

ALASKA LEGISLATURE

2526

HOUSE and SENATE FINANCE COMMITTEE FILES, 2003-2004

1 adopted under AS 46.14.140(a)(13) may, upon presentation of credentials and at
2 reasonable times with the consent of the owner or operator, enter upon or through any
3 premises of a stationary source [FACILITY] regulated under this chapter to

4 (1) inspect and copy any records required to be maintained;

5 (2) inspect any emission unit [SOURCE], monitoring equipment, or
6 method required to be used; or

7 (3) sample any emissions that the owner and operator of the stationary
8 source [FACILITY] is required to sample.

9 * Sec. 45. AS 46.14.540(a) is amended to read:

10 (a) When the commissioner finds that an act of God, act of war, act of
11 terrorism, or similar catastrophe necessitates emergency use of an unpermitted
12 emission unit [SOURCE] or emergency use of a permitted emission unit [SOURCE]
13 in a manner not authorized by the permit, the commissioner may waive procedural
14 requirements of this chapter and issue an order to authorize emergency use of the
15 emission unit [SOURCE]. When acting under this section, the commissioner shall
16 impose conditions necessary to protect life, human health, welfare, property, and the
17 environment and may impose other conditions the commissioner finds necessary and
18 appropriate.

19 * Sec. 46. AS 46.14.550 is amended to read:

20 **Sec. 46.14.550. Responsibilities of owner and operator; agent for service.**
21 Notwithstanding use of the conjunctive or disjunctive in a provision of this chapter,
22 before issuance of a permit under this chapter [AS 46.14.170] both the owner and
23 operator of a stationary source [FACILITY] are responsible for compliance with this
24 chapter and regulations adopted under this chapter. If the owner and operator of the
25 stationary source [FACILITY] are separate persons, only one person is required to
26 discharge a specific responsibility. After issuance of a permit under this chapter
27 [AS 46.14.170], only the permittee is responsible for permitted operations. The
28 permittee shall have a designated agent for service of process in the state.

29 * Sec. 47. AS 46.14.560 is amended to read:

30 **Sec. 46.14.560. Unavoidable malfunctions and emergencies.** Excess
31 emissions caused by an unavoidable emergency, malfunction, or nonroutine repairs of

1 an emission unit [A SOURCE] including pollution control equipment or process
2 equipment constitute an affirmative defense, when asserted under regulations adopted
3 under AS 46.14.140, to an action brought for noncompliance with a technology-based
4 emission standard. This section does not limit the department's power to enjoin the
5 emission or require corrective action. This provision is in addition to any emergency
6 or upset provision contained in an applicable requirement.

7 * Sec. 48. AS 46.14.990(2) is amended to read:

8 (2) "ambient air" has the meaning given in 40 C.F.R. 50.1 [MEANS
9 THAT PORTION OF THE ATMOSPHERE, EXTERNAL TO BUILDINGS, TO
10 WHICH THE GENERAL PUBLIC HAS ACCESS];

11 * Sec. 49. AS 46.14.990(5) is repealed and reenacted to read:

12 (5) "construction" has the meaning given in 40 C.F.R. 51.166(b);

13 * Sec. 50. AS 46.14.990(9) is amended to read:

14 (9) "emission" means a release of one or more air pollutants
15 [CONTAMINANTS] to the atmosphere;

16 * Sec. 51. AS 46.14.990(10) is repealed and reenacted to read:

17 (10) "emission limitation" and "emission standard" have the meaning
18 given in 40 C.F.R. 51.100;

19 * Sec. 52. AS 46.14.990(13) is repealed and reenacted to read:

20 (13) "fugitive emissions" has the meaning given in 40 C.F.R.
21 51.166(b);

22 * Sec. 53. AS 46.14.990(14) is amended to read:

23 (14) "hazardous air pollutant [CONTAMINANT]" means a pollutant
24 listed in or under 42 U.S.C. 7412(b) (Clean Air Act, sec. 112(b));

25 * Sec. 54. AS 46.14.990(16) is repealed and reenacted to read:

26 (16) "modification" has the meaning given in 42 U.S.C. 7411(a)
27 (Clean Air Act, sec. 111(a)) and 40 C.F.R. 60.14;

28 * Sec. 55. AS 46.14.990(18) is amended to read:

29 (18) "operator" means a person or persons who direct, control, or
30 supervise a stationary source or emission unit [FACILITY OR SOURCE] that has
31 the potential to emit an air pollutant [CONTAMINANT] to the atmosphere;

1 * Sec. 56. AS 46.14.990(19) is amended to read:

2 (19) "owner" means a person or persons with a proprietary or
3 possessory interest in a stationary source or emission unit [FACILITY OR
4 SOURCE] that has the potential to emit an air pollutant [CONTAMINANT] to the
5 atmosphere;

6 * Sec. 57. AS 46.14.990(21) is repealed and reenacted to read:

7 (21) "potential to emit" has the meaning given in 40 C.F.R. 51.166(b);

8 * Sec. 58. AS 46.14.990(24) is amended to read:

9 (24) "small business facility" means a stationary source [FACILITY]
10 that

11 (A) is owned or operated by a person who employs 100 or
12 fewer individuals;

13 (B) is a small business concern as defined in 15 U.S.C. 631
14 (Small Business Act); and

15 (C) emits less than 100 TPY of regulated air pollutants
16 [CONTAMINANTS];

17 * Sec. 59. AS 46.14.990 is amended by adding new paragraphs to read:

18 (28) "air pollutant" has the meaning given in 42 U.S.C. 7602 (Clean
19 Air Act, sec. 302);

20 (29) "building, structure, facility, or installation" has the meaning
21 given in 40 C.F.R. 51.166(b) except that it includes a vessel

22 (A) that is anchored or otherwise permanently or temporarily
23 stationed within a locale;

24 (B) upon which a stationary source or stationary sources are
25 located; not including stationary sources engaged in propulsion of the vessel;
26 and

27 (C) that is used for an industrial process, excluding a tank
28 vessel in the trade of transporting cargo; in this subparagraph, "industrial
29 process" means the extraction of raw material or the physical or chemical
30 transformation of raw material in either composition or character;

31 (30) "emission unit" has the meaning given in 40 C.F.R. 51.166(b);

1 construction permit program established under AS 46.14.120(a), as amended by sec. 7 of this
2 Act, to implement the provisions of the federal new source review program amendments
3 published in the Federal Register for December 31, 2002, and the Department of
4 Environmental Conservation shall proceed to adopt regulations necessary to implement the
5 other changes made by this Act. The regulations take effect under AS 44.62 (Administrative
6 Procedures Act), but not before the effective date of the respective provision of this Act.

7 * Sec. 63. The uncodified law of the State of Alaska is amended by adding a new section to
8 read:

9 INSTRUCTION TO REGULATIONS ATTORNEY. (a) In regulations adopted by
10 the Department of Environmental Conservation to implement AS 46.14 and in effect on the
11 day before the effective date of secs. 59 and 60(a) of this Act, wherever the terms "facility"
12 and "source" are used, they shall be read as "stationary source" and "emission unit,"
13 respectively,

14 (1) when to do so would be consistent with the changes made by this Act; and
15 (2) until the Department of Environmental Conservation amends its
16 regulations consistent with the changes made by this Act.

17 (b) The regulations attorney is instructed to make changes in the Department of
18 Environmental Conservation regulations as described in (a) of this section.

19 * Sec. 64. Sections 3 - 27, 29, 31, 33, 35 - 59, 60(a), and 61 - 63 of this Act take effect
20 immediately under AS 01.10.070(c).

21 * Sec. 65. Sections 2, 28, 30, 32, and 60(b) of this Act take effect January 1, 2005.

22 * Sec. 66. Sections 1 and 34 of this Act take effect July 1, 2005.

THE
FOLLOWING
DOCUMENT(S)
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Tadd Owens, Executive Director
Resource Development Council
CSHB160 Testimony
House Finance Com.nittee
March 27, 2003

Thank you, Mr. Chairman. For the record my name is Tadd Owens, I am the executive director of the Resource Development Council. RDC is a private, non-profit, business association representing individuals and companies from Alaska's oil and gas, mining, timber, tourism and fisheries industries. Our membership also includes electric utilities, local communities and Native regional and village corporations. RDC's mission is to help grow Alaska's economy through the responsible development of the state's natural resources.

RDC supports the amended version of House Bill 160 and we ask the House Finance Committee to move the legislation forward. I would like to thank DEC for not only establishing a Work Group to evaluate the department's air permitting program, but also for taking action on that group's recommendations. While RDC did not formally participate in the Air Program Work Group, several of our members did and we endorse their recommendations.

Working in cooperation with the regulated community, DEC has successfully addressed many of the air program's major weaknesses and inefficiencies. HB160 provides DEC with additional flexibility in administering the air program and it simplifies the permitting process for those in the regulated community.

Specifically, this bill accomplishes the following:

- It allows DEC's program to remain consistent with the federal program on a long-term basis
- It differentiates between major and minor source permits and standardizes the requirements for minor permits
- It restructures the program's fee schedule making the costs more transparent and predictable for applicants

In or view, this legislation will result in more efficient review of permits allowing agency staff more time and resources for the field work necessary to protect Alaska's air quality. HB160 also creates a much more user-friendly process for those in the regulated community. The legislation has RDC's strong support.

Thank you for providing me with an opportunity to testify this afternoon.

DEPARTMENT OF ENVIRONMENTAL CONSERVATION
COMMISSIONER BALLARD HB 160 TESTIMONY
HOUSE FINANCE COMMITTEE

control concepts. Our state permitting program has not kept pace with the national regime or the needs of Alaskan communities and industry. The Work Group report is in your packets and the work group recommendations are incorporated into HB 160. *(members of group present)*

Specifically, this bill:

- Creates a predictable, timely and rational permitting program.
 - Changes how we regulate minor sources using more standardized permit conditions based on best management practices. Our present "permit by rule" program works for the oil drilling rigs. We want to expand the concept and apply it to more situations. For our population size, we have many more mobile and portable plants and machinery than most states. We need the tools to work with this unusual but essential fleet.
 - Exempts sources from permitting to the extent allowed under federal law.
 - Streamlines permitting for the major sources in Alaska by matching our procedures to those in federal rules.
 - Achieves efficiency through adopting federal rules by reference – this will make it much easier for us to permit rural power plants – we will be able to use the so-called "clean unit test" to avoid a detailed site by site technology analysis.
- ✓ I want to take some time to explain our zero fiscal note. The bill itself does not warrant a significant increase in staffing. However, reform and streamlining alone will not obtain the desired result. On time permitting in a fast changing resource development climate can only be achieved through a combination of reforming the process and increased staff. Without additional staff, the important changes achieved through the legislation cannot be delivered.

We are asking for an increment in the Governor's FY 2004 Operating Budget to increase staffing for permitting and field functions and to hire contractors to handle fluxes in permitting demands – both critical components to achieving overall success.

The direction in which I am leading the department is based on my commitment to develop sound, understandable standards, spend time in the field and enforce the law when it is necessary to achieve compliance.

I have proposed additional staffing in this program to fulfill my commitment. A well run air permit program is essential to the economic and social well being of our state. I also want you to know that while we are increasing this very important program, we have looked closely at our mission and have reduced our services so that we are only providing those that are essential to our mission of protecting public health and the environment. With this increment as well as several other small increases in core permitting programs the department still has an overall net reduction of 13 positions and \$153,000.

LEGAL SERVICES

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

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

MEMORANDUM

March 27, 2003

SUBJECT: Emission Control Permit Program (CSHB 160(FIN);
draft version "D")

TO: Representative Bill Williams
Attn: Randy

FROM: Terri Lauterbach
Legislative Counsel *TLauterbach*

Enclosed is a CS for HB 160 with the amendments you requested on Wednesday afternoon.

I have received some input from the Department of Environmental Conservation as to the amendments, as follows:

(1) in "Amendment #2," DEC instructed me to ignore the instruction for page 6, lines 4 - 7;

(2) in "Amendment #3," DEC explained to me that the meaning of "based on . . . taking into account Alaska's unique conditions" is that our monitoring, record keeping, and reporting requirements must satisfy federal requirements but may also include additional requirements that take into account Alaska's unique conditions; therefore, I have drafted AS 46.14.140(a)(2) (bill sec. 15) to read that way;

(3) in "Amendment #6," DEC instructed me to exclude the phrase "as limited by the exemptions listed in" and to use the language "and 40 C.F.R. 60.4"; I express no opinion as to whether drafting the definition in that manner makes a clear definition or not.

Due to a sharp editor's eyes, we have changed references to "sec. 60" that appeared in secs. 61 and 63 so that the reference now reads "sec. 60(a)" (because there are two effective dates for sec. 60 at the end of the bill). However, in order to meet your hearing deadline for today, at your request, neither myself nor the revisor of statutes has attempted to do any of the following:

- (1) check CFR cites in the bill for accuracy;
- (2) check U.S.C. cites in the bill for accuracy;

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

DEPARTMENT OF ENVIRONMENTAL CONSERVATION
COMMISSIONER BALLARD HB 160 TESTIMONY
HOUSE FINANCE COMMITTEE

Mr. Chairmen and members of the committee, thank you for the opportunity to testify today on behalf of the Governor's air permit reform legislation, HB 160.

Governor Murkowski is committed to enhancing Alaska's economy through resource development. He is equally committed to protecting Alaska's environment. It is not an either/or proposition. A strong economy will generate the revenue base to continue funding our important regulatory programs. Without a strong economy we cannot hope to have a strong government.

Over the last 30 years, we have learned much about the environmental and health hazards associated with air pollution. We have also learned much about emission control technologies, air modeling and protective ambient air standards. Through national and state legislation we have recognized our shared value of environmental protection along with the many other core values that form the framework for government regulatory programs. Environmental protection is not incompatible with resource development. Rather, it is as fundamental a component of resource development as are labor and worker safety laws.

Governor Murkowski and members of his Cabinet recognize that Alaska's laws taken together form the framework for a successful resource development strategy. Environmental laws are one of the many equally important pieces of the public policy mosaic. They are no more, and no less important. This bill will improve the process and function of underlying state policy to protect the environment. It does NOT change the protective standards already in place and administered by the Department through existing regulation.

Through DEC's proposed FY 04 budget we intend to sharpen our focus on our core responsibilities. House Bill 160 is essential to achieving the results promised in our budget proposal. HB 160 achieves permit reform. As you can see – reform requires attention to detail. The bill is long with many reference changes. Reform means re-engineering the way we do business. These proposed changes in law will substantially change the mechanisms of permitting. Moreover, the bill makes way for many more changes that we can accomplish through revised regulations. The ultimate result will be a timely, predictable and rational program that will meet business and development needs without sacrificing air quality.

Our legislative proposal is based on two important developments of the last several years. One was a benchmarking study conducted by the department. We reviewed the funding and workforce allocation in the air programs of states that we consider comparable in workload and complexity to Alaska. Alaska has an unusual air program. Although we have a small population, we have a high number of air permits: as many operating permits as the State of Colorado, and as many major new permits as the state of New Jersey. We discovered in our benchmarking study that we simply have not funded, staffed or organized our program adequately to do the job applicants expect. House Bill 160 and the program increase proposed in the Governor's budget will allow us to remodel our permit program in line with successful programs in other states.

The second development that guided our proposal was the Air Permit Work Group – a stakeholder group convened last year. The Work Group carefully reviewed our program against the federal Clean Air Act and the EPA rules that have been amended several times establishing new programs and

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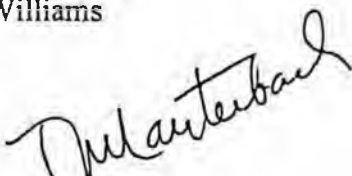
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- (1) check CFR cites in the bill for accuracy;
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Representative Bill Williams
March 27, 2003
Page 2

(3) check the Alaska Statutes for any other locations where "facility," "contaminant," and "source" are used and consider whether they should be amended to be consistent with the rest of this bill;

(4) check provisions within the bill to determine if they are consistent with each other;

(5) check the Alaska Statutes to determine if there are any references to the statutes that would be repealed by sec. 60 of this bill that are not dealt with appropriately in the bill;

(6) check the bill and the Alaska Statutes to determine if the renumbering of paragraphs or other provisions would necessitate changes in references to those paragraphs or other provisions that might occur in other statutes not dealt with in the bill; for instance, the sharp editor in our office has noticed that there are references to AS 46.14.140(a)(11) that are now probably wrong because of the renumbering in sec. 15 of this bill, but we have not attempted a correction, pending further instructions on whether and how to do so;

(7) check the language of the bill for clarity or ambiguity;

(8) check the statutory citations (AS cites) for accuracy;

(9) check as to whether the defined terms added by sec. 59 or elsewhere are actually used in the bill or in the Alaska Statutes; or

(10) other legal or substantive "checks."

Since this bill was drafted by persons outside this office, the underlying bill and the amendments requested are new to this office. Given the time of the session and the size and complexity of this bill, I won't be able to get a good enough understanding of the subject matter to give you complete advice, but in two or three days, I could probably accomplish the types of legal checks described above in paragraphs (1)-(3), (5), (6), (8), and (9).

Please note, also, that the extensive use of C.F.R. cites in this bill presents two potential problems: (1) the cites will become meaningless if the office responsible for the Code of Federal Regulations renumbers the regulations in a recodification project or if the Environmental Protection Agency amends the regulations in a manner that makes the cites inaccurate; and (2) the laws may be challenged for excessive delegation of legislative authority to an outside entity because the EPA could change the contents of the cited regulations at any time, thereby changing the meaning of Alaska's laws without the Legislature's prior review. From a legal standpoint, it would be safer to refer, in each place where a C.F.R. cite is used, to the date when the contents match what the legislature intends, e.g. "the April 1, 2003, version of 40 C.F.R. 60.14." Alternatively, the bill could be drafted without C.F.R. cites and just use references to "federal regulations that implement 42 U.S.C. 7401-7671q (Clean Air Act) or "as required by federal regulations."

TML:lmb
03-105.lmb

Enclosure

HB

160

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

REPORTED OUT
APR 16 2003
SENATE FINANCE
COMMITTEE

DATE: 4/8/03

FURTHER:

DATE TURNED
IN TO OFFICE: 16 April 2003

Finance Committee considered CS FOR HOUSE BILL NO. 160(FIN)

HB 160 EMISSION CONTROL PERMIT PROGRAM

"An Act relating to the emission control permit program; relating to fees for that program and to the accounting of receipts deposited in the emission control permit receipts account; 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#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
DEC	3/14/03		✓	#2

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>Adrian Taylor</i>	✓			
<i>Ben Starnes</i>				
<i>Ben Starnes</i>	✓			
COCHAIR: <i>Gary Wren</i>	✓			
COCHAIR: <i>Lynne Green</i>	✓			

APR 16 2003

SENATE FINANCE COMMITTEE

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: CSHB 160(FIN)
(H) Publish Date: 3/28/03

Revision Date/Time (Note if correction): March 26, 11:30a Dept. Affected: Environmental Conservation
Title: Emission Control Permit Program BRU: Air & Water Quality
Component: Air Quality
Sponsor: Rules Committee
Requester: House Finance Component No.: 2061

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures						
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						
1093 Clean Air Protection Fund	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2003) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

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

ANALYSIS: (Attach a separate page if necessary)

This revised fiscal note is zero as the cost of reinvigorating the air permit program is in the Governor's FY 2004 operating budget request.

This legislation removes roadblocks preventing predictable, reliable and rational permitting, while the budget increment provides staff to execute these legislative reforms and issue permits in a timely manner.

The result is a permitting program that is predictable, protective of air quality and flexible enough to take advantage of fast changing business opportunities. This achieves the governor's goal of enhancing resource development while maintaining environmental protection.

Prepared by: John Kuterbach Phone 465-5103
Division: Air & Water Quality Date/Time 3/26/03 11:42 AM
Approved by: Ernesta Ballard, Commissioner Date 3/26/2003
Agency: Department of Environmental Conservation

STATE OF ALASKA

FRANK H. MURKOWSKI, GOVERNOR

DEPT. OF ENVIRONMENTAL CONSERVATION OFFICE OF THE COMMISSIONER

410 Willoughby Ave., Ste 303
Juneau, AK 99801-1795
PHONE: (907) 465-5065
FAX: (907) 465-5070
<http://www.state.ak.us/dec/>

April 8, 2003

The Honorable Lyda Green
Co-Chair, Senate Finance Committee
Alaska State Senate
State Capitol, Room 516
Juneau, AK 99801

The Honorable Gary Wilken
Co-Chair, Senate Finance Committee
Alaska State Senate
State Capitol, Room 518
Juneau, AK 99801

Dear Senators Green and Wilken:

The Department of Environmental Conservation requests a hearing on HB 160 an Act relating to the emission control permit program – Air Quality Program. The State of Alaska has responsibility for management of air quality and we believe that air permits are necessary to maintain Alaska's excellent air quality. However "one size fits all" permits do not protect the environment nor do they meet the goal of having a predictable, reliable and rational program.

This legislation does not change our current protective air quality standards. What it does do is ensure that when sources of air pollution are in close proximity, the cumulative effects will be investigated. It establishes standardized permit conditions based on best management practices. It differentiates between major and minor sources of air pollution and focuses our resources accordingly. This bill has a zero fiscal note.

CSHB 160(FIN) passed the house and has been referred to Senate Finance to meet up with the senate companion CSSB 116(RES). The bills are identical and have zero fiscal notes.

Tom Chapple, Director of the Division of Air and Water Quality will represent the department on this. For additional information, please contact Mr. Chapple at 269-7634 or Mary Siroky, the department's legislative liaison at 465-5355. Thank you for your consideration.

Sincerely,



Ernesta Ballard
Commissioner

cc: Mike Tibbles, Legislative Director, Office of the Governor
Tom Chapple, Director, Division of Air & Water Quality, DEC
Mary Siroky, Legislative Liaison, DEC

FRANK H. MURKOWSKI
GOVERNOR
GOVERNOR@GOV.STATE.AK.US



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

HB160
P.O. Box 110001
JUNEAU, ALASKA 99811-0001
(907) 465-3500
FAX (907) 465-3532
WWW.GOV.STATE.AK.US

March 5, 2003

The Honorable Pete Kott
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Kott:

Under Authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill related to the state's air quality control program.

The State of Alaska has responsibility for management of air quality and recognizes that air permits are necessary to maintain Alaska's excellent air quality. The bill achieves protection of air quality while reforming the permit review process to make permitting predictable, reliable and rational. Specifically, the bill will:

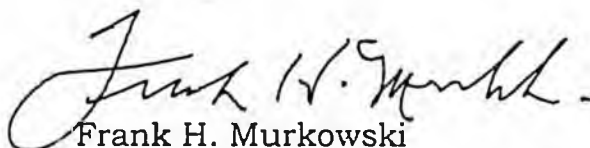
- Allow DEC's program to reflect national precedents, court decisions, and incorporate best practices from other states into our permits.
- Differentiate major source from minor source permits.
- Regulate minor sources based on standardized permit conditions that incorporate best management practices.
- Exempt sources based on standardized permit conditions that incorporate best management practices.
- Exempt sources from permitting to the extent allowed under federal law.
- Achieve efficiency through adopting federal rules by reference.

The Honorable Pete Kott
March 5, 2003
Page 2

In the end, the reform that this bill initiates will result in more efficient review of permits and more "hard-hat time" for field inspectors working to make sure standards are protective and permits are enforced.

I urge your prompt and favorable consideration of this important legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank H. Murkowski". The signature is written in a cursive style with a large initial "F" and a long horizontal stroke at the end.

Frank H. Murkowski
Governor

SENATE FINANCE COMMITTEE

SIGN-IN

HB160: EMISSION CONTROL PERMIT PROGRAM
~~HB 160: EMISSION CONTROL PERMIT PROGRAM~~

NAME: Tom Chapple Subject/Bill No: HB160

Co./Dept./Title: DEC Phone: 465-5265

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

HB

162

HFIN

FILE

adopted 4/25?

23-GH1102V
Bannister
4/25/03

**CS FOR HOUSE BILL NO. 162(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - FIRST SESSION**

BY THE HOUSE FINANCE COMMITTEE

**Offered:
Referred:**

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

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the fee for a state business license; and providing for an effective
2 date."

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

4 * **Section 1.** AS 43.70.030(a) is amended to read:

5 (a) The [LICENSE] fee for each business license [IS \$25] per year is

6 (1) \$100 if the business is a sole proprietorship;

7 (2) \$300 if the business is not a sole proprietorship; the businesses
8 covered by this paragraph include a corporation, limited liability company,
9 partnership, limited liability partnership, and limited partnership.

10 * **Sec. 2.** This Act takes effect July 1, 2003.

Withdrawn

AMENDMENT 1

OFFERED IN THE HOUSE FINANCE COMMITTEE
BY REPRESENTATIVE CROFT

TO: HB 162 (FIN)

Page 2:
Delete lines 7-14.

Page 2, line 7:
Insert a new line to read:
“(a) The license fee for each business is \$50 per year.”

adopted 5/5

23-GH1102S
Bannister
5/5/03

new version (5/5)

CS FOR HOUSE BILL NO. 162(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:
Referred:

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

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to fees charged by certain state agencies; and providing for an effective
2 date."

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

4 * **Section 1.** AS 37.10.050(a) is amended to read:

5 (a) A state agency may not charge a fee for the provision of state services
6 unless the fee (1) is set or otherwise authorized by statute; and (2) where a regulation
7 is necessary, is set by or provided for in a regulation that meets the standards of
8 AS 44.62.020 and 44.62.030. Unless specifically exempted by statute, a state agency
9 authorized to collect or receive fees, licenses, taxes, or other money belonging to the
10 state shall account for and remit the receipts, less fees to which the collector is entitled
11 by statute or regulation, to the Department of Revenue at least once each month. The
12 commissioner of administration shall separately account under AS 37.05.142 for
13 receipts deposited under this subsection. A fee or other charge that is set by regulation
14 may not exceed the estimated actual costs of the state agency in administering the

1 activity or providing the service unless otherwise provided by the statute under which
2 the regulation is adopted; however, this limitation does not apply to sale or lease of
3 property by a state agency, [OR] fees charged by a resource agency for a designated
4 regulatory service as defined in AS 37.10.058, or fees adopted by the Department of
5 Natural Resources under AS 44.37.025 or 44.37.027.

6 * Sec. 2. AS 43.70.030(a) is amended to read:

7 (a) The [LICENSE] fee for each business license [IS \$25] per year is

8 (1) \$100 if the business is a sole proprietorship, except that the fee
9 is \$50 if the sole proprietor is 65 years of age or older when the sole proprietor
10 applies for the license or the sole proprietor will reach 65 years of age at any time
11 during the year for which the license is issued;

12 (2) \$300 if the business is not a sole proprietorship; the businesses
13 covered by this paragraph include a corporation, limited liability company,
14 partnership, limited liability partnership, and limited partnership.

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

17 TRANSITION: REGULATIONS. The Department of Natural Resources may
18 proceed to adopt regulations in implement the changes made by sec. 1 of this Act. Those
19 regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the
20 effective date of sec. 1 of this Act.

21 * Sec. 4. Section 3 of this Act takes effect immediately under AS 01.10.070(c).

22 * Sec. 5. Except as provided in sec. 4 of this Act, this Act takes effect July 1, 2003.

Proposed Increased Revenues

BRIEF DESCRIPTION:

Increase recording fees – through new regulations

DEPARTMENT AND PROGRAM NAME:

Department of Natural Resources
Recorder's/UCC Component

SUMMARY:

This proposal addresses an increase in recording fees in the state of Alaska. Basic recording fees have not changed since 1991, when Alaska increased its fees to one of the highest rates in the nation. After more than a decade without change, Alaska fees remain among the highest in the nation. The current fee is based on the size of a document (\$15.00 for the first page and \$3.00 for each additional page of the same document). If the fee were increased to \$20.00 for the first page and \$5.00 for each additional page of the same document, an estimated \$2.2 million additional revenues would be raised per year (based on the recording volume experienced in FY02).

WHO WILL PAY?

In virtually all cases, recording fees are passed through from the banks and financial institutions to the individual consumer as an increased transaction cost. Everyone who uses the recording system would be subject to increased costs of doing business. This includes the real estate industry, mortgage companies and financial institutions, mining industry, attorneys, government agencies, and the public at large.

ESTIMATED REVENUE EXPECTED: (include information about timing for implementation and when revenue stream will begin)

Based on the recording volume experienced in the last fiscal year (FY02), an increase to \$20 first page/\$5 additional page would result in an estimated \$2.2 million additional revenues per year. The proposal would require a change in administrative regulation before it could be implemented. Many operational changes would also be required, including changes in the revenue and billing system, the component's customized receipting system, web sites, customer brochures and handouts, and other areas. The component would strive for a start date that coincides with the beginning of a fiscal year or a calendar year in order to ensure consistency throughout the state.

WHO WILL OPPOSE THIS BILL? (agencies and constituent groups)

It is anticipated that this bill will not have any opposition as the language clarifies that the recording program can collect fees in excess of the cost of operation. The proposed increases in fees by regulation will receive many comments from the real estate, banking, title and mining industries, and others. Specifically, we would expect to see comments from such groups as the Alaska Bankers Association, the Alaska Land Title Association, the Alaska Miners Association, the Alaska State Escrow Association, the Alaska Bar Association, the Alaska Association of Realtors, the Alaska State Homebuilders Association, the Mortgage Bankers Association, and the Alaska Credit Union League. There may also be comments from other government entities at the federal, state and local level for whom fees are not waived.

CONTACT FOR MORE INFORMATION:

Name: Sharon Young, State Recorder
Phone: 907-269-8882
Email: Sharon_Young@dnr.state.ak.us

Proposed Revenues

BRIEF DESCRIPTION:

Increase Uniform Commercial Code filing fees through new regulations

DEPARTMENT AND PROGRAM NAME:

Department of Natural Resources
Recorder's/UCC Component

SUMMARY:

The Administration will propose an increase in Uniform Commercial Code filing fees in the state of Alaska. Basic filing fees for new financing statements have not changed since 1991. Some fee changes for subsequent filings occurred in 2001 as a result of implementation of Revised Article Nine of the Uniform Commercial Code. The current filing fee for a new financing statement is \$8.00 per debtor name. This proposal would raise the fee for a new financing statement to a flat \$20.00. Because of the different method of calculation between existing and proposed fees (per name versus flat rate), it is difficult to determine exactly how much of an increase this would generate. Based on the volume of new financing statements experienced in the last fiscal year (FY02), it is estimated that this proposal would generate between \$100.0 and \$175.0 in additional revenues per year. Thirty-eight states currently have higher UCC filing fees than Alaska. Since most other states are already charging more than Alaska, Alaska should look at bringing its UCC fees more in line with the rest of the nation.

WHO WILL PAY?

Secured parties who utilize Uniform Commercial Code filings to perfect security interests in personal property are typically institutional lenders and many are from out of state. Debtors in such transactions are typically corporations and other business entities. In virtually all cases, UCC filing fees are passed along to the debtors as an increased cost of doing business.

ESTIMATED REVENUE EXPECTED: (include information about timing for implementation and when revenue stream will begin)

Based on the volume of new UCC financing statements experienced in the last fiscal year (FY02), it is estimated that this proposal would generate between \$100.0 and \$175.0 in additional revenues per year. The proposal would require a change in administrative regulation before it could be implemented. Many operational changes would also be required, including changes in the revenue and billing system, the component's customized receipting system, web sites, customer brochures and handouts, and other areas. The component would strive for a start

date that coincides with the beginning of a fiscal year or a calendar year in order to ensure consistency throughout the state.

WHAT OTHER DEPARTMENTS WILL BE AFFECTED BY THIS PROPOSAL?

Because the component waives fees for state business, other state agencies will not be directly affected. However, some state entities such as Alaska Housing or AIDEA that pass fees on to consumers would be required to comply with the increased rates.

WHO WILL OPPOSE THIS BILL? (agencies and constituent groups)

It is anticipated that the proposed regulations will receive comments from the banking and title industries, and others. Specifically, we would expect to see comments from such groups as the Alaska Bankers Association, the Alaska Land Title Association and the Alaska Credit Union League. Corporate users in the business world would not support this change. There may also be resistance from other government entities at the federal, state and local level for whom fees are not waived.

CONTACT FOR MORE INFORMATION:

Name: Sharon Young, State Recorder
Phone: 907-269-8882
Email: Sharon_Young@dnr.state.ak.us

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: CSHB 162 (L&C)
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: DCED
 Title Increase Business License Fee BRU Occupational Licensing (117)
 Component Occupational Licensing
 Sponsor House Labor and Commerce
 Requester House Finance Component No. 2360

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
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	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
CHANGE IN REVENUES (1175)	2,133.7	2,133.7	2,133.7	2,133.7	2,133.7	2,133.7

FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other 1156 - Receipt Supported Services						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2003) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

POSITIONS	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

CSHB 162(L&C) creates a fee scale for business licenses based on information provided by the Alaska Department of Labor identifying the number of employees reported by businesses in 2002. The revenue shown above is new revenue anticipated as a result of the proposed fee scale. The total fiscal year estimate of new and existing revenue is \$3,778.0.

This fiscal note is based on business employee statistics reported by the Department of Labor for one year and applied to the fee scale provided in the bill; unlike the previous fiscal note which was based on actual numbers of business licenses expiring in FY 04 and FY 05 respectively, and paying the same fee.

Prepared by: Jennifer Stricklor, Administrative Manager Phone 907-465-2144
 Division Occupational Licensing Date/Time 5/2/03 3:16 PM
 Approved by: Edgar Blatchford, Commissioner Date 5/2/2003
 Agency Department of Community & Economic Development

House Finance Committee Vote Sheet

DATE: _____

4/25/03

SUBJECT: _____

CS (FIN) HB 162

(Consider?)

MEMBER

YES

NO

MEMBER	YES	NO
CROFT		✓
FOSTER	✓	
HAWKER	_____	
JOULE	_____	
MEYER	✓	
MOSES		✓
STOLTZE	✓	
WHITAKER	_____	
CHENAULT	_____	
WILLIAMS	✓	
HARRIS	✓	
TOTAL:		

PASSED: _____

5/2

FAILED: _____

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HB 162
(H) Publish Date: 3/5/03

Revision Date/Time (Note if correction): _____ Dept. Affected: DCED
Title An Act increasing the fee for a State BRU Occupational Licensing (117)
business license:.... Component Occupational Licensing
Sponsor _____
Requester _____ Component No. 2360

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
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 - 1175	6,935.0	6,935.0	6,935.0	6,935.0	6,935.0	6,935.0
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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 1175 - BusLic Receipts	6,935.0	6,935.0	6,935.0	6,935.0	6,935.0	6,935.0
TOTAL	6,935.0	6,935.0	6,935.0	6,935.0	6,935.0	6,935.0

Estimate of any current year (FY2003) cost: 0.0
Check this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time	3	3	3	3	3	3
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The bill increases the business license fee from \$25.00 per year to \$200.00 per year. Business Licensing regulation 12 AAC 12.010(a) specifies that business licenses are issued on a biennial cycle, and therefore licensees will be expected to pay \$400.00 license fees upon issuance of new or renewed licenses.

REVENUE:

The revenue increase identified above is based on licensees that would be eligible to renew, assuming that 40% of the 73,000 licensees would not renew due to the fee increase.

Prepared by: Tom Lawson Phone (907) 465-2144
Division: Administrative Services Date/Time 3/5/03 9:56 AM
Approved by: Edgar Blatchford, Commissioner Date 3/5/2003
Agency: Department of Community & Economic Development

HB 162



FRANK H. MURKOWSKI
GOVERNOR
GOVERNOR@GOV.STATE.AK.US

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JUNEAU, ALASKA 99811-0001
(907) 465-3500
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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

March 5, 2003

The Honorable Pete Kott
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Kott:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that would increase the fee for a business license.

The current fee has been in effect since 1949. The current revenues collected fall far short of the services provided to Alaskan businesses. The increase in fees is in line with what other states charge.

I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in cursive script that reads "Frank H. Murkowski".

Frank H. Murkowski
Governor

To: Josh Applebee

From: Rick Union

Issues Related to Alaska Business Fees

The projections in our proposed alternative ways of increasing the business license fee are all based on an actual count of 65,773 business licenses.

Alternative #1 Governor's Bill

A full 90% of the business licenses are issued to businesses with 0- 4 employees. We assume that 50% (21,966) of the sole proprietorships will not renew their licenses under this proposal.

All businesses	\$200 per year
----------------	----------------

Alternative #2

With this proposal we establish three classes of business licenses. The classes are based on the number of employees. These employee numbers coincide with the statistics now gathered by the Department of Labor in the quarterly reports filled by employers. While this proposal doubles the existing cost for a license on the low end, we assume that everyone currently licensed will renew. In all of our proposals with the fee based on the number of employees, we assume that all businesses with five or more employees will renew.

0-4 employees	\$50 per year
5-19 employees	\$100 per year
20 + employees	\$200 per year

Alternative #3

With this proposal, we assume that 12.5% (5,492) of the sole proprietors will not renew their licenses.

0-4 employees	\$75 per year
5-19 employees	\$150 per year
20 + employees	\$250 per year

Alternative #4

With this proposal, we assume that 25% (10,984) of the sole proprietors will not renew.

0-4 employees	\$100 per year
5-19 employees	\$200 per year
20 + employees	\$300 per year

Other Issues

1. Under current law, businesses with more than one location, such as Safeway and Williams Express, operate with only one business license. Amending Sec. 43.70.020(a) could change this. By requiring licenses for each location, we would gain about 267 businesses. Most of these would fall into the categories of five and above employees. This would result in additional revenue.
2. There has been some thought about going to an annual license in order to lessen the cash outlay required for the biennial license. If this were done it would have an effect on the tobacco endorsement required under Sec. 43.70.075. The law says that this endorsement costs \$100 and "expires at the same time as the license to which it attaches." Changing to an annual business license would have the effect of doubling the cost of this endorsement. We have issued 1,256 tobacco endorsements. This would bring in an additional \$125,600 in annual revenue.
3. There is no enforcement of the law requiring a business license and there has never been a case brought against anyone for operating without a license. There is confusion as to what the penalty is as there are sections in both Title 8 and Title 43. We may want to amend the law to allow for a simple citation with something like a \$100 fine.

#1 - GOVERNOR'S BILL: At \$200 per year for 0 - 4; 21,966 dropouts (50% sole proprietors)						
No. of Employees (DOL Qtr 3)	Dept of Labor Statistics (# of Firms)	No. of BL's 65,773	Proposed Fee (annual)	ANNUAL REVENUE	# of BL's x \$25 Annual Fee (Current Revenue)	Annual Rev. less Current Rev. NEW REVENUE
0 to 4	9,012	37,142	\$200.00	\$7,428,400.00	\$1,477,700.00	\$5,950,700.00
5 to 19	5,104	5,104	200.00	1,020,800.00	\$127,600.00	\$893,200.00
20 +	1,561	1,561	200.00	312,200.00	\$39,025.00	\$273,175.00
TOTAL Annual Revenue:				\$8,761,400.00	\$1,644,325.00	\$7,117,075.00
#2 - At \$50 per year for 0 - 4; with NO dropouts						
No. of Employees (DOL Qtr 3)	Dept of Labor Statistics (# of Firms)	No. of BL's 65,773	Proposed Fee (annual)	ANNUAL REVENUE	# of BL's x \$25 Annual Fee (Current Revenue)	Annual Rev. less Current Rev. NEW REVENUE
0 to 4	9,012	59,108	\$50.00	\$2,955,400.00	\$1,477,700.00	\$1,477,700.00
5 to 19	5,104	5,104	100.00	510,400.00	\$127,600.00	\$382,800.00
20 +	1,561	1,561	200.00	312,200.00	\$39,025.00	\$273,175.00
TOTAL Annual Revenue:				\$3,778,000.00	\$1,644,325.00	\$2,133,675.00
#3 - At \$75 per year for 0 - 4; 5,492 dropouts (12.5% sole proprietors)						
No. of Employees (DOL Qtr 3)	Dept of Labor Statistics (# of Firms)	No. of BL's 65,773	Proposed Fee (annual)	ANNUAL REVENUE	# of BL's x \$25 Annual Fee (Current Revenue)	Annual Rev. less Current Rev. NEW REVENUE
0 to 4	9,012	53,616	\$75.00	\$4,021,200.00	\$1,477,700.00	\$2,543,500.00
5 to 19	5,104	5,104	150.00	765,600.00	\$127,600.00	\$638,000.00
20 +	1,561	1,561	250.00	390,250.00	\$39,025.00	\$351,225.00
TOTAL Annual Revenue:				\$5,177,050.00	\$1,644,325.00	\$3,532,725.00
#4 - At \$100 per year for 0 - 4; 10,984 dropouts (25% sole proprietors)						
No. of Employees (DOL Qtr 3)	Dept of Labor Statistics (# of Firms)	No. of BL's 65,773	Proposed Fee (annual)	ANNUAL REVENUE	# of BL's x \$25 Annual Fee (Current Revenue)	Annual Rev. less Current Rev. NEW REVENUE
0 to 4	9,012	48,124	\$100.00	\$4,812,400.00	\$1,477,700.00	\$3,334,700.00
5 to 19	5,104	5,104	200.00	1,020,800.00	\$127,600.00	\$893,200.00
20 +	1,561	1,561	300.00	468,300.00	\$39,025.00	\$429,275.00
TOTAL Annual Revenue:				\$6,301,500.00	\$1,644,325.00	\$4,657,175.00

If we amend the law to require businesses with multiple locations to have a business license for each location, we would gain about 267 additional licenses (based on the multiple tobacco endorsement information).

Most of these would be in the 5, 10 and 20 categories.

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES

City of Leavenworth

P.O. Box 287
Leavenworth, WA 98826
Phone: 509/548-5275
FAX: 509/546-6429

INFORMATION FOR NEW BUSINESS OWNERS

A city business license is required for all businesses located within the city limits. An application can be obtained at the front counter in city hall. The business license year runs from July 1 through June 30. Most businesses are located within the commercial zones of the city. Some home businesses in the residential zones may be allowed but typically require a conditional use permit (CUP). A presubmission conference should be held to determine what will be required.

All commercial buildings, structures, walkways, and lighting in the commercial zones of the city are subject to the Old World Bavarian architectural theme requirements. These requirements are found in Chapter 14.08 of the Leavenworth Municipal Code and are reviewed by the Leavenworth Design Review Board. The city staff contact person for the design review board is the code administrator. A building permit and design review approval is required for most new commercial construction and remodeling. Design review approval is required for repainting of a commercial building to a color different from the color originally approved. A sign permit approved by the design review board is also required for a new sign or when changing a sign. To inquire about what requirements would apply to your project, please consult Chapters 14.08 and 14.10 of the Leavenworth Municipal Code and talk with the code administrator.

For most projects, a presubmission conference is required. This meeting is held to provide the applicant with the best available information regarding the development proposal and application processing requirements. The presubmission conference is an opportunity for the applicant, staff, and other agencies to informally discuss and review the proposed development, application and permit requirements, fees, review process and schedule, and applicable development standards, plans, policies and laws. A presubmission conference handout and application form are available at the front counter at city hall. The presubmission conference is offered at no charge.

CITY OF LEAVENWORTH, WASHINGTON
Annual Business License Application
City Business License Year is from July 1 - June 30.

Year _____

Name of Business _____

Mailing Address _____

Type of Business _____

Leavenworth Business Address _____ Phone: _____

Name of Owner _____

Mailing Address _____

Number of Persons, INCLUDING OWNERS, working in or for the Business on June 1st.

*No. of Persons _____ Fee \$ _____

Make Remittance to City Clerk

(*For businesses located outside city, show number of persons who perform any part of duties inside city, For businesses inside the city, show number of persons working in the business.)

SCHEDULE OF FEES

Number of Persons	Fee
1 to 5	\$100.00
6 to 12	\$120.00
13 to 25	\$270.00
26 to 50	\$475.00
51 and over	\$700.00
Any New Business, part year after	
January 1 to June 30	1/2 Rate

PENALTY - AFTER JULY 31st.

Any person failing to pay the annual license fee imposed when due shall pay a civil penalty to the City of Leavenworth equal to 50% of the applicable business license fee in the event the annual fee is paid after July 31 but on or before August 31 in the year in which it is due and a penalty equal to 100% of the applicable license fee due in the event the annual license fee is paid after August 31 in the year in which said fee is due. (Ordinance #'s 748 and 874)

I certify under penalty of perjury that the information above is correct, to my best knowledge and belief.

_____,20____
Date of Application

(Signature)

(Title)

Note: Please complete and return to:
City Clerk
P.O. Box 287
Leavenworth, WA 98826

Phone: (509) 548-5275
Fax: (509) 548-6429

CITY CLERK'S USE ONLY - DO NOT WRITE BELOW THIS LINE

DATE RECEIVED _____ LICENSE NO. _____ \$ _____ Annual

APPROVED BY _____ PENALTY _____

CHECK # _____ CASH _____ RECEIPT # _____ TOTAL \$ _____

PAYMENT DUE JUNE 30th - DELINQUENT PER PENALTY AFTER JULY 31st

3/12/2003

To: Senator Con Bunde
Chair Senate Labor and Commerce Committee
And Committee Members
Fax: 907-465-3871

From: Ronald Jordan
8170 Woodgreen Cr.
Anchorage, AK. 99518

Ref: SB 114 "Increase Business License Fee"

Dear Senator Bunde

SB 114 " Increase Business License Fee" I do agree that license fees need to be changed. But the proposed change by the Governor will hurt or stop a new small business from being started with a \$400.00 up front biannual fee. For a proposed license fee change like this would stop new many people from even starting up a business.

I would like to recommend a "Stair Step Method" licensing method that some city's and states have for established business in the lower 48. I would like to submit that the committee look at a \$100.00 biannual first time small business start up fee. State quarterly reports of personnel working would be able to track the need for increased fees.

Also I would to submit to you and your committee a licensing example from the City of Leavenworth, WA. on the following two faxed pages. If the committee would consider a look at changing our business licensing method to this type of program.

Sincerely
Ronald Jordan



8170 Woodgreen Cr.
Anchorage, AK. 99518
907-345-2755

Cc: Senator John Cowdery
My Senate Rep.

ATTEN: JANG

HB

162

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

REPORTED OUT

 MAY 19 2003

 SENATE FINANCE
 COMMITTEE

DATE: 5/19/03

FURTHER:

DATE TURNED
IN TO OFFICE: 19 May 2003

Finance Committee considered CS FOR HOUSE BILL NO. 162(RLS) am

HB 162 FEES: BUSINESS LICENSE & NATURAL RESOURCE

"An Act relating to fees adopted by the Department of Natural Resources under AS 44.37.025 or 44.37.027 and to business license fees; 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#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
DNR	7/2/03		✓	#2
DCED	7/2/03	193.4		#4

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>Robin Hopper</i>			✓	
<i>John Hoff</i>			✓	
<i>Brad Bell</i>			✓	
<i>Ben Stevens</i>	✓			✓
COCHAIR: <i>Lyle Green</i>			✓	
COCHAIR: <i>Henry Lee</i>	✓			

MAY 19 2003

SENATE FINANCE
COMMITTEE

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: CSHB 162(FIN)
(H) Publish Date: 5/6/03

Revision Date/Time (Note if correction): _____ Dept. Affected: Natural Resources
Title Increase Business License Fee BRU Management & Administration
Component Recorder's Office/UCC
Sponsor Rules by Request
Requester (H) FIN Component No. 802

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
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 ()						
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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--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2003) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

There is no fiscal impact associated with implementation of this legislation. The Recorder's Office/UCC portion of this legislation allows the Recorder's Office to charge fees in excess of the average cost of operations. This legislation on its own does not change the current fees charged, which are set through regulation.

Prepared by: Nico Bus, Acting Director Phone 465-2406
Division Support Services Date/Time 5/2/2003
Approved by: Tom Irwin, Commissioner Date 5/2/2003
Agency Natural Resources

FISCAL NOTE

REPORTED OUT

MAY 19 2003

SENATE FINANCE
COMMITTEE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 4
Bill Version: CSHB 162(RLS)
(H) Publish Date: 5/13/03

Revision Date/Time (Note if correction): _____ Dept. Affected: DCED
Title Increase Business License Fee BRU Occupational Licensing (117)
Component Occupational Licensing
Sponsor Rules by Request of the Governor
Requester House Rules Component No. 2360

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services	146.4	146.4	146.4	146.4	146.4	146.4
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	30.0	30.0	30.0	30.0	30.0	30.0
Supplies	5.0	5.0	5.0	5.0	5.0	5.0
Equipment	12.0					
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	193.4	181.4	181.4	181.4	181.4	181.4

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

CHANGE IN REVENUES (1175)	4,167.3	4,167.3	4,167.3	4,167.3	4,167.3	4,167.3
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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 1175 - BusLic Receipts	193.4	181.4	181.4	181.4	181.4	181.4
TOTAL	193.4	181.4	181.4	181.4	181.4	181.4

Estimate of any current year (FY2003) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time	2	2	2	2	2	2
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

CSHB 162(RLS) establishes a \$100 annual fee for all Business License categories: Sole Proprietors, Partnerships, and Corporations; and establishes a \$50 annual fee for a Sole Proprietor who is age 65 or will be 65 within the year.

Detailed explanation of the costs shown above are attached.

Prepared by: Jennifer Strickler, Administrative Manager Phone 907-465-2144
Division Occupational Licensing Date/Time 5/12/03 12:19 PM
Approved by: Edgar Blatchford, Commissioner Date 5/12/2003
Agency Department of Community & Economic Development

FISCAL NOTE #4

STATE OF ALASKA
2003 LEGISLATIVE SESSION

BILL NO. CSHB 162(RLS)

ANALYSIS CONTINUATION

CSHB162 (RLS): An Act relating to fees charged by certain state agencies;....

PERSONAL SERVICES: \$146.4

1 - Administrative Clerk III position, Range 10, PFT, located in Anchorage, \$40.3
Currently, the business licensing program is supported by one dedicated position in Anchorage. By switching from a biennial to annual cycle, this position is needed to support the increased workload of the program.

1 - Analyst Programmer III position, Range 18, PFT, located in Juneau, \$65.8
The change in licensing biennial to annual will require reprogramming of all business licensing programs including databases and the online licensing programs.

Funding for an additional Administrative Clerk III position, Range 10, PFT, located in Juneau, \$40.3.
Currently, the position is funded by RSA from the Department of Health & Social Services for tobacco enforcement related purposes; however, RSA funds are likely to be reduced. Maintaining this position is essential to operating the business licensing program on an annual cycle.

TRAVEL: \$0.0

No travel is required.

CONTRACTUAL SERVICES: \$30.0

Funding needed to reprint basic forms, public notices, and revise regulations, \$10.0
Funding needed to revise and mail renewal packets, \$20.0

SUPPLIES: \$5.0

Basic operating supplies to change licensing cycles.

EQUIPMENT: \$12.0 (one-time costs)

Basic office equipment and work station configuration for the new positions.

REVENUE:

The revenue is based on the calculations shown on page 3.

FISCAL NOTE #4

STATE OF ALASKA
2003 LEGISLATIVE SESSION

BILL NO. CSHB 162(RLS)

ANALYSIS CONTINUATION

CSHB162 (RLS): An Act relating to fees charged by certain state agencies;....

REVENUE

Based on the total of 69,315 business licenses on 4/17/03 and an estimated dropout of 25% of 41,253 Sole Proprietors = 10,313.

		Annual Revenue	Current Revenue	NEW REVENUE
Sole Proprietors	30,940 x \$100.	\$3,094,000.	\$1,031,325.	\$2,062,675.
All Others	<u>28,062 x \$100.</u>	<u>2,806,200.</u>	<u>701,550.</u>	<u>2,104,650.</u>
	59,002 x \$100.	\$5,900,200.	\$1,732,875.	\$4,167,325.
TOTAL NEW ANNUALREVENUE:				\$4,167,325.

TOTAL BUSINESS LICENSES ON 4/17/03

Sole Proprietor	41,253
Corporation or Limited Liability	19,663
Partnership, Limited Liability Partnership, or Limited Partnership	8,399
TOTAL LICENSES:	69,315

Talking Points
HB162 Increase Business License Fees

- The cost of a business license has been \$25 per year since 1949.
- As stated in a 1960 Attorney General's opinion, the main purpose of the Alaska Business Act is to generate revenue. In these times of reduced State revenues and after a fifty-four year reprieve, we are looking at these fees as a legitimate source of funds.
- The Governor's original bill called for a flat annual fee of \$200 per year for all businesses.
- In the House Labor & Commerce Committee, the bill was amended to establish a three tiered approach with the cost of a license based on the number of employees. This was a fair attempt to make the proposed increase easier on small businesses. However, this approach made administering the program more difficult, and resulted in businesses that may be able to afford the higher fee, paying a lower fee, in an effort to keep fees low for very small home businesses.
- The House Finance Committee substitute changed the bill to a two tiered approach, with the cost of a license based on the legal form of the business entity; \$100 a year for sole proprietors and \$300 a year for all other forms of business. That includes corporations, limited liability companies, partnerships, limited liability partnerships, and limited partnerships. In addition to generating more revenue, this would be easier to administer (than fees based on the number of employees in a firm) because applicants for a business are required to state the form of their business at the time they apply for a license.

In Section 2 of the House Finance Committee substitute there was also a provision that allows sole proprietors who have reached the age of 65 to pay a fee of \$50 per year. The projected new revenue from the business license fee of the House Finance version would be \$9,905,325.

- There has been no opposition to this bill from business groups. While NO ONE steps forward and volunteers to an increase in taxes, most obviously understand the need for increased revenue.

- The House Finance Committee substitute also exempts the Department of Natural Resources from AS 37.10.050 and allows them to charge recording and Uniform Commercial Code fees in excess of the average cost of operations. This provision is included in CHB162(RLS) am.
- The bill was amended on the floor of the House to reduce the business license fee to \$25 per year if the business earns less than \$500 net federally taxable income per year. The House then rescinded their action in adopting the amendment.
- The House Rules Committee amended the bill to set a flat \$100 per year fee for a business license for all licenses. This version (CSHB162 (RLS) am) retains the provision for a \$50 fee for sole proprietors who have reached the age of 65. If passed, the business license provisions would generate an estimated \$4,167,300.00 in new revenue annually. This version also exempts DNR from AS 37.10.050.

HB162 and SB 114 - DNR amendment - explanation:

DNR's amendment is requested to allow the Recorder's Office to charge fees in excess of its average cost of operations. This amendment on its own does not change the current fees charged. The Administration plans to increase the recording fees through regulations. The following explains the proposed increases in the Recording and UCC fees. In summary:

- **The Recording fees are proposed to increase from \$15 for the first page to \$20 and from \$3 for each additional page to \$5 for each additional page of the same document, generating an estimated \$2.2 million additional revenues for the State.**
- **The Uniform Commercial Code fees are proposed to change from a filing fee of \$8 per debtor to a flat fee of \$20 regardless of how many debtors, generating between \$100.0 and \$175.0 of additional revenues.**

By DNR

05/07/03, 8:38 AM

**Division of Occupational Licensing
PROPOSED BUSINESS LICENSE FEES**

#1 – GOVERNOR'S BILL: At \$200 per year for 0-4; 21.966 dropouts (50% Sole Proprietors)

NEW REVENUE: \$7,117,075.00

#2 – CSHB162 (L&C): At \$50. \$100. \$200: with no dropouts

NEW REVENUE: \$2,133,675.00

#3 – CSHB162 (FIN): At \$100 and \$300; with 10.313 dropouts (25% Sole Proprietors)

NEW REVENUE: \$9,905,325.00

#4 – At \$50 annual for all licensees; NO dropouts

NEW REVENUE: \$1,644,325.00

#5 – At \$100 and \$200; with 10.313 dropouts (25% Sole Proprietors)

NEW REVENUE: \$7,099,125.00

#6 – At \$100 and \$250; with 10.313 dropouts (25% Sole Proprietors)

NEW REVENUE: \$8,502,255.00

#7 – At \$100; with 10.313 dropouts (25% Sole Proprietors)

NEW REVENUE: \$4,167,325.00

By DCED

HB 162



FRANK H. MURKOWSKI
GOVERNOR
GOVERNOR@GOV.STATE.AK.US

P.O. Box 110001
JUNEAU, ALASKA 99811-0001
(907) 465-3500
FAX (907) 465-3532
WWW.GOV.STATE.AK.US

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

March 5, 2003

The Honorable Pete Kott
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Kott:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that would increase the fee for a business license.

The current fee has been in effect since 1949. The current revenues collected fall far short of the services provided to Alaskan businesses. The increase in fees is in line with what other states charge.

I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in cursive script that reads "Frank H. Murkowski".

Frank H. Murkowski
Governor

SENATE FINANCE COMMITTEE

SIGN-IN

HB 162-INCREASE BUSINESS LICENSE FEE

NAME: Rick Uribe Subject/Bill No: _____
Co./Dept./Title: Occupational Licensing 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

HB

165

HFIN

FILE

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 165
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Education & Early Development
 Title An act relating to community schools; and BRU K-12 Support
providing for an effective date. Component Foundation Program
 Sponsor Rules Committee
 Requester Governor Component No. 165

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
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--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2003) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would eliminate the Community Schools Grant Program.

Prepared by: Eddy Jeans, School Finance Manager
 Division: Education and Early Development
 Approved by: _____
 Agency: Education and Early Development

Phone 465-8679
 Date/Time 4/25/03 9:26 AM
 Date 4/25/2003

House Finance Committee Vote Sheet

DATE: _____

4/23/03

SUBJECT: _____

HB 165

MEMBER

YES

NO

MEYER	✓	
MOSES	RE ✓	
STOLTZE		✓
WHITAKER	WH ✓	
CHENAULT	✓	
CROFT		✓
FOSTER	✓	
HAWKER		✓
JOULE	_____	
WILLIAMS	✓	
HARRIS	✓	
TOTAL:		

PASSED: _____

7-3

FAILED: _____

Alaska Department of Education and Early Development
 FY02 Community schools expenditures and grants
 Prepared 3/12/03

School District	Community Schools FY02 Expenditures	FY02 Community Schools Grant Allocation	Percentage of Grants to Expenses
ALASKA GATEWAY	3,694	3,694	100.00%
ALEUTIAN REGION	1,539	1,539	100.00%
ALEUTIANS EAST	27,930	2,197	7.87%
ANCHORAGE	1,244,718	151,974	12.21%
ANNETTE ISLAND	12,492	1,541	12.34%
BERING STRAIT	88,756	11,505	16.73%
BRISTOL BAY	1,539	1,539	100.00%
CHATHAM	1,640	1,640	100.00%
CHUGACH	101,248	1,539	1.52%
COPPER RIVER	4,106	4,106	100.00%
CORDOVA	2,055	2,055	100.00%
CRAIG	2,090	2,090	100.00%
DELTA GREELY	3,720	3,720	100.00%
DENALI	1,993	1,993	100.00%
DILLINGHAM	455,276	2,986	0.66%
FAIRBANKS	180,376	50,068	27.76%
GALENA	401,339	10,961	2.73%
HAINES	165,908	1,542	0.93%
HOONAH	109,448	1,539	1.41%
HYDABURG	1,539	1,539	100.00%
IDITAROD	17,883	4,425	24.74%
JUNEAU	1,334,931	15,849	1.19%
KAKE	1,539	1,539	100.00%
KASHUNAMIUT	208,541	1,539	0.74%
KENAI	281,872	32,686	11.20%
KETCHIKAN	50,283	7,535	14.99%
KLAWOCK	1,539	1,539	100.00%
KODIAK	10,368	10,368	100.00%
KUSPUK	3,523	3,483	98.86%
LAKE & PEN	4,593	4,593	100.00%
LKSD	76,081	26,592	34.95%
LOWER YUKON	10,733	10,987	102.37%
MAT-SU	182,444	47,042	25.78%
NENANA	11,917	5,146	43.18%
NOME	47,875	3,871	8.09%
NORTH SLOPE	478,686	7,512	1.57%
NW ARCTIC	15,285	15,285	100.00%
PELICAN	2,188	1,539	70.34%
PETERSBURG	13,198	2,355	17.84%
PRIBILOF	162,743	1,539	0.95%
SITKA	607,050	5,030	0.83%
SKAGWAY	4,312	1,539	35.69%
SE ISLAND	2,238	2,238	100.00%
SW REGION	4,510	4,510	100.00%
ST. MARY'S	1,539	1,539	100.00%
TANANA	1,539	1,539	100.00%
UNALASKA	438,908	1,549	0.35%
VALDEZ	554,324	2,887	0.52%
WRANGELL	11,673	1,907	16.34%
YAKUTAT	30,741	1,539	5.01%
YUKON FLATS	4,993	3,148	63.01%
YUKON-KOYUKUK	4,461	4,461	100.00%
YUPIIT	13,132	2,925	22.27%
TOTAL	\$7,397,048	\$500,000	6.76%

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: HB 165
 (H) Publish Date: 3/5/03

Revision Date/Time (Note if correction): _____ Dept. Affected: Education & Early Development
 Title An act relating to community schools; and BRU K-12 Support
 providing for an effective date. Component Foundation Program
 Sponsor Rules Committee
 Requester Governor Component No. 165

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	(500.0)					
Miscellaneous						
TOTAL OPERATING	(500.0)	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	(500.0)					
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	(500.0)	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2003) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would eliminate the Community Schools Grant Program.

This fiscal note is reflected in the Governor's FY2004 budget.

Prepared by: Eddy Jeans, School Finance Manager Phone 465-8679
 Division Education and Early Development Date/Time 3/6/03 5:38 PM
 Approved by: Karen Rehfeld Date 3/6/2003
 Agency Education and Early Development

DEPARTMENT OF EDUCATION & EARLY DEVELOPMENT
 FY2004 PROJECTED COMMUNITY SCHOOLS GRANTS
 PREPARED 12/10/2002

FN #1
 HB 165

3/6/2003 FILE: HB 165.xls

SCHOOL DISTRICT	A Projected FY2003 STATE AID	B STATE AID AT .005	C COLUMN B OR \$10,000 THE GREATER OF	COLUMN C PRO RATA AT 15.20424%
ALASKA GATEWAY	4,846,086	24,230	24,230	53,684
ALEUTIAN REGION	1,027,869	5,139	10,000	1,520
ALEUTIANS EAST	3,019,705	15,099	15,099	2,296
ANCHORAGE	200,173,438	1,000,867	1,000,867	152,184
ANNETTE ISLANDS	683,460	3,417	10,000	1,520
BERING STRAIT	14,432,774	72,164	72,164	10,972
BRISTOL BAY	1,267,951	6,340	10,000	1,520
CHATHAM	1,988,080	9,940	10,000	1,520
CHUGACH	1,678,315	8,392	10,000	1,520
COPPER RIVER	5,569,263	27,846	27,846	4,234
CORDOVA	2,640,154	13,201	13,201	2,007
CRAIG	3,609,712	18,049	18,049	2,744
DELTA/GREELY	5,350,326	26,752	26,752	4,067
DENALI	2,412,614	12,063	12,063	1,834
DILLINGHAM	3,735,575	18,678	18,678	2,840
FAIRBANKS	64,045,871	320,229	320,229	48,688
GALENA	15,332,705	76,664	76,664	11,658
HAINES	1,926,970	9,635	10,000	1,520
HOONAH	1,569,147	7,846	10,000	1,520
HYDABURG	806,320	4,032	10,000	1,520
IDITAROD	5,374,898	26,874	26,874	4,086
JUNEAU	20,169,944	100,850	100,850	15,333
KAKE	1,164,397	5,822	10,000	1,520
KASHUNAMIUT	2,188,636	10,943	10,943	1,664
KENAI	41,916,018	209,580	209,580	31,865
KETCHIKAN	9,531,372	47,657	47,657	7,246
KLAWOCK	1,343,922	6,720	10,000	1,520
KODIAK	14,202,764	71,014	71,014	10,797
KUSPUK	4,328,199	21,641	21,641	3,290
LAKE AND PENINSULA	5,830,905	29,155	29,155	4,433
LOWER KUSKOKWIM	35,968,368	179,842	179,842	27,344
LOWER YUKON	13,718,362	68,592	68,592	10,429
MAT-SU	65,632,745	328,164	328,164	49,895
NENANA	6,600,457	33,002	33,002	5,018
NOME	4,853,164	24,266	24,266	3,689
NORTH SLOPE	9,501,142	47,508	47,508	7,223
NORTHWEST ARCTIC	20,305,455	101,527	101,527	15,436
PELICAN	369,820	1,949	10,000	1,520
PETERSBURG	3,225,809	16,129	16,129	2,452
PRIBILOF	1,098,852	5,494	10,000	1,520
SITKA	6,657,131	33,286	33,286	5,061
SKAGWAY	820,071	4,100	10,000	1,520
SOUTHEAST	2,547,272	12,736	12,736	1,936
SOUTHWEST	6,418,539	32,093	32,093	4,879
ST. MARY'S	1,783,888	8,919	10,000	1,520
TANANA	800,870	4,004	10,000	1,520
UNALASKA	2,052,155	10,261	10,261	1,560
VALDEZ	3,816,916	19,085	19,085	2,902
WRANGELL	2,452,578	12,263	12,263	1,864
YAKUTAT	1,055,226	5,276	10,000	1,520
YUKON FLATS	3,923,274	19,616	19,616	2,982
YUKON/KOYUKUK	5,179,970	25,900	25,900	3,938
YUPIIT	4,146,523	20,733	20,733	3,152
TOTALS	\$645,115,977	\$3,225,582	\$3,288,557	\$500,000

THE
FOLLOWING
DOCUMENT(S)
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COPIES

House Finance Committee
HB 165

4/10/03

The Anchorage Schools District prefers that it Community Schools remains in statute, with the modification of the intent language to include ongoing operation.

Since 1975, current legislation has enabled the schools throughout Alaska to become community schools. Because of current statute, our communities have not only come to highly value their local schools, they have become strong supporters in the educational needs of our children, and in supporting continued funding to renovate and /or build facilities that meet the school day needs of our student.

Establishing community schools allows an opportunity to provide continued education for all ages of learners. Life long learning, a goal that is found within the Dept. of Education and Early Development, is met through the variety of programs and services that local Community Schools offer.

If it is the belief of the Legislative body and the Finance Committee that the original "intent" of current legislation has been met, I would argue that this is not true. Within Anchorage alone, we have over 80 schools, each school serves a specific community of learners and residents. However, currently we have 13 Traditional Community School sites. Each program offers classes and activities on a quarterly basis to their local community. Staff do reach out to neighboring communities to try and provide extended services, however, current funding levels and budget restrictions do not enable the Anchorage School District the ability to make each school a community school.

Throughout Alaska many communities are gaining in population, along with an increase of citizens comes a growing diverse community of learners. Many of which bring unique needs to our communities. Community Schools provides an important and critical component to our communities, that of lifelong learning through the concept of community education.

We are not done, our jobs have only started and each day, as our communities grow, needs increase and change and we are taxed with the task of meeting those needs. Without community schools, those needs will be left unmet.

I urge you to not support HB 165, but to keep Community Schools in statute, with the modification of the intent language to include ongoing operation.

Debbie Bogart
Director, Community Education
Anchorage School District
(907) 742-4141

To: House Finance Committee
RE: HB 165

4-10-03

From: Leola Rutherford
PO Box 178
Girdwood, AK 99587

783-9810

Please do not repeal the Community School
legislation through HB165. Four Valley's Community
(FVCS)
Schools is vital to the Girdwood, Portage, Indian
and Bird Creek communities. Through this
active, successful and unique program Girdwood
School has become the hub of our community.
Residents ~~but~~ with children in the school
~~and~~ benefit but so do community members
without children. The services and opportunities
offered through FVCS are not available elsewhere
nor can they be offered by the school staff or
PTA. We need this program to continue. It
is working. It is wanted. It is irreplaceable.
Don't cut it! As a parent, ~~and~~ as a ~~private~~
business owner, a teacher and student of
FVCS programs ~~to~~ ~~to~~ my family and I
firmly believe the quality of our life
that we enjoy in Girdwood is ~~in~~ a large part
thanks to the Community Schools program.
This should be the last thing cut, not
one of the first. Look not only at the \$ but
also at what that \$ brings ... 10...100...1,000
fold. Don't pass HB165. Preserve the Community
School legislation. Leola Rutherford



ASD TRADITIONAL COMMUNITY SCHOOLS 2002 - 2003

Participation in Activities SOARI

During the 2001-2002 school year, Traditional Programs offered more than 2,800 high quality, affordable programs to students, families and communities through life-long education.

- * K-12 Enrichment - 19,800 students participated in classroom and school-wide events.
- * Youth Classes / Activities - 33,600 youth, ages 1-19 participated in afterschool, evening and weekend events.
- * Adult Classes / Activities - 9,110 participants registered for evening and weekend classes. 28,841 adults attended activities and events, which did not require registration. These included such activities as; community meetings, community school city-wide events.
- * Throughout the year, thousands of community members volunteer in the Community School program. This past year, 5,856 people provided over 27,832 hours of volunteer time.

State Goals Link to ASD Mission and Student Achievement.

Each program is required to address and meet the following specific goals for the 2001-2004 State funding period:

1. Enrich the K-12 program with community resources.
2. Support interagency cooperation with the community school.
3. Promote community development.
4. Offer additional opportunities for the involvement of youth beyond the regular K-12 Program.

5. Offer opportunities for adults/families.
6. Maximize use of school and other public facilities.
7. Promote community education.

Traditional Community School Programs achieve these goals with outstanding marks!!

When asked to respond to the 2001-2002 ASD Goal Report on how Traditional Community School Programs have helped in achieving academic excellence in Reading, Writing and Math, Traditional Community School programs were able to site specific objectives and give clear examples of their help.

OBJECTIVITIES

1. Each traditional site must offer at least one activity that will assist parents/adults to help children increase their skills in Math, Reading and Writing,
2. Each Community School is responsible to coordinate at least three enrichment opportunities for their schools.

Community Schools Supports Academic Activities

- Creekside - Annually supports the Artist in Residency program. Hosted the first "Reading Aurora program for ASD Channel 14. Hosts Family Library Night, schedules youth safety programs such as; gun safety, big road machine safety, fire safety and provides enrichment on Alaska Animals and Kindergarten preparation.
- Rabbit Creek - Author in the Classroom project with 10 authors throughout the year visited classrooms and worked on reading/writing development.
- Sandlake - Dimond High tutorial program, Japanese Poetry and Poetry artist for Kincaid, Salmonoid Reading program.
- Chester Valley - purchased 1,000 books for the library.
- Baxter - 2 week visit with Alaskan author - Larry Kaniut, 2 week intensive school-wide reading program - "Iditaread".
- Inlet View - supports 3 elementary schools with enrichment grants totaling \$4500. This money helps with such programs as; Battle of the Books, publishing "The Nanuq News", funds for three week Nature Studies Curriculum for Chugiach Optional. Family

Math/Science events, Library nights and assemblies are also supported financially.

- Four Valleys (Girdwood) – supports the student body with a \$5,000 enrichment budget, annually. With this teachers can request annually two field trips for their classroom. Another activity included two-week Artists in Residency program.
- Tudor – jointly purchased with PTA book for the Battle of the Books program, provided buses for field trip activities, sponsors the 100th day celebration for the 4 Kindergarten and 3 First grade classes.
- Grucning – allocates \$4,000 for enrichment opportunities/grants to ten schools in the Chugiak/Eagle River area.
- Rogers Park/Lk Otis – sponsors the school-wide Science Day, Champions Readers Club, Spanish classes before and afterschool, Family Math and Science nights.
- Fairview – sponsors before language classes in Spanish and French, provides before school tutoring and computer lab time.
- Bear Valley – provides tutorial programs in Reading and Math and with the PTA funds an Artist in Residency program each year. Provides funds for Science Fair awards, participates in Family Math and Science Nights and purchases books for classrooms.
- Campbell – provides tutoring in math, language art, reading and work habits. Hosts "Anchorage Reads" a volunteer based program that works with individuals and small groups in reading. Provides enrichment activities, of which include; Alaska Zoo visits, and Family Math and Science Nights.

Traditional Programs, on an average, contribute over \$3,000.00 for school-wide resources, annually.



Healthy Kids/Safe Neighborhoods

With hundreds of programs and activities each quarter, Traditional program sites are able to extend the use of school facilities to offer a safe location for Anchorage students before and afterschool. Five

Traditional Community School programs offered afterschool tutorial programs in 2001-2002, serving over 800 students in grades 3-10. Before school language programs are becoming more common at Traditional Program sites. Through participation in these classes, students not only learn a new language, they gain a greater understanding of the many cultures in their schools.

Summer math camps, reading programs, enrichment classes and fun recreational activities engage neighborhood children in safe/healthy opportunities that are close to their homes.

Business and Community Partnerships

Every Traditional Program reaches out into their community to build upon important resources that strengthen partnerships. Businesses, non-profit organizations and local agencies are active partners in community schools. These partnerships build opportunity for collaboration and sponsorship of citywide events, resources for K-12 enrichment, before and afterschool programs as well as evening and weekend activities for all.

Some of our partners include;

Alaska Health Fair....Americorps/Nine Star.....Alaska Zoo....Imaginarium....Forest Service....Alaska Fish and Game...Boy Scouts...Girl Scouts.... Village Charter School...Anchorage Literacy Program...Anchorage Parks and Recreation Program...ALPAR....The Alaska Club...Knk Little League...Kincaid Outdoor Center...Providence Hospital...Special Olympics.... Alyeska Ski Resort...Cooperative Extension Service..Alaska Earth Institute....Alaska Theater of Youth....Alaska Park Service... APU Outdoor Education...U.S. Coast Auxiliary.....GEICO Direct.....American Red Cross:.....Kiwanis...Northern Medical Services...

Quality School Initiative Goals

Traditional Programs help ASD achieve Quality School Initiative Goals by providing:

- tutorial programs for students in K-12,
- financial support for staff training,
- financial support for classroom instructional materials,
- providing special learning opportunities for students,
- building and maintaining strong partnerships with communities, businesses and organizations.

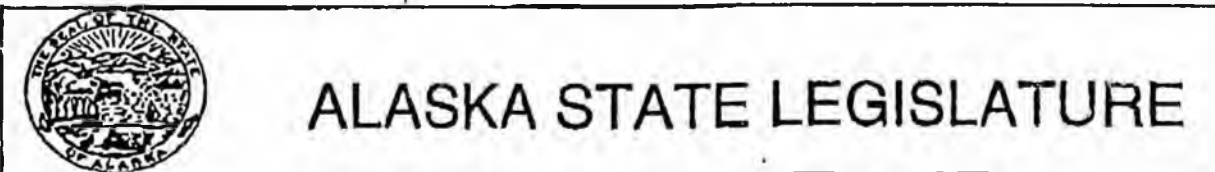


Please enter into the record my testimony to the Home Finance
 Committee on HB 165 Committee Name
 Dated 4/10/03
 Bill / Subject

As a life long Fairbanks resident I strongly urge you to support funding for community schools at the current funding level. Community schools in Fairbanks is far from "Let's keep the gym open" kind of a program. Just try to find a place to park at Ryan any night of the week. There was a huge list of crosses available to register for during their spring program. I'm trying to be a model for my grown children and my grand children - I am a life long learner. Even considering a new road to Central + Circle Hill Spgs when community block grants and elimination of the seniors longevity program are being cut or eliminated is NOT acceptable.

Support local community block grants, education funding and statewide Community School programs.

SIGNED: Peggy Mead
 Testifier
mead
 Representing
288 Kamling Rd Fairbanks Ak 99712
 Address / Phone Number (907)457-2199



Please enter into the record my testimony to the House Finance
 Committee on HB 165 Community Schools Dated 4/10/03
Committee Name
Bill / Subject

Please be assured that the \$500,000 designated for Community School funding across the State is currently providing much needed community access to our schools. Many of the schools would not be able to provide access to life-long learning opportunities for all residents without this funding. Districts across the state leverage the Community School grant funding with business donations, volunteer time, fees collected and existing support from the school district to provide these services. If this funding is not restored in the budget, these programs will also not exist at their current level & in some communities, not at all. Please take time to reconsider Community School funding and the current law supporting Community Schools.

SIGNED: Jim Curry Thank You
 Testifier

Alaska Association of Community
 Representing Education
204 Socia Avenue, Fairbanks AK
 Address / Phone Number (907) 474-0562 99712



ALASKA STATE LEGISLATURE

Please enter into the record my testimony to the House Finance
 Committee on HB 165 Committee Name
Bill / Subject Dated 4/10/03

As a teacher of classes in the Community Schools program, I strongly urge the continuation of the funding. I thoroughly enjoy teaching my classes and my students appreciate the opportunity to take them. This program is very important in Fairbanks - my classes are generally full & I have had ^{many} students ask me to please teach more classes. The legislature should continue the funding for this program; it is an asset to the community. It's an opportunity for self-improvement that many kids wouldn't have otherwise. PLEASE continue to support Community Schools in Fairbanks and all over Alaska!

SIGNED:

Edie Barbour

Testifier

Representing

PO Box 81876 Fairbanks 99708 452-~~8660~~ 5060

Address / Phone Number

Alaska State Legislature
HOUSE OF REPRESENTATIVES
House Finance Committee

AGENDA

April 10, 2003 - Thursday

HB 109-TREASURY WARRANTS

Testifiers:

Rep. Weyhrauch or Linda Sylvester, staff

Kim Garnero, Director, Administrative Services, Administration.

Questions:

Rachel Lewis, Dept. of Revenue

HB 165-COMMUNITY SCHOOLS

Testifiers:

Kevin Sweeney, Legislative Liaison, DEED

Joyce Kitka, Volunteer, Alaska Association for Community

Education

Susan Burke

Teleconference: (see lists)

HB 154-UNDER SCHOOL AGE STUDENTS

Testifiers:

Kevin Sweeney, Legislative Liaison, DEED

Bruce Johnson, Association of Alaska School Boards

Teleconference: (see lists)

FAX COVER SHEET

ANCHORAGE LEGISLATIVE INFORMATION OFFICE

Office 907-269-0111

Fax 907-269-0229

To: (11) Finance

Attn: Rep Harrow

Fax: 465-6813 Phone: _____

From: ANC TC Phone: _____

Instructions: All ANC members & Rep Wilson

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DATE: 4-10-03

SUBJECT OF MEETING:

HB 165

UPDATE #:

P R I N T YOUR NAME

ADDRESS (MAILING & ZIP)

REPRESENTING

DO YOU WANT
TO TESTIFY?
Y or N

Julie Jonas		Four Valleys Comm Sch	Y-HB 165
Email address:			
Barbara Hayr			Y-HB 165
Email address:			
Rebecca Reichlin			Y-HB 165
Email address:			
Elizabeth Putman		Rogers Park	Y-HB 165
Email address:			
Jody Liddicout		FVCS	Y-HB 165
Email address:			
Leola Rutherford			Y-HB 165
Email address:			
Debbie Bogart		ASD	Y-HB 165
Email address:			