

ALASKA LEGISLATURE

2753

HOUSE and SENATE FINANCE COMMITTEE FILES, 2003-2004

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DOCUMENT(S)
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STATE OF ALASKA

DEPARTMENT OF REVENUE

PERMANENT FUND DIVIDEND DIVISION

FRANK MURKOWSKI, GOVERNOR

State Office Building
PO Box 110460
Juneau, AK 99811-0460
Telephone : 907-465-2323
Fax : 907-465-2098

April 19, 2004

The Honorable Fred Dyson
Alaska State Legislature
State Capitol Building
Juneau, AK 998091

Dear Senator Dyson:

Thank you for the opportunity to present our case for subpoena authority for the Permanent Fund Dividend Program.

Regrettably, the dividend program has its share of applicants who fraudulently seek dividends. These applicants include people who apply on behalf of deceased spouses and children, parents applying for children who are not in their custody, and those who steal the identity of others. The division has responsibility to assure that fraud is identified, prosecuted, and deterred to the extent possible.

A year ago, the division hired a new, very competent, investigator and we are in the process of developing an aggressive fraud program. In less than nine months, our single new inspector worked over 950 fraud tips received from the public and from other governmental agencies and as a result denied or assessed 420 applicants for a total of \$590.6. The division also conducted selective audits of categories of applicants that we had reason to think may include a high incidence of fraud. Last year, we audited all applicants who had refused jury duty, stating that they were no longer residents of the state and all applications mailed in from out of state. We denied or assessed another 450 applicants for a total of \$505.0 as a result of these audits. This year, we continue to follow up on all fraud tips, will repeat the two audits mentioned above, and we have planned a new audit of applicants using private mail box addresses.

To maximize our staff of one, we have established cooperative working relationships with federal, state, and local law enforcement agencies, and other state fraud units. We have recently received eager commitments from the US Office of the Inspector General to take any of our identity theft cases involving the use of a social security number, from the US Department of Justice to take any cases of identity theft involving stolen passports, and from the US Postal Inspector to press a class action suit of the cases that result from our private mailbox audit.

Senator Dyson
April 19, 2004
Page 2

To be even more effective, we need specific subpoena power. Individuals are not always forthcoming with the information about themselves that we need to prove fraud; and sometimes public and private entities need a subpoena to be able to provide needed information about their clients. For example, we will need to subpoena the records of the private mail box entities to get the information we need to investigate possible fraud among that applicant group. Without specific authority, we would have to go to the court system on a case by case basis. This is a cumbersome process for both the PFD and for the court.

We look forward to working with you and your staff on this proposed legislation.

Sincerely,



Sharon Barton
Director

cc: Mike Tibbles
Steve Porter
Landa Baily
Tony Lombardo

SENATE COMMITTEE REPORT

First Committee of Referral

DATE: 3/24/04

FURTHER: Finance

Date of 5-Day Notice: 4/8/04
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 4.19.04

Health, Education and Social Services Committee considered SENATE BILL NO. 376

SB 376 PUBLIC ASSISTANCE AND SUBPOENA POWER

"An Act relating to public assistance and subpoena powers."

and recommends:

- be replaced with _____ CS for SB 376 (HES)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:	
<input type="checkbox"/>	Same Title
<input checked="" type="checkbox"/>	New Title
House Bill:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

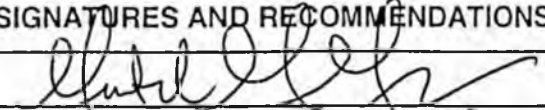
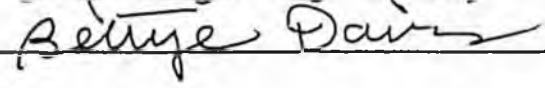
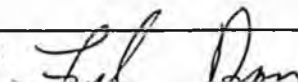
NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

^{New} FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
HSS	3/31	✓			1
HSS	3/31	✓			2

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>Gross</i> 			✓	
<i>Lewis</i> 	✓			
<i>Dyson</i> CHAIR: 	✓			

SENATE FINANCE COMMITTEE

SIGN-IN

SB 376-PUBLIC ASSISTANCE AND SUBPOENA POWER

NAME: Jason Hooley Subject/Bill No: SB 376
Co./Dept./Title: Staff to Dyson Phone: 465.3762
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions

NAME: SHARON BARTON Subject/Bill No: SB 376
Co./Dept./Title: REVENUE/PED DIRECTOR Phone: 465-4785
Address: 114th PI SOB Zip: 99811
Do you wish to testify? Yes No Respond To Questions

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

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

SB

377

SFIN

FILE



Official Business

Alaska State Legislature

Senate

Office of the Secretary

State Capitol, Room 213
Juneau, Alaska 99801-1182
Phone: (907) 465-3701
Fax: (907) 465-2832
Email:senate_secretary@legis.state.ak.us

FOR YOUR IMMEDIATE ATTENTION

DATE: May 1, 2004
TO: Finance Committee
(Mindy, Room 520)
FROM: Office of the Senate Secretary
SUBJ: Referral Change

The Co-Chair of the Committee noted above has waived the referral(s) on the following bills(s):

RETRIEVE

SENATE BILL NO. 377

"An Act relating to the state's mechanical code, to mechanical contractors and mechanical administrators, to mechanical standards and inspections involved in certain housing loans, and to the adoption of the state's mechanical code; and providing for an effective date."

Please give the bill file(s) to the page delivering this message for forwarding to the next Committee of referral.

Thank you.

SB

378

SFIN

FILE

SB 378

was referred to the
Senate Finance
Committee

Hearing(s) were held

The bill did not move
from Committee

STATE OF ALASKA

DEPT. OF ENVIRONMENTAL CONSERVATION
OFFICE OF THE COMMISSIONER

FRANK H. MURKOWSKI, GOVERNOR

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

April 6, 2004

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

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

Dear Senator's Green and Wilken:

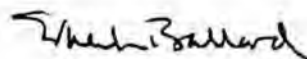
The Department of Environmental Conservation (DEC) respectfully requests your consideration in scheduling SB 378, an "Act relating to the regulation of the discharge of pollutants from timber-related activities under the National Pollutant Discharge Elimination System; relating to waste treatment and disposal permits; making conforming amendments; and providing for an effective date," before the Senate Finance Committee at your earliest convenience.

SB 378 instructs DEC to seek primacy for a portion of the federal National Pollutant Discharge Elimination System (NPDES) wastewater discharge permitting program, namely the portion related to timber industry discharges. While DEC supports seeking state primacy for the entire NPDES program, partial primacy for timber-related discharges will provide an opportunity to test the concept in an industry sector where the state has significant expertise.

The fiscal note reflects a two-year effort to complete program development and to achieve U.S. Environmental Protection Agency approval. Annual costs for FY 2005 and FY 2006 are divided between federal grant funds of \$235.0 that are available for two years with the balance of \$177.6 in FY 2005 and \$161.4 in FY 2006 derived from general funds. With an approved program beginning in FY 2007, costs would be covered through a combination of general funds and permit fees.

Dan Easton, Water Division Director for the Department of Environmental Conservation will provide you with any additional information you might require regarding this bill. Your staff can contact Mr. Easton at 465-5135, or Melanie Lesh, the department's legislative liaison, at 465-5290. As always, please contact me if I can be of assistance.

Sincerely,



Ernesta Ballard

SB 378 -- Sectional Analysis

Relating to Regulation of the Discharge of Pollutants From Timber-related Activities

Section 1. Provides findings and intent language to lay foundation for assumption of NPDES primacy for timber-related discharges as a single-sector, pilot-project.

Section 2. Adds the timber NPDES program to the list of programs for which DEC is given authority in AS 44.46.025(a) to adopt user fee regulations. By operation of existing law in the AS 37.1.058(2)(B) definition of "designated regulatory service," the permits issued under a timber NPDES program would fall into the category of services for which DEC is required to adopt fixed fee regulations and can use negotiated services agreements in the interim until such regulations have been adopted.

Section 3. Authorizes assumption of partial NPDES primacy limited to timber-related activities.

Section 4. Amends permit application requirement to eliminate conflict with NPDES requirement for submittal of application at least 180 days in advance of planned operation.

Section 5. Changes notice requirements to ensure that notice can be given of the availability of a draft permit, instead of requiring publication of notice at the application receipt stage, which may precede permit development by many months. Also changes requirement for two separate publications to a requirement for "at least one," to allow greater flexibility in structuring notice of availability of draft NPDES permits. Makes conforming amendments.

Section 6. Clarifies permit duration limit and adds explicit authority for regulations to provide for administrative continuance of expiring permits.

Section 7. Amends statutory provisions on termination and modification of waste disposal permits to fill gaps in legal authority needed to satisfy NPDES primacy requirements.

Section 8. Extends existing enhanced civil penalty authority to the timber NPDES program.
(Required for primacy.)

Section 9. Extends criminal penalty provisions to the timber NPDES program (required for primacy) and makes conforming changes.

Section 10. Extends criminal fine provision authorizing payment of up to \$10,000 for each separate violation to violations of the regulations that would be adopted for the timber NPDES program.
(Required for primacy.)

Section 11. Provides for an immediate effective date to allow work on timber NPDES regulations and other efforts to secure primacy to begin without delay.

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

SB 378

PARTIAL NPDES PRIMACY FOR TIMBER-RELATED WASTEWATER DISCHARGES

SB 378 instructs DEC to seek primacy for permitting timber-related waste discharges under the federal National Pollutant Discharge Elimination System (NPDES) discharge permitting program. Upon approval, the Alaska Department of Environmental Conservation (DEC), and not the U.S. Environmental Protection Agency (EPA), would issue discharge permits for the timber industry sector in Alaska.

The NPDES Program

The NPDES wastewater discharge permit program is established under Section 402 of the Clean Water Act (CWA). In Alaska, major industries with NPDES permits include timber, seafood, mining, and oil and gas. Municipal sewage treatment facilities also require NPDES permits. The CWA envisions that each state will seek primacy for the program and tailor it to the state's individual needs. Alaska is among only five states that have not yet sought primacy.

Partial Primacy

While primacy for the entire NPDES program is the norm, states have the option of seeking partial primacy for one or more specific industry sectors. Under a partial primacy arrangement, the state issues permits and conducts monitoring and compliance activities for the sector. EPA retains oversight authority. The Alaska water quality standards serve as the basis for all NPDES permits regardless of whether the EPA or the State implements the program.

Timber Sector Wastewater Discharges

NPDES permitting of timber sector discharges primarily focuses on permitting log transfer facilities.

- 98 log transfer facilities are eligible to be covered under an NPDES General Permit that governs the discharge of bark and wood waste into the marine environment.
- 98 log transfer facilities are eligible for coverage under the NPDES Multi-Sector General Permit for uplands stormwater management.
- All sawmills are eligible for coverage under the NPDES Multi-Sector General Permit for uplands stormwater management.
- Any new timber facility construction that disturbs greater than one acre is eligible for coverage under the NPDES construction general permit for stormwater management.
- Logging camps with domestic wastewater (approx. 12) require a permit. Most of them fall below the current EPA threshold for minor discharges and are currently issued a state, rather than an NPDES domestic wastewater discharge permit.

Why the Timber Sector?

The State of Alaska has significant expertise and a significant role in timber sector permitting and compliance activities. Partial primacy for timber-related discharges will provide an opportunity to test state NPDES primacy in a familiar industry sector.

PARTIAL NPDES PRIMACY FOR TIMBER-RELATED WASTEWATER DISCHARGES

Expected Benefits

Alaskans Protecting Alaska's Water Resources. Alaskans should be in charge of protecting Alaska's environment. The State is committed to, and capable of protecting its own resources. Exercising timber sector wastewater permitting authority is an opportunity for the State of Alaska to demonstrate its commitment and competence.

Rational Rules. A state timber wastewater discharge permit program will be a part of a broader state program for regulating water quality. The state program will be based on six essential elements of a good regulatory program: unambiguous statutory authority, a documented basis for concern, protective standards, rational regulations, documented compliance, and enforcement.

Fair, Predictable Enforcement. A state program will include a coherent system for assessing compliance with permit terms and conditions. Permittees will know exactly what is expected of them. Along with clarity will come higher expectations for compliance and predictable enforcement.

Efficiency and Timeliness. With a state-run timber-related discharge permitting program, permit holders can expect their permits to be timely and current.

Alaskans Accountable to Alaskans. The mission, priorities, level of effort and performance measures of DEC's regulatory programs are subject to annual review and approval by the State Legislature. Planning and budgeting for a federally run NPDES program does not offer this opportunity for state control.

Better Access to Rule Makers and Permit Writers. A state run program will place rule makers and permit writers closer to the Alaskan public and permit holders. No longer will permits be written and enforced by federal staff unfamiliar with the State.

A Focus on Results, Not Process. The federal program focuses on consistent federal process instead of site-specific and risk-based results. The state program will focus on results.

The Costs

The Department projects a two-year (FY 2005 and FY 2006) effort to complete program development and transition work necessary to apply to EPA for timber sector NPDES primacy. Costs to develop and promulgate regulations, develop permitting procedures, secure legal and technical services, and prepare an application are anticipated at approximately \$400 thousand for each of the two-year development and transition effort. One-time federal grant funds are available to cover approximately one-half of the cost. The balance would be paid for with General Funds. Once the program is operating in FY 2007, annual costs would be about \$130 thousand per year. Permit fees would generate approximately \$30 thousand per year.



FRANK H. MURKOWSKI
GOVERNOR

GOVERNOR@GOV.STATE.AK.US

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

SB378
P.O. Box 110001
JUNEAU, ALASKA 99811-0001
(907) 465-3500
FAX (907) 465-3532
WWW.GOV.STATE.AK.US

March 24, 2004

The Honorable Gene Therriault
President of the Senate
Alaska State Legislature
State Capitol, Room 111
Juneau, AK 99801-1182

Dear President Therriault:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill that would allow the State of Alaska to tailor part of its water discharge program to fit state concerns and environmental features. This bill would authorize the State of Alaska to administer National Pollutant Discharge Elimination System (NPDES) permits for the timber industry. Presently, NPDES permitting, compliance, and enforcement decisions are made pursuant to federal law designed to apply generically to all 50 states. The importance and value of assuming primacy is reflected by the fact that 45 other states have assumed primacy from the Environmental Protection Agency (EPA) for administering NPDES permits.

The Department of Environmental Conservation (DEC) has the capacity and experience to successfully implement primacy for the timber industry. DEC regulates a broad universe of technological and water-quality aspects for waste and wastewater disposal activities. These activities include regulation of timber industry discharges such as state certification of NPDES permits for log transfer facilities.

To accommodate NPDES primacy assumption, this bill would amend some existing permit requirements related to application submittals, public notice and comment opportunities, the maximum term of permits, and the causes for termination or modification of an authorization. These amendments would have the added benefit of streamlining and clarifying process requirements, to some extent, for all waste treatment or disposal authorizations.

The bill also includes legislative findings and intent language, to underscore the fact that assuming partial primacy for the NPDES program for a single industry sector might facilitate future assumption of a larger part or all of the NPDES program. A single-sector pilot-project-type program would allow

The Honorable Gene Therriault

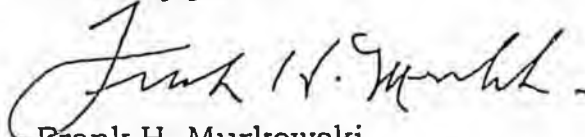
March 24, 2004

Page 2

the state to expand the current level of expertise and gain valuable experience in administering the program and working to resolve program administration issues with the EPA, which retains oversight authority over state NPDES programs. Because administration of the NPDES program is complex and costly, and assumption of the full program would require DEC to develop additional expertise, it makes sense to take measured steps toward full assumption by beginning with a single industry sector.

I urge your prompt and favorable action on this measure.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Frank H. Murkowski".

Frank H. Murkowski
Governor

Enclosure

SENATE COMMITTEE REPORT First Committee of Referral

DATE: 3/26/04

FURTHER: Finance

Date of 5-Day Notice: 4/1/04
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 4-5-04

Resources Committee considered SENATE BILL NO. 378

SB 378 POLLUTION DISCHARGE & WASTE TRMT/DISPOSAL

"An Act relating to regulation of the discharge of pollutants from timber-related activities under the National Pollutant Discharge Elimination System; relating to waste treatment and disposal permits; making conforming amendments; 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 Change
 New Title w/ SCR # _____

^{Previous}
~~PREVIOUS~~ FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
DEC	3/9/04	✓			1

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>			✓	
<i>Joseph DeLuca</i>	✓			
<i>Ben Stevens</i>	✓			
<i>[Signature]</i>	✓			
CHAIR: <i>Scott Ogan</i>			✓	

Person
Section
Chair
Witness
Office

SENATE FINANCE COMMITTEE

SIGN-IN

SB 378-POLLUTION DISCHARGE & WASTE TRMT/DISPOSAL

NAME: Jon Tillinghast Subject/Bill No: SB 378
Co./Dept./Title: Sealaska Corp. Attorney Phone: 586-1400
Address: One Sealaska Place, Juneau Zip: 99801
Do you wish to testify? Yes No Respond To Questions

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

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

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

SB

379

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

REPORTED OUT

APR 27 2004

SENATE FINANCE
COMMITTEE

DATE: 04/15/04

FURTHER:

DATE TURNED IN TO OFFICE: 27 April 2004

Finance Committee considered

SENATE BILL NO. 379

SB 379 PERM FUND BOARD PUBLIC MEMBER REMOVAL

"An Act providing that public members of the Board of Trustees of the Alaska Permanent Fund Corporation may be removed only for cause; and providing for an effective date."

and recommends:

- be replaced with _____ CS SB 379 (FIN)
- adopt previous _____ CS as forthcoming (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:

- Same Title
- New Title

House Bill:

- Same Title
- Technical Title Change
- New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
Law	7/4/04			✓	#2
Revenue	7/6/04			✓	#3

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>Paul Brown</i>	✓			
<i>John H. ...</i>			✓	
<i>Donald Wilson</i>			✓	
<i>B. ...</i>	✓			
<i>Ben Stevens</i>	X			
COCHAIR: <i>Lyla Green</i>	✓			
COCHAIR: <i>Gary ...</i>	✓			

APR 27 2004

SENATE FINANCE
COMMITTEE

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: SB 379
(S) Publish Date: 3/26/04

Revision Date/Time (Note if correction): _____ Dept. Affected: LAW
Title "An Act providing that public members of the RDU CIVIL
Board of Trustees of the Alaska Permanent Fund ..." Component Labor & State Affairs
Sponsor Rules
Requester Governor Component No. _____

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would give members of Alaska Permanent Fund Corporation Board of Trustees protection in that a member could only be removed for cause after a public hearing. Under existing law, the governor may remove a board member by sending a letter that sets out reasons. Existing law does not require the governor to state grounds sufficient for removal for cause. Removal for cause customarily involves removal for neglect of office, misconduct or malconduct, or conviction of a crime.

Passage of this legislation will have no foreseeable fiscal impact on the Department of Law.

Prepared by: Kathryn A. Daughhete, Director Phone 465-3673
Division Administrative Services Date/Time 2/4/04 8:41 AM
Approved by: Kathryn Daughhete for Gregg D. Renkes, Attorney General Date 2/4/2004
Agency Department of Law

FISCAL NOTE

REPORTED OUT

APR 27 2004

SENATE FINANCE
COMMITTEE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 3
 Bill Version: CSSB 379(JUD)
 (S) Publish Date: 4/15/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title Perm Fund Board Public RDU AK Permanent Fund Corporation
Member Removal Component AK Permanent Fund Corporation
 Sponsor Rules by Request
 Requester Senate Judiciary Component No. 109

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
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 (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

SB 379 would allow the removal of public board members only for cause before the expiration of their term. This bill will not affect the management of the Fund or the operating expenses.

Prepared by: Robert D. Storer, Executive Director Phone 465-2047
 Division: Alaska Permanent Fund Corporation Date/Time 4/1/2004
 Approved by: Steve Porter, Deputy Commissioner Date 2/6/2004
 Agency: Department of Revenue

ADOPTED

WORK DRAFT

WORK DRAFT

WORK DRAFT

23-GS2142H
Cook
4/26/04

CS FOR SENATE BILL NO. 379(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

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

A BILL

FOR AN ACT ENTITLED

1 "An Act providing that public members of the Board of Trustees of the Alaska
2 Permanent Fund Corporation may be removed only for cause; and providing for an
3 effective date."

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

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

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

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



Alaska State Senate

Senate Finance Committee

Official Business

Mail Stop 3100
State Capitol
Juneau, Alaska 99801-1182

FAX COVER SHEET

DATE: 27 April 2004 TIME: 10:10am

TO: Legal Services

NUMBER OF PAGES, INCLUDING COVER SHEET: 1

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

NOTES: Final Please

CS SB 379(FIN) 23-GS2142\H

Cook 4/26/04

no changes

Call if any questions

Thx
Mindy

OTHER ALASKA STATUTES "FOR CAUSE" REMOVAL PROVISIONS

- AS 08.04.030 Board of Public Accountancy--"governor may, after hearing, remove any member for neglect of duty or other just cause"
- AS 08.20.021 Board of Chiropractic Examiners--"may be removed from office by the governor for cause"
- AS 08.63.040 Board of Marital and Family Therapy--"governor may only remove a member of the board for cause"
- AS 08.80.105 Board of Pharmacy--"may be removed from office by the governor for cause"
- AS 16.43.030 Alaska Commercial Fisheries Entry Commission--"governor may remove a commissioner from office for cause, including but not limited to incompetence, neglect of duty, or misconduct in office"
- AS 18.85.040 Public Defender--"is subject to removal by the governor for good cause"
- AS 23.05.360 Alaska Labor Relations Agency--"may be removed by the governor only for cause"
- AS 24.20.251 Legislative Auditor--"when legislature is not in session, the auditor may be removed for cause by a majority vote of the Legislative Budget and Audit Committee"
- AS 31.05.007 Alaska Oil and Gas Conservation Commission--"governor may remove a commissioner from office for cause including but not limited to incompetence, neglect of duty or misconduct in office"
- AS 36.30.010 Chief Procurement Officer--"may be removed by the commissioner [of Administration] only for cause"
- AS 37.10.210 Alaska State Pension Investment Board (ASPIB)--"governor may, by written notice to the trustee, remove an appointed trustee for cause"
- AS 37.17.040 Alaska Science and Technology Foundation--"may be removed from the board by the governor for cause"
- AS 39.25.010 Merit principle of state employment includes "separation for cause"

Provided by the Dept. of Law

- AS 39.52.410 Violation of AS 39.52 (Executive Ethics Act) "is grounds for removal of a board or commission member for cause"
- AS 42.04.020 Regulatory Commission of Alaska--"governor may remove a commissioner from office for cause including incompetence, neglect of duty, inability to serve, or misconduct in office or because the member, while serving on the commission, is convicted of a felony"
- AS 43.05.415 Chief Administrative Law Judge--"may be removed from office by the commissioner [of Administration] only for good cause"
- AS 44.21.258 Alaska Public Broadcasting Commission--"members may be removed only for cause"
- AS 47.30.021 Alaska Mental Health Trust Authority--"governor may remove a member of the board only for cause, including incompetence, neglect of duty, misconduct in office, poor attendance, or lack of contribution to the board's work"
- AS 47.30.663 Alaska Mental Health Board--"may be removed only for cause, including, but not limited to, poor attendance or lack of contribution to the board's work"

Subject: SB 379--For cause

Date: Mon, 26 Apr 2004 11:40:51 -0800

From: "Mike Barnhill" <Mike_Barnhill@law.state.ak.us>

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

CC: <rstorero@alaskapermfund.com>, <randy_ruaro@gov.state.ak.us>, "David Marquez" <David_Marquez@law.state.ak.us>, "Deborah Behr" <Deborah_Behr@law.state.ak.us>


Sheila:

Here's a paragraph on what constitutes "for cause" termination.

"For cause" termination requires a fair reason for the termination. The Alaska Supreme Court recently held that "'just cause' for discharge is one which is not for any arbitrary, capricious, or illegal reason and which is one based on facts (1) supported by substantial evidence and (2) reasonably believed by the employer to be true." Alaska State Empl. Assoc. v. State, 74 P.3 881, 883-84 (Alaska 2003). One commentator has concluded that it basically requires giving the employee a "fair shake". Hill & Westhoff, 47 Drake Law Rev. 399, 411 (1999).

Attached is a list of "for cause" statutes that was prepared in 2001, the last time this legislation was introduced.

Let me know if you need anything else. Thanks!

	Other for cause stats.doc	Name: Other for cause stats.doc Type: WINWORD File (application/msword) Encoding: base64 Download Status: Not downloaded with message
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FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: SB 379
(S) Publish Date: 3/26/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
Title APFC Board Removal for Cause BRU AK Permanent Fund Corporation
Component AK Permanent Fund Corporation
Sponsor Rules
Requester Governor Component No. 109

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
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 (FY2004) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill institutes the "removal for cause" threshold for the four public members of the Alaska Permanent Fund Corporation Board of Trustees. It would not affect the financial operations of the Permanent Fund and therefore does not generate any costs or savings to the Fund.

Prepared by: Robert D. Storer, Executive Director Phone (907) 465-2047
Division Alaska Permanent Fund Corporation Date/Time 2/8/04 3:17 PM
Approved by: William Corbus, Commissioner Date 2/8/2004
Agency Department of Revenue

SB 379



FRANK H. MURKOWSKI
GOVERNOR

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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

March 24, 2004

The Honorable Gene Therriault
President of the Senate
Alaska State Legislature
State Capitol, Room 111
Juneau, AK 99801-1182

Dear President Therriault:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill relating to removal of public members of the Board of Trustees of the Alaska Permanent Fund Corporation.

This bill would provide that public members of the Board of Trustees may be removed only for cause. The bill would provide grounds for the removal of public members of the board which includes, neglect of duty, misconduct in office or conviction of certain misdemeanor or felony charges. The bill also grants Board members the opportunity to be heard at a public hearing and requires at least ten days notice of the hearing.

Under existing law, it is possible to remove all Board members at a change in administration. This bill would insulate the Alaska Permanent Fund from partisan politics by making it more likely that Board members would be retained until the expiration of their terms. The state invests a great deal in the experience and training provided to Board members. It is in our best interests to reap the full benefit of this investment. The Alaska Permanent Fund Corporation benefits from having experienced Board members direct policy for management of the Permanent Fund.

I urge your prompt and favorable action on this measure.

Sincerely yours,

A handwritten signature in black ink that reads "Frank H. Murkowski".

Frank H. Murkowski
Governor

Enclosure

SENATE COMMITTEE REPORT First Committee of Referral

DATE: 3/26/04

FURTHER: Finance

Date of 5-Day Notice: 4/1/04
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 4/15/04

Judiciary Committee considered SENATE BILL NO. 379

SB 379 PERM FUND BOARD PUBLIC MEMBER REMOVAL

"An Act providing that public members of the Board of Trustees of the Alaska Permanent Fund Corporation may be removed only for cause; and providing for an effective date."

and recommends:

- be replaced with _____ CS SB 379 (JUD)
- 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 Change
- New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
REV	4/1			✓	3

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
LAW	2/4			✓	2

APPROPRIATION - no fiscal note

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

ELLIS
FRENCH
OGAN
THOMAS

SISKINS

SENATE FINANCE COMMITTEE

SIGN-IN

SB 379-PERM FUND BOARD PUBLIC MEMBER REMOVAL

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

✓ NAME: Mike Barshell Subject/Bill No: _____
Co./Dept./Title: Law 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

SB

380

SFIN

FILE

SB 380

was referred to the
Senate Finance
Committee

No hearing was held
on this bill

SB

383

SFIN

FILE

SB 383

was referred to the
Senate Finance
Committee

No hearing was held
on this bill



Health, Education, and Social Services Committee Alaska State Senate

SPONSOR STATEMENT

SB 383—*"An Act relating to the Alaska children's trust grant awards."*

The Alaska Children's Trust Board awards grants to community-based programs and projects that aim to prevent child abuse and neglect. Recipients of these grants must certify financial feasibility and demonstrate a plan for effective intervention. The Board measures these grantees according to their goals. To modify the parameters of this grant program, the Alaska Children's Trustees have developed SB 383.

SB 383 removes the \$50,000 cap on maximum annual grant awards. This provides more flexibility to in determining grant amounts, and prepares the program for an anticipated increase in federal funding.

SB 383 also refines the funding formula in these awards, as depicted in the following table.

<u>Grant year</u>	<u>Previous funding amount</u>	<u>New funding amount</u>
1	up to 75% of the program costs	up to 75% of the program costs
2	up to 75% of the program costs	up to 50% of the program costs
3	up to 50% of the program costs	up to 25% of the program costs
4	up to 50% of the program costs	up to 25% of the program costs
Subsequent	up to 25% of the program costs	

In addition to creating a 4-year limit on grant awards, SB 383 requires the grant recipient to include a plan for self-sustainability. The Trustees also seek to enforce grant reductions upon programs that do not accomplish their objectives.

These funding reductions allow the Alaska Children's Trust Board to emphasize that these grants are awarded as start-up funds. These changes will not be implemented immediately; the Board will work with grantees to transition into the new funding structure.



Working in partnership with communities to prevent child abuse and neglect.

Alaska Children's Trust
Summary of FY 2004 Grant Awards
In partnership with the
Alaska Mental Health Trust Authority

Continuing Grantees

Organization: Alaska Legal Services Corporation
Project Name: Children At-Risk
Community: Anchorage
ACT / AMHTA Grant Award: \$18,000

The *Children At-Risk* project will empower parents and children facing domestic violence to use the legal system to increase family safety, stability and self-sufficiency. The project will also coordinate with other family support providers to give parents and children access to a seamless continuum of holistic services.



Organization: Bartlett Regional Hospital
Project Name: Fathers Project
Community: Juneau
ACT Grant Award: \$6,688

The *Fathers Project* will provide a pre- and postnatal support group for new fathers, as well as education to health care providers about the importance of fathers and ways to encourage their involvement.



Organization: Center for Community
Project Name: Teach Your Children Well
Community: Sitka
ACT Grant Award: \$20,000

Teach Your Children Well is a parent support program featuring a radio program on parent and child health. Additional services include prenatal classes, newborn home visits, parenting classes, and a parent-child playgroup.



Organization: City of Saxman
Project Name: Saxman Youth Breakfast and Homework Club
Community: Saxman
ACT Grant Award: \$15,000

The Saxman Youth Breakfast and Homework Club is a unique program that offers Saxman youth a nutritious morning snack prior to boarding the school bus. Youth are encouraged to participate in a variety of activities and discussions that teach them the skills to handle conflicts and build confidence. In addition, youth receive after school assistance with school projects and homework. Parent volunteers, a youth liaison and a local social worker staff the club.



Organization: Covenant House Alaska
Project Name: Project Nurture
Community: Anchorage
ACT Grant Award: \$7,000

Passage House is a residential facility for single pregnant and parenting women ages 16 to 20. The ACT funds *Project Nurture*, an aftercare program that provides home visiting and supportive services over the 12-month period following discharge from Passage House. ACT funds will support a Young Mothers Empowerment Conference/Retreat for all residents and graduates of Passage House.



Organization: Fairbanks Counseling and Adoption
Project Name: Responsible Fathers
Community: Fairbanks
ACT Grant Award: \$4,999

Responsible Fathers is a two-phase program to help teen fathers increase involvement with, and responsibility for, their children. The interactive components include supervised playtime, teen parent mediation services, work exchange for baby items, and parenting education. Outreach will be to all teens but will target teen fathers in the Fairbanks Youth Facility, new recruits at Ft. Wainwright Army base and senior high classes.



Organization: Fairbanks Resource Agency
Project Name: Supported Parenting
Community: Fairbanks
ACT / AMHTA Grant Award: \$5,669

Supported Parenting is a hands-on parent education program designed for parents with developmental disabilities or other limitations, which prevent them from benefiting from traditional parent education. The project has developed a skill-building format that acknowledges the personal learning styles and cultural diversities of this "at risk" group of individuals. Childcare is offered on-site to provide opportunities for parents to practice class skills while interacting with their children. Home visits are also offered to support ongoing application of skills.

Organization: Homer Children's Services Inc.
Project Name: The Birth 2 Three Project
Community: Homer
ACT Grant Award: \$7,353

The Birth 2 Three project is a universal access prenatal and early childhood family education and support program for families. The ACT funded project supports monthly pre and postnatal home visits to families to reinforce families' efforts to give infants and toddlers their best possible start in life.

Organization: Hoonah City Schools
Project Name: Parents As Teachers
Community: Hoonah
ACT Grant Award: \$20,000

This project will provide primary prevention services to ensure children receive the healthiest start in life. Parenting education and support will be offered in prenatal and postpartum personal home visits, encouraging breast feeding as an attachment behavior. Additionally assistance will be provided to all families seeking Denali KidCare health benefits.

Organization: Juneau Family Birth Center
Project Name: Young Families Program
Community: Juneau
ACT Grant Award: \$14,019

The Young Families Program is based on a holistic and attachment-based approach to the prevention of child abuse and neglect. The program supports teen families throughout pregnancy and the parenting experience with a combination of pregnancy and parenting education, labor and birth support, home-based support, mentoring and community resource/referral services.

Organization: REACH, Inc.
Project Name: Family Support Project
Community: Juneau
ACT / AMHTA Grant Award: \$18,650

The Family Support Project will provide behavioral and infant mental health training and consultation to staff of the REACH Infant Learning Program, Healthy Families Juneau, South East Regional Resource Center, Even Start and Tlingit-Haida Head Start home visiting programs.

Organization: Resource Center for Parents and Children (RCPC)
Project Name: Community Outreach Video Project
Community: Fairbanks and Northern Alaska
ACT Grant Award: \$30,000

RCPC will continue to develop and produce a series of three parenting videos relevant to rural villages and small communities scattered throughout Northern Alaska as well as Alaska Natives living in the Fairbanks area. These videos will feature Athabascan families with a focus on promoting culturally respectful and appropriate parenting skills.

Organization: Safe & Fear-Free Environment, Inc. (S.A.F.E.)
Project Name: SAFE for LIFE
Community: Dillingham
ACT / AMHTA Grant Award: \$14,976

The SAFE for LIFE program is an integrated and comprehensive approach to providing children and their families the tools and information necessary to prevent domestic violence, child abuse and other problems related to family violence. This grant supports a Child Advocate and a Children's Services Coordinator for the SAFE For Life program.

Organization: SeaView Community Services
Project Name: Incest Awareness Campaign
Community: Seward
ACT Grant Award: \$18,381

The Incest Awareness Campaign is a multifaceted approach employing education, prevention and early intervention strategies to raise awareness about abuse in families. Specific curriculum presented by trained staff and volunteers on incest, bullying, violence, and abuse provides assistance to parents, youth, health-care providers, and educators in creating healthy family environments.

Organization: Sutton Elementary School
Project Name: The Eagles Nest Transitional Preschool
Community: Sutton
ACT Grant Award: \$21,913

The Eagle's Nest is a family resource center located at the Sutton Elementary School. Early intervention and parental involvement is the focus. The ACT funded project funds a unique transitional preschool that shares its learning environment with the kindergarten class at the school.

Organization: Talkeetna Elementary School
Project Name: Early Childhood Initiative
Community: Talkeetna
ACT Grant Award: \$30,000

The Early Childhood Initiative at the Talkeetna Elementary School is a comprehensive early childhood program providing equal access to all young children. Services are designed to target "at-risk" children and their families. Parents will receive support through home-visits, parenting classes, and special activities focusing on Dads. The children will gain important readiness skills for entering Kindergarten.



Organization: Tundra Women's Coalition (TWC)
Project Name: Children's Program
Community: Bethel and surrounding villages
ACT Grant Award: \$30,000

TWC's Children's Program provides after-school groups to at-risk K-6 grade children, a support group for teen girls, parenting session with shelter residents, and the Talking About Touching (TAT) child sexual abuse prevention curriculum in Bethel and village classrooms. The Alaska Children's Trust will fund staff support in the Children's Program. Staff will be responsible for running after-school groups at TWC, conducting TAT presentations in schools, starting a parent support group and training to local service providers on a new project called "A Window Between Worlds."

Article 03. ALASKA CHILDREN'S TRUST

Sec. 37.14.200. Alaska children's trust established.

- (a) The Alaska children's trust is established as a separate endowment trust of the state.
- (b) The principal of the trust consists of
 - (1) legislative appropriations to the trust; and
 - (2) gifts, bequests, and contributions of cash or other assets from a person.
- (c) The net income of the trust shall be determined by the commissioner of revenue in accordance with investment accounting principles and in a manner that preserves the distinction between principal and income.

Sec. 37.14.210. Powers and duties of the commissioner of revenue.

The commissioner of revenue is the treasurer of the trust and has the power and duty to

- (1) act as official custodian of the cash and investments belonging to the trust by securing adequate and safe custodial facilities;
- (2) receive all items of cash and investments belonging to the trust;
- (3) collect the principal and income from investments owned or acquired by the trust and deposit the amounts in separate principal and income accounts for the trust;
- (4) invest and reinvest the assets of the trust as provided in this section and as provided for the investment of funds under AS 14.25.180(c) and AS 37.14.170 ;
- (5) exercise the powers of an owner with respect to the assets of the trust;
- (6) maintain accounting records of the trust in accordance with investment accounting principles and with distinction between the principal and income accounts of the trust;
- (7) engage an independent firm of certified public accountants to annually audit the financial condition of the trust's investments and investment transactions;
- (8) enter into and enforce contracts or agreements considered necessary for the investment purposes of the trust;
- (9) report to the board the condition and investment performance of the trust;
- (10) do all acts, whether or not expressly authorized, that the commissioner of revenue considers necessary or proper in administering the assets of the trust.

Sec. 37.14.220. Administration of the trust.

The trust shall be administered by the Alaska Children's Trust Board.

Sec. 37.14.225. Trust board established.

The Alaska Children's Trust Board is established in the Office of the Governor. The board is composed of

- (1) the governor or a designee of the governor;
 - (2) the commissioner of health and social services or the commissioner's designee;
 - (3) the commissioner of education and early development or the commissioner's designee;
- and
- (4) four public members appointed by the governor; in appointing the public members, the governor shall give a preference to persons who have experience and expertise in
 - (A) children's or prevention programs; or
 - (B) private sector finance.

Sec. 37.14.230. Powers and duties of the board.

When acting as administrator of the trust, the board shall

- (1) hold regular and special meetings it considers necessary; the board may hold meetings by teleconference;
 - (2) award grants from the net income of the trust to community-based programs and projects that the board finds will aid in the prevention of child abuse and neglect;
 - (3) monitor approved programs and projects for compliance with AS 37.14.200 - 37.14.270;
 - (4) before providing assistance to a program or project, approve written findings on the program or project that include a consideration of the means of measuring the effectiveness of the program or project;
 - (5) apply for, and use net income from the trust to obtain, private and federal grants for the prevention of child abuse and neglect;
 - (6) solicit contributions, gifts, and bequests to the trust;
 - (7) keep audio tape recordings of each meeting of the board to be made available on request;
- and
- (8) submit to the governor and make available to the legislature by February 1 each year a report describing
 - (A) the child abuse and neglect prevention services that were provided by the programs and projects to which the board awarded grants; and
 - (B) the annual level of contributions, income, and expenses of the trust.

Sec. 37.14.240. Fund utilization.

- (a) Except as provided in (d) of this section, the principal of the trust and any capital gains or losses realized on the principal shall be retained perpetually in the trust for investment as specified in AS 37.14.210, and may not be used for the awarding of grants.
- (b) The net income of the trust may be appropriated only for the following purposes:
 - (1) the awarding of grants;
 - (2) obtaining private and federal grants for the trust;
 - (3) soliciting contributions, gifts, and bequests for the trust; and
 - (4) reimbursement to the Department of Revenue for the costs of establishing the trust.
- (c) Realized net income that has not been appropriated, or that has been appropriated but not expended, shall be invested until appropriated and expended.
- (d) Up to \$150,000 per year may be appropriated from the principal of the trust for the administrative expenses of the board relating to AS 37.14.200 - 37.14.270.

Sec. 37.14.250. Grants.

- (a) In awarding grants from the net income of the trust, the board shall consider the proposals of a qualified applicant only after the applicant has submitted a detailed proposal in the form prescribed by the board. The board may not award a grant unless the board makes written findings that
 - (1) the proposed project, if successful, will help prevent child abuse or neglect;
 - (2) the application for financial assistance contains an adequate plan for project implementation, including both financial feasibility and project effectiveness;
 - (3) the applicant demonstrates that sufficient technical expertise is available to accomplish the objectives of the proposed program or project; and
 - (4) the applicant has identified costs associated with and ancillary to the project, additional governmental costs, future obligations generated by the program or project, and necessary operating, maintenance, or other support costs for the life of the program or project.
- (b) The board may establish other requirements for the award of grants under this section if necessary to carry out the purpose of the trust.
- (c) The board shall award grants in amounts that

(1) are appropriate to the conditions of the applicant and the proposed program or project; and

(2) will make the most effective use of the money available.

(d) The amount of all grants awarded by the board during a 12-month period to a single project or program may not exceed \$50,000. The board may not finance more than 75 percent of the cost of a program or project during each of the first two years for which the program or project receives a grant, 50 percent during each of the third and fourth years, and 25 percent during each year thereafter.

(e) A recipient of a grant may not use more than 10 percent of the grant for administration of the program or project.

(f) To the extent consistent with the terms or conditions of the grant, a private or federal grant awarded to the board shall be distributed in the same manner as provided for grants under this section and AS 37.14.260 .

Sec. 37.14.260. Eligibility for grants.

The board may award a grant to an applicant if

(1) the applicant has submitted a proposal that is acceptable to the board; and

(2) programs and projects, if any, of the applicant that have previously received a grant from the board have complied with all requirements of that assistance and have performed with sufficient success or promise to warrant further financial assistance.

Sec. 37.14.270. Definitions.

In AS 37.14.200 - 37.14.270

(1) "board" means the Alaska Children's Trust Board;

(2) "child abuse and neglect" has the meaning given in AS 47.17.290 ;

(3) "prevention of child abuse and neglect" includes primary and secondary prevention programs; in this paragraph

(A) "primary prevention program" means an educational or training program intended to raise the awareness of and change attitudes concerning child abuse and neglect and its prevention;

(B) "secondary prevention program" means a service intended to reach high-risk groups and to prevent the occurrence or recurrence of child abuse and neglect;

(4) "trust" means the Alaska children's trust established in AS 37.14.200.

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

WES/JAZAN

FRANK H. MURKOWSKI, GOVERNOR

P.O. BOX 110601
JUNEAU, ALASKA 99811-0601
PHONE: (907) 465-3030
FAX: (907) 465-3068

Dear Friends of the Alaska Children's Trust,

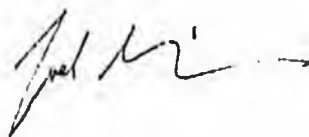
Statistics continue to show an unacceptably high rate of child abuse and neglect in Alaska. In FY '03 there were a total of 14,308 reports of harm to children recorded by the Department of Health and Social Services. Of these reports, 8,497 involved neglect, and 3,258 involved physical abuse. In addition, there were 1,303 reports of sexual abuse. Our goal is to significantly change these statistics for the better.

To combat these staggering numbers, there are many community-based programs and organizations that are funded annually through Alaska Children's Trust (ACT), Department of Health and Social Services and our partners - the Alaska Mental Health Trust, the Friends of the Alaska Children's Trust and numerous corporate and individual donors. It is through these innovative prevention programs that we continue our commitment to protect and improve the lives of Alaska's children.

Today, I'm enclosing a copy of Alaska Children's Trust's 2003 Annual Report, "Making A Difference with Our Commitment." Please take a few moments to review it. In 2003, the year-end financial statement for ACT totaled \$9.6 million in assets, and we look forward to its continued growth. It is the annual earnings of the fund that allows the Trustees to award grants.

And, it is the commitment of our individual and corporate donors, state legislators, community volunteers, grantees, and social workers that enables the Alaska Children's Trust to support prevention programs to protect and "make a difference" in our children's lives. I thank each of you for your willingness to be part of the solution.

Sincerely,



Joel Gilbertson
Commissioner
Alaska Department of Health and Social Services

**SENATE COMMITTEE REPORT
First Committee of Referral**

DATE: 3/31/04

FURTHER: Finance

Date of 5-Day Notice: 3/25/04
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 4.14.04

Health, Education and Social Services Committee considered SENATE BILL NO. 383

SB 383 CHILDREN'S TRUST GRANTS

"An Act relating to the Alaska children's trust grant awards."

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 Change
- New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
HSS	4/05			✓	1

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>				✓
<i>Linda Green</i>				✓
<i>Betty Davis</i>	X			
<i>Ermy Wilton</i>			✓	
CHAIR: <i>[Signature]</i>	X			

Green
Green
Davis
Wilton

Dyeon

SB

385

SFIN

FILE



Official Business

Alaska State Legislature

Senate

Office of the Secretary

State Capitol, Room 213
Juneau, Alaska 99801-1182
Phone: (907) 465-3701
Fax: (907) 465-2832
Email: senate_secretary@legis.state.ak.us

FOR YOUR IMMEDIATE ATTENTION

DATE: April 16, 2004
TO: Finance Committee
(Mindy, Room 520)
FROM: Office of the Senate Secretary
SUBJ: Referral Change

The Vice-Chair of the Committee noted above has waived the referral(s) on the following bill(s):

RETRIEVE

SENATE BILL NO. 385

"An Act relating to homeland security, to civil defense, to emergencies and to disasters, including disasters in the event of attacks, outbreaks of disease, or threats of attack or outbreak of disease; establishing the Alaska division of homeland security and emergency management in the Department of Military and Veterans' Affairs and relating to the functions of that division and that department; and providing for an effective date."

Please give the bill file(s) to the page delivering this message for forwarding to the next Committee of referral.

Thank you.

SB

387

HFIN

FILE

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: SB 387
(S) Publish Date: 4/13/04

Revision Date/Time (Note if correction): _____ Dept. Affected: DCED
Title Commercial Fishing Loans to Eligible RDU Investments (122)
Community Quota Entities Component Investments
Sponsor Rules
Requester By Request of the Governor Component No. 383

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
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 (1036)	0.0	0.0	0.0	0.0	0.0	0.0
------------------------------------	------------	------------	------------	------------	------------	------------

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1036 Commercial Fishing Loan Fund						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would amend the Commercial Fishing Revolving Loan Fund (CFRLF) to allow the department to make loans to a new group of quota share purchasers, Community Quota Entities (CQE), eligible under federal statute or regulation. This bill would accommodate a new class of borrowers under the National Marine Fisheries Service (NMFS) proposed rule (50 CRR 679) that will allow Individual Fishing Quota Shares (IFQs) to be purchased by non-profit entities as identified by the NMFS. The total balances of loans may not exceed \$2 million per community eligible under federal statute or regulation. The department anticipates making approximately \$1 million in CQE loans in FY05 and approximately \$3 million in each fiscal year thereafter through FY10.

No additional administrative costs would be required to accommodate this amendment to the CFRLF.

Prepared by: Greg Winegar, Director Phone (907) 465-2510
Division Investments Date/Time 2/12/04 11:50 AM
Approved by: Edgar Blatchford, Commissioner Date 2/12/2004
Agency Department of Community & Economic Development

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: SB 387
(S) Publish Date: 4/13/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Fish and Game
Title Making commercial fishing loans RDU _____
to eligible community quota entities Component _____
Sponsor Rules Committee
Requester Governor Component No. _____

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
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1004 GF						
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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 (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Passage of this legislation would have no fiscal impact.

Prepared by: Sarah Gilbertson Phone 465-6137
Division Legislative Liaison Date/Time 1/25/04 11:55 AM
Approved by: Commissioner Kevin Duffy Date 1/25/2004
Agency Alaska Department of Fish & Game

FRANK H. MURKOWSKI
GOVERNOR

GOVERNOR@GOV.STATE.AK.US



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

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

April 9, 2004

The Honorable Gene Therriault
President of the Senate
Alaska State Legislature
State Capitol, Room 111
Juneau, Ak 99801-1182

Dear President Therriault:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill to amend the lending authority of the Department of Community and Economic Development (department) under the Commercial Fishing Loan Act; to authorize loans to federally designated community quota entities authorized by federal regulation to purchase and hold certain fishing quota shares; and to lease the resultant individual fishing quota shares to community residents.

The federal government is currently proposing federal regulations that, if adopted, would amend the federal individual fishing quota program. The definition of an eligible quota shares holder would be revised to allow specific communities in the Gulf of Alaska to purchase quota shares for halibut and sablefish fisheries. The community quota entity may then hold the shares for lease to their community residents. Quota shares, and loans for their purchase under the Commercial Fishing Loan Act, are presently limited to individuals.

The purpose of the amendment is to improve the economic viability of these communities through local ownership of fishing privileges. Since the initial allocation of quota shares all but two of the 42 eligible communities have experienced a significant decline in the number of quota shares held by residents. This amendment will provide a financing mechanism that can be used by these communities to help reverse this trend.

The bill's effective date provision for the loan statute changes would ensure that if the proposed federal regulations do not take effect, the bill's changes expanding the department's lending authority also would not take effect.

The Honorable Gene Therriault

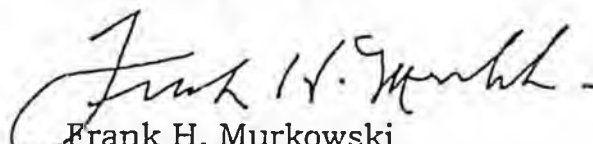
April 9, 2004

Page 2

The community quota entity program provides a unique opportunity to improve economic conditions in a number of Alaska's coastal communities. Local ownership of fishing privileges is vital to the financial health of these communities.

I urge your prompt and favorable action on this measure.

Sincerely yours,



Frank H. Murkowski
Governor

Enclosure

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: SB 387
(S) Publish Date: 4/13/04

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CAPITAL EXPENDITURES						
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Estimate of any current year (FY2004) cost: 0.0
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POSITIONS

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Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would amend the Commercial Fishing Revolving Loan Fund (CFRLF) to allow the department to make loans to a new group of quota share purchasers, Community Quota Entities (CQE), eligible under federal statute or regulation. This bill would accommodate a new class of borrowers under the National Marine Fisheries Service (NMFS) proposed rule (50 CRR 679) that will allow Individual Fishing Quota Shares (IFQs) to be purchased by non-profit entities as identified by the NMFS. The total balances of loans may not exceed \$2 million per community eligible under federal statute or regulation. The department anticipates making approximately \$1 million in CQE loans in FY05 and approximately \$3 million in each fiscal year thereafter through FY10.

No additional administrative costs would be required to accommodate this amendment to the CFRLF.

Prepared by: Greg Winegar, Director Phone (907) 465-2510
Division Investments Date/Time 2/12/04 11:50 AM
Approved by: Edgar Blatchford, Commissioner Date 2/12/2004
Agency Department of Community & Economic Development

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: SB 387
 (S) Publish Date: 4/13/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Fish and Game
 Title Making commercial fishing loans RDU _____
to eligible community quota entities Component _____
 Sponsor Rules Committee
 Requester Governor Component No. _____

Expenditures/Revenues (Thousands of Dollars)

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Land & Structures						
Grants & Claims						
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TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

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

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Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

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

Passage of this legislation would have no fiscal impact.

Prepared by: Sarah Gilbertson
 Division: Legislative Liaison
 Approved by: Commissioner Kevin Duffy
 Agency: Alaska Department of Fish & Game

Phone 465-6137
 Date/Time 1/25/04 11:55 AM
 Date 1/25/2004

**Alaska Division of Investments
SB 387 Sectional Analysis**

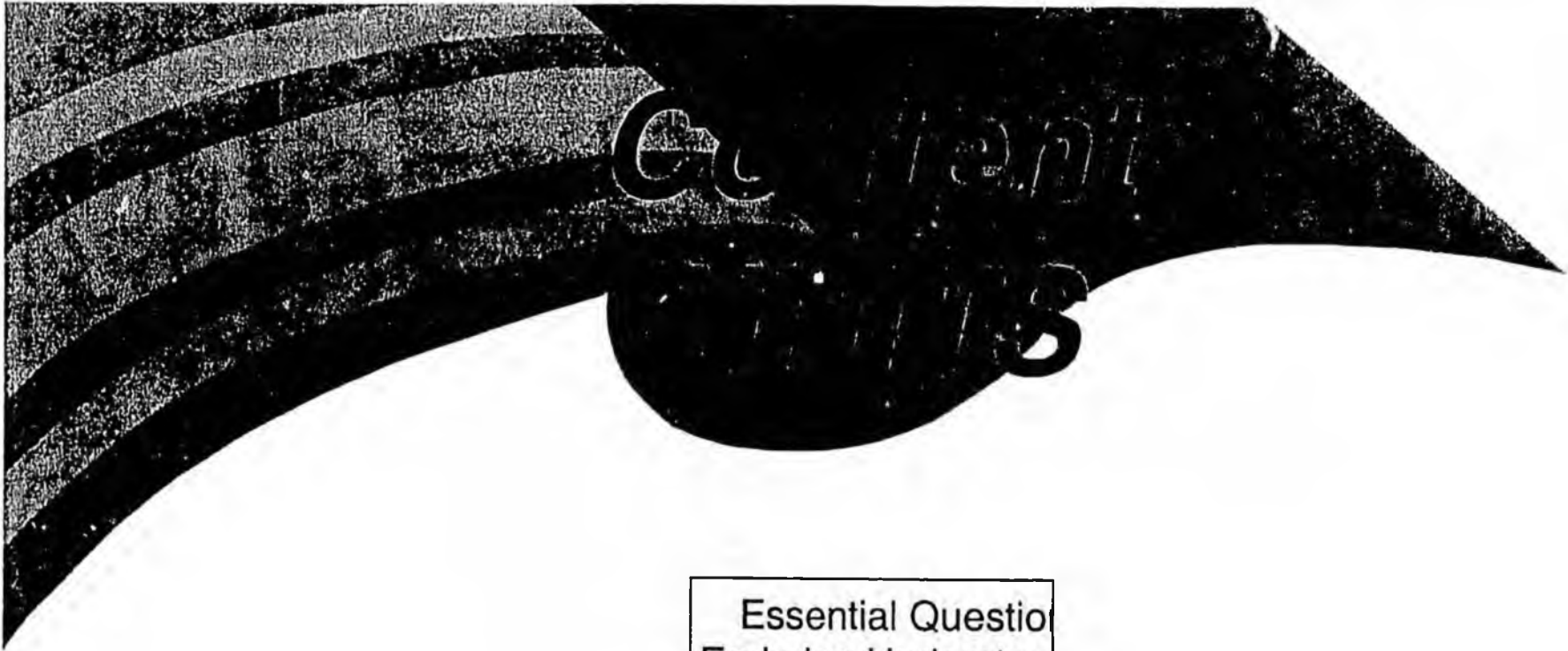
- Section 1 Amends AS 16.10.310(a)(1) by adding subsection E that allows the department to make loans to a new class of borrowers called community quota entities (CQE) to purchase fishing quota shares. To qualify a CQE must be eligible under federal statute or regulation and must not be eligible for financing from other recognized commercial lending institutions.
- Section 2 Amends AS 16.10.320(d) to limit the dollar amount of loans a community can have outstanding at any point in time to \$2,000,000.
- Section 3 Stipulates that the act does not take effect until the federal regulations authorizing community quota entities takes effect.

Prepared by the Alaska Division of Investments
April 9, 2003

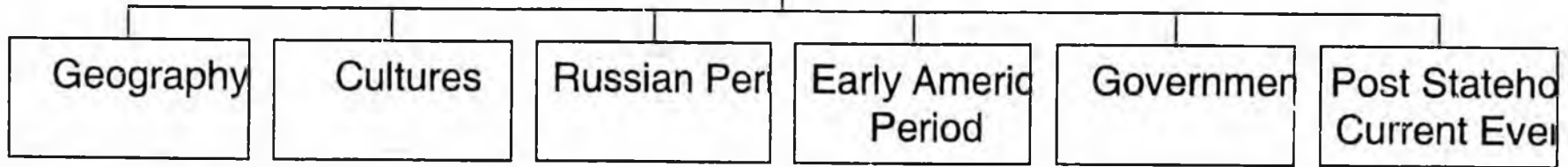


Design Elements

- ***Web-Site***
- ***CD***
- ***Printed Teacher's Guide***
- ***-----Multiple Access Points***
- ***Standards-based***
- ***Six narrative themes/periods***
- ***Chronology***
- ***Regional Histories***



Essential Questions
Enduring Understandings





Unit Authors

Geography – Dr. ROGER PEARSON

Cultures – PAUL ONGTOOGUK

Russian Period – Dr. STEVE HAYCOX

Early American Period – JO ANTONSON

Government- Dr. TERRENCE COLE

*Post Statehood/Current Events – Dr. STEVE
HAYCOX*

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES

SPECIAL FEATURE

■ PRIMARY DOCUMENTS (Use of VILDA, Juke Box)

MESSAGE TO THE GOVERNOR
HOUSE OF REPRESENTATIVES

TO THE GOVERNOR: MONTGOMERY, February 15, 1945

The House of Representatives and The Senate have passed ()

The Speaker and President have signed ()

"An Act to provide for full and equal accommodations, facilities and privileges to all citizens in places of public accommodation within the jurisdiction of the Territory of Alaska; to provide penalties for violations."

RECEIVED
Feb. 15, 1945
GOVERNOR'S OFFICE
2071

and the same by _____ Secretary of the House of Representatives

Ben C. McManus
Clerk of the House

SPECIAL FEATURE



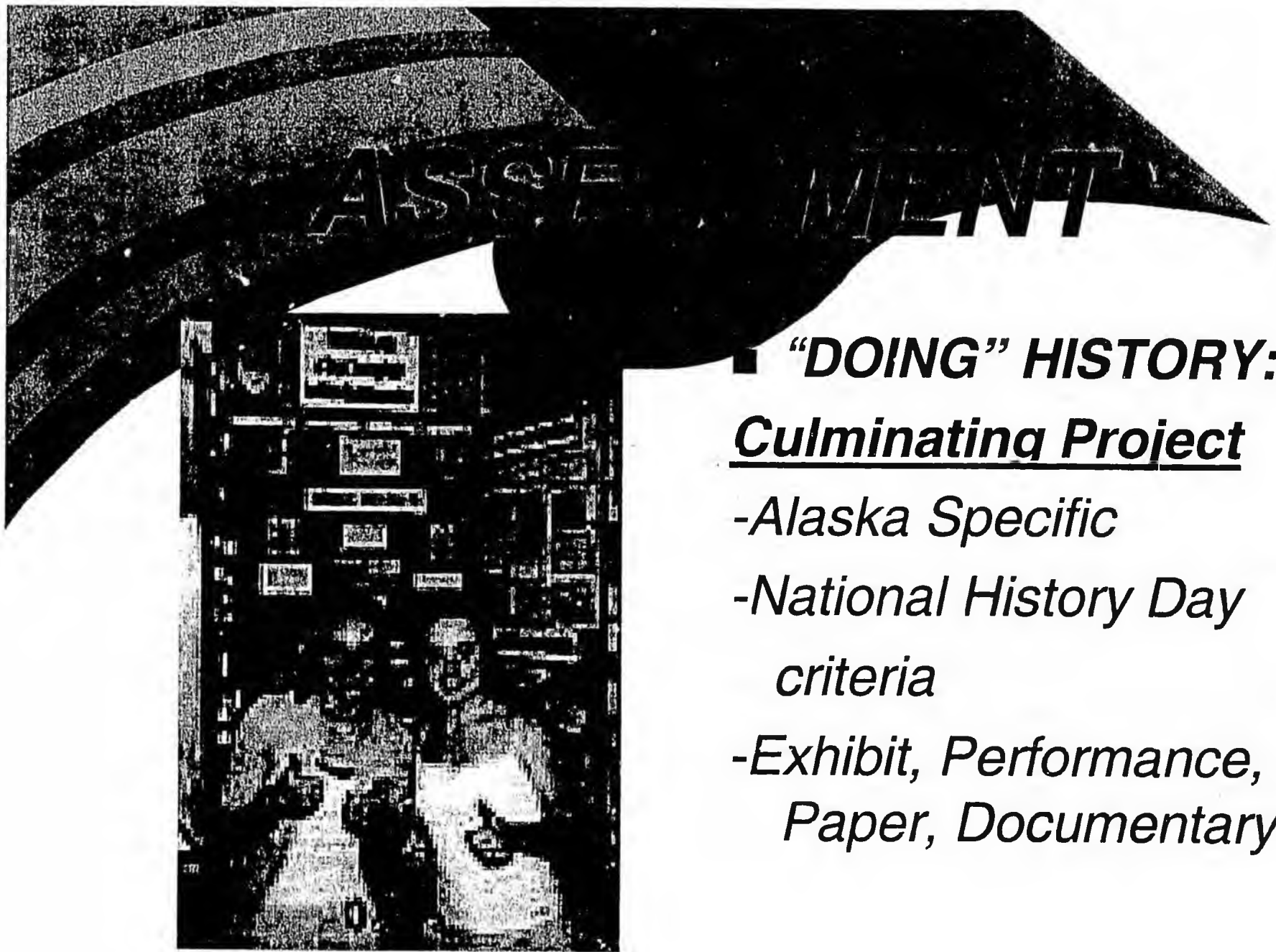
- **BIOGRAPHIES**
*(individuals,
organizations)*
- **INTERVIEWS**
WITH ALASKA'S
"LIVING
STATUES"

SPECIAL FEATURE

■ VIRTUAL FIELD TRIPS

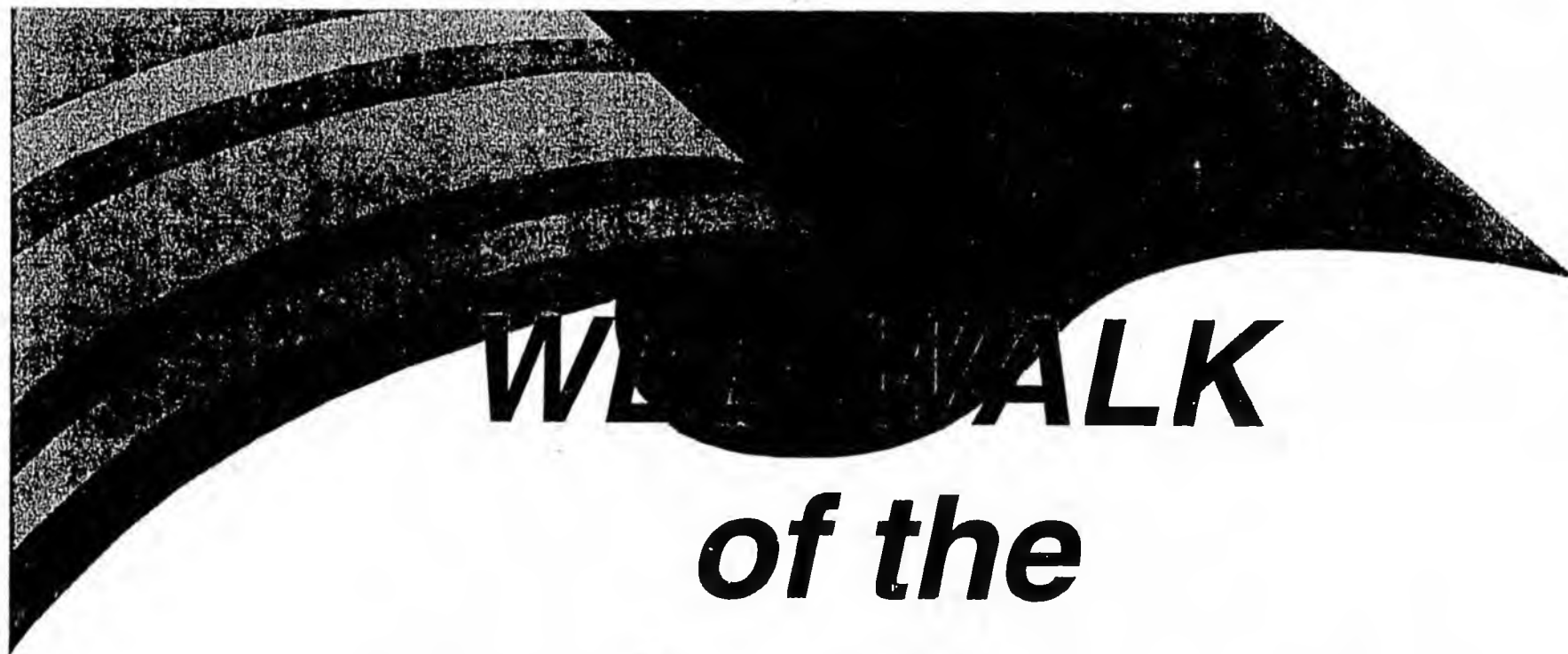
[www.nps.gov/
akso/beringia/index.htm](http://www.nps.gov/akso/beringia/index.htm)





***"DOING" HISTORY:
Culminating Project***

- Alaska Specific*
- National History Day
criteria*
- Exhibit, Performance,
Paper, Documentary*



WALK
of the
Alaska History &
Cultural Studies Site



Community Quota Entity (CQE) Legislation:

HB554/SB387

Commercial Fishing Loans to Eligible CQE's

Background

- The National Marine Fisheries Service (NMFS) is expected to publish the final rule implementing Amendment 66 to the Fishery Management Plan (FMP) for groundfish in the Gulf of Alaska in May 2004.
- Amendment 66 is the outcome of a series of public meetings with the North Pacific Fishery Management Council (NPFMC) and represents a consensus on how to reverse the outward migrating of IFQs from rural Alaska communities to the Lower 48 states.
- The proposed rule would allow 42 coastal communities to be eligible purchase Individual Fishing Quotas (IFQs). These organizations would be known as Community Quota Entities (CQEs) and they would be authorized to purchase halibut and sablefish quota shares on the open market and lease these shares back to harvesters who are residents of the eligible communities.
- Communities represented by CQEs cumulatively would be limited to holding a maximum of 3 percent of the total halibut and black cod quota share in each area for the first seven years of the program up to a total of 21%.
- CQEs in Area 2C and 3A could only receive and use halibut quota share assigned to vessels greater than 35 feet and less than or equal to 60 feet (Category C) and greater than 60 feet (Category B). This provision would prohibit CQE's from holding halibut quota share assigned to vessels less than or equal to 35 feet (Category D). The Council did not recommend catcher vessel restrictions for CQEs holding sablefish quota shares as sablefish are typically harvested by larger vessels.
- The proposed rule identifies eligibility criteria, transfer restrictions and provides limited administrative oversight, however, it does not identify a funding mechanism for these communities to purchase the quota shares.

Legislation

- HB554/SB387 amends the Commercial Fishing Revolving Loan Fund (CFRLF) to allow the Department of Community & Economic Development to make loans to CQEs and in turn create a new local revenue stream. The department is currently able to make loans only to individuals to purchase quota shares.
- CQE applicants would be limited to \$2 million in outstanding loans per community.
- A down payment of 35% would be required for loans secured by quota share.