

ALASKA LEGISLATURE

2228

HOUSE and SENATE FINANCE COMMITTEE FILES, 2001 - 2002

SITE: ANCHORAGE LIO

COMMITTEE:

Senate Finance

DATE: 4-2-2001

SUBJECT OF MEETING:

HB 103-Operating Budget
HB 104-Mental Health Budget

UPDATE #: Page 1



PLEASE SIGN IN

PLEASE PRINT:

NAME

ADDRESS (MAILING & ZIP)

REPRESENTING

**DO YOU WANT
TO TESTIFY?
Y OR N**

NAME	ADDRESS (MAILING & ZIP)	REPRESENTING	DO YOU WANT TO TESTIFY? Y OR N
Debbie Ossiander		Anchorage School Board	Y
Sheree Bevins			Y
Jenny Murray			Y
Peggy Robinson		Anchorage School Board	Y
Don Rinken		AK Broadcasting Public Jt. Venture	Y
Michelle Toohey			Y
Judith Bendersky			Y
Karen S. Hodge			Y
Terry DeNuptiis			Y
Jan MacClarence		AK Mental Health	Y
Marie Lavigne		AK-National Assoc of Social Workers	Y

PLEASE PRINT

NAME

ADDRESS (MAILING & ZIP)

REPRESENTING

DO YOU WANT
TO TESTIFY?
Y or N

NAME	ADDRESS (MAILING & ZIP)	REPRESENTING	DO YOU WANT TO TESTIFY? Y or N
Mary Rosenzweig		Substance Abuse Directors Assoc.	Y
Skye Rubadeau		UAA	Y
Ilosh Azarsepandan		UAA	Y
Lee Gorsuch		UAA	O
Graham Siebe			Y
Kim Perry			Y
Annette Marley			Y
Denny DeGross			Y
Erin Castle			Y
Justin Durlong			Y
Sherry Thompson		UAA	Y

SITE: ANCHORAGE LIO

COMMITTEE:

Senate Finance

DATE: 4-2-2001

SUBJECT OF MEETING:

HB 103
HB 104

PAGE 3

UPDATE #: 3



PLEASE SIGN IN

PLEASE PRINT:

NAME

ADDRESS (MAILING & ZIP)

REPRESENTING

DO YOU WANT

TO TESTIFY?

Y OR N

NAME	ADDRESS (MAILING & ZIP)	REPRESENTING	DO YOU WANT TO TESTIFY? Y OR N
Susan Spells		AWRC	Y
Scot Prinz			Y
Tadd Owens			Y
David Woodley			Y
Mary K. Hughes			Y
Charlotte Phelps			X
Jillanna Guy			X

SITE: Bethel LIO

COMMITTEE: Senate Finance

DATE: 3/31/01

SUBJECT OF MEETING: Operating Bdgt

UPDATE #: 1



JAN-23-1900 23:16

PLEASE SIGN IN

PLEASE PRINT:

NAME

ADDRESS & Phone #

REPRESENTING

DO YOU WANT
TO TESTIFY?
Y or N

PLEASE PRINT: NAME	ADDRESS & Phone #	REPRESENTING	DO YOU WANT TO TESTIFY? Y or N
✓ Gordon Renner	POB 884 Bethel Ak	YKHC	Y
✓ Isaac ^{ctive} Alette		YKHC	Y
✓ John Giddens ^{DICKENS}	POB 453 Bethel 907 543 4490	YKHC	Y
✓ Mary Anaceth		YKHC	Y
✓ SANDRA MIRONOV	POB 528 BETHEL (907) 543-6104	YKHC	Y
✓ Alex Mortenson	" 1562 " " " 5539	KWC	Y
✓ Steve Gumbel	POX Box 528 Bethel 99559	YKHC	Y
✓ GIVENE L. Sumpster	Box 1422 Bethel. 99557	KWC	Y
✓ Carrie Enosh	P.O. Box 2493 Bethel 99559	YKHC	Y
✓ Paula Albert	P.O. Box 1850 Bethel 99557	BTCA	Y
✓ Jack Crow	Box 528 Bethel	YKHC	Y
✓ June Lee Hull	Box 528 Bethel	YKHC	Y

SITE: Bethel LIO

COMMITTEE: Senate Finance

DATE: 3/31/01

SUBJECT OF MEETING: Operating Bdgt

UPDATE #: 2



JAN-23-1900 23:17

PLEASE SIGN IN

PLEASE PRINT:

NAME

ADDRESS & Phone #

REPRESENTING

DO YOU WANT TO TESTIFY?

Y or N

✓ Quada L. Klemm	POB 2423 BET	YKHC	Y
✓ Vickie Green	POB 2686 BET	YKHC EMS DEPT	Y
✓ Balassa S. Larson	Box 528 Bethel	YKHC CHAP	Y
✓ Carol Johnson	Box 2588 Bethel	YK CHAP	Y
✓ Curt Madison	P.O. Box 1183	YKHC	Y
18 PHILLIP NANENIR ✓ Phillip Nanenir	PO BOX 528, BET	YKHC	Y
✓ Chris Bragg	PO Box 528. Bethel AK 543-1058	YKHC	Y
ANNA KAUJKIAK	PO BOX 845 Bethel AK	KUC	N
✓ Tehmael Andrew	PO BOX 845 Bethel AK 543-3440	KUC	Y
✓ Janet Parilla	P.O. Box 845 Bethel AK 543-4175	KUC	Y
23 ✓ Rose Maria Ashepak	P.O. Box 842 Bethel AK 543-3051 AK 99589	YKHC mentat Harts	Y

TOTAL P.03

P.03

SITE: DILLINGHAM LIO

COMMITTEE:
SENATE FINANCE
DATE: 3-31-01

SUBJECT OF MEETING:

HB 104

UPDATE #2



PLEASE SIGN IN

PLEASE PRINT:

NAME	ADDRESS (MAILING & ZIP)	REPRESENTING	TO TESTIFY? Y or N
✓ JOHN FULTON		BB CAMPUS	Y
✓ CHRISTY WILLER TILDEN		BBAHC	Y
✓ APRIL GHALAMI		STUDENT REP	Y

SITE: FAIRBANKS LIO

COMMITTEE:
Senate Finance

DATE: 3/31/01

SUBJECT OF MEETING:

HB103 - Approp: Operating Budget
HB104 - Approp: Mental Health

UPDATE #: 2



PLEASE SIGN IN

PLEASE PRINT:

NAME

ADDRESS (MAILING & ZIP)

REPRESENTING

DO YOU WANT
TO TESTIFY?
Y or N

NAME	ADDRESS (MAILING & ZIP)	REPRESENTING	DO YOU WANT TO TESTIFY? Y or N
✓ Ted Fathauer			Y
✓ Barbara Cook			Y
✓ Normita Cruzen - Hales			Y
✓ Dee Garrett			Y
✓ Art Buswell			Y
✓ Ken Severin			Y
✓ Carol Stables			Y
✓ Solveig Pedersen			Y
✓ Kathleen Beasinger			Y
✓ Stacey Banks			Y
✓ Thomas M. Walker			Y
✓ Larry Duffy			Y
✓ Hans Gunderson			Y

✓ Jerry McBeath		UAF	Y
✓ Shannon Uzzell		UAF	Y
✓ Kathy Helfrick		UAF,TVC	Y
✓ Kate McElroy			Y
✓ Sharon McLeod-Everett			Y
✓ Marta Mueller		UA	Y
✓ Lisa Villano			Y
✓ Annette Freiburger			Y
✓ Charlie Dexter			Y
✓ Michael Everette			Y
✓ Luke Hopkins			Y
✓ Cindy Bachert			Y
✓ Margaret Wilson			Y
✓ Ruthamae Karr		Tobacco	Y
✓ Robert Bird		Tobacco	Y
✓ Carl Benson			Y
✓ Joe Hardenbrook			Y
✓ H.B. Telling			Y
✓ Ruth L'Hommedieu			Y
✓ Ron Dixon			Y
✓ John Young			Y
✓ Terry Strle			Y
✓ Lois Hildenbrand			Y
✓ David Leone			Y
✓ Victor Joseph			Y
✓ Jean Becker			Y
✓ Mary Shields Grower			Y
✓ Mike Daku			Y
✓ Pat Race		UAF	Y
✓ Aaron Suring		UAF	Y
✓ Jeanette Grasto		NAMI	Y
✓ Jake Poole		UAF	Y
✓ Michelle Thomas			Y
✓ HaJo Eicken			Y

SITE: Kenai LIO

COMMITTEE: Senate Finance

DATE: 3-31-01

SUBJECT OF MEETING:

HB 103 Approp: Operating Budget

UPDATE #:



PLEASE SIGN IN

PLEASE PRINT:

NAME	ADDRESS (MAILING & ZIP)	REPRESENTING	DO YOU WANT TO TESTIFY? Y or N
✓ Patrick Hickey	148 N Binkley Soldotna AK 99669	KPBSD	Y

SITE: KOTZEBUE LIO

COMMITTEE: Senate Finance

DATE: 04-02-01

SUBJECT OF MEETING:

HB 103

HB 104

UPDATE #:



PLEASE SIGN IN

PLEASE PRINT:

NAME

ADDRESS (MAILING & ZIP)

REPRESENTING

DO YOU WANT
TO TESTIFY?
Y OR N

NAME	ADDRESS (MAILING & ZIP)	REPRESENTING	DO YOU WANT TO TESTIFY? Y OR N
✓ TOM BOLEN <i>401 \$50K new next \$90K</i>	PO BOX 1110 KOTZEBUE AK 99752 <i>Local Emergency Planning Comm</i>	LEPC ASSO <i>free 470 funds</i>	YES
✓ BARBARA JANITSCHK	PO BOX 256 KOTZEBUE AK 99752	MANILAQ <i>BRU</i>	YES
✓ SUE WHITE	PO BOX 256 KOTZEBUE AK 99752	MANILAQ <i>BRU</i>	YES
✓ KATHY UHL	PO BOX 256 KOTZEBUE AK 99752	MANILAQ <i>BRU</i>	YES
✓ CHARLIE FAUTIN	PO BOX 256 KOTZEBUE AK 99752	MANILAQ	YES
✓ MICHAEL TOAHTY	PO BOX 256 KOTZEBUE AK 99752 <i>Emergency Services Substance Abuse Treatment</i>	MANILAQ	YES
✓ BRUCE RUTTENBURG	PO BOX 256 KOTZEBUE AK 99752 <i>substance abuse services</i>	MANILAQ <i>BRU</i>	YES
✓ Cheryl Eden Shaw	<i>Kotzebue Tech Center #</i>	ATC	yes
✓ Cole Schaeffer	<i> </i>	KIC	yes
✓ Kevin Thompson	<i>NW Arctic Bor School Dist Kotzebue Tech</i>	NWASD/ATC	yes

SITE: Mat-Su LIO

COMMITTEE: S Fin

DATE: 4/2/01

SUBJECT OF MEETING:

Budget

UPDATE #: 3



PLEASE SIGN IN

PLEASE PRINT:

NAME	ADDRESS (MAILING & ZIP)	REPRESENTING	DO YOU WANT TO TESTIFY? Y or N
Paul Gonzales		Alcohol treatment programs	Testified
Kenneth Whiteside		"	Y
Thomas McElwain		"	Y
Michael Exuum		"	Y
Allen John Sr		"	Y
Danny Wagner		"	Y
Boyd Kilgore		"	Y
Eric Wagenius		"	Y
Aaron Martin		"	Y
Roberta Koppenberg		"	Y
Denise Bowen		"	testified
Janis Bishop		Public safety Avalanche program	Y

SITE: Mat-Su LIO

COMMITTEE: S Fin

DATE: 4/2/01

SUBJECT OF MEETING:

Budget

UPDATE #:



PLEASE SIGN IN

PLEASE PRINT:

NAME

ADDRESS (MAILING & ZIP)

REPRESENTING

**DO YOU WANT
TO TESTIFY?
Y or N**

NAME	ADDRESS (MAILING & ZIP)	REPRESENTING	DO YOU WANT TO TESTIFY? Y or N
Paul Gonzales		Alcohol treatment programs	through
Kenneth Whiteside		"	Y
Thomas McElwain		"	Y
Michael Exuum		"	Y
Allen John Sr		"	Y
Danny Wagner		"	Y
Boyd Kilgore		"	Y
Eric Wagenius		"	Y
Aaron Martin		"	Y
Roberta Koppenberg		"	Y
Denise Bowen		"	Y
Jerry Arthur		Public safety Avalanche program	Y

Adene Arthur

Patricia Coyne
Chris Noakes

"

Y

SITE: NOME LIO

COMMITTEE:

SENATE FINANCE COMMITTEE

DATE: Monday, April 2nd

SUBJECT OF MEETING:

House Bill 103 & 104 - State
Operating & Mental Health Budgets

UPDATE #: 4



PLEASE SIGN IN

PLEASE PRINT:

NAME

ADDRESS (MAILING & ZIP)

REPRESENTING

DO YOU WANT

TO TESTIFY?

Y OR N

NAME	ADDRESS (MAILING & ZIP)	REPRESENTING	DO YOU WANT TO TESTIFY? Y OR N
Julie Serstad		Norton Sound Public Health	Yes
Mike Owens		Norton Sound EMS	Yes
Jane Franks		Norton Sound Behavioral Health	Yes
Charles Lean		Nome Volunteer Ambulance Service	Yes
Daniel E. Knudsen		Norton Sound Audiology	Yes
Gloria O. Eaton			Yes
Melanie Edwards / <i>on behalf of Lorretta Bullard (ph)</i>		Kawerak, Inc.	Yes
Jana Varrati			Yes

Roz

Goodman

Pedro Bay

✓ Alice ~~Keyes~~ Keyes

Mountain Village

Yukon-Kuskatwim Health
Corporation

off-net Saturday

Simeon John

Yukon Kuskokwim
Health Corporation

Wellness Counselor

Israel Nelson
Exec Director

4 Rivers

Counseling
Services

off-net
Saturday

SITE: Juneau LHO

COMMITTEE:

DATE:

SUBJECT OF MEETING:

Update#: 2



PLEASE SIGN IN

PLEASE PRINT:

NAME

ADDRESS (MAILING & ZIP)

REPRESENTING

DO YOU WANT TO TESTIFY?

Y or N

NAME	ADDRESS (MAILING & ZIP)	REPRESENTING	DO YOU WANT TO TESTIFY? Y or N
✓ ALICE KEYES	NA Village		
✓ ROSLYN GOODMAN	Pedro Bay ^{School Librarian}	UAF ^{includes also database #}	
✓ ELAINE MANNING	Glennallen st ^{Index Living Council}		
✓ MAGGIE PAUKAN	St Marys	Y.K.H.C.	
✓ KAY DURHAM	VP Roll ^{Health}	HEALY	
✓ SHERRIE GOLL	SS budget ^{Blk grants Pro abortion}	HAINES	
✓ ISRAEL NELSON	ED Counseling Service ^{Alcohol}	MC GRATH	
✓ SINEON JOHN	Substance ^{abuse} ^{Counselor}	NOOKSACK BAY	
✓ Luther Aguchuck	NA Village		
✓ Joanne Markley	"		
Ennaok City Office			

SENATE FINANCE COMMITTEE

SIGN-IN

HB 103-APPROP: OPERATING BUDGET
HB 104-APPROP: MENTAL HEALTH BUDGET

NAME: Matthew Paris Wood Subject/Bill No: HB103
 Co./Dept./Title: Student University of Alaska Phone: 907-790-9868
 Address: 4300 University Dr E-6 Zip: 99801
 Do you wish to testify? Yes No Respond To Questions

NAME: Tiffany McCormack Subject/Bill No: HB103
 Co./Dept./Title: Student-University of Alaska Phone: 907-~~468~~463-2520
 Address: 323 Martha Way - Juneau Zip: 99801
 Do you wish to testify? Yes No Respond To Questions

Yes
 NAME: Pam Watts Subject/Bill No: _____
 Co./Dept./Title: Ex. Director Advisory Board on Alcoholism & Drug Abuse Phone: 465-4667
 Address: PO Box 11608 Juneau Zip: 99811
 Do you wish to testify? Yes No Respond To Questions

NAME: Sally Smith Subject/Bill No: _____
 Co./Dept./Title: Mayor, CBS Phone: 586-5240
 Address: 155 S. Stewart Juneau Zip: 99801
 Do you wish to testify? Yes No Respond To Questions

Do you wish to testify? Yes No Respond To Questions
NAME: STACY ALI-GHE Subject/Bill No: _____

Co./Dept./Title: WAS Student Phone: 790-9834

Address: 4300 University Dr Rm 304A Zip: 99801

Do you wish to testify? Yes No Respond To Questions

NAME: Ravachol Genesire Subject/Bill No: WAS Funding

Co./Dept./Title: WIS Student Phone: 790-9869

Address: 4300 University Dr. Zip: 99801

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

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

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

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

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

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

Address: _____ Zip: _____

SENATE FINANCE COMMITTEE

SIGN-IN

**HB 103-APPROP: OPERATING BUDGET
HB 104-APPROP: MENTAL HEALTH BUDGET**

NAME: ✓ Shannon Kempton Subject/Bill No: _____
Co./Dept./Title: University of AK student Phone: _____
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions

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

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

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

SENATE FINANCE COMMITTEE

SIGN-IN

HB 103-APPROP: OPERATING BUDGET
HB 104-APPROP: MENTAL HEALTH BUDGET

NAME: MATT FELIX Subject/Bill No: _____
Co./Dept./Title: DIR-NATIONAL COUNCIL Phone: 463 3755
Address: 211 4TH # 201 JUNEAU AK Zip: 99801
Do you wish to testify? Yes No Respond To Questions

NAME: Tom Boutin Subject/Bill No: _____
Co./Dept./Title: _____ Phone: 789-7936
Address: Box 35116, JUNEAU Zip: 99803
Do you wish to testify? Yes No Respond To Questions

NAME: Bill Legere Subject/Bill No: _____
Co./Dept./Title: Public Broadcasting Phone: 486-586-1670
Address: 360 Egan, JUNEAU Zip: _____
Do you wish to testify? Yes No Respond To Questions

NAME: Joan Cahill JOAN CAHILL Subject/Bill No: Tobacco \$
Co./Dept./Title: _____ Phone: 364-2843
Address: 2731 David St JUNEAU AK Zip: 99801
Do you wish to testify? Yes No Respond To Questions

NAME: Alice Parig Subject/Bill No: 103
Co./Dept./Title: ^{Tunean Area} State Parks Advisory Board Phone: 789-4852
Address: 4425 Taku Blvd, Tunean Zip: 99801
Do you wish to testify? Yes No Respond To Questions

NAME: Jim Douglas Subject/Bill No: University Funding
Co./Dept./Title: Phone: 789-2789
Address: 9579 Meadow Lane Zip: 99801
Do you wish to testify? Yes No Respond To Questions

NAME: Iris M. Cortes Subject/Bill No: Univ Funding
Co./Dept./Title: University Staff Phone: 465-6525
Address: 8133 Poplar Ave Zip: 99801
Do you wish to testify? Yes No Respond To Questions

NAME: Tia Anderson Subject/Bill No: UA Funding
Co./Dept./Title: UAS Student Phone: 790-9869
Address: 4300 University Way Zip: 99801
Do you wish to testify? Yes No Respond To Questions

NAME: McKenzie Mataya Subject/Bill No: UA Funding
Co./Dept./Title: UAS Student Phone: 790-9834
Address: 4300 University Dr. Zip: 99801

Do you wish to testify? Yes No Respond To Questions
NAME: MARK GRANES Subject/Bill No: Budget Increase
Co./Dept./Title: University of Alaska Student Phone: 790-9863
Address: 4300 University Dr. E1-2 Zip: 99801

Do you wish to testify? Yes No Respond To Questions

NAME: Tyler Bishop Subject/Bill No: UA Budget Increase
Co./Dept./Title: UAS Student Phone: 799-0309
Address: P.O. Box 710763 Anchorage AK Zip: 99821

Do you wish to testify? Yes No Respond To Questions

NAME: Joe Holstein Subject/Bill No: UAS Budget +
Co./Dept./Title: UAS Student/Employee Phone: 790-9867
Address: 4300 University Drive Zip: 99801

Do you wish to testify? Yes No Respond To Questions

NAME: Brad Duncan Subject/Bill No: UAS Budget
Co./Dept./Title: UAS Student/Employee Phone: 790-9828
Address: 4300 University Dr. Zip: 99801

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____

HB

104

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 3/16/01

FURTHER:

REPORTED OUT

APR 16 2001

SENATE FINANCE
COMMITTEE

DATE TURNED IN TO OFFICE: 16 April 01

Finance Committee considered CS FOR HOUSE BILL NO. 104(FIN)
 APPROP: MENTAL HEALTH BUDGET

"An Act making appropriations for the operating and capital expenses of the state's integrated comprehensive mental health program; and providing for an effective date."

and recommends:

- be replaced with S CS CS HB 104 (FIN)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:

- same title
- new title

House Bill:

- same title
- technical title
- new: SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>		X		
<i>[Signature]</i>			X	
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>	✓			

This folder contains backup material, on

HB 104

Mental Health Budget

For primary material for

HB 103 & HB 104

Such as amendments

Refer to the two blue "official SFC bill
file" binders

SENATE FINANCE COMMITTEE REPORT

DATE: 3/16/01

FURTHER: _____

DATE TURNED
IN TO OFFICE: _____

Finance Committee considered

CS FOR HOUSE BILL NO. 104(FIN)

APPROP: MENTAL HEALTH BUDGET

"An Act making appropriations for the operating and capital expenses of the state's integrated comprehensive mental health program; and providing for an effective date."

and recommends:

- be replaced with S CS CS HB 104 (104)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:

- same title
- new title

House Bill:

- same title
- technical title
- new: SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>	✓			
<i>[Signature]</i>			✓	
<i>[Signature]</i>		X	X	
<i>[Signature]</i>			✓	
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>	✓			

CORRECTION

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



Rev. 6/98

Central Microfilm Services
Department of Education & Early Development
State of Alaska

SENATE FINANCE COMMITTEE REPORT

DATE: 3/16/01

FURTHER:

DATE TURNED
IN TO OFFICE: _____

Finance Committee considered CS FOR HOUSE BILL NO. 104(FIN)
APPROP: MENTAL HEALTH BUDGET

"An Act making appropriations for the operating and capital expenses of the state's integrated comprehensive mental health program; and providing for an effective date."

and recommends:

be replaced with S CS CS HB 104 (104)

adopt previous CS ()

attached amendment(s)

adopt Letter of Intent by _____ Committee

further referral to _____ Committee

Senate Bill:

same title

new title

House Bill:

same title

technical title

new: SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>	✓			
<i>[Signature]</i>			✓	
<i>[Signature]</i>		X	X	
<i>[Signature]</i>			X	
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>	✓			

HB

105

HFIN

FILE



Alaska State Legislature

HOUSE OF REPRESENTATIVES

Committee on Finance

Official Business

State Capitol
Juneau, Alaska 99801-1182

LETTER OF INTENT CS HB 105 (EDU)

It is the intent of the Legislature that any increases to the Foundation Formula will provide an opportunity to move Alaskan schools towards standards-based education. The Legislature intends that any increase in funding will pay for costs associated with improving student performance by developing standards-based programs, including implementation of standards, aligning student assessment to standards, adopting instructional models based on basic skills, performance tasks, and projects, and adopting a standards-based reporting system.

The Department of Education and Early Development will provide a summary report to the legislature by March 15, 2002, on actions taken toward implementation by school districts.

Handwritten signature of Bill Williams in cursive.

Representative Bill Williams
Co-Chair, House Finance Committee

Handwritten signature of Eldon Mulder in cursive.

Representative Eldon Mulder
Co-Chair, House Finance Committee

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSHB 105(EDU)
(H) Publish Date: 4/23/01

Revision Date/Time (Note if correction): _____ Dept. Affected: DEED
Title: An Act relating to the base student allocation BRU: K-12 Support
used in the formula for state funding of public education; ... Component: Foundation Program
Sponsor: Representative Stevens
Requester: House Special Committee on Education Component Number: 141

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	20,163.7	20,163.7	20,163.7	20,163.7	20,163.7	20,163.7
Miscellaneous						
TOTAL OPERATING	20,163.7	20,163.7	20,163.7	20,163.7	20,163.7	20,163.7

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

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	20,163.7	20,163.7	20,163.7	20,163.7	20,163.7	20,163.7
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	20,163.7	20,163.7	20,163.7	20,163.7	20,163.7	20,163.7

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

HB 105 amends AS 14.17.470 to increase the base student allocation from \$3,940 to \$4,041, effective July 1, 2001. As a result there would be an increase in State Aid totalling \$20,163,700.

Prepared by: Eddy Jeans Phone 465-8679
Division: Education Support Services Date/Time 4/23/01
Approved by: Bruce Johnson, Deputy Commissioner of Education Date 4/24/01
Agency: Education & Early Development

For distribution information, call the Governor's Legislative Office

3-8
Failed

Amendment

I

Offered in House Finance

CS HB 105 (EDU)

REPRESENTATIVE JOHN DAVIES

Page 1, line 6:

Delete "\$4,041"

Insert "\$4,091"

Intent
Language

II

by Rep. Moulder

Amendment for HB105:

It is the intent of the Legislature that any increases to the Foundation Formula will provide an opportunity to move Alaskan schools towards standards-based education. The Legislature intends that any increase in funding will pay for costs associated with improving student performance by developing standards-based programs, including implementation of standards, aligning student assessment to standards, adopting instructional models based on basic skills, performance tasks, and projects, and adopting a standards-based reporting system.

The Department of Education and Early Development will provide a summary report to the legislature by March 15, 2002, on actions taken toward implementation by school districts.

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSHB 105(EDU)
 (H) Publish Date: 4/23/01

Revision Date/Time (Note if correction): _____ Dept. Affected: DEED
 Title: An Act relating to the base student allocation BRU: K-12 Support
used in the formula for state funding of public education: ... Component: Foundation Program
 Sponsor: Representative Stevens
 Requester: House Special Committee on Education Component Number: 141

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	20,163.7	20,163.7	20,163.7	20,163.7	20,163.7	20,163.7
Miscellaneous						
TOTAL OPERATING	20,163.7	20,163.7	20,163.7	20,163.7	20,163.7	20,163.7

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

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	20,163.7	20,163.7	20,163.7	20,163.7	20,163.7	20,163.7
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	20,163.7	20,163.7	20,163.7	20,163.7	20,163.7	20,163.7

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

HB 105 amends AS 14.17.470 to increase the base student allocation from \$3,940 to \$4,041, effective July 1, 2001. As a result there would be an increase in State Aid totalling \$20,163,700.

Prepared by: Eddy Jeans Phone 465-8679
 Division: Education Support Services Date/Time 4/23/01
 Approved by: Bruce Johnson, Deputy Commissioner of Education Date 4/24/01
 Agency: Education & Early Development

For distribution information, call the Governor's Legislative Office

COMMITTEE COPY

Department of Education and
 Early Development
 Foundation Program
 Additional \$20,000,000 to Entitlement
 \$101 Base Allocation Increase
 April 18, 2001

DISTRICT	FY 02 District Adjusted ADM	Current Basic Need at \$3940	MB105 revision \$4041 Basic Need for FY02	Increase in State Aid	Funding Floor Difference	Total Entitlement Difference
Alaska Gateway	1,172.57	4,619,926	4,738,355	118,429	(22,372)	96,057
Aleutian Region	310.25	1,222,385	1,253,720	31,335	(12,534)	18,801
Aleutians East Borough	948.76	3,730,234	3,825,857	95,623	0	95,623
Anchorage	67,080.62	264,297,843	271,072,785	6,775,142	0	6,775,142
Annette Island	616.62	2,429,483	2,491,761	62,278	0	62,278
Bering Strait	5,374.67	21,176,200	21,719,041	542,841	0	542,841
Bristol Bay Borough	597.46	2,353,992	2,414,336	60,344	0	60,344
Chatham	617.88	2,434,447	2,496,853	62,406	0	62,406
Chugach	314.78	1,240,233	1,272,026	31,793	(12,717)	19,076
Copper River	1,379.03	5,493,378	5,572,660	139,282	(15,984)	123,298
Cordova	832.94	3,281,784	3,365,911	84,127	(33,650)	50,477
Craig	906.80	3,568,852	3,660,338	91,486	0	91,486
Delta/Grady	1,032.16	4,088,710	4,170,958	104,249	0	104,249
Denali Borough	736.82	2,902,283	2,976,881	74,598	0	74,598
Dillingham	1,153.20	4,543,608	4,680,081	116,473	(48,588)	69,884
Fairbanks N. Star Borough	22,082.69	87,005,799	89,236,150	2,230,351	0	2,230,351
Galena	3,213.05	12,659,417	12,983,935	324,518	(189,807)	134,711
Haines Borough	693.76	2,722,414	2,809,484	70,070	(7,573)	62,497
Hoonah	481.46	1,896,952	1,945,580	48,628	(18,451)	29,177
Hydaburg	224.02	882,639	906,266	22,626	0	22,626
Iditarod Area	1,397.03	5,504,288	5,645,398	141,100	(56,440)	84,660
Juneau Borough	7,825.09	30,830,866	31,621,189	790,323	0	790,323
Kake	326.91	1,288,025	1,321,043	33,018	(6,615)	26,403
Kashunamiw	781.14	3,077,892	3,156,587	78,695	0	78,695
Kenai Peninsula Borough	14,826.33	58,415,740	59,913,200	1,497,460	0	1,497,460
Ketchikan Gateway Borough	3,543.70	13,982,178	14,320,082	337,904	0	337,904
Klawock	431.54	1,700,288	1,743,853	43,565	(17,434)	26,131
Kodiak Island Borough	4,639.24	18,278,806	18,747,189	468,383	0	468,383
Kuspuk	1,486.86	5,894,043	6,046,134	151,091	(60,438)	90,653
Lake & Peninsula Borough	1,633.22	6,434,887	6,599,842	164,955	(86,882)	78,073
Lower Kuskokwim	9,891.38	38,972,037	39,971,067	999,030	(399,612)	599,418
Lower Yukon	5,233.56	20,820,226	21,148,818	328,590	0	328,590
Mat-Su Borough	18,876.41	74,373,055	76,279,573	1,906,518	0	1,906,518
Nenana	1,550.06	6,107,236	6,263,782	156,546	0	156,546
Nome	1,444.82	5,681,803	5,837,708	145,906	(50,808)	95,098
North Slope Borough	5,207.59	20,517,906	21,043,871	525,966	0	525,966
Northwest Arctic Borough	5,884.44	23,578,684	24,183,122	604,438	0	604,438
Pelican	68.82	271,151	278,102	6,951	(2,780)	4,171
Petersburg	1,022.16	4,027,310	4,130,549	103,239	0	103,239
Pribilof	424.44	1,672,284	1,715,182	42,898	(6,855)	36,043
Sitka Borough	2,285.30	9,004,082	9,234,887	230,805	0	230,805
Skagway	309.09	1,217,616	1,249,033	31,218	(12,487)	18,731
Southeast Island	691.71	2,725,337	2,795,200	69,863	(27,945)	41,918
Southwest Region	2,211.33	8,712,640	8,935,986	223,345	0	223,345
St. Mary's	418.25	1,651,845	1,684,189	42,344	(16,937)	25,407
Tanana	331.94	1,307,844	1,341,370	33,526	0	33,526
Unalaska	734.86	2,894,521	2,968,721	74,200	(29,664)	44,536
Valdez	1,439.12	5,670,133	5,815,484	145,351	(31,086)	114,265
Wrangell	748.87	2,854,488	3,030,225	175,737	0	175,737
Yukon-Charley	369.84	1,457,170	1,494,523	37,353	(10,466)	26,887
Yukon Flats	1,145.11	4,511,733	4,627,390	115,657	(46,263)	69,394
Yukon/Koyukuk	1,577.72	6,218,217	6,375,567	157,350	0	157,350
Yupik	1,223.78	4,821,883	4,845,295	23,412	(48,441)	74,181
Alyeska Central School *	1,096.80	4,321,382	4,432,168	110,777	0	110,777
Mt. Edgecumbe High School	484.44	1,908,884	1,957,622	48,738	0	48,738
		26,088,100	0			
TOTAL	211,439.9	859,169,986	854,428,717	21,253,432	(1,181,738)	20,163,694

DRAFT

G:\Mindy\Requests\STEVENS20millionIncrease.xls Representative Stevens Request

Department of Education and
Early Development
Foundation Program
CSHB 105(EDU)
April 23, 2001

DISTRICT	FY02 Projected State Aid	Increase in State Aid	Funding Floor Difference	Total Entitlement Difference
Alaska Gateway	4,720,721	118,429	(22,372)	96,057
Aleutian Region	1,170,144	31,335	(12,534)	18,801
Aleutians East Borough	2,822,075	95,623	0	95,623
Anchorage	193,595,132	6,775,142	0	6,775,142
Annette Island	867,075	62,278	0	62,278
Bering Strait	15,583,586	542,841	0	542,841
Bristol Bay Borough	1,340,580	60,344	0	60,344
Chatham	2,148,172	62,406	0	62,406
Chugach	1,698,865	31,793	(12,717)	19,076
Copper River	5,324,548	139,282	(15,984)	123,298
Cordova	2,638,380	84,127	(33,650)	50,477
Craig	3,013,383	91,486	0	91,486
Delta/Greely	4,246,748	104,249	0	104,249
Denali Borough	2,422,605	74,398	0	74,398
Dillingham	3,870,502	116,473	(46,589)	69,884
Fairbanks N. Star Borough	63,086,196	2,230,351	0	2,230,351
Galena	14,450,362	324,518	(129,807)	194,711
Haines Borough	1,931,769	70,070	(7,573)	62,497
Hoonah	1,737,765	48,628	(19,451)	29,177
Hydaburg	909,539	22,626	0	22,626
Iditarod Area	5,765,716	141,100	(56,440)	84,660
Juneau Borough	20,427,809	790,334	0	790,334
Kake	1,140,552	33,018	(6,615)	26,403
Kashunamiut	2,037,788	78,895	0	78,895
Kenai Peninsula Borough	41,665,482	1,497,460	0	1,497,460
Ketchikan Gateway Borough	9,550,271	357,914	0	357,914
Klawock	1,636,402	43,585	(17,434)	26,151
Kodiak Island Borough	13,523,703	468,563	0	468,563
Kuspuk	4,679,476	151,091	(60,436)	90,655
Lake & Peninsula Borough	5,959,944	164,955	(65,982)	98,973
Lower Kuskokwim	35,139,517	999,030	(399,612)	599,418
Lower Yukon	14,605,616	528,590	0	528,590
Mat-Su Borough	61,647,537	1,906,518	0	1,906,518
Nenana	6,063,818	156,556	0	156,556
Nome	4,929,994	145,906	(50,608)	95,298
North Slope Borough	9,885,875	525,966	0	525,966
Northwest Arctic Borough	20,358,082	604,428	0	604,428
Pelican	420,585	6,951	(2,780)	4,171
Petersburg	3,025,635	103,239	0	103,239
Pribilof	1,064,937	42,668	(6,855)	36,013
Sitka Borough	6,400,649	230,615	0	230,615
Skagway	886,624	31,218	(12,487)	18,731
Southeast Island	2,941,152	69,663	(27,945)	41,918
Southwest Region	5,979,493	223,345	0	223,345
St. Mary's	1,747,266	42,344	(16,937)	25,407
Tanana	1,280,078	33,526	0	33,526
Unalaska	2,023,121	74,200	(29,664)	44,536
Valdez	3,672,455	145,351	(31,096)	114,255
Wrangell	2,364,305	75,737	0	75,737
Yakutat	1,448,203	37,353	(10,466)	26,887
Yukon Flats	4,087,475	115,657	(46,263)	69,394
Yukon/Koyukuk	5,492,033	159,350	0	159,350
Yupit	3,831,544	123,602	(49,441)	74,161
Alyeska Central School *	4,338,941	110,777	0	110,777
Mt. Edgecumbe High School	1,321,400	48,928	0	48,928
Other contracts	26,096,100	0	0	0
TOTAL	665,017,725	21,355,432	(1,191,738)	20,163,694

April 24, 2001

House Finance Committee


I am writing to you today in support of HB 105 Foundation Formula Increase.

Our schools are suffering because of the current lack of funding. We need to get more money to our schools so that they can reduce the student/teacher ratio. Our teachers are working with very little resources; much of what they do have is coming out of their own pockets.

My daughter is currently in a sixth grade class at K-Beach Elementary with 33 kids students, the other class has 32. It is almost impossible for a teacher to teach in this situation, most of their time is spent dealing with discipline issues and crowd control. This is unacceptable to me.

Please consider our future in our children's education first and foremost; it begins with quality education.

Thank you for your consideration,



Jackie Ansotegui
907-283-8405



KETCHIKAN GATEWAY BOROUGH SCHOOL DISTRICT

April 24, 2001

House Finance Committee
State Capitol
Juneau, AK 99801-1182

Dear Committee Members:

I received word of HB 105 this morning. The Ketchikan Gateway Borough School District is very much in favor of this bill passing. We are hoping for an increase of more than the proposed \$101, but are in full support of a substantial increase in the funding floor for education.

In 1997 our District had an enrollment of 2856 students. Because of a variety of economic problems in our region we now have only 2369 students. Needless to say we have cut programs (specifically in the areas of vocational classes, foreign language classes, middle school, and other elective areas that made education more relevant to students), teachers, and other educational paraprofessionals as our money decreased. Ketchikan did not receive hold harmless money as a result of the decreases in enrollment and our budget has continued to decrease each year.

We have currently built a District budget based on what we felt was the middle of the road increase as proposed by SB 1 (\$145 increase in per pupil expenditures). This may seem to be a much too liberal approach on the surface, but it is the only number that allowed us to even come close to keeping the same types of programs we have offered in the past for our students. Even using this amount we have decreased teaching staff as well as elective offerings at the high school level. We are now at the point that any less funding will have to be remedied by staff and program cuts as we have little else to take money from.

Again we support this bill, please support our request for a substantial funding increase.

Sincerely,

A handwritten signature in cursive script, appearing to read "Harry D. Martin".

HARRY D. MARTIN
Superintendent



Alaska State Legislature

HOUSE OF REPRESENTATIVES

Committee on Finance

Official Business

State Capitol
Juneau, Alaska 99801-1182

LETTER OF INTENT CS HB 105 (EDU)

It is the intent of the Legislature that any increases to the Foundation Formula will provide an opportunity to move Alaskan schools towards standards-based education. The Legislature intends that any increase in funding will pay for costs associated with improving student performance by developing standards-based programs, including implementation of standards, aligning student assessment to standards, adopting instructional models based on basic skills, performance tasks, and projects, and adopting a standards-based reporting system.

The Department of Education and Early Development will provide a summary report to the legislature by March 15, 2002, on actions taken toward implementation by school districts.

Handwritten signature of Bill Williams in cursive.

Representative Bill Williams
Co-Chair, House Finance Committee

Handwritten signature of Eldon Mulder in cursive.

Representative Eldon Mulder
Co-Chair, House Finance Committee

Alaska State Legislature

SESSION ADDRESS:
Alaska State Capitol
Juneau, Alaska 99801-1182
(907) 465-4925
Fax: (907) 465-3517
Toll Free: 1-800-821-4925



INTERIM ADDRESS:
112 Mill Bay Road
Kodiak, Alaska 99615
(907) 486-4925
Fax: (907) 486-5264

Representative Gary Stevens

SPONSOR STATEMENT House Bill 105 Foundation Formula Increase

The State of Alaska's Public Education Funding Formula is based on a specific dollar amount per student. The base student allocation was established in 1998 (FY99) as \$3,940 per student and has not been increased since that time. House Bill 105 increases this allocation by \$101.00, increasing the per student dollar to \$4,041.

During the past 14 years, inflation has had an impact on public school funding and the purchasing power of the General Fund (GF) education dollars slowly eroded over time. Although the State's contribution to the 53 school districts has increased 54% since FY88, the effect of annual inflation, as well as an increase in student enrollment has negated this growth, and indeed the purchasing power of the student dollar has been diminished.

The public school foundation program has lost 13.9% on a student dollar basis since FY88 due to the cumulative effect of annual inflation. House Bill 105 proposes to recoup some of this loss.

Supporters of a world class educational system for Alaska must agree that, while at the same time inflation is eroding the purchasing power for the student dollar, we Alaskans are asking our public schools to take on more and more responsibility in three general areas. First, many parents today regularly drop off their children at school early in the morning and pick them up after work. School personnel today provide not only classroom instruction for these students but also offer the emotional, social, and moral support needed before and after regular school hours at a level unheard of a generation ago. The increased time that a child spends at school naturally increases the responsibility of the local teachers and administrators.

**Sponsor Statement for House Bill 105
Foundation Formula Increase**

Secondly, as performance standards and the corresponding assessments become a reality and are accepted as commonplace, each neighborhood school and classroom will be held more accountable for student learning. Children who need extra innovative instruction to master these standards will be identified and teachers will offer appropriate remedial learning opportunities. The added tutoring sessions necessary for some students may be offered within the regular school day or during a Saturday or summer school program. This added accountability is a step in the right direction, but it does have substantial impact on the financial resources of our local school districts.

Lastly, classroom teachers are on the frontline with our children and must be held accountable for their learning and performance. Alaska's young people deserve to be taught by the very best teachers possible. Alaska's school districts are faced with the responsibility of recruiting and retaining a highly qualified work force at a time when teachers are in short supply. This is not an easy task and, in some cases, the remoteness and isolation of an individual school make a difficult task even more difficult. The State has an obligation to provide adequate funding to all public school districts so that all school districts can hire and retain quality teachers

Public education is faced with the unenviable position-assuming greater responsibility with a reduction in the purchasing power of the student dollar. Alaska cannot continue to ask its 53 school district to meet all these additional responsibilities with a dwindling budget, therefore, additional funding is a necessity. The increase of \$101.00 per student as provided in House Bill 105 will assist our local school districts to meet, and hopefully exceed, the public's expectations and demands.

Please join me in endorsing House Bill 105.

HB

106

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 5/6/01

REPORTED OUT
APR 23 2002
SENATE FINANCE
COMMITTEE

FURTHER:

DATE TURNED IN TO OFFICE: 04/23/02

Finance Committee considered CS FOR HOUSE BILL NO. 106(L&C) am
FINANCIAL INSTITUTIONS

and recommends:

- be replaced with CS 25 HB 106 (FIN)
- adopt previous CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:

- same title
- new title

House Bill:

- same title
- technical title
- new: SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
DCED	2/26/02	Ø		

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

APPROPRIATION - no fiscal notes

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>Lynley Green</i>			✓	
<i>John Austin</i>			✓	
<i>William...</i>			✓	
<i>Andrew D. Simon</i>	✓			
<i>Jay...</i>			✓	
<i>[Signature]</i>				
COCHAIR: <i>[Signature]</i>			✓	
COCHAIR: <i>[Signature]</i>			✓	

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

APR 23 2002

SENATE FINANCE

Fiscal Note Number: _____
 Bill Version: SCS CSHB 106 (JUD)
 () Publish Date: _____

Revision Date/Time (Note if correction): 02-25-2002 Dept. Affected: DCED
 Title: Gramm-Leach-Bliley Act; Changes to Banking Statutes BRU: Banking, Securities & Corporations(115)
 Component: Banking, Securities & Corporations
 Sponsor: Rules by Request of the Governor
 Requester: Senate Finance Component No. 1233

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
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 ()	0.0	0.0	0.0	0.0	0.0	0.0
-------------------------------	-----	-----	-----	-----	-----	-----

FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

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

This bill amends the banking code to conform with federal law changes in the Gramm-Leach-Bliley Act (GBLA) to provide for Financial Holding Companies and increased ability for banks to provide related financial services. The bill also includes industry-requested changes such as publishing information electronically. Also, the bill allows the department to react faster to law changes and industry requests to maintain parity and competition between national and state-chartered depository institutions. No negative fiscal impact of this bill is expected.

Prepared by: Franklin T. Elder, Director Phone 907-465-2521
 Division: Banking, Securities & Corporations Date/Time 2/26/02 8:43 AM
 Approved by: Deborah B. Sedwick, Commissioner Date 2/26/2002
 Agency: Department of Community & Economic Development



Official Business

Alaska State Senate

Senate Finance Committee

faxed 4/23/02
 6:17pm
 Mail Stop 3100
 State Capitol
 Juneau, Alaska 99801-1182

FAX COVER SHEET

DATE: Tues. 4/23/02 TIME: 6:10 pm

TO: Legal

NUMBER OF PAGES, INCLUDING COVER SHEET: 1

FROM: ROBIN PAUL
 SENATE FINANCE CMTE. ASST. SECRETARY
 PHONE: 465-2618
 FAX: 465-2187

NOTES: Need a FINAL pls.
SCS for CSHB106 of 22-GH1026\B

Thanks!
Robin

Adopted

WORK DRAFT

WORK DRAFT

WORK DRAFT

22-GH1026/R
Bannister
2/28/02

SENATE CS FOR CS FOR HOUSE BILL NO. 106()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

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

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the authorizations for certain state financial institutions of certain
2 powers and limitations; relating to confidential records of depositors and customers of
3 certain financial institutions; relating to the examination of certain institutions subject
4 to AS 06; relating to the Alaska Banking Code, Mutual Savings Bank Act, Alaska Small
5 Loans Act, and Alaska Credit Union Act; amending Rule 45, Alaska Rules of Civil
6 Procedure, Rules 17 and 37, Alaska Rules of Criminal Procedure, and Rule 24, Alaska
7 Bar Rules; and providing for an effective date."

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

9 * Section 1. The uncodified law of the State of Alaska is amended by adding a new section
10 to read:

11 PURPOSE. The primary purpose of this Act is to implement banking and other
12 financial institution reforms in AS 06 in response to P.L. 106-102 (Gramm-Leach-Bliley Act)
13 in order to further this state as an attractive place for investment and other commerce

1 involving banking and other financial institutions.

2 * **Sec. 2.** AS 06.01.015(a) is amended to read:

3 (a) Financial institutions regulated under this title are subject to at least one
4 examination every 18 months [EACH YEAR]. The department may conduct
5 additional examinations at its discretion.

6 * **Sec. 3.** AS 06.01.020(a) is amended to read:

7 (a) Notwithstanding other provisions of this title, the department may by
8 order [REGULATION] authorize state financial institutions, except licensees subject
9 to AS 06.20 or AS 06.40, to exercise any of the powers conferred upon, or to be
10 subject to any of the limitations imposed upon, a federally chartered financial
11 institution doing business in this state with deposits insured by an agency of the
12 federal government [,] if the department finds that the exercise of the power or
13 imposition of the limitation both

14 (1) serves the public convenience and advantage; and

15 (2) equalizes and maintains the quality of competition between state
16 financial institutions and federally chartered financial institutions.

17 * **Sec. 4.** AS 06.01 is amended by adding a new section to read:

18 **Sec. 06.01.028. Depositor and customer records confidential.** (a) The
19 records of financial institutions relating to their depositors and customers and the
20 information in the records are confidential. A financial institution may not disclose
21 the records and information to another person except when, and only to the extent that,
22 the disclosure is

23 (1) authorized in writing by the depositor or customer;

24 (2) required by federal or state statute or regulation or by an order
25 directed to the financial institution and issued by a court or administrative agency of
26 competent jurisdiction;

27 (3) made to the holder of a negotiable instrument drawn on the
28 financial institution as to whether the drawer has sufficient funds in the financial
29 institution to cover the instrument;

30 (4) made to a consumer reporting agency regulated under 15 U.S.C.
31 1681 - 1681u (Fair Credit Reporting Act); or

1 (5) made in connection with the maintenance or servicing of the
2 depositor's or customer's account with the financial institution, or with another entity
3 as part of a private label credit card or other extension of credit on behalf of the entity.

4 (b) When disclosure of financial institution records is compelled by a
5 subpoena, a search warrant, or another court or administrative agency order under
6 (a)(2) of this section, the court or administrative agency shall provide in the order for
7 the reimbursement of the financial institution for the reasonable costs incurred in
8 complying with the order. Nothing in this subsection imposes a reimbursement
9 obligation on a government agency, or abrogates an otherwise established
10 reimbursement obligation of a government agency, when the financial institution is the
11 subject of an audit, examination, or investigation and disclosure is sought under a
12 federal or state law or regulation.

13 (c) Unless otherwise provided in this subsection, when disclosure of financial
14 institution records is required under a court or administrative agency order under
15 (a)(2) of this section, the financial institution shall notify the depositor or customer of
16 the disclosure before the disclosure is made. If notification before disclosure is not
17 possible, the financial institution shall notify the customer or depositor of the
18 disclosure as soon as practicable after the disclosure is made. However, notification
19 either before or after disclosure may not be made if disclosure is made under a court or
20 administrative agency order under (a)(2) of this section and the document requiring
21 disclosure requires on its face that the financial institution not notify or inform the
22 depositor or customer, or the document requiring disclosure is, or is accompanied by,
23 a court order that expressly directs the financial institution not to notify or inform the
24 depositor or customer.

25 (d) Nothing in (a) - (c) of this section prohibits a financial institution from
26 disclosing information to a person if

27 (1) the disclosure is necessary to

28 (A) provide the services of the financial institution to a
29 depositor or customer; or

30 (B) market financially related products or services of the
31 financial institution and its marketing partners; and

1 (2) the person receiving the information has a written agreement with
2 the financial institution to be bound by the requirements of (a) - (c) of this section.

3 (e) Nothing in this section authorizes the disclosure of information if
4 disclosure is prohibited by 15 U.S.C. 6801 - 6827 or the regulations adopted under
5 those sections.

6 (f) A financial institution or any other person who violates this section is liable
7 to a depositor or customer for damages caused by the disclosure of the confidential
8 records or information of the financial institution pertaining to the depositor or
9 customer. A financial institution or other person who takes an action under this
10 section while relying in good faith on any provision of this section is not liable under
11 this section to any person for the action.

12 (g) In this section, "financial institution" means a person subject to the
13 regulation of the department under this title, including a BIDCO licensed under
14 AS 10.13 (Alaska BIDCO Act).

15 * Sec. 5. AS 06.01.040 is amended to read:

16 **Sec. 06.01.040. Examination policy.** It shall be the policy of the department
17 to conduct, whenever reasonably possible, joint examinations with the Federal Deposit
18 Insurance Corporation or with the National Credit Union Administration of those
19 institutions subject to this title whose accounts are insured through those agencies
20 [THAT CORPORATION].

21 * Sec. 6. AS 06.01.050(3) is amended to read:

22 (3) "financial institution" means an institution subject to the regulation
23 of the department under this title; in this paragraph, "institution" includes a
24 commercial bank, savings bank, credit union, premium finance company, small
25 loan company, bank holding company, financial holding company, trust company
26 and savings and loan association.

27 * Sec. 7. AS 06.01.050 is amended by adding a new paragraph to read:

28 (4) "state financial institution" means a financial institution that is
29 organized under this title or that is subject to examination by the department under this
30 title.

31 * Sec. 8. AS 06.05.005(a) is amended to read:

1 (a) The department shall

2 (1) exercise general supervision over all state financial institutions and
3 their subsidiaries and affiliated corporations;

4 (2) adopt regulations necessary to implement this chapter, including
5 regulations providing for the retention and preservation of state bank records;

6 (3) review and approve or disapprove applications for new state banks
7 under AS 06.05.344, new bank branches under AS 06.05.399, and international bank
8 branches or interstate state bank branches [BRANCH BANKS] under
9 AS 06.05.555;

10 (4) issue permits authorizing certain acquisitions by bank holding
11 companies [TO DO BUSINESS IN THIS STATE] under AS 06.05.235 and
12 06.05.570;

13 (5) determine for each state bank the amount of paid-in capital
14 necessary to operate under AS 06.05.305(a);

15 (6) review and approve transfers of state bank ownership under
16 AS 06.05.327;

17 (7) perform examinations of state banks, branch banks, and
18 subsidiaries under AS 06.01.015.

19 * **Sec. 9.** AS 06.05.050 is repealed and reenacted to read:

20 **Sec. 06.05.050. Publication of reports.** (a) Condensed forms of all reports
21 of condition required by AS 06.05.045(a) shall be immediately

22 (1) published by the state bank in a newspaper of general circulation
23 published in the place where the state bank is located; if a newspaper of general
24 circulation is not published in that place, the report shall be published in the
25 newspaper of general circulation published nearest to that place; or

26 (2) posted

27 (A) at the primary Internet website of the state bank; and

28 (B) in the lobby of the principal office and all branches of the
29 state bank.

30 (b) Notice of the publication or posting of the reports of condition under (a) of
31 this section shall be posted in the lobby of the principal office and all branches of the

1 state bank. Upon request, a copy of a report of condition shall be supplied to any
2 person at no cost.

3 * Sec. 10. AS 06.05.065(a) is amended to read:

4 (a) A bank examiner of the department who deals with the regulation of
5 financial institutions, a special agent selected by the department to do work relating to
6 financial institutions, the commissioner or deputy commissioner, or the director of
7 banking may not be an officer, employee, director, trustee, attorney, shareholder, or
8 partner of a financial institution, or receive, directly or indirectly, a payment or
9 gratuity from a financial institution. A person subject to this section may not borrow
10 money from a state financial institution [THAT HAS A CERTIFICATE OF
11 AUTHORITY UNDER THIS TITLE], except as provided in this section.

12 * Sec. 11. AS 06.05.065(b) is amended to read:

13 (b) A person subject to this section may

14 (1) be a depositor in a financial institution;

15 (2) purchase shares of a savings and loan association on the same
16 terms available to the public;

17 (3) be a member of an employee credit union,

18 (4) be indebted to a state financial institution upon an installment debt
19 incurred by the employee in the purchase of goods for personal use only and
20 transferred to the financial institution in the regular course of business, including debts
21 for household goods, mobile homes, motor vehicles, or boats; or

22 (5) retain a preexisting extension of credit that was incurred before
23 commencement of the employment that subjected the person to this section; any
24 renegotiation of a preexisting extension of credit shall be treated as a new
25 extension of credit that is subject to the prohibitions of this section [BE
26 INDEBTED TO A STATE FINANCIAL INSTITUTION FOR A MORTGAGE
27 LOAN SECURED BY THE PERSON'S PRIMARY RESIDENCE, IF THE LOAN
28 CLOSED BEFORE THE PERSON BECAME AN EMPLOYEE SUBJECT TO THIS
29 SECTION].

30 * Sec. 12. AS 06.05.205 is repealed and reenacted to read:

31 **Sec. 06.05.205. Loans and extensions of credit.** (a) The total loans and

1 extensions of credit by a state bank to a person outstanding at one time and not fully
2 secured, as determined in a manner consistent with (b) of this section, by collateral
3 having a market value at least equal to the amount of the loan or extension of credit
4 may not exceed 15 percent of the unimpaired capital and unimpaired surplus of the
5 state bank.

6 (b) The total loans and extensions of credit by a state bank to a person
7 outstanding at one time and fully secured by readily marketable collateral having a
8 market value, as determined by reliable and continuously available price quotations, at
9 least equal to the amount of the money outstanding, may not exceed 10 percent of the
10 unimpaired capital and unimpaired surplus of the state bank. The limitation in this
11 subsection is separate from and in addition to the limitation contained in (a) of this
12 section.

13 (c) The limitations contained in (a) and (b) of this section are subject to the
14 following exceptions:

15 (1) loans or extensions of credit arising from the discount of
16 commercial or business paper evidencing an obligation to the person negotiating it
17 with recourse are not subject to a limitation based on unimpaired capital and
18 unimpaired surplus;

19 (2) the purchase of bankers' acceptances described in AS 06.05.275
20 and issued by other banks are not subject to a limitation based on unimpaired capital
21 and unimpaired surplus;

22 (3) loans or extensions of credit secured by bills of lading, warehouse
23 receipts, or similar documents transferring or securing title to readily marketable
24 staples are subject to a limitation of 35 percent of unimpaired capital and unimpaired
25 surplus in addition to the general limitations if the market value of the staples securing
26 each additional loan or extension of credit at all times equals or exceeds 115 percent of
27 the outstanding amount of the loan or extension of credit; in order to be considered
28 under this paragraph, the staples must be fully covered by insurance whenever it is
29 customary to insure those staples;

30 (4) loans or extensions of credit secured by bonds, notes, certificates of
31 indebtedness, or treasury bills of the United States or by other such obligations fully

1 guaranteed as to principal and interest by the United States are not subject to a
2 limitation based on unimpaired capital and unimpaired surplus;

3 (5) loans or extensions of credit to, or secured by unconditional takeout
4 commitments or guarantees of, any department, agency, bureau, board, commission,
5 or establishment of the United States or a corporation wholly owned directly or
6 indirectly by the United States are not subject to a limitation based on unimpaired
7 capital and unimpaired surplus;

8 (6) loans or extensions of credit secured by a segregated deposit
9 account in the lending state bank are not subject to a limitation based on unimpaired
10 capital and unimpaired surplus;

11 (7) loans or extensions of credit to a bank or to a receiver, conservator,
12 superintendent of banks, or other agent in charge of the business and property of that
13 bank, if approved by the department, are not subject to a limitation based on
14 unimpaired capital and unimpaired surplus;

15 (8) loans or extensions of credit arising from the discount of negotiable
16 or non-negotiable installment consumer paper that carries a full recourse endorsement
17 or unconditional guarantee by the person transferring the paper are subject under this
18 section to a maximum limitation equal to 25 percent of unimpaired capital and
19 unimpaired surplus, notwithstanding the collateral requirements set out in (b) of this
20 section; however, if the state bank's files or the knowledge of its officers of the
21 financial condition of each maker of that consumer paper is reasonably adequate, and
22 an officer of the state bank designated for that purpose by the board of directors of the
23 state bank certifies in writing that the state bank is relying primarily upon the
24 responsibility of each maker for payment of the loans or extensions of credit and not
25 upon any full or partial recourse endorsement or guarantee by the transferor, the
26 limitations of (a) and (b) of this section as to the loans or extensions of credit of each
27 such maker are the sole applicable loan limitations;

28 (9) loans or extensions of credit secured by shipping documents or
29 instruments transferring or securing title covering livestock or giving a lien on
30 livestock when the market value of the livestock securing the obligation is not at any
31 time less than 115 percent of the face amount of the note covered are subject under

1 this section, notwithstanding the collateral requirements set out in (b) of this section,
2 to a maximum limitation equal to 25 percent of unimpaired capital and unimpaired
3 surplus;

4 (10) loans or extensions of credit, arising from the discount by dealers
5 in dairy cattle of paper given in payment for dairy cattle and carrying a full recourse
6 endorsement or unconditional guarantee of the seller, that are secured by the cattle
7 being sold are subject under this section, notwithstanding the collateral requirements
8 set out in (b) of this section, to a maximum limitation equal to 25 percent of
9 unimpaired capital and unimpaired surplus.

10 (d) Except with the written prior approval of the department for an acquisition
11 or merger with another financial institution, or except with the written prior approval
12 of the department in order to prevent loss upon an indebtedness previously contracted
13 in good faith, a state bank may not

14 (1) accept as security for a loan the capital stock of the state bank;

15 (2) accept as security for a loan the capital stock of the state bank's
16 parent holding companies, unless the stock of the holding companies is publicly traded
17 on a nationally recognized exchange; or

18 (3) loan money that is to be used to purchase the capital stock of the
19 state bank or a parent holding company of the state bank.

20 (e) The department may adopt regulations to administer and carry out the
21 purposes of this section, including, notwithstanding any contrary provision of this
22 section, regulations to define or further define terms used in this section in order to
23 establish limits or requirements other than those specified in this section for particular
24 classes or categories of loans or extensions of credit.

25 (f) For purposes of this section, the department may determine when a loan
26 putatively made to a person shall be attributed to another person.

27 (g) In this section, "person" means an individual, sole proprietorship,
28 partnership, joint venture, association, trust, estate, business trust, corporation, or any
29 similar entity or organization.

30 * Sec. 13. AS 06.05.209(b) is amended to read:

31 (b) A state bank may issue a credit card or other similar credit granting device

1 to a customer for obtaining money, goods, services, or anything else of value, and,
2 notwithstanding AS 45.45.010, the state bank, when credit is extended under this
3 section, may impose a service charge at a monthly rate as agreed upon by contract
4 between the state bank and the customer receiving the credit granting device
5 [THAT RESULTS IN AN ANNUAL RATE NOT IN EXCESS OF 17 PERCENT ON
6 THE OUTSTANDING BALANCE. HOWEVER, IN ADDITION, WHEN CASH IS
7 ADVANCED UNDER THIS SECTION, THE BANK MAY IMPOSE A SETUP
8 CHARGE THAT DOES NOT EXCEED THREE PERCENT OF THE FUNDS
9 ADVANCED, OR \$12, WHICHEVER IS LESS, EXCEPT THAT ON LOANS OF
10 UNDER \$100 A MINIMUM NOT EXCEEDING \$3 MAY BE CHARGED].

11 * Sec. 14. AS 06.05.210(a) is amended to read:

12 (a) Subject to the same terms and conditions applicable to other loans, a
13 director or executive [,] officer [, OR EMPLOYEE] of a state bank may borrow up to
14 \$100,000, or up to \$250,000 for the director's or executive [,] officer's [, OR
15 EMPLOYEE'S] primary residence, from the state bank at the discretion of the chief
16 executive or managing officer of the state bank. A loan to a director or executive [,]
17 officer [, OR EMPLOYEE] that makes the total amount owed to the state bank by the
18 director or executive [,] officer [, OR EMPLOYEE] in excess of the limits in this
19 subsection, or loans of any amount to the chief executive or managing officer of the
20 state bank, shall have the prior approval of the board of directors, shall be reported to
21 the department within 30 days, and shall be secured by adequate collateral.

22 * Sec. 15. AS 06.05.210 is amended by adding a new subsection to read:

23 (c) Notwithstanding (a) of this section, loans to directors, executive officers,
24 and other officers and employees of a state bank are subject to the lending limits
25 imposed by AS 06.05.205 and the regulations adopted under that section.

26 * Sec. 16. AS 06.05 is amended by adding a new section to read:

27 Sec. 06.05.237. **Financial holding companies.** Notwithstanding the
28 provisions of AS 06.05.235 and regulations adopted under that section, a holding
29 company formed under this title may apply to the Federal Reserve System for status as
30 a financial holding company. If the status is granted, the financial holding company
31 has powers as a financial holding company authorized by the Federal Reserve System

1 if

2 (1) at the time of application, the holding company provides the
3 department with a complete copy of the application;

4 (2) the holding company provides the department with copies of all
5 correspondence concerning the application;

6 (3) the holding company provides the department with a copy of the
7 approval by the Federal Reserve System within 10 days after the holding company
8 receives the approval; and

9 (4) the department does not issue a letter denying financial holding
10 company status within 30 days after the approval by the Federal Reserve System.

11 * Sec. 17. AS 06.05.245 is amended to read:

12 **Sec. 06.05.245. Disposition of property not needed in the conduct of a**
13 **banking business. All investments in real and personal property, regardless of how**
14 **acquired, not permitted [NECESSARY FOR THE CONVENIENT**
15 **TRANSACTION OR PROMOTION OF A BANKING BUSINESS] under**
16 **AS 06.05.230 that come [COMES] into the possession of a state bank shall be**
17 **disposed of as soon as possible. If the real or personal property is not sold within the**
18 **time limit set [PRESCRIBED] by the department in regulations, it shall be written off**
19 **and may not be carried as an asset of the state bank.**

20 * Sec. 18. AS 06.05.272(b) is amended to read:

21 (b) Under this section, a state bank's total investment in its subsidiaries
22 may not exceed that which is permissible for a federally chartered bank's total
23 investment in all subsidiaries as set out in 12 U.S.C. 24a, as amended [BANK
24 MAY INVEST IN SUBSIDIARIES AN AMOUNT EQUAL TO THE LESSER OF
25 20 PERCENT OF ITS TOTAL ASSETS OR 50 PERCENT OF ITS TOTAL
26 CAPITAL ACCOUNTS]. Loans to subsidiaries are considered investments subject to
27 the limitations of this subsection.

28 * Sec. 19. AS 06.05.301(a) is amended to read:

29 (a) Except for national banks with a principal place of business in the state,
30 and interstate state banks and international banks with a certificate of authority under
31 AS 06.05.555, a corporation may not engage in the banking business unless the