

ALASKA LEGISLATURE

1990

HOUSE and SENATE FINANCE COMMITTEE FILES, 1999 - 2000

HB

304

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 4/18/00

REPORTED OUT OF
SFC 4/19/00 UT OF
4/19/00

FURTHER:

DATE TURNED
IN TO OFFICE: 4/19/00

Finance Committee considered

CS FOR HOUSE BILL NO. 304(FIN) am

CLEAN WATER FUND/DRINKING WATER FUND

and recommends:

be replaced with S CS CV HB 304 (Fin)

adopt previous _____

attached amendment(s) CS

adopt Letter of Intent by For Incoming mittee

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>Walter Kellid</i>	✓	<i>Kell E. Kelly</i>	✓		
<i>Arwan D. Linnaw</i>	✓	<i>Luke Miller</i>			✓
		<i>Bill Coler</i>	X		
		<i>Gary White</i>	✓		
Co-Chair: <i>[Signature]</i>	✓	Co-Chair:			
Co-Chair:		Co-Chair:			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal
<i>DEC</i>	<i>4/14/00</i>	✓	
<i>Revenue</i>	<i>12/22/99</i>	✓	

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

Bill Version: HB 304

(H) Publish Date: 1/21/00

**STATE OF ALASKA
1999 LEGISLATIVE SESSION**

Revision Date/Time (Note if correction) _____ Dcpt. Affected Revenue _____
 Title Drinking Water Fund Bonds BRU Revenue Operations
 Component Treasury Division
 Sponsor Rules Committee
 Requester Governor Component Serial No. 121

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

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

FUND SOURCE (Thousands of Dollars)

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

Estimate of current year (FY00) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The Alaska Drinking Water Fund will pay all costs of issuance, administration, and debt service for bonds issued. Bond proceeds will be deposited in the Drinking Water Fund to make loans to municipalities. There is no other fiscal impact on state funds.

Prepared by Deven Mitchell, Debt Manager *Deven Mitchell* Phone 465-3750
 Division Treasury Division Date/Time December 22, 1999
 Approved by Wilson L. Condon *Wilson L. Condon* Date December 22, 1999
 Commissioner
 Agency Department of Revenue

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FISCAL NOTE

Bill Version: HB 304

(H) Publish Date: 1/21/00

**STATE OF ALASKA
2000 LEGISLATIVE SESSION**

Revision Date/Time (Note if correction) _____ Dept. Affected DEC
 Title AK Bonding - AK Drinking Water Fund BRU Facility Construction and Operation
 Component Facility Construction and Operation
 Sponsor Rules Committee
 Requester Governor Component No. 637

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
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	70.0	70.0	70.0	70.0	70.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	(1,551.4)	(1,551.4)	(1,551.4)	(1,551.4)	(1,551.4)
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
1075 Clean Water Loan Fund	0.0	0.0	(395.5)	(455.3)	(455.3)	(455.3)
1100 Drinking Water Loan Fund	0.0	70.0	(380.4)	(448.4)	(448.4)	(448.4)
Drinking Water Fund Bond Recpts	0.0	1,551.4	1,551.4	1,551.4	1,551.4	1,551.4
Clean Water Administrative Fund	0.0	0.0	355.5	455.3	455.3	455.3
Drinking Water Administrative Fund	0.0	0.0	450.4	518.4	518.4	518.4
TOTAL	0.0	70.0	70.0	70.0	70.0	70.0

Estimate of any current year (FY2000) 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)

This legislation would provide for:

- 1) Using bond proceeds instead of GF Match to capitalize the Alaska Drinking Water Fund; and
- 2) Using fees deposited into (and appropriated from) two new administrative funds to pay the operating expenses of the Clean Water and Drinking Water loan programs. (Continued next page.)

Prepared by: Dan Easton, Director Phone 465-5135
 Division Facility Construction and Operation Date/Time 12/30/99 12:04 PM
 Approved by: [Signature] Date 12-29-99
 Agency Dept. of Environmental Conservation

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SFC 4/19/00

FISCAL NOTE

No. 3
Bill Version: CSHB 304 (FIN)
(S) Publish Date: 4/18/00

STATE OF ALASKA
2000 LEGISLATIVE SESSION

Revision Date/Time (Note if correction) _____ Dept. Affected DEC
Title AK Bonding - AK Drinking Water Fund BRU Facility Construction and Operation
Component Facility Construction and Operation
Sponsor House Rules Committee
Requester Senate Resources Committee Component No. 637

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services	0.0	62.2	120.7	120.7	120.7	120.7
Travel	0.0	7.5	14.6	14.6	14.6	14.6
Contractual	0.0	27.2	52.8	52.8	52.8	52.8
Supplies	0.0	1.0	2.0	2.0	2.0	2.0
Equipment	0.0	1.0	1.0	1.0	1.0	1.0
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	98.9	191.1	191.1	191.1	191.1

CAPITAL EXPENDITURES	0.0	70.0	70.0	70.0	70.0	70.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	(1,551.4)	(1,551.4)	(1,551.4)	(1,551.4)	(1,551.4)
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
1075 Clean Water Loan Fund	0.0	0.0	(395.5)	(455.3)	(455.3)	(455.3)
1100 Drinking Water Loan Fund	0.0	168.9	(380.4)	(448.4)	(448.4)	(448.4)
Drinking Water Fund Bond Recpts	0.0	1,551.4	1,551.4	1,551.4	1,551.4	1,551.4
Clean Water Administrative Fund	0.0	0.0	395.5	455.3	455.3	455.3
Drinking Water Administrative Fund	0.0	0.0	641.5	709.5	709.5	709.5
TOTAL	0.0	168.9	261.1	261.1	261.1	261.1

Estimate of any current year (FY2000) cost: 0.0

POSITIONS

Full-time	0	1	2	2	2	2
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

This legislation would provide for:

- 1) Using bond proceeds instead of GF Match to capitalize the Alaska Drinking Water Fund;
- 2) Deriving loan program operating costs from a portion of loan repayments deposited into two new administrative funds; and
- 3) Making loans to privately-owned utilities which are currently ineligible for the low-interest drinking water and wastewater loan programs.

Prepared by: Dan Easton, Director Phone 465-5135
Division Facility Construction and Operations Date/Time 4/10/00 7:48 AM
Approved by: [Signature] Date 4-10-00
Agency Dept. of Environmental Conservation

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ANALYSIS: (Continued)

The Drinking Water and Clean Water Loan Programs offer low-interest loans to municipalities for drinking water and sewerage facility construction projects. Loans are made from the Alaska Drinking Water Fund and the Alaska Clean Water Fund. Both funds are capitalized by annual federal grants that require a 20 percent state match. The Funds also earn investment and repayment interest.

To date, the state capitalization match requirement for the Drinking Water Fund has been met with GF Match. Federal law provides an alternative to general fund outlays for satisfying the state match requirement. States may use bond financing as match for federal funds to capitalize the Fund, and repay the bonds from interest earnings from the Fund. Statutes (AS 37.15.560) currently provide the bonding authority for the Clean Water Fund needed to take advantage of this funding mechanism. This legislation would provide the same bonding authority for the Drinking Water Fund.

Beginning in FY 2002 there will be sufficient interest in the Alaska Drinking Water Fund to meet the match requirement. Interest will be converted to bond proceeds and supplant the annual general fund appropriation. The effect will be to save approximately \$1.5 million in GF Match that year and each year thereafter. Bonding costs will be about \$70.0.

This legislation would also provide authority to collect fees as a means of funding the operation of the two loan programs. Federal law allows states to set aside four percent of the federal capitalization grants to help pay for program administration. To date, annual program operating expenditures have been met with this set aside. As federal grants decrease and ultimately end in the next few years, the State will be left without a means of paying for program operating costs. To prepare for that, this legislation provides for using a portion of loan repayments to cover program operating costs. The legislation creates two new administrative funds into which a portion of loan repayments would be deposited. Money could then be transferred from these administrative funds to the operating budget to finance program operating costs.

This legislation also makes some privately-owned utilities eligible for the Drinking Water Loan program. Under current law, loan program eligibility is restricted to municipalities. This change has the potential to improve drinking water quality, but it also has the potential to produce a significant increase in the number of loans and drinking water construction projects to be managed by the program. The best estimate is that 133 privately-owned drinking water systems could become eligible for the program. We project an increase of 10 new loan projects each year -- roughly doubling the current pace at which loans are made. This will result in receiving and prioritizing new loan applications, executing additional loan agreements, guiding additional loan recipients through the federally-mandate environmental review process, additional and more complex credit worthiness and owner capacity assessments, reviewing additional documents to approve loan payments, issuing additional payment checks, reviewing and improving a substantial increase in the number of engineering plans, and additional construction inspections and associated travel costs. The first year will also require development of regulations governing this new class of loan recipients.

The department estimates that two new positions will be required to handle the increased loan processing and engineering workload. The first position will be needed by SFY 2002 and both by SFY 2003. In addition, contractual funding of \$50.0 will be used to contract for credit worthiness assessments, as well as assessments of owner managerial, technical and financial capacity as required by federal law

Personal Services New Position Detail

Department of Environmental Conservation
HB 304 Personal Services - FY2003

Scenario: FY2001 Legislative Fiscal Note Info - 2
Component: Facility Construction and Operations (637)
BRU Name: Facility Construction and Operations

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range & Steps	Budgeted Months	Split / Annual Count Salary	COLA	Premium Pay	Annual Benefits	Total Costs
18-#032	Loan/Collection Off II	FT	A	GG	Anchorage	1A	18 C	12.0	47,004	0	0	15,236	62,240
Justification: Implementation of HB 304							Funding Detail:						
							1004	General Fund Receipts				100.00%	62,240
							Total Funding:					100.00%	62,240
18-#033	Environ Eng Asst II	FT	A	GG	Anchorage	1A	17 C	12.0	43,860	0	0	14,617	58,477
Justification: Implementation of HB 304							Funding Detail:						
							1004	General Fund Receipts				100.00%	58,477
							Total Funding:					100.00%	58,477

Component Summary:

Total New Positions: 2

Fund Description	Fund Percent	Fund Amount
1004 General Fund Receipts	100.00%	120,717
Total Funding:	100.00%	120,717

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column.

Personal Services New Position Detail

Department of Environmental Conservation
HB 304 Personal Services - FY2002

Scenario: FY2001 Legislative Fiscal Note Info - 2
Component: Facility Construction and Operations (637)
BRU Name: Facility Construction and Operations

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range & Steps	Budgeted Months	Split / Annual Count Salary	COLA	Premium Pay	Annual Benefits	Total Costs
18-#032	Loan/Collection Off II	FT	A	GG	Anchorage	1A	18 C	12.0	47,004	0	0	15,236	62,240
Justification:							Funding Detail:						
Implementation of HB 304							1004	General Fund Receipts				100.00%	62,240
Total Funding:											100.00%	62,240	

Component Summary:

Total New Positions: 1

Fund Description:	Fund Percent	Fund Amount
1004 General Fund Receipts	100.00%	62,240
Total Funding:	100.00%	62,240

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column.

FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. HB 304

Revision Date/Time (Note if correction)	_____	Dept. Affected	<u>DEC</u>
Title	<u>AK Bonding - AK Drinking Water Fund</u>	BRU	<u>Facility Construction and Operation</u>
		Component	<u>Facility Construction and Operation</u>
Sponsor	<u>Rules Committee</u>		
Requester	<u>Governor</u>	Component No.	<u>637</u>

ANALYSIS: *(Continued)*

The Drinking Water and Clean Water Loan Programs offer low-interest loans to municipalities for drinking water and sewerage facility construction projects. Loans are made from the Alaska Drinking Water Fund and the Alaska Clean Water Fund. Both funds are capitalized by annual federal grants that require a 20 percent state match. The Funds also earn investment and repayment interest.

To date, the state capitalization match requirement for the Drinking Water Fund has been met with GF Match. Federal law provides an alternative to general fund outlays for satisfying the state match requirement. States may use bond financing as match for federal funds to capitalize the Fund, and repay the bonds from interest earnings from the Fund. Statutes (AS 37.15.560) currently provide the bonding authority for the Clean Water Fund needed to take advantage of this funding mechanism. This legislation would provide the same bonding authority for the Drinking Water Fund.

Beginning in FY 2002 there will be sufficient interest in the Alaska Drinking Water Fund to meet the match requirement. Interest will be converted to bond proceeds and supplant the annual general fund appropriation. The effect will be to save approximately \$1.5 million in GF Match that year and each year thereafter. Bonding costs will be about \$70.0 per year.

This legislation would also provide authority to collect fees as a means of funding the operation of the two loan programs. Federal law allows states to set aside four percent of the federal capitalization grants to help pay for program administration. To date, annual operating expenditures of \$973.7 have been met with this Loan Fund set aside. With decreasing federal grant levels, the Loan Fund set-aside is also decreasing and is no longer sufficient to cover the costs of program administration. This legislation would create two new administrative funds into which loan fees would be deposited. Money could then be transferred from these administrative funds to the operating budget to finance program operating costs. This legislation would result in fully fee-supported loan programs by FY 2005.

Prepared by:	<u>Dan Easton, Director</u>	Phone	<u>465-5135</u>
Division	<u>Facility Construction and Operation</u>	Date/Time	<u>12/30/99 12:04 PM</u>
Agency	<u>Dept. of Environmental Conservation</u>		

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Amend #1 - Kelly

1-GH2031\W

SENATE CS FOR CS FOR HOUSE BILL NO. 304(RES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE SENATE RESOURCES COMMITTEE

Offered: 4/18/00

Referred: Finance

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

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to issuance and sale of revenue bonds to fund drinking water
2 projects, to the Alaska clean water fund, to creation of an Alaska clean water
3 administrative fund and an Alaska drinking water administrative fund, to fees to
4 be charged in connection with loans made from the Alaska clean water fund and
5 the Alaska drinking water fund, and to clarification of the character and
6 permissible uses of the Alaska drinking water fund; amending Rule 3, Alaska
7 Rules of Civil Procedure; and providing for an effective date."

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

9 * Section 1. AS 37.15.560(a) is amended to read:

10 (a) For purposes of providing part of the money to be used to provide financial
11 assistance to municipalities and other qualified entities under AS 46.03.032 and
12 46.03.036 [FOR THE PURPOSES STATED IN AS 46.03.032(d)], including the costs
13 of bond issuance and administration, the issuance and sale of revenue bonds of the

1 state is authorized subject to (b) of this section. The bonds are to be issued by the
 2 state bond committee, as provided in AS 37.15.560 - 37.15.605, as part of the Alaska
 3 clean water fund and the Alaska drinking water fund revolving loan fund programs
 4 [PROGRAM] (AS 46.03.032 and 46.03.036), [A] public enterprises [ENTERPRISE]
 5 of the state. The net proceeds of the sale of the bonds [,] remaining after any payment
 6 of costs of issuance and administration [,] shall be paid into the Alaska clean water
 7 fund or the Alaska drinking water fund, as appropriate. Accrued interest paid on
 8 the bonds shall be paid into the Alaska clean water fund or the Alaska drinking
 9 water fund for transfer to the Alaska clean water fund revenue bond redemption fund
 10 or the Alaska drinking water fund revenue bond redemption fund (AS 37.15.565),
 11 as appropriate.

12 * Sec. 2. AS 37.15.560(b) is amended to read:

13 (b) The state bond committee may not issue more than \$15,000,000 in revenue
 14 bonds under AS 37.15.560 - 37.15.605 during a fiscal year for each revolving loan
 15 fund program referred to in (a) of this section, excluding refunding bonds. The
 16 total unpaid principal amount of revenue bonds, including refunding bonds, but
 17 excluding refunded bonds, issued under AS 37.15.560 - 37.15.605 [,] may not exceed
 18 \$150,000,000 for each program.

19 * Sec. 3. AS 37.15.565 is amended to read:

20 Sec. 37.15.565. Bond redemption funds [FUND]. (a) There are [IS]
 21 established [A] special funds [FUND] of the state, known as the "Alaska clean water
 22 fund revenue bond redemption fund [,]" and the "Alaska drinking water fund
 23 revenue bond redemption fund," which are [IS A] trust funds [FUND] for paying
 24 and securing the payment of the principal of and interest and redemption premium, if
 25 any, on the bonds and which shall be at all times completely segregated and set apart
 26 from all other funds of the state. The committee, on behalf of the state, may obligate
 27 and bind the state to set aside and pay into the bond redemption funds [FUND], on
 28 a monthly or other periodic basis, any part or parts of, or all of, or a fixed proportion
 29 of, or a fixed amount of the money in the Alaska clean water fund (AS 46.03.032) or
 30 the Alaska drinking water fund (AS 46.03.036) sufficient to pay the principal of and
 31 interest and redemption premium, if any, on the bonds and, if it considers it necessary,

1 to set aside and maintain reserves for this purpose. The bond redemption **funds**
 2 [FUND] shall be drawn upon only for the purpose of paying the principal of and
 3 interest and redemption premium, if any, on the bonds, together with related trustee
 4 fees, if any.

5 (b) Money in the bond redemption **funds** [FUND] may be invested in the same
 6 manner and on the same conditions as permitted for investment of money belonging
 7 to the state or held in the treasury under AS 37.10.070; however, the committee may
 8 agree with the bondholders to further limit these investments. Earnings on investments
 9 must be retained in the bond redemption **funds** [FUND].

10 (c) Separate accounts may be created in the bond redemption **funds** [FUND]
 11 for the purposes of paying and securing the bonds. The accounts may be combined for
 12 purposes of investment and for financial support to achieve the purposes of
 13 AS 37.15.570(c).

14 * Sec. 4. AS 37.15.570(c) is amended to read:

15 (c) The committee may pledge to the payment of the principal of and interest
 16 on bonds issued by the committee part or all of the legally available money or other
 17 assets on hand in the Alaska clean water fund (AS 46.03.032) or the Alaska drinking
 18 water fund (AS 46.03.036); part or all of the revenue of the Alaska clean water fund
 19 or the Alaska drinking water fund, including federal capitalization grants, the
 20 proceeds of loan repayments, and interest on money in the **funds** [FUND]; the
 21 proceeds of the sale of bonds; and money on hand in the bond redemption **funds**
 22 [FUND]. Revenue of the Alaska clean water fund or the Alaska drinking water fund,
 23 if so pledged, must be paid into the Alaska clean water fund or the Alaska drinking
 24 water fund, as appropriate. The committee may provide for the issuance of
 25 additional bonds, secured by a pledge of such money and revenue, ranking junior to,
 26 senior to, or on a parity with, outstanding bonds, upon conditions prescribed in the
 27 bond resolution. A pledge of loan repayments securing bonds may be made applicable
 28 to specific loans from the Alaska clean water fund or the Alaska drinking water
 29 fund, or, on a pooled basis, to all loan repayments received.

30 * Sec. 5. AS 37.15.570(d) is amended to read:

31 (d) If the committee finds it reasonably necessary, the committee may select

1 a trustee or trustees for the holders of the bonds, or any series of them, for the
 2 safeguarding and disbursement of any of the money in the bond redemption funds
 3 [FUND] created by AS 37.15.565, or for duties with respect to the enforcement,
 4 authentication, delivery, payment, and registration of the bonds as the committee may
 5 determine. The committee shall fix the rights, duties, powers, and obligations of the
 6 trustee or trustees.

7 * **Sec. 6.** AS 37.15.570(e) is amended to read:

8 (e) In its determination of all matters and questions relating to the issuance and
 9 sale of the bonds and the fixing of their maturities, terms, conditions, and covenants
 10 as provided in (a) - (d) of this section, the decisions of the committee shall be those
 11 that are reasonably necessary for the best interests of the state and its inhabitants and
 12 that will accomplish the most advantageous sale of the bonds, with due regard,
 13 however, for the continued funding under AS 46.03.032 and AS 46.03.306 of the
 14 categories of projects identified in AS 46.03.032(d) and 46.03.036(b). Decisions of
 15 the committee, as expressed in a bond resolution, are final and are conclusively
 16 considered to comply with the requirements of AS 37.15.560 - 37.15.605, [AND]
 17 AS 46.03.032, and 46.03.036.

18 * **Sec. 7.** AS 37.15.570(f) is amended to read:

19 (f) A bond resolution may provide that the bonds issued must contain a recital
 20 that they are issued under AS 37.15.560 - 37.15.605 and under AS 46.03.032 or
 21 46.03.036, as appropriate, and a bond containing this recital is conclusively
 22 considered to be valid and to have been issued in conformity with AS 37.15.560 -
 23 37.15.605 and with AS 46.03.032 or 46.03.036, as appropriate.

24 * **Sec. 8.** AS 37.15.573 is amended to read:

25 **Sec. 37.15.573. Bond resolution.** The committee shall authorize the issuance
 26 of bonds by adopting a resolution and shall prepare all other documents and
 27 proceedings necessary for the issuance, sale, and delivery of the bonds or any part or
 28 series of them. The bond resolution must fix the principal amount, denominations,
 29 date, maturities, manner of sale, place or places of payment, rights of redemption, if
 30 any, terms, form, conditions, and covenants of the bonds or each series of them. A
 31 bond resolution may state terms, conditions, amounts, and other limitations on loans

1 to be made from the Alaska clean water fund (AS 46.03.032) or the Alaska drinking
2 water fund (AS 46.03.036), as appropriate, from the relevant bond proceeds.

3 * Sec. 9. AS 37.15.575 is amended to read:

4 **Sec. 37.15.575. State aid intercept.** If a municipality is in [THE] default on
5 the payment of principal or interest on a loan from the Alaska clean water fund
6 (AS 46.03.032) or the Alaska drinking water fund (AS 46.03.036), the committee
7 may provide written notice of default to any state agency that is the custodian of
8 money that is payable to the municipality. If the committee determines to provide
9 notice, a separate written notice shall be given in each instance of default.
10 Notwithstanding any other provision of law, at any time after receipt of written notice
11 of default, the agency head shall withhold payment of the money from the
12 municipality. The agency head shall pay over the withheld money to the committee
13 for deposit in the Alaska clean water fund or the Alaska drinking water fund, as
14 appropriate, for the purpose of paying or securing the principal and interest on the
15 loan.

16 * Sec. 10. AS 37.15.580 is amended to read:

17 **Sec. 37.15.580. Pledge of the state.** The state pledges to and agrees with the
18 holders of bonds issued by the committee under AS 37.15.560 - 37.15.605 and under
19 AS 46.03.032 or 46.03.036, as appropriate, that the state will not limit or alter the
20 rights and powers vested in the committee by AS 37.15.560 - 37.15.605 and by
21 AS 46.03.032 or 46.03.036, as appropriate, to fulfill the terms of any contract made
22 by the committee with the holders, or in any way impair the rights and remedies of the
23 holders until the principal amount of the bonds, together with the interest on them with
24 interest on unpaid installments of interest, are fully met and discharged. The
25 committee may include this pledge and agreement of the state in a contract with the
26 holders.

27 * Sec. 11. AS 37.15.583(a) is amended to read:

28 (a) The owner or owners of not less than 10 percent of the aggregate principal
29 amount of any series or issue of bonds or the trustee for the owners of the bonds or
30 any series of them may, by appropriate proceedings in state court, require and compel
31 the transfer, setting aside, and payment of money and the enforcement of all of the

1 terms, conditions, and covenants as required and provided in AS 37.15.560 -
 2 37.15.605, AS 46.03.032 or 46.03.036, as appropriate, and the bond resolution.

3 * Sec. 12. AS 37.15.585 is amended to read:

4 **Sec. 37.15.585. Amounts required for payments.** The committee shall,
 5 before June 30 of each year or from time to time within the year, as appropriate,
 6 commencing with the year in which the bonds are issued, certify to the commissioners
 7 of revenue and environmental conservation the amounts required in the current fiscal
 8 year and the next ensuing fiscal year by the bond resolution or resolutions to be paid
 9 out of the Alaska clean water fund or the Alaska drinking water fund into the
 10 appropriate bond redemption fund and to be paid into and maintained in any reserve
 11 fund or account or other fund or account created by the bond resolution or resolutions,
 12 and shall also certify to the commissioners the last date or dates upon which payments
 13 may be made.

14 * Sec. 13. AS 37.15.587 is amended to read:

15 **Sec. 37.15.587. Purposes and sufficiency of revenue.** The proceeds of bonds
 16 may be used for the purposes described in AS 46.03.032 or 46.03.036, as appropriate
 17 [AS 46.03.032(d)]. Bonds may not be issued unless the committee first finds that
 18 revenue to be derived from repayment of loans from the Alaska clean water fund or
 19 the Alaska drinking water fund, as appropriate, will be sufficient, together with
 20 other available money, to comply with all covenants of the bond resolutions.

21 * Sec. 14. AS 37.15.590(b) is amended to read:

22 (b) The issuance of refunding bonds need not be authorized by the voters of
 23 the state or by an act of the legislature. The committee shall adopt the resolution or
 24 resolutions and prepare all other documents and proceedings necessary for the
 25 issuance, exchange or sale, and delivery of the refunding bonds. All provisions of
 26 AS 37.15.560 - 37.15.605 and of AS 46.03.032 and 46.03.036, as appropriate,
 27 applicable to revenue bonds are applicable to the refunding bonds and to the issuance,
 28 sale, or exchange of them, except as otherwise provided in this section.

29 * Sec. 15. AS 37.15.605(1) is amended to read:

30 (1) "bond redemption funds [FUND]" means the Alaska clean water
 31 fund revenue bond redemption fund and the Alaska drinking water fund revenue

4/20/00 Note to file. Once the amendment language was removed from this Act, the entire Act was removed since the amendment bond redemption fund established in AS 37.15.565, as applicable;

1-GH2031\M

* Sec. 16. AS 37.15.605(3) is amended to read: *was new to existing statute language.*

(3) "bonds" means the Alaska clean water fund revenue bonds or the Alaska drinking water fund revenue bonds authorized in AS 37.15.560 - 37.15.605, as applicable;

Darwin signed off on these changes.

* Sec. 17. AS 37.15.605(7) is amended to read:

(7) "costs of issuance and administration" means all costs associated with issuance and administration of Alaska clean water fund revenue bonds or the Alaska drinking water fund revenue bonds, as applicable, and refunding bonds, including costs of bond printing, official statements, financial advisors, travel costs, rating agencies, bond insurance, letters and lines of credit for credit enhancement, underwriters, legal services, paying agents, bonds registrars, bond and escrow trustees, arbitrage rebate, and all other costs, including administrative costs, both direct and indirect.

* Sec. 18. AS 46.03.032(i) is amended to read:

(i) Before making a loan from the Alaska clean water fund, the department shall, by regulation, specify

(1) standards for the eligibility of borrowers and the type of projects to be financed with loans;

(2) loan term and interest rate policies for loans made from the fund;

~~interest rates for each class of borrowers shall be established as the same percentage of market rate index appropriate to that class of borrowers;~~

And.

(3) standards regarding the technical and economic viability and revenue self-sufficiency of eligible projects;

(4) collateral or other security required for loans;

(5) terms of loans; and

(6) other relevant criteria, standards, or procedures.

* Sec. 19. AS 46.03.032(p)(1) is amended to read:

(1) "other qualified entity" means

(A) an intermunicipal or interstate agency as those terms are used in 33 U.S.C. 1383, and may include an authority, corporation,

1 instrumentality, enterprise, or other entity formed through an agreement
 2 between a municipality and one or more other governmental entities under
 3 AS 29.35.010(13) or under art. X, sec. 13, Constitution of the State of Alaska,
 4 or between a municipality and a regional housing authority under
 5 AS 18.55.996(b); or

6 (B) an organization that is eligible for assistance under 33
 7 U.S.C. 1383, that is not exempted from regulation under AS 42.05.711(d),
 8 *one word* that provides waste water service under a certificate of convenience and
 9 necessity from the former Alaska Public Utilities Commission or the
 10 Regulatory Commission of Alaska, and that is economically regulated by
 11 the Regulatory Commission of Alaska;

12 * Sec. 20. AS 46.03.034 is repealed and reenacted to read:

13 **Sec. 46.03.034. Alaska clean water administrative fund.** (a) The Alaska
 14 clean water administrative fund is established as a separate fund that is distinct from
 15 other money or funds in the treasury. The fund is composed of two accounts, the

16 (1) Alaska clean water administrative operating account; and

17 (2) Alaska clean water administrative income account.

18 (b) The legislature may appropriate to the Alaska clean water administrative
 19 operating account the annual balance of the Alaska clean water administrative income
 20 account.

21 (c) The department shall administer the Alaska clean water administrative
 22 fund.

23 (d) The Alaska clean water administrative operating account may be used to
 24 pay for the department's operational and administrative costs necessary to manage the
 25 Alaska clean water fund and the Alaska clean water administrative fund and for such
 26 other purposes permitted by federal law.

27 (e) Money received in payment of fees charged by the department under the
 28 authority of AS 46.03.035 and earnings on the Alaska clean water administrative fund
 29 shall be deposited in the Alaska clean water administrative income account.

30 * Sec. 21. AS 46.03 is amended by adding a new section to read:

31 **Sec. 46.03.035. Fees charged for loans made from the Alaska clean water**

1 fund. The department may charge and collect reasonable fees in connection with
 2 making and servicing loans made by the department under the authority of
 3 AS 46.03.032. The department shall by regulation specify the rates and amounts of
 4 the fees.

5 * Sec. 22. AS 46.03.036 is repealed and reenacted to read:

6 **Sec. 46.03.036. Alaska drinking water fund.** (a) The Alaska drinking water
 7 fund is established as a separate fund that is distinct from other money or funds in the
 8 treasury. The fund shall be administered by the department. The Alaska drinking
 9 water fund consists of the following items, all of which shall be deposited into the
 10 fund upon receipt:

11 (1) the proceeds and accrued interest received from the sale of revenue
 12 bonds issued under AS 37.15.560 - 37.15.605 and secured by the Alaska drinking
 13 water fund;

14 (2) money appropriated by the legislature, including federal
 15 capitalization grants;

16 (3) loan repayments; and

17 (4) interest received from loan repayments and interest received from
 18 investment of money in the Alaska drinking water fund.

19 (b) Except as otherwise limited by federal law, the department may use money
 20 in the Alaska drinking water fund to

21 (1) provide financial assistance for drinking water system projects,
 22 including projects to plan, design, build, construct, or rehabilitate a public drinking
 23 water collection, storage, treatment, or distribution system, to

24 (A) municipalities;

25 (B) organizations that are not exempted from regulation under
 26 AS 42.05.711(d), that provide water service under a certificate of convenience
 27 and necessity from the former Alaska Public Utilities Commission or the
 28 Regulatory Commission of Alaska, and that are economically regulated by the
 29 Regulatory Commission of Alaska;

30 (2) earn interest on the amounts deposited in the fund;

31 (3) pay the costs of administering the fund and conducting activities

1 under this section and AS 37.15.560 - 37.15.605, including the costs of issuance and
2 administration as defined in AS 37.15.605;

3 (4) pay and secure the payment of the principal of and interest on
4 revenue bonds issued by the state and to pay the costs of issuance and administration
5 of the bonds, so long as the proceeds of the bond sale are deposited in the Alaska
6 drinking water fund;

7 (5) pay

8 (A) into the bond redemption fund (AS 37.15.565), and into any
9 other bond redemption fund or account created by a relevant bond resolution,
10 the amount certified by the state bond committee under AS 37.15.585; and

11 (B) the costs of the state bond committee in conducting
12 activities under this section and AS 37.15.560 - 37.15.605, including the costs
13 of issuance and administration as defined in AS 37.15.605.

14 (c) Repayment of loans shall be secured in a manner that the department
15 determines is feasible to ensure prompt repayment under a loan agreement entered into
16 with the borrower.

17 (d) Separate accounts may be created in the Alaska drinking water fund. The
18 accounts may be combined for purposes of investment.

19 (e) The department may adopt regulations necessary to implement the Alaska
20 drinking water fund in a manner consistent with federal law. The regulations adopted
21 by the department under (h) of this section may establish different loan terms, charges,
22 rates, and standards for different classes of borrowers to accommodate the different
23 levels of risk and costs that the different classes may present.

24 (f) An organization that qualifies for financial assistance under (b)(1)(B) of this
25 section or a municipality wishing to borrow money from the Alaska drinking water
26 fund shall demonstrate to the satisfaction of the department that it

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

29 (2) will establish and maintain a dedicated source of revenue or other
30 acceptable revenue source for repayment of the loan and sufficient reserves for the
31 loan as may be necessary.

1 (g) Allocation of Alaska drinking water fund loans shall be made in
 2 accordance with a priority list developed by the department, using criteria specified in
 3 regulations adopted by the department. A loan may not be made to an organization
 4 that is not a municipality to refinance debt of that organization.

5 (h) Before making a loan from the Alaska drinking water fund, the department
 6 shall, by regulation, specify

7 (1) standards for the eligibility of borrowers and the type of projects
 8 to be financed with loans;

9 (2) loan term and interest rate policies for loans made from the fund;
 10 ~~interest rates for each class of borrowers shall be established as the same percentage~~
 11 ~~of market rate index appropriate to that class of borrowers;~~ *Amended #1*

12 (3) standards regarding the technical and economic viability and
 13 revenue of self-sufficiency of eligible projects;

14 (4) collateral or other security required for loans;

15 (5) terms of loans; and

16 (6) other relevant standards or procedures.

17 (i) Except as necessary to comply with the covenants of a bond resolution
 18 under AS 37.15.573, a loan made by the department shall be made according to the
 19 standards and procedures established by regulations under this section. A loan made
 20 from the Alaska drinking water fund may be subject to the state aid intercept
 21 provisions of AS 37.15.575.

22 (j) The department shall also prepare reports and notices, including notices of
 23 default, required by the state bond committee in conjunction with bonds issued under
 24 AS 37.15.560 - 37.15.605.

25 (k) Regulations adopted by the department under this section that would affect
 26 issuance or repayment of revenue bonds under AS 37.15.560 - 37.15.605 may not be
 27 inconsistent with those statutes or with regulations adopted by the state bond
 28 committee under those statutes. To the extent that regulations adopted by the
 29 department are inconsistent with AS 37.15.560 - 37.15.605, with regulations adopted
 30 by the state bond committee under those statutes, or with the covenants of a bond
 31 resolution adopted under AS 37.15.573, the provisions of AS 37.15.560 - 37.15.605,

1 the regulations adopted under those statutes, and the covenants of the bond resolution
2 govern.

3 * **Sec. 23.** AS 46.03.038 is repealed and reenacted to read:

4 **Sec. 46.03.038. Alaska drinking water administrative fund.** (a) The Alaska
5 drinking water administrative fund is established as a separate fund that is distinct from
6 other money or funds in the state treasury. The fund is composed of two accounts, the

7 (1) Alaska drinking water administrative operating account; and

8 (2) Alaska drinking water administrative income account.

9 (b) The legislature may appropriate to the Alaska drinking water administrative
10 operating account the annual balance of the Alaska drinking water administrative
11 income account.

12 (c) The department shall administer the Alaska drinking water administrative
13 fund.

14 (d) The Alaska drinking water administrative operating account may be used
15 to pay for the department's operational and administrative costs necessary to manage
16 the Alaska drinking water fund and the Alaska drinking water administrative fund and
17 for such other purposes permitted by federal law.

18 (e) Money received in payment of fees charged by the department under the
19 authority of AS 46.03.039 and earnings on the Alaska drinking water administrative
20 fund shall be deposited in the Alaska drinking water administrative income account.

21 * **Sec. 24.** AS 46.03 is amended by adding a new section to read:

22 **Sec. 46.03.039. Fees charged for loans made from the Alaska drinking**
23 **water fund.** The department may charge and collect reasonable fees in connection
24 with making and servicing loans made by the department under the authority of
25 AS 46.03.036. The department shall by regulation specify the rates and amounts of
26 such fees.

27 * **Sec. 25.** The uncodified law of the State of Alaska is amended by adding a new section
28 to read:

29 **INDIRECT COURT RULE AMENDMENT.** The provisions of sec. 11 of this Act
30 have the effect of changing Rule 3, Alaska Rules of Civil Procedure, by limiting to the
31 Superior Court for the State of Alaska, First Judicial District at Juneau the venue district in

1 which a proceeding under AS 37.15.583(a) may be commenced and conducted.

2 * Sec. 26. The uncodified law of the State of Alaska is amended by adding a new section
3 to read:

4 TEMPORARY LIMITATION ON LOANS. Until July 1, 2002, loans may be made
5 from the Alaska drinking water fund only to municipalities, notwithstanding the provision
6 authorizing financial assistance to certain other organizations in AS 46.03.036(b)(1)(B), as
7 repealed and reenacted in sec. 22 of this Act.

8 * Sec. 27. The uncodified law of the State of Alaska is amended by adding a new section
9 to read:

10 CONDITIONAL EFFECT. Section 11 of this Act takes effect only if sec. 25 of this
11 Act receives the two-thirds majority vote of each house required by art. IV, sec. 15,
12 Constitution of the State of Alaska.

13 * Sec. 28. The uncodified law of the State of Alaska is amended by adding a new section
14 to read:

15 TRANSITION: REGULATIONS. The respective state agencies may proceed to adopt
16 any regulations necessary to implement their duties under this Act. The regulations take effect
17 under AS 44.62 (Administrative Procedure Act), but not before the effective date of secs. 1 -
18 24 and 26 of this Act.

19 * Sec. 29. Section 28 of this Act takes effect immediately under AS 01.10.070(c).

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

Bill Number	HB 304	
Amendment	#1	
Motion		
<u>Motion by</u>	JK	
<u>Objection</u>		
<u>Objection by</u>	JB	
<u>Removed</u>		
<u>Second Objection by</u>		
<u>Committee Member</u>	<u>Vote</u>	
Senator Gary Wilken	y	
Senator Pete Kelly	y	
Senator Lyda Green	X	
Senator Randy Phillips	N	
Senator Dave Donley	PASS	
Senator Loren Leman	y	
Senator Al Adaris	y	
Co-Chair Sean Parnell		
Co-Chair John Torgerson	y	
<u>Tally</u>		
Yea	5	0
Nay	2	0
Absent		0
<u>MOTION</u>		

SENATE

COMMITTEE

Amendment Number: # 1
Bill Number: SHB 277 (FI)
Sponsor: Green Date: 04-19-
Logged In By: Dree

Amendment

TO: HB277

Offered By Senator Green

Page 2, Line 21 after the word "reemployment."

Insert:

, except that no school district employee who retired under a retirement incentive program approved by the State of Alaska shall be eligible to receive benefits under this section for a period of five years from the time of retirement.

TONY KNOWLES
GOVERNOR
200 North 2nd Street, Juneau

RECEIVED
JAN 20 2000
LEGISLATIVE COUNSEL

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 20, 2000

The Honorable Brian Porter
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Speaker Porter:

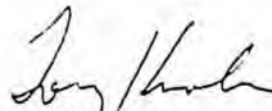
Low-interest state loans from the Alaska Drinking Water Fund and the Alaska Clean Water Fund offer municipalities the means to build drinking water and sewage facility projects. This bill I transmit today will allow the state to use revenue bonds to capitalize the Alaska Drinking Water Fund.

Both the Drinking Water and Clean Water funds are capitalized by annual federal grants that require a 20 percent state match. Bond revenues will help provide the state match for federal drinking water project money. But the state is only authorized to sell bonds for the Clean Water Fund. It makes sense to extend this leveraging power to the Drinking Water Fund.

As with existing law, the bill requires the state bond committee to conduct its activities in the best interests of the state, in a manner that will accomplish the most advantageous sale of the bonds. The bill also provides for a new, self-supporting structure to pay for the costs of operating these important loan programs.

I urge your prompt consideration and passage of this bill.

Sincerely,



Tony Knowles
Governor



Teleconference Participants

TCN: 10809

Participant Lists

View List for

Participants

Unidentified Testifiers: Unidentified Observers:

ANCHORAGE (ANC)

1 Name:Mr. Mike Burns Ans ?s Phone:
 Address: Affiliation: ADEC
 City /St /Zip: Type: Testifier
 Bill: HB 304: CLEAN WATER FUND/DRINKING WATER FUND

FAIRBANKS (FBX)

1 Name:Mr. Andy Warwick Phone:
 Address: Affiliation: Utility Se
 City /St /Zip: Type: Testifier
 Bill: HB 304: CLEAN WATER FUND/DRINKING WATER FUND

MATSU (MAT)

1 ✓ Name:Mr. Ocie Adams Phone:
 Address: Affiliation:
 City /St /Zip: Type: Testifier
 Bill: HB 133: VOTER APPROVAL OF SERVICE AREA CHANGES

2 ✓ Name:Ms. Valen Bair Phone:
 Address: Affiliation:
 City /St /Zip: Type: Testifier
 Bill: HB 133: VOTER APPROVAL OF SERVICE AREA CHANGES

SENATE FINANCE COMMITTEE

SIGN-IN

HB 304-CLEAN WATER FUND/DRINKING WATER FUND

NAME: Dan Easton Subject/Bill No: HB 304

Co./Dept./Title: DEC, Director, Facility Const & Op Phone: 465-5135

Address: 410 Willoughby, Juneau 99801 Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

HB

311

HFIN

FILE

(11)

HOUSE COMMITTEE REPORT

Date Referred to Committee: April 14, 2000

FURTHER REFERRALS:

Date of Committee Action: 4/15/00

The FINANCE Committee considered:

HB 311

HOUSE BILL NO. 311

NO SOC SEC. # REQ'D ON HUNT/FISH LICENSE

"An Act eliminating a requirement that a social security number be provided by an applicant for a hunting or sport fishing license or tag."

recommends it be replaced with the following committee substitute CS HB 311 (Jud) [] the same title [x] a new title

[] additional referral to _____ Committee

[] attached amendme. l(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept)

APPROVES PREVIOUS: (Dept/Date)

[] fiscal note(s) _____

[x] fiscal note(s) REV 4-10-00

[] zero fiscal note(s) _____

[] zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
<i>Gene Therriault</i>	Therriault	X			
<i>John Mulder</i>	Mulder	X			
<i>Carl Bunde</i>	Bunde			✓	
<i>John Auster</i>	Austerman	X			
<i>Carl E. Moses</i>	Moses			✓	
<i>Larry L. Davis</i>	Davis			✓	
<i>W.K. Williams</i>	Williams			X	
<i>Paul Phillips</i>	Phillips			✓	
<i>[Signature]</i>	Foster	X			

CHAIR'S SIGNATURE

Gene Therriault *John Mulder*

FISCAL NOTE

Bill Version: HB 311

(H) Publish Date: 4/10/00

STATE OF ALASKA 2000 LEGISLATIVE SESSION

Revision Date/Time (Note if correction)	Dept. Affected	Revenue
Title <u>No Social Security Number Required</u>	BRU	<u>Child Support Enforcement Division</u>
<u>on Hunting and Fishing Licenses</u>	Component	<u>Child Support Enforcement Division</u>
Sponsor <u>Representative Coghill</u>		
Requester <u>House Resources</u>	Component No.	<u>111</u>

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
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	(77,000.0)	(77,000.0)	(77,000.0)	(77,000.0)	(77,000.0)	(77,000.0)
---------------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------

FUND SOURCE (Thousands of Dollars)

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

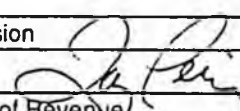
Estimate of any current year (FY2000) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

According to federal law, Alaska will lose all of its federal funding for the child support division and public assistance (IV-A) programs if we do not have a law requiring that Social Security numbers be provided on applications for recreational hunting and fishing licenses. The federal funding lost will be over \$14 million a year for child support and \$63 million a year for public assistance.

Prepared by: <u>Barbara Miklos</u>	Phone <u>269-6800</u>
Division <u>Child Support Enforcement Division</u>	Date/Time <u>4/7/00 - 3 p.m.</u>
Approved by: <u>Commissioner Wilson Condon</u> 	Date <u>04/07/2000</u>
Agency <u>Department of Revenue</u>	

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AB 311 -

Denny Kay Weathers

Testimony by: Denny Kay Weathers
For: House Bill 311
In: House Judiciary

Mr. Chairman:

HB 311 is a great piece of legislation. I only request that it be amended to include Non-commercial driver's licenses, Commercial fishing permits & crew licenses. Contrary to what some Legislators say...there is no federal law requiring the State to obtain SSN for the above rights, benefits or privileges.

Remember that SCS CSRB 344(FIN) am S that passed in 1998 (cover copy inclosed) was made under duress from the federal government which would lead me to believe that the legislators were opposed to it from the beginning and were blackmailed into passing it.

Inclosed with my written testimony please find a copy of the CPS Report for Congress, chronology of developments affecting use of the social security number which was mailed from Washington, D.C. on April 18, 1994 as verification of my following statements:

1935 Enactment of social security act. My note: this was a federal act NOT a State act.

1971 The social security administration issues a task force report on issues raised by nonprogram SSN use. The task force report proposes that SSN take a "cautious and conservative" position toward SSN use and do nothing to promote the use of the SSN as an identifier.

1974 Congress enacts the Privacy Act of 1974, Pub. L. 93-579 which limits governmental use of the SSN. The federal government and State and local governments are prohibited from withholding a right, benefit or privilege from a person simply because the individual refuses to furnish his or her SSN, except under certain circumstances, such as when required by federal law, or under certain grandfathered systems of records...My note: there is no federal law or grandfather clause requiring a SSN for non-commercial State driver's licenses or any of the State fishing and hunting licenses, tags or permits.

1976 section 1211(b) of the same Act, Pub. L. 94-453, authorizes States to use the SSN in the administration of any tax, general public assistance, driver's license or motor vehicle registration law...My note: the federal government did not require the use it only authorized the State the right to use SSN's if the State wanted to.

1986 section 12006 of the Commercial Motor Vehicle Safety Act of 1986, Pub. L. 99-570, gives the Secretary of Transportation authority to require that a State includes a driver's SSN on commercial vehicle licenses. 49 U.S.C. App. ss2705. My note: here it does require the State to get a SSN.

Summary: The State is only required by federal law to get an SSN for those persons receiving federal benefits (public assistance, federal child support, food stamps, SSI, AFDC, WIC, unemployment programs), blood donors or a commercial vehicle license within the State other than that there is no requirement. Please note that Michigan the 26th State admitted to the union and New Mexico the 47th state to be admitted to the union do not require a SSN for identification and they have not lost their federal monies. Be advised that the People of Montana at present are working on an initiative to repeal there State SSN laws as well as a law suit against the State.

The reason that the federal government can not make a federal law that requires the State to collect a SSN for everyone is because the Constitution of the united states of America will not allow it, remember Article X. The powers not delegated to the united states by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

Please pass HB 911 and quit selling us out to the federal government.

Dwight Wadsworth
Third Judicial District
c/o PO Box 1791
Cordova, Alaska
No. 1791

CRS Report for Congress

The Social Security Number: Chronology of Federal Developments Affecting Its Use

Kathleen S. Swendiman
Legislative Attorney
American Law Division

November 21, 1991



CRS-6

Chronology of Developments Affecting Use of the Social Security Number¹⁰

- 1935 -- Enactment of the Social Security Act, with authority for development of appropriate record keeping and identification scheme. Section 807(b) of Pub. L. 74-271.
- 1937 -- By June 30, 1937, approximately 30 million applications for Social Security Numbers are processed.
- 1943 -- Executive Order 9397, issued by President Roosevelt, authorizes the use of the SSN as a Federal Government identifier. 3 C.F.R. (1943-1948 Comp.) 283-284 (1943).
- 1961 -- The Civil Service Commission adopts the SSN as the official employee identification number.
- Pub. L. 87-397 adds Section 6109 to the Internal Revenue Code, which authorizes the use of identifying numbers for tax purposes. 26 U.S.C. § 6109.
- 1962 -- The Internal Revenue Service adopts the SSN as the official taxpayer identification number.
- 1964 -- Treasury Department, via internal policy, requires buyers of series H savings bonds to provide their SSNs.
- 1966 -- The Veterans Administration begins to use the SSN as the hospital admissions number and for patient recordkeeping.
- 1967 -- The Department of Defense, via a Secretary of Defense memorandum, adopts the SSN as the service number for all military personnel.
- 1970 -- The Treasury Department issues regulations under Section 101 of the Bank Records and Foreign Transactions Act, Pub. L. 91-508, requiring all banks, savings and loan associations, credit unions and brokers/ dealers in securities to obtain the SSNs of all their customers. 12 U.S.C. § 1829b(c) and § 1730d. Also under Section 101, financial institutions are required to file a report with the IRS, including the SSN of the customer, of each deposit, withdrawal, exchange of currency or other payment or transfer

¹⁰ The principle Federal laws not covered in this chronology are those related to computer matching programs which use the SSN to cross match data from two or more Federal programs. For example, see 7 U.S.C. § 2025(e), which authorizes computer matching between food stamp recipients and Supplemental Security Income recipients for verification of income information. See generally, 5 U.S.C. § 552a(a)(8), (o), (p) (1988).

CRS-7

involving more than \$10,000. 12 U.S.C. § 1829(e); see also 26 U.S.C. § 6050I(b).

- 1971 -- The Social Security Administration issues a task force report on issues raised by nonprogram SSN use. The task force report proposes that SSA take a "cautious and conservative" position toward SSN use and do nothing to promote the use of the SSN as an identifier.
- 1972 -- The Secretary of HEW (now HHS) is required, pursuant to Section 137 of the Social Security Amendments of 1972, Pub. L. 92-603, to issue SSNs to all aliens permitted to work in the United States, as well as to all recipients of benefits paid for by Federal funds. 42 U.S.C. §§ 405(c)(2)(B)(i)(I) and (II). The Secretary is authorized to issue SSNs to children below school age at the request of parents and guardians and to children of school age at their time of enrollment. 42 U.S.C. § 405(c)(2)(B)(iv) and (v). This section also requires the Secretary to obtain evidence establishing age, citizenship, or alien status of applicants of SSNs. 42 U.S.C. § 405(c)(2)(B)(ii).
- Section 130(a) of Pub. L. 92-603 also adds subsection (g) to Section 208 of the Social Security Act, setting forth penalties for furnishing false information to obtain a SSN and for deceptive practices involving SSNs. 42 U.S.C. § 408(g).
- 1973 -- Buyers of series E savings bonds are required by the Treasury Department to provide their SSN's.
- 1974 -- Congress enacts the Privacy Act of 1974, Pub. L. 93-579 which limits governmental use of the SSN. The Federal Government and State and local governments are prohibited from withholding a right, benefit or privilege from a person simply because the individual refuses to furnish his or her SSN, except under certain circumstances, such as when required by Federal law, or under certain grandfathered systems of records maintained by a governmental entity prior to 1975. 5 U.S.C. § 552a.
- 1975 -- Under Section 101(c)(5)(C) of the Social Services Amendments of 1974, Pub. L. 93-647, disclosure of an individual's SSN becomes a condition of eligibility for AFDC benefits. 42 U.S.C. § 602(a)(25) and § 654.
- 1976 -- Section 1211(a) of the Tax Reform Act of 1976, Pub. L. 94-455, makes misuse of the SSN for any purpose a violation of the Social Security Act. 42 U.S.C. § 408(g).

Section 1211(b) of the same Act, Pub. L. 94-455, authorizes States to use the SSN in the administration of any tax, general public

CRS-8

assistance, driver's license or motor vehicle registration law and to require individuals affected by such laws to furnish their SSNs to the States. 42 U.S.C. § 405(c)(2)(C)(i). In addition, States are permitted to use the SSN for responding to requests for information from any agency operating pursuant to the Aid to Families with Dependent Children program and the Child Support and Establishment of Paternity program. 42 U.S.C. § 405(c)(2)(C)(iii).

Section 1211(c) of the same Act, Pub. L. 94-455, amends Section 6109 of the Internal Revenue Code to provide that the SSN be used as the tax identification number for all tax purposes. While the Treasury Department had been using the SSN as the tax identification number by regulation since 1962, this law codifies that requirement. 26 U.S.C. 6109(d).

1977 -- Section 4 of the Food Stamp Act of 1977, Pub. L. 96-58, authorizes the Secretary of the Department of Agriculture to require that the SSN of all household members be disclosed as a condition of eligibility for participation in the food stamp program. 7 U.S.C. § 2025(e).

1981 -- Section 803b of the Omnibus Reconciliation Act of 1981, Pub. L. 97-35, requires the disclosure of the SSNs of all adult members in the household of children applying for the school lunch program. 42 U.S.C. § 1758(d).

Under Section 916 of the Department of Defense Authorization Act, 1982, Pub. L. 97-86, the Director of Selective Service is authorized to require Selective Service registrants to submit SSNs when registering for the draft and requires the Secretary of HHS to furnish to the Director of Selective Service the names, dates of birth, addresses and SSNs of individuals required to register for the purpose of enforcement of the Military Selective Service Act. 50 U.S.C. App. §§ 453(f) and 462.

Section 4 of The Omnibus Reconciliation Act of 1981 - Social Security Benefits Act, Pub. L. 97-123, amends the Social Security Act to add alteration and forgery of a social security card to the list of prohibited acts and increases the penalties for such acts under Section 208 of the Social Security Act. 42 U.S.C. § 408.

Section 6 of the same law, Pub. L. 97-123, requires any Federal, State or local government agency to furnish the name and SSN of prisoners convicted of a felony to the Secretary of HHS, upon written request, in order to enforce suspension of disability benefits to certain imprisoned felons. 42 U.S.C. § 423.

1982 -- Section 4 of the Debt Collection Act of 1982, Pub. L. 97-365, requires all applicants for loans under any Federal loan program

to furnish their SSNs to the agency supplying the loan. 26 U.S.C. § 6103 note.

1983 -- Section 345 of the Social Security Amendments of 1983, Pub. L. 98-21, requires that the Secretary of HHS issue a social security card at the same time as an SSN is issued, and requires that new and replacement social security cards be made of banknote paper and (to the maximum extent practicable) not be subject to counterfeiting. 42 U.S.C. § 405(c)(2)(F).

1984 -- Section 146(a) of the Deficit Reduction Act of 1984, Pub. L. 98-369, amends Section 6050I of the Internal Revenue Code to require that persons engaged in a trade or business file a report (including SSNs) with the IRS for cash transactions over \$10,000. 26 U.S.C. § 6050I(a).

Section 422(b) of the same law, Pub. L. 98-369, amends Section 215 of the Internal Revenue Code to authorize the Secretary of HHS to prescribe regulations requiring a spouse paying alimony to furnish the Internal Revenue Service with the taxpayer identification number (i.e., SSN) of the spouse receiving alimony payments. 26 U.S.C. § 215.

Section 2651(a) of the same law, Pub. L. 98-369, requires that States have in effect an income and eligibility verification system meeting Federal standards for certain programs, and that SSNs be required as a condition for eligibility for benefits under such programs, which include the following: AFDC, Medicaid, Unemployment Compensation, Food Stamps, and SSI. 42 U.S.C. § 1320b-7(a)(1).

1986 -- Section 407(a) of the Higher Education Amendments of 1986, Pub. L. 99-498, requires student loan applicants to submit their SSN as a condition for eligibility. 20 U.S.C. § 1091(a)(4).

Section 1524 of the Tax Reform Act of 1986, Pub. L. 99-514, requires that any dependent age five or older listed on a tax return be identified by a SSN. 26 U.S.C. 6109(e).

Section 12006 of the Commercial Motor Vehicle Safety Act of 1986, Pub. L. 99-570, gives the Secretary of Transportation authority to require that States include a driver's SSN on commercial vehicle licenses. 49 U.S.C. App. §2705.

... Under Section 101(e) of the Immigration Control and Reform Act of 1986, Pub. L. 99-603, the Secretary of HHS is required to undertake a study of the feasibility and costs of establishing a SSN validation system for employment eligibility verification of

CRS-10

aliens under 8 U.S.C. § 1324a, and of the privacy concerns that would be raised by the establishment of such a system.

1988 -- Section 165 of the Housing and Community Development Act of 1987, Pub. L. 100-242, authorizes the Secretary of the Department of Housing and Community Development to require disclosure of a person's SSN as a condition of eligibility for any HUD program. 42 U.S.C. § 3543(a).

Section 125 of the Family Support Act of 1988, Pub. L. 100-485, requires each State, in issuing birth certificates, to obtain the SSNs of the parents, unless the State determines that there is good cause for not furnishing such number. The SSNs are not to be recorded on the birth certificate but are to be used for child support enforcement activities. 42 U.S.C. § 405(r)(7).

Section 704(a) of the same law, Pub. L. 100-485, requires that any dependent age two and older listed on a tax return be identified by a SSN. 26 U.S.C. § 6109(e).

Section 8008 of the Technical and Miscellaneous Revenue Act of 1988, Pub. L. 100-647, authorizes any State and any authorized blood donation facility to require blood donors to furnish their SSN for purposes of identification. 42 U.S.C. § 405(c)(2)(D)(i) and § 1320b-11(c).

Section 7088 of Pub. L. 100-690, the Anti-Drug Abuse Act of 1988, deleted the \$5,000 and \$25,000 upper limits on fines that can be imposed for violations of Section 208 of the Social Security Act. The general limit of \$250,000 for felonies in Title 18 of the United States Code now applies to violations under the Social Security Act. 42 U.S.C. § 408(a).

1989 -- Section 202(b)(2)(A) of the Child Nutrition and WIC Reauthorization Act of 1989, Pub. 101-147, amends the National School Lunch Act to specify that the member of the household who executes the application for the school lunch program must furnish only the SSN of the parent or guardian who is the primary wage earner responsible for the care of the child for whom the application is made. Only if verification of the application data is necessary may the Secretary require the SSNs of all adult household members. 42 U.S.C. § 1758(d).

Section 2008 of Pub. L. 101-239, the Omnibus Budget Reconciliation Act of 1989, requires that the National Student Loan Data System, set up by the Secretary of the Department of Education, include, among other things, the names and SSNs of student loan borrowers. 20 U.S.C. § 1092(b).

1/10/2000

HB 311

My name is Tom Carpenter, I am a commercial fisherman and owner of Whiskey Ridge Trading Co. - a sporting goods store in Cordova. I am a vendor of State fish & game licenses and tags. Each year half or more of residents/non residents that purchase licenses are very frustrated and angry they are required to divulge their Social Security number, I would also say 10% even refuse this hunting/fishing illegally having no license. This is solely a tracking # for the US Government. This State ought to stand up for itself for once. How this

State been insulted enough
by the Federal takeover of
our FISH & Game resources.
Please do not cave to Federal
Funding, lets stand on our
own feet. Please pass
house Bill 311.

Tom Coyne 4/10/2000.

From his testimony, the so called
Blocked Social Security # is still
legible on the Department
copy.

I support HB 311 Social

Security #s are for social

security purposes only.

Carl Williams

4-10-00

Box 1584 Cordova

Alaska

[Blank lined area]

~~3~~
 Disrupt AB 311 in
 that the great majority
 # should be used on any
 state by
 program for

Dear Dora:

Issue HB-311

I want to go on record as supporting this bill. I don't want my social security number on my hunting & fishing license. The social security number is a Federal identification number for my social security benefits. There is no reason for it to be on any State of Alaska documents. Please get it off the Hunting and Fishing license. Also put in an amendment to remove it from the Permanent Fund, Drivers License and my Commercial Entry Permits.

With all the write ups of people stealing other peoples identity and opening bank accounts, you are giving a dishonest person all the information they need to steal from honest people.

Thank You for listening to my comments.
Resident 48 yrs of Cordova, Alaska

Sincerely,

Dean Curran



DEPARTMENT OF HEALTH & HUMAN SERVICES

Administration for
Children and Families2201 Sixth Avenue, Suite 600
Seattle, WA 98121-1827

Barbara Miklos, Director
Child Support Enforcement Division
550 West 7th, 4th Floor
Anchorage, AK 99501-3556

Dear Ms. Miklos:

This is in response to your request for clarification of:

- The consequences if a State fails to enact laws or otherwise conform to the requirements of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), Public Law 104-193, and
 - Nationwide information on state compliance with PRWORA.
1. In order for a State to receive Federal funding for the operation of its child support enforcement program, it must have an approved State IV-D plan which meets the requirements of section 454 of the Social Security Act (the Act). One of those requirements, specified at section 454(20)(A), is that the State must have in effect all of the laws required by section 466.

PRWORA made numerous changes to sections 454 and 466 of the Act. When a State fails to comply with all statutory requisites, its plan is subject to disapproval by the Office of Child Support Enforcement (OCSE). In accordance with sections 452(a)(3) and 455(a)(1)(A) of the Act, there would then be no authority to expend Federal funds under Title IV-D of the Act for the operation of the State's child support enforcement program.

Therefore, a determination that a State IV-D plan is disapproved will result in immediate suspension of all Federal payments for the State's child support enforcement program, and such payments will continue to be withheld until the State IV-D plan can be approved by OCSE. Alaska received approximately \$12.4 million in Title IV-D funding for the administration of its child support program in FY 1997, and over \$3.2 million in Title IV-D performance related child support incentives.


Page 2 - Barbara Miklos

In addition, in order to be eligible for a block grant for Temporary Assistance to Needy Families (TANF), section 402(a)(2) of the Act requires a State to certify that it will operate a child support enforcement program under the State plan approved under part D. Therefore, TANF funding would also be jeopardized if the State failed to enact the required child support legislation on a timely basis. Alaska's Federal funding for IV-A for FY 1997 was approximately \$63 million.

2. Data on state compliance with PRWORA changes frequently. We are therefore unable to provide you with an accurate and up to date listing of which states have fully complied with its provisions. Most states have either passed legislation that has been found complete, or is under review. Alaska is in the category of states which did not pass enabling legislation in 1997, but which have expressed an intent to do so and are working with its Regional Office to develop such legislation. Only one state, Idaho, has failed to enact enabling legislation and has stated it is unwilling to do so. Attached is a "notice of intent" to disapprove Idaho's state plan, with the resulting loss of Federal funding. If proposed legislation is not enacted in Alaska, our office would begin the process of issuing a similar notice of intent to disapprove.

Please contact Michael Furtado at (206) 615-2552, ext. 3045 if you have any further questions.

Sincerely,


Stephen S. Hennigson
Regional Administrator

Attachment: Idaho Notice of Intent to Disapprove

Dec-18-97 02:03P ACF-OCSE

202-401-3444

P.02



DEPARTMENT OF HEALTH & HUMAN SERVICES

ADMINISTRATION FOR CHILDREN AND FAMILIES
370 L'Enfant Promenade, S.W.
Washington, D.C. 20447

December 18, 1997

Linda Caballero, Director
Department of Health and Welfare
P.O. Box 83720-10th Floor
Boise, Idaho 83720-0036

Dear Ms. Caballero:

In accordance with sections 452(a)(3), 454(20) and 455(a) of the Social Security Act (the Act), and 45 CFR 301.10 and 301.13, this constitutes formal notice of my intent, subject to an opportunity for hearing, to disapprove Idaho's State IV-D plan. The basis for my intent to disapprove is Idaho's failure to enact the following mandated legislation, in whole or in part, required by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), P.L. 104-193:

- ▶ Idaho has failed to enact laws or procedures providing for income withholding in accordance with the requirements at sections 466(a)(1) and (b)(1) of the Act, as amended by section 314 of P.L. 104-193.
- ▶ Idaho has failed to enact laws or procedures providing for the collection and use of social security numbers in accordance with the requirements at section 466(a)(13) of the Act, as amended by Section 317 of P.L. 104-193.
- ▶ Idaho has failed to enact laws or procedures providing for the use of expedited procedures, in accordance with the requirements regarding: a change in payee at section 466(c)(1)(E) of the Act; income withholding at section 466(c)(1)(F) of the Act; an increase in monthly payments to include arrearages at section 466(c)(1)(H) of the Act; and, procedures under which each party to any paternity or child support proceeding is required (subject to privacy safeguards) to update, as appropriate, certain information on location and identity of the party at section 466(c)(2)(A)(i) of the Act, as amended by section 325 of P.L. 104-193.
- ▶ Idaho has failed to enact laws or procedures with respect to work requirements, in accordance with requirements at section 466(a)(15) of the Act, as amended by section 365 of P.L. 104-193.
- ▶ Idaho has failed to enact laws or procedures requiring the State to provide full faith and credit to liens arising in another State, in accordance with requirements at section 466(a)(4), as amended by section 368 of P.L. 104-193.

Dec-18-97 02:04P ACF-OCSE

202-401-3444

P.03

Ms. Caballero -- Page 2

As provided in program instructions issued in OCSE-AT-97-05, prior to issuance of a final determination to disapprove your State plan, you have the option to request a hearing under procedures at 45 CFR Part 213. Election of a hearing prior to the final decision to approve or disapprove the State IV-D plan will constitute a waiver of reconsideration hearing rights contained in 45 CFR 301.14.

You have 60 days from the date of this letter to request a formal hearing regarding the matters at issue in the proposed disapproval. Requests for a hearing should be sent to the Assistant Secretary for Children and Families. If Idaho requests such pre-decision review, a Notice of Hearing will be issued setting forth the time and place of the hearing and the issues which will be considered therein. This notice will be published in the Federal Register.

Should the Department of Health and Human Services conclude following the hearing that Idaho does not have an approved State plan, you will be notified that further Federal payments under title IV-D of the Act will not be made until a State IV-D plan is submitted and approved. The effective date for the withholding of Federal funds shall not be earlier than the date of my decision and shall not be later than the first day of the next calendar quarter following such decision.

Should Idaho decline the opportunity for a hearing at this time, a determination will be made whether the IV-D plan must be disapproved for failure to conform with the requirements of section 454 of the Act. If you are dissatisfied with my decision, you may request reconsideration of the decision pursuant to regulations at 45 CFR 301.14. Federal funding, however, will be suspended and may not be stayed pending reconsideration. If I subsequently determine that my original decision was incorrect, restitution of funds withheld or otherwise denied will immediately be certified in a lump sum.

I urge you to take the necessary steps to enact the legislation required by P.L. 104-193 and confirm your compliance with the Regional Office. Although Idaho is completely and independently responsible for preparation, submission, and content of its State IV-D plan, technical assistance may be obtained from our Regional Office.

In addition, section 402(a)(2) of the Act (as amended by PRWORA) provides that the chief executive officer of a State must certify that it will operate a child support enforcement program under an approved IV-D plan as a condition for eligibility for a TANF block grant under title IV-A of the Act. Therefore, Idaho should be aware that TANF funds may also be at risk.

JAN-15-98 THU 02:56 PM HH

FAX NO. 12088152575

P. 08

Dec-18-97 02:04P ACF-OCSE

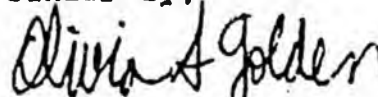
202-401-3444

P.04

Ms. Caballero -- Page 3

Should you have any questions in regard to this Notice, please contact your ACF Regional Administrator, Mr. Steve Henigson at (206) 615-2547.

Sincerely,



Olivia A. Golden
Assistant Secretary
for Children and Families

Enclosure: OCSE-AT-97-05

cc: Stephen S. Henigson
ACF Regional Administrator
Seattle Regional Office

Anchorage Daily News

50 CENTS
VOL. LIV, NO. 32

ANCHORAGE, ALASKA, MONDAY, MARCH 22, 1999

STATE EDITION
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Social Security number requirement angers hunters, fishermen

The Associated Press

FAIRBANKS — A federal regulation that has forced the state to collect Social Security numbers from people buying Alaska hunting and fishing licenses has merchants grumbling and some customers seeing red.

State officials are using the information as a way to track down parents who are behind on child support payments. It's a practice that began Jan. 1 and one that Alaska officials were required to start or face losing \$70 million in federal welfare aid.

But that hasn't eased the anger the rule

sparks at license counters.

"We've had some real unhappy campers because of it," said Darrell Henry at Sentry Hardware in Fairbanks. "One guy said, 'I'll see you in court.'"

John Evns at Down Under Guns in Fairbanks has encountered the same response when he asks for a customer's Social Security number.

"Many people are unhappy about it, but we can't sell it if they don't have it," he said.

Still, most customers don't complain, said Orson Johnson, sporting goods manager at

Sentry Hardware.

"We have had a number of people who don't like it but put it down anyway," he said.

Kristin Wright of the Alaska Department of Fish and Game said she tells people who complain that it's the federal government's requirement, not the state's.

Wright said her office has fielded several dozen calls from angry people. Most of the calls came from the Interior.

Requiring Social Security numbers for hunting and fishing licenses is merely another

way to get delinquent parents to pay child support, said Byron Walther, a spokesman for the Alaska Child Support Enforcement Division. Delinquent parents already face the possibility of losing their driver's license.

"Our goal here is to encourage these folks to make their payments," Walther said.

Last year the state sold more than 428,000 sportfishing licenses and more than 100,000 hunting licenses, although more than half the sportfishing licenses were purchased by Out-aiders.

MINUTES OF STATE GAME COMMISSION MEETING

April 8, 1999
State Capitol, Room 307
Santa Fe, New Mexico

Agenda Item No. 1... Meeting Called To Order

Meeting was called to order at 9:15 am.

*See page 3
Agenda Item No. 8*

Agenda Item No. 2...Roll Call - Jerry Maracchini

Secretary Maracchini calls roll of Commissioners

- Bill Brininstool - Present
- Gail Cramer - Present
- George Ortega - Present
- Steve Padilla - Present
- Steve Emery - Present
- Bud Hettinga - Present
- Steve Doerr - Present

Chairman Brininstool - Introduces Commissioner Emery and states that he is representing District 5 and that Commissioner Padilla has been re-appointed.

Jerry Maracchini - States for the audience that there is a new procedure for audience participation. When a member of the public wishes to speak on a particular agenda item they will need to fill out one of the participation cards that will be located on the table with the extra copies of the agenda. These cards then need to be presented to the recording secretary prior to the agenda item being presented.

Commissioner Hettinga - Asks if we will allow many members of one organization to speak or if we will require that they get together and present their comments all at one time.

Jerry Maracchini - States that if there is a large group of people who wish to speak on the same agenda item then it would be preferable if they all get together and have one person do the presenting for them. These cards also allow for those individuals who do not wish to get up and speak in public to present their comments in writing to the Commission.

Agenda Item No. 3...Closed Executive Session

MOTION: Commissioner Doerr makes a motion to go into closed executive session to discuss - director's performance with respect to personnel assignments, department organization and areas of emphasis and the legal implications of the Uniform Licensing Act relating to Outfitter's and the Rock Lake Hatchery delinquent lease. Commissioner Hettinga seconds.

VOTE: Roll call vote taken - all present voted in the affirmative. Motion passes unanimously.

Agenda Item No. 4...Approval of Minutes - January 6, 1999.

MOTION: Commissioner Doerr makes a motion to approve the minutes of the January 6, 1999 meeting

as presented. Commissioner Cramer seconds.

VOTE: Roll call vote taken - 6 of the 7 present voted in the affirmative. Commissioner Emery who was not present at the meeting chose not to vote. Motion carried.

Agenda Item No. 5...Consent Agenda

- Budget Report - Pat Block
- Auction of Department Vehicles and Equipment

Commissioner Hettinga - States he would like to have the budget report faxed or mailed to the commission so that they have time to review and then if there are no questions, they can just vote on it right away.

MOTION: Commissioner Hettinga makes a motion to approve the Consent Agenda. Commissioner Cramer seconds.

VOTE: Roll call vote taken - all present voted in the affirmative. Motion passes unanimously.

Agenda Item No. 6...1998-1999 Oryx Hunter Accommodations

Jerry Maracchini - Explains that back in January the Commission gave the Director the authority to negotiate with White Sands Missile Range to try and come up with a reasonable method of accommodating the oryx hunters who were successful in drawing a license but whose hunts were cancelled. We have done so and we had to come up with some type of intermediate plans to handle the hunters and we came up with the spring hunts. We realize that when we came up with the spring hunts that these are far different than those that the hunters originally applied for. So in order to be as accommodating as possible on the once-in-a-lifetime hunts, we are presenting an opportunity for those hunters who participated but were not successful or for those hunters who could not participate another opportunity to hunt this fall (1999-2000).

MOTION: Commissioner Hettinga makes a motion to approve Agenda Item #6 as proposed. Commissioner Doerr seconds.

Commissioner Cramer - Commends the Department with the way they have handled these hunts and feels that we have gone above and beyond what needed to be done.

Steve Henry - Thanks Commissioner Cramer for the comment. He acknowledges that Commissioner Hettinga should get some of the credit. We have had about 180 hunters and about 4 have not killed an oryx. We will probably have about 30 +/- that have chosen not to hunt. There are four or five more hunts still to be held. We feel that these hunts have been successful and according to the missile range they are getting a bigger selection of trophy oryx taken than there has ever been.

Commissioner Cramer - Asks if what the commission is voting on and that it may involve 30 - 40 people.

Steve Henry - More than likely. There may still be a different understanding among the hunters.

Bob Atwood - Just wanted to say thanks and feels that the people who did not get to participate be allowed to hunt next year.

Oscar Simpson - Offers his gratitude. His concern is that only the people who were not given the opportunity to hunt be allowed. He did not want to see the elimination of the once-in-a-lifetime hunts.

Stan Lundy - Would like the opportunity to go on his oryx hunt that he was not able to go on. He is concerned with the take it or leave it attitude that the letter he received portrayed.

Jerry Maracchini - We still do not have a guarantee that the hunts published for this year will even be

held.

Commissioner Hettinga - States he is optimistic about the hunting at WSMR.

Commissioner Ortega - Thanks Jerry for the job he did on one of the more controversial individuals from here in Santa Fe.

VOTE: Roll call vote taken - all present voted in the affirmative. Motion passes unanimously.

Agenda Item No. 7... Removal of "Once in a lifetime" restriction for 1998-1999 oryx hunters.

MOTION: Commissioner Hettinga makes a motion to remove Item No.7 from the agenda. Commissioner Ortega seconds.

VOTE: Roll call vote taken - all present voted in the affirmative. Motion passes unanimously.

Agenda Item No. 8...Social Security Number Requirements Discussion

Larry Bell - States that this was brought up because of some questions brought up by the public and commissioners. There are a variety of concerns and we just want to have a little discussion. Back in 1998 and maybe even in 1997 the Commission had concerns relating to the use of prisoner's inputting the application information. We were just about to have a solution for this and then the Parental Responsibility Act came along. As with other laws there are exceptions and this PRA has some of these exceptions and because of these we now need to collect this information on our applications.

MOTION: Commissioner Hettinga makes a motion to require the NM Department of Game and Fish to NOT collect SS# on applications or licenses in any form. Commissioner Doerr seconds.

Commissioner Hettinga - There are no safe guards and we have a lot of public outcry not to require this information. There are no safe guards on any of our information because we are a public agency and therefore anyone can come to our office and request this information. The NM Driver's licenses do not require SS#'s. Feels that if it is required then we should have a court order to direct us to collect this information.

Larry Bell - Just to make something a little more clear, if someone came into the office with a public inspection request, and since we can only collect a SS# for a specific purpose and only make it mandatory for a specific purpose. Then on any public records request that we receive where that number may be contained the SS# would have to be redacted from this request. As a matter of fact even before the SS# request we have always had requests from outfitters and such for information and we have taken the SS#'s off. As for driver's license the SS# does not show up on the license but it is asked for as part of the application and then that application is then retained in their files.

Alvin Garcia - Larry is correct in that SS#'s are redacted from any document requested through public records act. This advice from the Attorney General's office for all state agencies is that these numbers be taken off any public records. The State Human Services Department is tied to the enforcement of this act. There are federal monies tied to this act. The adoption of this motion may force his office to withdraw as counsel for the State Game Commission.

Commissioner Padilla - Mentioned the importance of this act and he opposed it because of the fact that it is not funded and does not reimburse the Department for loss of revenue.

Commissioner Hettinga - Feels that we should enforce the child enforcement act, but there are other ways to do this. The Department has lists and Human Services should provide a list of those in violation and the Department can then check their records and start the revocation. States that Alvin's version of how public records are given out is not how it happens, maybe it should but it does not always happen the correct way.

Alvin Garcia - The lists are required by Human Services Department. Lists that contain these SS#'s are checked against lists of those not in compliance. This is all done by data disks.

Chairman Brininstool - Feels that federal money would be lost and feels that we are hurting ourselves.

Oscar Simpson - Does not like the SS# requirement and if we have some sort of protocol to assure that the SS#'s were not given out then maybe more people would support this action. He would like for the Department to explore some way for the in the future of not having to use SS#'s.

Commissioner Hettinga - States that the Health and Human Services asks for names. Feels that there are ways to go about this and he feels that the Department would find a way without having to hold the license buyer's hostage.

Larry Bell - We get from Human Services a datadisk and on this disk is a list of SS# of those not in compliance and we then match it to what records we have. We would be more than happy to work with Human Services to find out if they would accept some other method. They are not only dealing with Game and Fish but all other agencies as well and that he cannot speak for them, but he will work with them.

VOTE: Roll call vote taken and Commissioner's Hettinga, Ortega, Emery and Padilla voted in the affirmative. Commissioner's Doerr, Cramer, and Brininstool voted in the negative. Motion carries with a 4 to 3 in the affirmative.

Larry Bell - Informs the commission that since we already have our licenses printed and distributed that we will try to conform to the wishes of the Commission.

Representative Begay - Introduces himself and states that he represents legislative district 4 which covers great deal of the Navajo Nation Reservation. He is from the NW portion of the state. A couple of years ago a bill was introduced regarding amphibians and reptiles. He introduced a bill this year and he received some support. Has done some research and has found that other states have restrictions on removing native species from their states and during the research he has discovered that New Mexico does not have similar restrictions and he would like to see some set in place. There are native amphibians and reptiles that are very important to his heritage. He would like the Department of Game and Fish to take a look at this and see what they can do to help.

Commissioner Hettinga - Asks Rep. Begay to get the Department a copy of the bill and the analysis and he would like to see this on the next agenda.

Rep. Begay - Yes, he would get us all of these copies and is willing to come for the next meeting if needed.

Commissioner Doerr - As he understands it, the Department does not have jurisdiction over these and asks if this bill allows for more personnel and funding.

Commissioner Padilla - Agrees with Commissioner Hettinga and with this on the next agenda he would like to see a copy of Representative Porter's bill. We need to analyze both bills together and see what the differences are.

Jerry Maracchini - States that he would like to answer Commissioner Doerr's question with regard to personnel and money. When we first analyzed the bill we are always cautious about additional personnel and money and the bill was modified as Rep. Begay mentioned to be a little bit more regulatory friendly to the commission. In other words it would have given the commission the authority to regulate only those species that it felt necessary instead of a blanket for all species. Feels that the next step would be for the Department to analyze and come up with legislation that it feels the Commission could support. The Commission was never afforded the opportunity to look at what the implications would be in regards to manpower and money

Commissioner Hettinga - Feels that we should investigate the TWW/OCS money and see how it could help with this.

Jerry Maracchini - States that if it ever happens yes it would go to help this.

Agenda Item No. 9...Deer Management Long-Range and Action Plan Update

Barry Hale - Gives the background on this subject and explains how we have gotten to where we currently are. We have updated the Long-Range Deer Management Plan and we have created a Deer Management Action Study.

We have identified the areas where we would like to

Criteria for Selecting Locations:

- Study location must have deer
- Study location has historic information on deer populations
- Land status should be primarily public, with cooperation from administering land management agency
- No depredation complaints about deer in the area
- Predator management must be an option

We have selected two areas: Unit 23 Burro Mountains and Unit 51 west of El Rito in the Carson National Forest. We have begun the planning effort for these areas.

For both areas:

- Deer - trap and collar (90), monitor (mortalities) and survey (mark/recapture and sightability).
- Predator - survey (scent stations, howl counts, etc), removal (ground/aerial), and monitor of removal.
- Areas - Two - Burro Mountains in Unit 23 and El Rito Area of Unit 51.
- Cost - average of \$400,000 per year.

We have some ground work that still needs to be laid before we can get the bulk of the work started. We need to hire the deer manager, complete the project plan, prepare FY2001 budget request and allocate FY 2000 budget for project.

We are looking to start the bulk of the work in FY2000 and we plan to: test predator survey techniques, initiate predator surveys, initiate deer sightability

Commissioner Hettinga - Asks if we were specifically asked not to institute one of these areas, Unit 51. He requests that we use an alternate area. He would also like for it all to be started at one time (law enforcement, habitat, etc).

Commissioner Padilla - Asks what the opposition to Unit 51.

Commissioner Hettinga - Feels that it is hard to get the law enforcement needed up there to enforce the poaching. It is hard to get in the middle of the Carson forest and the Gila country to get law enforcement out there all the time. We need to get it started where it will at least have a chance to work.

Commissioner Padilla - States that Utah has a program called dedicated hunter program. He asks if anyone knows what this is.

Commissioner Doerr - We also talked about trying to get in addition to these two areas we are going to try and improve the habitat in other areas of the state at the same time we are monitoring these two areas.

Santiago Gonzales - We have some preliminary plans to begin habitat work with Sikes Act money. We have started on the predator removal at this time because we thought it was the most controversial portion. We have not ignored the habitat request, but we just wanted to present this portion to see if we are on the correct track.

Commissioner Hettinga - Feels that Santiago Gonzales knows that if we just focus on predator removal

HOUSE BILL NO. 311

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES COGHILL, Ogan, Foster, Kohring, Sanders, Harris

Introduced: 1/24/00

Referred: Resources, Judiciary

A BILL

FOR AN ACT ENTITLED

**1 "An Act eliminating a requirement that a social security number be provided by
2 an applicant for a hunting or sport fishing license or tag."**

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

4 * Section 1. AS 16.05.330(e) is repealed.

ALASKA STATE HOUSE OF REPRESENTATIVES

Interim Address:
119 N. Cushman, Suite 211
Fairbanks, AK 99701
(907)-456-5081
Fax# (907)-456-8245



Session Contact:
(907)-465-3719
FAX# (907)-465-3258
State Capitol
Room 416

REPRESENTATIVE JOHN COGHILL

HB 311 Social Security Numbers & Recreational Licenses SPONSOR STATEMENT

A requirement to provide your social security number before obtaining a recreational hunting and fishing license was a recent federal mandate accepted by the legislature under the Smart Start legislation of 1998.

The reasoning for imposing the social security requirement for a casual license was to track people for child support enforcement agencies nationwide. While an integrated national system such as this may be efficient it is a double-edged sword. First, the requirement is an instrument for the abuse of privacy. Secondly the federal government tempts us to erode our constitutional responsibilities and rights through mandates that are accepted when taking federal funds.

Lets remember that our social security started in 1935 as a means of tracking earnings and benefit qualification for those workers who had jobs under this system. The social security number was never intended to be use for general identification purposes. Most importantly our social security number was not intended for invasion of anyone's privacy.

"The right to be left alone – the most comprehensive of rights, and the right most valued by free people."

Justice Louise Brandeis, *Olmstead v. U.S.* (1928)

"The right of the people to privacy is recognized and shall not be infringed."

Alaska State Constitution. Article 1, Section 22.

The privacy issue here is that information being gathered by vendors issuing licenses all over Alaska is available for purchase by anyone. The information of about 600,000 licensees can be purchased for \$350. While the social security number is purged from the database, the information provided on the application is collected by a vendor which is less secure.

The states' rights issue was created by a Supreme Court challenge by South Dakota of the federal mandate of legal drinking age requirement to receive federal highway funds. While the Court determined that the Tenth Amendment prevented the federal government from requiring states to impose a mandatory seatbelt law, the federal government did have the authority to withhold federal highway funds from a state that did not enforce a mandatory seatbelt law.

Since this decision, states have been surrendering individual and states' rights in return for federal dollars. We must ask our selves how much our individual and states' rights are worth.

Two states currently do not require a social security number for a fishing or hunting license: New Mexico and Michigan. Neither state has been sanctioned by the federal government and neither state has lost a single federal dollar. They chose to stand and say, federal government you have gone to far and have not been suffered at the heavy hand of the federal government.

LEGAL SERVICES

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

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

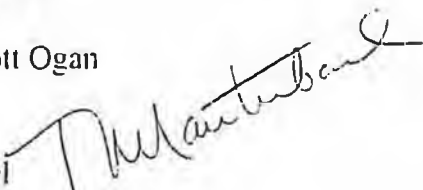
130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

March 23, 1999

SUBJECT: Social Security Numbers on Hunting and Fishing Licenses (Work Order No. 21-LS0740)

TO: Representative Scott Ogan

FROM: Terri Lauterbach
Legislative Counsel 

You have asked whether federal law requires social security numbers to be on applications for hunting and fishing licenses and, if so, whether the state could eliminate the related requirement that is currently in state law and forgo federal funds.

Federal law requires social security numbers to be on applications for "recreational licenses" but does not define that term. See copy of 42 U.S.C. 666(a)(13), enclosed. I have not located any attempt to define "recreational license" in federal regulations. In my opinion, the inclusion of hunting and fishing licenses is a reasonable interpretation of "recreational license."

This requirement is part of Congress' effort to improve child support enforcement and, thereby, to reduce use of governmental welfare payments to support a family that should be getting private child support but isn't. It is thought that social security numbers might be useful to locate a person who is delinquent on child support payments. Therefore, Congress requires the recording of social security numbers on many types of documents, including recreational licenses, as part of what a state must do in order to obtain federal funds for child support enforcement. In turn, having a child support enforcement program that meets federal requirements is part of what a state must do in order to get federal TANF/ATAP funds.

7. The state may choose to be out of compliance with 42 U.S.C. 666(a)(13). Such an action would jeopardize not only the federal funds received for child support enforcement efforts but also federal funds received as block grant money for the TANF/ATAP program under AS 47.27. The Department of Revenue and the Department of Health and Social Services could provide more information about these amounts and/or the likelihood of federal sanctions, or you could authorize me to contact them on your behalf in regard to these matters.

Please let me know if I can be of further assistance.

TML:jdr
99-146:jdr
Enclosure

HB

312/313

(File 1)

HFIN

FILE

(11)

HOUSE COMMITTEE REPORT

Date Referred to Committee: January 24, 2000

FURTHER REFERRALS:

Date of Committee Action: 3/8/00

The FINANCE Committee considered:

HB 312

HOUSE BILL NO. 312

APPROPRIATIONS: OPERATING BUDGET

"An Act making and amending appropriations for the operating and loan program expenses of state government, for certain programs, and to capitalize funds; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date."

recommends it be replaced with the following committee substitute CS HB 312 (FIN) the same title a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

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

zero fiscal note(s) _____ zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
<i>John Auld</i>	<i>Mulder</i>	X			
<i>Gene Theriault</i>	<i>Theriault</i>	X			
<i>Bob Bunker</i>	<i>Bunker</i>	✓			
<i>Bob Foster</i>	<i>Foster</i>	X			
<i>John Auld</i>	<i>Auld</i>			X	
<i>John Auld</i>	<i>Auld</i>				X
<i>Bob Bunker</i>	<i>Bunker</i>				X
<i>John Auld</i>	<i>Auld</i>			X	
<i>John Auld</i>	<i>Auld</i>	✓			

CHAIR'S SIGNATURE *John Auld* *Gene Theriault*

1-LS1304D ✓
Utermohle
3/1/00

adopted 3/6/00

CS FOR HOUSE BILL NO. 312(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

**Offered:
Referred:**

Sponsor(s): HOUSE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act making and amending appropriations for the operating and loan program
2 expenses of state government, for certain programs, and to capitalize funds;
3 making appropriations under art. IX, sec. 17(c), Constitution of the State of
4 Alaska, from the constitutional budget reserve fund; and providing for an effective
5 date."

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

7 (SECTION 1 OF THIS ACT BEGINS ON PAGE 2)

1 * Section 1. The following appropriation items are for operating expenditures from the general fund or
 2 other funds as set out in the fiscal year 2001 budget summary for the operating budget by funding source
 3 the agencies named for the purposes expressed for the fiscal year beginning July 1, 2000 and ending June
 4 30, 2001, unless otherwise indicated.

	Appropriation	General	Other
	Allocations	Funds	Funds
	*****	*****	
	***** Department of Administration *****		
	*****	*****	
10	Centralized Administrative	38,542,800	9,578,200
11	Services		28,964,600
12	Office of the Commissioner	483,600	
13	Tax Appeals	219,000	
14	Administrative Services	1,448,600	
15	DOA Information Technology	1,047,000	
16	Support		
17	Finance	5,754,800	
18	Personnel	2,430,000	
19	Labor Relations	961,400	
20	Purchasing	1,061,100	
21	Property Management	853,900	
22	Central Mail	1,107,700	
23	Retirement and Benefits	9,203,400	
24	Group Health Insurance	13,972,300	
25	Leases	34,288,600	23,745,400
26	Leases	33,612,700	
27	Lease Administration	675,900	
28	Elected Public Officers	1,111,500	1,111,500
29	Retirement System Benefits		
30	Information Services	20,627,600	20,627,600
31	Information Service Fund	55,000	55,000

1		Appropriation	General	Other
2	Allocations	Items	Funds	Funds
3	Public Communications Services	4,184,400	3,610,700	573,700
4	Public Broadcasting Commission	54,200		
5	Public Broadcasting - Radio	2,269,900		
6	Public Broadcasting - T.V.	754,300		
7	Satellite Infrastructure	1,106,000		
8	AIRRES Grant	76,000	76,000	
9	Risk Management	22,405,000		22,405,000
10	Longevity Bonus Grants	53,546,600	53,546,600	
11	Alaska Longevity Programs	24,128,500	23,630,400	498,100
12	Management			
13	Pioneers Homes	22,800,400		
14	Alaska Longevity Programs	1,328,100		
15	Management			
16	Senior Services	15,630,800	7,230,500	8,400,300
17	Protection, Community	4,408,500		
18	Services, and Administration			
19	Nutrition, Transportation and	5,514,300		
20	Support Services			
21	Senior Employment Services	1,857,600		
22	Home and Community Based Care	1,101,400		
23	Senior Residential Services	1,015,000		
24	Home Health Services	1,734,000		
25	Alaska Oil and Gas Conservation	2,868,300		2,868,300
26	Commission			
27	Legal and Advocacy Services	18,117,700	17,036,400	1,081,300
28	Office of Public Advocacy	8,301,600		
29	Public Defender Agency	9,816,100		
30	Alaska Public Offices Commission	803,000	803,000	
31	Motor Vehicles	8,702,600	8,667,700	34,900
32	Pioneers' Homes Facilities	2,125,000		2,125,000
33	Maintenance			

1		Appropriation	General	Other
2	Allocations	Items	Funds	Funds
3	General Services Facilities	2,589,700		2,589,700
4	Maintenance			
5	AOGCC Facilities Maintenance	34,000		34,000
6	ITG Facilities Maintenance	23,000		23,000
7	*****		*****	
8	***** Department of Community and Economic Development *****			
9	*****		*****	
10	Community Assistance & Economic	13,382,200	8,716,300	4,665,900
11	Development			
12	Community and Business	7,584,800		
13	Development			
14	International Trade and	920,200		
15	Market Development			
16	Qualified Trade Association	4,877,200		
17	Contract			
18	Executive Administration and	2,736,100	1,399,600	1,336,500
19	Development			
20	Commissioner's Office	425,500		
21	Administrative Services	2,310,600		
22	Municipal Revenue Sharing	46,893,400	28,493,400	18,400,000
23	State Revenue Sharing	14,389,200		
24	Municipal Assistance	17,504,200		
25	National Program Receipts	14,000,000		
26	Fisheries Business Tax	1,000,000		
27	Investments	3,295,500		3,295,500
28	Alaska Aerospace Development	1,624,800		1,624,800
29	Corporation			
30	Alaska Aerospace Development	731,400		
31	Corporation			
32	Alaska Aerospace Development	893,400		
33	Corporation Facilities			

1		Appropriation		General	Other
2		Allocations	Items	Funds	Funds
3	Maintenance				
4	Alaska Industrial Development		6,885,500		6,885,500
5	and Export Authority				
6	Alaska Industrial Development	5,659,000			
7	and Export Authority				
8	Alaska Industrial Development	177,000			
9	Corporation Facilities				
10	Maintenance				
11	Alaska Energy Authority	1,049,500			
12	Operations and Maintenance				
13	Rural Energy		18,151,300	387,900	17,763,400
14	Energy Operations	2,151,300			
15	Circuit Rider	300,000			
16	Power Cost Equalization	15,700,000			
17	Alaska Seafood Marketing		10,517,300	7,017,300	3,500,000
18	Institute				
19	Alaska Science and Technology		8,984,600		8,984,600
20	Foundation				
21	Banking, Securities and		1,722,800	1,721,100	1,700
22	Corporations				
23	Insurance Operations		4,121,000	4,121,000	

24 The amount appropriated by this appropriation includes the unexpended and unobligated balance on June
25 30, 2000, of the Department of Community and Economic Development, division of insurance, general
26 fund program receipts from insurance fees under AS 21.06.250, and general fund program receipts from
27 insurance fees under AS 21.06.250 received during the fiscal year ending June 30, 2001, and other program
28 receipts received by the division during the fiscal year ending June 30, 2001.

29	Occupational Licensing		5,519,300	5,052,900	466,400
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30 The amount appropriated by this appropriation includes the unexpended and unobligated balance on June
31 30, 2000, of the Department of Community and Economic Development, division of occupational
32 licensing, general fund program receipts from occupational licensing fees under AS 08.01.065, and general
33 fund program receipts received from occupational licensing fees under AS 08.01.065 received during the

1		Appropriation	General	Other
2		Allocations	Funds	Funds
3	fiscal year ending June 30, 2001, and other program receipts received by the division during the fiscal year			
4	ending June 30, 2001.			
5	Regulatory Commission of Alaska	5,013,200		5,013,200
6	State Facilities Maintenance	6,700		6,700
7	*****	*****		
8	***** Department of Corrections *****			
9	*****	*****		
10	Administration & Operations	124,933,900	108,051,800	16,882,100
11	Office of the Commissioner	736,100		
12	Parole Board	484,000		
13	Correctional Academy	664,400		
14	Administrative Services	2,654,100		
15	Data and Word Processing	1,480,000		
16	Facility-Capital Improvement	209,500		
17	Unit			
18	Inmate Health Care	11,184,000		
19	Inmate Programs	2,813,500		
20	Correctional Industries	1,163,900		
21	Administration			
22	Correctional Industries	3,500,600		
23	Product Cost			
24	Institution Director's Office	812,700		
25	Anvil Mountain Correctional	3,892,200		
26	Center			
27	Combined Hiland Mountain	7,356,800		
28	Correctional Center			
29	Cook Inlet Correctional Center	9,366,200		
30	Fairbanks Correctional Center	6,886,400		
31	Ketchikan Correctional Center	2,563,200		
32	Lemon Creek Correctional	5,878,900		
33	Center			

1		Appropriation	General	Other
2		Allocations	Funds	Funds
3	Matanuska-Susitna	2,553,300		
4	Correctional Center			
5	Palmer Correctional Center	8,255,300		
6	Sixth Avenue Correctional	3,856,800		
7	Center			
8	Spring Creek Correctional	13,506,500		
9	Center			
10	Wildwood Correctional Center	8,078,300		
11	Yukon-Kuskokwim Correctional	3,860,400		
12	Center			
13	Community Jails	4,718,700		
14	Community Corrections	556,900		
15	Director's Office			
16	Northern Region Probation	2,449,400		
17	Southcentral Region Probation	4,677,000		
18	Southeast Region Probation	961,500		
19	Transportation and	1,327,200		
20	Classification			
21	Electronic Monitoring	705,600		
22	Facility Maintenance	7,780,500		
23	Community Residential Centers		15,231,800	13,514,000
24	Existing Community	13,314,500		
25	Residential Centers			
26	Nome Culturally Relevant CRC	1,016,500		
27	Bethel Culturally Relevant CRC	144,800		
28	Community Residential Center	756,000		
29	Offender Supervision			
30	Out-of-State Contractual		18,847,100	16,180,400
31	Point MacKenzie Rehabilitation		2,122,900	2,666,700
32	Program			
33	Alternative Institutional Housing		200,000	200,000

1		Appropriation	General	Other
2	Allocations	Items	Funds	Funds
3	Food Services Apprenticeship	96,100		96,100
4	Program			
5	*****		*****	
6	***** Department of Education and Early Development *****			
7	*****		*****	
8	K-12 Support	678,213,600	649,007,000	29,206,600
9	Foundation Program	669,887,400		
10	Tuition Students	2,225,000		
11	Boarding Home Grants	185,900		
12	Youth in Detention	1,100,000		
13	Schools for the Handicapped	4,315,300		
14	Community Schools	500,000		
15	Pupil Transportation	39,775,100	39,775,100	
16	Executive Administration	592,700	123,800	468,900
17	State Board of Education	143,400		
18	Commissioner's Office	449,300		
19	Teaching and Learning Support	79,674,300	5,307,600	74,366,700
20	Special and Supplemental	47,643,700		
21	Services			
22	Quality Schools	30,675,500		
23	Education Special Projects	672,300		
24	Teacher Certification	682,800		
25	The amount appropriated by this appropriation includes the unexpended and unobligated balance on June			
26	30, 2000, of the Department of Education and Early Development, teacher certification general fund			
27	program receipts from certification fees under AS 14.20.020(c).			
28	Early Development	62,843,200	8,019,500	54,823,700
29	Child Nutrition	26,952,700		
30	Child Care Assistance &	26,071,500		
31	Licensing			
32	It is the intent of the legislature that an additional \$700,000 in general funds is added to Child Care			
33	Assistance & Licensing in the Division of Early Development to provide resources for after school child			

1		Appropriation	General	Other
2	Allocations	Items	Funds	Funds
3	care. Currently, approximately 1,150 or 34% of children in subsidized child care per month are of school			
4	age. between the ages of 5 and 12. Care for children between the time the school day ends and the work			
5	day ends provides additional opportunity for learning, a healthy, safe environment for play, and prevents			
6	children of working low income families from being alone and unsupervised. These funds would be			
7	targeted to serve approximately 500 additional eligible children between the ages of 5 and 12.			
8	Head Start Grants	5,029,200		
9	Special Programs	3,789,800		
10	Children's Trust Programs	405,700		405,700
11	Education Support Services	3,519,200	2,107,800	1,411,400
12	Administrative Services	1,170,800		
13	Information Services	643,600		
14	District Support Services	1,019,200		
15	Educational Facilities Support	685,600		
16	Alyeska Central School	4,953,600	91,200	4,862,400
17	Commissions and Boards	1,290,100	571,400	718,700
18	Professional Teaching	185,900		
19	Practices Commission			
20	Alaska State Council on the	1,104,200		
21	Arts			
22	Kotzebue Technical Center	609,000	609,000	
23	Operations Grant			
24	Alaska Vocational Technical	5,441,100	3,320,700	2,120,400
25	Center Operations			
26	Mt. Edgecumbe Boarding School	4,409,000	2,430,300	1,978,700
27	State Facilities Maintenance	1,496,100		1,496,100
28	Alaska Library and Museums	6,714,300	5,676,000	1,038,300
29	Library Operations	4,620,700		
30	Archives	688,700		
31	Museum Operations	1,404,900		
32	Alaska Postsecondary Education	9,112,600		9,112,600
33	Commission			

1		Appropriation	General	Other
2		Allocations	Funds	Funds
3	Program Administration	1,050,300		
4	Student Loan Operations	6,530,100		
5	Western Interstate Commission	88,000		
6	for Higher Education-Student			
7	Exchange Program			
8	WWAMI Medical Education	1,444,200		
9	*****		*****	
10	***** Department of Environmental Conservation *****			
11	*****		*****	
12	Administration		4,290,700	1,205,900
13	Office of the Commissioner	391,800		
14	Administrative Services	3,268,700		
15	Exxon Restoration	630,200		
16	Environmental Health		11,980,400	6,673,200
17	Environmental Health Director	168,400		
18	Food Safety & Sanitation	3,142,200		
19	Laboratory Services	2,060,400		
20	Drinking Water	3,814,600		
21	Solid Waste Management	1,078,300		
22	Statewide Public Services	1,716,500		
23	Air and Water Quality		9,888,500	2,904,400
24	Air and Water Director	462,100		
25	Air Quality	4,840,200		
26	Water Quality	4,586,200		
27	Non-Point Source Pollution		1,715,400	1,715,400
28	Control			
29	Spill Prevention and Response		7,324,900	7,324,900
30	Spill Prevention and Response	193,100		
31	Director			
32	Industry Preparedness and	2,407,800		
33	Pipeline Operations			

1		Appropriation	General	Other
2		Allocations	Funds	Funds
3	Prevention and Emergency	3,109,900		
4	Response			
5	Response Fund Administration	1,614,100		
6	Contaminated Sites Program		6,927,600	6,927,600
7	Local Emergency Planning		380,700	380,700
8	Committees			
9	Facility Construction and		5,150,700	4,127,700
10	Operations		1,023,000	
11		*****	*****	
12		***** Department of Fish and Game *****		
13		*****	*****	
14	Commercial Fisheries		43,408,500	18,932,200
15	Southeast Region Fisheries	5,827,500		
16	Management			
17	Central Region Fisheries	6,040,800		
18	Management			
19	AYK Region Fisheries	4,133,900		
20	Management			
21	Westward Region Fisheries	7,202,500		
22	Management			
23	Headquarters Fisheries	4,254,000		
24	Management			
25	Fisheries Development	2,284,300		
26	Special Projects	12,287,800		
27	Capital Improvement Position	1,132,700		
28	Costs			
29	EVOS Restoration Projects	245,000		
30	Sport Fisheries		23,035,300	23,022,000
31	Sport Fisheries	21,715,600		
32	Special Projects	1,319,700		
33	Wildlife Conservation		20,999,500	269,500

1		Appropriation	General	Other
2		Allocations	Funds	Funds
3	Wildlife Conservation	17,021,300		
4	Special Projects	2,944,300		
5	Capital Improvement Position	293,800		
6	Costs			
7	EVOS Restoration Projects	539,400		
8	Assert/Protect State's Rights	200,700		
9	Administration and Support	6,592,400	1,992,200	4,600,200
10	Public Communications	135,700		
11	Administrative Services	4,883,200		
12	Boards of Fisheries and Game	1,138,600		
13	Advisory Committees	434,900		
14	State Facilities Maintenance	1,008,800		1,008,800
15	Commissioner's Office	834,400	533,900	300,500
16	Subsistence	2,650,600	214,800	2,435,800
17	Subsistence	214,800		
18	Subsistence - Special Projects	2,066,900		
19	EVOS Restoration Projects	368,900		
20	Subsistence Field Offices	1,373,600	886,200	487,400
21	Habitat	10,863,200	1,809,100	9,054,100
22	Habitat	1,745,400		
23	Special Projects	2,120,400		
24	Habitat Permitting/Title 16	3,102,500		
25	Exxon Valdez Restoration	3,894,900		
26	Limited Entry Program	2,673,000	2,563,800	109,200
27	Administration			
28	Crystal Lake Hatchery	806,700		806,700
29		*****	*****	
30		*****	Office of the Governor	*****
31		*****	*****	
32	Human Rights Commission	1,464,400	1,307,900	156,500
33	Executive Operations	8,499,300	8,389,300	110,000

1		Appropriation	General	Other
2		Allocations	Funds	Funds
3	Executive Office	6,560,000		
4	Governor's House	318,000		
5	Contingency Fund	475,000		
6	Lieutenant Governor	874,500		
7	Equal Employment Opportunity	271,800		
8	Office of Management and Budget	2,127,600	2,127,600	
9	Governmental Coordination	4,533,400	1,438,400	3,095,000
10	Elections	3,668,600	3,668,600	
11	Agencywide Reduction	-500,000	-500,000	
12	*****		*****	
13	***** Department of Health and Social Services *****			
14	*****		*****	
15	Public Assistance	147,442,200	91,055,100	56,387,100
16	Alaska Temporary Assistance	66,112,800		
17	Program			
18	Adult Public Assistance	52,970,900		
19	General Relief Assistance	829,300		
20	Old Age Assistance-Alaska	2,100,300		
21	Longevity Bonus (ALB) Hold			
22	Harmless			
23	Permanent Fund Dividend Hold	17,518,100		
24	Harmless			
25	Energy Assistance Program	5,505,600		
26	Tribal Assistance	2,405,200		
27	Medicaid Services	439,763,500	107,223,000	332,540,500
28	Catastrophic and Chronic Illness	4,304,400	4,304,400	
29	Assistance (AS 47.08)			
30	Public Assistance Administration	75,794,400	22,300,500	53,493,900
31	Public Assistance	1,680,100		
32	Administration			
33	Quality Control	945,900		

1		Appropriation	General	Other
2		Allocations	Funds	Funds
3	Public Assistance Field	24,175,100		
4	Services			
5	Fraud Investigation	1,140,800		
6	Public Assistance Data	4,823,400		
7	Processing			
8	Work Services	13,660,100		
9	Child Care Benefits	29,369,000		
10	Medical Assistance Administration		9,760,700	28,841,100
11	Medical Assistance	1,658,200		
12	Administration			
13	Medicaid State Programs	15,838,100		
14	Health Purchasing Group	16,991,100		
15	Certification and Licensing	1,082,300		
16	Hearings and Appeals	399,300		
17	Children's Health Eligibility	2,632,800		
18	Purchased Services		29,492,700	11,510,000
19	Family Preservation	5,031,700		
20	Foster Care Base Rate	10,903,700		
21	Foster Care Augmented Rate	2,986,800		
22	Foster Care Special Need	2,377,000		
23	Foster Care Alaska Youth	150,000		
24	Initiative			
25	Subsidized Adoptions &	10,811,900		
26	Guardianship			
27	Residential Child Care	8,241,600		
28	Court Orders/Reunification	500,000		
29	Efforts			
30	Front Line Social Workers		9,094,000	10,199,600
31	Family and Youth Services		1,417,100	2,863,800
32	Management			
33	Family and Youth Services Staff		436,500	717,000

1		Appropriation		General	Other
2		Allocations	Items	Funds	Funds
3	Training				
4	Child Protection Legal Assistance		440,000	440,000	
5	Office of Public Advocacy	185,000			
6	Public Defender Agency	255,000			
7	Juvenile Justice		29,030,500	24,574,500	4,456,000
8	McLaughlin Youth Center	10,078,500			
9	Fairbanks Youth Facility	2,731,900			
10	Nome Youth Facility	675,500			
11	Johnson Youth Center	2,452,800			
12	Bethel Youth Facility	1,987,900			
13	Mat-Su Youth Facility	174,800			
14	Ketchikan Regional Youth	23,100			
15	Facility				
16	Delinquency Prevention	3,292,000			
17	Probation Services	7,614,000			
18	Human Services Community		1,716,900	410,900	1,306,000
19	Matching Grant				
20	Maniilaq		2,172,900	2,172,900	
21	Maniilaq Social Services	843,900			
22	Maniilaq Public Health	901,300			
23	Services				
24	Maniilaq Alcohol and Drug	427,700			
25	Abuse Services				
26	Norton Sound		1,720,600	1,720,600	
27	Norton Sound Social Services	62,200			
28	Norton Sound Public Health	1,271,900			
29	Services				
30	Norton Sound Alcohol and Drug	290,200			
31	Abuse Services				
32	Norton Sound Sanitation	96,300			
33	Southeast Alaska Regional Health		299,900	299,900	

1		Appropriation	General	Other
2		Allocations	Funds	Funds
3	Consortium			
4	Southeast Alaska Regional	120,100		
5	Health Consortium Public			
6	Health Services			
7	Southeast Alaska Regional	179,800		
8	Health Consortium Alcohol and			
9	Drug Abuse			
10	Kawerak Social Services		372,700	372,700
11	Tanana Chiefs Conference		517,900	517,900
12	Tanana Chiefs Conference	239,300		
13	Public Health Services			
14	Tanana Chiefs Conference	278,600		
15	Alcohol and Drug Abuse			
16	Services			
17	Tlingit-Haida		192,500	192,500
18	Tlingit-Haida Social Services	186,600		
19	Tlingit-Haida Alcohol and	5,900		
20	Drug Abuse Services			
21	Yukon-Kuskokwim Health		1,416,300	1,416,300
22	Corporation			
23	Yukon-Kuskokwim Health	907,400		
24	Corporation Public Health			
25	Services			
26	Yukon-Kuskokwim Health	508,900		
27	Corporation Alcohol and Drug			
28	Abuse Services			
29	State Health Services		78,928,300	23,360,500
30	Nursing	14,744,400		55,567,800
31	Women, Infants and Children	20,542,200		
32	Maternal, Child, and Family	12,875,500		
33	Health			

1		Appropriation		General	Other
2		Allocations	Items	Funds	Funds
3	Healthy Families	729,700			
4	Public Health Administrative	1,309,000			
5	Services				
6	Epidemiology	7,735,300			
7	Bureau of Vital Statistics	1,446,900			
8	Health Services/Medicaid	3,372,000			
9	Community Health/Emergency	5,741,800			
10	Medical Services				
11	Community Health Grants	1,575,200			
12	Emergency Medical Services	1,760,100			
13	Grants				
14	State Medical Examiner	1,063,000			
15	Infant Learning Program Grants	1,199,300			
16	Public Health Laboratories	3,337,900			
17	Radiological Health	284,600			
18	Tobacco Prevention and Control	1,211,400			
19	Alcohol and Drug Abuse Services		22,177,600	4,706,200	17,471,400
20	Administration	2,319,200			
21	Alcohol Safety Action Program	1,093,600			
22	(ASAP)				
23	Alcohol and Drug Abuse Grants	10,282,500			
24	Community Grants - Prevention	8,023,200			
25	Community Action Against	177,300			
26	Substance Abuse Grants				
27	Correctional ADA Grant	281,800			
28	Services				
29	Community Mental Health Grants		4,792,000		4,792,000
30	Psychiatric Emergency Services	1,554,500			
31	Services to the Chronically	820,800			
32	Mentally Ill				
33	Designated Evaluation and	1,279,700			

		Appropriation	General	Other
		Allocations	Funds	Funds
		Items		
1				
2				
3	Treatment			
4	Services for Seriously	1,137,000		
5	Emotionally Disturbed Youth			
6	Community Developmental		652,400	652,400
7	Disabilities Grants			
8	Institutions and Administration		15,345,000	10,100
9	Mental Health/Developmental	2,862,000		
10	Disabilities Administration			
11	Alaska Psychiatric Institute	10,257,400		
12	Federal Mental Health Projects	2,225,600		
13	Mental Health Trust Boards		1,266,800	1,266,800
14	Alaska Mental Health Board	20,000		
15	Governor's Council on	1,246,800		
16	Disabilities and Special			
17	Education			
18	Administrative Services		9,320,400	3,287,700
19	Commissioner's Office	910,100		
20	Personnel and Payroll	1,284,300		
21	Administrative Support	3,414,400		
22	Services			
23	Health Planning & Facilities	929,900		
24	Management			
25	Audit	196,800		
26	Facilities Maintenance	2,584,900		
27	*****		*****	
28	***** Department of Labor and Workforce Development *****			
29	*****		*****	
30	Employment Security		76,540,200	3,451,900
31	Employment Services	14,232,100		
32	Unemployment Insurance	17,781,100		
33	Work Services	1,720,100		