

ALASKA LEGISLATURE

2078

HOUSE and SENATE FINANCE COMMITTEE FILES, 1999 - 2000

- The Division of Emergency Services met last week with all state, federal and local agencies responsible for emergency preparedness and response. DES is hiring a full-time Y2K coordinator to ensure that communications and other systems will be fully functional.
- Specialized training was provided to facilities managers (especially those operating 24 hour institutions such as adult and youth correctional facilities, Pioneer Homes and state hospitals) on Y2K compliance in security systems, heating/ventilation, fire alarms, elevators, etc.

Other broad areas of Y2K activity include:

- A Y2K coordinating committee with representatives of all executive branch departments, quasi-public corporations, University of Alaska and Alaska Court System has been meeting regularly since the winter to share information and plan major work assignments.
- Agencies have identified their Y2K mission-critical business processes and are completing inventories of all facets of those systems which require assessment and, if necessary, remediation and testing. This includes computer systems, embedded microchips and interfaces with federal and local agencies, contractors, vendors and others in the private sector such as banks.
- Agencies are assessing the need to extend or adjust disaster recovery, business contingency and risk management plans for their mission critical systems.
- Special task groups are working on interdepartmental issue areas such as banking and finance, embedded systems/facilities, emergency communications and disaster recovery planning, and legal/risk management issues.
- The State has been determining and ensuring the Y2K compliance status of key entities in its "supply chain" e.g. vendors, contractors, and other service providers who do business with the State through contracts, leases, grants, etc.;
- An online clearinghouse provides information to agencies on best practices, vendor compliance data, testing and certification approaches, and software tools and methodologies.

Statewide Y2K priorities and responsibilities established

While there are hundreds of important state services, not all have the potential for significant threats to public safety or major impacts on the state economy if Y2K problems are not corrected. Most governments and businesses have recognized that it may not be appropriate or fiscally responsible to correct every single instance where Y2K problems might develop. To determine where the state should focus its efforts, criteria for determining which business processes are mission critical were developed and reviewed by Law and Risk Management. They are:

- Loss or endangerment of life, health, safety.
- Extraordinary financial or revenue loss to the State of Alaska.
- Extraordinary economic loss to the State of Alaska.
- Extraordinary disruptions in utilities, transportation, or communications systems.
- Extraordinary loss or interruptions to persons or businesses.
- Extraordinary environmental damage/loss.

All department business processes have been inventoried and matched against these criteria. A list of the Y2K mission critical functions — those where the state will focus its efforts — is in the final stages of development.

Although there is a statewide Y2K coordinating office, commissioners are responsible for ensuring the assessment, remediation and testing of mission critical processes in their departments. Each department has named a Y2K project team with members drawn from the department's program and technical managers. The Unisys consultant has met with each department's Y2K project team to discuss Y2K issues and responsibilities.

To assure continuity of mission critical functions, business continuity and contingency plans will be required by the end of December 1998. These contingency plans are necessary because even with the best of state efforts, full remediation may not be possible since interfaces with suppliers, federal agencies or others may not work because of problems at their end of the data exchange. Also, external problems such as power or telecommunications failures may make normal processes non-functional.

An overall project plan and the budget for the Project Office will be finalized by Bob Poe within a month. This will give him an opportunity to review the work done to date and incorporate the results of the inventory process now being completed by agencies. In general, the responsibilities of the Y2K Project Office will include:

- monitoring the progress executive branch toward compliance of mission critical systems;
- sharing best practices;
- coordinating interdepartmental task groups in key areas such as emergency preparedness, finance and risk management;
- researching risk management issues (such as liability limits and exclusion language which are beginning to surface in insurance negotiations), legislation; and
- working with local governments and political subdivisions to coordinate management issues and avoid duplication of effort;
- centrally researching commonly used hardware and software and posting bookmarks on the state's website clearinghouse with hot links to manufacturers' compliance information; and
- communicating with local governments, the private sector and the public.

Last week, Bob Poe and Annalee McConnell attended a State Y2K Summit organized by the National Governor's Association in Washington D.C. to learn how other states are addressing the problem and to discuss with federal officials the many complex interrelationships with the federal government. Of the forty-five states that attended, progress ranges from states that have been working on the problem for the last year or so, to states that have not even begun. Alaska is about in the middle with respect to its efforts to address the Y2K problem. It was reassuring to learn that we are actively pursuing all the major issues raised by state and federal officials during the meetings.

Legal and risk management issues

This task group includes OMB, the Chief Procurement Officer, Risk Management Director and an Assistant Attorney General. Activities to date include:

- drafting model vendor compliance letters for agencies to use in contacting suppliers and contractors that provide state services to assess their ability to support government functions without interruption;
- drafting new more consistent and thorough Y2K compliance language for state general services master contracts to replace what has been in place for the past two years;
- additionally, a definitions section, and disclaimer are currently under legal review;
- due diligence practices have been established for contacting outside entities and archiving their responses; and
- legislation such as limitations on liability for information-sharing is being researched (various bills already passed in 3 states and being considered in 12 others)

Telecommunications, electric power and other essential utilities

The Alaska Public Utilities Commission (APUC) is the lead review agency on Y2K compliance in the utility sector, including telephone companies, electric utilities, and water and sewer utilities. The APUC is addressing the Y2K issue on a statewide basis, not just within state government. The APUC has opened a docket on Y2K matters and distributed a survey in June on the status of utility Y2K efforts. This survey was provided to all certificated utilities in Alaska and to all of the cellular phone companies in Alaska, even though these companies are regulated by the FCC, not the APUC (over 400 entities in total).

The survey is the initial phase of the Commission's investigation and is intended to determine whether Alaska's utilities have appropriate plans in place for addressing potential Y2K problems in providing utility services. The survey is also intended to expand awareness of the Y2K issue among the state's utilities and to promote the exchange of Y2K-related information among the utilities.

Responses to the survey were due July 16. A considerable number of the state's utilities have filed their responses. However, the Commission, at the request of several utilities and pipeline carriers, has extended the deadline to August 6, 1998. The Commission is in the process of tabulating the survey results; however, preliminary review of the surveys indicates that most of the respondents have Y2K plans in place or are assessing their systems for Y2K issues.

The Commission will determine the next steps in its Y2K investigation after evaluating the survey results. The Commission recognizes that reliable utility services are extremely important to the state's residents, as well as to public and private sector organizations, and that it is essential for the state's utilities to thoroughly address the Y2K issue.

Emergency management

The Y2K Project Office is working with the Division of Emergency Services (DES) to coordinate Y2K readiness of all parts of state/federal/local emergency preparedness and response. The Project Office made Y2K presentations at the July meetings of the State Emergency Response

Commission (SERC) and the Local Emergency Planning Committee (LEPC). The SERC meeting was attended by 24 Local and State agencies. SERC has formed a committee to provide local perspective to the State's Year 2000 Emergency Management team and written a letter of support and petition for resources to the Governor. The LEPC meeting was attended by 16 local and state agencies. Not surprisingly, there is a wide divergence in Year 2000 readiness among local communities.

DES is in the process of hiring a full-time person assigned to Year 2000 coordination among federal, state, local and private business sectors for the following tasks:

- Coordinate emergency management related Y2K inventory assessment, remediation and testing.
- Develop emergency management contingency plans.
- Support the Project Office with regular progress reports.
- Provide direct planning assistance to local governments.
- Assist state agencies and local governments in identifying resources available for Y2K problem resolution.

Facilities and embedded systems

Y2K related problems can occur in many building systems, including heating and ventilation control systems, boiler and chiller units, fire alarm systems, security systems, elevator controls, lighting systems, and emergency generator systems. Other embedded systems with potential Y2K problems are found in the state ferries, traffic light control systems, medical equipment, laboratory equipment, and vehicles. All of these systems need to be inventoried and assessed for Y2K compliance, and where necessary, remediated and tested.

The responsibility for Y2K compliance for state facilities has been assigned to:

- Department of Transportation and Public Facilities for facilities currently managed or maintained by the department;
- Department of Administration for all state-leased facilities; and
- Each individual department for special facilities they manage, such as correctional institutions, youth facilities, API and Pioneer Homes.

Two workshops on Y2K compliance for facilities and other embedded systems were held on July 15 and 16 in Juneau and Anchorage, with the Juneau workshop videoconferenced to Fairbanks. The workshops were conducted by Scientific Applications International Corporation, a large information technology firm with extensive experience in facilities Y2K compliance. The workshops provided detailed information and checklists on how to assess, remediate and test systems in facilities, with an emphasis on mission-critical 24-hour institutions.

Approximately 50 state facility managers attended the workshops, including representatives from all of the state agencies with facilities responsibilities. They indicated that the workshops were very useful in assisting their Y2K compliance efforts.

The Department of Administration is in the process of sending letters to all lessors requiring a status report on Y2K compliance for each building by the end of September. While it is the lessors' responsibility to address Y2K compliance in their buildings, it is important that the state closely monitor Y2K compliance in leased facilities to minimize any Y2K-related building problems that would impact state government operations.

Clearinghouse

The Project Office currently is evaluating software for maintaining the statewide status of mission-critical and other systems and interfaces. Departments will supply data regularly to the Project Office, which will in turn compile and update status information on the state's Y2K website.

While agencies are ultimately responsible for achieving their own compliance, the Project Office is attempting to reduce the workload by centrally collecting and posting compliance information on commonly used office software and hardware products. Product inventories have been collected from most state agencies and Project Office staff are systematically researching common office products (400 so far) and establishing web site links (58 to date) to vendor/manufacture compliance information sources, best practices, etc.

Banking, insurance and electronic commerce

The risk management task group is currently evaluating state responsibilities and potential liabilities with special emphasis on activities/industries directly regulated by the state. The group is sorting out exactly where the state's responsibilities begin and end. For example, the Division of Insurance, working through the National Association of Insurance Commissioners, is directly responsible for ensuring that the 10 companies domiciled in Alaska are compliant, particularly with respect to time sensitive payments such as annuities, premiums, etc. The Division of Banking and Securities has a less direct role. The Federal Financial Institution Examination Council has taken the lead for the financial industry by conducting a compliance survey of all financial institutions and providing a plan for achieving compliance by 12/98.

Within state government itself, the DOA-Finance Division is hiring an experienced project coordinator to ensure complete evaluation and testing of all state interfaces with banks, local and federal governments, vendors, etc. This task addresses financial processing such as revenue collection, payroll/vendor payments via checks and electronic deposits, federal drawdowns, electronic benefits transfers, etc.

Oil and gas industry

All regulatory, revenue and environmental protection aspects of state relationships with the oil and gas industry are being evaluated for potential Y2K implications. Agencies involved are:

- DNR – Division of Oil and Gas and Pipeline Coordinator's Office
- Alaska Public Utilities Commission – Common Carrier Pipelines
- DOR – Oil and Gas Audit Division
- DOA – Oil and Gas Conservation Commission

- DEC – Division of Spill Prevention and Response

Local governments and school districts

The Project Office has been coordinating with the Alaska Municipal League (AML) and DCRA to raise awareness and provide information to local governments. An article was published in the June edition of the AML - *Touchstone* newsletter on how local governments should organize themselves to address the problem. AML will also schedule workshops on Y2K issues for municipalities at their annual November conference. On the state government side, DCRA is organizing a strategy for addressing the needs of smaller municipalities. This process will involve Rural Utilities Business Advisors (RUBA), the Division of Energy and local government specialists providing information and support to city managers, administrators, school superintendents and public works directors.

The Department of Education is evaluating a recently-received Y2K school district checklist developed by Prudential Insurance Company. If appropriate, it will be distributed to school districts statewide to help them be sure school facilities and services are Y2K compliant.

Testing methodology

The Project Office is organizing workshops for various types of testing needs – mainframe, client-server, and desktop systems. The content will be based on an analysis of Year 2000 best practices and a survey of agency requirements. A separate mainframe test environment is being established in ITG for inter-agency use. Additional Year 2000 specific testing tools are being researched to support this and other agency testing environments.

Funding of Y2K efforts

The Y2K Task Force recommended that \$15.98 million be appropriated initially in the FY 99 capital budget for Y2K activities in the executive, legislative and judicial branches of government and the University of Alaska. The funds would be used for:

- assessment and planning;
- remediation of computer code;
- acquisition of needed manpower, support, hardware, software tools, testing tools, testing services and environments, and certification services;
- assessment of state facilities for embedded systems problems;
- external communications and contingency/disaster recovery planning;
- creation of a State Y2K clearinghouse for product compliance information; and,
- project management, and coordination.

The Task Force emphasized that this was not likely to be the total funding needed for FY99, let alone the total amount needed for dealing with all the state's Y2K problems. Even after January 1, 2000, it is likely a large number of system fixes and changes will be needed to finish the job.

The House version of the FY99 budget appropriated \$4 million for executive/judicial Y2K work and \$1 million for the University's efforts. However, the measure failed to achieve the three-quarters vote in the Senate necessary to appropriate these amounts from the Constitutional Budget Reserve Fund. (As mentioned above, funds for the current Unisys contract come from the FY98 capital appropriation for information technology. All but \$2,700 of this appropriation has been expended or encumbered). The administration is working with legislators on a mechanism for temporary funding to adequately address Y2K problems over the interim.

Senior Project Manager Bob Poe will submit additional cost information and budget recommendations to the Legislative Budget and Audit Committee within two weeks.

Status of Alaska Court System activities

Year 2000 readiness assessments for facilities maintained by the court system are on-target for completion by the end of 1998. The court system is in the process of migrating all of their key computer systems to new systems that will be Y2K compliant. A total of 33 separate systems are being replaced by 29 new systems. The testing of all enterprise software is scheduled for September 1998, with implementation scheduled for October 1998 - March 1999.

The court system is currently addressing other critical dependencies -- interfaces and suppliers -- as well as contingency planning.

State of Alaska

Tony Knowles, Governor

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TO: House and Senate
Finance Committees

DATE: April 25, 1998

FROM: Year 2000 Project Office

SUBJECT: Year 2000 Problem
Funding Requirements

An Alaska Year 2000 (Y2K) Task Force was established in February of 1998 to ensure that all branches of State government are adequately addressing the State of Alaska's Y2K issues. The Governor, House Speaker, Senate President, Chief Justice, and University president each appointed a high-level representative to the task force. ARCO and National Bank of Alaska were also asked to participate on the task force to ensure that private's sector knowledge, experience, and advice was incorporated into the State's response.

This memorandum explains what the Y2K problem is, how other organizations have responded, how the State has responded so far, a status of the State's current situation, and an explanation of FY 99 funding needs. It addresses aspects of the problem affecting all three branches of state government. The draft was circulated to task force members from all branches of state government and the private sector and this final memorandum incorporates all of the comments received. Several members noted that they could not "speak for" the other branches, although they felt the summary was a realistic assessment of the state's Y2K situation as they know it.

What is the Y2K Problem?

The Y2K problem is a holdover from the early days of computers when standard computer programming techniques emphasized maximum efficiency in the use of technology, particularly data storage mediums. Due to the immense cost of computer hardware, every effort was devoted to reducing hardware acquisition and operating costs. Storing only the last two digits of the year instead of all four digits was a way of saving data storage space and other computer processing resources. This system worked fine until dates in the next millennium exposed that the programs are unable to determine if a year stored as a '10', for example, should be interpreted as 1910 or as 2010.

As the millennium approaches, the risk of technology failures is enormous. One of the more frustrating aspects of the Y2K problem is that it often manifests itself in a number of seemingly unrelated ways. More common examples include:

- computer system freezes and shutdowns;

- data corruption;
- erroneous instructions to automated security systems, such as those common in hospitals and correctional facilities;
- incorrect transmission of remote telemetry instructions to railroad switching yards and hydroelectric facilities;
- incorrect operation of heating, and ventilation systems in buildings;
- failure of microchips in trucks and other vehicles on which could endanger health and safety;
- denial of authorizations for credit cards that expire in the new millennium; and,
- proliferation of these and other errors via the Internet and other network links.

To further compound the problem, many of the contingency systems related to the above list are at risk as well. For example, many disaster recovery and emergency preparedness systems depend on computer based technology, especially power grids and telecommunications systems. Also, many critical state government functions and services rely on suppliers and vendors with their own Y2K problems to solve. Lastly, many businesses, local governments, and nonprofit organizations heavily lean on the availability, reliability, and safety of services provide by the State government.

How Have Other Organizations Responded?

Governments and businesses are directing considerable funding and resources toward their Y2K problems. For example, Georgia plans to spend \$160 million in FY 99 alone, New York expects to spend \$400 million, and Wyoming approximately \$13 million. *The Washington Times* reported on April 2, 1998, that fewer than half of all federal agencies will be ready by the Year 2000. The latest cost estimate for dealing with federal Year 2000 problems, announced in April, is \$50 billion, more than ten times greater than the federal Office of Management and Budget's previous estimate. A private sector example is the Bank of New York which set aside \$500 million in next year's budget for its Year 2000 remediation effort.

Most organizations turn to contractors and consultants to help solve the problem. Unfortunately, firms and contractors capable of providing enterprise level Year 2000 services are already short supply. They are increasingly demanding, and obtaining, higher prices and "master" contracts in which they provide all the resources needed to meet the client's Year 2000 needs. Some are even demanding, and reportedly obtaining, long term strategic partnerships with clients to provide other automation services in addition to the work required to remediate the Year 2000 problems.

Many organizations are realizing they do not have enough time to fix their Year 2000 problems and are opting to concentrate instead on contingency planning. For example, in March 1998, the chair of the President's Council on the Year 2000 Conversion told Congress he met with the Federal Emergency Management Agency and asked them to initiate talks with state and local disaster relief agencies about the preparation of contingency plans.

In March, the Society For Information Management announced that its study of 200 corporations with annual revenues exceeding \$4 billion each found that fewer than half of their Year 2000 projects are beyond the planning stage. The project managers estimated that on average 70% of the project effort occurs *after* the plans are completed.

In a step backwards, many applications and systems previously repaired and certified as Year 2000 compliant are turning out not to be compliant after all. For example, Microsoft announced in April, 1998, that it has backed off its earlier announcement that its major business applications would be Year 2000 compliant before the millennium.

What Has the State of Alaska Done About the Y2K Problem?

There is some good news. Many state agencies have been working for months to assess and fix Y2K problems. Several key computer systems have already been fixed, or are scheduled for remediation in the near future. In some cases, the corrections were made when outdated systems were overhauled primarily for other reasons (e.g., the State's criminal justice, child support enforcement, and budget systems).

One of the biggest steps taken to date to help assure the State's readiness is the recent engagement of a private sector Y2K project manager. Ms. Karen Perkins, a senior consultant with Unisys Corporation with expertise in Year 2000 project management and coordination services, has been retained to help lead the state's Y2K effort. This includes assessing and documenting the State's readiness for potential Y2K problems, providing overall statewide coordination and management, and assisting state agencies in identifying and resolving specific Y2K issues and problems at the agency level.

Ms. Perkins was recommended and obtained through a contract with a consortium of Alaskan vendors that conducted a national search for Year 2000 expertise on behalf of the State. Unisys Corporation is a nationally respected firm doing both public and private Y2K work and has been selected as one of the Gartner Group's "Premier" Y2K vendors. Funding of this contract through September 1998 was provided from the information technology appropriation made last session.

Other specific Y2K actions include:

- the State has formed a Y2K coordinating committee with representation from all executive branch departments, agencies, and quasi-public corporations;
- the State has identified its mission-critical application systems as well as the core state government services which depend on them;
- the State has begun an assessment of mission-critical systems to determine the type and criticality of Y2K related problems, as well as the resource and time requirements for fixing the problems and testing the solutions; and assessing the need to extend or adjust disaster recovery and risk management plans;
- the State has established this Year 2000 Task Force which has executive level representatives from all three branches of state government as well as the private sector;
- special working groups focused on key issue areas have been formed. These groups are addressing issues that cross department boundaries including key business partner relationships. So far, working groups have been formed for: banking and finance, criminal justice, embedded systems/facilities, emergency communications and disaster recovery planning, federal government relations, legal and risk management issues, and telecommunications;

- the State has begun initial development of an enterprise wide process for determining and ensuring the Y2K compliance status of all entities in its "supply chain" e.g. vendors, contractors, and other service providers who do business with the State through contracts, leases, grants, etc.;
- the State has conducted initial Y2K compliance interviews with key agencies and programs such as the Alaska Data Center, Department of Corrections, and telecommunications and emergency services; and,
- the State has begun the initial development of an online clearinghouse to coordinate and share Y2K related information such as best practices, vendor compliance data, testing and certification approaches, and software tools and methodologies.

These activities are being coordinated through the Office of Management and Budget.

What is the State's Current Status?

Some of the State's major mainframe financial application systems such as payroll (AKPAY) and accounting (AKSAS) are expected to be completed, tested, and in production by 12/31/98. Assessment of Y2K related problems for department level application systems, networks, and desktop systems is under way, but progress varies greatly by department.

A major issue is the considerable uncertainty about the compliance status of vendors' hardware and software products. Vendors are becoming reluctant to warrant and certify their products as being Y2K compliant due to potentially huge liability issues.

The State's greatest uncertainty about potential exposure to Y2K problems arises in the areas of telecommunications and embedded systems (such as elevators, health monitoring equipment, etc.). The State is also concerned about the potential for Y2K related disruptions to spread from one system or organization to another via networks and the supply chain.

Unfortunately, much of the assessment phase of dealing with the Y2K problem, plus the largest part of the necessary remediation, testing, certification, reimplementation, and contingency planning and disaster recovery phases, still lie ahead.

All of these phases will pose challenges and significant resource requirements. The testing phase above all, however, is expected to pose the greatest demands. Discussions with outside firms as well as the experience of our own private sector business partners on the Year 2000 Task Force indicate strongly that we should not underestimate our needs for hardware, software, and personnel during this phase. Typically, testing costs run about 50%-70% of total Y2K expenditures, and even higher for widely dispersed operations like the State's which are not as amenable to centralized testing approaches. Our private sector members caution that since testing requires the direct involvement of key personnel who know the business thoroughly, backfilling those key business positions can generate substantial costs, or else important business functions will go undone.

FY 99 Funding Needs

It is difficult, if not impossible, to estimate with any reliability the total amount of funding needed to deal with all the State's Y2K problems. The full extent of the problem cannot be

determined until more analysis of the State's systems is completed and more is known about Y2K compliance among vendors, the federal government, and others with whom state government interacts. Already, however, it is clear that work needs to continue at an even greater level than at present.

As funding for these activities is discussed, two considerations are crucial:

- 1) Funding is needed immediately. As mentioned earlier, with the January 2000 deadline approaching so quickly, the State of Alaska will increasingly be seeking to engage Y2K resources in a national "escalating dollar per hour environment". Also, with global Y2K activities plus the present Euro-Dollar conversion in Europe siphoning off already-scarce technical resources, the window for engaging Y2K contract assistance at any price is rapidly closing.
- 2) Without prompt action, the Y2K technical resources the State needs will simply be unobtainable. Funding authority must be provided so contracts can be negotiated and signed before available talent pools are depleted, even though the cash flow requirement may not be immediately tapped; and,
- 3) Funds appropriated in the FY 99 capital budget for the Y2K effort must be sufficient to allow work to proceed through at least February of 1999 and to secure major contracts to begin detailed assessment and remediation. By then, the State will have much better information about what is possible (and not possible) to achieve before the December 31, 1999, "event horizon". A detailed Y2K project plan and proposal for further funding will be developed and presented to policy makers and legislators for discussion in the next legislative session.

With these considerations in mind, the Task Force recommends that \$15.98 million be appropriated now in the FY 99 capital budget for Y2K activities. This funding authorization level is needed immediately to negotiate for and begin purchasing the resources needed for the State's overall Y2K effort in the following areas:

- assessment and planning;
- remediation of computer code;
- acquisition of needed manpower, support, hardware, software tools, testing tools, testing services and environments, and certification services;
- assessment of state facilities for embedded systems problems;
- external communications and contingency/disaster recovery planning;
- creation of a State Y2K clearing-house for product compliance information; and,
- project management, and coordination.

The requested level of funding should be allocated (or separately appropriated) as follows:

Executive Branch	\$ 10,000,000 ^{/a}
University	\$ 4,000,000 ^{/b}
Court System	\$ 90,000 ^{/c}
Legislature	\$ 1,890,000 ^{/d}

^{a/} Excludes the University of Alaska. Recommend an appropriation to OMB for disbursement to other agencies according to need.

- b/ Current University estimate of full Year 2000 funding need for FY99 is approx. \$8.6 million.
- c/ Already included in the Court System's overall FY99 capital budget request for computer technology.
- d/ The Legislative Affairs Agency has independently made a capital project request to eliminate its mainframe software systems. Replacing the systems includes acquiring and implementing Y2K-compliant elements.

This amount may not be the total funding needed for FY99. Additional funds are likely to be requested next session when more detailed and reliable cost estimates have been developed. The Task Force also emphasizes that these estimates **do not** indicate the total amount of funding that will be needed for dealing with the State's entire Y2K problem. Even after January 1, 2000, it is likely a large number of system fixes and changes will be needed in order to finish the job.

Although the requested amount is large, it is smaller than what many other similarly sized organizations plan to spend. For example, the Gartner Group says 20-25% of an organization's annual information technology budget is a general rule of thumb for estimating annual Y2K related funding needs through at least calendar year 2000. In Alaska's case, this would equate to approximately \$25 million per year for FY99, FY00, and perhaps also FY01.

Sample appropriation language is attached. It could be used either as a separate Year 2000 appropriation bill or as part of the FY99 capital budget.

Year 2000 Project

DRAFT APPROPRIATION LANGUAGE

Section 1. Purpose

Public sector and private sector organizations around the world, including businesses, governments, nonprofit organizations and others, are racing to prevent and mitigate problems which may result from the effects of the so-called "Year 2000 Problem". These problems include the potential failure or erroneous performance of automation systems, and the resulting disruptions in essential programs and activities supported by those systems. A significant concern of the State of Alaska is to avoid or mitigate significant Year 2000-related disruptions from State of Alaska systems. The appropriations in Section 2 are to fund the prevention or mitigation of problems caused by the State's Year 2000 problem.

Section 2. Appropriations

The following amounts are appropriated from the general fund separately to each entity below to support all aspects of assessment, remediation, testing, certification and contingency planning activities aimed at solving or mitigating the Year 2000-related problems of the State of Alaska. The appropriation made to the Office of Management and Budget is to be distributed to agencies within the executive branch as needed for their Year 2000 efforts.

Office of Management and Budget	\$10,000,000
University of Alaska	\$4,000,000
Court System	\$90,000
Legislature	\$1,890,000

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State of Alaska Year 2000 Website: <http://www.state.ak.us/y2000>

002/003

Project Title: **Year 2000 Software Upgrades for Phone and Security Systems** Location: **Statewide**
 Category: **Justice** Project Priority: **1** Election District: **89**
 Project Type: **Equipment** Agency Priority: **1** AP/AL: **AP** Completion Date (mm/yy): **08/2000**

ADMIN ACCOUNTING +-- JUNEAU SUPREME

Funding	FY 2000 Capital Request	Annual State Operating/ Maintenance	FY 2000 New State PFT	Capital Requests					Total Request FY 2000 - FY 2005
				FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	
1002 Federal Receipts									
1003 General Fund Match									
1004 General Fund	182.5								182.5
1005 GF Program Receipt									
1037 GF Mental Health									
TOTAL	182.5								182.5

BRIEF PROJECT SUMMARY:

Software upgrades to eliminate year 2000 date problems in telephone and facility access security systems

PROJECT DESCRIPTION AND JUSTIFICATION:

The Alaska Court System has determined that many of its phone systems and security systems are not year 2000 date compatible. The cost to upgrade and install software for these systems is estimated at \$182,500. Telephone systems play a critical part in the judicial process. A considerable amount of court business is conducted over the phone and many judicial proceedings are telephonic as well. It is imperative that telephone switch software is upgraded prior to the year 2000. The court system has also determined that certain facility access security systems are not year 2000 compliant. The software of these systems utilizes a two digit year code, which will cause the systems to fail at the end of the century.

The court system has participated in the Alaska State Facility Administrators committee. The remediation of the court system's other year 2000 facility problems will be addressed in the budget submission of this committee.

Does Capital Project:

Yes No

- 1) Meet state constitutional or statutory responsibility? X
- 2) Address life, health or safety issues? X
- 3) Reduce state operating costs? X
- 4) Leverage private sector or local funds? X
- 5) Create ongoing private sector jobs? X
- 6) Facilitate transfer of responsibility to local or private sector? X

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CP1 Capital Projects
Descriptions

Agency Alaska Court System

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FY 2000

01/29/99 08:13 19072848292 ADMIN ACCOUNTING *** JUNEAU SUPREME 003/003

<u>Location</u>	<u>Lessor</u>	<u>Phone Systems</u>	<u>Access Security Systems</u>	<u>Total</u>
Anchorage	Court System	\$35,000	\$40,000	\$75,000
Barrow	Arctic Slope Regional Corp	500		500
Bethel	City of Bethel	500		500
Cordova	John Wilson	500		500
Craig	Paul Thibodeau	500		500
Delta Junction	State-owned	500		500
Dillingham	Choggiung Limited	500		500
Fairbanks	State-owned	20,000	5,000	25,000
Galena	Gana-a' Yoo Ltd.	500		500
Glennallen	Ahtna Inc	500		500
Haines	Lynn Canal Corp.	500		500
Healy	Tri-Valley Vol. Fire Dept.	500		500
Homer	John & Mary Ellen Tramontin	500		500
Juneau	State-owned	15,000	5,000	20,000
Kenai	State-owned	15,000	5,000	20,000
Ketchikan	State-owned	11,000		11,000
Kodiak	State-owned	500		500
Kotzebue	State-owned	500		500
Nome	GSA	500		500
Palmer	State-owned	15,000	5,000	20,000
Petersburg	White Construction	500		500
Seward	City of Seward	500		500
Sitka	City & Borough of Sitka	500		500
Skagway	City of Skagway	500		500
Tok	Wilson Enterprises	500		500
Unalaska	Unalashka Corp	500		500
Valdez	ASHA	500		500
Wrangell	City of Wrangell	500		500
Yakutat	City of Yakutat	500		500
TOTALS		\$122,500	\$60,000	\$182,500

**CP1 Capital Projects
Descriptions (continued)**

Agency Alaska Court System

Page 2 of 2

FY 2000

Year 2000 Project Status Report

University of Alaska
January 15, 1999

February 1, 1999

TO: Renee Howell
@ Senator Parnell's Office
FAX: 465-6592

FROM: Marylou Burton
University of Alaska
474-6928

RE: SFC Hearings on Y2K bill

In follow-up to my telephone call: Steve Smith, UA Chief Information Officer, and I have arranged to teleconference into this morning's hearing on the Y2K bill and will be available to answer any questions the committee might have. A packet of information is also enclosed to be distributed to the committee.

Please give me a call if you have any questions.

Six Major Phases

- Year 2000 Awareness
 - Inventory & Assessment
 - Remediation
 - Testing & Validation
 - Implementation
- Contingency
(Overlaps Other Phases)

Year 2000 Awareness

- Gartner Group Presentations
- Open Letter to UA Community
- Y2K Web Page & Listserv
- Ongoing Communication
- Establishment of Y2K Project Office

Inventory & Assessment: Review Business Functions in Key Areas

- Financial & Information Systems
- Facilities
- Safety & Security
- Communications
- Instructional Programs
- Research Programs
- Student Services
- Transportation

Inventory & Assessment: Evaluate Potential Y2K Impacts

- Life Threatening/Mission-Critical: Failure could result in death or injury, or be disastrous to university operations
- Priority: Failure could have substantial impact on university operations
- Non-Priority: Failure could result in trivial costs or inconvenience

Life Threatening/Mission Critical Business Functions

Financial & Information Systems:

- Banner (Finance, Human Resources, Student Financial Aid)
- Desktop Systems
- Finance (Cash Management, Accounts Payable, Accounts Receivable, etc.)
- Personnel & Payroll
- Electronic Funds Transfer
- Credit Card Systems

Facilities:

- Building Security & Environment (Main & Extended Sites)
- ADA
- UAF Power Plant

Instructional Programs:

- Library Systems
- Student & Departmental Labs
- UAA Aviation Program
- Classroom & Departmental Equipment

Research Programs:

- UAF: GI, SFOS, IAB, AFES, ARSC
- UAA: ISER, ARC, ICHS

Communications:

- WAN/LAN
- Public Safety APSIN/Dispatch Radio
- Distributed Learning (Audio/Video Conferencing, Etc.)
- Campus Radio/TV
- Network Management
- Telephone Systems

Safety & Security:

- Exterior Lighting
- 911 Emergency
- ID/Access Cards
- Hazardous Substance Control

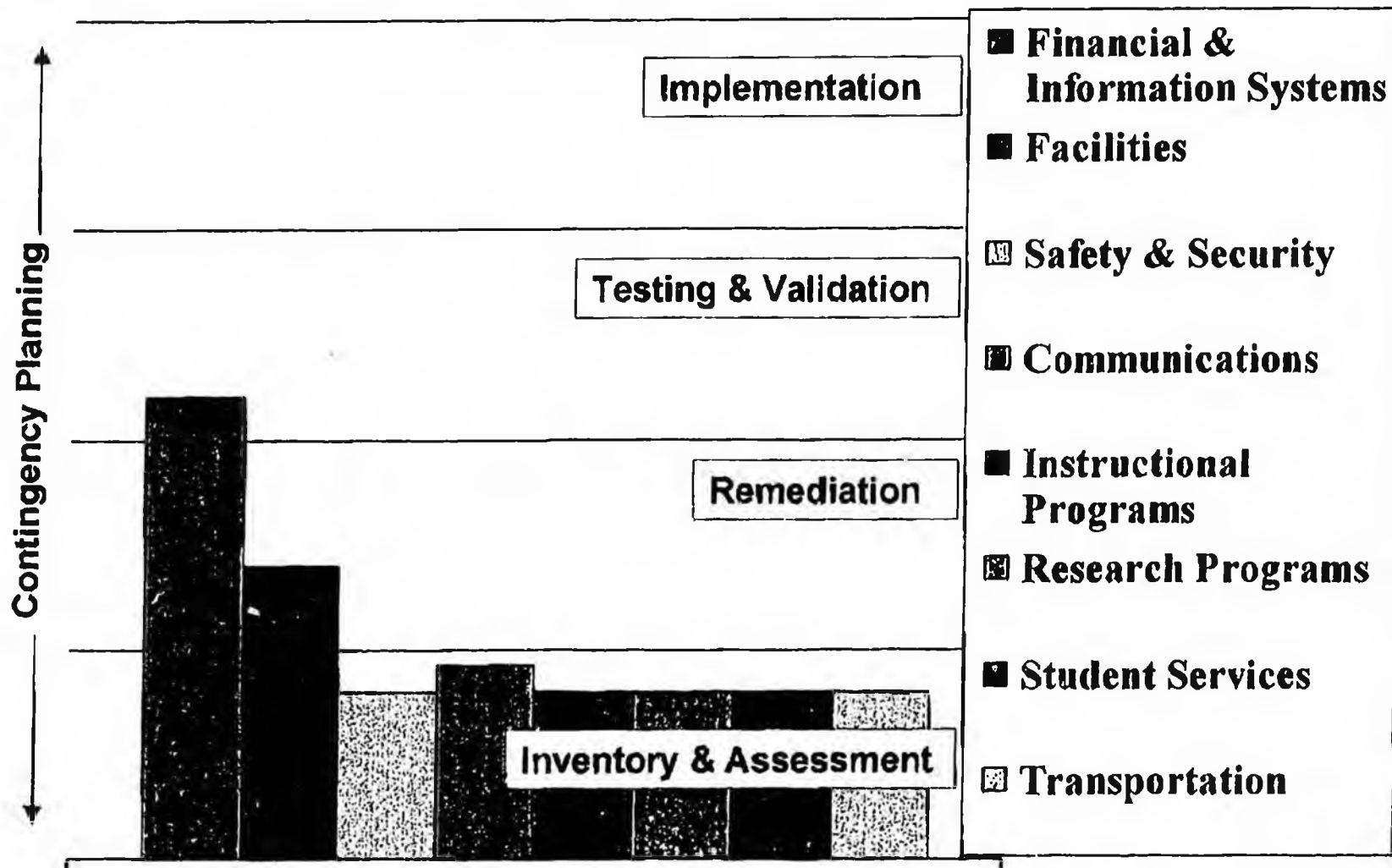
Student Services:

- Financial Aid
- Bookstores
- Food Service Operations
- Records & Registration
- Student Activities

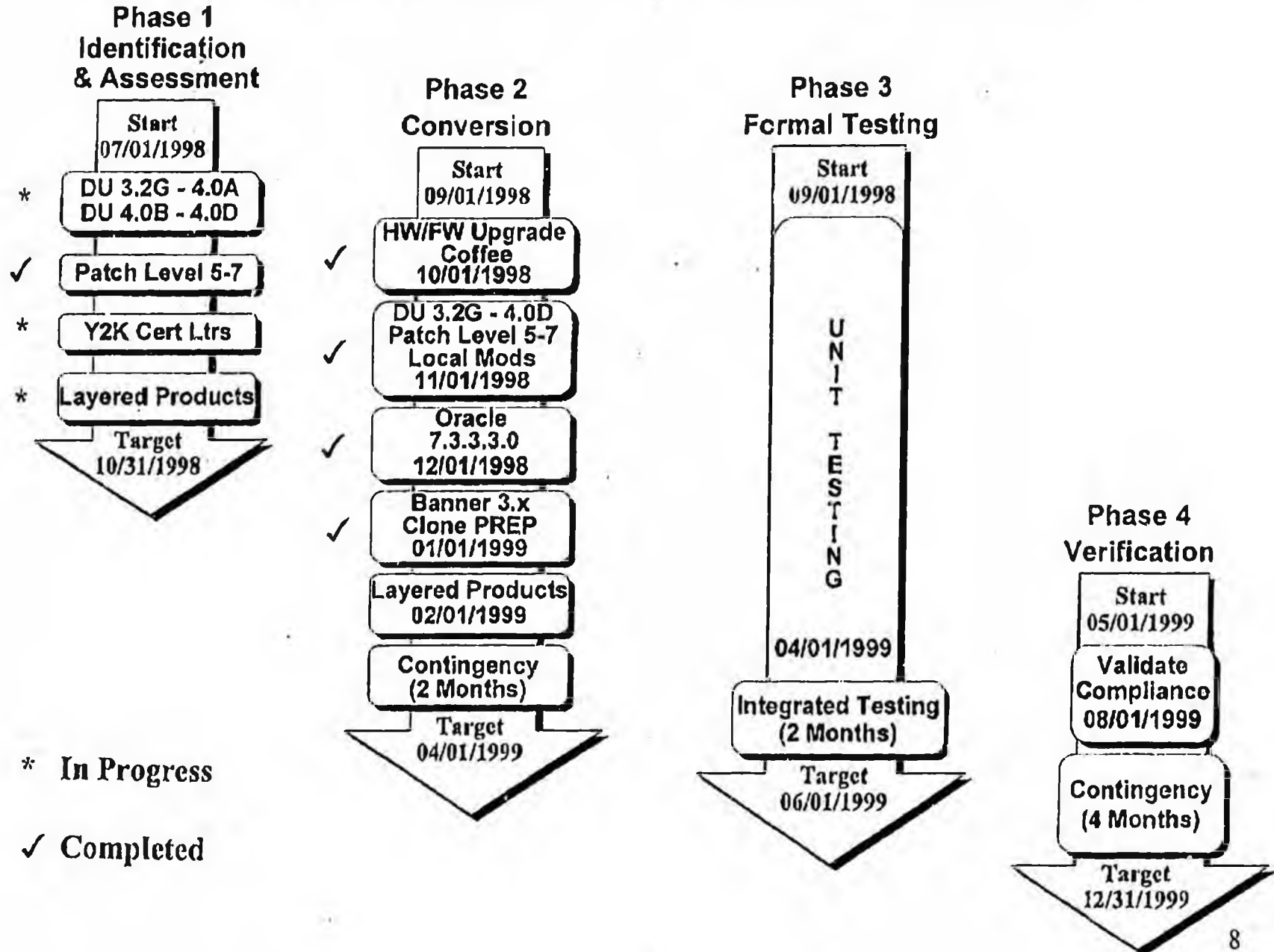
Transportation:

- Campus Vehicles
- Campus Roads

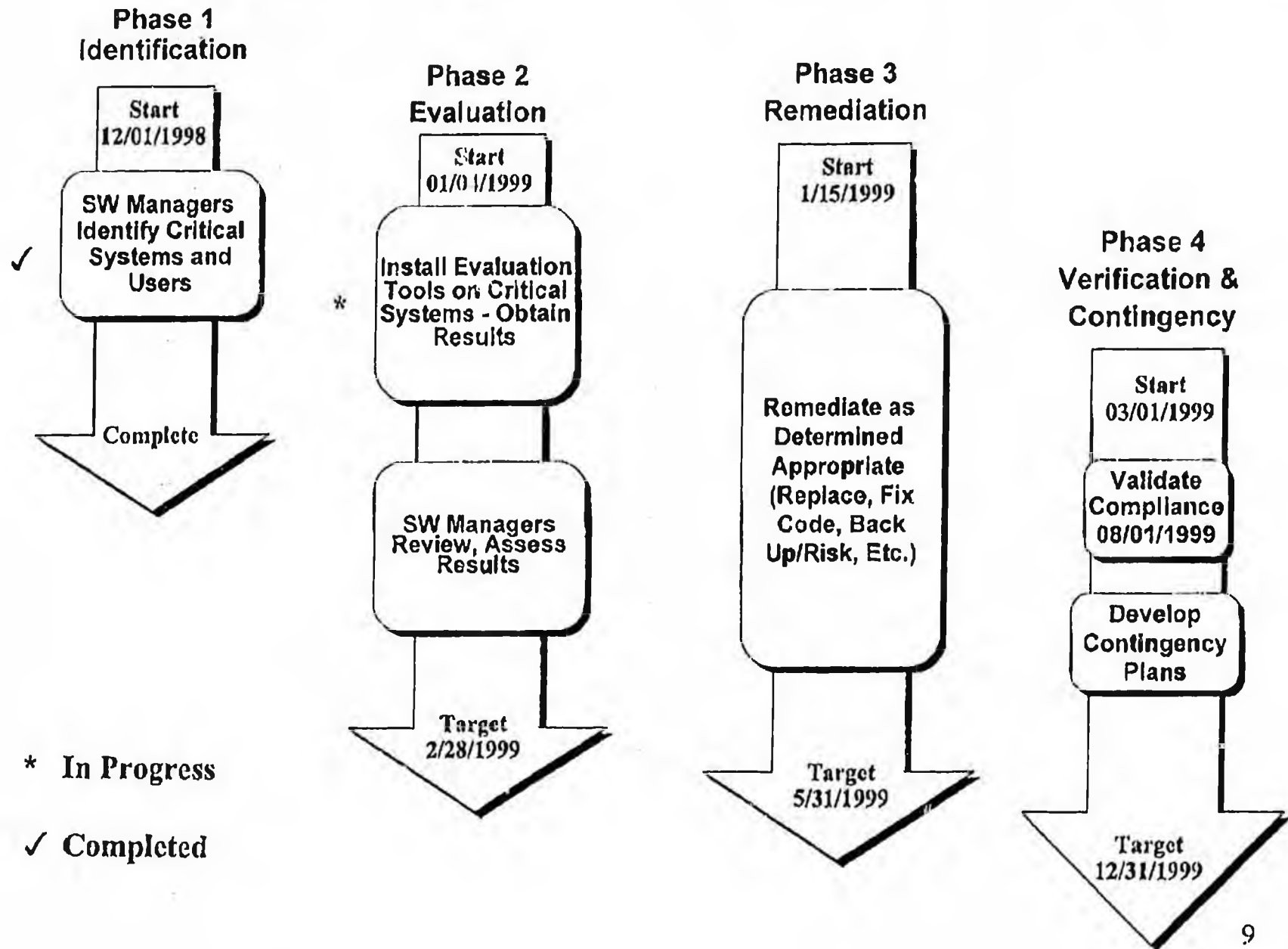
Status of Major Functions, January 1999:



Banner Y2K Compliance Milestones



Statewide Desktop Systems Work Plan, January 1999



ARSC Y2K Status, January 1999:

Goal is to be essentially Y2K compliant by the end of January 1999

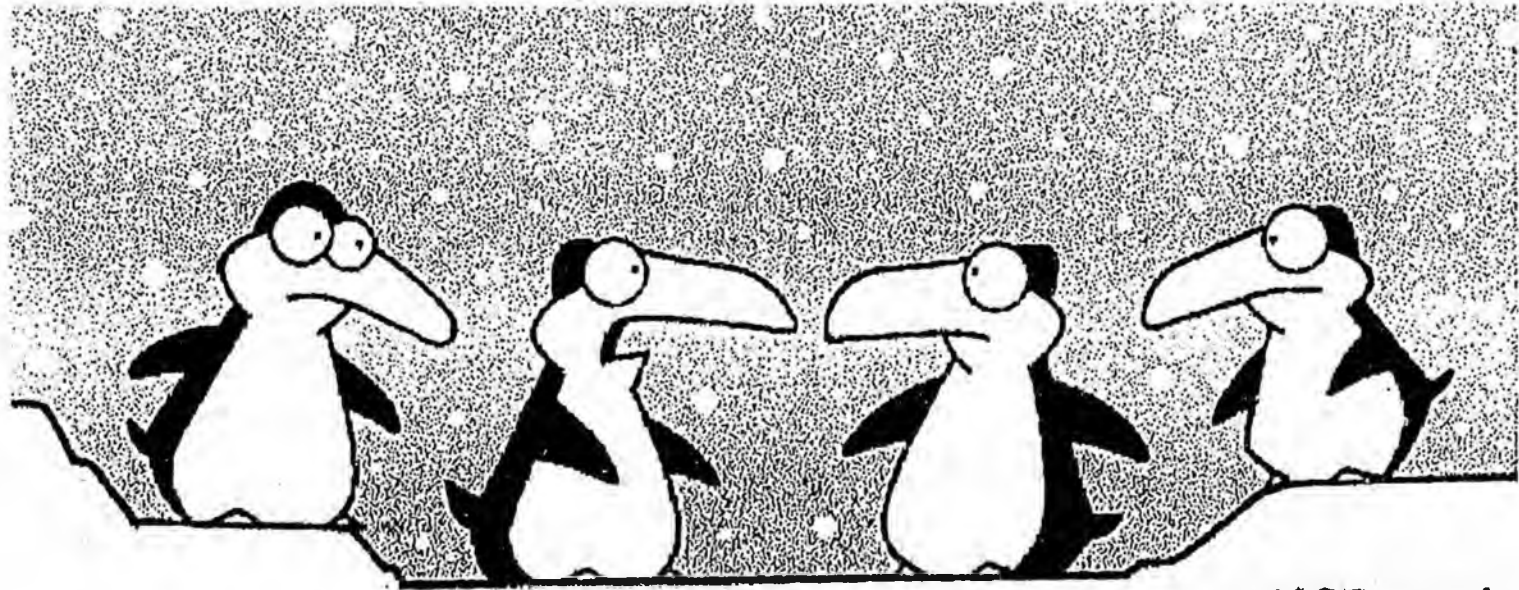
- Computing Hardware/Operating Systems: Certified as Y2K compliant by manufacturer
- Application Software: Y2K compliance certified by vendors and/or replaced as necessary
- Ongoing Review and Trouble-Shooting: Work with vendors and customers to identify and resolve unforeseen problems

Facilities Y2K Status, January 1999:

	Inventory & Assessment	Remediation/ Implementation	Target Date	Contingency Plan?
<u>SW:</u>			6/30/1999	In progress
<u>UAF:</u>				
Power Plant			3/31/1999	In progress
Fairbanks			6/30/1999	In progress
Extended			6/30/1999	In progress
<u>UAA:</u>				
Anchorage			6/30/1999	In progress
Extended			6/30/1999	In progress
<u>UAS:</u>				
Juneau			6/30/1999	In progress
Extended			6/30/1999	In progress

Y2K Budget/Cost Update

- \$7.9 million initial cost estimate; subsequently revised to \$5 million
- \$2 million “borrowed” from UA Risk Management fund pool to cover current costs pending legislative action
- \$5 million included in Governor’s Y2K bill.



GLASBERGEN

“If all the computers fail on January 1, 2000 how will they make the sun come up in the morning? How will they keep the gravity turned on? How will they keep the stars from crashing into each other?”

**University of Alaska
Year 2000 Frequently Asked Questions
January, 1999**

❖ **In general, what is the university doing to address Y2K issues?**

- Organizationally, the university is approaching Y2K on two fronts:
 1. Each Chancellor has appointed a Y2K Task Force leader that is responsible for coordinating Y2K activities at the MAU level.
 2. In addition, a Y2K Project Office has been established in Statewide to coordinate and monitor systemwide Y2K efforts and reporting, and to provide liaison with state and legislative Y2K activities.
- Strategically, the university is approaching Y2K as follows:
 1. First, inventory and assess major business functions for Y2K vulnerability;
 2. Second, evaluate those functions to determine which are most critical to the uninterrupted operations of the university;
 3. Third, apply triage to prioritize remediation efforts;
 4. Fourth, remediate, test & validate as necessary or resources allow;
 5. And fifth, develop contingency plans for unanticipated failures.
- In general, the university is fairly well along in its efforts to evaluate and remediate its major computer systems, including Banner and the Supercomputer Center. It is also fairly well along in its review and remediation of facilities, though this varies from campus to campus. In most other areas, however, the university is still in the process of inventorying its systems and has yet to begin remediation.

❖ **What's our biggest exposure?**

- Our biggest internal exposure is the Banner system, which we depend on for payroll, student registration, financial aid, purchasing, etc. Fortunately, this is also the system we are most in control and on top of.
- Our biggest external exposure is electrical power. Other external exposures include communications (telephones, telecommunications), external suppliers (food services, textbooks, etc.), and business links (banks, investment firms, etc.).

**University of Alaska
Year 2000 Frequently Asked Questions
January, 1999**

❖ **What are we doing to make sure that Banner doesn't crash?**

- To begin with, we are somewhat ahead of the game just by the fact that we moved to Banner when we did. Many of the Y2K problems that we would have faced with the old FAS system have been minimized or eliminated.
- Having said that, there are still Y2K problems that have been and continue to be identified with Banner. Remediation of known problems is expected to be complete by the end of February, followed by testing and implementation to be complete by the end of July. We also are working closely with vendors to deal with any new problems as they show up.
- There really is no good contingency plan for Banner other than to "fix it", but we will take the precaution of shutting down the system before midnight on Dec. 31 and then bringing it back up slowly over the next 24-36 hours. Certain key functions – e.g., student registration – will also be set back until at least the second week of January in case unanticipated problems arise.

❖ **What are we doing to ensure that the products we buy are Y2K compliant or that power and other external services will continue uninterrupted?**

- First, we have developed Y2K standards and warranties to be included in all purchase orders effective January 1, 1999.
- Second, we are contacting key vendors and/or reviewing their Y2K product information to determine if products are Y2K compliant.
- Third, we are contacting all major service providers (such as utility companies and banks) to determine what they are doing to ensure that their services will continue uninterrupted. The state is also working closely with the utility companies on Y2K issues.
- In reality, however, there is little we can do to ensure that key services will continue. What we can do is develop contingency plans to minimize potential problems. Contingency plans may range from something as basic as laying in extra supplies to purchasing and/or installing emergency backup systems. In either case it is important

University of Alaska Year 2000 Frequently Asked Questions January, 1999

that the contingency plans be well thought out and planned before the fact rather than exist only as a general concept in someone's head.

❖ What's the status of the Supercomputer Center?

- The Supercomputer Center takes Y2K very seriously. While most of the work done on their systems is not date-sensitive, the Center is funded almost entirely with federal funds and continuation of that funding is conditional on achieving Y2K compliance.
- For this and other reasons, ARSC is well along in the Y2K process and expects to be essentially Y2K compliant by the end of January.

❖ How will Y2K affect the university's research and instructional programs?

- At this point, we do not know much about how, or if, Y2K will affect the university's research programs. While individuals are almost certainly examining this issue relative to their particular processes and applications, in general there appears to be a good deal of skepticism about Y2K in the university's research community.
- What we do know is that federal funding agencies, as a result of pressure applied by their own administrative or legislative leaders, are "passing the buck" down – i.e., they are seeking assurances from their grantees that programs funded with federal dollars will be unaffected by Y2K. With some \$40 million or so received in federal research funds each year, this is not a trivial issue to the university and should not be taken lightly.
- Similarly, we do not know much about the effects of Y2K on the university's instructional programs. It is likely, however, that most problems will either have to do with Banner or network issues that are being dealt with centrally by Statewide or MAU computer offices, or with desktop systems that aren't mission critical. This does not mean that we should ignore instructional programs – only that other, more vulnerable functions should be focused on first.

**University of Alaska
Year 2000 Frequently Asked Questions
January, 1999**

❖ **What are we doing about desktop systems?**

- There are various tools available to help evaluate desktop hardware and software Y2K compliance, and the university has purchased some of these products. However, not only is the cost of applying these tools to all university computers prohibitive, there is simply not enough time to complete the task.
- Fortunately, not all desktop systems are equal. An administrator's desktop computer, for example, may not be as mission critical as that of a payroll clerk. Each MAU will evaluate its desktop systems to determine which are most critical, and then will prioritize resources accordingly.

❖ **What are we doing to ensure that electronic funds transfers and investment activities will not be adversely affected?**

- There are certain internal systems that can (and will) be tested and verified, but for the most part we must rely on the Y2K efforts of the banks and investment firms that we do business with. We have been in contact with all of our major business partners and have been assured that they are either are or are well on the road to becoming Y2K compliant. While there is really no way to determine the accuracy of this self-evaluation, the general opinion of Y2K pundits is that U.S. banks and investment firms are further along the Y2K path than most industries, and *probably* will be OK.

❖ **What are embedded systems? What problems have we found and how are we dealing with them?**

- Embedded systems are devices that have a microprocessor or computer system that functions as an integral component. The university has many embedded systems which are used every day, such as: Alarms; building environmental controls; door locks; security systems; elevators; telephones; vehicles; and research equipment.
- Facilities staff at the main campuses have been working for over a year to identify and assess potential Y2K problems. Y2K problems were found in several embedded systems, including fire alarm panels, building control systems, and electronic card access systems. All problems found to date have either already been remediated or a fix has been identified and a plan for remediation is in place.

**University of Alaska
Year 2000 Frequently Asked Questions
January, 1999**

❖ **What's being done to assure Y2K compliance at extended sites?**

- In general, potential Y2K issues specific to extended sites fall into categories: Facilities issues (including power, security, etc.) and desktop systems. Responsibility for facility maintenance and other computer systems at extended sites varies from MAU to MAU, as does the amount of Y2K review that has been done. Generally speaking, however, Y2K review at extended sites lags behind that at the main campuses.
- Some of the review done at the main campuses, however, overlaps to the extended sites, particularly for facilities. To the extent that facilities at both sites share the same systems, then any work done at the main campus will also apply to the extended site.

❖ **How much is Y2K going to cost us and where will we get the money?**

- Our initial estimate was that achieving Y2K compliance was going to cost the university about \$8 million. When this estimate was developed, only the main computer systems (i.e., Banner) had really been assessed. Cost estimates for resolving other Y2K issues were really very rough.
- Since then, MAUs have progressed in identifying and assessing mission critical business functions. While good cost estimates are still not available for all functions or systems, several things are now apparent.
 1. First, because no new funds were appropriated by last year's legislature for Y2K, the university's Y2K efforts have been in some cases delayed. This not only has resulted in the university being further behind the curve in identifying and resolving problems, it also has had the perverse effect of reducing costs. That is, in some cases we may be too late to "buy" the fix and may instead have to hope for the best and put our efforts into contingency plans.
 2. Similarly, without any new funds for Y2K, all efforts to date have had to be funded from existing resources. Many of these costs have been in the nature of opportunity costs, where resources that might otherwise have been applied to other efforts or programs have instead been diverted to Y2K. While these represent very real costs, they are sometimes hard to measure. And while we will try to identify these costs, we may not be able to recover them.

**University of Alaska
Year 2000 Frequently Asked Questions
January, 1999**

3. Lastly, some of our original cost estimates were simply too pessimistic. That is, as we have progressed in our systems inventories we have determined that some remediation efforts are not as costly as anticipated.
- For these reasons, we have reduced our original cost estimates to approximately \$5 million. In the short term, some of these costs (up to \$2 million) are being funded through a "loan" from the university's risk management pool. However, for the risk management pool to remain viable, those funds must be replaced.
 - The Governor included the university's projected Y2K costs in his Y2K bill, which was introduced the first week of the session. This bill includes \$5 million for the university, \$2 million of which will become available upon approval by the legislature and used to replenish the funds borrowed from the risk management pool, with the balance to be available for continuing Y2K capital projects.

University of Alaska
Y2K Budget Projection - Revised January, 1999

<u>Mission Critical Business Functions</u>	Estimated Costs
<i>Project Coordination (FY99-FY2000):</i>	512.5
<i>Financial & Information Systems:</i>	1,644.1
Banner Systems (Finance, Human Resources, Student, Financial Aid)	
Unix Host/Oracle Database Systems	
Forms Servers/Software	
Desktop Systems (Servers, Software)	
Electronic Funds Transfer	
Student Description Instruction System (UAA)	
Kiosk Systems	
Credit Card Systems	
General Computing Services	
Administrative Offices (Personnel, Grants & Contracts, Purchasing, Etc.)	
<i>Facilities:</i>	340.7
Building Security & Environment	
Power Plant (UAF)	
Water & Sewer Systems	
Headbolt Heaters	
<i>Safety & Security:</i>	77.5
Safety & Security Functions (Police, Fire, etc.)	
Hazardous Substance Control	
ID Card Systems	
Exterior Lighting Systems	
<i>Communications:</i>	673.9
Distributed Learning (Audio-Video Conferencing, Etc.)	
WAN/LAN	
Network Management	
Public Safety Network/Dispatch	
Telephone Systems	
Radio/TV Facilities	
<i>Instructional Programs:</i>	875.4
Academic Systems & Equipment	
Library Services	

University of Alaska
Y2K Budget Projection - Revised January, 1999

<u><i>Mission Critical Business Functions</i></u>	Estimated Costs
<i>Research Programs:</i>	540.0
Geophysical Institute (20 units)	
Fisheries & Marine Science (7 units)	
ARSC (non-GF)	
Institute of Northern Engineering	
Institute of Arctic Biology	
<i>Student Services:</i>	265.5
Food Service	
Bookstores	
Financial Aid Program	
Service Offices (Registration, Financial Aid, etc.)	
Other Student Services/Student Activities	
<i>Transportation:</i>	84.3
Campus Vehicles	
Other Transportation Systems	
	<hr/>
Total Estimated Costs	\$5,013.9

SB

45

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 4/21/99

FURTHERS: 4/28/99

DATE TURNED IN TO OFFICE: 28 April 99

Finance Committee considered SENATE BILL NO. 45

"An Act relating to tort immunity for personal injuries or death occurring on land; relating to the vacation by the state or a municipality of rights-of-way acquired by the state under former 43 U.S.C. 932; and providing for an effective date."

and recommends:

- be replaced with CS SB 45 (FIN)
- adopt previous CS Forthcoming (CS)
- attached amendment(s)
- adopt Letter of Intent by _____
- further referral to the _____

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

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

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal
DNR	3/7/99	✓	
DOT & PF	4/13/99	✓	

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

no. 2 4/28/99

STATE OF ALASKA 1999 LEGISLATIVE SESSION

Bill Version: SB 45
(S) Publish Date: 4-21-99

Revision Date: _____ Dept Affected: Natural Resources
 Title: An Act relating to tort immunity for personal BRU: Parks & Rec Mgmt
injuries or death occurring on land; realting to the vacation by... Component: Parks Management
 Sponsor: Halford
 Requestor: (S) JUD Component Serial No. #452

Expenditures/Revenues (Inflation not included unless otherwise noted below) (Thousands of Dollars)

	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005
OPERATING EXPENDITURES						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES (fund code)	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005
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 (FY99) cost: \$ none

POSITIONS

	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005
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)

There is no fiscal impact to the Department of Natural Resources anticipated with implementation of this legislation.

Prepared by: Jim Stratton, Parks/Dick LeFebvre, Land Phone: 269-8701/269-8502
 Division: Parks/Land Date: 17-Feb-99
 Approved by Commission: [Signature] Date: 2-16-99
 Agency: Natural Resources

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

SENATE FINANCE
COMMITTEE
Amendment Number: #1
Bill Number: CSSB 45 (JUD)
Sponsor: Adams Date: 4/20/99
Logged In By: Joltani

by: Sen. Adams

13 * Sec. 4. AS 34.17 is amended by adding a new section to read:

14 *the use of* **Sec. 34.17.055. Tort immunity from personal injuries or death occurring**
15 **on land subject to a conservation easement.** ^(a) In addition to the immunity provided
16 by AS 09.65.200, an owner of land ^{as a portion of which is} subject to a conservation easement that is 50 feet
17 or less in width, that has been granted to and accepted by the state ^{or other governmental body}, and that provides
18 public access for recreational purposes on the land subject to the conservation
19 easement is not liable in tort, except for an act or omission that constitutes gross
20 negligence or reckless or intentional misconduct, for damages to a person who uses the
21 easement to enter onto or remain on the land **subject to the easement** if

22 (1) the person had no responsibility to compensate the owner for the
23 person's use of the easement or the land; and

24 (2) the damages arise out of the person's use of the easement for
25 recreational purposes on the land.

26 * Sec. 5. This Act takes effect immediately under AS 01.10.070(c).

(b) The immunity under (a) of this section extends to the grantee of the conservation easement providing public access to the land for recreational purposes.

SUBJECT: _____
DATE: _____

	<u>YEA</u>	<u>NAY</u>
SENATOR DONLEY		
SENATOR LEMAN		
SENATOR WILKEN		
SENATOR ADAMS		
SENATOR P. KELLY		
SENATOR L. GREEN		
SENATOR PHILLIPS		
SENATOR TORGERSON		
SENATOR PARNELL		
TOTAL:		

SUBJECT: _____
DATE: _____

	<u>YEA</u>	<u>NAY</u>
SENATOR LEMAN		
SENATOR WILKEN		
SENATOR ADAMS		
SENATOR P. KELLY		
SENATOR L. GREEN		
SENATOR PHILLIPS		
SENATOR DONLEY		
SENATOR TORGERSON		
SENATOR PARNELL		
TOTAL:		

SUBJECT: amendment #1 (Adopted)
DATE: SB 45 4/22/79

	<u>YEA</u>	<u>NAY</u>
SENATOR WILKEN	✓	
SENATOR ADAMS	✓	
SENATOR P. KELLY		✓
SENATOR L. GREEN		✓
SENATOR PHILLIPS		✓
SENATOR DONLEY	✓	
SENATOR LEMAN	absent	
SENATOR TORGERSON	✓	
SENATOR PARNELL	✓	
TOTAL:	5	3

SUBJECT: _____
DATE: _____

	<u>YEA</u>	<u>NAY</u>
SENATOR ADAMS		
SENATOR P. KELLY		
SENATOR L. GREEN		
SENATOR PHILLIPS		
SENATOR DONLEY		
SENATOR LEMAN		
SENATOR WILKEN		
SENATOR TORGERSON		
SENATOR PARNELL		
TOTAL:		

Alaska State Legislature

Senate



Official Business

**RICK
HALFORD**

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600 E. Railroad Avenue
Wasilla, Alaska 99654
Phone (907) 376-4958

CSSB 45(JUD) Sponsor Statement

The Judiciary Committee Substitute for Senate Bill 45 provides limited immunity to landowners who grant a conservation easement to the state which allows public access to the easement for recreational purposes, providing that there was no compensation paid for the access or use.

This legislation comes forward in response to the desire to preserve and expand recreational access for Alaskans, and for visitors to the State. The ability to access lands for purposes of skiing, hiking, hunting, fishing, snow-machining and numerous other outdoor recreational activities is an important aspect to enjoying the benefits of our great state. The potential for liability and litigation for private landowners who allow the public free access to their lands for recreational purposes has created pressure to further restrict entry and a disincentive to the establishment of other outdoor activity.

Promoting recreational opportunity and establishing additional trail systems has become a priority for a number of groups and organizations around the state. We have received requests and/or support for this legislation from numerous entities including: the State Division of Parks, the Municipality of Anchorage, the Anchorage Economic Development Corporation, the City of Wasilla, the Wasilla, Palmer, Fairbanks and State Chambers of Commerce, the Alaska Snowmachine Association, the Mat-Su Motor Mushers, the Alaska Boaters' Association, and the Alaska Outdoor Council.

CSSB 45(JUD) also makes a technical correction to the statutes governing vacation of RS 2477 rights-of-way and section line easements granted under former 43 U.S.C. 932. In addition, CSSB 45(JUD) provides concise direction in Title 29, the statutes pertaining to local governments, that is reflective of the procedures for easement vacation existing in Title 19.

CSSB 45(JUD) will assist in the effort to expand recreational opportunities for Alaskans and visitors alike. I urge your support for this legislation.

APR 23 1999



REALTOR®

ALASKA ASSOCIATION OF REALTORS, INC.

741 Sesame Street, Suite 100 • Anchorage, Alaska 99503

Telephone 907-563-7133 • Fax 907-561-1779

April 16, 1999

Senator Halford
State Capitol
Juneau, Alaska 99801-1182

Dear Senator Halford,

The Alaska Association of REALTORS with over 1,100 members statewide supports Senate Bill 45 relating to tort immunity for personal injuries or death occurring on land.

We agree with Senate Bill 45 providing immunity from tort liability to a landowner, except for an act or omission that constitutes gross negligence or reckless or intentional misconduct.

The Alaska Association of REALTORS encourages the passage of SB 45.

Sincerely,

Charlie Sandberg, CCIM, CRS, GRI
1999 President



ALASKA BOATING ASSOCIATION



Rick Halford, Senator
State Capital
Juneau, Alaska
99801-1182

Subj. SB 45

Feb. 4th, 1999

Dear Senator Halford,

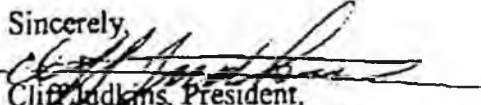
Thank you for introducing SB 45. I see this issue from two sides.

As an owner of remote property I allow snowmachines and dog sleds to cross my property at will. I have never had any property damage. People seem to respect private property. However, I am continually aware of the liability that I am exposed to; I just hate to put up signs and prohibit people from going about their business. I certainly feel the exposure and I can understand that people with less commitment to public access would close their property.

As President of the Alaska Boating Association, a member of the Alaska Outdoor Council and a member of the Mat-Su Fish and Game Advisory Committee I am continually confronted by cases of public access restrictions where it is necessary to cross private land to access public land. Anything that we can do to promote and assure equal access to Alaska's resources is worth the effort. We also support the technical correction concerning vacation of RS 2477 rights of way and section line easements.

Again, we are in full support of SB 45.

Sincerely,


Cliff Judkins, President,
Alaska Boating Association

Cliff Judkins - President • P.O. Box 874124 • Wasilla, Alaska 99687
(907) 373-3591 • Fax 373-3592 • E-Mail: cjudkins@customcpu.com



Alaska Outdoor Council

PO Box 73902
Fairbanks, AK 99707-3902
Tel./FAX: (907) 455-4AOC (4262)
outdoor@polarnet.com

FEB 08 1999

February 3, 1999

Senator Rick Halford
Alaska State Legislature
State Capitol MS 3101
Juneau, AK 99801-1182

Dear Senator Halford:

The Alaska Outdoor Council's board of directors voted unanimously to support Senate Bill 45, your bill relating to tort immunity and maintaining RS2477 right of ways.

Adopting SB45 as law will be a great benefit to public-spirited landowners who support public use trails and other uses on private lands. Our "litigious society" really chills those people's enthusiasm when the prospect looms of being liable in tort for injuries that are no fault of theirs. Without the protection afforded by SB45 a proliferation of no trespassing signs is predictable.

The second part of SB 45 is critically important to ensure that attrition of public access does not occur or is minimized. Under present circumstances the very limited expectations for new roads, railroads, etc. may lend credibility to the idea that RS2477 rights of ways are largely expendable. Following such a philosophy would be a great disservice to the outdoor user public. The public will have to rely more on legally sanctioned trails as increasing private ownership materializes, and access rules on federal areas become more rigid.

The Alaska Outdoor Council urges passage of SB45. Thank you again for your efforts on these vital public access matters.

Sincerely,

Richard H. Bishop
Vice President

P.S. Question arose: How would this relate to Dipnetters who pay \$10 state fee for access & services on Native Corp. land?



TELEPHONE (907) 894-4702

FAX (907) 894-1205

Chugiak-Eagle River Chamber of Commerce

P.O. BOX 770353
EAGLE RIVER, ALASKA 99577

11401 OLD GLENN HIGHWAY, SUITE 110A
EAGLE RIVER, ALASKA 99577

"Hood of Many Rivers"

Chugiak-Eagle River Chamber of Commerce

Board of Directors

RESOLUTION 98-007

A RESOLUTION IN SUPPORT OF A STATEWIDE TRAILS PLAN & LIABILITY REDUCTION LEGISLATION

WHEREAS the Chugiak-Eagle River Chamber Commerce is a community based nonprofit organization which encourages projects that allow for quality community growth and development in the state of Alaska; and

WHEREAS sufficient data exists demonstrating the positive recreational impact of regulated and controlled snowmobile corridors on communities in the lower 48 and Canada; and

WHEREAS in the State of Alaska there exists a significant number of people whose needs for local snowmobile infrastructure and other use opportunities have gone largely unmet; and

WHEREAS the state of Alaska currently has existing (as well as planned) world-class trails and infrastructure for other recreational user groups such as cross-country skiing and dog mushing; and

WHEREAS the creation of snowmobile infrastructure will complement the existing summer tourist industry thereby enhancing or creating year-round visitor industry jobs - which will benefit all affected Alaska communities; and

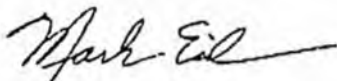
WHEREAS the Chugiak-Eagle River Chamber supports the development of snowmobile corridors which would create a state-wide trail system.

NOW THEREFORE BE IT RESOLVED that the Chugiak-Eagle River Chamber of Commerce Board of Directors recommends to the Governor and Legislature of the State of Alaska that these entities develop in an expeditious manner statewide trails design criteria. BE IT FURTHER RESOLVED that the Chamber of Commerce supports the creation of liability reduction legislation which would hold harmless landowners and other

entitles whose property becomes part of the statewide trails system.

Signed this 12th day of November 1998.

Respectfully submitted by,



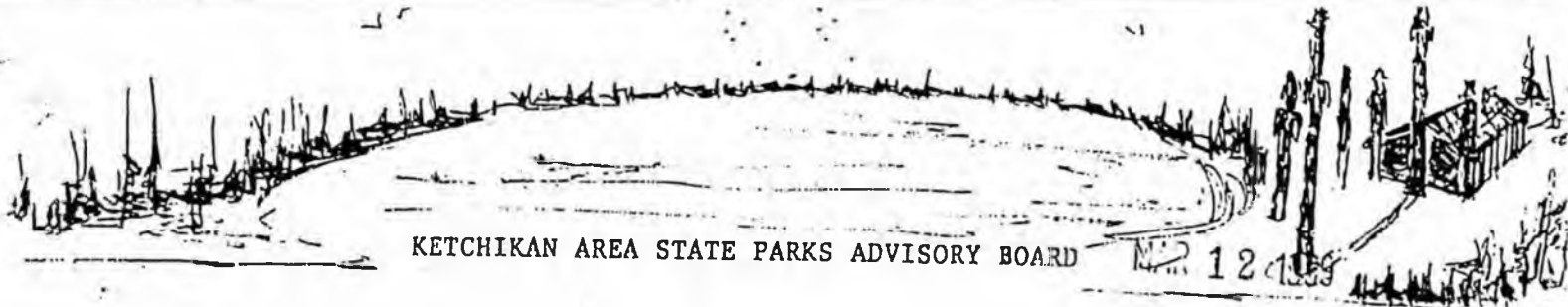
Mark Eidem
President

From: Mr. Howard Davis Jr.
PO Box 395
Clam Gulch, AK 99568
262-5124

Bill: SB 45 Title: LAND OWNER IMMUNITY/ RT-OF-WAY VACATION

Message:

The Caribou Cabin Hoppers with a membersip in excess of 250 representing in excess of 1000 individuals, supports SB45, an act relating to tort immunity for personal injury or death.



March 10, 1999

Honorable Rick Halford
Senate Judiciary
State Capital
Juneau, Alaska 99801-1182

Dear Senator Halford,

The Ketchikan Area State Parks Advisory Board has resolved unanimously to support the passage of Senate Bill 45, providing protection from litigation for private property owners who have trails crossing their land. However, we would like to see added a requirement that easements across private land be dedicated for continued public use.

The Board would appreciate very much your pushing the bill, getting it out and through the Senate process, with the addition mentioned above, if possible. We feel that this protection is necessary for both private land owners and the public interest. Free and open trails have long been a tradition in Alaska.

We also support House Bill 88 which has a similar goal of protection for the land owner and the dedication of trails to public use.

Thank you very much for your consideration.

Sincerely,

Robert Olsen, Chair
Ketchikan Area State Parks Advisory Board

Subject: Trail Liability legislation

Date: Wed, 14 Apr 1999 09:30:22 -0800

From: Steve & Sarah Swift Masterman <ssmaster@mosquionet.com>

To: Senator_Robin_Taylor@legis.state.ak.us,
Senator_Rick_Halford@legis.state.ak.us,
Senator_Dave_Donley@legis.state.ak.us,
Senator_Johnny_Ellis@legis.state.ak.us,
Senator_John_Torgerson@legis.state.ak.us

Dear Senator,

I am writing to voice my support for SB45. By offering protection to land owners who allow people to use their land recreationally, this bill will increase the likelihood that land owners will support and allow trails and other recreational use on their land. This benefits the state in several ways. First, it obviously would increase recreational opportunities for residents of Alaska. Second, it could decrease the need for the state, federal, and local governments to spend money acquiring trail rights of way, and maintaining trails for residents. Third, it would decrease the amount of litigation in our already overburdened court system. Please support SB45!

Thank you for your time and interest,

Sarah Swift Masterman

PO Box 263

Ester, AK 99725

District: 29-457 Party: N Sex: F

ssmaster@mosquionet.com

Subject: SB45 Trail Liability
Date: Wed, 14 Apr 1999 18:20:30 -0800 (AKDT)
From: kayaker@mtaonline.net
To: Senator Rick Halford <Senator_Rick_Halford@legis.state.ak.us>

Mat-Su State Parks Citizens Advisory Board

HC 32 Box 6706, Wasilla, Alaska 99654
(907) 745-3975 Fax (907) 745-0938

April 14, 1999

Re: SB45; Trail Liability

Dear Legislative Members:

The members of the Mat-Su State Parks Citizens Advisory Board have passed a resolution (#99-09) in support of Senate Bill 45 regarding trail liability for personal property owners.

This bill will protect and assist in dedicating many of our established trail systems in the state. Our board is represented by a variety of recreational users. Snowmachiners, skiers, motorized and non-motorized boaters support this proposed legislation. We urge you to support this legislation to enhance and protect Alaska's recreational assets. Thank you.

Sincerely,
Mat-Su State Parks Citizens Advisory Board
Toby Riddell
Chair

APR 06 1999

SnoTRAC

Snowmobile Trails Advisory Committee

3601 "C" St. #1280

Anchorage, AK 99503

March 30, 1999

Senator Rick Halford
State Capital, Room 121
Juneau, AK 99801-1182

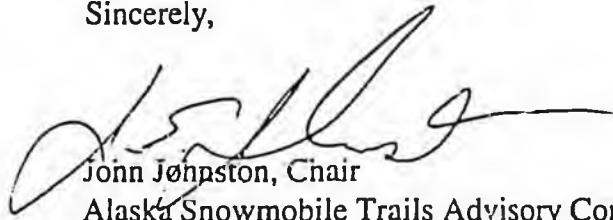
Dear Senator Halford:

At the March 19, 1999 regular meeting of the Alaska Snowmobile Trails Advisory Committee (SnoTRAC), there was unanimous support for a motion to support both Senate Bill 45 and House Bill 88, providing immunity to private property owners from liability when they allow recreational trail use across their property.

The committee feels very strongly that if traditional trails are to be protected in Alaska for the public good, and if new trails are to be established which may in part require crossing private property, that the state will need to provide some protection to property owners as provided in these two bills.

The SnoTRAC committee urges the Legislature and the Administration to enact this much needed new law.

Sincerely,



John Johnston, Chair
Alaska Snowmobile Trails Advisory Committee

cc: Senator Robert Taylor
Representative Norman Rokeberg

Subject: Senate Bill 45
Date: Fri, 19 Feb 1999 09:55:06 -0900
From: "Scott Heidorn" <sheidorn@igloo.pplant.uaf.edu>
To: Senator Robin Taylor <Senator_Robin_Taylor@legis.state.ak.us>
CC: Senator_Rick_Halford@legis.state.ak.us

Dear Senator Taylor and Senator Halford,

It is great to see SB 45 with it's improvements to existing legislation. I hope these improvements will go far enough in meeting our ultimate goal and that is to encourage private property owners to open their land to public recreation use. Over the years two important issues have come to light as different states developed trail programs.

The first major change in legislation involved the issue of compensation. Compensation can take on a variety of meanings from offering a hind quarter of deer to the farmer that allows access, to property tax relief for trail access. Other forms of compensation include trail development improvements to property which result in increased property value or the offering of a gratuity for access. A variety of reward for access have become a necessity to initiate and maintain access. If SB 45 can address this issue as outlined in the model legislation I sent to you from the American Motorcycle Association it will be a better tool for me to work with.

Another issue many states are addressing involves frivolous law suits. Other states have found that private property owners are still at risk of having to defend themselves in court just to prove a law suit was frivolous. The states with successful trail programs are recognizing this and changing legislation to either allow the state to step in on the property owners behalf or developing an avenue for the courts to evaluate the case before the property owner is financially burdened.

SB 45 may or may not, in its current form, be the tool I need to preserve and promote trails for the snowmobilers whose economic impact state wide exceeds \$80 million annually. However, I am the one who will apply this legislation by trying to convince private property owners that they will not be burdened by allowing public access to their land. Thanks for all your effort on on SB 45 and I look forward to the day when we are successful in having lease agreements signed that allow recreational use of private property.

Respectfully,

Scott Heidorn

HEIDORN, SCOTT W
PO BOX 84591
FAIRBANKS AK 99708-4591
District: 33-255 Party: U Sex: M

Subject: SB 45

Date: Wed, 14 Apr 1999 13:22:49 -0800

From: "Brad" <paddler@mosquitonet.com>

To: <Senator_Robin_Taylor@legis.state.ak.us>

CC: <Senator_Rick_Halford@legis.state.ak.us>, <Senator_Dave_Donley@legis.state.ak.us>, <Senator_Johnny_Ellis@legis.state.ak.us>, <Senator_John_Torgerson@legis.state.ak.us>

Dear Senator Taylor,

Senator Halford's SB 45 is an important step in melding the interests of Alaska's recreationists and those of private and public land owners. It provides those land owners who are benevolent towards the recreationists in letting them use portions of their property for access, through-travel, or even picnicking or camping, with the protection they deserve so that they will remain open to those uses. Yet, this bill does not remove a user's right to compensation when gross negligence is involved in the use of public property.

This is a win-win bill, and I urge you to consider recommending its passage.

Thank you for your public service.

Brad Snow, President
Fairbanks Paddlers
paddler@mosquitonet.com



Alaska State Legislature

Please enter into the record my testimony to the Senate Judiciary
 committee on SB 45, dated 4/14/99.
 committee name
 bill/ subject

As President of the Alaska State Snowmobile Association, I would like to offer my support for the passage of SB 45. Passage of such a bill is all-important to retain the natural trails system Alaska now posses. With the passing of lands into private hands, we are witnessing more trail heads severed and trails denied. Land owners often cite their willingness to allow trail access through their lands if they could be granted immunity. Unfortunately, we are not able to do that under current Alaskan laws. Additionally, the ASSA is one of the few, if not the only, state snowmobile association unable to obtain insurance coverage for itself or its club. Once again, this is a direct result of us unable to grant any immunity to land owners. No insurance company, including ones insuring other associations, will consider us. Passage of SB 45 will allow us to legally and lawfully pursue and retain a trails system in Alaska and obtain insurance for ourselves and the clubs. This can only serve to benefit communities and establish routes along the trail

Signed:

Michelle T. Trainor

Testifier

Alaska State Snowmobile Assoc.

Representing (Optional)

P.O. Box 324 Delta Jct. AK 99237

Address

907-895-4254

Phone No.



PRESS ADVISORY

**RICK
HALFORD**

State Capitol Room 121
Juneau, Alaska
99801-1182

For Immediate Release: April 19, 1999

Contact: Senator Rick Halford (907) 465-4958

Senate Judiciary Committee Expands Trail Liability Immunity Halford's Bill Encourages More Trails for Recreation

(Juneau) Today, the Senate Judiciary approved Senate Bill 45, sponsored by Senator Rick Halford (R-Chugiak), giving private property owners incentive to provide land for public recreational trails. Current law says that property owners who allow the public free access to their land can be sued by these users if they are injured, even if it is in no way the fault of the land owner. This fear of litigation has caused well intentioned landowners, who would otherwise provide a trail so people could cross their land to hike, ski, hunt, fish and snow-machine, to restrict access.

"Outdoor recreation is important to many Alaskans and a growing visitor industry," said Halford. "If a landowner is willing to allow others free access to their land, they should not have to fear being sued for it."

The version of the bill passed today would allow the landowner to set aside a portion of their land as a conservation easement, which would be granted to the state. The landowner would then be immune from suit, unless they contributed to a hazard by gross negligence or reckless action. Granting immunity to landowners will provide an incentive to establish additional trails across private lands that the public could use free of charge. These additional trails would lead to the establishment of a more comprehensive trail system in our state -- providing greater recreational opportunities for Alaskans and out of state visitors.

Senae Bill 45 is supported by many organizations and governmental entities, including the State Division of Parks, the Municipality of Anchorage, the Anchorage Economic Development Corporation, the City of Wasilla, the Wasilla, Palmer, Chugiak/Eagle River, Fairbanks and State Chambers of Commerce, the Alaska Snowmachine Association, the Anchorage Snowmobile Association, the Mat-Su Motor Musers, the Caribou Cabin Hoppers, the Alaska Boaters' Association and the Alaska Outdoor Council. Senate Bill 45 will next be heard in the Senate Finance Committee.

###

SENATE FINANCE COMMITTEE

SIGN-IN

SB 45-LAND OWNER IMMUNITY/ RT-OF-WAY VACATION

NAME: DICK BISHOP Sub./Bill No: SB 45
Co./Dept./Title: AK OUTDOOR COUNCIL Phone: 463-3830
Address: 211 4TH ST #302A INC Zip: 99801
Do you wish to testify? Yes No Respond to Questions

NAME: _____ Sub./Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond to Questions

NAME: _____ Sub./Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond to Questions

NAME: _____ Sub./Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond to Questions

04/28/99
09:18:03

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM
PARTICIPANT LIST (TESTIFIERS ONLY)
SCHEDULED FOR: 04/28/99 09:00 TO 11:00
PUBLIC HEARING SENATE FINANCE

LTN1150
BY: JNU
FOR: ALL

LOCATION: ANCHORAGE

SB 45		MAX	LOWE	AK SNOWMOBILE	TESTIFY
SB 45		LANCE	STEVENS	ASSA	TESTIFY
SB 45		BRYAN	MERRELL		TESTIFY
SB 45		TIM	BORGSTROM	AEDC	TESTIFY

LOCATION: FAIRBANKS

SB 45	MS.	NANCY	WELCH	DNR-LAND	TESTIFY
-------	-----	-------	-------	----------	---------

LOCATION: GLENNALLEN

SB 45	MR.	HARVEY	HARRIS		TESTIFY
-------	-----	--------	--------	--	---------

LOCATION: HOMER

SB 45		MICHAEL	EASTHAM	SNOWMADS	TESTIFY
-------	--	---------	---------	----------	---------

LOCATION: KENAI LIO

SB 45	MR.	DALE	BONDURANT	SELF	TESTIFY
SB 45	MR.	HOWARD	DAVIS	CARIBOU HILLS	TESTIFY

LOCATION: MATSU

SB 45	MR.	TIM	KRUG	CITY OF WASILLA	TESTIFY
<i>SB 45</i>		<i>Tom</i>	<i>STA ✓</i>		

LOCATION: PETERSBURG

SB 105	MR	BOB	ZORICH		TESTIFY
SB 105	MRS	MARY	FRANCIS		TESTIFY
SB 105	MRS	SUE	PAULSEN		TESTIFY
SB 105	MRS	SHARLA	COON		TESTIFY
SB 105	MRS	KAREN	SEVERSON		TESTIFY
SB 105	MRS	ELIZABETH	BACOM		TESTIFY
SB 105	MRS	TRACEY	REID		TESTIFY

LOCATION: OFFNET 1

SB 105	MR	WRANGELL WOODY	WILSON		TESTIFY
--------	----	-------------------	--------	--	---------

*IF They do SB 123
in April 15
Jennifer Rudinger*

SB

49

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: February 16, 1999

FURTHER REFERRALS:

Date of Committee Action: 2/23/99

The FINANCE Committee considered:

CSSB 49(FIN)

CS FOR SENATE BILL NO. 49(FIN)

MISSION STMTS FOR FY 99 BUDGET

"An Act relating to missions and measures to be applied to certain expenditures by the executive branch of state government and the University of Alaska from the state operating budget for the fiscal year ending June 30, 1999; and providing for an effective date."

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

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

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

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

zero fiscal note(s) _____ zero fiscal note(s) of ol gn. 2/18/99

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
<i>Gene Therriault</i>	Therriault	X			
<i>Gordon Mulder</i>	Mulder	X			
<i>War Bunde</i>	Bunde	✓			
<i>Vic Kohring</i>	Kohring	X			
<i>Alan Austerman</i>	Austerman	X			
<i>Ben Grussendorf</i>	Grussendorf			X	
<i>Karl Moses</i>	Moses			X	
<i>John G. Davis</i>	G. Davis			X	
<i>W.K. Williams</i>	William			X	
<i>[Signature]</i>	Foster			X	

CO-CHAIR'S SIGNATURE

Gene Therriault *Gordon Mulder*
Therriault Mulder

FISCAL NOTE

N 1
 Bill Version: CSSB 49(FIN)
 (S) Publish Date: 2/8/99

**STATE OF ALASKA
 1999 LEGISLATIVE SESSION**

Revision Date/Time (Note if correction) _____ Dept. Affected All state agencies
 Title An Act relating to missions and measures. BRU _____
 Component _____
 Sponsor Senate Finance Committee _____
 Requester Senate Finance Committee Component Serial No. _____

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
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 any current year (FY99) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Prepared by Annalee McConnell, Director Phone 465-4660
 Division Office of Management and Budget Date/Time 2/1/99 9:49 AM
 Approved by Commissioner Jim Ayers, Chief of Staff Date _____
 Agency Office of the Governor

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

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Official Business

Alaska State Senate

Senate Finance Committee

Mail Stop 3100
State Capitol
Juneau, Alaska 99801-1182

CS for SB No. 49 (FIN) Sponsor Statement

Sponsor: Senate Finance Committee Results Based Budgeting-FY 99 Missions and Measures

When the Legislature passed last year's operating budget (sec. 31, ch. 137, SLA 1998), it passed missions and measures as intent language. This was the Legislature's effort to comply with its obligations related to results based budgeting as expressed in the Executive Budget Act. The Governor vetoed the missions and measures from the FY 99 operating budget bill.

SB 49 enacts missions and measures into substantive law rather than through an appropriations bill. SB 49 specifically applies only to the FY 1999 appropriations contained in the operating budget bill passed last year, sec. 31, ch. 137, SLA 1998. No new missions or measures have been implemented or drafted as part of this bill.

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

February 22, 1999

SUBJECT: Sectional Summary of SB 49. (Missions and measures applied to state operating budget expenditures)

TO: Senator Sean Parnell
Attn: Debbie Grundmann

FROM: Teresa B. Cramer 
Legislative Counsel

RECEIVED
FEB 22 1999

Senate Finance
Committee

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Bill Section 1 enacts missions and performance measures that apply to particular appropriations made in this year's operating budget.

Paragraph 1 sets out missions and performance measures for the allocation made to the Department of Administration for the citizens foster care review panel.

Paragraph 2 sets out missions and performance measures for the appropriation made to the Department of Administration for information services.

Paragraph 3 sets out missions and performance measures for the appropriation made to the Alaska Science and Technology foundation in the Department of Commerce and Economic Development.

Paragraph 4 sets out missions and performance measures for the allocation made to the Department of Community and Regional Affairs for local government assistance training and development.

Paragraph 5 sets out missions and performance measures for the allocation made to the Department of Community and Regional Affairs for child care.

Paragraph 6 sets out missions and performance measures for the allocation made to the Department of Community and Regional Affairs for day care assistance programs.

Paragraph 7 sets out missions and performance measures for the allocation made to the Department of Community and Regional Affairs for Head Start grants.

Paragraph 8 sets out missions and performance measures for the allocation made to the Department of Corrections for inmate health care.

Paragraph 9 sets out missions and performance measures for the allocation made to the Department of Corrections for inmate programs.

Paragraph 10 sets out missions and performance measures for the allocation made to the Department of Corrections for community jails.

Paragraph 11 sets out missions and performance measures for the allocation made to the Department of Education for quality schools.

Paragraph 12 sets out missions and performance measures for the allocation made to the Department of Education for Alaska Postsecondary Education Commission program administration.

Paragraph 13 sets out missions and performance measures for the allocation made to the Department of Education for WWAMI medical education.

Paragraph 14 sets out missions and performance measures for the allocation made to the Department of Environmental Conservation for Air and Water Director.

Paragraph 15 sets out missions and performance measures for the allocation made to the Department of Fish and Game for AYK Region fisheries management.

Paragraph 16 sets out missions and performance measures for the allocation made to the Department of Fish and Game for habitat permitting/Title 16.

Paragraph 17 sets out missions and performance measures for the allocation made to the Department of Health and Social Services for the Alaska temporary assistance program.

Paragraph 18 sets out missions and performance measures for the appropriation made to the Department of Health and Social Services for Medicaid services.

Paragraph 19 sets out missions and performance measures for the allocation made to the Department of Health and Social Services for child care benefits.

Paragraph 20 sets out missions and performance measures for the appropriation made to the Department of Health and Social Services for front line social workers.

Paragraph 21 sets out missions and performance measures for the appropriation made to the Department of Health and Social Services for Youth Corrections.

Senator Sean Parnell

February 22, 1999

Page 3

Paragraph 22 sets out missions and performance measures for the allocation made to the Department of Health and Social Services for healthy families.

Paragraph 23 sets out missions and performance measures for the allocation made to the Department of Labor for mechanical inspections.

Paragraph 24 sets out missions and performance measures for the allocation made to the Department of Military and Veterans' Affairs for the Youth Corps.

Paragraph 25 sets out missions and performance measures for the appropriation made to the Department of Natural Resources for land development.

Paragraph 26 sets out missions and performance measures for the appropriation made to the Department of Natural Resources for forest management and development.

Paragraph 27 sets out missions and performance measures for the allocation made to the Department of Natural Resources for oil and gas development.

Paragraph 28 sets out missions and performance measures for the allocation made to the Department of Natural Resources for mining development.

Paragraph 29 sets out missions and performance measures for the allocation made to the Department of Natural Resources for geological development.

Paragraph 30 sets out missions and performance measures for the allocation made to the Department of Natural Resources for water development.

Paragraph 31 sets out missions and performance measures for the allocation made to the Department of Natural Resources for agricultural development.

Paragraph 32 sets out missions and performance measures for the allocation made to the Department of Natural Resources for the North Latitude Plant Material Center.

Paragraph 33 sets out missions and performance measures for the appropriation made to the Department of Natural Resources for the agriculture revolving loan program administration.

Paragraph 34 sets out missions and performance measures for the allocation made to the Department of Public Safety for the Alaska State Troopers Criminal Investigations Bureau.

Paragraph 35 sets out missions and performance measures for the allocation made to the Department of Public Safety for the Alaska State Troopers director's office.

Paragraph 36 sets out missions and performance measures for the allocation made to the Department of Public Safety for judicial services in Anchorage.

Paragraph 37 sets out missions and performance measures for the allocation made to the Department of Public Safety for the narcotics task force.

Paragraph 38 sets out missions and performance measures for the appropriation made to the Department of Public Safety for the Alaska State Troopers detachments.

Paragraph 39 sets out missions and performance measures for the allocation made to the Department of Public Safety for village public safety officer program contracts.

Paragraph 40 sets out missions and performance measures for the allocation made to the Department of Public Safety for village public safety officer program support.

Paragraph 41 sets out missions and performance measures for the allocation made to the Department of Public Safety for village public safety officer administration.

Paragraph 42 sets out missions and performance measures for the appropriation made to the Department of Revenue for child support enforcement.

Paragraph 43 sets out missions and performance measures for the appropriation made to the Department of Revenue for the Alcoholic Beverage Control Board.

Paragraph 44 sets out missions and performance measures for the allocation made to the Department of Transportation and Public Facilities for Southeast vessel operations.

Paragraph 45 sets out missions and performance measures for the allocation made to the University of Alaska for statewide services.

Bill Sec. 2 is an immunity clause, protecting the state and its agents and employees from suit based on this bill.

Bill Sec. 3 is an immediate effective date.

TC:pljr
99-021.plm

