FINANCE
04/11/96	3149	(S)	JUD RPT 5DP
04/15/96	3240	(S)	FIN RPT 6DP 1NR
04/15/96	3240	(S)	FISCAL NOTE TO JUD & FIN RPTS (COURT)
04/15/96	3240	(S)	REFERRED TO RULES

STATE OF ALASKA
DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

P.O. BOX 110300
JUNEAU, ALASKA 99811-0300
PHONE: (907) 465-3600
FAX: (907) 465-2075

April 10, 1996

The Honorable Rick Halford
Alaska State Senator
State Capitol
Juneau, AK 99801-1182

Dear Senator Halford:

The Department of Law strongly supports SB 320, a bill which creates a new superior court judge position in Dillingham. We believe that creation of this judgeship is essential to our ability to provide adequate criminal justice services to the Bristol Bay region.

As you know, I recently traveled to Dillingham with Deputy Attorney General Laurie Otto and Anchorage District Attorney Ken Goldman. While there we participated in a public meeting and heard many residents of the community discuss their criminal justice needs. We also met separately with region leaders, including city officials, school officials, Native leaders, victims' advocates, and police officials. From all we heard the same message - delivery of criminal justice services by those living outside the region simply does not work. Although most of our discussions revolved around the need for a resident district attorney, it is clear that the criminal justice needs of the community will not be met until there is a resident superior court judge.

For example, until there is a superior court judge, grand juries for felony cases arising in the Bristol Bay and Aleutian Chain regions must be conducted in Anchorage, and, because the judges serving this region live in Anchorage, many motion hearings on these cases are heard in Anchorage. This means that the district attorney for the region must spend a significant amount of time in Anchorage handling grand juries and motion hearings.

The Honorable Rick Halford

April 10, 1996
Page 2

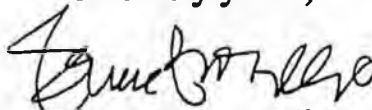
Although we requested in September 1995 that we be allowed to conduct grand juries on Bristol Bay cases in Dillingham, this request was turned down by the court system, which concluded "Grand juries require management by a Superior Court judge. That would have to be done telephonically which may be OK in some cases, but in most cases is not appropriate. Our grand juries are convened in areas served by Superior Court judges which makes management of the grand jury that much easier."

This is not the only problem created by the lack of a Superior Court judge. Because the judge travels to Dillingham/Naknek only one week a month, that is the only week available to conduct trials, a period of time that is wholly inadequate. The result of having inadequate time on the calendar is that we are forced to enter into plea agreements in order to avoid having cases dismissed for failure to bring a defendant to trial within 120 days. In other words, there are cases that we cannot pursue at appropriate levels based on the limited court time that is currently available.

I know you share our belief that protecting the public through adequate prosecution of criminal offenses is a priority for all communities in the state. SB 320 is an important step forward in fully protecting the citizens of Bristol Bay and the Aleutian Chain.

Please let me or Laurie Otto know if you need any additional assistance in seeking passage of this important legislation.

Sincerely yours,



Bruce M. Botelho
Attorney General

cc: Bristol Bay Times
Senator Robin Taylor
Senator Lyman Hoffman
Representative Ivan Ivan
Representative Carl Moses



4/11/96

Senator Rick Halford
Co-Chair Senate Finance Committee
Alaska State Legislature
State Capitol (MS 3100)
Juneau, Alaska 99801-1182

Dear Senator Halford:

Several weeks ago, 80 to 90 community members met with Bruce Botelho, Laurie Otto, and Ken Goldman to air their concerns about the need to reestablish the District Attorneys office here.

Speaker after speaker expressed their concerns that too many Dillingham cases were being dismissed by the Anchorage District Attorney's office. They stated that this practice does not send the right message because there is little threat of punishment and no incentive to mend ones ways.

Mr. Goldman suggested that the high dismissal rate was caused by improperly prepared cases. This was quite a surprise because we have seen nothing to date to support this contention. I suspect the truth in the matter lies elsewhere. When the District Attorney comes to town, he is extremely busy and very cognizant of airline schedules so he can get back to Anchorage for the weekend.

We mean no disrespect for the Anchorage office because I am sure they are overloaded with work and short on funding. However, the impact of not having local prosecutors and judges will be magnified in future felony cases because there case dismissal are sending the wrong message.

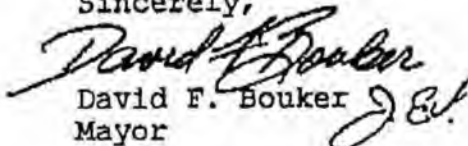
While the community's original intention were to ask for reinstatement of the District Attorney's office here, Mr. Botelho suggested that justice would be better served to ask for a Superior Court judge and this would automatically require a resident District Attorney. I might add that our courthouse had an office designated for a Superior Court Judge some fifteen years ago but it was never occupied.

In the meantime, the population and crime level has significantly increased.

We are pleased to note that Mr. Botelho's office is supporting your bill SB320 and are gratified that you have taken the time to listen to us. This effort will not only have a beneficial impact on Dillingham but, on all of the communities in Southwestern Alaska.

Thank you again.

Sincerely,


David F. Bouker
Mayor

SENATE COMMITTEE REPORT

First Committee of Referral

DATE: 3/29/96

FURTHER: Finance

Date of 5-Day Notice: 4-3-96
(in accordance with Uniform Rule 23)

DATE TURNED
INTO OFFICE: 4-10-96

The Judiciary Committee considered SB 320

Increasing the number of superior court judges designated for the Third Judicial District to provide an additional superior court judge at Dillingham.

and recommends:

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

- Senate Bill:**
- same title
 - new title
- House Bill:**
- same title
 - technical title
 - new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>John Ellis</i>	X				
<i>Linda Green</i>	✓				
<i>Mike Miller</i>	✓				
<i>Cal Adams</i>	X				
CHAIR: <i>Christie Taylor</i>	✓	CHAIR:			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

SENATE FINANCE COMMITTEE REPORT

DATE: 4/11/96

DATE TURNED INTO OFFICE: 4-13-96

The Finance Committee considered SENATE BILL NO. 320

Increasing the number of superior court judges designated for the Third Judicial District to provide an additional superior court judge at Dillingham.

and recommends:

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

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

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Steve Tignor</i>	✓	<i>Roll E. O'Leary</i>			
<i>James J. Dowley</i>	✓				
<i>Paul J. Haggitt</i>	✓				
<i>Barry D. Haggitt</i>	✓				
Co-Chair: <i>[Signature]</i>	✓	Co-Chair:			
Co-Chair: <i>Rick Halford</i>	✓	Co-Chair:			

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

<i>Courts</i>	<i>4/1/96</i>		<i>226.8</i>

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

SB

323

SFIN

FILE

SENATE COMMITTEE REPORT

First Committee of Referrals

DATE: 4/11/96

FURTHER: Finance

Date of 5-Day Notice: 4/18/96
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 4/24/96

The Labor and Commerce Committee considered SENATE BILL NO. 323
Relating to investments by fiduciaries; efd.

Φ FOR

and recommends:

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

- Senate Bill:**
- same title
 - new title
- House Bill:**
- same title
 - technical title
 - new: SCR# _____

SIGNING/DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
John Ferguson	✓	Mike Hillal Dancer	✓		
Judith E. Sald	✓				
CHAIR: Tom Kelly	✓	CHAIR:			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
DCED	4/12/96	X	

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

No. 1

Bill Version: SB 323

(S) Publish Date: 4/24/96

STATE OF ALASKA
1996 LEGISLATIVE SESSION

Revision Date: _____

Title: Investments by Fiduciaries

Department: Commerce and Economic Development

BRU: Banking, Securities and Corporations

Component: Banking, Securities and Corporations

Sponsor: Senate Labor and Commerce

Requestor: Senate Labor & Commerce

COMPONENT SERIAL NO. _____ 1233

Expenditures/Revenues

(Thousands of Dollars)

	FY 97	FY 98	FY 99	FY00	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	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE

(Thousands of Dollars)

	FY 97	FY 98	FY 99	FY00	FY 01	FY 02
1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

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

POSITIONS

	FY 97	FY 98	FY 99	FY00	FY 01	FY 02
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

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

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

Phone: 465-2521
 Date: 4-12-96
 Date: 4-12-96

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SB

1003

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: June 5, 1996

FURTHER REFERRALS:

Date of Committee Action: 6/6/96

The FINANCE Committee considered:

CSSB 1003(FIN) am

CS FOR SENATE BILL NO. 1003(FIN) am

PUB.EMPLOYEES PAY/BENEFITS/CONTRACTS

"An Act relating to public employee compensation, benefits, and labor relations; relating to salaries and cost-of-living differentials for certain state employees, and to salary surveys and preparation of an annual pay schedule regarding certain state employees; relating to retirement and early retirement incentives for certain public employees; relating to pay and benefit programs for public employees; and providing for an effective date."

recommends it be replaced with the following committee substitute _____ 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) _____

1 fiscal note(s) 2) DDA

fiscal note(s) _____

zero fiscal note(s) _____

zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>Richard Foster</i>	X			
<i>Alan Hanley</i>	X			
<i>Donald Mulder</i>	X			
<i>Terre Martin</i>			X	
<i>Sean Parnell</i>	X			
<i>Ben Guerin</i>	X			
<i>Myler Navarre</i>			X	
<i>Ed Brown</i>			X	
<i>Steve Kelly</i>			X	
<i>Jim Theriault</i>			X	

CHAIR'S SIGNATURE

Alan Hanley
Hanley

Richard Foster
Foster

AMENDMENT #1

Sen. Miller

OFFERED IN THE SENATE

TO: CSSB 1003(FIN)

- 1 Page 28, following line 3:
- 2 Insert a new bill section to read:
- 3 "* Sec. 53. PROVISIONS NOT SEVERABLE. Notwithstanding AS 01.10.030, the
- 4 provisions of this Act are not severable."

- 5 Renumber the following bill sections accordingly.

AMENDMENT #2

OFFERED IN THE SENATE
TO: CSSB 1003(FIN)

BY SENATOR MILLER

- 1 Page 1, line 2:
- 2 Delete ", geographic"

- 3 Page 1, line 4, following "to retirement"
- 4 Insert "of"

- 5 Page 1, lines 6 - 8:
- 6 Delete "relating to and making conforming amendments concerning certain state
- 7 aid calculations formerly based on geographic differentials for state employee salaries;"

- 8 Page 3, line 26, through page 5, line 24:
- 9 Delete all material.

- 10 Renumber the following bill sections accordingly.

- 11 Page 6, line 28, through page 7, line 26:
- 12 Delete all material.

- 13 Renumber the following bill sections accordingly.

- 14 Page 8, line 7, through page 9, line 6:
- 15 Delete all material.

- 16 Renumber the following bill sections accordingly.

1 Page 9, line 15, through page 10, line 9:

2 Delete all material.

3 Renumber the following bill sections accordingly.

4 Page 11, lines 3 - 29:

5 Delete all material.

6 Renumber the following bill sections accordingly.

7 Page 13, lines 19 - 20:

8 Delete "for determination of area cost-of-living differentials under AS 29.60.164
9 and 29.60.165 or"

10 Page 13, lines 23, 28, and 29; page 14, lines 2, 12, and 22; page 15, lines 13, 21, and 30;
11 page 18, line 18; page 19, line 18; page 21, lines 24, 25, and 27 - 28; page 22, lines 5 and
12 18; page 23, line 27; and page 24, lines 7, 9, 11, 20, 23, and 27:

13 Delete "30 - 43"

14 Insert "21 - 34"

15 Page 14, line 21:

16 Delete "sec. 37"

17 Insert "sec. 28"

18 Page 16, line 28; page 17, line 8; page 18, line 2; and page 23, line 4:

19 Delete "sec. 30(b)"

20 Insert "sec. 21(b)"

21 Page 21, line 14:

22 Delete "sec. 30(c)(2)"

23 Insert "sec. 21(c)(2)"

- 1 Page 21, line 29:
2 Delete "sec. 30(d) or (e)"
3 Insert "sec. 21(d) or (e)"
- 4 Page 22, lines 30 and 31:
5 Delete "sec. 30"
6 Insert "sec. 21"
- 7 Page 23, line 16:
8 Delete "secs. 35, 37, 38, 41, and 43"
9 Insert "secs. 26, 28, 29, 32, and 34"
- 10 Page 23, line 19:
11 Delete "secs. 30 - 32"
12 Insert "secs. 21 - 23"
- 13 Page 23, line 27:
14 Delete "and separation incentive programs"
15 Insert "program"
- 16 Page 24, lines 18 and 19:
17 Delete "secs. 30 - 38 and 40 - 43"
18 Insert "secs. 21 - 29 and 31 - 34"
- 19 Page 24, lines 21 and 24:
20 Delete "secs. 31 - 39"
21 Insert "secs. 22 - 30"
- 22 Page 25, line 22:
23 Delete "sec. 13"
24 Insert "sec. 10"

1 Page 25, lines 22 - 24:

2 Delete ", and to receive geographic differentials comparable to those received by the
3 classified and partially exempt employees of the executive branch under AS 39.25.020, as
4 enacted by sec. 14 of this Act"

5 Page 26, line 3:

6 Delete "sec. 13"

7 Insert "sec. 10"

8 Page 26, lines 3 - 5:

9 Delete ", and geographic differential adjustments comparable to those received by the
10 classified and partially exempt employees of the executive branch under AS 39.27.020, as
11 enacted by sec. 14 of this Act"

12 Page 26, line 12:

13 Delete "sec. 13"

14 Insert "sec. 10"

15 Page 26, line 20:

16 Delete "ser. 13"

17 Insert "sec. 10"

18 Page 27, line 19, through page 28, line 1:

19 Delete all material.

20 Renumber the following bill sections accordingly.

21 Page 28, line 4:

22 Delete all material.

23 Renumber the following bill sections accordingly.

1 Page 28, line 5:

2 Delete "Sections 30, 31, and 39"

3 Insert "Sections 21, 22, and 30"

4 Page 28, line 6:

5 Delete "Sections 32 - 35"

6 Insert "Sections 23 - 27"