

ALASKA LEGISLATURE

2354

HOUSE and SENATE FINANCE COMMITTEE FILES, 2001 - 2002

5. Biased Counseling Requirements Violate Standard Medical Practice and the Doctor/Patient Relationship.

(CS)SB 91 requires a doctor to supply all of the state-mandated information to every woman in every instance in order to avoid liability. This state-imposed litany may conflict with the doctor's ethical obligation to give the best medical advice to the patient, in view of her individual circumstances. For example, it is both pointless and cruel to "inform" a victim of rape or incest that she has the "alternative" of raising the "unborn child" (as though she did not already know this) or to remind a woman carrying a fetus with impairments so severe that it could never survive outside the womb that her "unborn child" will be 20 weeks old at the time of the abortion. Indeed, the American Medical Association has resolved to oppose these types of measures, finding that "informed consent requirements [for specific medical procedures] often are not medically indicated and never are appropriate areas for codification in law." [American Medical Association, "AMA Opposition to 'Procedure Specific' Informed Consent," House of Delegates Resolution 226 (A-99).]

(CS)SB 91 is a perfect example of why legislators should not insert themselves into the business of practicing medicine. The definitions of "fertilization" and "gestational age" contained in the bill are medically inaccurate, and the definition and use of the term "unborn child" is both medically inaccurate and inflammatory.

6. Conclusion: (CS)SB 91 Endangers Women's Health and Violates Women's Constitutional Right to Reproductive Choice.

(CS)SB 91 is not created to protect women's health. The purpose is clear: this bill is designed to make a woman's very personal decision even more difficult. Fear of civil sanctions and the intrusive nature of the state-prescribed litany also serve to deter doctors from performing abortions, further exacerbating the alarming present shortage of providers in Alaska.

The AkCLU respectfully urges this body not to place any further burdens on women's rights to choose abortion. Please feel free to call on me if you have any further questions or concerns. I can be reached at (907) 258-0044 most days, from mid-morning until mid-evening.

Thank you very much for your careful consideration.



March 7, 2001

Rep. Fred Dyson

Rep. Peggy Wilson

Rep. John Coghill, Jr.

Rep. Vic Kohring

Rep. Gary Stevens

Rep. Sharon Cissna

Rep. Frogie Joule

I recently read House Bill No. 112 proposed by Representatives Coghill and Dyson. I must object to this bill on multiple grounds. This bill is a thinly veiled attempt squarely aimed at making it more difficult for women of Alaska to receive abortions. It contains biased language throughout, and indirectly suggests placing new limitations on the availability of the abortion procedure.

The bill claims to be about informed consent. As physicians, we are quite familiar with informed consent. If there is a complication of a procedure and informed consent was not obtained, we are painfully aware of the consequences. Getting proper informed consent before an abortion is very high on my list of priorities. Contrary to what some people may think, there is no monetary gain in performing abortions to a physician who does both prenatal care and abortion. If a patient carries a pregnancy to term, our practice will see a much larger revenue stream than if the patient has an abortion. There is no incentive on our part to encourage abortion over an ongoing pregnancy.

The bill starts in a biased manner by saying that it is meant to "ensure informed consent before an abortion may be performed, except in the cases of medical emergency." A pregnancy has several possible outcomes including carrying and delivery, abortion, adoption, miscarriage, and ectopic pregnancy and others. There is no mention of giving informed consent to women regarding carrying a pregnancy to delivery, or giving the pregnancy up for adoption. In my practice as a physician, I perform abortions as well as multiple other procedures including both office and hospital procedures. The legislature has not chosen to pass a bill on how I obtain consent from a person for a C-Section, or hysterectomy - both of which carry far more risk to the patient than an abortion. Clearly, the abortion is being singled out, but not for medical reasons. This bill relates to politics and beliefs, not medicine or the safety of Alaska women.

Throughout the bill the term "unborn child" is used. A review of the 23rd edition of Stedman's medical dictionary reveals that the term "unborn" or phrase "unborn child" are not recognized. There are medical terms such as blastocyst, morula, embryo, fetus, and several others terms referring to the "conceptus." The term "unborn child" is included to incite only emotion. On page 2, line 25 the term "nonjudgmental" is used when the decidedly judgmental phrase "unborn child" is used in the very same sentence, a contradiction of terms.



in pages 1 line 1 through 3, line 23 a "standard pamphlet of information" is described, again using biased terms defined by the legislators, not terms recognized in science. Paragraph (7), page 2, lines 19-27 describes in detail the pictures that need to be included in this pamphlet. Why are these to be included? Are these meant to "educate" the patient regarding the fetal development when she is deciding whether to carry a pregnancy rather than to have an abortion? If so, where are the parallel photographs describing the complications of abortion as well as the complications of carrying a pregnancy to term? Of what value are these pictures? When I counsel patients regarding an ongoing pregnancy or an abortion, should a patient ask me for drawings or photographs of a fetus at various stages of development, I have an encyclopedia containing the information, and I go over it with the patient, but I tailor the information to the needs of the patient. Each person is an individual, and a "standard information packet" alluded to by this bill leaves little room for patient individuality.

C Everett Koop, and the American College of Obstetrics and Gynecology, after extensively reviewing the literature, concluded that there is no solid scientific data suggesting that there are long-term negative psychological effects from an abortion. Yet paragraph 8, page 2, line 31 refers to "possible psychological effects" that have been associated with having an abortion. Why should a patient be subjected to this concept when there is no proof that it exists, and will only serve to frighten the patient with false information? Informed consent should only involve only actual scientific information, not conjecture. ("Actual scientific information" is referred to in line 26, page 2.) If this reference remains in the bill, where is the comparable line referring to the possible psychological risks of adopting a baby out?

This bill is not about science, nor about medicine. This bill is not about information or informed consent. This bill is simple bias, placing more obstructions in the paths of women seeking an abortion. The suggested body of information is already available, and gathering it as suggested is a duplication of efforts. The requirements of HB 112 serve only as an obstacle intended to discourage patients from choosing a procedure that is recognized as one of the safest performed in medicine.

The persons being served are not the patients, but the legislators who wish to further obstruct abortion in Alaska.

Jan Whitefield

Medical Director, Alaska Women's Health Services

Valdez Medical Clinic

Andrew R. Embick, M.D.
Kathleen G. Todd, M.D.
John S. Cullen, M.D.
Joseph H. O. Roth, M.D.

PO Box 1829
Valdez, Alaska 99686

Telephone
(907) 835-4811
Telefax
(907) 835-5162

Please do not pass House Bill 112 or Senate Bill 91
or even waste more committee time on them!

House Bill 112, though carefully written to try to be
fair in presenting information to pregnant women making difficult
decisions, is in fact not fair or reasonable and should not become
law.

- 1) It singles out a single type of informed consent for special
treatment. Why not insist that physicians tell those choosing to
remain pregnant all the same things? Informed consent is
already required by our legal/medical malpractice system
and these regulations, for a single type of procedure, are
not needed (unless their true intent is harassing providers
rather than protecting patients)
- 2) The pamphlets required to be prepared will be costly,
potentially biased no matter how many resources go into making
them less so, frequently out of date, and not very useful
in obtaining informed consent. Realistically, they will
probably be more useful to those who oppose abortion
to hand out to interested parties at the State Fair than to
use in doctor's offices. Is this what we should be
doing with DHSS's budget?
- 3) Several definitions in the bill do not match currently
accepted definitions or are controversial. This is a prime
example of why the state should stay out of medical matters.
- 4) There is no evidence that counseling by physicians
is superior to counseling by trained office staff, and some
evidence to the contrary. This is another indication
that the legislation appears to create difficulties rather

then inform,

Please leave this bill where it belongs - stuck in
Committee and not the law of Alaska.

Nathan G. Judd MD

SENATE COMMITTEE REPORT

DATE: 4/3/01

FURTHER: Finance

DATE TURNED
IN TO OFFICE: 4-12-01

Judiciary Committee considered **SENATE BILL NO. 91**

ABORTION: INFORMED CONSENT; INFORMATION

"An Act relating to information and services available to pregnant women and other persons; and ensuring informed consent before an abortion may be performed, except in cases of medical emergency."

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS SB 91 (HES)
- 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#
DH+SS	3/16/01	✓		

APPROPRIATION - no fiscal note

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

**work with Dept to correct
cost while compliance with*

SB 91-ABORTION: INFORMED CONSENT; INFORMATION
SENATE FINANCE COMMITTEE

SIGN-IN

NAME: Karen Pearson Subject/Bill No: SB 91
Co./Dept./Title: DHSS / Dir Public Health Phone: 465-8613
Address: PO Box 110610 Juneau Zip: 99811
Do you wish to testify? Yes No Respond To Questions

NAME: Jennifer Ruderger Subject/Bill No: SB 91
Co./Dept./Title: Alaska Civil Liberties Union Phone: 258-0044
Address: PO Box 201844 Anchorage Zip: 99520-1844
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

SITE: ANCHORAGE LIO

COMMITTEE: SFIN

DATE: 4-3-02

SUBJECT OF MEETING:

SB 91

UPDATE #: 1



P R I N T YOUR NAME

ADDRESS (MAILING & ZIP)

REPRESENTING

DO YOU WANT
TO TESTIFY?
Y or N

<input checked="" type="checkbox"/> Bob Lynn		AK Right to Life	Y-SB 91
Email address:			
<input checked="" type="checkbox"/> Victoria Halcro		Planned Parenthood	Y-SB 91
Email address:			
<input checked="" type="checkbox"/> Robin Smith			Y-SB 91
Email address:			
Pauline Utter			Y-SB 91
Email address:			
Email address:			
Email address:			
Email address:			

SITE: FAIRBANKS LIO

SUBJECT OF MEETING:

COMMITTEE: SFIN

SB 91:

DATE: 4/3/2002

UPDATE # 1:



PLEASE SIGN IN

P R I N T YOUR NAME

DO YOU WANT
ADDRESS (MAILING & ZIP)

REPRESENTING

TO TESTIFY?

Y or N

P R I N T YOUR NAME	DO YOU WANT ADDRESS (MAILING & ZIP)	REPRESENTING	TO TESTIFY? Y or N
✓ Anne Harrison			Y SB 91
Email address:			
Email address:			
Email address:			
Email address:			
Email address:			
Email address:			
Email address:			
Email address:			
Email address:			
Email address:			

SB

92

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 3/14/01

NUMBER:

* Bill not transmitted
per Co-Chair Sen. Kelly

DATE JURNED
IN TO OFFICE: 27 April 01

Finance Committee considered SENATE BILL NO. 92

REMOVAL OF MEMBERS OF THE PF BOARD

"An Act relating to removal of members of the board of trustees of the Alaska Permanent Fund Corporation; and providing for an effective date."

and recommends:

- be replaced with CS SB 92 (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#
Revenue	7/2/00		<input checked="" type="checkbox"/>	#1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	No REC	AMEND
<i>[Signature]</i>			<input checked="" type="checkbox"/>	
<i>[Signature]</i>		<input checked="" type="checkbox"/>		
<i>[Signature]</i>		<input checked="" type="checkbox"/>		
<i>[Signature]</i>		<input checked="" type="checkbox"/>		
<i>[Signature]</i>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
<i>[Signature]</i>	<input checked="" type="checkbox"/>			
COCHAIR: <i>[Signature]</i>			<input checked="" type="checkbox"/>	
COCHAIR: <i>[Signature]</i>			<input checked="" type="checkbox"/>	

APR 26 2001

SENATE FINANCE
COMMITTEE

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: SB 92
(S) Publish Date: 3/14/01

Revision Date/Time (Note if correction): 2/20/01 3:00 PM Dept. Affected: Revenue
Title: Removal of Members of the BRU: APFC
Permanent Fund Board Component: APFC
Sponsor: Senate Rules (request of Leg Budget & Audit)
Requester: Senate State Affairs Component Number: 109

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						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

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

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	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

The provisions of SB 92 would not have any financial cost to the APFC operating budget.

Prepared by: Robert D. Storer Phone (907)465-2047
Division: Alaska Permanent Fund Corporation Date/Time 2/20/01 3:00 PM
Approved by: Larry Persily, Deputy Commissioner Date Feb. 21, 2001
Agency: Department of Revenue

For distribution information, call the Governor's Legislative Office

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

Bill Number	SB 92		
Amendment	25 amended		
Motion	move from Committee		
<u>Motion by</u>	D		
<u>Objection by</u>	ff		
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Green	✓		
Senator Hoffman			✓
Senator Lemam	✓		
Senator Olson			✓
Senator Ward	✓		
Senator Wi'ken	✓		
Senator Austerman			✓
Co-Chair Donley	✓		
Co-Chair Kelly	✓		
<u>Tally</u>			
Yea	6		
Nay	3		
Absent			
<u>MOTION</u>	Pass		

Amend #1

22-LS0462A

SENATE BILL NO. 92

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE LEGISLATIVE BUDGET AND AUDIT
COMMITTEE

Introduced: 2/14/01
Referred: State Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to removal of members of the board of trustees of the Alaska
2 Permanent Fund Corporation; and providing for an effective date ~~X~~ of Jan. 1, 2004.))

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

4 * Section 1. AS 37.13.070(a) is amended to read:

5 (a) The governor may remove a public member of the board from office only
6 for cause. A removal by the governor must be in writing and must state the reason for
7 the removal. A member who is removed by the governor may not participate in board
8 business and may not be counted for purposes of establishing a quorum after the
9 member receives written notice of removal from the governor.

10 * Sec. 2. This Act takes effect ~~immediately~~ under AS 01.10.070(c).

Jan 1, 2004

SENATE FINANCE COMMITTEE
4 Feb 2001 COMMITTEE ACTION

Bill Number	SB 92		
Amendment	#1		
Motion	adopt		
<u>Motion by</u>	Donley		
<u>Objection by</u>	Austerman		
Removed			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Austerman			✓
Senator Green	✓		
Senator Hoffman			✓
Senator Leman	✓		
Senator Olson			✓
Senator Ward	✓		
Senator Wilken			✓
Co-Chair Donley	✓		
Co-Chair Kelly	✓		
<u>Tally</u>			
Yea	5		
Nay	4		
Absent			
<u>MOTION</u>	PASS		

CS FOR SENATE BILL NO. 92(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE LEGISLATIVE BUDGET AND
AUDIT COMMITTEE

A BILL
FOR AN ACT ENTITLED

1 "An Act relating to removal of members of the board of trustees of the Alaska
2 Permanent Fund Corporation; and providing for an effective date of January 1, 2004." #1

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

4 * Section 1. AS 37.13.070(a) is amended to read:

5 (a) The governor may remove a public member of the board from office only
6 for cause. A removal by the governor must be in writing and must state the reason for
7 the removal. A member who is removed by the governor may not participate in board
8 business and may not be counted for purposes of establishing a quorum after the
9 member receives written notice of removal from the governor.

10 * Sec. 2. This Act takes effect January 1, 2004. #1



Official Business

Alaska State Senate

Senate Finance Committee

Mail Stop 3100
State Capitol
Juneau, Alaska 99801-1182

FAX COVER SHEET

DATE: 26 April 01 TIME: 5:30 pm

TO: Legal Services

NUMBER OF PAGES, INCLUDING COVER SHEET: 2

FROM: MINDY ROWLAND
SENATE FINANCE COMMITTEE SECRETARY
PHONE: 465-4935
FAX: 465-2187

NOTES: Final Finance CS
w/ ~~attached~~ following amendment.

Journal Text



10/16/96

Senate Journal

Page 4390

SB 89

Message of June 14 was received, stating:

Dear President Pearce:

Under the authority of art. II, sec. 15 of the Alaska Constitution, I have vetoed the following bill:

HOUSE CS FOR CS FOR SENATE BILL NO.
89 (FIN)

An Act relating to the members of the board and staff of the Alaska Permanent Fund Corporation.

I have taken this action out of a strongly held belief that the trustees of the Alaska Permanent Fund Corporation must be answerable to Alaskans for the decisions they make in managing over \$18 billion of public money. This bill, among other things, would change existing law by making trustees removable only for very specific causes. Under existing law, the board serves at the pleasure of the governor and must answer to the governor for management decisions. The governor, in turn, must answer to the voters for the governors stewardship of the Alaska Permanent Fund. It is in this very basic way that the Alaska Permanent Fund Corporation will remain responsive to the will of the people.

Sincerely,
/s/
Tony Knowles
Governor

Bill Root:

[Return to BASIS Main Menu\(19th Legislature\)](#)

[Return to the Legislature Home Page](#)

BASIS Last Updated 12/31/96

Alaska Permanent Fund Corporation
P.O. Box 25500 Juneau, Alaska 99802-5500
(907) 465-2047

MEMORANDUM

DATE: March 19, 2001

TO: Senator Pete Kelly, Co-Chair
Other Members of the Senate Finance Committee

FROM: Robert D. Storer, Executive Director *(RDS)*

SUBJECT: **Senate Bill 92 – Removal of members of the Board of Trustees only for cause**

On behalf of the Board of Trustees of the Alaska Permanent Fund Corporation (APFC), I am requesting a hearing for Senate Bill 92. This legislation had two hearings in the Senate State Affairs Committee this session and passed out of that committee on March 13th.

SB 92 is an important improvement to current Permanent Fund law. This legislation changes AS37.13.070(a) to allow the Governor to remove a public member of the APFC Board "only for cause." The enhanced continuity of Board membership that this legislation provides is identical to that currently enjoyed by the Alaska State Pension Investment Board (ASPIB). Note: I have attached a memorandum prepared by our legal counsel which provides some helpful background on this issue.

The Board is unanimous in its support for this proposal because the members know, first hand, that it takes a great deal of time to gain sufficient knowledge of the Fund's operations and investment policies to be able to make informed decisions. As an investment professional working with public funds in Alaska for the past 18 years, I can attest that the Permanent Fund is a mature fund and that overseeing its complex investment structure is necessarily a demanding task. The institutional memory and experience of longer-serving members is definitely helpful to new members in fulfilling their fiduciary responsibilities.

In short, we believe this bill serves the best interests of the Fund and the people of Alaska.

Senate Bill 92
March 19, 2001
Page 2

Here is one example of why continuity is important. The Trustees recently decided not to invest in private equities even though over time we believe this asset class would provide superior returns to those provided by public equities. Because returns from private equities typically underperform in the short term and only generate their expected higher returns over time, investing in this asset class requires patience and an institutional commitment on the part of the Board.

Part of why the Board decided against investing in private equities was because of its collective concern that the next Governor might replace the entire Board at one time, thereby wiping out the Board's history with – and understanding of – this asset class, including memory of the careful deliberative process this Board followed in considering alternative investments. Worse, new, inexperienced Trustees might simply choose to liquidate those investments at a time when returns are low, rather than staying the course for the longer term.

With removal only for cause, the next Governor will appoint two cabinet members to the Board of Trustees shortly after he or she takes office. A third (public) member will then be appointed in July of the first year of the Governor's term. In July of the following year, roughly one and one-half years after taking office, the Governor will appoint a second public member, with his or her appointments at that time constituting a majority of the members of the Board. This more deliberate schedule for filling Board seats would provide important continuity for the APFC that would likely not occur under the present appointment scheme by which a new Governor could summarily replace all Trustees at one time.

I look forward to discussing this issue with you further and thank you for your consideration.

Attachment.

There is no all-encompassing definition of "just cause." This term does encompass, however, reasons that relate to an employee's performance in his or her job and the impact of that performance on an employer's ability to attain its reasonable goals. "Just cause" also includes reasons based on an employer's legitimate budgetary or personnel requirements, unrelated to employee fault. "Just cause" does not include "reasons which are arbitrary, unfair, or generated out of some petty vendetta." Lockhart v. Cedar Rapids Community Sch. Dist., 577 N.W. 2d 845, 847 (Iowa 1998) (citations omitted)

In years of exposure and study and thought, both to and of the bad as well as the good, some conclusions have inevitably emerged, and one of them is a definition of what "just cause" probably is, for here and now. It seems to be that cause which, to a presumably-reasonable determiner ... appears to be (not necessarily is), fair and reasonable, when all of the applicable facts and circumstances are considered, and are viewed in the light of the ethic of the time and place. That's a mouthful, in words, but it really is only, bottom-line, another expression of the now-common expression, "fair shake." Hill & Westhoff, "No Song Unsung, No Wine Untasted," 47 Drake Law Review 399, 411 (1999).

Here's my own shot at a definition of "cause": Fair minded people will know it when they see it, taking into account the needs of the office and the performance and conduct of the incumbent.

II. "Cause" for Removal in the Alaska Statutes.

Of the terms "for cause," "good cause," and "just cause," "for cause" is used most frequently in the Alaska statutes to express a "cause" standard for removal of a public officer or employee. That term appears in a total of 15 different provisions. The "good cause" standard comes in second with a total of three provisions. "Just cause" appears only once. Twelve of these 19 "cause" provisions state only the simple standard, without either definition or example. Six provisions include multiple examples of "cause," such as AS 31.05.007(d) which provides that the governor may remove a member of the Alaska Oil and Gas Conservation Commission "for cause including but not limited to incompetence, neglect of duty or misconduct in office" or AS 47.30.663(c) which provides for removal of a member of the Alaska Mental Health Board "only for cause, including, but not limited to, poor attendance or lack of contribution to the board's work."^{2/} One provision, AS 08.04.030, provides only a single example of "cause."

^{2/} The most comprehensive listing appears at AS 43.05.414(c), which provides examples of "good cause" for removal of the state's administrative law judges. That provision states:

- (c) In this section, "good cause" includes
- (1) violation of the Alaska code of judicial conduct adopted by the Alaska Supreme Court;
 - (2) conviction of a crime of moral turpitude;

Under that section a member of the Board of Public Accountancy may be removed by the governor "for neglect of duty or other just cause." No statute attempts to set out a comprehensive definition of "cause."

It should be noted that, within the 19 provisions that require "cause" for removal of a public officer or employee, seven condition the standard with the word "only" (i.e., "may be removed only for cause"). The other 12, including AS 37.10.210(d) which establishes a "for cause" standard for removal of members of the Alaska State Pension Investment Board (ASPIB),^{3/} do not use "only" or any similar word of limitation. Because the role and responsibilities of the APFC Board are so similar to those of ASPIB, I did not use the word "only" in the accompanying draft bill amending AS 37.13.070(a) to provide a "for cause" standard for removal of the public members of the APFC Board. Although the use of "only" in some "for cause" provisions appears to make a somewhat stronger statement about the applicable standard for removal, from a legal point of view I believe that omitting that word from the bill does not have any substantive effect. The appropriate standard for removal of a public officer is either "at will" or "for cause"--it can't be both.

I hope the preceding information is helpful.

cc: Robert D. Storer, Executive Director, APFC
Jim Baldwin, Assistant Attorney General, Department of Law

office; (3) unjustified failure to handle the caseload assigned or similar nonfeasance of
office; and (4) failure to meet the requirements of AS 43.05.425 relating to qualification for
confidentiality of taxpayer information. (5) unreasonable failure to comply with the statutes or regulations regarding the

^{3/} As suggested at the December 8 Board meeting, I went back through the legislative history materials on the bill that created ASPIB to see whether there was any discussion of the intended meaning of "for cause" removal of ASPIB members. From the written record, it does not appear that there was.

Board of Trustees

A six-person Board of Trustees sets policy for the Alaska Permanent Fund Corporation (APFC). The governor appoints four members from the public, and two - including the Commissioner of Revenue - from the cabinet. The public members serve staggered four-year terms.



Clark S. Gruening
Chair



Melphine Evans
Vice Chair



Wilson L. Condon



James A. Sampson



Bruce M. Botelho



Eric E. Wohlforth

LAW OFFICES OF
SIMPSON, TILLINGHAST, SORESENSEN & LONGENBAUGH, P.C.

ONE SEALASKA PLAZA, SUITE 300 • JUNEAU, ALASKA 99801

TELEPHONE: 907-586-1400 • FAX: 907-586-3065

MEMORANDUM

To: Trustees, Alaska Permanent Fund Corporation

From: Ron Lorensen, STS&L 

Date: January 11, 2001

Re: "For cause" standard for removal of public officers
Our File No.: 846.14

In response to the Board's request at its December 8, 2000 meeting, I have researched court decisions that articulate standards for the "for cause" removal of both public and private officers and employees. In addition, to determine whether and how the term is defined in the Alaska statutes, I have also attempted to identify all instances in which removal of a public officer or employee is statutorily provided for on a "for cause" basis. The majority of "for cause" removal statutes in Alaska do not provide any standards beyond the "for cause" requirement.

I. Judicial Approach to "Cause/For Cause".

The Alaska statutes dealing with the removal of public officers and employees use three different terms to state the standard for removal--"for cause," "good cause," and "just cause." There is no apparent significance to the choice of the term used, and courts have recognized that the terms are interchangeable.^{1/} The focus of each term is whether "cause" for removal exists.

The following excerpts from two court cases and one law review article reflect that there is no single, widely accepted definition of "cause" in the cases. Nonetheless, they do reflect a common theme:

"Good cause" cannot be just any reason the Board deems sufficient for the discharge of the teacher. ... Not only must there be "good cause" and substantial evidence in support of the charge, but in order for the facts to sustain such a charge they must bear reasonable relationship to the teacher's fitness or capacity to perform his duties in that position. . . . We find the test of good cause with respect to public officers generally to be facts which are related to the office and affect the administration thereof. Lucero v. Mathews, 901 P.2d 1115, 1122 (Wyoming 1995) (citations omitted).

^{1/} See, for example, Lockhart v. Cedar Rapids Community Sch. Dist., 577 N.W. 2d 845 (Iowa 1998), at 846-47 (equating "proper cause" with "just cause" and "for cause").

Effect of amendments. — The 1991 amendment, effective December 16, 1994, substituted "AS 37.13.010 — 37.13.190" for "this chapter" in the last sentence.

The 1992 amendment, effective July 1, 1992, re-wrote the last sentence.

Effective dates. — Under § 58(a), ch. 66, SLA 1991, as amended by § 37, ch. 5, FSSLA 1994 and § 2 ch. 1, SSSLA 1994, this section, as set out above, took effect December 16, 1994.

Sec. 37.13.050. Composition and qualifications of board of trustees. (a) The Board of Trustees of the Alaska Permanent Fund Corporation consists of six members appointed by the governor. Two of the members must be heads of principal departments of state government, one of whom shall be the commissioner of revenue. Four members shall be appointed by the governor from the public and may not hold any other state or federal office, position or employment, either elective or appointive, except as a member of the armed forces of either the United States or of this state.

(b) The four public members of the board must have recognized competence and wide experience in finance, investments, or other business management-related fields.

(c) The board shall annually elect a chairman from among its members. (§ 5 ch 18 SLA 1980; am § 1 ch 81 SLA 1982)

Sec. 37.13.060. Term of office. The public members of the board shall be appointed for terms of four years, and they may be reappointed. The terms of the public members shall be staggered so that no more than one term of a public member expires each year. (§ 5 ch 18 SLA 1980; am § 2 ch 81 SLA 1982)

Sec. 37.13.070. Removal and vacancies. (a) The governor may remove a member of the board from office. A removal by the governor must be in writing and must state the reason for the removal. A member who is removed by the governor may not participate in board business and may not be counted for purposes of establishing a quorum after the member receives written notice of removal from the governor.

(b) A vacancy on the board shall be promptly filled by appointment by the governor. An appointee to a vacancy shall hold office for the balance of the term for which the appointee's predecessor on the board was appointed.

(c) A vacancy on the board does not impair the authority of a quorum of the board to exercise all the powers and perform all the duties of the board. (§ 5 ch 18 SLA 1980; am § 3 ch 81 SLA 1982)

Sec. 37.13.080. Quorum and voting. Four members of the board constitute a quorum for the transaction of business and the exercise of the powers and duties of the board. Action may be taken only upon affirmative vote of a majority of the membership of the board. (§ 5 ch 18 SLA 1980; am § 6 ch 134 SLA 1992)

Effect of amendments. — The 1992 amendment, effective July 1, 1992, added the second sentence.

Sec. 37.13.090. Compensation of board members. Public members of the board receive an honorarium of \$400 for each day spent at a meeting of the board or at a meeting of a subcommittee of the board or at a public meeting as a representative of the board. Members of the board are entitled to per diem and travel allowances as provided by law for members of state boards and commissions. (§ 5 ch 18 SLA 1980; am § 4 ch 134 SLA 1992)

Sec. 37.13.100. Corporation staff. The board may employ and determine the salary of an executive director. The executive director may, with the approval of the board, select and employ additional staff as necessary. An employee of the corporation, including the executive director, may not be a member of the board. The executive director and


LAW OFFICES OF
SIMPSON, TILLINGHAST, SORENSEN & LONGENBAUGH, P.C.

ONE SEALASKA PLAZA, SUITE 300 • JUNEAU, ALASKA 99801

TELEPHONE: 907-586-1400 • FAX: 907-586-3065

MEMORANDUM

TO: Robert D. Storer
Executive Director, APFC

FROM: Ronald W. Lorensen, STS&L 

DATE: March 7, 2001

RE: SB 92--"For cause" removal of public members of APFC Board of Trustees in light of Bradner v. Hammond

Our File No. 846.14

In my recent testimony to the Senate State Affairs Committee on SB 92 ("for cause" removal of public members of the Alaska Permanent Fund Corporation Board of Trustees), I explained why I thought that the Alaska Supreme Court's decision in Bradner v. Hammond¹ did not mean that the bill would be unconstitutional if enacted. I thought it might be helpful to put those thoughts in writing, along with some further discussion of the Bradner decision.

In Bradner, the Court was presented with a legislative enactment² that, in addition to confirmation of the head of each principal department (i.e., commissioners), required legislative confirmation of all departmental deputy commissioners and of the directors of a number of named divisions within state government. The Alaska constitution (Article III, Section 25) expressly provided for legislative confirmation of the heads of each principal department, but it was silent regarding the confirmation of subordinate departmental officers. Governor Hammond challenged the enactment on grounds that it violated the doctrine of separation of powers by impermissibly interfering with the executive's power of appointment.

After discussing the purpose and importance of the separation of powers doctrine (and the "complementary doctrine" of checks and balances), the Court agreed with the governor's position. In that discussion, the Court made some observations about those doctrines that are important to keep in mind, generally, when analyzing the effect of a legislative enactment that is

¹ 553 P.2d 1 (Alaska 1976)

² Section 1, Chapter 82, SLA 1975

Robert D. Storer
March 9, 2001
Page 2

challenged for encroaching on the powers of either (or both) the executive or judicial branch. In particular, the Court pointed out that:

Both doctrines address and are designed to resolve the problem of efficient government and have as their goal the protection of the electorate from tyranny.

Bradner, at 6 - 7. It then went on to quote with favor a statement by former U.S. Supreme Court Justice Brandeis in which he said the purpose of the doctrine of separation of powers was "not to promote efficiency but to preclude the exercise of arbitrary power."³

The legislature's attempt in Bradner to throw a wider confirmation net around the governor's appointees than allowed by the constitution directly and clearly implicated the concerns identified by the Court. Confirmation necessarily requires that the legislature become involved in each and every one of the governor's appointments that is subject to confirmation. History (both in Alaska and elsewhere) has shown that the confirmation process can all too easily become politicized, frequently turning into debates (and compromises) over issues that are unrelated to the merits of the appointment, itself. Those situations exemplify the "tyranny" and the "exercise of arbitrary power" that the separation of powers doctrine was designed to protect against.

On the other hand, the effect on the workings of government of a general law that defines the conditions under which certain public officials, once appointed, may be removed from office is different by several orders of magnitude. Unlike the confirmation process where absolutely no objective standards for legislative approval exist, the "for cause" removal standard proposed by SB 92 sets out a very specific standard⁴ that is uniform in its application and for which relief can be obtained by an aggrieved official through the judicial branch if it is not properly applied. Further--and perhaps even more importantly--under a "for cause" removal standard, the legislature plays no role in individual removal decisions: there is no opportunity for inter-branch "tyranny" or "exercise of arbitrary power" to arise.

When I described these important differences at the committee's hearing, Senator Therriault asked if they weren't just a matter of degree, rather than raising different legal principles. I think he was correct in making that point, since our courts would almost certainly say that removal of a public official is an integral aspect of the executive's power of appointment. However, in my experience the resolution of many constitutional questions has ultimately boiled down to one of degree.

³ *Id.* at 6, n. 11, quoting dissenting opinion of Brandeis, J., in Myers v. United States, 272 U.S. 52, at 293 - 95.

⁴ See my January 11, 2001 memo to the APFC Trustees discussing the "for cause" standard.

Robert D. Storer

March 9, 2001

Page 3

Take, for example, AS 37.13.050(b) which sets out certain specific qualifications for the public members of APFC Board.⁵ Because that provision imposes those qualifications for appointment to the Board, it has the direct effect of limiting the governor's appointment power: he cannot simply appoint any person he chooses. Yet I doubt that even the most ardent supporter of the primacy of the executive's appointment power would seriously argue that such legislatively imposed qualifications violate our constitution.

A "for cause" removal requirement for a public member of the APFC Board falls somewhere between the appointment qualifications of AS 37.13.050(b) (clearly constitutional) and a requirement that those members be subject to legislative confirmation (clearly unconstitutional). I don't know precisely where the line between what's permissible and what's not might ultimately be drawn, but I do think that SB 52's proposed "for cause" requirement would fall on the permissible side of that line.

cc: Jim Baldwin, Assistant Attorney General
Jim Kelly, APFC

⁵ That provision states: "The four public members of the board must have recognized competence and wide experience in finance, investments, or other business management-related fields."

**SENATE COMMITTEE REPORT
First Committee of Referral**

DATE: 2/14/01

FURTHER: Finance

Date of 5-Day Notice: 2/15/01
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 3-14-01

State Affairs Committee considered

SENATE BILL NO. 92

"An Act relating to removal of members of the board of trustees of the Alaska Permanent Fund Corporation;" and providing for an effective date."

and recommends:

- be replaced with _____ CS _____ (_____)
- 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#
Revenue	2/21		✓	1

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>			✓	
CHAIR: <i>[Signature]</i>			X	

SENATE FINANCE COMMITTEE

SIGN-IN

SB 92-REMOVAL OF MEMBERS OF THE PF BOARD

NAME: Ron Lorensen Subject/Bill No: # SB 92
Co./Dept./Title: attorney for APFC Phone: 463-3007
Address: One Seaside Place, Ste 301, Tinsman Zip: 99801
Do you wish to testify? Yes No Respond To Questions

NAME: Bob STOREE Subject/Bill No: SB 92
Co./Dept./Title: APFC Phone: 465-2047
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

SB

93

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FISCAL NOTE

**STATE OF ALASKA
2001 LEGISLATIVE SESSION**

Fiscal Note Number: 1
 Bill Version: SB 93
 (S) Publish Date: 2/21/01

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title: An Act relating to the Arctic Winter Games BRU: Revenue Operations
Team Alaska Trust. Component: Treasury
 Sponsor: Senator Phillips
 Requester: Senate State Affairs Component Number: 121

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						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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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 (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: The bill includes no appropriations, so at that time there would be no cost to the department to fulfill its duties under AS 37.14.600. The legislation, in AS 37.14.610(a), would allow the department to allocate and collect its costs for administering the new trust fund. The Treasury Division charges each of the funds under its administration a share of the division's overall costs, as well as any incremental costs directly associated with the fund. For example, the Children's Trust has about \$9 million. The division charges the Children's Trust about \$33,400 in allocated costs plus \$1,500 for management fees. Allocated costs include accounting services, data processing support, fixed-income management handled within the division and annual audit expenses. Management fees are 1.5 basis points for domestic equities and 15 basis points for international equity investments. Although the rate for equity management fees for the Arctic Winter Games Trust would be same as for the Children's Trust, the allocated expenses for the Arctic Games Trust probably would be less. The division maintains two accounts for the Children's Trust, while only one account would be needed for the Arctic Games Trust. In addition, the legislation in AS 37.14.600(b)(7) directs the Department of Revenue to "monitor use of trust money by the Arctic Winter Games Team Alaska." Depending whether the Arctic Winter Games Team Alaska has sufficient staff and an annual audit to assist with the work, the Treasury Division may need to contract with a private auditor an annual review to ensure compliance with the law.

Prepared by: Betty Martin, Comptroller Phone 465-2352
 Division: Treasury Division Date/Time Feb. 19, 2001, 9:50 a.m.
 Approved by: Larry Persily, Deputy Commissioner Date Feb. 19, 2001
 Agency: Department of Revenue

For distribution information, call the Governor's Legislative Office

SB

93

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

REPORTED OUT
MAR 14 2001
SENATE FINANCE
COMMITTEE

DATE: 2/21/01

FURTHER:

DATE TURNED IN TO OFFICE: 14 March 01

Finance Committee considered SENATE BILL NO. 93

"An Act relating to the Arctic Winter Games Team Alaska trust; and providing for an effective date."

and recommends:

- be replaced with CS SB 93 (FIN)
- adopt previous CS forthcoming - ()
- 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#
Revenue	7/19/01		✓	# 1

APPROPRIATION - no fiscal note

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

MAR 14 2001

SENATE FINANCE COMMITTEE

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: SB 93
(S) Publish Date: 2/21/01

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
Title: An Act relating to the Arctic Winter Games BRU: Revenue Operations
Team Alaska Trust. Component: Treasury
Sponsor: Senator Phillips
Requester: Senate State Affairs Component Number: 121

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						
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 (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: The bill includes no appropriations, so at that time there would be no cost to the department to fulfill its duties under AS 37.14.600. The legislation, in AS 37.14.610(a), would allow the department to allocate and collect its costs for administering the new trust fund. The Treasury Division charges each of the funds under its administration a share of the division's overall costs, as well as any incremental costs directly associated with the fund. For example, the Children's Trust has about \$9 million. The division charges the Children's Trust about \$33,400 in allocated costs plus \$1,500 for management fees. Allocated costs include accounting services, data processing support, fixed-income management handled within the division and annual audit expenses. Management fees are 1.5 basis points for domestic equities and 15 basis points for international equity investments. Although the rate for equity management fees for the Arctic Winter Games Trust would be same as for the Children's Trust, the allocated expenses for the Arctic Games Trust probably would be less. The division maintains two accounts for the Children's Trust, while only one account would be needed for the Arctic Games Trust. In addition, the legislation in AS 37.14.600(b)(7) directs the Department of Revenue to "monitor use of trust money by the Arctic Winter Games Team Alaska." Depending whether the Arctic Winter Games Team Alaska has sufficient staff and an annual audit to assist with the work, the Treasury Division may need to contract with a private auditor an annual review to ensure compliance with the law.

Prepared by: Betty Martin, Comptroller Phone 465-2352
Division: Treasury Division Date/Time Feb. 19, 2001, 9:50 a.m.
Approved by: Larry Persily, Deputy Commissioner Date Feb. 19, 2001
Agency: Department of Revenue

For distribution information, call the Governor's Legislative Office

adopted

WORK DRAFT

WORK DRAFT

WORK DRAFT

22-LS0566U
Cook
3/13/01

CS FOR SENATE BILL NO. 93()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATOR PHILLIPS

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the Arctic Winter Games Team Alaska trust; and providing for an
2 effective date."

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

4 * Section 1. AS 37.14 is amended by adding new sections to read:

5 Article 7. Arctic Winter Games Team Alaska Trust.

6 Sec. 37.14.600. Arctic Winter Games Team Alaska trust fund established.

7 (a) The Arctic Winter Games Team Alaska trust fund is established as a separate
8 endowment trust of the state consisting of

- 9 (1) appropriations to the trust;
- 10 (2) donations to the trust; and
- 11 (3) income earned on investments of trust assets.

12 (b) The commissioner of revenue shall manage the trust as an endowment,
13 with the goal of ensuring that the purchasing power of the trust will not diminish over
14 time without regard to additional contributions that may be made to the trust.

1 (c) Nothing in this section creates a dedicated fund.

2 **Sec. 37.14.610. Duties of the commissioner.** The commissioner of revenue
3 has the power and duty to

4 (1) act as official custodian of the cash and investments belonging to
5 the Arctic Winter Games Team Alaska trust by securing adequate and safe custodial
6 facilities;

7 (2) exercise the same powers and duties as those established for the
8 Alaska State Pension Investment Board in AS 14.25.180(b) and (c);

9 (3) invest the assets of the trust in a manner likely to yield at least five
10 percent real rate of return over time;

11 (4) maintain accounting records of the trust in accordance with
12 investment accounting principles;

13 (5) enter into and enforce contracts or agreements considered
14 necessary for the investment purposes of the trust;

15 (6) report to the board of directors of the Arctic Winter Games Team
16 Alaska the condition and performance of the trust;

17 (7) monitor use of trust money by the Arctic Winter Games Team
18 Alaska; and

19 (8) do all acts that the commissioner of revenue considers necessary or
20 proper in administering the assets of the trust.

21 **Sec. 37.14.620. Transfers from the trust fund.** (a) As soon as practicable
22 after July 1 of each year, the commissioner of revenue shall determine the average
23 month-end market value of the Arctic Winter Games Team Alaska trust fund for the
24 immediately preceding three fiscal years. Five percent of that amount shall be
25 identified by the commissioner as available for appropriation to the Department of
26 Revenue for

27 (1) costs to the department of administering the trust; and

28 (2) transfers to Arctic Winter Games Team Alaska, a nonprofit
29 corporation, in amounts requested by the corporation for purposes authorized in
30 AS 37.14.630.

31 (b) As soon as practicable after July 1 of each fiscal year that the Arctic

1 Winter Games are held in the state, the commissioner of revenue shall determine
2 whether more money may be made available to support the state's participation in the
3 games from the Arctic Winter Games Team Alaska trust fund than the amount
4 determined under (a) of this section. The determination of the amount of additional
5 money available shall be based on consideration of AS 37.14.600(b) and any amounts
6 identified during prior fiscal years as available for appropriation under (a) of this
7 section that were never transferred from the trust fund. The additional amount shall be
8 identified by the commissioner and is available for appropriation to the Department of
9 Revenue for transfers to Arctic Winter Games Team Alaska.

10 **Sec. 37.14.630. Use of trust money.** The board of directors of the Arctic
11 Winter Games Team Alaska may use money transferred from the Arctic Winter
12 Games Team Alaska trust fund only for

13 (1) equipment, uniforms, travel, and food and lodging for Arctic
14 Winter Games Team Alaska athletes, coaches, staff, and directors;

15 (2) staging tryouts for Arctic Winter Games Team Alaska in events;

16 (3) costs of athletic skill clinics;

17 (4) grants to youth sports organizations for equipment;

18 (5) providing for cultural performers and exhibitions to accompany the
19 Arctic Winter Games Team Alaska sports delegation;

20 (6) costs incurred by the Arctic Winter Games Host Society for
21 expenses associated with holding the Arctic Winter Games in the state; and

22 (7) administrative expenses related solely to the state's participation in
23 the Arctic Winter Games.

24 * **Sec. 2.** The uncoded law of the State of Alaska is amended by adding a new section to
25 read:

26 **TRANSITION.** (a) Notwithstanding AS 37.14.620(a), enacted by sec. 1 of this Act,
27 the commissioner of revenue shall identify five percent of the balance of the Arctic Winter
28 Games Team Alaska trust fund on July 1, 2001, as available for appropriation to support the
29 state's participation in the Arctic Winter Games for fiscal year 2002.

30 (b) Notwithstanding the requirement under AS 37.14.620(a), enacted by sec. 1 of this
31 Act, that the commissioner of revenue make a determination based on the market value of the

1 Arctic Winter Games Team Alaska trust fund for the immediately preceding three years, the
2 commissioner of revenue shall make the determination under AS 37.14.620(a) based on the
3 average ending balance in the fund

4 (1) from July 31, 2001, to June 30, 2002, for fiscal year 2003;

5 (2) from July 31, 2001, to June 30, 2003, for fiscal year 2004;

6 (3) from July 31, 2001, to June 30, 2004, for fiscal year 2005.

7 * Sec. 3. This Act takes effect July 1, 2001.

22-LS0566\C
Cook
2/27/01

CS FOR SENATE BILL NO. 93()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATOR PHILLIPS

A BILL
FOR AN ACT ENTITLED

1 "An Act relating to the Arctic Winter Games Team Alaska trust; and providing for an
2 effective date."

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

4 * Section 1. AS 37.14 is amended by adding new sections to read:

5 Article 7. Arctic Winter Games Team Alaska Trust.

6 Sec. 37.14.600. Arctic Winter Games Team Alaska trust fund established.

7 (a) The Arctic Winter Games Team Alaska trust fund is established as a separate
8 endowment trust of the state consisting of

- 9 (1) appropriations to the trust;
- 10 (2) donations to the trust; and
- 11 (3) income earned on investments of trust assets.

12 (b) The commissioner of revenue shall manage the trust as an endowment,
13 with the goal of ensuring that the purchasing power of the trust will not diminish over
14 time without regard to additional contributions that may be made to the trust.

1 **Sec. 37.14.610. Duties of the commissioner.** The commissioner of revenue
2 has the power and duty to

3 (1) act as official custodian of the cash and investments belonging to
4 the Arctic Winter Games Team Alaska trust by securing adequate and safe custodial
5 facilities;

6 (2) exercise the same powers and duties as those established for the
7 Alaska State Pension Investment Board in AS 14.25.180(b) and (c);

8 (3) invest the assets of the trust in a manner likely to yield at least five
9 percent real rate of return over time;

10 (4) maintain accounting records of the trust in accordance with
11 investment accounting principles;

12 (5) enter into and enforce contracts or agreements considered
13 necessary for the investment purposes of the trust;

14 (6) report to the board of directors of the Arctic Winter Games Team
15 Alaska the condition and performance of the trust;

16 (7) monitor use of trust money by the Arctic Winter Games Team
17 Alaska; and

18 (8) do all acts that the commissioner of revenue considers necessary or
19 proper in administering the assets of the trust.

20 **Sec. 37.14.620. Transfers from the trust fund.** (a) As soon as practicable
21 after July 1 of each year, the commissioner of revenue shall determine the average
22 month-end market value of the Arctic Winter Games Team Alaska trust fund for the
23 immediately preceding three fiscal years. Five percent of that amount shall be
24 identified by the commissioner as available for appropriation to the Department of
25 Revenue for

26 (1) costs to the department of administering the trust; and

27 (2) transfers to Arctic Winter Games Team Alaska, a nonprofit
28 corporation, in amounts requested by the corporation for purposes authorized in
29 AS 37.14.630.

30 (b) As soon as practicable after July 1 of each year that the Arctic Winter
31 Games are held in the state, the commissioner of revenue shall determine whether

1 more money may be made available to support the state's participation in the games
2 from the Arctic Winter Games Team Alaska trust fund than the amount determined
3 under (a) of this section. The determination of the amount of additional money
4 available shall be based on consideration of AS 37.14.600(b) and any amounts
5 identified during prior fiscal years as available for appropriation under this subsection
6 that were never transferred from the trust fund. The additional amount shall be
7 identified by the commissioner and is available for appropriation to the Department of
8 Revenue for transfers to Arctic Winter Games Team Alaska.

9 Sec. 37.14.630. Use of trust money. The board of directors of the Arctic
10 Winter Games Team Alaska may use money transferred from the Arctic Winter
11 Games Team Alaska trust fund only for

12 (1) equipment, uniforms, travel, and food and lodging for Arctic
13 Winter Games Team Alaska athletes, coaches, staff, and directors;

14 (2) staging tryouts for Arctic Winter Games Team Alaska in events;

15 (3) costs of athletic skill clinics;

16 (4) grants to youth sports organizations for equipment;

17 (5) providing for cultural performers and exhibitions to accompany the
18 Arctic Winter Games Team Alaska sports delegation;

19 (6) costs incurred by the Arctic Winter Games Host Society for
20 expenses associated with holding the Arctic Winter Games in the state; and

21 (7) administrative expenses related solely to the state's participation in
22 the Arctic Winter Games.

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

25 TRANSITION. (a) Notwithstanding AS 37.14.620(a), enacted by sec. 1 of this Act,
26 the commissioner of revenue shall identify five percent of the balance of the Arctic Winter
27 Games Team Alaska trust fund on July 1, 2001, as available for appropriation to support the
28 state's participation in the Arctic Winter Games for fiscal year 2002.

29 (b) Notwithstanding the requirement under AS 37.14.620(a), enacted by sec. 1 of this
30 Act, that the commissioner of revenue make a determination based on the market value of the
31 Arctic Winter Games Team Alaska trust fund for the immediately preceding three years, the

1 commissioner of revenue shall make the determination under AS 37.14.620(a) based on the
2 average ending balance in the fund ³¹

3 (1) from July ~~30~~³¹, 2001, to June 30, 2002, for fiscal year 2003;

4 (2) from July ~~30~~³¹, 2001, to June 30, 2003, for fiscal year 2004;

5 (3) from July ~~30~~³¹, 2001, to June 30, 2004, for fiscal year 2005.

6 * Sec. 3. This Act takes effect July 1, 2001.

LEGAL SERVICES**DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**(907) 485-3887 or 465-2450
FAX (907) 465-2029
Mail Stop 3101State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329**MEMORANDUM**

February 27, 2001

SUBJECT: Arctic Winter Games Team Alaska Trust (CSSB 93();
version 22-LS0566\C)

TO: Senator Randy Phillips
Attn: Kim Ross

FROM: Tamara Brandt Cook
Director *TBC*

Here is the comparison you requested between SB 93 and the draft CSSB 93(); 22-LS0566\C. Only differences between the versions are identified and section number headings refer to the draft CS.

Sec. 37.14.600 - Under the CS the trust fund consists of appropriations to the trust, donations to the trust, and income earned on the investment of the trust. Under SB 93, the trust consists only of appropriations. The commissioner of revenue is required to request appropriations of income earned on trust investments to the trust. The CS adds a new requirement that the commissioner of revenue manage the trust as an endowment with the goal of ensuring that the purchasing power of the trust will not diminish over time.

Sec. 37.14.610 - The CS adds as a duty of the commissioner that he exercise the powers and duties as those established for the Alaska State Pension Investment Board.

Sec. 37.14.620 - In the CS the commissioner is required to determine an amount that is available for appropriation based on a formula. In a year that the Arctic Winter Games are held in the state, the commissioner is required to determine whether additional money is available for appropriation. Only amounts appropriated to the Department of Revenue may be transferred to Arctic Winter Games Team Alaska. In SB 93 transfers could be made to the Arctic Winter Games Team Alaska from the trust without an appropriation from the trust for that purpose. The amount available for transfer was different.

Sec. 37.14.630 - Administrative expenses is added to the list of things for which trust money may be spent. What was in SB 93 sec. 37.14.610 relating to administrative expenses has been deleted from the CS. The CS in paragraph (2), deleted the word "sporting" before "events."

Senator Randy Phillips
February 27, 2001
Page 2

Sec. 2 - The transition section has been added in the CS and does not appear in the original bill.

TBC:glc
01-208.glc

**SENATE COMMITTEE REPORT
First Committee of Referral**

DATE: 2/15/01

FURTHER: Finance

Date of 5-Day Notice: 2/13/01
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 2-21-01

State Affairs Committee considered SENATE BILL NO. 93

"An Act relating to the Arctic Winter Games Team Alaska trust; and providing for an effective date."

and recommends:

- be replaced with _____ CS _____ (_____)
- 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#
Revenue	2/19		X	1

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>Rick Halford</i>	✓			✓
<i>Patricia [unclear]</i>	✓			
<i>Aearns</i>			✓	
<i>Bettye [unclear]</i>	50		✓	
CHAIR: <i>Gene Theriault</i>			x	



ALASKA STATE LEGISLATURE
SENATOR RANDY PHILLIPS
Senate District L

Session (Jan-May)
State Capitol, Rm 103
Juneau, AK 99801
(907) 465-4949
(907) 465-4979 Fax
Toll Free Anchorage Area
800-478-4950

Interim
P.O. Box 142
Eagle River, AK 99577
(907) 694-4949
(907) 694-4948 Fax

February 21, 2001

Honorable Dave Donley
Honorable Pete Kelly
Senate Finance Committee
State Capitol
Juneau, AK 99801

Re: SB 93 Arctic Winter Games
Sponsor Statement

Dear Senators Donley and Kelly,

The purpose of SB 93, establishing the Arctic Winter Games Team Alaska Trust, is to provide a consistent funding source for the State of Alaska's ongoing commitment to the Arctic Winter Games and Team Alaska.

Under the leadership of Governor Walter J. Hickel, the Arctic Winter Games were founded 30 years ago. During this time the state has given support for annual membership dues and for Team Alaska as it participates in the biennial Games. However, the funding has not been maintained at a consistent level and requires ongoing annual appropriations.

The Arctic Winter Games Team Alaska Trust would simplify the current funding mechanism and provide stability to the state's commitment to the Games. This will be particularly important as the Games are held in Nuuk, Greenland in 2002 and Northern Alberta in 2004, requiring a greater financial burden on participants who cover many of the costs themselves or through sponsorship programs.

SB93 passed out of Senate State Affairs Committee yesterday, 2-21-01.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Phillips".

Senator Randy Phillips

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

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

February 27, 2001

SUBJECT: Arctic Winter Games Team Alaska Trust (SB 93)

TO: Senator Pete Kelly, Co-chair
Senate Finance Committee
Attn: Laura Glaiser

FROM: Tamara Brandt Cook
Director *TBC*

You ask whether the bill establishing the Arctic Winter Games Team Alaska trust violates the constitutional prohibition against dedicated funds or the appropriation requirement. It does not.

The bill establishes a special account that has been called an endowment trust but does not operate as a trust in the legal sense. However, no income stream is dedicated to the trust and all money in the trust is first appropriated to it. (See AS 37.14.600(a)) Even trust income must be appropriated and is not simply retained in the trust. This avoids the constitutional question identified by the Attorney General as to whether retaining income in a "revolving" fund violates the prohibition against dedicated revenues. (See AS 37.14.600(a) and (b)(5); 1982 Op. Att'y Gen., Nov. 30, 1982)

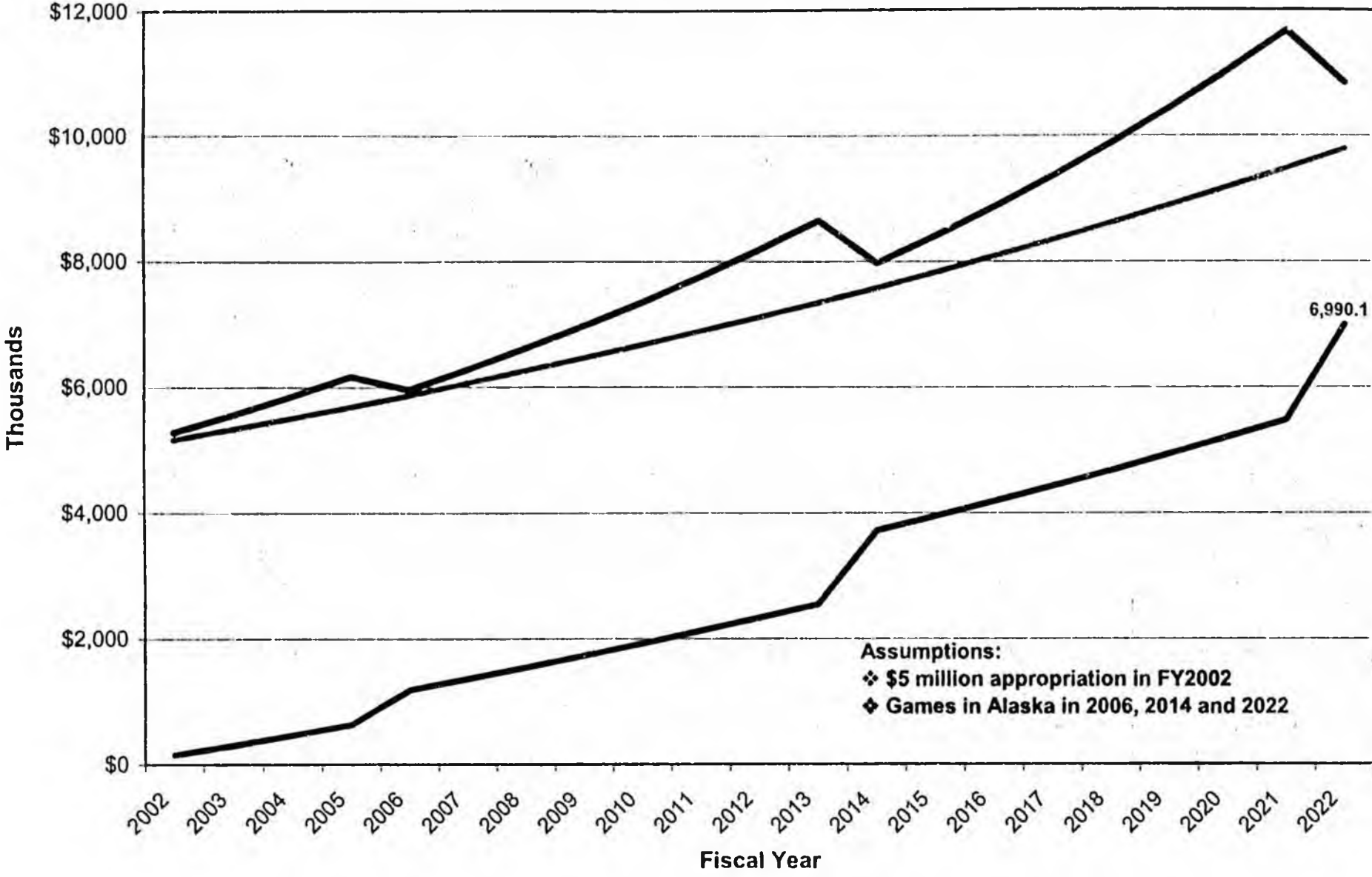
Once money is appropriated to the trust, the money may be transferred out of the trust to the Arctic Winter Games Team Alaska, Inc. without an additional appropriation. Since the money in the trust has already been appropriated for ultimate disposal to the corporation, this does not violate the constitutional appropriation requirement. In fact, because there is no need for a subsequent appropriation from the trust to the corporation, money in the trust is protected from the so-called "sweep" provision of the constitutional budget reserve fund. (Art. IX, sec. 17(d); Hickel v. Cowper, 874 P.2d 922 (Alaska 1994))

Lastly, of course, nothing prevents the legislature from appropriating any unobligated amounts from the trust for any public purpose. While money appropriated to the trust may be used for expenses associated with the Arctic Winter Games, the money is not, as a legal matter, dedicated to those purposes.

Let me know if this prompts additional questions.

TBC:glc
01-202.glc

Arctic Winter Games Team Alaska Trust



Assumptions:
 ❖ \$5 million appropriation in FY2002
 ❖ Games in Alaska in 2006, 2014 and 2022

— Ending MV — Inflation Adjusted Value of \$5 million — Cumulative Support of Games

Arctic Winter Games Team Alaska Trust
Assume 5% Payout Allowed By Statute

CHANGE YELLOW AMOUNTS ONLY

(Years that games are estimated to be In-State are in Blue)

Principal Assets	Warning Condition	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
		Beginning Assets		-	5,274.8	5,654.8	5,853.2	6,171.3	5,955.4	6,270.4	6,605.9	6,963.5	7,344.8	7,751.8	8,186.2	8,650.2	7,971.9	8,402.5	8,861.8	9,351.5	9,874.4	10,432.9
Original Endowment		5,000.0																				
Reinvesting																						
Total Investment Return		424.8	434.9	458.3	483.2	509.8	491.0	517.2	545.2	575.1	607.0	641.0	677.3	718.1	657.9	693.9	732.2	773.2	818.9	863.6	913.6	967.0
Annual Team Alaska Withdrawal (Bag of Year)		(150.0)	(154.9)	(159.9)	(165.1)	(170.5)	(178.0)	(181.7)	(187.6)	(193.7)	(200.0)	(205.5)	(213.2)	(220.2)	(227.3)	(234.7)	(242.3)	(250.2)	(258.4)	(266.6)	(275.4)	(284.4)
Every 3-5 year Host Committee Withdrawals (Bag of Year)	If red it is a cost of games					(865.2)								(1,174.3)								(1,516.7)
Ending Assets		5,274.8	5,554.8	5,853.2	6,171.3	5,955.4	6,270.4	6,605.9	6,963.5	7,344.8	7,751.8	8,186.2	8,650.2	7,971.9	8,402.5	8,861.8	9,351.5	9,874.4	10,432.9	11,029.8	11,668.0	10,833.9
Inflation Adjusted Endowment Value (3.25%)		5,162.5	5,330.3	5,503.5	5,682.4	5,867.1	6,057.7	6,254.6	6,457.9	6,667.8	6,884.5	7,108.2	7,339.2	7,577.8	7,824.0	8,078.3	8,340.9	8,611.9	8,891.8	9,180.8	9,479.2	9,787.3
5% of Average MV (prior 3 year ending)		250.0	263.7	270.7	278.0	293.0	299.7	306.6	313.9	330.7	348.6	367.7	388.0	409.8	413.5	417.1	420.6	443.6	460.1	494.3	522.3	552.2
Estimated Game Costs Each Year (Inflation Adjusted)		800.0	826.0	852.8	880.6	909.2	938.7	969.2	1,000.7	1,033.3	1,066.8	1,101.5	1,137.3	1,174.3	1,212.4	1,251.0	1,292.5	1,334.5	1,377.9	1,422.7	1,468.9	1,516.7
Ending MV Greater (Less) Than Inflation Adj Value	If negative	112.3	224.5	349.7	408.9	88.4	212.7	351.3	505.6	677.1	867.3	1,078.0	1,311.0	394.2	578.5	783.3	1,010.6	1,262.5	1,541.1	1,849.0	2,188.8	1,046.7
Cumulative 5% loss Cumulative Withdrawals	If negative	100.0	208.9	319.7	432.6		123.7	248.5	374.8	511.7	660.2	821.4	996.2	11.5	197.7	380.0	558.3	751.6	961.4	1,189.0	1,435.8	186.9
PRINCIPAL VARIABLES																						
Broad market allocation		50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
INCREMENTAL CHANGE (+ or -)																						
Fixed income allocation		30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
INCREMENTAL CHANGE (+ or -)																						
International Equity allocation		20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
INCREMENTAL CHANGE (+ or -)																						
Broad market return (1)		9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%
INCREMENTAL CHANGE (+ or -)																						
Fixed income return (1)		6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%
INCREMENTAL CHANGE (+ or -)																						
International Equity return (1)		9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%
INCREMENTAL CHANGE (+ or -)																						
Total Weighted Return		8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%
Inflation Rate (1)		3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%

(1) Return and inflation assumptions are per Callan Associates, consultant used by Alaska State Pension Board, Treasury and APFC

TEAM ALASKA

10/26/00

Budget2002.xls - 2002 3dgt-DCED - page 1 of 2

1:06 PM

Draft Budget for 2002 Games Cycle

Based upon 2000 Cycle - guesstimates on airfares and fcs are at bottom of page

Income		FY 2001	FY 2002	Total
Income-Dues				
100-Grants		75000.00	145000.00	220000.00
101-Grant Dues		0.00		0.00
102-Grant Ops		75000.00	145000.00	220000.00
Income-Operations				
150-Corporate Sponsorships		0.00	92500.00	92500.00
161-Dev. Director			90000.00	90000.00
162-Other BOD Solicited Monies			2500.00	2500.00
200-Dues		1250.00	1200.00	2500.00
201-Biennial Individual		250.00	250.00	500.00
209-Donations		1000.00	1000.00	2000.00
300-Fees		0.00	245000.00	245000.00
301-Registration Fees			245000.00	245000.00
400-Sales		0.00	12200.00	12200.00
401-Pins			500.00	500.00
402-Jackets			1000.00	1500.00
403-Hats			200.00	200.00
407-Air Fares			10000.00	10000.00
		76260.00	495950.00	572210.00
Expenses				
Expenses-Dues		FY01	FY02	Total
0900 International Committee		21000.00	0.00	21000.00
10 International Dues		21000.00	0.00	21000.00
Expenses-Operations				
1000 Materials & Supplies		11200.00	100200.00	111400.00
1100 Office Materials and Supplies				
1110 Photocopy		800.00	2000.00	2800.00
1120 Postage and Shipping		800.00	3000.00	3800.00
1140 Supplies		800.00	1200.00	2000.00
1200 Development/Fundraising				
1230 Printing and Photocopy		2000.00	500.00	2500.00
1240 Corp. Rec (materials & advt)		0.00	1500.00	1500.00
1250 Corp. Rec advertising		1000.00	3000.00	4000.00
1300 600-Games Gear				
1310 Pins		0.00	10000.00	10000.00
1320 Hats		5000.00	0.00	5000.00
1330 Uniforms		0.00	75000.00	75000.00
1340 T-shirts		0.00	1000.00	1000.00
1350 Misc (promo materials)		1200.00	0.00	1200.00
1360 Spec Risk Ins		0.00	3000.00	3000.00
2000 Contract Labor		28000.00	42000.00	70000.00
2100 Operations				
2110 Chef de Mission Contract		18000.00	18000.00	36000.00
2200 Development/Fundraising				
2210 Dev. Director Contract		10000.00	18000.00	28000.00
2220 Dev. Director Commission		0.00	6000.00	6000.00
3000 Administration		3800.00	3820.00	7620.00
3100 BOD Expenses				
3110 BOD Meeting Travel		1000.00	1000.00	2000.00
3120 BOD Retreats		500.00	500.00	1000.00
3130 BOD Liability Insurance		1300.00	1300.00	2600.00
3140 BOD Corp Reg. Fees			20.00	20.00
3150 BOD C of C Dues		500.00	500.00	1000.00
3180 BOD Meeting Meals & Rental		500.00	500.00	1000.00
4000 Other Expenses				
4100 Utilities-Campus Prep Office		11000.00	404500.00	415500.00

Greenland Budget FY02

10/20/00

Budget2002.xls -- 2002 BdgI-DCED - page 2 of 2

1:06 PM

	200-Administration							
	4120 Telephone Service & Tolls	3000.00		4000.00		7000.00		
	4140 Heating Oil	2500.00		2500.00		5000.00		
	4160 Misc Office Overhead	1000.00		1000.00		2000.00		
	4180 Mstr & Sport Court Exp	0.00		1000.00		1000.00		
	4200 Utilities-Devp Office							
	4220 Telephone Service & Tolls	500.00		1500.00		2000.00		
	4300 Mission Expenses							
	4310 On-Site Vehicle Rental	0.00		4000.00		4000.00		
	4320 Cell-Phone Rental/Communications	0.00		1500.00		1500.00		
	4400 600-Games Travel							
	4410 Chef's Inspection Trip	4000.00		0.00		4000.00		
	4420 Chef's Travel To Games	0.00		4000.00		4000.00		
	4430 Team Travel Within Alaska	0.00		15000.00		15000.00		
	4440 Team Travel To/From Games	0.00		360000.00		350000.00		
	4460 BOD Travel To/From Games	0.00		20000.00		20000.00		
			76000.00		550520.00	626520.00		
			Income	78250.00	Income	496950.00	Income	672200.00
			Expense	75000.00	Expense	550520.00	Expense	625520.00
			Balance	1250.00	Balance	-54570.00	Balance	-53320.00
	Registration Fees	350	700	245000				
	Air fares	350	1000	360000				

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES

2000

Arctic Winter Games

30 years of international sports
social exchange and cultural
interaction among the northern nations.

1970-2000



Contributor Information Package
Presented by
ARCTIC WINTER GAMES TEAM ALASKA

Bumblun in A

*FROM THE DESK OF
GOVERNOR WALTER J. HICKEL*



Dear Friends,

Thirty years ago, I had the honor of working with leaders from the Yukon and Northwest Territories of Canada to create the Arctic Winter Games, an international sporting competition between Alaska and our northern neighbors. From the beginning, however, the Arctic Winter Games have encompassed far more than just sports. Indeed, for thirty years they have served as an outstanding forum for promoting friendship and understanding between countries who call the arctic regions their home.

From humble beginnings, the Arctic Winter Games have become one of the most admired amateur sporting events in the world. There are nearly 2,000 athletes and coaches, eighteen sporting events, and exhibitions and performances that showcase our unique northern culture. Participating contingents now include two regions of Russia, four Canadian provinces and territories, Greenland and Alaska. The Games are held every two years, hosted on a rotating basis among the various regions.

The 2000 Arctic Winter Games will be held March 5-11 in Whitehorse, Yukon Territory. The young athletes of Team Alaska need your help. I ask that you read the enclosed materials and join me in supporting Team Alaska. There are sponsorship opportunities for every budget and I am confident you will find your participation in this great Alaskan tradition to be a truly rewarding experience.

Sincerely yours,

Walter J. Hickel

Governor Walter J. Hickel

Honorary Chairman, Team Alaska 2000



TEAM ALASKA

The athletes and coaches that comprise Team Alaska come from every corner of the state. In fact, over 100 towns and villages will have athletes participating in the 2000 Arctic Winter Games. Over the history of the Games, over 4,000 athletes have been members of Team Alaska, and many thousands more have participated in the tryouts. No other event involves such a diverse cross section of Alaska. The Arctic Winter Games...truly an All Alaskan event!



Communities Represented in the 1998 Arctic Winter Games

Anchorage	Ester	Ketchikan	Talkeetna
Barnes	Fairbanks	Kodiak	Tok
Barrow	Fort Wainwright	Nikiski	Toksook Bay
Chitina	Girdwood	Ninilchik	Trapper Creek
Copper Center	Glennallen	Nome	Valdez
Delta Junction	Healy	North Pole	Wasilla
Dillingham	Homer	Palmer	Willow
Dominion	Juneau	Platinum	Wrangell
East River	Kasigluk	Seward	
Edison AFB	Kenney Lake	Soldotna	

WHERE DO ARCTIC WINTER GAMES ATHLETES COME FROM?

YOUR TOWN!



AMATEUR ATHLETICS AT ITS FINEST

During the twelve months before the 2000 Games, Team Alaska's leader (the Chef de Mission) and his sport coordinators begin selecting athletes from throughout the state to fill roster spots on the eighteen sports teams. Some athletes are chosen through tryouts while others are nominated for participation by coaches in their home towns. The Arctic Winter Games feature as many athletes and events as the Winter Olympics! The Games are unique in that they provide one of the few opportunities in the world of sports for developing athletes to compete at the international level.



THE EIGHTEEN ARCTIC WINTER GAMES SPORTS

- Alpine Skiing
- Snowboarding
- Arctic Sports (Dene)
- Arctic Sports (Inuit)
- Badminton
- Basketball
- Cross Country Skiing
- Curling
- Dog Mushing
- Gymnastics
- Ice Hockey
- Indoor Soccer
- Ski Biathlon
- Snowshoeing
- Snowshoe Biathlon
- Speed Skating
- Volleyball
- Wrestling

Team Alaska and the other participating delegations include a cultural contingent which performs throughout the host community during the week of the Games. The visiting contingents also perform in the "Cultural Gala", one of the highlights of the Games.



TEAM ALASKA BOARD OF DIRECTORS & STAFF

Team Alaska is a 501(c)(3) non-profit corporation, founded in 1970. The Corporation is governed by a twelve member Board of Directors who are selected from various regions around the state. The Corporation's primary mission is to organize and transport the Team Alaska athletes to the host community and to supervise their participation in the Games. Since the Arctic Winter Games are held every two years and at different locations, the organizational process never really stops.

The State of Alaska is one of the charter members of the Arctic Winter Games and the Lt. Governor is the official government representative before the Arctic Winter Games International Committee. The International Committee selects the cities who will host the Games and provides guidance to the host community. Alaska also has two standing board members on the International Committee.

Arctic Winter Games Team Alaska Board of Directors

Inland Region

Ken DAVIS, President
 Joe Nye, Vice President
 Joe Arons, Secretary
 Bonnie Williams
 Phyllis Lat

South Central Region

Dave Wagner, Regional Vice President
 Chin Spaulding
 Gus Johnson
 Joe Cronin
 Lisa Kelly

Southern Region

George Smith, Regional Vice President
 Jim Powell

International Committee

Wendell Shiffert
 John Rode

Government Representative

Lt. Governor Brian Ulmer

Staff

John Eric, Chief of Mission
 Alan Sully, Development Director



THIRTY YEARS IN REVIEW

- 1970 - Yellowknife, NT: The first Arctic Winter Games are officially opened by Canadian Prime Minister Elliott Trudeau. A great tradition begins!
- 1972 - Whitehorse, Yukon: The second Games feature contingents from Quebec and Greenland, with observers from Russia and Labrador as well.
- 1974 - Anchorage, Alaska: The largest city north of 60 on the North American continent hosts the third games.
- 1976 - Shefferville, Quebec: The host city was tiny Shefferville, a French speaking mining town. The size of all contingents was reduced to suit the available facilities.
- 1978 - Hay River/Pine Point: Held in two locations, the first passenger rail service was implemented in the NT to enable competitors to commute between the two communities.
- 1980 - Whitehorse, Yukon: Hosting for the second time, Whitehorse set a new standard for Games organization. Expanded cultural programs were one of the highlights.
- 1982 - Fairbanks, Alaska: The Games return to Alaska and the organizers put on a great show, with the entire community lending support.
- 1984 - Yellowknife, NT: A new arena in Yellowknife allows for indoor opening and closing ceremonies. Alaska arrives in the first 747 ever to land in Yellowknife.
- 1986 - Whitehorse, Yukon: A small contingent from Northern Alberta joins the Games, as well as a contingent from Northern Quebec. The growth of the Games continues.
- 1988 - Fairbanks, Alaska: Northern Alberta officially joins the International Committee and expands its team. Laser lights and ice sculptures add to the show.
- 1990 - Yellowknife, NT: The Greenland contingent grows to 50 athletes and the Magadan region of Russia sends a cultural delegation.
- 1992 - Whitehorse, Yukon: The Games enjoy national television coverage in Canada. The Greenland and Northern Alberta teams expand and Russia sends its first competitors.
- 1994 - Slave Lake, Alberta: The small town of Slave Lake proved wonderful hosts as more sports and athletes than ever before participate in the Games.
- 1996 - Chugiak-Eagle River, Alaska: A beautiful setting at the base of the Chugiak mountains, outstanding facilities and great weather make for a tremendous success. Athletes from both the Tyumen and Magadan regions of Russia make their mark.
- 1998 - Yellowknife, NT: The Games return to the Northwest Territories for the last time before division creates two new territories. Experience shows as the organization of the Games is top notch.
- 2000 - Whitehorse, Yukon: Hosting for the fifth time, Whitehorse will stage a great set of Games for the 30th anniversary of this great northern tradition. The last Games of the millennium.

FUTURE SITES

- 2002 - Nuuk, Greenland: The Games will travel further east than ever before as Greenland hosts for the first time. Logistics will be a great challenge for the new hosts.
- 2004 - Northern Alberta
- 2006 - Alaska

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Arctic Winter Games

Team Alaska

February 15, 2001

Dear Legislators,

Thirty two years ago, the State of Alaska, in a cooperative effort with the Yukon and Northwest Territories, created the Arctic Winter Games as a means to promote friendly competition and social interaction between northern countries. The first games were held in 1970, and since that time, the Games have been held every two years at various locations throughout the north. With nineteen sports as well as cultural displays and performances from each participating region, the Arctic Winter Games have become the northern world's greatest amateur event.

Arctic Winter Games Team Alaska (AWGTA) is a non-profit corporation that carries out the state's mission by selecting team members, coaches, and support staff from throughout Alaska. AWGTA purchases team uniforms, sports equipment, makes the travel arrangements and ensures the care and well being of the athletes during the competition. All of this is accomplished with just one paid employee (the Chef de Mission) and dozens of volunteers, including the eleven member board of directors, who are selected from the interior, southcentral and southeast regions of Alaska.

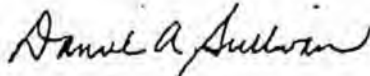
Funding is always a concern for AWGTA. It takes approximately \$400,000 to send our team to the games. Our revenues are a combination of state grants, corporate contributions and athlete's fees. Unlike most events of this size and stature, the athletes actually pay about a third of the team costs out of their own pocket. Rising costs, particularly for the upcoming 2002 Games in Greenland, will soon make the cost per athlete prohibitive, especially for our athletes from rural Alaska. The future of AWGTA is of great concern to all participants.

SB 93 created the Arctic Winter Games Team Alaska Trust as a means to guarantee the future of this thirty year success story. Properly endowed, (estimate \$5,000,000) the Trust will generate sufficient revenues to finance future costs of Team Alaska and also generate sufficient revenues to assist the host cities when it is Alaska's turn to stage the Arctic Winter Games, approximately once every decade. In 1996, for example, the Arctic Winter Games were held in Eagle River and the state contributed \$800,000 to the Host Society. Grants to Team Alaska average approximately \$225,000 for each set of games.

Over the next twenty years, the state of Alaska will receive over \$500,000,000 from the tobacco settlement. This settlement was reached because it was proven that the tobacco companies marketed their product to America's youth. We have a moral obligation to see that some of that settlement money goes back to our youth. There is no better cessation program than youth athletics. There is no more efficient statewide delivery system offering athletic opportunity for our youth than AWGTA.

Please, support SB 93 and when it comes time to fund the trust that it creates, please say yes once again to Alaska's youth. You will not only be removing a recurring expense from the state budget, but you will guarantee the future of an event that has had a positive impact on thousands of young people from every corner of Alaska. Thank you for your consideration.

Sincerely,



Daniel A. Sullivan
Development Director

SENATE FINANCE COMMITTEE

SIGN-IN

SB 93-ARCTIC WINTER GAMES TEAM ALASKA TRUST

Deputy Comm Neil Slotnick
 Lee Livermore, Chief Inv. Officer
 NAME: _____ Subject/Bill No: 93
 Betty Martins Comptroller
 Arctic Winter Games
 Co./Dept./Title: Department of Revenue, Treasury Phone: 465-2350
 Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

Jimi Powell
 NAME: _____ Subject/Bill No: _____
 Co./Dept./Title: Board Member, AK Arctic Winter Games Phone: 465-5821
Team Alaska
 Address: 10601 Horizon Dr. Zip: 99501

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

SITE: ANCHORAGE LIO

COMMITTEE:

Senate Finance

DATE: 3-13-2001

SUBJECT OF MEETING:

SB 77

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
Mark Myers		DNR-O&G	Y - SB 77
Jim Stouffer		DNR	Y - SB 77
Jennifer Rudinger		AK CLU	Y - SB 102
Deborah Gomez		President Elect - BNP	Y - SB 65
Dan Sullivan		Arctic Winter Games	Y - SB 93

SB

94

SFIN

FILE

SB 94

**was referred to the
Senate Finance
Committee**

**No hearing was held
on this bill**