

SCOMM

#13:10

Note out 3/4/74

BILL AND RESOLUTION REQUEST

Request for Bill (if needed)
By Thomas
Subject:

Recorded
Draft 1 2 3 4 5 6 FINAL
OK for final Thomas
Deliver to _____
Date delivered _____

Pensions--Return of funds

retirement

Drafter (Russ) Ten
Assigned by J
Date in 2-26-74 Due on _____

Instructions to typist
SPONSOR BLANK

Special Instructions

Thomas says he has heard that if a person pays into a pension fund in Alaska, then for some reason doesn't qualify, he can't get back the money he has paid in. If this is so, wants to make it so he can.

OBJECT OF LEGISLATIVE ACTION

Bill

- ___ Determine appropriate AS section, chapter or title (including latest supplement) to amend. Legislator may specify.
- ___ Check with revisor of statutes concerning section numbering.

Resolution

- ___ Use special resolution request work form for basic facts and addressees. Record and proceed on this form.

SOURCES OF LAW AND FACT

- ___ Journals and Legislative Reporting Service for previous session bills.
- ___ Check with agency concerned (with requestor's permission).
- ___ Laws of other states.
- ___ Bar Foundation Bill Reporting Service.
- ___ Publication "Suggested State Legislation."
- ___ Professional and industrial groups and services (with requestor's permission).
- ___ Alaska Delegation newsletters.
- ___ Other _____

INTERPRETATION

- ___ AS annotations.
- ___ Shepard's Citations.
- ___ Alaska Attorney General Opinions.
- ___ Legal Reference Works.

LEGAL CHECK

- ___ Constitutional aspects considered.
- ___ Conformity with one-subject rule.
- ___ Law not local or special unless general will not suffice.
- ___ Subject reflected in title.
- ___ Alaska Supreme Court rules checked for 2/3 majority vote requirement.

DRAFTING CHECK

- ___ Organize bill.
- ___ Provide effective date clause if effective date other than constitutional; reference to in title;
- ___ Style, grammar, and words.
- ___ Read three times: 1 - for meaning; 2 - for clarity and simplicity; and 3 - for loopholes or misapplication.
- ___ Recheck AS citations and internal references.

ADVICE AND CONSULTATION

- ___ Confer with appropriate staff members.
- ___ Consult with legislator.
- ___ Advise revisor of final numbering.
- ___ Make recommended changes.
- ___ Submit for final approval.

ALASKA
STATE - LEGISLATURE

March 4, 1974

MEMORANDUM

Dear Senator Thomas:

In reference to your request for a bill that would provide that any pension funds paid in must be returned if later the person does not qualify, we checked with the Division of Retirement and they say this is already done. Not only must the pension funds be returned, but interest must be paid on those funds. If I can do anything more on this please contact me and we'll go from there.

Russ Mulder

LAA

AGO 531937

States
Retirement - Admin.

Notes sent 3/4/74

BILL AND RESOLUTION REQUEST

Request for Info
By Tillion
Subject:

Recorded
Draft 1 2 3 4 5 6 FINAL
OK for final Tillion
Deliver to _____
Date delivered _____

Retirement Credits--Legislators

Drafter (Russ) Ken
Assigned by J
Date in 2-20-74 Due on _____

Instructions to typist

Special Instructions

Banfiled has a bill in canceling the \$4000 expense allowance and adding the \$4000 to their salaries. One of the reasons given is so that legislators receive credit for 13,000 not 9000. Clem thinks that under 39.35.680 (4) that \$4000 is already credited toward their retirement benefits. My first impression from reading it is no, see what you think and check with department. Allwances are not compensation I don't think in the ordinary sense of the word

OBJECT OF LEGISLATIVE ACTION

Bill

- ___ Determine appropriate AS section, chapter or title (including latest supplement) to amend. Legislator may specify.
- ___ Check with revisor of statutes concerning section numbering.

Resolution

- ___ Use special resolution request work form for basic facts and addressees. Record and proceed on this form.

SOURCES OF LAW AND FACT

- ___ Journals and Legislative Reporting Service for previous session bills.
- ___ Check with agency concerned (with requestor's permission).
- ___ Laws of other states.
- ___ Bar Foundation Bill Reporting Service.
- ___ Publication "Suggested State Legislation."
- ___ Professional and industrial groups and services (with requestor's permission).
- ___ Alaska Delegation newsletters.
- ___ Other _____

INTERPRETATION

- ___ AS annotations.
- ___ Shepard's Citations.
- ___ Alaska Attorney General Opinions.
- ___ Legal Reference Works.

LEGAL CHECK

- ___ Constitutional aspects considered.
- ___ Conformity with one-subject rule.
- ___ Law not local or special unless general will not suffice.
- ___ Subject reflected in title.
- ___ Alaska Supreme Court rules checked for 2/3 majority vote requirement.

DRAFTING CHECK

- ___ Organize bill.
- ___ Provide effective date clause if effective date other than constitutional; reference to in title;
- ___ Style, grammar, and words.
- ___ Read three times: 1 - for meaning; 2 - for clarity and simplicity; and 3 - for loopholes or misapplication.
- ___ Recheck AS citations and interal references.

ADVICE AND CONSULTATION

- ___ Confer with appropriate staff members.
- ___ Consult with legislator.
- ___ Advise revisor of final numbering.
- ___ Make recommended changes.
- ___ Submit for final approval.

ALASKA
STATE LEGISLATURE /

March 4, 1974

MEMORANDUM

Dear Clem:

In regard to information request relating to whether or not your legislative \$4,000 would be counted as or, added to, your service credit computations, the Division of ~~Rexx~~ retirement is 99% sure it would not. They will check further and if they find out differently they will let me know. I'll naturally contact you if I hear anything from them.

Russ Mulder

LAA

AGO 531939

note out 2/27/94

BILL AND RESOLUTION REQUEST

Request for Bill
 By Bevrie
 Subject: State Teachers Retirement System; Major Medical Insurance
 Drafter Russ
 Assigned by R
 Date in 2/15/74 Due on ASAP
 Reg. taken by: Stu

Recorded
 Draft 1 2 3 4 5 6 FINAL
 OK for final Bevrie
 Deliver to _____
 Date delivered _____

Instructions to typist
House H.F. 55

Special Instructions

OBJECT OF LEGISLATIVE ACTION

- Bill
- Determine appropriate AS section, chapter or title (including latest supplement) to amend. Legislator may specify.
 - Check with revisor of statutes concerning section numbering.
- Resolution
- Use special resolution request work form for basic facts and addressees. Record and proceed on this form.

SOURCES OF LAW AND FACT

- Journals and Legislative Reporting Service for previous session bills.
- Check with agency concerned (with requestor's permission).
- Laws of other states.
- Bar Foundation Bill Reporting Service.
- Publication "Suggested State Legislation."
- Professional and industrial groups and services (with requestor's permission).
- Alaska Delegation newsletters.
- Other _____

INTERPRETATION

- AS annotations.
- Shepard's Citations.
- Alaska Attorney General Opinions.
- Legal Reference Works.

LEGAL CHECK

- Constitutional aspects considered.
- Conformity with one-subject rule.
- Law not local or special unless general will not suffice.
- Subject reflected in title.
- Alaska Supreme Court rules checked for 2/3 majority vote requirement.

DRAFTING CHECK

- Organize bill.
- Provide effective date clause if effective date other than constitutional; reference to in title;
- Style, grammar, and words.
- Read three times: 1 - for meaning; 2 - for clarity and simplicity; and 3 - for loopholes or misapplication.
- Recheck AS citations and interal references.

ADVICE AND CONSULTATION

- Confer with appropriate staff members.
- Consult with legislator.
- Advise revisor of final numbering.
- Make recommended changes.
- Submit for final approval.

A Bill to provide for Major Medical Insurance for Retired Teachers

Present Problem

Some School Districts provide part or all major medical insurance for their employees but upon retirement the group plan is no longer available

Retired teachers at age of 55 or 60 must shop for very expensive insurance to be covered until they are eligible for Medicare. And in some cases can not get insurance

Solution

The state Major Medical Insurance (Blue Cross, Washington/Alaska) provides for retirees to continue coverage at the group rate by paying the group premium.

A Bill should be written to revise the state insurance to provide for:

1. An open enrollment period of 60 days in which any teacher retiring under the state Teachers Retirement may elect to be covered at the state group rate by payment of the premium.
2. An open enrollment period until January 1, 1975 in which any teacher now retired may enroll upon payment of the state group premium.

Hold for sponsor action

BILL AND RESOLUTION REQUEST

Request for Bill
By Meehins
Subject: Higher step increases for
state troopers who have
additional ed + for experience
Drafter _____
Assigned by Meehins
Date in _____ Due on _____

Recorded
Draft 1 2 3 4 5 6 FINAL
OK for final _____
Deliver to _____
Date delivered _____
Instructions to typist _____

Special Instructions AS 39.075.150 (4) seems to apply

OBJECT OF LEGISLATIVE ACTION

Bill

- ___ Determine appropriate AS section, chapter or title (including latest supplement) to amend. Legislator may specify.
- ___ Check with revisor of statutes concerning section numbering.

Resolution

- ___ Use special resolution request work form for basic facts and addressees. Record and proceed on this form.

SOURCES OF LAW AND FACT

- ___ Journals and Legislative Reporting Service for previous session bills.
- ___ Check with agency concerned (with requestor's permission).
- ___ Laws of other states.
- ___ Bar Foundation Bill Reporting Service.
- ___ Publication "Suggested State Legislation."
- ___ Professional and industrial groups and services (with requestor's permission).
- ___ Alaska Delegation newsletters.
- ___ Other _____

INTERPRETATION

- ___ AS annotations.
- ___ Shepard's Citations.
- ___ Alaska Attorney General Opinions.
- ___ Legal Reference Works.

LEGAL CHECK

- ___ Constitutional aspects considered.
- ___ Conformity with one-subject rule.
- ___ Law not local or special unless general will not suffice.
- ___ Subject reflected in title.
- ___ Alaska Supreme Court rules checked for 2/3 majority vote requirement.

DRAFTING CHECK

- ___ Organize bill.
- ___ Provide effective date clause if effective date other than constitutional; reference to in title;
- ___ Style, grammar, and words.
- ___ Read three times: 1 - for meaning; 2 - for clarity and simplicity; and 3 - for loopholes or misapplication.
- ___ Recheck AS citations and interal references.

ADVICE AND CONSULTATION

- ___ Confer with appropriate staff members.
- ___ Consult with legislator.
- ___ Advise revisor of final numbering.
- ___ Make recommended changes.
- ___ Submit for final approval.

*Section 1, AS 44.46.030 is repealed.

*Section 2, AS 44.46.040 is repealed.

*Section 3, AS 44.46.050 is repealed.

*Section 4, AS 46.03.020 is renumbered AS 46.03.080 and a new AS 46.03.020 reads:

AS 46.03.020 ENVIRONMENTAL CONSERVATION COMMISSION

a. There is created within the Department of Environmental Conservation, an Environmental Conservation Commission consisting of seven members appointed by the governor. In so far as practicable, these members shall be: a licensed physician knowledgeable in environmental health, a professional engineer experienced in the field of environmental engineering, an attorney knowledgeable in the field of environmental law, a representative of a local or regional environmental control agency, an industrial representative experienced in environmental protection, a representative of an environmental conservation organization, and one member chosen at large. The Commission shall select its own chairman from among its members.

b. The Commissioner of Environmental Conservation shall serve as a non-voting member of the Commission and shall act as Commission secretary.

c. No voting member of the Commission can be an officer or employee of a State Department or agency.

d. Of the members of the Commission first appointed by the Governor, two shall be appointed for a term of one year, two for a term of two years, and three for a term of three years. Initial terms begin on July 1, 1974. Thereafter, all appointments shall be made for terms of three years, beginning on July 1 of the year in which the appointment is made. Members of the Board shall serve at the pleasure of the governor. In case of a vacancy other than one arising by expiration of term, an appointment to fill the vacancy shall be made by the Governor for the remainder of the unexpired term.

*Section 5, AS 46.03.030 is renumbered AS 46.03.090 and a new AS 46.03.030 reads:

AS 46.03.030 MEETINGS.

The Commission shall hold at least two regular meetings each year and additional meetings which the Chairman considers desirable, at a place and time fixed by the Chairman.

Further, special meetings shall be called by the Chairman upon the written request of three members. Four members shall constitute a quorum.

*Section 6 AS 46.03.040 is renumbered 46.03.100 and a new AS 46.03.040 reads:

AS 46.03.040 EXPENSE AND PER DIEM OF COMMISSION MEMBERS

Each member of the Commission is entitled to travel expenses and per diem allowed by law for each day going to and from and for each day in actual attendance at Commission meetings and other meetings or conferences authorized by the Commission.

*Section 7 AS 46.03.050 is renumbered 46.03.110 and a new AS 46.03.050 reads:

AS 46.03.050 COMMISSION PERSONNEL

The Commissioner of Environmental Conservation shall, with the approval of the Commission, employ an executive director who may be a member of the Commission and who shall be an experienced administrator. The Commission may employ engineers, examiners, hearing officers, experts, clerks, accountants and such other assistance as it considers necessary and shall set the compensation for them when compensation for these employees has not already been established by the State.

*Section 8 AS 46.03.060 is renumbered 46.03.120 and a new AS 46.03.060 reads:

AS 46.03.060 ADMINISTRATIVE SUPERVISION.

The Commission is under the general administrative supervision of the Commissioner of Environmental Conservation.

*Section 9, AS 46.03.070 is renumbered AS 46.03.130 and a new AS 46.03.070 reads:

AS 46.03.070 POWERS OF THE COMMISSION

In addition to the powers conferred on it by law, the Commission shall have the power to:

1. Adopt regulations necessary to effectuate the purposes of this chapter including by way of example and not limitation, regulations providing for:

A. Control, prevention and abatement of air, water, land or subsurface land pollution.

B. Safeguard standards for petroleum and natural gas pipeline construction, operation, modification, or alteration.

- C. Protection of public water supplies by setting standards for the construction, improvement and maintenance of public water supply systems.
- D. Collection and disposal of sewage and industrial waste.
- E. Collection and disposal of garbage, refuse and other discarded solid material from industrial, commercial, agricultural, and community activities or operations.
- F. Control of radiation sources to prohibit and prevent unnecessary radiation.
- G. Control of pesticides.
- H. Such other purposes as may be required for the implementation of the policy declared in Sec. 10 of this chapter.

2. Conduct investigations and hold hearings and compel the attendance of witnesses and the production of accounts, books and documents by the issuance of subpoenas.

3. Act as a hearing board for appeals submitted by persons affected by regulations or orders issued pursuant to this chapter.

*Section 10. The original AS 46.03.080 is renumbered AS 46.03.140, and AS 46.03.080, originally 46.03.020, is amended to read:

AS 46.03.080 POWERS OF THE DEPARTMENT

The department shall have power to

- 1. enforce the provisions of this Chapter and all of the orders, regulations, and rules adopted by the Commission pursuant to this chapter;
- 2. enter into contracts necessary or convenient to carry out the functions, powers and duties of the Department;
- 3. review and appraise programs and activities of State Departments and agencies in light of the policies set out in Section 10 of this Chapter for the purpose of determining the extent to which the program and activities are contributing to the achievement of that policy and to make recommendations to the departments and agencies including but not limited to environmental guidelines;
- 4. consult and cooperate with
 - A. Officials and representatives of any non-profit corporation or organization in the State;

B. Persons, organizations and groups, public and private, using, served by, interested in or concerned with the environment of the State;

5. Appear and participate in proceedings before any State or Federal Regulatory agency involving or affecting the purposes of the Department;

6. Undertake studies, inquiries, surveys, or analyses it may consider essential to the accomplishment of the purposes of the department. These activities may be carried out by the personnel of the department or in cooperation with public or private agencies including educational, civic and research organizations, colleges, universities, institutes and foundations.

7. At reasonable times enter and inspect with the consent of the owner or occupier any property or premises, to investigate either actual or suspected sources of pollution or contamination, or to ascertain compliance or noncompliance with any regulation promulgated under this chapter. Information relating to secret processes or methods of manufacture discovered during investigation shall be confidential.

8. Advise and cooperate with municipal, regional, and other local agencies and officials in the State to carry out the purposes of this Chapter.

9. Act as the official agency of the State in all matters affecting the purposes of the Department under federal laws now or hereafter.

*Section 11. The original AS 46.03.090 is renumbered AS 46.03.150 and AS 46.03.090 was originally AS 46.03.030.

*Section 12. The original AS 46.03.100 is renumbered AS 46.03.160 and AS 46.03.100, originally AS 46.03.040, is amended to read:

AS 46.03.100 ALASKA ENVIRONMENTAL PLAN

b. The department shall submit the first plan to the commission for approval on or before January 1, 1975. The commission shall submit the original plan and periodic revisions of the plan to the governor. The plan is effective upon approval by the governor and shall serve thereafter as a guide to the public, state government, and political subdivisions of the State in the development of the environment and natural resources of the State.

*Section 13. The original AS 46.03.110 is renumbered AS 46.03.170. AS 46.03.110 was originally AS 46.03.050.

*Section 14. The original AS 46.03.120 is renumbered AS 46.03.180. AS 46.03.120, originally AS 46.03.060, is amended to read:

AS 46.03.120 WATER POLLUTION CONTROL PLAN.

The department shall with the approval of the commission develop comprehensive plans for water pollution control in the State and conduct investigations it considers advisable and necessary for the discharge of its duties.

*Section 15. The original AS 46.03.130 is renumbered AS 46.03.190. AS 46.03.130, originally AS 46.03.070 is amended to read:

AS 46.03.130 POLLUTION STANDARDS

After public hearing, the commission [department] may adopt standards and make them public and determine what qualities and properties of water indicate a polluted condition actually or potentially deleterious, harmful, detrimental or injurious to the public health, safety or welfare, to terrestrial and aquatic life or their growth and propagation, or to the use of waters for domestic, commercial, industrial, agricultural, recreational, or other reasonable purposes.

*Section 16. The original AS 46.03.140 is renumbered AS 46.03.200. AS 46.03.140, originally 46.03.080, is amended to read:

AS 46.03.140 QUALITY AND PURITY STANDARDS

After study and public hearing held upon due notice, the commission [department] may establish standards of quality and purity or group the designated waters of the state into classes as to minimum quality and purity, or both. The commission [department] shall classify waters in accordance with considerations of best usage in the interest of the public. The commission [department] may alter and modify classifications after hearing.

*Section 17. The original AS 46.03.150 is renumbered AS 46.03.210. AS 46.03.150, originally AS 46.03.090, is amended to read:

AS 46.03.150 PLANS FOR POLLUTION DISPOSAL

AGO 531947

The commission [department] may require the submission of plans for sewage and industrial waste disposal or treatment or both for a publicly or privately owned or operated

industrial establishment, community, public or private property subdivision or development.

*Section 18. The original AS 46.03.160 is renumbered AS 46.03.220. AS 46.03.160 was originally AS 46.03.100.

*Section 19. The original AS 46.03.170 is renumbered AS 46.03.230. AS 46.03.170 was originally AS 46.03.110.

*Section 20. The original AS 46.03.180 is renumbered AS 46.03.24. AS 46.03.180, originally AS 46.03.120, is amended to read:

AS 46.03.180 TERMINATION OR MODIFICATION OF WASTE DISPOSAL PERMIT.

c. A person subject to a permit termination or modification as described in a. and b. of this section, upon written request and in accordance with the rules of the commission, is entitled to a hearing before the commission on the termination or modification. Following the hearing the termination or modification may be affirmed, altered, or withdrawn.

*Section 21. The original AS 46.03.190 is renumbered AS 46.03.250. AS 46.03.190, originally AS 46.03.130 is amended to read:

AS 46.03.190 COMPLIANCE ORDER

a. When, in the opinion of the department, a person is violating or is about to violate regulations and standards established under the provisions of secs. 120-160 [60-100] of this chapter or any other regulations concerning water pollution, the department shall notify the person of its determination and notice do not constitute an order under sec. 820 of this chapter.

d. Within 30 days of receipt, a person affected may make application for a hearing before the commission to review the compliance order. Failure to make application for hearing within 30 days of receipt of a compliance order constitutes a waiver of the recipients' right of review.

e. The commission [department] shall hold a hearing within 20 days of receipt of the application. After hearing the Commission [department] may rescind, modify or affirm a compliance order.

*Section 22. The original AS 46.03.200 is renumbered AS 46.03.260. AS 46.03.200 was originally AS 46.03.140.

*Section 23. The original AS 46.03.210 is renumbered AS 46.03.270. AS 46.03.210 was originally AS 46.03.150.

*Section 24. The original AS 46.03.220 is renumbered AS 46.03.280. AS 46.03.220, originally AS 46.03.160, is amended to read:

AS 46.03.220 ADDITIONAL CONTAMINANT CONTROL MEASURES.

a. The department may require that notice be given to it before the undertaking of the construction, installation or establishment of particular types of classes of new air contaminant sources specified in its regulations. Within 15 days of its receipt of the notice, the department shall require, as a condition precedent to the undertaking, the submission of plans and other information it considers necessary in order to determine whether the proposed undertaking will be in accord with applicable regulations in force under secs. 200-210 [140-150] of this chapter.

b. Within 30 days of receipt of the plans and information for a proposed undertaking, the department shall either approve the undertaking and issue a permit, or if the department determines that the proposed undertaking will not meet the requirements of secs. 200-210 [140-150] of this chapter and applicable regulations, it shall issue a prohibition order against the undertaking.

c. A person subject to a prohibition order as described in b. of this section on written request, and in accordance with regulations of the commission [department], is entitled to a hearing before the Commission on the order. Following the hearing the order may be affirmed, modified or withdrawn.

*Section 25. The original AS 46.03.230 is renumbered AS 46.03.290. AS 46.03.230, originally AS 46.03.170, is amended to read:

AS 46.03.230 VARIANCES

a. A person who owns or is in control of a plant, building, structure, establishment, process or equipment may apply to the commission [department] for a variance from applicable emission control regulations. The commission [department] may grant the variance, but only after public hearing following due notice, if it finds that

1. the emissions occurring or proposed to occur do not endanger human health or safety; and

2. compliance with the rules or regulations from which variance is sought would produce severe hardship without benefits to the public.

b. No variance may be granted under this section until the commission [department] has considered the relative interests of the applicant, other owners of property likely to be affected by the emissions and the general public.

c. A variance granted under a. of this section, shall be for periods and under conditions consistent with the reasons for it and within the following limitations:

1. if the variance is granted on the ground that there is no practicable means known or available for the adequate prevention, abatement or control of the air pollution involved, it shall be only until the necessary means for prevention, abatement, or control become known and available, subject to the taking of substitute or alternate measures that the department may prescribe;

2. if the variance is granted on the ground that compliance with the particular requirement from which variance is sought will necessitate the taking of measures which, because of their extent or cost, must be spread over a considerable period, it shall be for a period not to exceed the reasonable time which in the opinion of the commission [department] is necessary. A variance granted on this ground shall contain a timetable for taking action in an expeditious manner and shall be conditioned on adherence to the timetable and shall be for not more than five years;

3. if the variance is granted on the ground that it is justified to relieve or prevent hardship of a kind other than that provided in c.1. and 2. of this section, it shall be for not more than one year.

d. The commission [department] may upon application renew an existing variance on terms and conditions and for periods which would be appropriate on initial granting of a variance. If complaint is made to the commission [department] on account of the variance no renewal of it may be granted unless, after public hearing on the complaint following due notice, the commission [department] finds that renewal is justified. Application shall be made at least 60 days before the expiration of the variance. Immediately upon receipt of an application for renewal the commission [department] shall give public notice of it.

e. A variance or renewal is not a right of the applicant but shall be in the discretion of the commission [department].

f. No variance or renewal granted under this section may be construed to prevent or limit the application of the emergency orders of the commissioner issued under sec. 820 of this chapter.

*Section 26. The original AS 46.03.240 is renumbered AS 46.03.300. AS 46.03.240 was originally AS 46.03.180.

*Section 27. The original AS 46.03.250 is renumbered AS 46.03.310. AS 46.03.250, originally AS 46.03.190, is amended to read:

AS 46.03.250 MOTOR VEHICLE POLLUTION

a. As the state of knowledge and technology relating to the control of emissions from motor vehicles may permit or make appropriate, and in furtherance of the purpose of this chapter, the Commission [department] may provide by regulation for the control of these emissions. The regulations may prescribe requirements for the installation and use of equipment designed to reduce or eliminate emissions and for the proper maintenance of this equipment.

d. When the commission [department] has issued regulations requiring the maintenance of features or equipment in or on motor vehicles for the purpose of controlling emission from the vehicles, no motor vehicle may be issued a certificate of inspection and approval if required, unless the required features or equipment have been inspected in accordance with the standards, testing techniques and instructions furnished by the commission [department] and have been found to meet those standards.

*Section 28. The original AS 46.03.260 is renumbered AS 46.03.320. AS 46.03.260, originally AS 46.03.200 is amended to read:

AS 46.03.260 LIMITATIONS

Secs. 200-300 [140-240] of this chapter do not

1. grant to the department jurisdiction or authority with respect to air contamination existing solely within commercial and industrial plants, works or shops:

2. affect the relations between employers and employees with respect to or arising out of a condition or air contamination or air pollution; and

469

SCOMM13: JOINT COMM. ON GAS PIPELINE IMPACT 1974-76

86/2

2. Subject to the applicability of a law or ordinance relating to sanitation, industrial health or safety.

*Section 29. The original AS 46.03.270 is renumbered AS 46.03.330. AS 46.03.270, originally AS 46.03.210, is amended to read:

AS 46.03.270 LOCAL AIR POLLUTION CONTROL PROGRAMS

- a. municipality with a population in excess of 1,000 may, within five years from August 5, 1969, establish and administer within its jurisdiction an air pollution control program. Organized boroughs may establish an air pollution control program on an areawide basis, and the exercise of powers with respect to the program is not subject to the restrictions on acquiring additional areawide powers specified in AS 07.15.350. However, the weighted vote shall apply to the exercise of powers as provided in AS 07.20.070
- d. Local programs shall:

1. provide by ordinance for requirements compatible with those imposed by the provisions of secs. 200 and 230 [140 and 170] of this chapter and applicable regulations;
2. provide for the enforcement of the requirements imposed through appropriate administrative and judicial processes;
3. provide for a local administrative organization, staff, and other resources necessary to effectively carry out the purposes of the program; and
4. be approved by the commission[department] as being satisfactory to meet the requirements of secs. 200-230 [140-170] of this chapter and the applicable regulations.

d. If the commission [department] finds that the location, character, or extent of particular concentrations of population, air contaminant sources, the geographic, topographic or meteorological considerations or a combination of these factors make impracticable the maintenance of appropriate levels of air quality without an areawide air pollution control program, the commission [department] may determine the boundaries within which a program is necessary and direct that a program spanning those boundaries is the only acceptable alternative to direct state administration.

*Section 30. The original AS 46.03.230 is renumbered AS 46.03.340. AS 46.03.230, originally 46.03.220, is amended to read:

a. If a municipality authorized to establish or participate in an air pollution control program under sec. 270 [210] a. or d. of this chapter fails to establish a program within the time specified, or if the commission [department] has reason to believe that an air pollution program in force under that section is inadequate to prevent and control air pollution in the jurisdiction to which the program applies, or that the program is being administered in a manner inconsistent with the requirements of this chapter the commission [department] shall, following 45 days notice, conduct a hearing on the matter.

b. If after the hearing, the commission [department] determines that any of the deficiencies enumerated in a. of this section exist, it shall require that necessary corrective action be taken within a reasonable period of time, not to exceed 90 days.

c. If the municipality or the district set up under sec. 270 [210] a. or d. of this chapter fails to take the necessary corrective action within the time specified the department shall administer in the municipality or district all of the regulatory provisions of this chapter. The department's air pollution control program shall then supersede municipal air pollution ordinances, regulations, and requirements in the affected jurisdiction.

d. If the commission [department] finds that the control of a particular class of air contaminant source, because of its complexity or magnitude is beyond the reasonable capability of the local air pollution control authorities or may be more efficiently and economically performed at the state level, it may assume and retain jurisdiction over that class of air contaminant source. Classifications under this subsection may be either on the basis of the nature of sources involved or on the basis of their relationship to the size of the communities in which they are located.

e. A municipality in which the department administers the air pollution control program under this section may with the approval of the commission [department] establish or resume a municipal program which meets the requirements of sec. 270 [210] a. or d.

f. The provisions of secs 270-280 [210-220] do not nullify a local air pollution program in operation on August 5, 1969, if the program meets the requirements of sec. 270 [210] a. or d. of this chapter within two years from that date.

a. A local government unit with an air pollution program meeting the requirements of this chapter and the regulations issued under it may apply to the state for state aid equal to a maximum of 75% of the locally funded annual operating cost of the program. For a joint or areawide program established under sec 270 [210] d. of this chapter application may be made for state aid equal to a maximum of 75% of the locally funded operating cost. In the case of a joint or areawide program the state aid may be based on the cost of the entire program or, if the department finds that one or more elements of separately administered programs are being carried on jointly in a way that materially increases the efficiency of the program, it may aid the element carried on under the inter-local agreement at the rate applied to joint and areawide programs generally.

b. Municipalities of the state and interlocal air pollution control agencies established under secs. 200-300 [140-240] of this chapter may apply for, receive, administer and expend federal aid for the control of air pollution or the development and administration of programs related to that control, if the application is first submitted to and approved by the department. The department shall approve an application if it is consistent with secs. 200-300 [140-240] of this chapter and other applicable requirements of law.

*Section 32. The original AS 46.03.300 is renumbered AS 46.03.360. AS 46.03.300, originally AS 46.03.240, is amended to read:

AS 46.03.300 CONSTRUCTION AND IMPLEMENTATION OF SEC. 290 [230]

a. Sec. 290 [230] of this chapter may not be construed so as to create a debt of the state.

b. The air pollution control support account is established. Funds to carry out the provisions for state aid under sec. 290 [230] of this chapter, such funds as are available shall be distributed pro rata among eligible local governments or air pollution control districts.

c. Money in the air pollution control support account which, at the end of the fiscal year for which the money is appropriated, exceeds the amount required for the allocations authorized in secs 200-300 [140-240] of this chapter reverts to the general fund.

*Section 34. The original AS 46.03.320 is renumbered AS 46.03.380. AS 46.03.320, originally AS 46.03.260 is amended to read:

AS 46.03.320 USE OF ATOMIC RADIATION

Sources of radiation shall be shielded, transported, handled, used and kept to prevent users and persons within effective range from being exposed to unnecessary radiation in conformity with the commission's [department's] regulations.

*Section 35. The original AS 46.03.330 is renumbered AS 46.03.390. AS 46.03.330, originally AS 46.03.270 is amended to read:

AS 46.03.330 ELECTRONIC PRODUCT RADIATION

All electronic products capable or likely to be capable of emitting radiation shall be shielded, handled, used, and kept to prevent users and persons within the range of radiation from dangerous concentration of radiation in conformity with the Commission's [department's] regulations.

*Section 36. AS 46.03.340, originally AS 46.03.280, is amended to read:

AS 46.03.340 NOTIFICATION OF VIOLATION AND ORDER OF ABATEMENT

a. When the department finds, after inspection and examination of a source of radiation as constructed, operated or maintained that there has been a violation of a provision of this chapter, it shall notify the person causing, allowing or permitting the violation, of the nature of the violation and order the person to cease and abate the violation.

b. A person subject to an order or notification as prescribed in a. of this section, upon written request in accordance with the rules of the commission, is entitled to hearing before the commission on the order. Following the hearing the order may be affirmed, modified or withdrawn.

*Section 37. AS 46.03.350, originally AS 46.03.290, is amended to read:

AS 46.03.350 AUTHORITY OF DEPARTMENT IN CASES OF EMERGENCY

When the department finds that an emergency exists requiring immediate action to protect the public health or welfare from radiation it may issue an order reciting the

order is effective immediately. A person to whom an order is directed shall comply with it immediately but on application to the commission [department] shall be given a hearing under the Administrative Procedure Act (AS44.62). Thereafter, the commission [department] may affirm, revoke or modify the order.

*Section 38. AS 46.03.360, originally AS 46.03.300, is amended to read:

AS 46.03.360 EXCEPTIONS

Secs. 320-330 [260-270] of this chapter do not limit the intentional exposure of patients to radiation for the purpose of diagnosis or therapy, or medical research, as authorized by law.

*Section 39. AS 46.03.370, originally AS 46.03.310, is amended to read:

AS 46.03.370 CONFLICTING LAWS

Secs. 310-360 [250-300] of this chapter shall not be construed as repealing any laws of the state relating to radiation sources, exposures, radiation protection, and professional licensure, but shall be held and construed as auxiliary and supplementary to those laws except to the extent that the same are in conflict with secs. 310-360 [250-300] of this chapter. Ordinances or regulations of any governing body of a municipality which are consistent with secs. 310-360 [250-300] of this chapter shall not be superseded by secs. 310-360 [250-300] of this chapter.

*Section 40. AS 46.03.380, originally AS 46.03.320, is amended to read:

AS 46.03.380 AUTHORITY

a. The commission [department] is authorized to

1. regulate the transportation, testing, inspection, packaging, labeling, handling and advertising of pesticides and broadcast chemicals offered for sale, or placed in commerce for use in the state;

2. regulate and supervise the distribution, application or use of pesticides and broadcast chemicals offered for sale, or placed in commerce for use in the state;

3. regulate or prohibit the use of pesticides and broadcast chemicals.

b. The commission [department] may provide by regulation for the licensing of persons engaged in the custom, commercial or contract spraying or application of pesticides and

and broadcast chemicals including the requirement of a surety bond and liability insurance for the licensee.

*Section 41. AS 46.03.390, originally AS 46.03.330, is amended to read:

AS 46.03.390 PUBLIC PESTICIDE PROGRAMS

a. No officer, agent or employee of the state, or of a borough or city of any class, may direct, carry out, or participate in the spraying or application of a pesticide or broadcast chemical in any program or project involving funds, materials or equipment of the state, borough or city, except in accordance with regulations promulgated by the commission [department] under sec. 380 [320] of this chapter.

b. Before a public project that would affect lands owned separately by two or more persons is initiated, the person directing the program shall give public notice of the program in the manner required by regulations of the commission [department]. The commission [department] shall conduct a public hearing on the proposed program if a hearing is requested by the governing body of the affected borough or city, or by a petition signed by at least 50 residents. The requirement for public notice or public hearing may be waived if the commissioner determines that a public emergency exists.

*Section 42. AS 46.03.740 is amended to read:

AS 46.03.740 OIL POLLUTION

No person may discharge, cause to be discharged, or permit the discharge of petroleum, acid, coal or oil tar, lampblack, aniline, asphalt, bitumen, or a residuary product of petroleum, into, or upon the waters or land of the state except in quantities, and at times and locations or under circumstances and conditions as the commission [department] may by regulation permit or where permitted under art. IV of the International Convention for the Prevention of Pollution of the Sea by Oil, 1954, as amended.

*Section 43. AS 46.03.820 is amended to read:

AS 46.03.820 EMERGENCY POWERS

b. Upon receipt of an order of the commission [department] made under a. of this section, the person affected shall have the right to be heard and to present proof to the commission [department] that the condition or activity does not constitute an actual or potential source of irreversible or irreparable damage to the natural resources or

environment of the state, or that the order may constitute a substantial private hardship.

c. In the commissioner's discretion or upon application made by the recipient of an order within 15 days of receipt of the order, the department shall schedule a hearing before the commission at the earliest possible time. The hearing shall be scheduled within five days of the receipt of the earliest possible time. The hearing shall be scheduled within five days of the receipt of the application. The submission of an application or the scheduling of a hearing shall not stay the operation of the department's order made under a. of this section.

d. After a hearing the commission [department] may affirm, modify or set aside the order. An order affirmed, modified or set aside after hearing is subject to judicial review as provided in AS 44.62.560. The order is not stayed pending judicial review unless the commission [commissioner] so directs. If an order is not immediately complied with, the attorney general, upon request of the commissioner, shall seek enforcement of the order.

e. The commission [department] may adopt additional regulations prescribing the procedure to be followed in the issuance of emergency orders.

*Section 44. AS 46.03.900 is amended to read:

AS 46.03.900 DEFINITIONS

1. "air contaminant"
2. "air pollutant"
3. "atomic radiation"
4. "broadcast chemicals"
5. "Commission" means the Environmental Conservation Commission of the Department of Environmental Conservation.
6. [5.] "commission"
7. [6.] "department"
8. [7.] "electronic department"
9. [8.] "electronic product radiation"
10. [9.] "industrial waste"

- 11. [10.] "motor vehicle"
- 12. [11.] "municipality"
- 13. [12.] "other wastes"
- 14. [13.] "person"
- 15. [14.] "pesticide"
- 16. [15.] "pollution"
- 17. [16.] "radiation"
- 18. [17.] "radiation source"
- 19. [18.] "sewage"
- 20. [19.] "sewer system"
- 21. [20.] "standard"
- 22. [21.] "treatment works"
- 23. [22.] "waters"

CS
for C & R A
House -
Committee
3/11/74 (reopening)

AGO 531960 +

CRA

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

1 IN THE HOUSE

2 CS FOR HOUSE BILL NO. 505

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to assisting municipalities; and
7 providing for an effective date."

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

9 * Section 1. DECLARATION OF PURPOSE. It is the intention of the
10 legislature to financially assist municipalities in meeting certain
11 extraordinary operating expenditures ^{caused by accelerated population growth} ~~directly attributable to the~~
12 ~~impact of construction of the trans-Alaska pipeline~~ and which are
13 beyond the capability of the impacted municipalities to reasonably
14 meet. It is the further intention of the legislature that the state
15 respond promptly to the impact needs of municipalities.

16 * Sec. 2. ELIGIBILITY STANDARDS. (a) Grants to carry out the
17 purposes of this Act may be made to a municipality demonstrating

18 (1) an annual population growth rate in excess of ~~2.9~~
19 2.9 Percent of the base population measured
20 growth rate for the period April 1, 1970, through
July 1, 1973;

21 (2) extraordinary municipal operating expenditures beyond
22 its capability to reasonably meet from growth in receipts from present
23 municipal revenue sources; and

24 ~~(3) that both (1) and (2) of this subsection can be~~
25 ~~directly attributed to the impact of construction of the trans-~~
26 ~~Alaska pipeline.~~

27 (3) The base population for measuring the annual population
28 growth rate for purposes of this section is the population of the
29 municipality on the first day of the quarter in which the effective

1 date of this Act falls.

2 # Sec. 3. ESSENTIAL MUNICIPAL SERVICES. Grants made under this
3 Act may be expended only for operating expenditures for

- 4 (1) police protection;
5 (2) fire protection;
6 (3) solid waste collection and disposal;
7 (4) water supply and sewage disposal systems;
8 (5) health care services;
9 (6) land use and environmental planning and regulation; and
10 (7) other essential municipal services specified in the

11 application.

12 # Sec. 4. GRANT COMPUTATION AND PAYMENT. (a) A municipality is
13 eligible for a grant amount under this Act equal to its ^{annual} population
14 growth by June 30, 1975 in excess of the 2.9 PERCENT ~~average annual~~
15 growth rate standard established under sec. 2 of this Act multiplied
16 by its per capita general fund expenditures, excluding expenditures
17 for education, capital outlay and debt service, for the last
18 complete fiscal year preceding the effective date of this Act.

19 (b) A municipality incorporated after the effective date of this
20 Act is eligible for a grant amount under this Act equal to its ^{annual}
21 population growth by June 30, 1975 in excess of the 2.9 percent ~~average annual~~
22 population growth rate standard established under sec. 2 of this
23 Act multiplied by its per capita general fund expenditures, excluding
24 expenditures for education, capital outlay and debt service, for its
25 fiscal year budget.

26 (c) Total grants under this Act to a municipality with a
27 population of 10,000 persons or more on the first day of the quarter
28 in which the effective date of this Act falls may not exceed \$250
29 per capita of the population growth in excess of the average annual

1 population growth rate standard established under sec. 2 of this Act.
2 Total grants under this Act to a municipality with a population
3 under 10,000 persons on the first day of the quarter in which the
4 effective date of this Act falls may not exceed \$400 per capita of
5 the population growth in excess of the average annual population
6 growth rate standard established under sec. 2 of this Act.

7 (d) The base population for measuring the per capita general
8 fund expenditures for purposes of this section is the population
9 of the municipality on the first day of the quarter in which the
10 effective date of this Act falls.

11 (e) Grants may be made quarterly based upon quarterly population
12 estimates with final adjustment to be made on June 30, 1975. Final
13 grant payments shall be withheld until after final adjustments of
14 amounts are made on June 30, 1975.

15 Sec. 5. PREPAYMENTS. (a) A municipality may receive, as a pre-
16 payment, up to 50 per cent of the amount it will be entitled to
17 under this Act upon certification by the Department of Community and
18 Regional Affairs that the municipality will more likely than not meet
19 the eligibility standards set forth in sec. 2 of this Act.

20 (b) Total prepayments to municipalities made under this section
21 may not exceed \$5,000,000.

22 Sec. 6. APPLICATION. (a) Grants under this Act may be made only
23 upon application by a municipality to the Department of Community
24 and Regional Affairs. Each grant application shall state the
25 essential municipal services for which the grant will be expended.
26 A prepayment grant application may be submitted at any time after
27 the effective date of this Act.

28 (b) No grant may be expended for purposes other than those
29 specified in the application.

1 * Sec. 7. ACCOUNTABILITY FOR GRANTS. (a) A municipality shall submit
2 a financial report covering the expenditure of any grant already
3 received under this Act to the Department of Community and Regional
4 Affairs before another grant may be received under this Act.

5 (b) A municipality receiving grants under this Act shall

6 (1) maintain a separate account for the grants received
7 under this Act;

8 (2) provide for an annual independent audit of the separate
9 account for the grants received under this Act; and

10 (3) submit a copy of the independent audit report to the
11 Department of Community and Regional Affairs.

12 * Sec. 8. APPROVAL. Grants under this Act shall be made by the De-
13 partment of Community and Regional Affairs at the direction of the
14 governor subject to approval of the Legislative Budget and Audit
15 Committee.

16 * Sec. 9. POPULATION. A municipality shall submit estimated population
17 and population growth figures to the Department of Community and
18 Regional Affairs. These population and population growth figures are
19 subject to review and approval by the Department of Community and
20 Regional Affairs. The decisions of the Department of Community and
21 Regional Affairs are final as to

22 (1) population growth figures for the purpose of estab-
23 lishing eligibility under sec. 2 of this Act;

24 (2) population figures for computing grant amounts under
25 sec. 4 of this Act; and

26 (3) population figures for computing prepayment amounts
27 under sec. 5 of this Act.

28 * Sec. 10. DEFINITIONS. For purposes of this Act

29 (1) "population" means non-military population;

1 (2) "municipality" means a home rule municipality or a
2 general law municipal corporation and political subdivision, which
3 is a first or second class borough or city incorporated under the
4 laws of the state;

5 (3) "operating expenditures" means personal services, con-
6 tractual services, travel, commodities and up to \$20,000 per item of
7 equipment except that it does not include any of these items if part
8 of a capital improvement expenditure;

9 (4) "quarter" means a period beginning January 1, April 1,
10 July 1 and October 1 of a calendar year.

11 * Sec. 11. REGULATIONS. The Department of Community and Regional
12 Affairs may adopt regulations necessary to carry out the purpose of
13 this Act.

14 * Sec. 12. EFFECTIVE DATE. This Act takes effect on the day after
15 its passage and approval or on the day it becomes law without approval.

BY THE RULES COMMITTEE
BY REQUEST OF THE
SPECIAL PETROLEUM
IMPACT COMMITTEE

1 IN THE SENATE

2 SENATE BILL NO. 382

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating the Pipeline Impact Agency; and
7 providing for an effective date."

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

9 * Section 1. AS 44.19 is amended by adding new sections to read:

10 ARTICLE 8. PIPELINE IMPACT AGENCY.

11 Sec. 44.19.581. PURPOSE. The legislature finds that construction
12 of the trans-Alaska pipeline, from its commencement to completion over
13 a period of approximately three years, will impose severe to mild
14 strains on local and state governmental services and facilities. While
15 the pipeline construction indubitably will, in the long run, mean
16 immense growth and development to the communities and areas along the
17 pipeline route, and to those areas coming under direct pipeline con-
18 struction influence, the legislature further finds that localities most
19 affected will be unable to cope with the probable impact on facilities
20 and services brought about by the anticipated overwhelming and sudden
21 increases in numbers of citizens to be served. The legislature finds,
22 also, that communities while likely to be impacted are willing and
23 ready via local taxation to do all possible themselves to meet impact
24 requirements, even to the full limits of local taxation tolerance,
25 nevertheless, recognizing the state will be the prime beneficiary of
26 pipeline construction via realization of enormous oil development
27 revenues for the total state, the legislature finds that local impact
28 financial burdens logically should be borne by the state as its invest-
29 ment in those future revenues. It is, therefore, the intent of the

1 legislature, in this measure, to provide a means of quickly and deci-
2 sively determining specific impact problems and, additionally, for
3 moving quickly and decisively to provide funds, facilities, personnel
4 or other means for quick solutions. Finally, the legislature intends
5 via this legislation to meet local and state pipeline construction impact
6 problems as quickly and efficiently as possible in manners similar to
7 the handling of disaster impact problems. The legislature finds, too,
8 that revenue-sharing formulas on per capita or percentage per capita
9 increase basis are less desirable, less effective, and more costly than
10 the case-by-case approach intended in the legislation. Under the
11 formula approach, provision would have to be made for all probable as
12 well as all possible impact contingencies, some of which may never
13 develop.

14 Sec. 44.19.583. PIPELINE IMPACT AGENCY. There is created in the
15 office of the governor the Pipeline Impact Agency.

16 Sec. 44.19.585. DIRECTOR. The Pipeline Impact Agency is adminis-
17 tered by a director of pipeline impact. The director is appointed by
18 the governor and serves at the pleasure of the governor. The appoint-
19 ment of the director is subject to confirmation by a majority of the
20 members of the legislature in joint session.

21 Sec. 44.19.587. PROGRAM TO ASSIST MUNICIPALITIES DURING PIPELINE
22 CONSTRUCTION. The Pipeline Impact Agency shall administer a state
23 program to provide assistance to municipalities which are adversely
24 affected, economically and socially, by pipeline construction.

25 Sec. 44.19.589. POWERS AND DUTIES. (a) The director shall
26 (1) advise and assist the governor in developing planning
27 assumptions and a broad preparedness plan with respect to the economic
28 and social impact that will accompany pipeline construction;
29 (2) advise and assist the governor in developing policies,

1 programs and control systems designed to alleviate the economic and
2 social impact resulting from pipeline construction; and

3 (3) advise and assist the governor with respect to resolving
4 issues related to pipeline construction impact preparedness responsi-
5 bilities of state agencies which arise concerning two or more of those
6 agencies.

7 (b) The director, with the approval of the Special Legislative
8 Pipeline Impact Review Committee (as provided for in secs. 595 - 605
9 of this chapter), may

10 (1) make loans and grants and purchase evidences of indebted-
11 ness with funds from the pipeline impact fund to municipalities economi-
12 cally or socially adversely affected by pipeline construction;

13 (2) guarantee municipal bonds when a municipality needs to
14 undertake a capital improvement program on an accelerated basis; and

15 (3) pay (for not more than three years) from the pipeline
16 impact fund a portion of the debt service or interest or both incurred
17 by a municipality for undertaking capital improvements made necessary
18 by pipeline construction.

19 { (c) Grants under (b)(1) of this section shall be made on ^{an} ~~the~~
20 *case-by-case basis as demonstrated by need*
21 ~~basis of percentage increase in population and not on the basis of~~
22 ~~per capita increase in population.~~ Applications for grants shall be
23 made in a form prescribed by the director. A grant shall be allotted
24 according to an agreement made between the director on behalf of the
25 state and the municipality receiving the grant. The agreement may
26 include any provision agreed upon by the parties and shall include in
27 substance the following provisions:

28 (1) a schedule of grant disbursements, if, as determined
29 by the director, a grant is to be disbursed other than in one sum;

(2) agreement by the municipality to

1 (A) proceed with and complete the proposed project
2 or program expeditiously;

3 (B) not discontinue operation or dispose of all or
4 part of the project or program for which it receives a grant with-
5 out the approval of the director;

6 (C) apply for, and make reasonable efforts to secure,
7 federal assistance which may be available for the project or
8 program, subject to any conditions the agency may require in
9 order to maximize the amounts of that assistance received or to
10 be received for all projects or programs in the state;

11 (3) agreement by the municipality that, if federal assistance
12 for a project or program becomes available to the municipality which
13 was not included in the calculation of the amount of a grant authorized
14 and disbursed under this section, the value of the federal assistance
15 shall be ascertained and subtracted from the total value of the project
16 or program and the balance shall be proportionately divided between
17 the state and municipality;

18 (4) provision for alteration or modification of an approved
19 project or program and for remedies in case of failure to perform the
20 agreement between the parties or noncompliance with regulations promul-
21 gated by the director under this section.

22 (d) If funds appropriated by the legislature to provide loans and
23 grants and purchase evidences of indebtedness under this section are
24 not adequate to satisfy amounts required by approved grant applications,
25 funds shall be allocated on the basis of priority established by the
26 director by regulations promulgated to carry out the provisions of this
27 section.

28 (e) The director shall provide a quarterly report to the legisla-
29 ture with respect to grants made under this section.

1 (f) The director shall determine the terms and conditions for
2 making a loan and purchasing an evidence of indebtedness under this
3 section.

4 → Sec. 44.19.591. AUTHORITY TO ACCEPT SERVICE, GIFTS, GRANTS, AND
5 LOANS. When the federal government or an agency or officer of the
6 federal government offers to the state, or through the state to a
7 municipality, services, equipment, supplies, materials, or funds by
8 way of gift, grant, or loan, for the purpose of alleviating the social
9 or economic impact resulting from pipeline construction, the state
10 acting through the director, or the municipality acting through its
11 executive officer or governing body, may accept the offer subject to
12 the terms of the offer and the rules and regulations of the agency
13 making the offer.

14 Sec. 44.19.593. PIPELINE IMPACT FUND. There is the pipeline
15 impact fund created for the purpose of carrying out the provisions of
16 sec. 587(b) of this chapter. The fund consists of all money made
17 available by appropriations of the state legislature, and from other
18 appropriated funds, all contributions from whatever source, and income
19 and interest derived from the investment of money.

20 Sec. 44.19.595. SPECIAL LEGISLATIVE PIPELINE IMPACT REVIEW COM-
21 MITTEE. There is established the Special Legislative Pipeline Impact
22 Review Committee composed of three members of the senate appointed by
23 the president of the senate and three members of the house of represen-
24 tatives appointed by the speaker of the house. The committee shall
25 select its own chairman.

26 Sec. 44.19.597. TERM OF MEMBERSHIP. The committee shall be
27 organized within 15 days after the organization of each legislature.
28 Members serve for the duration of the legislature during which they
29 are appointed. If they are reelected or their term of office extends

1 into the next succeeding legislature, they continue to serve until
2 reappointed or the appointment of their successor.

3 Sec. 44.19.599. VACANCIES. When a vacancy occurs in the member-
4 ship of the committee, the presiding officer of the house incurring
5 the vacancy shall choose a successor. If the office of the president
6 of the senate or speaker of the house of representatives becomes
7 vacant and a vacancy from the affected house occurs among the member-
8 ship of the committee, the remaining committee members from the house
9 incurring the vacancy shall appoint a new member.

10 Sec. 44.19.601. MEETINGS. (a) The committee may meet during
11 sessions of the legislature and during the interim between sessions at
12 such times and places in the state as the chairman may determine.
13 Members may receive, for the minimum time required to get to and from
14 meetings and for the period while attending meetings, the same travel
15 and per diem allowances provided by law for members of the legislature
16 when attending sessions, except that members of the committee receive
17 no per diem during legislative sessions other than the per diem allow-
18 ance paid to other members of the legislature.

19 (b) The members of the committee can validly conduct a meeting
20 and vote by communicating simultaneously with each other by means of
21 conference telephones or similar communications equipment.

22 (c) A majority of the members of the committee constitute a
23 quorum for the purpose of carrying out its duties under sec. 603 of
24 this chapter.

25 Sec. 44.19.603. DUTIES OF COMMITTEE. The committee shall review
26 and approve or disapprove, in whole or in part, the decisions made
27 by the Pipeline Impact Agency, ~~under sec. 589(b) of this chapter.~~
28 ³ ~~and sec. 589(b) of this chapter.~~

29 Sec. 44.19.605. DIVISION OF LEGISLATIVE FINANCE ASSISTANCE. The
division of legislative finance shall cooperate with the committee and

*How can this
be
paraphrased*

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

shall furnish technical assistance and personnel, if available, upon request.

* Sec. 2. This Act takes effect on the day after its passage and approval or on the day it becomes law without approval.

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 505

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to assisting municipalities; and
7 providing for an effective date."

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

9 * Section 1. DECLARATION OF PURPOSE. It is the intention of the legis-
10 lature to financially assist municipalities in meeting certain extra-
11 ordinary operating expenditures directly attributable to the impact of
12 construction of the trans-Alaska pipeline and which are beyond the capa-
13 bility of the impacted municipalities to reasonably meet.

14 * Sec. 2. ELGIBILITY STANDARDS. (a) Grants to carry out the purposes
15 of this Act may be made to a municipality demonstrating

16 (1) an annual population growth rate in excess of four per cent;

17 (2) extraordinary municipal operating expenditures beyond its
18 capability to reasonably meet; and

19 (3) that both (1) and (2) of this subsection can be directly
20 attributed to the impact of construction of the trans-Alaska pipeline.

21 (b) The base population for measuring the annual population growth
22 rate for purposes of this section is the population of the municipality on
23 the first day of the quarter of the calendar year during which the con-
24 struction commencement date of the trans-Alaska pipeline occurs.

25 * Sec. 3. ESSENTIAL MUNICIPAL SERVICES. Grants made under this Act may
26 be expended only for operating expenditures for the following essential
27 municipal services:

28 (1) police protection;

29 (2) fire protection;

- 1 (3) solid waste collection and disposal;
- 2 (4) water supply and sewage disposal systems;
- 3 (5) health care services; and
- 4 (6) land use and environmental planning and regulation.

5 * Sec. 4. GRANT COMPUTATION AND PAYMENT. (a) A municipality is
6 eligible for a grant amount under this Act equal to its population growth
7 by June 30, 1975 in excess of the four per cent annual population growth
8 rate standard established under sec. 2 of this Act multiplied by its per
9 capita general fund expenditures, excluding expenditures for education,
10 capital outlay and debt service, for the last complete fiscal year preceding
11 the effective date of this Act.

12 (b) Total grants under this Act to a municipality with, as of the
13 construction commencement date of the trans-Alaska pipeline, a population of
14 10,000 persons or more may not exceed \$250 per capita of the population
15 growth in excess of the four per cent annual population growth rate standard
16 established under sec. 2 of this Act. Total grants under this Act to a
17 municipality with, as of the construction commencement date of the trans-
18 Alaska pipeline, a population under 10,000 persons may not exceed \$400 per
19 capita of the population growth in excess of the four per cent annual
20 population growth rate standard established under sec. 2 of this Act.

21 (c) The base population for measuring per capita general fund expendi-
22 tures for purposes of this section is the population of the municipality on
23 the first day of the quarter of the calendar year during which the con-
24 struction commencement date of the trans-Alaska pipeline occurs.

25 (d) Grants may be made quarterly based upon quarterly population
26 estimates with final adjustment to be made on June 30, 1975. Final grant
27 payments shall be withheld until after final adjustments of amounts are made
28 on June 30, 1975.

29 * Sec. 5. PREPAYMENTS. (a) A municipality may receive, as a prepayment,

1 up to 50 per cent of the amount it will be entitled to under this Act upon
2 certification by the Department of Community and Regional Affairs that the
3 municipality will more likely than not meet the eligibility standards set
4 forth in sec. 2 of this Act.

5 (b) Total prepayments to municipalities made under this section may
6 not exceed \$5,000,000.

7 * Sec. 6. APPLICATION. (a) Grants under this Act may be made only upon
8 application by a municipality to the Department of Community and Regional
9 Affairs. Each grant application shall state the essential municipal services
10 for which the grant will be expended. A prepayment grant application may be
11 submitted at any time after the effective date of this Act.

12 (b) No grant may be expended for purposes other than those specified
13 in the application.

14 * Sec. 7. ACCOUNTABILITY FOR GRANTS. (a) A municipality shall submit a
15 financial report covering the expenditure of any grant already received under
16 this Act to the Department of Community and Regional Affairs before another
17 grant may be received under this Act.

18 (b) A municipality receiving grants under this Act shall

19 (1) maintain a separate account for the grants received under
20 this Act;

21 (2) provide for an annual independent audit of the separate
22 account for the grants received under this Act; and

23 (3) submit a copy of the independent audit report to the Depart-
24 ment of Community and Regional Affairs.

25 * Sec. 8. APPROVAL. Grants under this Act shall be made by the Depart-
26 ment of Community and Regional Affairs at the direction of the governor
27 subject to approval of the Legislative Budget and Audit Committee.

28 * Sec. 9. POPULATION. A municipality shall submit estimated population
29 and population growth figures to the Department of Community and Regional

1 Affairs. These population and population growth figures are subject to
2 review and approval by the Department of Community and Regional Affairs.
3 The decisions of the Department of Community and Regional Affairs are final
4 as to

5 (1) population growth figures for the purpose of establishing
6 eligibility under sec. 2 of this Act;

7 (2) population figures for computing grant amounts under sec. 4
8 of this Act; or

9 (3) population figures for computing prepayment amounts under
10 sec. 5 of this Act.

11 * Sec. 10. DEFINITIONS. For purposes of this Act

12 (1) "construction commencement date" means the date the
13 following occur:

14 (A) there has been issued to the owner or his agent
15 right-of-way permits, leases, and title and other rights in lands,
16 and other approvals, permits, licenses and certificates, by federal,
17 state and local agencies that a reasonable and prudent person would
18 consider adequate to commence construction of the facilities in
19 the expectation that all other approvals, permits, licenses and
20 certificates necessary for the completion of facilities will be
21 obtained;

22 (B) all approvals, permits, licenses and certificates
23 are in full force and effect, unrevoked and without any modification,
24 which might jeopardize the completion or continued construction of
25 the facilities; and

26 (C) no order, judgment, decree, determination or
27 award of a federal, state or local court or administrative or regu-
28 latory agency enjoining, either temporarily or permanently, the con-
29 struction or the continuation of construction of the facilities is

1 in effect;

2 (2) "municipality" means a general law municipal corporation
3 and political subdivision, which is a first or second class borough or city
4 incorporated under the laws of the state;

5 (3) "operating expenditures" means personal services, con-
6 tractual services, travel, commodities and up to \$20,000 per item of equip-
7 ment except that it does not include any of these items if part of a capital
8 improvement expenditure;

9 (4) "quarter of a calendar year" means a period beginning
10 January 1, April 1, July 1, and October 1 of a calendar year.

11 * Sec. 11. REGULATIONS. The Department of Community and Regional Affairs
12 may adopt regulations necessary to carry out the purpose of this Act.

13 * Sec. 12. EFFECTIVE DATE. This Act takes effect on the day after its
14 passage and approval or on the day it becomes law without approval.

15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

Hold 2/4/74

BILL AND RESOLUTION REQUEST

Request for Information
 By Sen. Croft
 Subject:
campaign Disclosure -- responsi-
bility of Newspapers

Drafter Russ
 Assigned by Russ
 Date in 1/30/74 Due on ASAP

Recorded
 Draft 1 2 3 4 5 6 FINAL
 OK for final _____
 Deliver to _____
 Date delivered _____

Instructions to typist

Special Instructions

*Either a U.S. Supreme Court decision on a
 Fed. statute or just a Fed. Supreme Ct. decision
 -- re newspapers granting space (or something?)
 -- Done & sent to sponsor on 2/4/74*

OBJECT OF LEGISLATIVE ACTION

Bill
 ___ Determine appropriate AS section, chapter or title (including latest supplement) to amend. Legislator may specify.
 ___ Check with revisor of statutes concerning section numbering.

Resolution

___ Use special resolution request work form for basic facts and addressees. Record and proceed on this form.

SOURCES OF LAW AND FACT

___ Journals and Legislative Reporting Service for previous session bills.
 ___ Check with agency concerned (with requestor's permission).
 ___ Laws of other states.
 ___ Bar Foundation Bill Reporting Service.
 ___ Publication "Suggested State Legislation."
 ___ Professional and industrial groups and services (with requestor's permission).
 ___ Alaska Delegation newsletters.
 ___ Other _____

INTERPRETATION

___ AS annotations.
 ___ Shepard's Citations.
 ___ Alaska Attorney General Opinions.
 ___ Legal Reference Works.

LEGAL CHECK

___ Constitutional aspects considered.
 ___ Conformity with one-subject rule.
 ___ Law not local or special unless general will not suffice.
 ___ Subject reflected in title.
 ___ Alaska Supreme Court rules checked for 2/3 majority vote requirement.

DRAFTING CHECK

___ Organize bill.
 ___ Provide effective date clause if effective date other than constitutional; reference to in title;
 ___ Style, grammar, and words.
 ___ Read three times: 1 - for meaning; 2 - for clarity and simplicity; and 3 - for loopholes or misapplication.
 ___ Recheck AS citations and interal references.

ADVICE AND CONSULTATION

___ Confer with appropriate staff members.
 ___ Consult with legislator.
 ___ Advise revisor of final numbering.
 ___ Make recommended changes.
 ___ Submit for final approval.

liance upon *T.I.M.E., Inc. v. U.S.*, 359 U.S. 464 (1959) in which the United States Supreme Court held that the Motor Carrier Act did not provide shippers with a statutory right to collect reparations from carriers for recovery of allegedly unreasonable past rates. In particular, defendants rely upon the following statements:

The very provisions of Part I, and their counterparts in Part III, which give a right to action to shippers against carriers for damages incurred by carrier violations of the Act and provide the mechanics for the enforcement of that right are conspicuously absent in the Motor Carrier Act. Thus, whereas § 8 of Part I provides that "any common carrier subject to the provisions of this chapter [who] shall do . . . any act . . . in this chapter . . . declared to be unlawful . . . shall be liable to the person or persons injured thereby for the full amount of the damages sustained. . . ." Part II has no comparable provision. Again, whereas § 9 of Part I gives an injured shipper the right to sue in the ICC or in the federal district court, Part II contains no comparable provision. In addition, §§ 13(1) and 16 of Part I give a shipper claiming reparation the right to proceed in the commission and to enforce his reparation award in the courts, and Part II contains no comparable provisions. 359 U.S. at 470-471.

Defendants' reliance is misplaced. The *T.I.M.E.* decision is clearly distinguishable since it involved the shippers' right to reparations not their right to enforce a valid refund order. As stated by Judge Will in the court below, "in no sense did the *T.I.M.E.* decision consider the issue of whether, when the commission does a valid refund order under Part II, the shippers for whose benefit the order was issued can proceed under Section 16(2) of Part I." Admittedly, there is a dearth of legislative history and/or cases to which the court might look for assistance in interpreting § 305(g). Nevertheless, the plain language of the statute provides ample basis for the district court's conclusion that the statute incorporates § 16(2) of Part I: "Any final order made under [Part II] shall be subject to the same right of relief in court by any party in interest as is now provided in respect to orders of the commission made under [Part I]." 49 U.S.C. § 305(g). [End Text]—Grant, J.

—CA 7; Aluminum Co. of America v. Admiral Merchants Motor Freight, Inc., 7/12/73.

Newspapers and Magazines

FREEDOM OF PRESS—

Florida "right to reply" statute, which requires newspapers to publish, without charge, replies of political candidates whom they criticize during election campaigns, does not violate First Amendment freedom of press.

The election of government leaders by qualified electors is a fundamental precept upon which our nation's government is based. While there is a recognized right to publish without prior governmental restraint, there is also a correlative responsibility that the public be fully informed. The public's need to be fully informed is most critical during election campaigns. The statute now being challenged was enacted not to punish, coerce, or censor the press, but rather to maintain conditions conducive to free and fair elections. Unless a candidate who has been criticized by a newspaper is given an equivalent opportunity to respond, not only the candidate, but the people, would suffer.

The press must not lose sight of the fact that the First Amendment guarantee is "not for the benefit of the press so much as for the benefit of us all." *Time, Inc. v. Hill*, 385 U.S. 374.

[Text] The statute here under consideration is designed to add to the flow of information and ideas and does not constitute an incursion upon First Amendment rights or a prior restraint, since no specified newspaper content is excluded. There is nothing prohibited but rather it requires, in the interest of full and fair discussion, additional information.

The right of the public to know all sides of a controversy and from such information to be able to make an enlightened choice is being jeopardized by the growing concentration of the ownership of the mass media into fewer and fewer hands, resulting ultimately in a form of private censorship. Through consolidation, syndication, acquisition of radio and television stations and the demise of vast numbers of newspapers, competition is rapidly vanishing and news corporations are acquiring monopolistic influence over huge areas of the country. * * *

Freedom of expression was retained by the people through the First Amendment for all the people and not merely for a select few. The First Amendment did not create a privileged class which through a monopoly of instruments of the newspaper industry would be able to deny to the people the freedom of expression which the First Amendment guarantees. * * *

In conclusion, we do not find that the operation of the statute would interfere with freedom of the press as guaranteed by the Florida Constitution and the Constitution of the United States. Indeed it strengthens the concept in that it presents both views leaving the reader the freedom to reach his own conclusion. This decision will encourage rather than impede the wide open and robust dissemination of ideas and counterthought which the concept of free press both fosters and protects and which is essential to intelligent self government. * * *

A half free press would be deceptive to the public. [This] statute, in the interest of all the people, provides that candidates for public office under certain prescribed circumstances shall have a right of reply, a right of expression. It does not deny to the owner of the instruments of the newspaper industry any right of expression. The statute assures, and does not abridge, the right of expression which the First Amendment guarantees. The statute supports the freedom of the press in its true meaning—that is, the right of the reader to the whole story, rather than half of it—and without which the reader would be "blacked out" as to the other side of the controversy. [End Text]—Per Curiam.

Concurrence: The court is fully cognizant of the U.S. Supreme Court's decision in *Columbia Broadcasting System, Inc. v. Democratic National Committee*, 41 LW 4688 (1973), which holds that neither the Federal Communications Act nor the First Amendment requires broadcasters to accept paid editorial advertisements. That decision, however, is directed solely to the peculiar and limited nature of the broadcasting industry, and is not applicable to the situation presented in the case before this court—Roberts, J.

Dissent: Since the First Amendment prohibits the government from limiting the right to publish news and comment editorial, it also prevents the government from compelling a publisher to print another person's statement against the publisher's will.

[Text] Free people can make proper decisions for their own self-government only when they are adequately informed by a free press. To the extent that government limits or adds to that which a publisher must distribute, freedom of speech and freedom of the press are thereby diminished.

Almost everyone whose name has been carried frequently in the news media has been offended, at one time or another, by stories or comments with which he disagrees. This is part

of the price one pays for success and notoriety. If there exists a problem in this state of affairs, the muzzling of a free press is not the solution to such problems. [End Text]—Boyd, J.

—Fla SupCt; *Tornillo v. Miami Herald Publishing Co.*, 7/18/73.

Proposed Massachusetts bill that requires newspapers publishing paid political advertisements concerning one candidate for public office to publish paid political advertisements concerning any other candidate for same public office would violate First Amendment freedom of press.

The issue is whether, if a newspaper or other publication has published a paid political advertisement, it is a violation of freedom of the press to compel that newspaper or other publication to publish paid political advertisements espousing a contrary view.

The First Amendment does not shield the press from reasonable regulation; the press clearly has no special immunity from civil or criminal laws that relate to its business aspects. However, the Supreme Court has traditionally been unwilling to uphold state regulation of the expression of political views.

The constitutionality of a governmental mandate to publish specific items has been considered and upheld in connection with the "fairness doctrine" as applied to radio and television stations by the Federal Communications Commission. Moreover, where public health considerations were strong and the subject involved only marginal free speech concepts, the governmental requirement that broadcasters carrying commercial cigarette advertising devote broadcast time to presenting the case against cigarette smoking has withstood constitutional challenge. However, in a more analogous situation, the Supreme Court has recently held that persons wishing to broadcast paid editorial comments had no constitutional right to insist that the broadcasters permit them to buy time to express their views. *Columbia Broadcasting System, Inc. v. Democratic National Committee*, 41 LW 4688 (1973).

Communication by printed word presents different considerations from those applicable to the broadcast media. The distinction between newspapers and broadcasters led at least four of the justices in *Columbia Broadcasting System, Inc.* to recognize that obligations that may be constitutionally permissible as to broadcasters could not be imposed on newspapers. The court is aware of no

circumstances in which it has been held that the First Amendment right of free speech gives a private individual the right to require the publication of editorial advertising.

Of course, the fundamental purpose of the First Amendment—the dissemination of information—must be considered. Although the apparent purpose of the proposed bill is to insure that when paid advertisements on one side of a political issue have been published the contrary view may be published, the bill's enactment may actually produce the chilling effect of discouraging newspapers from accepting any political advertisements. Thus, the bill may in effect discourage distribution of information for the benefit of the public.

First Amendment freedoms may be constitutionally abridged to further important or substantial governmental interests "if the incidental restriction on alleged First Amendment freedoms is no greater than is essential to the furtherance of that interest." *U.S. v. O'Brien*, 391 U.S. 367. However, there is a substantial burden on the government to show justification for its attempted regulation. The state legislature has furnished no legislative findings or other indication of any substantial and overriding governmental interest in requiring newspapers to publish all responsive, paid political advertisements.

The proposed bill may be directed at the "monopolistic" status of certain news publications. However, requiring the publication of all responsive political advertisement goes beyond what is essential to the furtherance of any state interest in assuring a right of access to newspapers. In fact, no set of circumstances may exist that would support a legislative mandate that a newspaper must publish a political advertisement. The views expressed by the Supreme Court in *Pittsburg Press v. Pittsburg Human Relations Commission*, 41 LW 5055 (1973), which upheld a city ordinance forbidding newspapers from carrying "help-wanted" advertisements in sex-designated columns, create substantial doubt that a law such as the one presented here would pass constitutional muster.—Per Curiam.

—Mass SupJudCt; Opinion of the Justices, 7/13/73.

Registration and Regulation of Brokers and Dealers

By Ezra Weiss

\$17.50

BNA BOOKS

1231 25th St., N.W., Washington, D.C. 20037

Oil and Gas

FILLING STATIONS—

Provision of lease and dealer agreement giving oil company right to terminate New Jersey gas station dealership on ten days notice is void as against public policy.

On April 14, 1972, the Shell Oil Company notified one of its dealers that it was terminating the lease and dealer agreements between them under the agreements' termination clause. The dealer filed suit for an injunction to prevent termination and asked for a reformation of the contract between the parties. In turn, Shell filed a summary dispossess complaint for possession of the service station premises.

It is clear that Shell had no legal right to terminate its relationship with the dealer except for good cause, i.e., the failure of the dealer to substantially comply with his obligations under the agreements. Shell's argument that its lease agreement should be viewed separately from the dealer agreement in that its legal rights as a landlord under the lease are absolute is pure sophistry. In fact, the lease and dealer agreement constitute an integrated business relationship that cannot be viewed apart from the other.

After examining the relationship between the parties, it is apparent that a service station dealer, who has built up a substantial business on the strength of his service, can ill afford to risk confrontation with the oil company and, in fact, just signs on the dotted line at renewal time. It is clear that, under such circumstances, the principle of freedom to contract is non-existent and the result is the imposition of unilateral terms. When the public has a valid interest in such contractual arrangements, as they certainly do in such a sensitive area as retail outlets for petroleum products, courts are not reluctant to declare void as against public policy grossly unfair contractual provisions.

The dealer is essentially a franchisee of the other oil company and it is the dealer-franchisee who has everything to lose should his relationship with the oil company go sour. Even if the dealer had another location to go to, the going business and trade he built up would remain with the old station. Therefore, in view of the unequal bargaining positions of the parties, and the fact that the dealer substantially complied with the provisions of the dealer agreement, it is ordered that Shell may not terminate the dealer's lease and dealership.—Sullivan, J.

—NJ SupCt; *Marinello v. Shell Oil Co.*, 7/11/73.

ation of no-strike clause or was
ed activity falling outside of
provisions of collective bar-
contract? (3) Was it error for
strict court to exclude testi-
union's business representative
ds that it was irrelevant to
efore court?

for certiorari filed 11/16/73,
thur Combs, of Houston, Tex.,
en L. Swanson.

89. Engineers Local 450 v. Pence
on Corp.

ights—Dues Increase—Question-
voting procedures—Summary

below (CA 7, 84 LRRM 2476):
of record of union convention
s, at which members' dues
eased, to show that majority-
ement of Section 101(a)(3)(B)
m-Griffin Act was satisfied,
eversal of federal district court
granted union's motion for
judgment in union members'
Section 102 of Act challeng-
s allegedly autocratic and un-
cedures in obtaining that

s presented: (1) Is vote taken
ed dues increase at national
vention by show of hands fol-
standing count and declared
ng officer to constitute two-
ority in favor of increase,
challenged by delegate, whose
r recorded vote is put to vote
ion and defeated in accord-
convention rules, valid under
a)(3)(B)(i) of Landrum-Grif-
ainst claims of few dissenting
ot specifically pleaded in com-
supported by only three af-
pressing belief that increase
adopted by majority vote of
(2) Under circumstances, are
vils sufficient to create issue
e count under statute and
on union burden of proving to
urt that statutory require-
majority vote has been met?
for certiorari filed 11/16/73,
Gore, Chicago, Ill., James L.
r., Washington, D.C., and Wil-
lon, Rosemont, Ill.

2. Railway, Airline and Steam-
v. Rola.

—Union's right to discipline
union members who cross
strike picket line.

below (CA DC 42 LW 2045, 83
):

that disciplined supervisor-
or crossing picket lines and
rank-and-file struck work
ful economic strikes did not
fair labor practice under Sec-
(B) of Taft Act, 29 U.S.C.
B).

presented: Does union violate
(1)(B) of Taft Act by dis-
pervisor-members for cross-
line and performing rank-and-
during economic strike against

for certiorari filed 11/16/73,
H. Bork, Solicitor General,
ash, General Counsel, John S.
uty General Counsel, Patrick
ociate General Counsel, Nor-
ne, Deputy Associate General
nd William H. DuRoss, III,
ney.

5. NLRB v. Electrical Workers.

Discrimination—Lockout.

Ruling below (CA 6, 84 LRRM 2300):

Employer did not violate Taft Act
when, following expiration of its col-
lective bargaining agreement with union,
it locked out unit employees and
used its non-unit employees and super-
visors as temporary replacements to per-
form work of unit employees for dura-
tion of lockout.

Question presented: Did employer vio-
late Section 8(a)(1) or (3) of Taft Act
by locking out its employees and by
then continuing production operations,
which those locked out employees nor-
mally performed, by using worker re-
placements from outside bargaining unit.

Petition for certiorari filed 11/21/73,
by David Previant, Alan M. Levy, John
S. Williamson, Jr., Goldberg, Previant &
Uelmen, all of Milwaukee, Wis., and Hof-
fa, Chodak and Robiner, all Detroit,
Mich.

No. 73-807. Teamsters Local 283 v. Ol-
tawa Silica Co.

Motor Vehicles

73-773

Negligence — Contributory negligence —
New trial—Seventh Amendment.

Ruling below (DC CtApp, 8/15/73):

Appeal from District of Columbia trial
court order setting aside jury verdict for
automobile negligence suit plaintiff and
granting new trial on ground that plain-
tiff was contributorily negligent as mat-
ter of law and that verdict was against
weight of evidence, is dismissed without
opinion.

Questions presented: (1) Was trial
court's ruling that plaintiff was guilty
of contributory negligence as matter of
law plainly erroneous and usurpation of
function of jury, in violation of Seventh
Amendment? (2) Did trial court, in set-
ting aside jury verdict for plaintiff and
granting new trial, consider evidence in
light most favorable to defendant rather
than to plaintiff, as required?

Petition for certiorari filed 11/14/73,
by Rotraud M. Perry, Washington, D.C.

No. 73-773. McNeill v. Fisher.

Municipal Corporations

73-706

Annexations — Due process.

Ruling below (Miss SupCt, 260 So2d
837):

Consolidation of proceeding to incor-
porate area into new municipality with
annexation proceedings by city to expand
its limits by annexing identical area to
city was not prejudicial error, even
though petition to incorporate shou'd
have been heard uncluttered by annex-
ation proceeding; court was not manifest-
ly wrong in finding that evidence in
support of petition to incorporate was in-
sufficient to satisfy statutory require-
ments.

Question presented: (1) Was consolida-
tion of incorporation proceedings with
annexation proceedings consistent with
Due Process Clause? (2) Does Section
3374-10 of Mississippi Code, 1942, which
does not require vote or consent of any
qualified elector or inhabitant of annexed
territory, violate Equal Protection Clause?

Petition for certiorari filed 10/30/73, by
John Arthur Eaves and Eaves & Eaves,
all of Jackson, Miss.

No. 73-706. Peusch v. City of Jackson,
Miss.

73-725

Annexations — Due process — Annexa-
tion of territory included in established
community school districts.

Ruling below (Ind SupCt, 299 NE 2d
829):

Territory annexed by City of Elkhart,
Indiana, became an integral part of, and
within boundaries of, Elkhart Community
Schools for all school purposes, tax pur-
poses and otherwise, even though some of
territory previously had been included in
community school corporation already in
existence.

Questions presented: (1) May Indiana
Supreme Court decide declaratory judg-
ment action on its merits, on theory not
offered or argued by parties and on
which hearing has not been held and no
evidence presented, and thereby foreclose
right of established community school
corporation, and its residents, voters and
taxpayers, to hearing on merits guar-
anteed by Due Process Clause? (2) Did
action of Indiana Supreme Court in de-
priving community school corporation and
its taxpayers of revenues from areas
annexed by city, without notice and hear-
ing and without proration of previously
incurred liabilities as required by Indiana
law, deprive school corporation and its
taxpayers of their property without due
process of law?

Petition for certiorari filed 11/2/73, by
Marshall F. Kizer of Plymouth, Ind.,
John J. Dillon and Virginia Dill Mc
Carthy of Indianapolis, Ind.

No. 73-725. Concord Community Schools
v. School City of Elkhart.

Newspapers and Magazines

73-797

Freedom of press — Newspaper criticism
of political candidate — State require-
ment that newspaper published that
candidate's reply free of charge — Valid-
ity under First Amendment.

Ruling below (Fla SupCt, 42 LW 2073):

Florida "right to reply" statute, which
requires newspapers to publish, without
charge, replies of political candidates
whom they criticize during election cam-
paigns, does not violate First Amendment
freedom of press.

Question presented: Does Section 104,
38, Florida Statutes, abridge freedom of
press and due process, in violation of First
and Fourteenth Amendments, by com-
pelling newspaper to provide free space,
under criminal sanctions, to candidate in
any state election to reply to any publica-
tion in newspaper which "assails [his]
personal character," or charges him
with "malfeasance" or "misfeasance" in
office, or "otherwise attacks his official
record"?

Appeal filed 11/19/73, by Daniel P.S.
Paul, James W. Beasley, Jr. and Paul
& Thomson, all of Miami, Fla., Richard
M. Schmidt, Martin J. Gaynes, Jan D.
Volner, and Cohn & Marks, all of Wash-
ington, D.C.

No. 73-797. The Miami Herald Publish-
ing Co. v. Tornillo.

Oil and Gas

73-729

State regulation — Conservation — Inter-
state commerce—Federal preemption.

Ruling below (USDC WOkla., 6/26/73):

Chief purpose of Oklahoma Corpora-
tion Commission "conservation" orders
was to establish statewide minimum
prices of natural gas at wellhead; orders
do in fact establish minimum price at
which gas may be sold in interstate com-
merce, constitute undue burden on in-
terstate commerce within purview of
Commerce Clause, and conflict with juris-
diction of Federal Power Commission un-
der Natural Gas Act, 15 U.S.C. §§ 717-
717a; state has no authority, either di-
rectly or indirectly, to fix price at which

January 29, 1974

The Honorable Robert L. Smith
Commissioner
Department of Labor
Box 1149
Juneau, Alaska 99801

Dear Commissioner Smith:

I am really sold on the merits of the legislation your department and I have under consideration. It matters not to me whether we go the route set forth in the proposed legislation I have already sent you, or whether we take the approach you apparently advocate--that is, by scheduling additional injuries which are not now compensable.

I would be tickled to death if you, John and/or Earl could come over to talk with Russ Mulder of the Legislative Affairs Agency and me at 1:30 on Wednesday, February 6th, in Committee Room #4.

If that's a good time for a meeting, would you please bring along a half a dozen copies of your work product?

Regards,

Robert H. Ziegler, Sr.

RHZ/pks

cc - John Cook
Earl Turner
Russ Mulder

AGO 531982 +

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.

SENATE PETROLEUM IMPACT

COMMITTEE

AGO 531983 + F

Draft # 3

2-2
Regina Miller

1 IN THE SENATE

2 SENATE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating the Pipeline Impact Agency; and
7 providing for an effective date."

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

9 * Section 1. AS 44.19 is amended by adding new sections to read:

10 ARTICLE 8. PIPELINE IMPACT AGENCY.

11 Sec. 44.19.581. PURPOSE. The legislature finds that construction
12 of the trans-Alaska pipeline, from its commencement to completion over
13 a period of approximately three years, will impose severe to mild
14 strains on local and state governmental services and facilities. While
15 the pipeline construction doubtless will, in the long run, mean immense
16 growth and development to the communities and areas along the pipeline
17 route, and to those areas coming under direct pipeline construction
18 influence, the legislature further finds that localities most affected
19 will be unable to cope with the probable impact on facilities and
20 services brought about by expected overwhelming and sudden increases
21 in numbers of citizens to be served. The legislature finds, also,
22 that while likely impacted communities are willing and ready via local
23 taxation to do all possible themselves to meet impact requirements,
24 even to the full limits of local taxation tolerance, nevertheless,
25 recognizing the state will be the prime beneficiary of pipeline con-
26 struction via realization of enormous oil development revenues for the
27 total state, the legislature finds that local impact financial burdens
28 logically should be borne by the state as its investment in those
29 future revenues. It is, therefore, the intent of the legislature, in

1 this measure, to provide a means of quickly and decisively determining
2 specific impact problems and, likewise, for moving quickly and decisively
3 to provide funds, facilities, personnel or other means for quick solu-
4 tion. Finally, the legislature intends via this legislation to meet
5 local and state pipeline construction impact problems as quickly and
6 efficiently as possible in manners similar to the handling of disaster
7 impact problems. The legislature finds, too, that revenue-sharing
8 formulas on per capita or percentage per capita increase basis are less
9 desirable, less effective, and more costly than the case-by-case
10 approach intended in the legislation. Under the formula approach,
11 provision would have to be made for all probable as well as all possible
12 impact contingencies, some of which may never develop.

13 Sec. 44.19.583. PIPELINE IMPACT AGENCY. There is in the office
14 of the governor the Pipeline Impact Agency.

15 Sec. 44.19.585. DIRECTOR. The Pipeline Impact Agency is adminis-
16 tered by a director of pipeline impact. The director is appointed by
17 the governor and serves at the pleasure of the governor.

18 Sec. 44.19.587. PROGRAM TO ASSIST MUNICIPALITIES DURING PIPELINE
19 CONSTRUCTION. The Pipeline Impact Agency shall administer a state
20 program to provide assistance to municipalities which are adversely
21 affected, economically and socially, by pipeline construction.

22 Sec. 44.19.589. POWERS AND DUTIES. (a) The director shall

23 (1) advise and assist the governor in developing planning
24 assumptions and a broad preparedness plan with respect to the economic
25 and social impact that will accompany pipeline construction;

26 (2) advise and assist the governor in developing policies,
27 programs and control systems designed to alleviate the economic and
28 social impact resulting from pipeline construction; and

29 (3) advise and assist the governor with respect to resolving

1 issues related to pipeline construction impact preparedness responsi-
2 bilities of state agencies which arise concerning two or more of those
3 agencies.

4 (b) The director, with the consent of the Special Legislative
5 Pipeline Impact Review Committee (as provided for in secs. 595 - 605
6 of this chapter); may

7 (1) make loans and grants and purchase evidences of indebted-
8 ness with funds from the pipeline impact fund to municipalities economi-
9 cally or socially adversely affected by pipeline construction;

10 (2) guarantee municipal bonds when a municipality needs to
11 undertake a capital improvement program on an accelerated basis; and

12 (3) pay (for not more than three years) from the pipeline
13 impact fund a portion of the debt service or interest or both incurred
14 by a municipality for undertaking capital improvements made necessary
15 by pipeline construction.

16 (c) Grants under (b)(1) of this section shall be made on the
17 basis of percentage increase in population and not on the basis of
18 per capita increase in population. Applications for grants shall be
19 made in a form prescribed by the director. A grant shall be allotted
20 according to an agreement made between the director on behalf of the
21 state and the municipality receiving the grant. The agreement may
22 include any provision agreed upon by the parties and shall include in
23 substance the following provisions:

24 (1) a schedule of grant disbursements, if, as determined
25 by the director, a grant is to be disbursed other than in one sum;

26 (2) agreement by the municipality to

27 (A) proceed with and complete the proposed project
28 or program expeditiously;

29 (B) not discontinue operation or dispose of all

1 or part of the project or program for which it receives a grant
2 without the approval of the director;

3 (C) apply for, and make reasonable efforts to secure,
4 federal assistance which may be available for the project or
5 program, subject to any conditions the agency may require in
6 order to maximize the amounts of that assistance received or to
7 be received for all projects or programs in the state;

8 (3) agreement by the municipality that, if federal assistance
9 for a project or program becomes available to the municipality which
10 was not included in the calculation of the amount of a grant authorized
11 and disbursed under this section, the value of the federal assistance
12 shall be ascertained and subtracted from the total value of the project
13 or program and the balance shall be proportionately divided between
14 the state and municipality;

15 (4) provision for alteration or modification of an approved
16 project or program and for remedies in case of failure to perform the
17 agreement between the parties or noncompliance with regulations promul-
18 gated by the director under this section.

19 (d) If funds appropriated by the legislature to provide loans and
20 grants and purchase evidences of indebtedness under this section are
21 not adequate to satisfy amounts required by approved grant applications,
22 funds shall be allocated on the basis of priority established by the
23 director by regulations promulgated to carry out the provisions of this
24 section.

25 (e) The director shall provide an annual report to the legislature
26 with respect to grants made under this section.

27 (f) The director shall determine the terms and conditions for
28 making a loan and purchasing an evidence of indebtedness under this
29 section.

1 Sec. 44.19.591. AUTHORITY TO ACCEPT SERVICE, GIFTS, GRANTS, AND
2 LOANS. When the federal government or an agency or officer of the
3 federal government offers to the state, or through the state to a
4 municipality, services, equipment, supplies, materials, or funds by
5 way of gift, grant, or loan, for the purpose of alleviating the social
6 or economic impact resulting from pipeline construction, the state
7 acting through the director, or the municipality acting through its
8 executive officer or governing body, may accept the offer subject to
9 the terms of the offer and the rules and regulations of the agency
10 making the offer.

11 Sec. 44.19.593. PIPELINE IMPACT FUND. There is the pipeline
12 impact fund created for the purpose of carrying out the provisions of
13 sec. 587(b) of this chapter. The fund consists of all money made
14 available by appropriations of the state legislature, and from other
15 appropriated funds, all contributions from whatever source, and income
16 and interest derived from the investment of money.

17 Sec. 44.19.595. SPECIAL LEGISLATIVE PIPELINE IMPACT REVIEW COM-
18 MITTEE. There is established the Special Legislative Pipeline Impact
19 Review Committee composed of three members of the senate appointed by
20 the president of the senate and three members of the house of represen-
21 tatives appointed by the speaker of the house.

22 Sec. 44.19.597. TERM OF MEMBERSHIP. The committee shall be
23 organized within 15 days after the organization of each legislature.
24 Members serve for the duration of the legislature during which they
25 are appointed. If they are reelected or their term of office extends
26 into the next succeeding legislature, they continue to serve until
27 reappointed or the appointment of their successor.

28 Sec. 44.19.599. VACANCIES. When a vacancy occurs in the member-
29 ship of the committee, the presiding officer of the house incurring

1 the vacancy shall choose a successor. If the office of the president
2 of the senate or speaker of the house of representatives becomes
3 vacant and a vacancy from the affected house occurs among the member-
4 ship of the committee, the remaining committee members from the house
5 incurring the vacancy shall appoint a new member.

6 Sec. 44.19.601. MEETINGS. (a) The committee may meet during
7 sessions of the legislature and during the interim between sessions at
8 such times and places in the state as the chairman may determine.
9 Members may receive, for the minimum time required to get to and from
10 meetings and for the period while attending meetings, the same travel
11 and per diem allowances provided by law for members of the legislature
12 when attending sessions, except that members of the committee receive
13 no per diem during legislative sessions other than the per diem allow-
14 ance paid to other members of the legislature.

15 (b) The members of the committee can validly conduct a meeting
16 and vote by communicating simultaneously with each other by means of
17 conference telephones or similar communications equipment.

18 (c) A majority of the members of the committee constitute a
19 quorum for the purpose of carrying out its duties under sec. 603 of
20 this chapter.

21 Sec. 44.19.603. DUTIES OF COMMITTEE. The committee shall review
22 and approve or disapprove, in whole or in part, the decisions made
23 by the Pipeline Impact Agency under sec. 589(b) of this chapter.

24 Sec. 44.19.605. DIVISION OF LEGISLATIVE FINANCE ASSISTANCE. The
25 division of legislative finance shall cooperate with the committee
26 and shall furnish technical assistance and personnel, if available,
27 upon request.

28 * Sec. 2. This Act takes effect on the day after its passage and approval
29

2-2
Ratignis Muller

1 IN THE SENATE

2 SENATE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating the Pipeline Impact Agency; and
7 providing for an effective date."

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

9 * Section 1. AS 44.19 is amended by adding new sections to read:

10 ARTICLE 8. PIPELINE IMPACT AGENCY.

11 Sec. 44.19.581. PURPOSE. The legislature finds that construction
12 of the trans-Alaska pipeline, from its commencement to completion over
13 a period of approximately three years, will impose severe to mild
14 strains on local and state governmental services and facilities. While
15 the pipeline construction doubtless will, in the long run, mean immense
16 growth and development to the communities and areas along the pipeline
17 route, and to those areas coming under direct pipeline construction
18 influence, the legislature further finds that localities most affected
19 will be unable to cope with the probable impact on facilities and
20 services brought about by expected overwhelming and sudden increases
21 in numbers of citizens to be served. The legislature finds, also,
22 that while likely impacted communities are willing and ready via local
23 taxation to do all possible themselves to meet impact requirements,
24 even to the full limits of local taxation tolerance, nevertheless,
25 recognizing the state will be the prime beneficiary of pipeline con-
26 struction via realization of enormous oil development revenues for the
27 total state, the legislature finds that local impact financial burdens
28 logically should be borne by the state as its investment in those
29 future revenues. It is, therefore, the intent of the legislature, in

1 this measure, to provide a means of quickly and decisively determining
2 specific impact problems and, likewise, for moving quickly and decisively
3 to provide funds, facilities, personnel or other means for quick solu-
4 tion. Finally, the legislature intends via this legislation to meet
5 local and state pipeline construction impact problems as quickly and
6 efficiently as possible in manners similar to the handling of disaster
7 impact problems. The legislature finds, too, that revenue-sharing
8 formulas on per capita or percentage per capita increase basis are less
9 desirable, less effective, and more costly than the case-by-case
10 approach intended in the legislation. Under the formula approach,
11 provision would have to be made for all probable as well as all possible
12 impact contingencies, some of which may never develop.

13 Sec. 44.19.583. PIPELINE IMPACT AGENCY. There is in the office
14 of the governor the Pipeline Impact Agency.

15 Sec. 44.19.585. DIRECTOR. The Pipeline Impact Agency is adminis-
16 tered by a director of pipeline impact. The director is appointed by
17 the governor and serves at the pleasure of the governor.

18 Sec. 44.19.587. PROGRAM TO ASSIST MUNICIPALITIES DURING PIPELINE
19 CONSTRUCTION. The Pipeline Impact Agency shall administer a state
20 program to provide assistance to municipalities which are adversely
21 affected, economically and socially, by pipeline construction.

22 Sec. 44.19.589. POWERS AND DUTIES. (a) The director shall

23 (1) advise and assist the governor in developing planning
24 assumptions and a broad preparedness plan with respect to the economic
25 and social impact that will accompany pipeline construction;

26 (2) advise and assist the governor in developing policies,
27 programs and control systems designed to alleviate the economic and
28 social impact resulting from pipeline construction; and

29 (3) advise and assist the governor with respect to resolving

1 issues related to pipeline construction impact preparedness responsi-
2 bilities of state agencies which arise concerning two or more of those
3 agencies.

4 (b) The director, with the consent of the Special Legislative
5 Pipeline Impact Review Committee (as provided for in secs. 595 - 605
6 of this chapter), may

7 (1) make loans and grants and purchase evidences of indebted-
8 ness with funds from the pipeline impact fund to municipalities economi-
9 cally or socially adversely affected by pipeline construction;

10 (2) guarantee municipal bonds when a municipality needs to
11 undertake a capital improvement program on an accelerated basis; and

12 (3) pay (for not more than three years) from the pipeline
13 impact fund a portion of the debt service or interest or both incurred
14 by a municipality for undertaking capital improvements made necessary
15 by pipeline constructionn.

16 (c) Grants under (b)(1) of this section shall be made on the
17 basis of percentage increase in population and not on the basis of
18 per capita increase in population. Applications for grants shall be
19 made in a form prescribed by the director. A grant shall be allotted
20 according to an agreement made between the director on behalf of the
21 state and the municipality receiving the grant. The agreement may
22 include any provision agreed upon by the parties and shall include in
23 substance the following provisions:

24 (1) a schedule of grant disbursements, if, as determined
25 by the director, a grant is to be disbursed other than in one sum;

26 (2) agreement by the municipality to

27 (A) proceed with and complete the proposed project
28 or program expeditiously;

29 (B) not discontinue operation or dispose of all

1 or part of the project or program for which it receives a grant
2 without the approval of the director;

3 (C) apply for, and make reasonable efforts to secure,
4 federal assistance which may be available for the project or
5 program, subject to any conditions the agency may require in
6 order to maximize the amounts of that assistance received or to
7 be received for all projects or programs in the state;

8 (3) agreement by the municipality that, if federal assistance
9 for a project or program becomes available to the municipality which
10 was not included in the calculation of the amount of a grant authorized
11 and disbursed under this section, the value of the federal assistance
12 shall be ascertained and subtracted from the total value of the project
13 or program and the balance shall be proportionately divided between
14 the state and municipality;

15 (4) provision for alteration or modification of an approved
16 project or program and for remedies in case of failure to perform the
17 agreement between the parties or noncompliance with regulations promul-
18 gated by the director under this section.

19 (d) If funds appropriated by the legislature to provide loans and
20 grants and purchase evidences of indebtedness under this section are
21 not adequate to satisfy amounts required by approved grant applications,
22 funds shall be allocated on the basis of priority established by the
23 director by regulations promulgated to carry out the provisions of this
24 section.

25 (e) The director shall provide an annual report to the legislature
26 with respect to grants made under this section.

27 (f) The director shall determine the terms and conditions for
28 making a loan and purchasing an evidence of indebtedness under this
29 section.

1 Sec. 44.19.591. AUTHORITY TO ACCEPT SERVICE, GIFTS, GRANTS, AND
2 LOANS. When the federal government or an agency or officer of the
3 federal government offers to the state, or through the state to a
4 municipality, services, equipment, supplies, materials, or funds by
5 way of gift, grant, or loan, for the purpose of alleviating the social
6 or economic impact resulting from pipeline construction, the state
7 acting through the director, or the municipality acting through its
8 executive officer or governing body, may accept the offer subject to
9 the terms of the offer and the rules and regulations of the agency
10 making the offer.

11 Sec. 44.19.593. PIPELINE IMPACT FUND. There is the pipeline
12 impact fund created for the purpose of carrying out the provisions of
13 sec. 587(b) of this chapter. The fund consists of all money made
14 available by appropriations of the state legislature, and from other
15 appropriated funds, all contributions from whatever source, and income
16 and interest derived from the investment of money.

17 Sec. 44.19.595. SPECIAL LEGISLATIVE PIPELINE IMPACT REVIEW COM-
18 MITTEE. There is established the Special Legislative Pipeline Impact
19 Review Committee composed of three members of the senate appointed by
20 the president of the senate and three members of the house of represen-
21 tatives appointed by the speaker of the house.

22 Sec. 44.19.597. TERM OF MEMBERSHIP. The committee shall be
23 organized within 15 days after the organization of each legislature.
24 Members serve for the duration of the legislature during which they
25 are appointed. If they are reelected or their term of office extends
26 into the next succeeding legislature, they continue to serve until
27 reappointed or the appointment of their successor.

28 Sec. 44.19.599. VACANCIES. When a vacancy occurs in the member-
29 ship of the committee, the presiding officer of the house incurring

1 the vacancy shall choose a successor. If the office of the president
2 of the senate or speaker of the house of representatives becomes
3 vacant and a vacancy from the affected house occurs among the member-
4 ship of the committee, the remaining committee members from the house
5 incurring the vacancy shall appoint a new member.

6 Sec. 44.19.601. MEETINGS. (a) The committee may meet during
7 sessions of the legislature and during the interim between sessions at
8 such times and places in the state as the chairman may determine.
9 Members may receive, for the minimum time required to get to and from
10 meetings and for the period while attending meetings, the same travel
11 and per diem allowances provided by law for members of the legislature
12 when attending sessions, except that members of the committee receive
13 no per diem during legislative sessions other than the per diem allow-
14 ance paid to other members of the legislature.

15 (b) The members of the committee can validly conduct a meeting
16 and vote by communicating simultaneously with each other by means of
17 conference telephones or similar communications equipment.

18 (c) A majority of the members of the committee constitute a
19 quorum for the purpose of carrying out its duties under sec. 603 of
20 this chapter.

21 Sec. 44.19.603. DUTIES OF COMMITTEE. The committee shall review
22 and approve or disapprove, in whole or in part, the decisions made
23 by the Pipeline Impact Agency under sec. 589(b) of this chapter.

24 Sec. 44.19.605. DIVISION OF LEGISLATIVE FINANCE ASSISTANCE. The
25 division of legislative finance shall cooperate with the committee
26 and shall furnish technical assistance and personnel, if available,
27 upon request.

28 * Sec. 2. This Act takes effect on the day after its passage and approval
29

1 IN THE SENATE

2 SENATE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the pipeline
7 impact fund; and providing for an effective date."

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

9 * Section 1. The sum of \$25,000,000 is appropriated from the general
10 fund to the pipeline impact fund for the purpose of carrying out the provi-
11 sions of AS 44.19.581 - 44.19.605.

12 * Sec. 2. The unexpended and unobligated portion of this appropriation
13 lapses into the general fund June 30, 1975.

14 * Sec. 3. This Act takes effect on the effective date of an Act entitled
15 "An Act creating the Pipeline Impact Agency; and providing for an effective
16 date."

D
R
A
F
T

1

D
R
A
F
T

1

1 IN THE SENATE

2 SENATE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating the Pipeline Impact Agency; and
7 providing for an effective date."

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

9 * Section 1. AS 44.19 is amended by adding new sections to read:

10 ARTICLE 8. PIPELINE IMPACT AGENCY.

11 Sec. 44.19.581. PIPELINE IMPACT AGENCY. There is in the office
12 of the governor the Pipeline Impact Agency.

13 Sec. 44.19.583. DIRECTOR. The Pipeline Impact Agency is admini-
14 stered by a director of pipeline impact. The director is appointed by
15 the governor and serves at the pleasure of the governor.

16 Sec. 44.19.585. PROGRAM TO ASSIST MUNICIPALITIES DURING PIPELINE
17 CONSTRUCTION. The Pipeline Impact Agency shall administer a state
18 program to provide assistance to municipalities which are adversely
19 affected, economically and socially, by pipeline construction.

20 Sec. 44.19.587. POWERS AND DUTIES. (a) The director shall:

21 (1) advise and assist the governor in developing planning
22 assumptions and a broad preparedness plan with respect to the economic
23 and social impact that will accompany pipeline construction;

24 (2) advise and assist the governor in developing policies,
25 programs and control systems designed to alleviate the economic and
26 social impact resulting from pipeline construction; and

27 (3) advise and assist the governor with respect to resolving
28 issues, related to pipeline construction impact preparedness responsi-
29 bilities of state agencies, which arise concerning two or more of those

1 agencies.

2 (b) The director, with the consent of a joint finance committee
3 while the legislature is in session and with the consent of the Legis-
4 lative Budget and Audit Committee while the legislature is not in
5 session, may:

6 (1) make loans and grants and purchase evidences of
7 indebtedness with funds from the Pipeline Impact Fund to municipalities
8 economically or socially adversely affected by pipeline construction;

9 (2) guarantee municipal bonds when a municipality needs to
10 undertake a capital improvement program on an accelerated basis; and

11 (3) pay (for not more than three years) from the Pipeline
12 Impact Fund a portion of the debt service or interest or both incurred
13 by a municipality for undertaking capital improvements made necessary
14 by pipeline construction.

15 (c) Grants under (b)(1) of this section shall be made on the
16 basis of percentage increase in population and not on the basis of
17 per capita increase in population. Applications for grants shall be
18 made in a form prescribed by the director. A grant shall be allotted
19 according to an agreement made between the director on behalf of the
20 state and the municipality receiving the grant. The agreement may
21 include any provision agreed upon by the parties and shall include in
22 substance the following provisions:

23 (1) a schedule of grant disbursements, if, as determined
24 by the director, a grant is to be disbursed other than in one sum;

25 (2) agreement by the municipality to

26 (A) proceed with and complete the proposed project
27 or program expeditiously;

28 part of the project or program for which it receives a grant

1 without the approval of the director;

2 (C) apply for, and make reasonable efforts to secure,
3 federal assistance which may be available for the project or
4 program, subject to any conditions the director may require in
5 order to maximize the amounts of that assistance received or to
6 be received for all projects or programs in the state;

7 (3) agreement by the municipality that, if federal assistance
8 for a project or program becomes available to the municipality which was
9 not included in the calculation of the amount of a grant authorized
10 and disbursed under this section, the value of the federal assistance
11 shall be ascertained and subtracted from the total value of the pro-
12 ject or program and the balance shall be proportionately divided
13 between the state and municipality;

14 (4) provision for alteration or modification of an approved
15 project or program and for remedies in case of failure to perform the
16 agreement between the parties or noncompliance with regulations
17 promulgated by the director under this section.

18 (d) If funds appropriated by the legislature to provide loans
19 and grants and purchase evidences of indebtedness under this section
20 are not adequate to satisfy amounts required by approved grant applica-
21 tions, funds shall be allocated on the basis of priority established
22 by the director by regulations promulgated to carry out the provisions
23 of this section.

24 (e) The director shall provide an annual report to the legisla-
25 ture with respect to grants made under this section.

26 (f) The director shall determine the terms and conditions for
27 making a loan and purchasing an evidence of indebtedness under this
28 section.

29 Sec. 44.19.589. AUTHORITY TO ACCEPT SERVICE, GIFTS, GRANTS, AND

1 LOANS. When the federal government or an agency or officer of the
2 federal government offers to the state, or through the state to a
3 municipality, services, equipment, supplies, materials, or funds by
4 way of gift, grant, or loan, for the purpose of alleviating the social
5 or economic impact resulting from pipeline construction, the state
6 acting through the director, or the municipality acting through its
7 executive officer or governing body, may accept the offer subject to
8 the terms of the offer and the rules and regulations of the agency
9 making the offer.

10 Sec. 44.19.591. PIPELINE IMPACT FUND. There is the pipeline
11 impact fund created for the purpose of carrying out the provisions of
12 sec. 587(b) of this chapter. The fund consists of all money made
13 available by appropriations of the state legislature, and from other
14 appropriated funds, all contributions from whatever source, and income
15 and interest derived from the investment of money.

16 * Sec. 2. This Act takes effect _____, 1974.
17
18
19
20
21
22
23
24
25
26
27
28
29

Jill

1 IN THE SENATE

2 SENATE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating the State Administrative Pipeline
7 Impact Commission; and providing for an effective date."

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

9 * Section 1. AS 44.19 is amended by adding new sections to read:

10 ARTICLE 8. STATE ADMINISTRATIVE PIPELINE IMPACT COMMISSION

11 Sec. 44.19.581. STATE ADMINISTRATIVE PIPELINE IMPACT COMMISSION.

12 There is in the office of the governor the State Administrative Pipe-
13 line Impact Commission.

14 Sec. 44.19.583. COMPOSITION. The commission is composed of the
15 commissioners of administration, revenue, community and regional
16 affairs and commerce. The commissioner of administration is the chair-
17 man of the commission.

18 Sec. 44.19.585. PROGRAM TO ASSIST MUNICIPALITIES DURING PIPELINE
19 CONSTRUCTION. The State Administration Pipeline Impact Commission
20 shall administer a state program to provide assistance to municipalities
21 which are adversely affected, economically and socially, by pipeline
22 construction.

23 Sec. 44.19.587. POWERS AND DUTIES. (a) The commission shall:

24 (1) advise and assist the governor in developing planning
25 assumptions and a broad preparedness plan with respect to the economic
26 and social impact that will accompany pipeline construction;

27 (2) advise and assist the governor in developing policies,
28 programs and control systems designed to alleviate the economic and
29 social impact resulting from pipeline construction; and

1 (3) advise and assist the governor with respect to resolving
2 issues, related to pipeline construction impact preparedness responsi-
3 bilities of state agencies, which arise concerning two or more of those
4 agencies.

5 (b) The commission, with the consent of the Special Legislative
6 Pipeline Impact Review Committee (as provided for in secs. 593 and 595
7 of this chapter), may:

8 (1) make loans and grants and purchase evidences of indebt-
9 edness with funds from the Pipeline Impact Fund to municipalities
10 economically or socially adversely affected by pipeline construction;

11 (2) guarantee municipal bonds when a municipality needs to
12 undertake a capital improvement program on an accelerated basis; and

13 (3) pay (for not more than three years) from the Pipeline
14 Impact Fund a portion of the debt service or interest or both incurred
15 by a municipality for undertaking capital improvements made necessary
16 by pipeline construction.

17 (c) Grants under (b)(1) of this section shall be made on the
18 basis of percentage increase in population and not on the basis of
19 per capita increase in population. Applications for grants shall be
20 made in a form prescribed by the commission. A grant shall be allotted
21 according to an agreement made between the commission on behalf of the
22 state and the municipality receiving the grant. The agreement may
23 include any provision agreed upon by the parties and shall include in
24 substance the following provisions:

25 (1) a schedule of grant disbursements, if, as determined
26 by the commission, a grant is to be disbursed other than in one sum;

27 (2) agreement by the municipality to

28 (A) proceed with and complete the proposed project or
29 program expeditiously;

1 (B) not discontinue operation or dispose of all or
2 part of the project or program for which it receives a grant
3 without the approval of the director;

4 (C) apply for, and make reasonable efforts to secure,
5 federal assistance which may be available for the project or
6 program, subject to any conditions the commission may require in
7 order to maximize the amounts of that assistance received or to
8 be received for all projects or programs in the state;

9 (3) agreement by the municipality that, if federal assis-
10 tance for a project or program becomes available to the municipality
11 which was not included in the calculation of the amount of a grant
12 authorized and disbursed under this section, the value of the federal
13 assistance shall be ascertained and subtracted from the total value
14 of the project or program and the balance shall be proportionately
15 divided between the state and municipality;

16 (4) provision for alteration or modification of an approved
17 project or program and for remedies in case of failure to perform
18 the agreement between the parties or noncompliance with regulations
19 promulgated by the commission under this section.

20 (d) If funds appropriated by the legislature to provide loans
21 and grants and purchase evidences of indebtedness under this section
22 are not adequate to satisfy amounts required by approved grant appli-
23 cations, funds shall be allocated on the basis of priority established
24 by the commission by regulations promulgated to carry out the pro-
25 visions of this section.

26 (e) The commission shall provide an annual report to the legis-
27 lature with respect to grants made under this section.

28 (f) The commission shall determine the terms and conditions for
29 making a loan and purchasing an evidence of indebtedness under this

section.

Sec. 44.19.589. AUTHORITY TO ACCEPT SERVICE, GIFTS, GRANTS, AND LOANS. When the federal government or an agency or officer of the federal government offers to the state, or through the state to a municipality, services, equipment, supplies, materials, or funds by way of gift, grant, or loan, for the purpose of alleviating the social or economic impact resulting from pipeline construction, the state acting through the commission, or the municipality acting through its executive officer or governing body, may accept the offer subject to the terms of the offer and the rules and regulations of the agency making the offer.

Sec. 44.19.591. PIPELINE IMPACT FUND. There is the pipeline impact fund created for the purpose of carrying out the provisions of sec. 587 (b) of this chapter. The fund consists of all money made available by appropriations of the state legislature, and from other appropriated funds, all contributions from whatever source, and income and interest derived from the investment of money.

Sec. 44.19.593. SPECIAL LEGISLATIVE PIPELINE IMPACT REVIEW COMMITTEE. There is established the Special Legislative Pipeline Impact Review Committee composed of two members of the senate appointed by the president of the senate and two members of the house of representatives appointed by the speaker of the house.

Sec. 44.19.595. DUTIES OF COMMITTEE. (a) The committee shall review and approve or disapprove the decisions made by the State Administrative Pipeline Impact Commission under sec. 587(b) of this chapter.

* Sec. 2. This Act takes effect July 1, 1974.

D
R
A
F
T

January 29, 1974

The legislature finds that construction of the Trans-Alaska Pipeline, from its commencement to completion over a period of approximately three years, will impose severe to mild strains on local and state governmental services and facilities. While the pipeline construction doubtless will, in the long run, mean immense growth and development to the communities and areas along the pipeline route, and to those areas coming under direct pipeline construction influence, the legislature further finds that localities most affected will be unable to cope with the probable impact on facilities and services brought about by expected overwhelming and sudden increases in numbers of citizens to be served. The legislature finds, also, that while likely impacted communities are willing and ready via local taxation to do all possible themselves to meet impact requirements, even to the full limits of local taxation tolerance, nevertheless, recognizing the state will be the prime beneficiary of pipeline construction via realization of enormous oil development revenues for the total state, the legislature finds that local impact financial burdens logically should be borne by the state as its investment in those future revenues.

It is, therefore, the intent of the legislature, in this measure, to provide a means of quickly and decisively determining specific impact problems and, likewise, for moving quickly and decisively to provide funds, facilities, personnel or other means for quick solution. Finally, the legislature intends via this legislation to meet local and state pipeline construction impact problems as quickly and efficiently as possible in manners similar to the handling of

disaster impact problems. The legislature finds, too, that revenue sharing formula on per capita or percentage per capita increase basis are less desirable, less effective, and more costly than the case by case approach intended in the legislation. Under the formula approach, provision would have to be made for all probable as well as all possible impact contingencies - some of which may never develop.

REM:hg

Original Sponsor:
Rules Committee
By Request of the Governor

Offered: 3/15/63
Referred: Rules

1 IN THE SENATE BY STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 164

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRD LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Centennial;
7 creating a Centennial Commission and pre-
8 scribing its duties; granting powers and
9 duties to the Department of Economic Devel-
10 opment and Planning; and providing for an
11 effective date."

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

13 * Section 1. CREATION OF CENTENNIAL COMMISSION. There is
14 created in the Department of Economic Development and Planning the
15 Alaska State Centennial Commission.

16 * Sec. 2. COMPOSITION AND TERM OF OFFICE. The commission shall
17 consist of 16 members to be appointed by the governor within 30
18 days after the effective date of this Act. Members of the commis-
19 sion serve during its existence unless removed by the governor for
20 good cause. A vacancy shall be filled by appointment by the gover-
21 nor.

22 * Sec. 3. COMPENSATION AND PER DIEM. Members of the commis-
23 sion shall serve without compensation but they shall receive the
24 same travel pay and per diem as state officials and employees.

25 * Sec. 4. EXECUTIVE COMMITTEE. The commission shall meet
26 within 60 days after the effective date of this Act and, upon the
27 call of the governor, shall select an executive committee of five
28 of the members of the commission. The executive committtee shall
29 be composed of one member from each judicial district and one

1 member at large and shall serve at the pleasure of the commission.
2 Members of the executive committee are entitled to reimbursement
3 for actual and reasonable expenses incurred in the discharge of
4 their duties.

5 * Sec. 5. CHAIRMAN. The executive committee shall select a
6 chairman from the membership of the committee and he shall also
7 be the chairman of the commission.

8 * Sec. 6. QUORUM. A majority of the commission constitutes
9 a quorum for the transaction of business of the commission and a
10 majority of the executive committee constitutes a quorum for the
11 transaction of business of the executive committee.

12 * Sec. 7. EXECUTIVE DIRECTOR. The commissioner of economic
13 development and planning may appoint an executive director of the
14 commission, prescribe his duties, and fix his compensation. If an
15 executive director is employed, he shall be in the partially ex-
16 empt service, under AS 39.25.120.

17 * Sec. 8. DUTIES OF COMMISSION. The commission shall

18 (1) advise the governor and the Department of Economic
19 Development and Planning on all activities leading up to and
20 relating to the 1967 Alaska Centennial;

21 (2) cooperate with the Department of Economic Development
22 and Planning in seeking the assistance and cooperation of the
23 United States government, political subdivisions, communities,
24 foreign governments, and all historical, pioneer, and patriotic
25 bodies and societies participating in celebrations and exhibits
26 leading up to and relating to the 1967 Alaska Centennial.

27 * Sec. 9. DUTIES OF EXECUTIVE COMMITTEE. The executive com-
28 mittee shall carry out any duty assigned to it by the commission
29 and see that the purposes of this Act are carried out.

1 * Sec. 10. DUTIES AND POWERS OF THE DEPARTMENT OF ECONOMIC
2 DEVELOPMENT AND PLANNING. (a) The Department of Economic Devel-
3 opment and Planning shall, after consultation with the commission
4 and the concurrence of the governor,

5 (1) plan and administer all official state activities
6 leading up to and relating to the 1967 Alaska Centennial;

7 (2) make an annual report of its activities, including
8 an accounting of the funds received and expended or committed to
9 the governor, on December 31 of each year.

10 (b) The Department of Economic Development and Planning
11 shall, after consultation with the commission and the concurrence
12 of the governor, have the power to

13 (1) receive and dispose of gifts and donations and do
14 all things consistent with law to insure the success of the cen-
15 tennial celebration;

16 (2) engage in joint projects with or make grants to any
17 city or any organization to accomplish the purpose of this Act.

18 * Sec. 11. TERMINATION OF CENTENNIAL COMMISSION. All powers
19 granted by this Act shall terminate on June 30, 1968, or when the
20 duties established by this Act are accomplished, whichever occurs
21 first. A final report and accounting shall be made to the governor
22 by the commission before its termination.

23 * Sec. 12. This Act takes effect on the day after its passage
24 and approval or on the day it becomes law without such approval.
25
26
27
28
29

Introduced: 3/8/63
Referred: State Affairs

1 IN THE SENATE

RULES COMMITTEE
BY REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 164

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRD LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Centennial;
7 creating a Centennial Commission and pres-
8 cribing its duties; granting powers and
9 duties to the Department of Economic
10 Development and Planning; and providing
11 for an effective date."

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

13 * Section 1. CREATION OF CENTENNIAL COMMISSION. (a) There
14 is created a commission to be known as the Alaska State Centennial
15 Commission. The commission shall consist of 16 members to be
16 appointed by the governor. The appointments are to be made within
17 30 days after the effective date of this Act.

18 (b) A vacancy in the commission shall not affect its powers
19 and shall be filled by the governor.

20 (c) Members of the commission shall serve as long as the
21 commission is in existence unless sooner removed by the governor
22 for good cause.

23 (d) Members of the commission shall serve without compensation
24 except that their travel and per diem shall be paid according to the
25 schedule prescribed by state law for state officials and employees.

26 * Sec. 2. DUTIES OF COMMISSION. The commission shall:

27 (1) advise the governor and the Department of Economic
28 Development and Planning on all activities leading up to and
29 relating to the 1967 Alaska Centennial;

SB #164

-1-

AGO 532010

1 (2) cooperate with the Department of Economic Develop-
2 ment and Planning in seeking the assistance and cooperation of the
3 United States government, political subdivisions, communities,
4 foreign governments and all historical, pioneer and patriotic
5 bodies and societies participating in such celebrations and
6 exhibits.

7 * Sec. 3. DUTIES AND POWERS OF THE DEPARTMENT OF ECONOMIC
8 DEVELOPMENT AND PLANNING. (a) The Department of Economic
9 Development and Planning shall have the duty to

10 (1) plan and administer all official state activities
11 leading up to and relating to the 1967 Alaska Centennial;

12 (2) make an annual report of its activities including
13 an account of the funds received and expended or committed to
14 the governor on December 31 of each year.

15 (b) The Department of Economic Development and Planning
16 shall have the power to

17 (1) receive and dispose of gifts and donations and do
18 all things consistent with law to insure the success of the cen-
19 tennial celebration;

20 (2) engage in joint projects with, or make grants to,
21 any city or any organization if the object of this Act can be
22 thereby accomplished.

23 * Sec. 4. EXECUTIVE COMMITTEE. (a) There is created an exe-
24 cutive committee of five members. The members of the executive
25 committee shall be members of the commission. The commission
26 shall appoint one member from each judicial district and one
27 member at large without regard to his place of residence.

28 (b) Members shall serve at the pleasure of the commission.

29 (c) Members shall serve without compensation except that

1 actual and reasonable expenses incurred in the discharge of their
2 duties shall be reimbursed.

3 (d) The executive committee shall be responsible for carry-
4 ing out any duty assigned to it by the commission and for seeing
5 that the purposes of this Act are carried out.

6 * Sec. 5. EXECUTIVE DIRECTOR. The commissioner of the Depart-
7 ment of Economic Development and Planning may appoint an executive
8 director, prescribe his duties and fix his compensation. If an
9 executive director is employed, he shall be in partially exempt
10 service under AS 39.25.120.

11 * Sec. 6. TERMINATION OF CENTENNIAL COMMISSION. All powers
12 granted by this Act shall terminate on June 30, 1968, or when
13 the duties established by this Act are accomplished, whichever
14 occurs first. A final report and accounting shall be made to
15 the governor by the commission before its termination.

16 * Sec. 7. This Act takes effect on the day after its passage
17 and approval or on the day it becomes law without such approval.
18
19
20
21
22
23
24
25
26
27
28
29

BILL AND RESOLUTION REQUEST

Request for Bill
 By Senate Petroleum Impact Co.
 Subject:
OIL AND GAS -- Make available to communities along pipeline

 Drafter Russ
 Assigned by Russ
 Date in 12/17/73 Due on ASAP

Recorded
 Draft 1 2 3 4 5 6 FINAL
 OK for final _____
 Deliver to Rettig
 Date delivered _____

 Instructions to typist

Special Instructions Make state royalty oil and gas available to communities along the pipeline, if such will lower fuel costs for power or other uses

OBJECT OF LEGISLATIVE ACTION

- Bill
- ___ Determine appropriate AS section, chapter or title (including latest supplement) to amend. Legislator may specify.
 - ___ Check with revisor of statutes concerning section numbering.
- Resolution
- ___ Use special resolution request work form for basic facts and addressees. Record and proceed on this form.

SOURCES OF LAW AND FACT

- ___ Journals and Legislative Reporting Service for previous session bills.
- ___ Check with agency concerned (with requestor's permission).
- ___ Laws of other states.
- ___ Bar Foundation Bill Reporting Service.
- ___ Publication "Suggested State Legislation."
- ___ Professional and industrial groups and services (with requestor's permission).
- ___ Alaska Delegation newsletters.
- ___ Other _____

INTERPRETATION

- ___ AS annotations.
- ___ Shepard's Citations.
- ___ Alaska Attorney General Opinions.
- ___ Legal Reference Works.

LEGAL CHECK

- ___ Constitutional aspects considered.
- ___ Conformity with one-subject rule.
- ___ Law not local or special unless general will not suffice.
- ___ Subject reflected in title.
- ___ Alaska Supreme Court rules checked for 2/3 majority vote requirement.

DRAFTING CHECK

- ___ Organize bill.
- ___ Provide effective date clause if effective date other than constitutional; reference to in title;
- ___ Style, grammar, and words.
- ___ Read three times: 1 - for meaning; 2 - for clarity and simplicity; and 3 - for loopholes or misapplication.
- ___ Recheck AS citations and interal references.

ADVICE AND CONSULTATION

- ___ Confer with appropriate staff members.
- ___ Consult with legislator.
- ___ Advise revisor of final numbering.
- ___ Make recommended changes.
- ___ Submit for final approval.

BILL AND RESOLUTION REQUEST

Request for Bill
 By Senate Petroleum Impact Co.
 Subject:
MUNICIPAL ASSISTANCE -- Loan program
for utilities
 ↗
 Drafter Russ
 Assigned by Russ
 Date in 12/17/73 Due on ASAP

Recorded
 Draft 1 2 3 4 5 6 FINAL
 OK for final _____
 Deliver to Rettig
 Date delivered _____

 Instructions to typist

Special Instructions See attached

OBJECT OF LEGISLATIVE ACTION

Bill
 ___ Determine appropriate AS section, chapter or title (including latest supplement) to amend. Legislator may specify.
 ___ Check with revisor of statutes concerning section numbering.

Resolution

___ Use special resolution request work form for basic facts and addressees. Record and proceed on this form.

SOURCES OF LAW AND FACT

___ Journals and Legislative Reporting Service for previous session bills.
 ___ Check with agency concerned (with requestor's permission).
 ___ Laws of other states.
 ___ Bar Foundation Bill Reporting Service.
 ___ Publication "Suggested State Legislation."
 ___ Professional and industrial groups and services (with requestor's permission).
 ___ Alaska Delegation newsletters.
 ___ Other _____

INTERPRETATION

___ AS annotations.
 ___ Shepard's Citations.
 ___ Alaska Attorney General Opinions.
 ___ Legal Reference Works.

LEGAL CHECK

___ Constitutional aspects considered.
 ___ Conformity with one-subject rule.
 ___ Law not local or special unless general will not suffice.
 ___ Subject reflected in title.
 ___ Alaska Supreme Court rules checked for 2/3 majority vote requirement.

DRAFTING CHECK

___ Organize bill.
 ___ Provide effective date clause if effective date other than constitutional; reference to in title;
 ___ Style, grammar, and words.
 ___ Read three times: 1 - for meaning; 2 - for clarity and simplicity; and 3 - for loopholes or misapplication.
 ___ Recheck AS citations and interal references.

ADVICE AND CONSULTATION

___ Confer with appropriate staff members.
 ___ Consult with legislator.
 ___ Advise revisor of final numbering.
 ___ Make recommended changes.
 ___ Submit for final approval.

Recommendation No. 8

In those cases where funds are urgently needed by a municipal utility and the earnings potential is such that the required debt coverage cannot be maintained, the State should set up a loan program, at reasonable interest rate, to cover the period until bonds can either be sold or utility rates increased to improve the earnings. If the State already has a grant program for facilities or utilities (water), grants under this program should be considered for impact aid.

AGO 532015

BILL AND RESOLUTION REQUEST

Request for Bill
 By Senate Petroleum Impact Co.
 Subject:
 APPRO -- To Dept. of F/G to protect
 fish and game along pipeline
 route
 Drafter Russ
 Assigned by Russ
 Date in 12/17/73 Due on ASAP

Recorded
 Draft 1 2 3 4 5 6 FINAL
 OK for final _____
 Deliver to Rettig
 Date delivered _____
 Instructions to typist

Special Instructions

OBJECT OF LEGISLATIVE ACTION

Bill

- ___ Determine appropriate AS section, chapter or title (including latest supplement) to amend. Legislator may specify.
- ___ Check with revisor of statutes concerning section numbering.

Resolution

- ___ Use special resolution request work form for basic facts and addressees. Record and proceed on this form.

SOURCES OF LAW AND FACT

- ___ Journals and Legislative Reporting Service for previous session bills.
- ___ Check with agency concerned (with requestor's permission).
- ___ Laws of other states.
- ___ Bar Foundation Bill Reporting Service.
- ___ Publication "Suggested State Legislation."
- ___ Professional and industrial groups and services (with requestor's permission).
- ___ Alaska Delegation newsletters.
- ___ Other _____

INTERPRETATION

- ___ AS annotations.
- ___ Shepard's Citations.
- ___ Alaska Attorney General Opinions.
- ___ Legal Reference Works.

LEGAL CHECK

- ___ Constitutional aspects considered.
- ___ Conformity with one-subject rule.
- ___ Law not local or special unless general will not suffice.
- ___ Subject reflected in title.
- ___ Alaska Supreme Court rules checked for 2/3 majority vote requirement.

DRAFTING CHECK

- ___ Organize bill.
- ___ Provide effective date clause if effective date other than constitutional; reference to in title;
- ___ Style, grammar, and words.
- ___ Read three times: 1 - for meaning; 2 - for clarity and simplicity; and 3 - for loopholes or misapplication.
- ___ Recheck AS citations and interal references.

ADVICE AND CONSULTATION

- ___ Confer with appropriate staff members.
- ___ Consult with legislator.
- ___ Advise revisor of final numbering.
- ___ Make recommended changes.
- ___ Submit for final approval.

BILL AND RESOLUTION REQUEST

Request for Bill
 By Senate Petroleum Impact Co.
 Subject:
LOANS -- State to make for housing
 Drafter Russ
 Assigned by Russ
 Date in 12/17/73 Due on ASAP

Recorded
 Draft 1 2 3 4 5 6 FINAL
 OK for final _____
 Deliver to Rettig
 Date delivered _____
 Instructions to typist

Special Instructions State needs a stronger program to ~~x~~ make loans, or purchase mortgages for housing, to be used if normal financing sources are not available.

OBJECT OF LEGISLATIVE ACTION

Bill
 ___ Determine appropriate AS section, chapter or title (including latest supplement) to amend. Legislator may specify.
 ___ Check with revisor of statutes concerning section numbering.

Resolution

___ Use special resolution request work form for basic facts and addressees. Record and proceed on this form.

SOURCES OF LAW AND FACT

___ Journals and Legislative Reporting Service for previous session bills.
 ___ Check with agency concerned (with requestor's permission).
 ___ Laws of other states.
 ___ Bar Foundation Bill Reporting Service.
 ___ Publication "Suggested State Legislation."
 ___ Professional and industrial groups and services (with requestor's permission).
 ___ Alaska Delegation newsletters.
 ___ Other _____

INTERPRETATION

___ AS annotations.
 ___ Shepard's Citations.
 ___ Alaska Attorney General Opinions.
 ___ Legal Reference Works.

LEGAL CHECK

___ Constitutional aspects considered.
 ___ Conformity with one-subject rule.
 ___ Law not local or special unless general will not suffice.
 ___ Subject reflected in title.
 ___ Alaska Supreme Court rules checked for 2/3 majority vote requirement.

DRAFTING CHECK

___ Organize bill.
 ___ Provide effective date clause if effective date other than constitutional; reference to in title;
 ___ Style, grammar, and words.
 ___ Read three times: 1 - for meaning; 2 - for clarity and simplicity; and 3 - for loopholes or misapplication.
 ___ Recheck AS citations and interal references.

ADVICE AND CONSULTATION

___ Confer with appropriate staff members.
 ___ Consult with legislator.
 ___ Advise revisor of final numbering.
 ___ Make recommended changes.
 ___ Submit for final approval.

BILL AND RESOLUTION REQUEST

Request for Bill
 By Senate Petroleum Impact Co.
 Subject:
 Municipal assistance -- grant pro-
 gram ~~XXXXXX~~ when
 G.O. bonds can't be sold
 Drafter Russ
 Assigned by Russ
 Date in 12/17/73 Due on ASAP

Recorded
 Draft 1 2 3 4 5 6 FINAL
 OK for final _____
 Deliver to Rettig
 Date delivered _____
 Instructions to typist

local gov.

Special Instructions In those cases where debt limitation on G.O. bonds makes it impossible to sell bonds for a capital improvement necessary to meet the impact needs, the State should consider a grant program, if the need is very ~~xx~~ urgent

OBJECT OF LEGISLATIVE ACTION

Bill
 ___ Determine appropriate AS section, chapter or title (including latest supplement) to amend. Legislator may specify.
 ___ Check with revisor of statutes concerning section numbering.

Resolution

___ Use special resolution request work form for basic facts and addressees. Record and proceed on this form.

SOURCES OF LAW AND FACT

___ Journals and Legislative Reporting Service for previous session bills.
 ___ Check with agency concerned (with requestor's permission).
 ___ Laws of other states.
 ___ Bar Foundation Bill Reporting Service.
 ___ Publication "Suggested State Legislation."
 ___ Professional and industrial groups and services (with requestor's permission).
 ___ Alaska Delegation newsletters.
 ___ Other _____

INTERPRETATION

___ AS annotations.
 ___ Shepard's Citations.
 ___ Alaska Attorney General Opinions.
 ___ Legal Reference Works.

LEGAL CHECK

___ Constitutional aspects considered.
 ___ Conformity with one-subject rule.
 ___ Law not local or special unless general will not suffice.
 ___ Subject reflected in title.
 ___ Alaska Supreme Court rules checked for 2/3 majority vote requirement.

DRAFTING CHECK

___ Organize bill.
 ___ Provide effective date clause if effective date other than constitutional; reference to in title;
 ___ Style, grammar, and words.
 ___ Read three times: 1 - for meaning; 2 - for clarity and simplicity; and 3 - for loopholes or misapplication.
 ___ Recheck AS citations and interal references.

ADVICE AND CONSULTATION

___ Confer with appropriate staff members.
 ___ Consult with legislator.
 ___ Advise revisor of final numbering.
 ___ Make recommended changes.
 ___ Submit for final approval.

BILL AND RESOLUTION REQUEST

Request for Bill
 By Senate Petroleum Impact Co.
 Subject:
 Municipal assistance -- state to pay
 portion of debt service or in-
 terest
 Drafter Russ
 Assigned by Russ
 Date in 12/17/73 Due on ASAP

Local Gov.

Recorded
 Draft 1 2 3 4 5 6 FINAL
 OK for final _____
 Deliver to Rettig
 Date delivered _____
 Instructions to typist

Special instructions

In the cases where capital improvements will be needed now to meet the pipeline impact, but under normal conditions wouldn't be needed for over five years, the state should set up a program to pay a portion of the debt service, or interest, for a period of time, not over three years.

OBJECT OF LEGISLATIVE ACTION

Bill

- Determine appropriate AS section, chapter or title (including latest supplement) to amend. Legislator may specify.
- Check with revisor of statutes concerning section numbering.

Resolution

- Use special resolution request work form for basic facts and addressees. Record and proceed on this form.

SOURCES OF LAW AND FACT

- Journals and Legislative Reporting Service for previous session bills.
- Check with agency concerned (with requestor's permission).
- Laws of other states.
- Bar Foundation Bill Reporting Service.
- Publication "Suggested State Legislation."
- Professional and industrial groups and services (with requestor's permission).
- Alaska Delegation newsletters.
- Other _____

INTERPRETATION

- AS annotations.
- Shepard's Citations.
- Alaska Attorney General Opinions.
- Legal Reference Works.

LEGAL CHECK

- Constitutional aspects considered.
- Conformity with one-subject rule.
- Law not local or special unless general will not suffice.
- Subject reflected in title.
- Alaska Supreme Court rules checked for 2/3 majority vote requirement.

DRAFTING CHECK

- Organize bill.
- Provide effective date clause if effective date other than constitutional; reference to in title;
- Style, grammar, and words.
- Read three times: 1 - for meaning; 2 - for clarity and simplicity; and 3 - for loopholes or misapplication.
- Recheck AS citations and internal references.

ADVICE AND CONSULTATION

- Confer with appropriate staff members.
- Consult with legislator.
- Advise revisor of final numbering.
- Make recommended changes.
- Submit for final approval.

BILL AND RESOLUTION REQUEST

Request for Bill
 By Senate Petroleum Impact Co.
 Subject: Municipal assistance -- state loan
Local gov. or bond guarantee program
 Drafter Russ
 Assigned by Russ
 Date in 12/17/73 Due on ASAP

Recorded
 Draft 1 2 3 4 5 6 FINAL
 OK for final _____
 Deliver to Rettig
 Date delivered _____

 Instructions to typist

Special Instructions Aid for capital improvement programs undertaken on an accelerated basis by the community, and which under normal growth conditions would be needed by 1976, should be in the form of a state loan or bond guarantee program.

OBJECT OF LEGISLATIVE ACTION

Bill

- ___ Determine appropriate AS section, chapter or title (including latest supplement) to amend. Legislator may specify.
- ___ Check with revisor of statutes concerning section numbering.

Resolution

- ___ Use special resolution request work form for basic facts and addressees. Record and proceed on this form.

SOURCES OF LAW AND FACT

- ___ Journals and Legislative Reporting Service for previous session bills.
- ___ Check with agency concerned (with requestor's permission).
- ___ Laws of other states.
- ___ Bar Foundation Bill Reporting Service.
- ___ Publication "Suggested State Legislation."
- ___ Professional and industrial groups and services (with requestor's permission).
- ___ Alaska Delegation newsletters.
- ___ Other _____

INTERPRETATION

- ___ AS annotations.
- ___ Shepard's Citations.
- ___ Alaska Attorney General Opinions.
- ___ Legal Reference Works.

LEGAL CHECK

- ___ Constitutional aspects considered.
- ___ Conformity with one-subject rule.
- ___ Law not local or special unless general will not suffice.
- ___ Subject reflected in title.
- ___ Alaska Supreme Court rules checked for 2/3 majority vote requirement.

DRAFTING CHECK

- ___ Organize bill.
- ___ Provide effective date clause if effective date other than constitutional; reference to in title;
- ___ Style, grammar, and words.
- ___ Read three times: 1 - for meaning; 2 - for clarity and simplicity; and 3 - for loopholes or misapplication.
- ___ Recheck AS citations and internal references.

ADVICE AND CONSULTATION

- ___ Confer with appropriate staff members.
- ___ Consult with legislator.
- ___ Advise revisor of final numbering.
- ___ Make recommended changes.
- ___ Submit for final approval.

BILL AND RESOLUTION REQUEST

Request for Bill
 By Senate Petroleum Impact Co
 Subject:
 Revenue Sharing -- grants to be re-
 requested by formal application
 Drafter Russ
 Assigned by Russ
 Date in 12/17/73 Due on ASAP

Local gov.

Recorded
 Draft 1 2 3 4 5 6 FINAL
 OK for final _____
 Deliver to Rettig
 Date delivered _____
 Instructions to typist

Special Instruction -
 also include "with supporting evidence of need"

OBJECT OF LEGISLATIVE ACTION

Bill
 ___ Determine appropriate AS section, chapter or title (including latest supplement) to amend. Legislator may specify.
 ___ Check with revisor of statutes concerning section numbering.

Resolution

___ Use special resolution request work form for basic facts and addressees. Record and proceed on this form.

SOURCES OF LAW AND FACT

___ Journals and Legislative Reporting Service for previous session bills.
 ___ Check with agency concerned (with requestor's permission).
 ___ Laws of other states.
 ___ Bar Foundation Bill Reporting Service.
 ___ Publication "Suggested State Legislation."
 ___ Professional and industrial groups and services (with requestor's permission).
 ___ Alaska Delegation newsletters.
 ___ Other _____

INTERPRETATION

___ AS annotations.
 ___ Shepard's Citations.
 ___ Alaska Attorney General Opinions.
 ___ Legal Reference Works.

LEGAL CHECK

___ Constitutional aspects considered.
 ___ Conformity with one-subject rule.
 ___ Law not local or special unless general will not suffice.
 ___ Subject reflected in title.
 ___ Alaska Supreme Court rules checked for 2/3 majority vote requirement.

DRAFTING CHECK

___ Organize bill.
 ___ Provide effective date clause if effective date other than constitutional; reference to in title;
 ___ Style, grammar, and words.
 ___ Read three times: 1 - for meaning; 2 - for clarity and simplicity; and 3 - for loopholes or misapplication.
 ___ Recheck AS citations and interal references.

ADVICE AND CONSULTATION

___ Confer with appropriate staff members.
 ___ Consult with legislator.
 ___ Advise revisor of final numbering.
 ___ Make recommended changes.
 ___ Submit for final approval.

BILL AND RESOLUTION REQUEST

Request for Bill
 By Senate Petroleum Impact Co.
 Subject:
Revenue Sharing -- on basis of per-
Local gov. centage increase
 Drafter Russ
 Assigned by Russ
 Date in 12/17/73 Due on ASAP

Recorded
 Draft 1 2 3 4 5 6 FINAL
 OK for final _____
 Deliver to Hettig
 Date delivered _____

 Instructions to typist

Special Instructions

OBJECT OF LEGISLATIVE ACTION

- Bill
- Determine appropriate AS section, chapter or title (including latest supplement) to amend. Legislator may specify.
 - Check with revisor of statutes concerning section numbering.
- Resolution
- Use special resolution request work form for basic facts and addressees. Record and proceed on this form.

SOURCES OF LAW AND FACT

- Journals and Legislative Reporting Service for previous session bills.
- Check with agency concerned (with requestor's permission).
- Laws of other states.
- Bar Foundation Bill Reporting Service.
- Publication "Suggested State Legislation."
- Professional and industrial groups and services (with requestor's permission).
- Alaska Delegation newsletters.
- Other _____

INTERPRETATION

- AS annotations.
- Shepard's Citations.
- Alaska Attorney General Opinions.
- Legal Reference Works.

LEGAL CHECK

- Constitutional aspects considered.
- Conformity with one-subject rule.
- Law not local or special unless general will not suffice.
- Subject reflected in title.
- Alaska Supreme Court rules checked for 2/3 majority vote requirement.

DRAFTING CHECK

- Organize bill.
- Provide effective date clause if effective date other than constitutional; reference to in title;
- Style, grammar, and words.
- Read three times: 1 - for meaning; 2 - for clarity and simplicity; and 3 - for loopholes or misapplication.
- Recheck AS citations and interal references.

ADVICE AND CONSULTATION

- Confer with appropriate staff members.
- Consult with legislator.
- Advise revisor of final numbering.
- Make recommended changes.
- Submit for final approval.

need 26,20,150 authority
to accept loans &
grants

need } 44,19,177 - Natural
disaster loans

41,30,040

47,43,090
110

AGO 532023 +

Pipeline Impact - 12/17/73

- 1.) First 20 pages is really the guts of the report.
 - 2.) Anchorage is the only city that really responded.
 - 3.) No state department really responded.
 - 4.) Report: main point of starting is p. 20 (recommendations).
 - Restriction on use money? (now now). (Bob) - Marsh - shouldn't make money accountable because then it's a burden. Rose & Bob think there should be a contract. Andy doesn't think so. Rose & Bob & George. George S. - remember operations & maintenance (see III) is different from capital improvement (single contract only).
 - Board should be more explicit (see Vol. 1 as an exception).
 - Frances Home Vol. 1 pre-game is what thought of (approved by Lawrence Marsh).
- Go then to recommendations:
- # 1 - (Bob) - should be on 70 of income etc.
 - # 17 - which point are you want to support? (Ruth) - look at Vol. 1 & El Paso to see what they are going to do before making public statement.

+ OK - what should committee do?
(York)

- agreed that 70% R/S is the answer.

+ Rethig - money can't do everything;
- state should provide many
services (police), because
state is getting direct bene-
fit from oil & gas. George S.
won't maintain court help.

Who should get money - state or
local gov't? (Should think
local gov't should); state
provides a lot of services
- separate and pay part of
help. Back believing that
5% increase in family in-
crease (figure suggested by
Walt. Brown) - all over org's
more like 20%.

Why not use Fed's approach for
handling flood & earthquake
(went out of business 10
years)? Colorado state agency
to handle such programs. Can
5 life times. This is instead
of R/S program. Maybe with
insurance not, but for audit,
committee. Where to build
with an office go? Office
of General

Official
Copy
Approved

~~Subject~~

Impact

Draft of a bill!
do
for sure

~~Signature & Agency in the Gov. -~~

- approval of B/A when not in session
- by joint finance committee during session
- 4 year duration
- appropriation will be decided later

Recommendations & bills:

- # 15 resolution
- # 17 " (maybe)



drafted with all recommendations

do!

~~1973~~

1974

1975

1976

1977

~~1974~~

July 1, 1975

1976

1977

1978

J. Kelly

1 IN THE SENATE

2 SENATE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating the State Administrative Pipeline
7 Impact Commission; and providing for an effective date."

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

9 * Section 1. AS 44.19 is amended by adding new sections to read:

10 ARTICLE 8. STATE ADMINISTRATIVE PIPELINE IMPACT COMMISSION

11 Sec. 44.19.581. STATE ADMINISTRATIVE PIPELINE IMPACT COMMISSION.

12 There is in the office of the governor the State Administrative Pipe-
13 line Impact Commission.

14 Sec. 44.19.583. COMPOSITION. The commission is composed of the
15 commissioners of administration, revenue, community and regional
16 affairs and commerce. The commissioner of administration is the chair-
17 man of the commission.

18 Sec. 44.19.585. PROGRAM TO ASSIST MUNICIPALITIES DURING PIPELINE
19 CONSTRUCTION. The State Administration Pipeline Impact Commission
20 shall administer a state program to provide assistance to municipalities
21 which are adversely affected, economically and socially, by pipeline
22 construction.

23 Sec. 44.19.587. POWERS AND DUTIES. (a) The commission shall:

24 (1) advise and assist the governor in developing planning
25 assumptions and a broad preparedness plan with respect to the economic
26 and social impact that will accompany pipeline construction;

27 (2) advise and assist the governor in developing policies,
28 programs and control systems designed to alleviate the economic and
29 social impact resulting from pipeline construction; and

1 (3) advise and assist the governor with respect to resolving
2 issues, related to pipeline construction impact preparedness responsi-
3 bilities of state agencies, which arise concerning two or more of these
4 agencies.

5 (b) The commission, with the consent of the Special Legislative
6 Pipeline Impact Review Committee (as provided for in secs. 593 and 595
7 of this chapter), may:

8 (1) make loans and grants and purchase evidences of indebt-
9 edness with funds from the Pipeline Impact Fund to municipalities
10 economically or socially adversely affected by pipeline construction;

11 (2) guarantee municipal bonds when a municipality needs to
12 undertake a capital improvement program on an accelerated basis; and

13 (3) pay (for not more than three years) from the Pipeline
14 Impact Fund a portion of the debt service or interest or both incurred
15 by a municipality for undertaking capital improvements made necessary
16 by pipeline construction.

17 (c) Grants under (b)(1) of this section shall be made on the
18 basis of percentage increase in population and not on the basis of
19 per capita increase in population. Applications for grants shall be
20 made in a form prescribed by the commission. A grant shall be allotted
21 according to an agreement made between the commission on behalf of the
22 state and the municipality receiving the grant. The agreement may
23 include any provision agreed upon by the parties and shall include in
24 substance the following provisions:

25 (1) a schedule of grant disbursements, if, as determined
26 by the commission, a grant is to be disbursed other than in one sum;

27 (2) agreement by the municipality to

28 (A) proceed with and complete the proposed project or
29 program expeditiously;

1 (B) not discontinue operation or dispose of all or
2 part of the project or program for which it receives a grant
3 without the approval of the director;

4 (C) apply for, and make reasonable efforts to secure,
5 federal assistance which may be available for the project or
6 program, subject to any conditions the commission may require in
7 order to maximize the amounts of that assistance received or to
8 be received for all projects or programs in the state;

9 (3) agreement by the municipality that, if federal assis-
10 tance for a project or program becomes available to the municipality
11 which was not included in the calculation of the amount of a grant
12 authorized and disbursed under this section, the value of the federal
13 assistance shall be ascertained and subtracted from the total value
14 of the project or program and the balance shall be proportionately
15 divided between the state and municipality;

16 (4) provision for alteration or modification of an approved
17 project or program and for remedies in case of failure to perform
18 the agreement between the parties or noncompliance with regulations
19 promulgated by the commission under this section.

20 (d) If funds appropriated by the legislature to provide loans
21 and grants and purchase evidences of indebtedness under this section
22 are not adequate to satisfy amounts required by approved grant appli-
23 cations, funds shall be allocated on the basis of priority established
24 by the commission by regulations promulgated to carry out the pro-
25 visions of this section.

26 (e) The commission shall provide an annual report to the legis-
27 lature with respect to grants made under this section.

28 (f) The commission shall determine the terms and conditions for
29 making a loan and purchasing an evidence of indebtedness under this

1 section.

2 Sec. 44.19.589. AUTHORITY TO ACCEPT SERVICE, GIFTS, GRANTS, AND
3 LOANS. When the federal government or an agency or officer of the
4 federal government offers to the state, or through the state to a
5 municipality, services, equipment, supplies, materials, or funds by
6 way of gift, grant, or loan, for the purpose of alleviating the social
7 or economic impact resulting from pipeline construction, the state
8 acting through the commission, or the municipality acting through its
9 executive officer or governing body, may accept the offer subject to
10 the terms of the offer and the rules and regulations of the agency
11 making the offer.

12 Sec. 44.19.591. PIPELINE IMPACT FUND. There is the pipeline
13 impact fund created for the purpose of carrying out the provisions of
14 sec. 587 (b) of this chapter. The fund consists of all money made
15 available by appropriations of the state legislature, and from other
16 appropriated funds, all contributions from whatever source, and income
17 and interest derived from the investment of money.

18 Sec. 44.19.593. SPECIAL LEGISLATIVE PIPELINE IMPACT REVIEW
19 COMMITTEE. There is established the Special Legislative Pipeline
20 Impact Review Committee composed of two members of the senate appointed
21 by the president of the senate and two members of the house of repre-
22 sentatives appointed by the speaker of the house.

23 Sec. 44.19.595. DUTIES OF COMMITTEE. (a) The committee shall
24 review and approve or disapprove the decisions made by the State
25 Administrative Pipeline Impact Commission under sec. 587(b) of this
26 chapter.

27 * Sec. 2. This Act takes effect July 1, 1974.
28
29

D
R
A
F
T

January 29, 1974

The legislature finds that construction of the Trans-Alaska Pipeline, from its commencement to completion over a period of approximately three years, will impose severe to mild strains on local and state governmental services and facilities. While the pipeline construction doubtless will, in the long run, mean immense growth and development to the communities and areas along the pipeline route, and to those areas coming under direct pipeline construction influence, the legislature further finds that localities most affected will be unable to cope with the probable impact on facilities and services brought about by expected overwhelming and sudden increases in numbers of citizens to be served. The legislature finds, also, that while likely impacted communities are willing and ready via local taxation to do all possible themselves to meet impact requirements, even to the full limits of local taxation tolerance, nevertheless, recognizing the state will be the prime beneficiary of pipeline construction via realization of enormous oil development revenues for the total state, the legislature finds that local impact financial burdens logically should be borne by the state as its investment in those future revenues.

It is, therefore, the intent of the legislature, in this measure, to provide a means of quickly and decisively determining specific impact problems and, likewise, for moving quickly and decisively to provide funds, facilities, personnel or other means for quick solution. Finally, the legislature intends via this legislation to meet local and state pipeline construction impact problems as quickly and efficiently as possible in manners similar to the handling of

disaster impact problems. The legislature finds, too, that revenue sharing formula on per capita or percentage per capita increase basis are less desirable, less effective, and more costly than the case by case approach intended in the legislation. Under the formula approach, provision would have to be made for all probable as well as all possible impact contingencies - some of which may never develop.

REM:hg

J. Kelly

1 IN THE SENATE

2 SENATE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating the State Administrative Pipeline
7 Impact Commission; and providing for an effective date."

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

9 * Section 1. AS 44.19 is amended by adding new sections to read:

10 ARTICLE 8. STATE ADMINISTRATIVE PIPELINE IMPACT COMMISSION

11 Sec. 44.19.581. STATE ADMINISTRATIVE PIPELINE IMPACT COMMISSION.

12 There is in the office of the governor the State Administrative Pipe-
13 line Impact Commission.

14 Sec. 44.19.583. COMPOSITION. The commission is composed of the
15 commissioners of administration, revenue, community and regional
16 affairs and commerce. The commissioner of administration is the chair-
17 man of the commission.

18 Sec. 44.19.585. PROGRAM TO ASSIST MUNICIPALITIES DURING PIPELINE
19 CONSTRUCTION. The State Administration Pipeline Impact Commission
20 shall administer a state program to provide assistance to municipalities
21 which are adversely affected, economically and socially, by pipeline
22 construction.

23 Sec. 44.19.587. POWERS AND DUTIES. (a) The commission shall:

24 (1) advise and assist the governor in developing planning
25 assumptions and a broad preparedness plan with respect to the economic
26 and social impact that will accompany pipeline construction;

27 (2) advise and assist the governor in developing policies,
28 programs and control systems designed to alleviate the economic and
29 social impact resulting from pipeline construction; and

1 (3) advise and assist the governor with respect to resolving
2 issues, related to pipeline construction impact preparedness responsi-
3 bilities of state agencies, which arise concerning two or more of those
4 agencies.

5 (b) The commission, with the consent of the Special Legislative
6 Pipeline Impact Review Committee (as provided for in secs. 593 and 595
7 of this chapter), may:

8 (1) make loans and grants and purchase evidences of indebt-
9 edness with funds from the Pipeline Impact Fund to municipalities
10 economically or socially adversely affected by pipeline construction;

11 (2) guarantee municipal bonds when a municipality needs to
12 undertake a capital improvement program on an accelerated basis; and

13 (3) pay (for not more than three years) from the Pipeline
14 Impact Fund a portion of the debt service or interest or both incurred
15 by a municipality for undertaking capital improvements made necessary
16 by pipeline construction.

17 (c) Grants under (b)(1) of this section shall be made on the
18 basis of percentage increase in population and not on the basis of
19 per capita increase in population. Applications for grants shall be
20 made in a form prescribed by the commission. A grant shall be allotted
21 according to an agreement made between the commission on behalf of the
22 state and the municipality receiving the grant. The agreement may
23 include any provision agreed upon by the parties and shall include in
24 substance the following provisions:

25 (1) a schedule of grant disbursements, if, as determined
26 by the commission, a grant is to be disbursed other than in one sum;

27 (2) agreement by the municipality to

28 (A) proceed with and complete the proposed project or
29 program expeditiously;

1 (B) not discontinue operation or dispose of all or
2 part of the project or program for which it receives a grant
3 without the approval of the director;

4 (C) apply for, and make reasonable efforts to secure,
5 federal assistance which may be available for the project or
6 program, subject to any conditions the commission may require in
7 order to maximize the amounts of that assistance received or to
8 be received for all projects or programs in the state;

9 (3) agreement by the municipality that, if federal assis-
10 tance for a project or program becomes available to the municipality
11 which was not included in the calculation of the amount of a grant
12 authorized and disbursed under this section, the value of the federal
13 assistance shall be ascertained and subtracted from the total value
14 of the project or program and the balance shall be proportionately
15 divided between the state and municipality;

16 (4) provision for alteration or modification of an approved
17 project or program and for remedies in case of failure to perform
18 the agreement between the parties or noncompliance with regulations
19 promulgated by the commission under this section.

20 (d) If funds appropriated by the legislature to provide loans
21 and grants and purchase evidences of indebtedness under this section
22 are not adequate to satisfy amounts required by approved grant appli-
23 cations, funds shall be allocated on the basis of priority established
24 by the commission by regulations promulgated to carry out the pro-
25 visions of this section.

26 (e) The commission shall provide an annual report to the legis-
27 lature with respect to grants made under this section.

28 (f) The commission shall determine the terms and conditions for
29 making a loan and purchasing an evidence of indebtedness under this

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILES 8672

470 SCOMM13: JOINT COMM. ON GAS PIPELINE IMPACT 1974-76

section.

2 Sec. 44.19.589. AUTHORITY TO ACCEPT SERVICE, GIFTS, GRANTS, AND
3 LOANS. When the federal government or an agency or officer of the
4 federal government offers to the state, or through the state to a
5 municipality, services, equipment, supplies, materials, or funds by
6 way of gift, grant, or loan, for the purpose of alleviating the social
7 or economic impact resulting from pipeline construction, the state
8 acting through the commission, or the municipality acting through its
9 executive officer or governing body, may accept the offer subject to
0 the terms of the offer and the rules and regulations of the agency
1 making the offer.

2 Sec. 44.19.591. PIPELINE IMPACT FUND. There is the pipeline
3 impact fund created for the purpose of carrying out the provisions of
4 sec. 587 (b) of this chapter. The fund consists of all money made
5 available by appropriations of the state legislature, and from other
6 appropriated funds, all contributions from whatever source, and income
7 and interest derived from the investment of money.

8 Sec. 44.19.593. SPECIAL LEGISLATIVE PIPELINE IMPACT REVIEW
9 COMMITTEE. There is established the Special Legislative Pipeline
10 Impact Review Committee composed of two members of the senate appointed
11 by the president of the senate and two members of the house of repre-
12 sentatives appointed by the speaker of the house.

13 Sec. 44.19.595. DUTIES OF COMMITTEE. (a) The committee shall
14 review and approve or disapprove the decisions made by the State
15 Administrative Pipeline Impact Commission under sec. 587(b) of this
16 chapter.

17 * Sec. 2. This Act takes effect July 1, 1974.

D
R
A
F
T

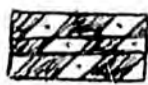
January 29, 1974

The legislature finds that construction of the Trans-Alaska Pipeline, from its commencement to completion over a period of approximately three years, will impose severe to mild strains on local and state governmental services and facilities. While the pipeline construction doubtless will, in the long run, mean immense growth and development to the communities and areas along the pipeline route, and to those areas coming under direct pipeline construction influence, the legislature further finds that localities most affected will be unable to cope with the probable impact on facilities and services brought about by expected overwhelming and sudden increases in numbers of citizens to be served. The legislature finds, also, that while likely impacted communities are willing and ready via local taxation to do all possible themselves to meet impact requirements, even to the full limits of local taxation tolerance, nevertheless, recognizing the state will be the prime beneficiary of pipeline construction via realization of enormous oil development revenues for the total state, the legislature finds that local impact financial burdens logically should be borne by the state as its investment in those future revenues.

It is, therefore, the intent of the legislature, in this measure, to provide a means of quickly and decisively determining specific impact problems and, likewise, for moving quickly and decisively to provide funds, facilities, personnel or other means for quick solution. Finally, the legislature intends via this legislation to meet local and state pipeline construction impact problems as quickly and efficiently as possible in manners similar to the handling of

disaster impact problems. The legislature finds, too, that revenue sharing formula on per capita or percentage per capita increase basis are less desirable, less effective, and more costly than the case by case approach intended in the legislation. Under the formula approach, provision would have to be made for all probable as well as all possible impact contingencies - some of which may never develop.

REM:hg



Pipeline Impact Committee 1/31/74

Present: Kettig, Geak, Wilson, K. Miller,
Hartig, Siegle, Warwick. (Trudy)

1.) Discussion of "Purpose Clause" -
- comments: good.

2.) Discussion of drafts.

1- Warwick: #1 is ~~the~~ best. (per Seattle meeting).

2- Hartig: #1 is best

3- Geak: suggestions = combine both.

- Agency with review by spirit legis review comm. (3 from each house): B/A is overloaded and it hard to get quorum.

- Andy = B/A w better structure but Geak is probably right.

- Don - decision by mail. questions. Concern was no.

- M. Siegle - agrees w. Geak. - should be legis. comm. (w. compensation)

- Don. - what about separations power question - Geak thinks could be problem but not likely.

- Frank - legis comm. w. assistance by B/A & finance staff. - permanent expertise is needed.

4. - Informal note

- Agency v. Comm. ? Agency (#1 draft)

- Geak's ^{idea} (3 member review comm.) ?
Comm. of review is legis not B/A. -

- Should comm. be able to approve

a portion of request? - seemed
to be general agreement.

3.) Appropriation discussed:
~~_____~~

- Ron. Supp + F one for next year.
may be needed.
- Andy - shouldn't be part of the
operating budget.
- Ross 15 mil this fy } suggestions
25 " next fy }

* agreed
on

⊖ Kirk & Bob = \$25 mil. until July
1975. (use "non-lapse" language.)

* agreed
on

Fink = Review comm. = W. majority
of full comm? yes - 3 to act
4 years.

agreed
upon

Warwick - should meet by phone? yes

Sec. 8(a)(2)

- Small business dis-
aster loans (15 USC
636 (b)); sec. 7 (b) (1), (2)
and (4) of 513A
- Farmer Home Ad-
ministration Act
(7 U.S.C. 1961-1967) &
for rural (42 USC 1472)
- Rural Electrification
act (7 USC 5591e)
- HUD (12 USC 5 17019-
5)

AGO 532041

- 1.) 16 Am Jur 2d
§§ 231-233 - Legislative encroachment
on executive
- 2.) West's Pacific Digest (7 Pac 2d 513)
- Const. Law § 26 (Limitation of power)
- " " " 58 (Encroachment on
executive)
- 3.) 134 ALR 1405 - Parker v. Riley, 113
Pac 2d 373 (Calif.)
- 4.) Mac Manus v. Law, 499 P2d 607 (Colo.
1972) Portions of a bill providing
that any federal or cash funds
received by agency in excess of
the appropriation shall not be
expended without additional legis-
lative appropriation violated con-
stitutional doctrine of separation
of powers by attempting to limit
the executive branch in its ad-
ministration of federal funds
unconnected with any state
appropriations. Const. art. 3; art.
5, § 32.

Const. Issue (Separation of Powers)

P.J.S.

- 1.) Encroachment on executive
§§ 130-132 pp. 545-552 (Const. Law)
* § 130 generally contra
- 2.) Bank v. State Office Building Commission,
149 N.E. 2d 273, 296. (Ind.)
- 3.) State ex rel. Amberson v. State
Office Building Commission, 345
P. 2d 674 (Kan.)
- 4.) Shei-lan v. Gardner, 196 N.E. 2d 303
& Conn. v. Schunckhauer, 248
N.E. 2d 237 (Mass.)
- 5.) Mann v. McHain, 165 S.E. 2d 355 (S.C.)

AGO 532043

1/22/74

Petroleum Impact Comm.

Look up

* Centennial Loan Committee

- state board committee was the body used
- check on how much discretion it had and how it operated.

- Declaration by agency when he files an order with a in to be impacted (some good)
- after agency has the facts then

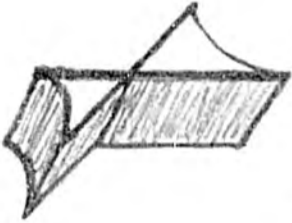
- Comm. Bd. (behaviour) } members on comm. or agency
- C & R Aff
- Revenue
- Commission

* State Agency

- State admin. impact Commission
- C of H (Chairman)
- C of R
- C of C & R affairs

- check ~~of~~ investment & commission.
- appraiser sent to agency (loan blank or amount)
- report by them (engineer)
- Special Legis Impact Committee
- 2 members from each house
- authority to appear as disapprovers activities of the Commission
- nature to commission maintained by reg. mail and then has

10 days to hold meeting; no
action with 15 days then
action is approved.



PLEASE NOTE: THE PRECEDING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.

FINANCIAL DISCLOSURE -- ZIEGLER

AGO 532046 F+

Alaska State Legislature

SENATOR
ROBERT H. ZIEGLER, SR.
P. O. BOX 979
KETCHIKAN, ALASKA 99901
—
POUCH V
JUNEAU, ALASKA 99801



Senate

CHAIRMAN
JUDICIARY
—
VICE CHAIRMAN
LEGISLATIVE COUNCIL
—
MEMBER
RULES
COMMERCE
COMMITTEE ON COMMITTEES
SPECIAL SENATE PIPELINE
CONSTRUCTION IMPACT
COMMITTEE

December 14, 1973

Russell E. Mulder
Deputy Director
Legislative Affairs Agency
Pouch Y
Juneau, Alaska 99801

Dear Russ:

On page 9 of the State Government News (enclosed), it would appear that California has mandated ethics in government. The relevant paragraph has been encircled.

Would you arrange, please, to have copies of the pertinent California statutes air mailed to me.

Thanks in advance.

See you in about a month.

Regards to you and Ellen,

RZ

Robert H. Ziegler, Sr.

RHZ/pks

RECEIVED
DEC 17 1973

LEGISLATIVE AFFAIRS
AGENCY

AGO 532047

18. entitling 18 year olds to most adult privileges, including the right to buy alcoholic beverages.

Sunday beer and liquor sales were permitted by businesses which derive more than 50 percent of their gross income from goods and services other than alcoholic beverages.

A cash bonus to Vietnam veterans was authorized.

The official observance of Veterans Day was changed from the fourth Monday in October to November 11.

Egg check-off legislation was passed allowing promotional funds to be raised by permitting a check-off of up to five cents per 30-dozen case of eggs.

The Legislature increased state aid to schools, appropriating \$242 million for fiscal 1974 and \$276 million for fiscal 1975.

An auxiliary services bill was passed that provides money to local school districts to provide special programs to private and parochial school children, such as health, special education, remedial education and library services.

A bill providing for the assessment and taxation of property of municipally owned utilities held under joint ownership was passed.

A formula for distribution of revenues from taxing large electrical power-generating plants was approved.

Workmen's compensation coverage was expanded.

California Mandates Ethics In Government



Governmental ethics and tax relief were among major actions taken by the 1973 California Legislature.

TAX AND FISCAL

A \$9.38 billion budget was signed on June 30, the day before the start of the new fiscal year. The sales tax was rolled back from 6 percent to 5 percent for six months starting October 1. Income tax rebates on a sliding scale up to 35 percent were authorized against 1973 liability. Single heads of households were given the same tax advantage as married couples.

ETHICS

Public officials were required to disclose any property they own valued at more than \$1,000 and any gifts, income and loans exceeding \$250.

Open meetings legislation specified when meetings of the Legislature and its committees can be closed to the public and required the conference committee on the budget to open its doors to the public. A companion constitutional amendment will be on the 1974 ballot.

A political contributions law required statements of receipts and expenditures for or against ballot measures, and revised campaign reporting with respect to candidates and ballot measures.

CRIME

The death penalty was mandated for specified types of murder.

Allowable state compensation to victims of violent crimes was raised from \$5,000 to \$23,000.

ENVIRONMENT

The Legislature appropriated \$15 million to acquire 11 parcels of land for parks and recreation.

A \$250 million bond issue for construction of water pollution control facilities was placed on the 1974 ballot.

A bi-state Tahoe Conservancy Agency Compact was created and \$20 million appropriated to acquire land in the Tahoe basin.

Regulations were enacted to govern timber-cutting on private lands by a board dominated by nontimber interests.

EDUCATION, HEALTH

Community colleges were granted \$65 million and property tax limits established for college districts.

Names of some state universities were changed. Child care and preschool programs for some 27,000 children were funded \$41 million.

Provision was made for improved nursing homes.

CONSUMERS, LABOR

Retail pharmacists were required to post prices of the 100 most commonly prescribed drugs.

Tax-preparation services were regulated by the Department of Consumer Affairs.

Benefits were improved for unemployment insurance, disability insurance and workmen's compensation.

Laws discriminating between men and women regarding hours and working conditions were eliminated.

(continued on page 10)

Women were given the same rights as men in obtaining credit. Discrimination against women in property rights was eliminated.

A State Occupational Safety and Health Act was adopted.

A new Department of Employment Development was authorized to create jobs and to provide for coordination of local-regional-state manpower training.



Death Penalty, Abortion Concern Louisiana

The 1973 Louisiana Legislature enacted a new death penalty law and passed a new abortion act. The session adjourned June 12.

BUDGET AND FISCAL

The Legislature adopted a \$1.9 billion general fund budget for the 1973-74 fiscal year.

A Legislative Budgetary Control Council was created to establish rules and regulations governing expenditures of funds appropriated to the Legislature, its committees, and employees.

Procedures for distributing the state revenue sharing fund were revised. Under the new law, funds will be allocated to each parish annually, the amount to be based on parish-state population ratio and homestead ratio.

LAW ENFORCEMENT

A new capital punishment law makes the death penalty mandatory for first degree murder convictions. Offenses constituting first degree murder include murder during kidnapping, rape or armed robbery; killing a peace officer or fireman engaged in performance of his duties; murder committed by a person with a previous murder conviction or who is serving a life sentence; mass murder, and murder for hire.

Methaqualone was added to the list of dangerous drugs. Changes in the State's controlled substances law included stiffer penalties for distribution and selling of such drugs.

EDUCATION

The Legislature provided for a comprehensive state program of career education. Money was appropriated for construction of regional, post-secondary vocation-technical schools and expansion and renovation of existing ones.

Construction of a new medical education building for Louisiana State University was authorized.

OTHER

Local government agencies were prohibited from imposing residency requirements on employees.

A constitutional amendment to allow gasoline tax revenues to be used for mass transit facilities was placed on the June 1974 ballot.

OTHER

A new abortion law allows hospitals and medical personnel to refuse to participate in abortions. Discrimination against any person or institution for so refusing was forbidden.

Workmen's compensation benefits were increased from a maximum of \$45 per week to \$65 per week.

Retirement benefits were improved for members of the State Teachers Retirement System, Municipal Retirement System and State Employees Retirement System.

Official observance of Veterans Day was changed from the fourth Monday in October to November 11.

The Division of Actuary Review was created within the Office of Legislative Auditor.

The Legislature abolished its interim study committees and by rule changes in the respective houses authorized standing committees to undertake any needed interim studies. Funding was provided for staffing of committees, on a two-committee shared basis, through the Louisiana Legislative Council. In the House provision was made for pre-session referral and hearing of prefiled bills.

Utah Cuts Taxes

Elimination of the 1.6 mill state property tax for schools was approved by the Utah Legislature meeting in special session in October.

Unless the levy is reimposed by the January budget session, it will be the first time since 1954 that there has been no state property tax.

The Legislature also approved a \$6 income tax credit for each dependent off 1973 taxes.

A one-time \$3 million appropriation is to go to local governments to assist in completing low income housing programs disrupted by the federal housing moratorium.

Alaska State Legislature

SENATOR
ROBERT H. ZIEGLER, SR.
P. O. BOX 979
KETCHIKAN, ALASKA 99901

POUCH V
JUNEAU, ALASKA 99801



Senate

CHAIRMAN
JUDICIARY
—
VICE CHAIRMAN
LEGISLATIVE COUNCIL
—
MEMBER
RULES
COMMERCE
COMMITTEE ON COMMITTEES
SPECIAL SENATE PIPELINE
CONSTRUCTION IMPACT
COMMITTEE

December 1, 1973

Russell E. Mulder
Deputy Director
Legislative Affairs Agency
Pouch Y
Juneau, Alaska 99801

Dear Russ:

Enclosed are several pages from the November, 1973 issue of State Government News. Apparently Maryland, Hawaii and Nevada have enacted disclosure legislation.

Would you get copies of whatever has been done or is in the hopper for me and hang on to them until I see you in January.

Thanks and regards,

R. H. Ziegler

Robert H. Ziegler, Sr.

RHZ/pks

enc.

LEGISLATIVE AFFAIRS AGENCY
DEC 3 1973
RECEIVED



Maryland Enacts Governmental Ethics

The 1973 Maryland General Assembly met in regular and special sessions.

A financial disclosure law, which had been termed vague and possibly unconstitutional, enacted by the regular session was replaced by a new law enacted in special session. The new law requires disclosure of top state officials, legislators, sheriffs, State's attorneys, registers of wills and circuit court clerks, and candidates for those offices. Disclosure is required of interests in property and corporations, and any gift over \$50, any position, or interest in any business which has dealings with the State. Disclosure systems are to be set up by the Court of Appeals for judges and by local governments for local officials.

Total appropriations for fiscal 1974 amounted to \$2,491,504,666. This figure compares to an appropriation of \$2,176,326,183 for fiscal 1973, an increase of 14.4 percent.

EDUCATION

A compensatory education program for disadvantaged children and a comprehensive program of special educational services for handicapped children were established. Free education was provided for certain handicapped children and day care programs were established in the schools.

A new method and formula was created for providing state financial assistance to public education. This measure will have the effect of increasing state aid to the poorer counties and Baltimore City, while decreasing the educational assistance provided to richer areas of the State.

County Boards of Education were authorized to enter into agreements with each other, with the State Department of Education, and with other educational institutions for cooperative or joint administration of programs. State aid to private colleges was provided based upon the number of advanced degrees awarded beyond the baccalaureate degree. School principals were given certain police powers to search students and school lockers if they have probable cause to believe an illegal item, such as weapons or drugs, may be found.

CONSUMER PROTECTION

A rent control law placed a 5 percent ceiling on rent increases retroactive to January 1, 1973. The law allows rent increases over 5 percent if they can be justified by increased taxes paid by the landlord or increased costs in maintaining an apartment, but it does not provide for state action to enforce

the rent ceiling. Another law provides that a tenant can redeem his leased premises prior to eviction if he pays all due rents and costs.

In other action, the General Assembly established new occupational safety and health standards; passed a Maryland Hazardous Substances Act; prohibited the labeling and sale of hamburger, chopped or ground beef as "all beef" or "all meat" unless the product meets certain requirements; set standards relating to repair of home appliances; prohibited unauthorized manufacture, distribution, and possession with the intent to distribute drugs or unauthorized attempts to obtain prescription drugs; and required certain elevators to have signs warning against usage during a fire.

The Attorney General was given subpoena power in enforcing consumer protection laws, and the Insurance Commissioner was given the authority to act immediately and before a hearing in the issuance of a cease and desist order in enforcing certain requirements of the Unfair Trade Practices Act.

Consumer electrical products must be tested "safe for use" rather than only "reasonably safe."

LAW ENFORCEMENT

In an attempt to speed up trials, prosecuting attorneys were allowed to by-pass time-consuming grand jury indictments. Social workers were given the authority, without court approval, to enter houses where child abuse is suspected and to remove an abused child on an emergency basis.

Law enforcement officials were exempted from civil liability when rendering emergency services after an accident under certain conditions.

The General Assembly transferred the probation officers of certain state courts to the State Division of Parole and Probation, included a Community Correction Center as a correctional and reformatory institution under the Division of Corrections, and increased the jurisdiction of the Court of Special Appeals.

HUMAN RESOURCES

Persons or hospitals were given the right to refuse to perform, participate in, or submit to abortions, sterilizations, or artificial insemination.

The problems of the elderly were considered and legislation passed to establish day-care centers and services, a nutritional program under the Maryland Commission for the Aged, and a program of community care services.

North Carolina State Workers Get Raises



Aid to education was increased by the 1973 North Carolina General Assembly.

EDUCATION

A 5 percent pay raise was granted to all state employees, including school personnel. In addition, more than \$30 million was appropriated for 13 extra days of teacher employment beyond the school term, \$26 million to reduce class size, and \$12.2 million to extend public kindergarten programs. The session approved capital improvement budgets of \$33 million for community colleges and \$66 million for universities. A reserve fund of \$7.5 million was created to help fund a proposed state medical school. A matching fund of \$4.6 million was established to provide private colleges and universities with \$200 for each in-state student enrolled.

Total public and higher education appropriations, excluding capital budgets, were just short of \$1 billion.

College students were no longer required to drop out of school for a year to qualify for in-state tuition rates.

TAX AND FISCAL

Appropriations from all sources for fiscal 1973-74 totaled \$2.9 billion, including \$1.7 billion in general funds.

Farm, forest and horticultural land is to be taxed according to its present use, rather than its market value, subject to payment of back taxes if use changes. Counties were required to assess property at a full 100 percent ratio. Property tax exemption laws were clarified.

A small part of the state gasoline tax, 1/8 of 1 percent of net proceeds of taxes on motor fuels, was allocated to development of artificial reefs off the coast and to aid the fishing industry.

GOVERNMENT

For 1973-74, the General Assembly, by parliamentary procedure, shifted from a biennial session to a more flexible format. The 1973 session was divided into two segments; the first adjourned in May and the second will begin in January 1974. Standing committees were authorized to meet in the interim to discuss bills delayed for disposition during the second segment of the session.

As part of a planned six-year reorganization program, the General Assembly approved imple-

menting legislation to reorganize the Departments of Human Resources, Cultural Resources, Revenue, and Military and Veterans Affairs.

The State Highway Commission was abolished as of July 1 and replaced by a Board of Transportation and a Secondary Roads Council.

CONSUMERS, LABOR

The assigned risk auto liability plan was abolished and replaced with an industry reinsurance facility system which allows motorists to choose their own company for reinsurance.

It was made a crime for used car dealers to alter odometer readings.

Courts were authorized to approve attorney fees for plaintiffs in consumer-oriented small claims cases.

The state minimum wage was raised from \$1.60 to \$1.80 per hour, effective September 2. Employers of four or more employees are governed by state maximum working hours of 10 hours per day, 56 hours per week, and time and a half pay for over 50 hours a week, except if covered by federal law. Workmen's compensation benefits were raised from a maximum of \$56 to \$80 per week. State administration of the Federal Occupational Safety and Health Act (OSHA) was authorized.

OTHER

The session approved a Governor-sponsored bill to aid rural health clinics to provide care in doctor-short areas. A bill of rights for mental patients was enacted and the law dealing with involuntary commitment to mental institutions was made more restrictive.

A new law provides for automatic driver license suspension for refusal to take a blood alcohol test on arrest for driving under the influence.

Some drug law penalties were increased.

A juvenile convicted of a misdemeanor may have his record cleared if he has no more convictions before reaching age 18.

Some \$14 million was appropriated to acquire new state parklands. A Board of Sedimentation Control was created to develop a state-local program for control of sediment and silt pollution of waterways from building projects. The State Board of Air and Water Resources was strengthened and regulations were tightened on waste discharges. Those responsible for oil spills were required to clean up and pay for the damages.



Hawaii Studies Population Patterns

The 1973 Hawaii Legislature reformed campaign financing, adopted no-fault auto insurance, and provided for a population study.

TAX AND FISCAL

For the 1973-75 biennium, the Legislature approved general fund expenditures totaling \$1.1 billion and capital improvements totaling \$352.4 million.

Retroactive pay raises of 5.5 percent were approved for most state employees, including teachers. Blue collar workers received 7 percent back pay.

Income received by prisoners of war was excluded from state income taxes.

Agricultural land dedicated to that purpose in 10 to 20 year agreements may be taxed at 50 percent of assessed value. A penalty and the extra tax must be paid if the land's use is changed.

SOCIAL LEGISLATION

A permanent commission on population and planning is to study in- and out-migration, population distribution, and the capacity of the State regarding agricultural production, waste, recycling and natural resources. It is also to coordinate family planning.

A continuing census was authorized of all persons entering and leaving the State, including vital statistics and purpose of entering or leaving the State.

A statewide planning and development system for child services was authorized. The Uniform Child Custody Jurisdiction Act was adopted.

GOVERNMENT

A campaign finance reform law, applicable to candidates for state, federal and local offices, placed spending limits on campaigns, required reports of contributions of more than \$100, and outlawed acceptance of anonymous contributions of \$250 or more. Penalties for violations are punishable as a misdemeanor for a person and by a \$1,000 fine for a corporation.

The emergency powers of the Governor were expanded to cover situations where Hawaii's supply lines are curtailed and the State's economic welfare is threatened.

A public service employment program was established under the Department of Social Services and Housing.

LAW ENFORCEMENT

The state corrections system was reorganized, including provisions for contracts with private firms for operation of profit and wage paying industries in correctional institutions, establishment of conditional release centers, and prisoner work release programs.

Various amendments were made to the state penal code. The gambling provisions of the penal code were clarified, including establishment of a new misdemeanor offense of gambling for which evidence of profit need not be shown and definition of the components of social gambling as an affirmative defense.

Creation of a district family court in each of the judicial circuits was approved.

Methaqualone was added to drugs listed in the Uniform Controlled Substances Act.

ENVIRONMENT

Provision was made for state acquisition or management of lands which have natural, environmental, recreational, scenic or historic value.

Private or public antipollution projects may be financed with revenue bonds issued by the Department of Budget and Finance with gubernatorial approval. The project party must pay the principal and interest on all such revenue bonds issued.

Subdividers and developers were required to set aside land for public access to beaches and public recreation areas.

Counties were required to prepare urban design plans, including measures for land use, pedestrian and traffic systems, community facilities, historic sites and views, among others.

State law was conformed with the federal Coastal Zone Management Act.

OTHER

A no-fault auto insurance law eliminates tort liability for personal injuries up to a maximum of \$15,000 per person. However, tort liability coverage is mandated for property damage and for personal injuries over the no-fault limit.

State chartered credit unions were allowed.

A statewide emergency medical services program was established. Unlicensed physician assistants were allowed to serve under a licensed physician.

A revised uniform principal and income act sets forth rules for administration of trusts and

Laws were passed to prohibit discrimination in certain financial relationships because of the sex or marital status of the prospective buyer and to make the payment of workers' compensation upon the death of an employee applicable to a spouse of either sex.

The Maryland Wage and Hour Law was extended to include domestic workers. The age of majority was lowered from 21 to 18 years of age, except with reference to alcoholic beverages. Any reference to race, color or national origin in any document or investigation used to establish an applicant's credit under the Retail Credit Accounts law was prohibited.

OTHER

Voter registration by mail was allowed in certain counties and Baltimore City.

A law prohibited the adoption or amendment of rules which will increase expenditures beyond budgetary allowance by an agency without the approval of the General Assembly.

The Noise Pollution Control Advisory Council was created and noise control was established as a policy of the State.

The Interstate Corrections Compact, the Interstate Mining Compact, and the Interstate Library Compact were enacted.

Colorado Equalizes School Finance



A new formula for the State's financing of public schools was adopted by the 1973 Colorado General Assembly.

A "power equalizing" formula guarantees that each school district will receive \$25 per pupil for 1974 for each mill levied, with increases to \$27 in 1975 and \$29 in 1976. The State subsidizes the amount to \$25 per pupil not raised by the levy. School districts which raise more than those amounts for each mill are given state aid of \$8, \$9, and \$10 for those years anyway. Limitations are placed on the amount to be spent by a school district in an effort to equalize per pupil expenditures among districts. Provision is made for administrative and voter approval of higher mill levies.

The state share of pupil transportation costs was increased. The preparation of any academic paper for a college student by another person for a fee was prohibited.

TAX

The cigarette tax was increased to 10 cents a pack with proceeds of the increase to be distributed to local governments to replace local cigarette taxes.

Real property tax credit refunds were provided for persons over 65. The method of taxing mobile homes was changed from specific ownership to ad valorem, like other residential property.

LAW ENFORCEMENT

The post of State Solicitor General was created in the Department of Law.

State licensing agencies were prohibited from automatically denying a trades or professional license to a person who has served time for a felony.

Standards for certification for peace officers were established. Reimbursement was provided from state monies for training expenses at the law enforcement training academy. The death penalty issue was considered, but its reinstatement was not adopted.

Annual judicial salaries were increased, including a raise to \$37,500 for the Chief Justice of the Supreme Court, and to \$28,000 for district court judges.

GOVERNMENT

The Model Act Relating to Interference with the Legislative Process was adopted.

Effective January 1975, legislators residing in the Denver area will be allowed actual expenses of up to \$10 a day and those outside the area \$20.

Clarifying and substantive changes were made in the election laws.

Bills were enacted relating to the state personnel retirement board and employee contributions.

OTHER

Sex discrimination was prohibited in housing practices, granting of consumer credit, and in employment.

The following laws relating to uniform state codes were adopted: Alcoholism and Intoxication Act, Child Custody Jurisdictional Act, Disposition of Community Property Rights at Death Act, Marriage Act and Uniform Dissolution of Marriage Act, Management of Institutional Funds Act, and Probate Code.

The Cumbres and Toltec Scenic Railroad Compact was adopted with New Mexico.

termine the sufficiency and validity of signatures on initiative and referendum petitions, removing this authority from the Secretary of State.

The names of prospective jurors must be drawn from lists of all registered voters, including voters between 18 and 21 years of age.

A new law clarified the right of employees to be absent from work for two hours on election days, with compensation, if they notify their employer of their intention to be absent. This requirement does not apply to school board or bond elections.

OTHER

The legal rights of women were guaranteed by granting them the same legal existence and legal personality they had before their marriage.

The authority of the Department of Institutions, Social and Rehabilitative Services was continued and, in addition, the department was authorized to provide birth control information and to pay the cost of sterilization of adult male welfare recipients under age 65 who request such aid.

Cities and towns were authorized to carry

workmen's compensation insurance on employees in hazardous work. Registered pharmacists were required to receive a minimum of 15 hours of continuing professional education for license renewal each year.

A ceiling of two cents per dollar was placed on sales tax that a city or town may levy, with the exception of a one cent per dollar additional levy that may be made for educational or health facilities. This legislation is scheduled to expire in 1975, unless renewed.

The district court clerks were authorized to issue licenses to conduct bingo games to any bona fide tax-exempt religious, charitable, labor, fraternal or educational organization or any nonprofit veterans' or firemen's organization. Proceeds from these games must be used to compensate for expenses incurred in conducting the games and must not go for the benefit of any individual.

The Oklahoma Horse Racing Commission was created and the operation of horse racing and parimutuel betting systems by county fair boards or agricultural expositions was authorized. The act must first be adopted on a statewide basis and then each county wishing to conduct racing may vote on a local option basis to approve such racing meets.

Nevada Legalizes Acupuncture



The practice of Chinese medicine, including acupuncture, was permitted by the 1973 Nevada Legislature.

LAW ENFORCEMENT

The death penalty was mandated for capital murder. The penalty was increased for offenses committed with dangerous weapons by prisoners in the Nevada State Prison. Limitations were placed on the term of imprisonment which may be imposed to satisfy a fine. Changes were made in juvenile court procedure and laws enacted on unnecessary use of criminal labels for delinquent children.

ENVIRONMENT

The Nevada Water Pollution Control law was enacted. Property used for air or water pollution control devices was exempted from the property tax. The Nevada Tahoe Regional Planning Agency was established.

GOVERNMENT

Laws were adopted creating a presidential primary election, prohibiting write-in voting, and clarifying the extent of anti-nepotism laws. Cam-

aign expenditures of State Senators and Assemblymen were limited. Remedies were provided for interference with the legislative process. New resident voting provisions and the six-month residency requirement for voter registration were eliminated.

EQUAL RIGHTS

Discrimination between men and women in real property transactions was prohibited. Equal rights of management and control of community between husband and wife were provided. A new law makes wages, hours, and working conditions of female employees in private employment applicable to all employees.

OTHER

False or misleading statements in advertising were prohibited. Open-market advertising and sale of prescription drugs was permitted. Consumer protection from door-to-door salesmen was provided.

A Nevada Occupational Safety and Health Act was adopted.

A system of comparative negligence was enacted in lieu of defenses of contributory negligence and assumption of risk. A Uniform Contribution Among Tortfeasors Act was adopted.

Senator Robert H. Ziegler
Box 979
Ketchikan, Alaska 99901

12

**RHODE ISLAND CON-CON
APPROVES VOTE ON LOTTERY**

The 100 delegates at the Rhode Island Constitutional Convention approved seven proposals to go before Rhode Island voters November 6. The convention met from September 4 to October 5.

The issues include legalization of state lotteries, increasing legislative salaries and making them statutory rather than constitutional, increasing the terms of general state officers from two to four years, modifying the requirement for grand jury indictment in all felony cases, requiring that election campaign contributions and expenditures for general state offices be publicly disclosed, providing that the holding of a constitutional convention be put on the ballot at least once every ten years, and prohibiting the holding of any civil office by anyone not a qualified elector for that office.

**INDIANA LIEUTENANT GOVERNOR,
OTHERS SURVIVE PLANE CRASH**

Indiana Lieutenant Governor Robert D. Orr survived a plane crash in Brazil, along with 10 other members of an Indiana trade mission to South America including State Representative William Latz.

The plane crashed in water off the Rio de Janeiro runway as it was attempting takeoff, killing five persons. One member of the trade mission was missing and the Lieutenant Governor remained to find out about him while the others returned home.

GEORGIA EARNS HIGHER INTEREST

Investing money in banks which are the highest bidders is resulting in greater returns to Georgia. Recently (on August 20) Georgia invested \$349,750,000 in banks throughout the State, based on the highest bids.

The preponderance of these funds was invested at interest rates in excess of 8 percent; the rates ranged from 5.8 to 10.25 percent. Under the process, Georgia is increasing its interest income, up to \$17.3 million in interest on an accrual basis in fiscal year 1973 from the corresponding figure of \$9.5 million for fiscal 1972.

The money is invested with the highest bidders, resulting in greater returns to the State. The Governor noted, "there are no more political debts being paid with state money."

**OHIO SENATOR PENALIZED
FOR CAMPAIGN REPORT FAILURE**

The Ohio Supreme Court upheld a provision of state law which prohibits a candidate who fails to file a timely report of his campaign income and expenses from seeking office for five years.

The case involved Donald Lukens, a State Senator who failed to file financial reports by the legal deadline for the 1972 general election. He had formerly served in Congress and was an unsuccessful contender for the Republican nomination for Governor in 1970, but was considered a likely candidate for nomination in 1974.

OFFICES OF THE COUNCIL OF STATE GOVERNMENTS

Headquarters Office

Iron Works Pike, Lexington, Kentucky 40511

Eastern Office

36 West Forty-fourth Street, New York, New York 10036

Midwestern Office

203 North Wabash Avenue, Chicago, Illinois 60601

Southern Office

3384 Peachtree Road, N.E., Atlanta, Georgia 30326

Western Office

85 Post Street, San Francisco, California 94104

Washington Office

1150 Seventeenth Street, N.W., Washington, D.C. 20036

STATE GOVERNMENT NEWS

Published Monthly by
The Council of State Governments

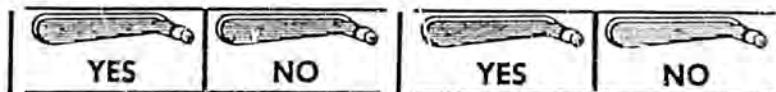


Volume 16

December 1973

Number 12 ✓

Elections '73



GOVERNORS were elected in **New Jersey** and **Virginia**, both of which also elected legislators, along with **Kentucky**. See page 4.

A **TAX LIMIT** proposed by Governor Ronald Reagan was defeated by **California** voters.

AN **INCOME TAX** was turned down by **Washington** state voters in a proposal to change school finance. The State remains one of four without an income tax.

LOTTERIES were authorized by voters in **Maine** and **Rhode Island**.

SCHOOLS were voted up to \$300 million in bonds for construction in **North Carolina**. **New Jersey** voters approved a \$25 million bond for education facilities for the handicapped.

HIGHWAY BONDS totalling \$500 million were approved in **West Virginia**. **New Yorkers** rejected spending \$3.5 billion on mass transit and roads.

VETERANS' BONDS were ratified by voters in **Ohio**, **Pennsylvania** and **West Virginia** for veterans' bonuses and in **Texas** for a veterans' land trust fund.

GOVERNMENT PROCEDURE changes failed in most instances. Annual legislative sessions lost in **Kentucky** and **Texas**. A proposal for four year terms for chief state officers was defeated in **Rhode Island**. Pay raises for **Washington** state officials were held to 5.5 percent and legislative pay changes rejected in **Texas** and **Rhode Island**.

GRAND JURY indictment would be replaced by the filing of information to initiate criminal proceedings under measures voted in **New York**, **Pennsylvania** and **Rhode Island**.

Reports on legislative sessions appear on the following pages:

West Virginia	6	California	9
Delaware	7	Louisiana	10
Wa	8	Utah	10

AGO 532057

13 States Have Referendums

Big Tax Changes Lose, Most Bond Issues Win

AMERICAN SAMOA

NO

A revised constitution which would have allowed popular election of the Governor (who is appointed by the U.S. President), a legislative salary raise, and more authority for village officials. A similar proposal was defeated in 1972.

CALIFORNIA

NO

Tax limitation initiative proposed by Governor Ronald Reagan. It would have limited state expenditures to a declining percentage of personal income; reduced personal income taxes 7.5 percent permanently; frozen property tax rates at present maximums unless voted higher, and restricted use of surpluses to refunds or emergencies. Legislative Analyst Alan Post estimated by 1977-78 state tax revenues would have fallen by \$1.3 billion under the plan. The vote was 56 percent against.

KENTUCKY

NO

Annual legislative sessions. The proposal lost by a wider margin than it did in 1969.

Appointment rather than election of State Superintendent of Public Instruction. Permit sheriffs to succeed themselves. Abolish elective offices of Railroad Commissioner.

MAINE

YES

Authorize a state lottery.

\$3 million bond issue to acquire lands for state parks.

Remove constitutional limit on municipal indebtedness and allow legislative limit.

Clarify the pocket-veto.

NO

Initiative measure to create Power Authority to generate and sell electricity.

NEW JERSEY

YES

Allow six-member juries in all civil cases.

Authorize \$25 million bond issue for education facilities for handicapped children.



Veterans' bonds passed in four States.

NEW MEXICO

YES

Remove discrimination based on sex in qualifications for holding public office.

Remove discrimination based on sex in veteran's property tax exemption.

Provide procedure for recall of local school board members.

Provide for five-member board of county commissioners in counties of more than 100,000 population.

Exempt from taxation personal property moving in interstate commerce through the State.

NO

Conform state constitution to 18 year old voting and 30-day voter residency requirements.

Remove the limitation on terms for county officers and provide an age limit of 70.

NEW YORK

YES

Permit local governments to exceed their constitutional debt limits for sewage-treatment plant construction.

Permit felony defendants in other than capital cases to waive grand jury indictment.

Expand power of State to make loans for job development purposes.

Authorize sale of parcels of land up to 100 acres outside major parks if proceeds are used to purchase land in forest preserve.

End role of Commissioner of Corrections as Chairman of Commission on Corrections.

Expand jurisdiction of Family Court in custody cases.

NO

\$3.5 billion transportation bond issue, with most for mass transit and rest for highways.

Extend retirement age for judges.

Permit small areas to become counties.

Increase monetary jurisdiction of district courts and term of office of district judges.

NORTH CAROLINA

YES

\$300 million public school construction bond.
 Technical amendment to allow sale of \$30 million in 1972 clean water bonds, which had been legally frozen due to a change in federal law.

NO

Permit sale of liquor by the drink on a local option basis.

OHIO

YES

Authorize \$300 million bond issue to provide bonuses for Vietnam veterans up to a maximum of \$500.

Allow agricultural land to be taxed according to use.

Remove \$3,000 limit on aggregate personal exemptions from state income tax and allow all dependents to be claimed.

Allow counties to form a joint common pleas court district; allow divisions of common pleas courts; and permit municipal and county court judges to receive in-term raises.

PENNSYLVANIA

YES

Authorize an additional \$10 million bond to fund the Vietnam veterans' bonus.

Allow initiation of criminal proceedings by information rather than grand jury indictment.

RHODE ISLAND

YES

Allow a state lottery.

Require disclosure of election campaign contributions and expenditures by candidates for top state offices.

Permit all felony cases other than capital offenses to be brought to trial by criminal information filed in Superior court by the Attorney General's Office rather than grand jury indictment.

Vote on whether to call a constitutional convention at least once every decade.

Clarify restriction of holding civil offices to qualified electors.

Expand the mortgage guarantee power of the Industrial Building Authority from \$40 million to \$80 million and the Recreational Building Authority from \$5 million to \$20 million.

NO

Increase the terms of chief state officers, including the Governor, from two to four years.

Repeal the constitutional limit of \$5 a day for 60 days on legislative pay and set a statutory salary of \$2,000 a year.

TEXAS

YES

Authorize an additional \$100 million in bonds for the Veterans' Land Fund, through which veterans may purchase land.

Extend the \$3,000 homestead tax exemption to single adults.

Include the homestead of a single person in the legal protection against forced sale for debt.

Authorize the Legislature to revamp court jurisdiction in probate matters.

Require only a simple majority of local voters to authorize a tax for sea walls.

Give counties and cities a voice in creation of conservation and reclamation districts.

NO

Annual legislative sessions and a raise in legislative pay from \$4,800 to \$15,000.

Allow localities to levy property taxes to pay off general obligation bonds.

Allow Legislature to exempt nonprofit water suppliers from property taxes.

WASHINGTON

YES

Initiative measure which limits increases in salaries of elected officials to 5.5 percent. It voids a 1973 law which would have hiked legislative pay from \$3,600 to \$10,560 in 1975, the first raise in a decade, and would have greatly increased executive and judicial pay.

Allow sale of personalized motor vehicle license plates with extra fee to support nongame wildlife preservation.

NO

A state income tax, elimination of special school levies, exemption of food and medicine from the sales tax. (continued on page 4)

*Education
 Bonds
 Passed In
 North
 Carolina
 and New
 Jersey*



Washington (continued)

Lower drinking age to 19.

Permit additional property tax revenue from a development project sponsored by a taxing district to be used for financing the project.

Allow smaller voter turnout to pass general obligation bonds.

Allow precinct committeemen of major political parties to serve as deputy voting registrars.

WEST VIRGINIA

YES

Authorize up to \$500 million in bonds for better roads.

Authorize up to \$40 million in bonds for Vietnam veterans' bonus, with maximum of \$400 bonus per veteran.

Increase the homestead exemption for those over 65 from \$1,000 to \$5,000 of assessed valuation.

Allow sheriff to serve two consecutive terms.

VIRGINIA ELECTS REPUBLICAN GOVERNOR, DEMOCRATIC HOUSE

For the second time Mills E. Godwin, Jr., has been elected Governor of Virginia, this time on the Republican ticket, narrowly defeating Lieutenant Governor Henry E. Howell, Jr., who ran as an Independent. There was no Democratic candidate.

Governor-elect Godwin was a Democrat during his 1966-70 term and was prevented from succeeding himself by a prohibition on consecutive terms. Incumbent Governor Linwood Holton was the first Republican Virginia Governor in 84 years.

Lieutenant Governor Howell also was a former Democrat.

The Lieutenant Governor's race was captured by the Republican candidate State Senator John N. Dalton, who defeated an Independent and a Democratic candidate.

Incumbent Democratic Attorney General Andrew P. Miller overwhelmingly defeated his Republican challenger.

Democrats retained their majority in the 100-member House, but won only 55 seats compared to their previous 71; Republicans won 16 seats, dropping from their previous 25, and Independents won 29 seats for a major gain over their previous four.

NEW YORK CHIEF JUDGE ELECTED

New York voters elected Charles D. Breitel Chief Judge of the Court of Appeals.

Three of the six special elections for State Representatives were won by Republicans, adding to the party's comfortable majority. Democrats, in winning the other three seats, picked up one formerly held by a Republican.

DEMOCRATS WIN NEW JERSEY

It was a Democratic landslide in the New Jersey gubernatorial and legislative races.

Democratic gubernatorial candidate Brendan T. Byrne won a 700,000 vote plurality over Republican nominee Charles W. Sandman, Jr.

Governor-elect Byrne was a State Superior Court judge before he resigned to enter the primary. He has been a state deputy attorney general and assistant counsel to a former Governor. His reputation was attested to by FBI tapes released several years ago in which Mafia figures referred to him as a prosecutor money could not buy.

Incumbent Governor William T. Cahill was defeated in the Republican primary by U.S. Representative Sandman.

Also on the gubernatorial ballot were 10 other candidates nominated by direct petition. Their party labels ranged from Taxpayers Watchdog to Defeat Narcotics Crime to the more traditional American Party, Socialist Labor, and Communist.

Democrats won a 3-to-1 margin in the Senate and a nearly 5-to-1 margin in the Assembly. Only 12 Republicans were elected to the 80 member House. Republicans emerged with only 10 seats in 40 member Senate, losing their former 22-seat majority. There was a possibility of a recount for one Republican win.

Some legislative candidates shunned the traditional party labels for such slogans as Politicians Are Crooks; Dedicated, Honest, Unbossed; My Brothers Keeper, and Abolish County Government.

KENTUCKY LEGISLATORS ELECTED

Kentucky Democrats strengthened their majority in the Legislature by gaining eight seats in the House for a total of 81 Democrats to 19 Republicans and gaining two Senate seats for a total of 29 to 9. The entire House and one-half the Senate were elected.

STATE GOVERNMENT NEWS

© The Council of State Governments 1973

December 1973 Vol. 16, No. 12

Published monthly by

THE COUNCIL OF STATE GOVERNMENTS
Iron Works Pike, Lexington, Kentucky 40511

BREVARD CRUIFFIELD, Executive Director
Paul Albright, Director of Publications
Elaine Knapp, Editor, State Government News

\$5 per year

Second class postage paid at Lexington, Kentucky and additional mailing offices. Postmaster: Send form 3579 to Box 11910, Lexington, Kentucky 40511

STATE GOVERNMENT LEADERS MEET

State legislative and executive officials from across the Nation will meet at the Annual Meeting of the Council of State Governments December 13-15 in New Orleans.

The "State of the States" in 1973 will be portrayed by Maryland Governor Marvin Mandel, Council President. Also speaking will be Idaho Speaker William J. Lanting, Council Chairman.

Panels of state and federal leaders and educators will discuss "Federalism U.S.A." and "American Public Administration." Newsmen will be panelists on "Politics U.S.A."

Speaker at the final session will be Alexander M. Bickel, Professor of Law at Yale University and author.

DEATH PENALTY LAW VOIDED

The U.S. Supreme Court November 12 let stand a June 19 decision by the New York Court of Appeals that New York's limited death penalty was unconstitutional.

The 1965 law limited the death penalty to three specific types of murder, but did not make it mandatory. Instead, after a guilty verdict a separate jury determined whether the death penalty should be imposed. The court ruled the procedure unconstitutional because of the discretion given to the jury.

Many of the other state capital punishment laws passed since the 1972 U.S. Supreme Court death penalty ruling limit the death penalty to certain crimes but do not mandate it.



New chairman, Lieutenant Governor Reinecke of California (pictured far left). Lieutenant Governors Schreiber of Wisconsin (left) and Otley of the Virgin Islands (right) applaud Governor Evans (at podium).

Lieutenant Governors Urge Energy Policies

The 12th annual meeting of the National Conference of Lieutenant Governors, held October 3-7 in the U.S. Virgin Islands, encompassed a wide variety of current state issues including land use, power and energy, welfare, and public confidence in government.

Lieutenant Governor Martin J. Schreiber of Wisconsin, conference Chairman, presided over the business sessions at the Beach Hotel on St. Croix. Host to the meeting was Lieutenant Governor Athniel C. Otley of the Virgin Islands. The conference was welcomed to the Virgin Islands by Governor Melvin H. Evans.

At its final session, the conference adopted resolutions on such topics as: a state role in energy, the fuel oil shortage, retail gasoline prices, the right of U.S. citizens of Guam and the Virgin Islands to vote for president, export controls on agricultural commodities, and a changed structure for the Environmental Protection Agency.

The conference said each State should deter-

mine its current energy posture, then develop a state energy policy and form an organization to coordinate governmental agencies, universities, and the private sector for the best utilization and conservation of energy resources.

Elected conference Chairman for 1973-74 was Lieutenant Governor Ed Reinecke of California. Lieutenant Governor Julian M. Carroll of Kentucky was elected Vice Chairman.

Elected Regional Vice Chairmen were Lieutenant Governors Eugene Bookhammer, Delaware, Eastern Region; Earle E. Morris, Jr., South Carolina, Southern Region; Frank Marsh, Nebraska, Midwestern Region, and Harry Reid, Nevada, Western Region.

Executive Committee Members-at-Large are Lieutenant Governors James H. Brickley, Michigan; John S. Burgess, Vermont; J. Joseph Garrahy, Rhode Island; Neil F. Hartigan, Illinois; William C. Jacquin, Arizona; Blair Lee, III, Maryland, and Robert A. Mondragon, New Mexico.

WESTERN CSG CONFERENCE MEETS

Energy legislation should be considered by the States, the Western Conference of the Council of State Governments recommended at its October annual meeting in Denver.

The conference further urged States to examine laws which might slow down power plant siting or energy development.

Elected President was State Senator Fay DeBerard of Colorado, who is also Chairman of the Colorado Commission on Interstate Cooperation, which hosted the meeting along with the Colorado Legislature. State Senator Elizabeth W. Browne of Oregon was chosen Vice President.

Among the other 18 resolutions passed were ones which urged an allocation policy for diesel or distillate fuels and opposed a federal motor fuels tax increase.

A special resolution formally provided for executive-branch participation in the work of the conference.

The conference's six study committees and the clerks and secretaries held workshop sessions. Topics reviewed were the proposed criminal justice standards and goals, the New Federalism, solar energy, transportation, and interstate compacts on mining, the environment, and placement of children.

Plenary sessions reviewed federal highway and transportation legislation, the impact of school finance reform and state energy conservation efforts.

Presiding at all sessions was Senator Nat Washington of Washington State, outgoing conference President. Colorado Governor John D. Vanderhoof keyed the host State dinner. Other



West Virginia Raises Teacher Pay

The West Virginia Legislature met in regular and special session in 1973.

GOVERNMENT

A 5 percent pay raise was authorized to all full-time employees receiving less than \$10,000 a year and to teachers and support personnel. A minimum of \$335 a month was required for school support personnel.

The House of Delegates was reapportioned.

Provision was made for the filling of vacancies in the offices of Senate President and House Speaker when the Legislature is not in session.

ENVIRONMENT, HEALTH

The prohibition against issuing new permits

Senator Nat Washington, outgoing President of Western Conference



speakers included Ellis C. MacDougall, Commissioner of the Georgia Department of Offender Rehabilitation and Speaker Pro Tem John Thomas of Indiana, Chairman of the Midwestern Conference of the Council of State Governments. Also attending was the Chairman of the Council's Governing Board, Idaho Speaker William J. Lanting.

ABORTION CONSENT RULE VOIDED

A woman may not be required to have her husband's or parents' consent to have an abortion, a federal court ruled in overturning a Florida law.

The court said the State has no authority to interfere with the woman's right to privacy in abortion decisions before the fetus is viable and therefore could not delegate such authority to spouses or parents. (*Coe and Noe, et al v. Gerstein, et al, USDC, S. D.Fla., Case No. 72-1842-Civ-JE*). Many other States have similar requirements.

for the surface mining of coal in all counties where no surface mining existed during 1970 was extended to 1975.

Penalties were provided for littering along streams, including requiring cleanup of littered areas.

High-voltage transmission lines may not be constructed without Public Service Commission approval.

No sewage, drainage, water supply or solid waste disposal system may be implemented without a permit from the State Director of Health.

The disaster law was revamped and an office of emergency services established in the Governor's office.

Regulations were established regarding the donation of anatomical gifts. Rules were set for armed forces technicians to qualify for civilian health

occupations. Treatment of minors for drug addiction was permitted without parental permission.

LAW ENFORCEMENT

A new law authorizes offering rewards for detection of crime and apprehension of persons charged with crime. Prosecutors were authorized to appoint crime investigators with county court approval.

The Supreme Court of Appeals was authorized to appoint one of its justices as chief justice and the justices' pay raised to \$32,500.

Regulations and record-keeping procedures were established governing criminal fines and civil case awards in justice of the peace courts and annual audit of civil and criminal dockets required.

Delaware Stiffens Drug Abuse Law



Major legislation approved by the 1973 Delaware General Assembly included environmental bills, a measure providing life imprisonment for the sale of hard drugs, and tax increases.

ENVIRONMENT

The environmental measures sponsored by Governor Sherman W. Tribbitt protect the State's wetlands and strengthen the State's hand against pollution.

The wetlands act prevents unregulated dredging, dumping, and filling. It gives the Department of Natural Resources and Environmental Control (NREC) the power to issue or deny permits which might alter the wetlands.

The new antipollution law abolishes the former Water and Air Resources Commission, placing all authority in the secretary of the NREC. The NREC also has the power now to license and monitor all interstate and intrastate pipeline systems, to regulate solid waste operations, septic tanks and liquid waste treatment operators.

BUDGET AND TAXES

The gasoline tax was increased one cent per gallon. The Legislature approved an average 10 percent increase in the personal income tax effective January 1, 1974. The corporation income tax was raised from 6 percent to 7.2 percent. Also enacted was a full tax on capital gains, ending the 50 percent exemption in effect for many years. The 2 percent tax on real estate transfers was extended to include condominiums and long-term leases.

OTHER

The issuance of \$20 million in road bonds was approved.

College student extracurricular fees may be used to finance a student's attorney to perform legal services approved by the college head.

Licensing and regulation was required of collection agencies and of hearing aid dealers.

The maximum unemployment compensation benefit was increased from 50 to 55 percent of the average wage. The maximum disability benefit was raised from 55 to 60 percent of the average weekly wage and the minimum weekly disability benefit raised from \$35 to \$40. A coal workers' pneumoconiosis (black lung) fund was established.

The Legislature approved an operating budget of approximately \$327 million.

DRUGS, ALCOHOL

New antidrug abuse laws include the life sentence for one convicted of selling or manufacturing a drug that brings death to the user. Sale or manufacture of a hard drug, which does not result in death, will bring a fine up to \$100,000 and a jail term of 30 years.

The supervision of drug-control operations was placed in the Department of Health and Social Services, ending a rambling system which made it difficult to fix responsibility for programming.

The Legislature enacted a law ending intoxication as a defense to a criminal charge if the intoxication was voluntary.

OTHER

News reporters were given a shield law against testifying about their sources.

A new law permits the establishment of a law school in the State, unaffiliated with any university, with power to grant an academic law degree after it has met the standards of approval of the American Bar Association.

Delaware joined the rest of the States with its first Blue Sky Law, regulating the sale of securities in the State and requiring the registration of brokers, investment advisers and agents. The new law is supervised by the Attorney General.

A statewide Court of Common Pleas (small claims) was created, bringing together for the first time the Courts of Common Pleas of the three counties. These courts also hear minor crimes.



Iowa Raises Governmental Pay Levels

The 1973 Iowa Legislature boosted salaries for government employees and state legislators, increased aid to schools, and provided for a personal property tax phaseout.

TAX AND FISCAL

The Legislature approved a record \$1.66 billion budget for the biennium which began July 1.

A phaseout of personal property tax over a 10-year period was provided, and the personal property tax on livestock was repealed.

Elderly renters and homeowners were given property tax relief.

Iowans whose income is \$4,000 a year or less were exempted from paying income tax.

GOVERNMENT

Pay raises were granted state employees earning under \$10,000 a year. The pay hike was graduated so that lowest-paid workers get the highest raises.

Legislative pay was boosted from \$5,500 to \$8,000 a year beginning in 1975 and expense allowances raised from \$15 to \$20 a day while the General Assembly is in session.

Supreme Court justices' salaries were raised to \$30,000 in 1973-74 and \$33,000 in 1974-75, with the Chief Justice receiving \$31,000 and \$34,000.

The Department of Mines and Minerals was abolished and its responsibilities transferred to the Department of Soil Conservation.

HEALTH, SOCIAL SERVICES

A bill authorizing the establishment and providing for the regulation of Health Maintenance Organizations was passed, legalizing prepaid health care plans.

Money was appropriated to establish family-practice residency programs in community hospitals around the State.

Construction of an eight-story addition to the University of Iowa hospital was authorized.

Necessary statutory changes were made to permit Iowa to conform to the January 1, 1974, federal takeover of the existing old age assistance, aid to the blind, and aid to the disabled programs.

More than \$334,000 was appropriated for the Governor's Youth Opportunity Program to provide 1,300 summer jobs for youth.

A bill was approved to allow two-parent families to receive AFDC money if the father is

unemployed. Also, the State will assume the full responsibility for matching federal grants for this program on January 1, 1974. Counties presently must pay one half the non-federally funded cost of the program.

ELECTION, CAMPAIGN REFORM

A bill revising Iowa's election laws will require statewide voter registration, provide for canvassing of elections by the county board of supervisors, and makes the statutory changes necessary to reflect the lengthening to four years of the terms of the Governor and other state officials. Four-year terms were approved by the electorate in 1972 but do not commence until 1975.

A campaign reform act was passed requiring candidates for public office to file financial reports of all receipts and disbursements. The act created a Campaign Finance Disclosure Commission to review candidates' statements. The law allows a \$1 state income tax checkoff for party contributions.

LAW ENFORCEMENT

Corrective amendments to the Unified Trial Court Act were passed. The court reform act replaces justices of the peace with full-time magistrates and municipal judges with "district associate judges," requiring them to be lawyers, allows small claims suits of less than \$1,000 to be filed without lawyers, and permits some traffic fines to be mailed in.

Gambling was legalized on bingo and games of skill and chance at fairs and nonprofit organization activities, and social gambling was permitted.

Prisoners on work release or furlough were allowed to be released for family activities under supervision and to be housed outside prison.

Criminals were required to provide restitution to their victims in some cases before parole is granted.

A bill to establish a community corrections system was passed to provide for a series of rehabilitative institutions that will eventually replace county jails.

Iowa's motor vehicle inspection law was modified to allow motorists to file complaints about a faulty inspection within 15 days or 500 miles of driving after the inspection.

OTHER

The age of majority was lowered from 19 to

18, entitling 18 year olds to most adult privileges, including the right to buy alcoholic beverages.

Sunday beer and liquor sales were permitted by businesses which derive more than 50 percent of their gross income from goods and services other than alcoholic beverages.

A cash bonus to Vietnam veterans was authorized.

The official observance of Veterans Day was changed from the fourth Monday in October to November 11.

Egg check-off legislation was passed allowing promotional funds to be raised by permitting a check-off of up to five cents per 30-dozen case of eggs.

The Legislature increased state aid to schools appropriating \$242 million for fiscal 1974 and \$276 million for fiscal 1975.

An auxiliary services bill was passed that provides money to local school districts to provide special programs to private and parochial school children, such as health, special education, remedial education and library services.

A bill providing for the assessment and taxation of property of municipally owned utilities held under joint ownership was passed.

A formula for distribution of revenues from taxing large electrical power-generating plants was approved.

Workmen's compensation coverage was expanded.

California Mandates Ethics In Government



Governmental ethics and tax relief were among major actions taken by the 1973 California Legislature.

TAX AND FISCAL

A \$9.38 billion budget was signed on June 30, the day before the start of the new fiscal year. The sales tax was rolled back from 6 percent to 5 percent for six months starting October 1. Income tax rebates on a sliding scale up to 35 percent were authorized against 1973 liability. Single heads of households were given the same tax advantage as married couples.

ETHICS

Public officials were required to disclose any property they own valued at more than \$1,000 and any gifts, income and loans exceeding \$250.

Open meetings legislation specified when meetings of the Legislature and its committees can be closed to the public and required the conference committee on the budget to open its doors to the public. A companion constitutional amendment will be on the 1974 ballot.

A political contributions law required statements of receipts and expenditures for or against ballot measures, and revised campaign reporting with respect to candidates and ballot measures.

CRIME

The death penalty was mandated for specified types of murder.

Allowable state compensation to victims of violent crimes was raised from \$5,000 to \$23,000.

ENVIRONMENT

The Legislature appropriated \$15 million to acquire 11 parcels of land for parks and recreation.

A \$250 million bond issue for construction of water pollution control facilities was placed on the 1974 ballot.

A bi-state Tahoe Conservancy Agency Compact was created and \$20 million appropriated to acquire land in the Tahoe basin.

Regulations were enacted to govern timber-cutting on private lands by a board dominated by nontimber interests.

EDUCATION, HEALTH

Community colleges were granted \$65 million and property tax limits established for college districts.

Names of some state universities were changed.

Child care and preschool programs for some 27,000 children were funded \$41 million.

Provision was made for improved nursing homes.

CONSUMERS, LABOR

Retail pharmacists were required to post prices of the 100 most commonly prescribed drugs.

Tax-preparation services were regulated by the Department of Consumer Affairs.

Benefits were improved for unemployment insurance, disability insurance and workmen's compensation.

Laws discriminating between men and women regarding hours and working conditions were eliminated.

(continued on page 10)

Women were given the same rights as men in obtaining credit. Discrimination against women in property rights was eliminated.

A State Occupational Safety and Health Act was adopted.

A new Department of Employment Development was authorized to create jobs and to provide for coordination of local-regional-state manpower training.



Death Penalty, Abortion Concern Louisiana

The 1973 Louisiana Legislature enacted a new death penalty law and passed a new abortion act. The session adjourned June 12.

BUDGET AND FISCAL

The Legislature adopted a \$1.9 billion general fund budget for the 1973-74 fiscal year.

A Legislative Budgetary Control Council was created to establish rules and regulations governing expenditures of funds appropriated to the Legislature, its committees, and employees.

Procedures for distributing the state revenue sharing fund were revised. Under the new law, funds will be allocated to each parish annually, the amount to be based on parish-state population ratio and homestead ratio.

LAW ENFORCEMENT

A new capital punishment law makes the death penalty mandatory for first degree murder convictions. Offenses constituting first degree murder include murder during kidnapping, rape or armed robbery; killing a peace officer or fireman engaged in performance of his duties; murder committed by a person with a previous murder conviction or who is serving a life sentence; mass murder, and murder for hire.

Methaqualone was added to the list of dangerous drugs. Changes in the State's controlled substances law included stiffer penalties for distribution and selling of such drugs.

EDUCATION

The Legislature provided for a comprehensive state program of career education. Money was appropriated for construction of regional, post-secondary vocation-technical schools and expansion and renovation of existing ones.

Construction of a new medical education building for Louisiana State University was authorized.

OTHER

Local government agencies were prohibited from imposing residency requirements on employees.

A constitutional amendment to allow gasoline tax revenues to be used for mass transit facilities was placed on the June 1974 ballot.

OTHER

A new abortion law allows hospitals and medical personnel to refuse to participate in abortions. Discrimination against any person or institution for so refusing was forbidden.

Workmen's compensation benefits were increased from a maximum of \$45 per week to \$65 per week.

Retirement benefits were improved for members of the State Teachers Retirement System, Municipal Retirement System and State Employees Retirement System.

Official observance of Veterans Day was changed from the fourth Monday in October to November 11.

The Division of Actuary Review was created within the Office of Legislative Auditor.

The Legislature abolished its interim study committees and by rule changes in the respective houses authorized standing committees to undertake any needed interim studies. Funding was provided for staffing of committees, on a two-committee shared basis, through the Louisiana Legislative Council. In the House provision was made for pre-session referral and hearing of prefiled bills.

Utah Guts Taxes

Elimination of the 1.6 mill state property tax for schools was approved by the Utah Legislature meeting in special session in October.

Unless the levy is reimposed by the January budget session, it will be the first time since 1954 that there has been no state property tax.

The Legislature also approved a \$6 income tax credit for each dependent off 1973 taxes.

A one-time \$3 million appropriation is to go to local governments to assist in completing low income housing programs disrupted by the federal housing moratorium.

U. S. POSTAL SERVICE STATEMENT OF OWNERSHIP, MANAGEMENT AND CIRCULATION <i>(Act of August 12, 1970: Section 3685, Title 39, United States Code)</i>		SEE INSTRUCTIONS ON PAGE 2 (REVERSE)
1. TITLE OF PUBLICATION State Government News		2. DATE OF FILING 9/25/73
3. FREQUENCY OF ISSUE Monthly		
4. LOCATION OF KNOWN OFFICE OF PUBLICATION <i>(Street, city, county, state ZIP code) (Not printers)</i> Iron Works Pike, Lexington, Fayette, Kentucky 40511		
5. LOCATION OF THE HEADQUARTERS OR GENERAL BUSINESS OFFICES OF THE PUBLISHERS <i>(Not printers)</i> Same as above.		
6. NAMES AND ADDRESSES OF PUBLISHER, EDITOR, AND MANAGING EDITOR		
PUBLISHER <i>(Name and address)</i> The Council of State Governments, Iron Works Pike, Lexington, Kentucky 40511		
EDITOR <i>(Name and address)</i> Elaine S. Knapp, The Council of State Governments, Iron Works Pike, Lexington, Kentucky 40511		
MANAGER EDITOR <i>(Name and address)</i> None		
7. OWNER <i>(If owned by a corporation, its name and address must be stated and also immediately thereunder the names and addresses of stockholders owning or holding 1 percent or more of total amount of stock. If not owned by a corporation, the names and addresses of the individual owners must be given. If owned by a partnership or other unincorporated firm, its name and address, as well as that of each individual must be given.)</i>		
NAME	ADDRESS	
The Council of State Governments	Iron Works Pike, Lexington, Kentucky 40511	
8. KNOWN BONDHOLDERS, MORTGAGEES, AND OTHER SECURITY HOLDERS OWNING OR HOLDING 1 PERCENT OR MORE OF TOTAL AMOUNT OF BONDS, MORTGAGES OR OTHER SECURITIES <i>(If there are none, so state)</i>		
NAME	ADDRESS	
9. FOR OPTIONAL COMPLETION BY PUBLISHERS MAILING AT THE REGULAR RATES (Section 132.121, Postal Service Manual)		
39 U. S. C. 3626 provides in pertinent part: "No person who would have been entitled to mail matter under former section 4359 of this title shall mail such matter at the rates provided under this subsection unless he files annually with the Postal Service a written request for permission to mail matter at such rates." In accordance with the provisions of this statute, I hereby request permission to mail the publication named in Item 1 at the reduced postage rates presently authorized by 39 U. S. C. 3626. <i>(Signature and title of editor, publisher, business manager, or owner)</i>		
10. FOR COMPLETION BY NONPROFIT ORGANIZATIONS AUTHORIZED TO MAIL AT SPECIAL RATES <i>(Section 132.122, Postal Manual)</i> <i>(Check one)</i>		
The purpose, function, and nonprofit status of this organization and the exempt status for Federal income tax purposes <input type="checkbox"/> Have not changed during preceding 12 months <input type="checkbox"/> Have changed during preceding 12 months <i>(If changed, publisher must submit explanation of change with this statement.)</i>		
11. EXTENT AND NATURE OF CIRCULATION	AVERAGE NO. COPIES EACH ISSUE DURING PRECEDING 12 MONTHS	ACTUAL NUMBER OF COPIES OF SINGLE ISSUE PUBLISHED NEAREST TO FILING DATE
A. TOTAL NO. COPIES PRINTED <i>(Net Press Run)</i>	13,762	13,735
B. PAID CIRCULATION		
1. SALES THROUGH DEALERS AND CARRIERS, STREET VENDORS AND COUNTER SALES	--	--
2. MAIL SUBSCRIPTIONS	12,195	12,402
C. TOTAL PAID CIRCULATION	12,195	12,402
D. FREE DISTRIBUTION BY MAIL, CARRIER OR OTHER MEANS 1. SAMPLES, COMPLIMENTARY, AND OTHER FREE COPIES	1,178	1,186
2. COPIES DISTRIBUTED TO NEWS AGENTS, BUT NOT SOLD	--	--
E. TOTAL DISTRIBUTION <i>(Sum of C and D)</i>	13,373	13,588
F. OFFICE USE, LEFT-OVER, UNACCOUNTED, SPOILED AFTER PRINTING	389	147
G. TOTAL <i>(Sum of E & F—should equal net press run shown in A)</i>	13,762	13,735
<i>(Signature of editor, publisher, business manager, or owner)</i> 		
I certify that the statements made by me above are correct and complete		

STATE GOVERNMENT NEWS

from
THE COUNCIL OF STATE GOVERNMENTS
Iron Works Pike, Lexington, Kentucky 40511

Second Class Postage Paid at Lexington, Kentucky
and additional mailing offices

RECEIVED

LEGISLATIVE AFFAIRS
AGENCY

Mr. John M. Elliott, Executive Director
Legislative Affairs Agency
Pouch Y - State Capitol
Juneau, Alaska 99801

12

STATES CONSERVE ENERGY

Speed limits were cut to 50 m.p.h. on all highways by at least six States shortly after President Nixon's request in his energy address to the Nation.

New Jersey, New York, Pennsylvania, Rhode Island, Washington and Vermont ordered 50 m.p.h. speed limits. California had previously ordered a switch to 65 m.p.h.

Among the obstacles to immediate reduction of the speed limits in many States were the need for legislative authorization at a time when most have adjourned and the major task of replacing highway signs.

The lower speed limit was accomplished on the New Jersey Turnpike with the flick of a switch controlling the electrically regulated signs.

Many Governors had earlier directed state employees to drive at reduced speeds and form car pools and heat reductions in state office buildings.

Motorists have been asked to voluntarily reduce their speeds by many State Governors.

Relaxation of pollution standards to allow use of fuel with higher sulphur content this winter was initiated in New Jersey in an announcement by Governor William Cahill before the President spoke. Use of higher sulphur fuel for heating and industry was authorized in Massachusetts.

Emergency energy powers were granted to Maryland Governor Marvin Mandel by a November special session.

Power cutbacks were ordered by Pacific Northwest Governors earlier this fall due to a shortage of hydroelectric power in the area. A blackout of commercial lighting was ordered in Oregon and emergency energy powers were granted Washington Governor Daniel Evans. The conservation efforts resulted in a 7 to 8 percent electric savings, the Bonneville Power Administration announced in October.

Recently, similar commercial lights out were asked by the Governors of Florida and Washington. Earlier this fall Nevada launched a "Power Down" campaign and Las Vegas hotels turned off neon displays during daylight.

A suggestion to close schools during December was retracted by Oregon Governor Tom McCall after adverse public reaction. Instead he asked schools to teach energy conservation.

All States are participating in the federal mandatory allocation program for heating oil and diesel fuel which began November 1. States are empowered to recommend that suppliers divert up to 10 percent of their fuel to certain hardship cases. A federal representative is assigned to each State to order the allocation.

Regional briefings on the federal program have been held by the National Governors' Conference Energy Project, headed by Ed Rovner.

States or localities instituting conservation programs may receive help from the federal Office of Energy Conservation, Department of the Interior, (202) 343-8634. It will also help States conduct conservation seminars.

OFFICES OF THE COUNCIL OF STATE GOVERNMENTS

Headquarters Office

Iron Works Pike, Lexington, Kentucky 40511

Eastern Office

36 West Forty-fourth Street, New York, New York 10036

Midwestern Office

203 North Wabash Avenue, Chicago, Illinois 60601

Southern Office

3384 Peachtree Road, N.E., Atlanta, Georgia 30326

Western Office

85 Post Street, San Francisco, California 94104

Washington Office

1150 Seventeenth Street, N.W., Washington, D.C. 20036

AGO 532068

STATE GOVERNMENT NEWS

Published Monthly by
The Council of State Governments



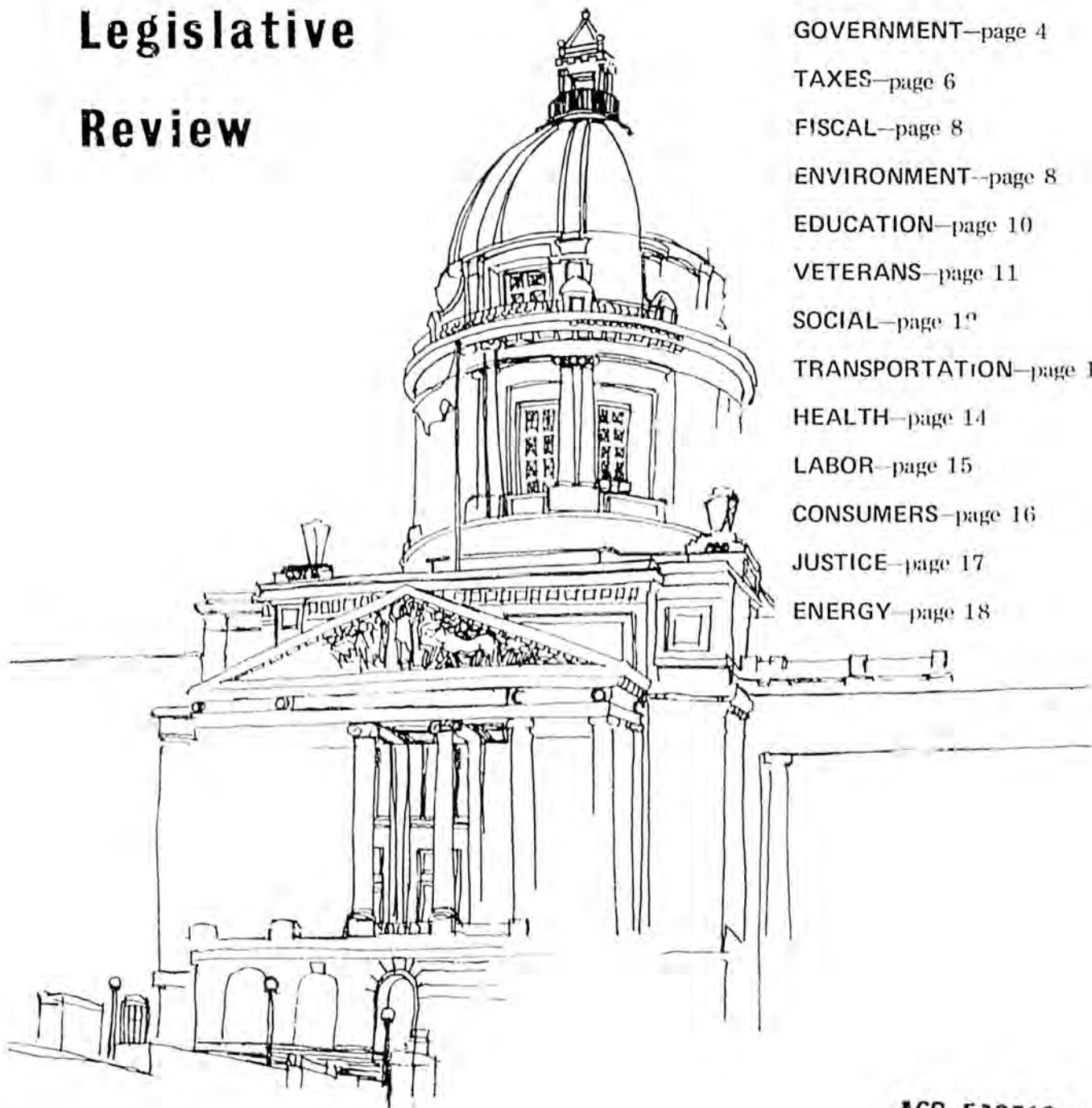
Volume 17

January 1974

No. 1

1973

Legislative Review



*Ziegler
(Lecturer)*

- ETHICS—page 2
- GOVERNMENT—page 4
- TAXES—page 6
- FISCAL—page 8
- ENVIRONMENT—page 8
- EDUCATION—page 10
- VETERANS—page 11
- SOCIAL—page 12
- TRANSPORTATION—page 13
- HEALTH—page 14
- LABOR—page 15
- CONSUMERS—page 16
- JUSTICE—page 17
- ENERGY—page 18

AGO 532069

1973: IT WAS A VERY GOOD YEAR

For the States, 1973 was a "black" year.

Black, that is, in the sense of vastly improved fiscal conditions that allowed State Legislatures to enact more net tax reductions than increases in many years.

It was a very good year for state legislative action in other ways, as if the lessening of fiscal pressures permitted more time, resources, and a more favorable attitude for careful examination of social issues and development of meaningful solutions to serious problems.

And there was an abundant supply of problems to solve during the year.

At least 34 States enacted new water pollution control laws; 16 States acted in the areas of solid waste management and resource recovery; nearly 20 States reenacted capital punishment laws; and consumer protection legislation touched nearly every facet of a citizen's life.

More than half the States acted to bolster the public's decreasing confidence in governments at all levels by passing financial disclosure laws, campaign and lobbying regulations, open meetings rules and many other forms of open-government regulations.

Despite court decisions that seemed to negate the necessity for equalizing educational opportunities by leveling school finances, at least eight States made major changes in their school financing formulas to accomplish that goal.

The nearly inseparable issues of energy and environment were given thorough consideration in most States. Power plant siting, oil spills, strip mining, statewide land use regulation, and taxing of natural resources were all objects of legislation.

Many Legislatures gave their Governors authority to meet the energy crisis by lowering speed limits and directing other conservation action.

The following "wrap-ups" of state legislative activity in selected issue areas are intended as sources of information for legislators, judicial officers, executive and administrative personnel who not only need to study what transpired in the past year, but also consider the activity in light of the needs of upcoming legislative sessions.

The summaries may not contain all the major legislation in the past legislative period, but they do give a broad perspective of the scope and direction of state lawmaking.

The synopsis of state legislative activity replaces the summary which has appeared for many years in the Winter edition of *State Government*, the journal of state affairs published by the Council of State Governments.

GOOD-BYE WATERGATE

State Legislatures responded to the national debate over confidence in government by enacting financial disclosure and other ethics measures.

The legislators section of the National Legislative Conference at its 1973 annual meeting called for legislative branches at all levels of government to adopt laws covering open meetings and records, conflict of interest, financial disclosure, lobbyists, and campaign financing.

Disclosure of financial interests and prohibition of financial interests which conflict with governmental duties were mandated by 1973 laws in Alabama, California, Iowa, Maryland, Ohio, Texas, and Wisconsin. Montana passed an ethics code.

The new Alabama code of ethics requires disclosure of certain economic interests and incomes and occupations of their immediate families by state officials, certain state employees, certain members of the press, and persons having business dealings with the government. It forbids certain practices by state officials or employees which conflict with safeguarding of the public trust. It prohibits cabinet members and gubernatorial appointees from owning any interest in any business which does business with the State or from receiving any income from

any other governmental agency. It empowers a State Ethics Commission to enforce the law and to prescribe ethics rules for local government officials or employees. The provision applying the law to members of the press is being challenged in court.

The California financial disclosure law requires major state and local appointed and elected officials to annually disclose business investments of more than \$1,000; real property worth more than \$1,000; and the source of loans, income or gifts worth more than \$250.

Maryland required financial reporting by top state officials, legislators, sheriffs, State's attorneys, registers of wills and circuit court clerks, and candidates for those offices. Disclosure is required of interests in property and corporations, any gift over \$50, and any position or interest in any business which has dealings with the State. Disclosure systems are to be set up by the Court of Appeals for judges and by local governments for local officials.

The new Ohio law covers legislators, elected state and top appointed officials, judges, and city and county officials.

The Wisconsin ethics code covers legislators, constitutional officials, gubernatorial appointees and other appointed officials covered by an executive salary plan. It also requires ethics rules to be adopted for all civil service employees and university teaching personnel. Disclosure is required of significant business ties or other sources of income. Conflicts of interest are defined and proscribed. A Board of Ethics was empowered to administer the code.

Arkansas extended its code of ethics to cover county, municipal and school district officials.

CAMPAIGN FINANCE

Campaign financial reporting requirements were stiffened by California, Florida, Hawaii, Iowa, Massachusetts, Nebraska, New Jersey, and Texas. Illinois, Michigan, and Pennsylvania were considering ethics legislation in late 1973.

California candidates for office must report all contributions over \$100 and the donor's name, address, occupation and employer. Cash contributions larger than \$500 and anonymous contributions larger than \$100 were banned.

Florida expanded its campaign financial reporting to include political committees which receive or spend \$500 and to outlaw anonymous cash contributions in excess of \$100.

Hawaii's campaign finance law, applicable to state, federal and local candidates, placed spending limits on campaigns, required reports of contributions of more than \$100, and outlawed anonymous contributions of \$250 or more. Violations are punishable as a misdemeanor for a person and by a \$1,000 fine for a corporation.

Iowa required candidates to file financial reports of all receipts and disbursements.

New Jersey required candidates for state, county, and local offices to report contributions of \$100 or more. Groups which support candidates were also required to report.

Texas strengthened its campaign financing reporting provisions; required political advertising to show who paid for it, and regulated out-of-state contributions.

Spending limits were placed on campaigns by new laws in Hawaii on state, federal, and local candidates; in Nevada on legislative candidates, in Wyoming and expanded in Utah to include the Attorney General and Secretary of State in addition to the Governor.

Reporting of lobbyists' activities was required by Alabama, Maine, Nevada, Oregon, and Texas.

Ethics codes for executive branch officials and employees were promulgated by the Governors of Illinois, Michigan, and Missouri.

OPEN MEETINGS

Citizen access to meetings of governmental bodies was guaranteed in all but five States by late 1973.

A comprehensive open meetings law was enacted in Oregon in 1973 which required all government meetings to be in public except for some executive sessions for specific purposes. However, minutes of these sessions must later be made available to the public.

Minnesota and Missouri required virtually all meetings of public bodies to be open by 1973 laws.

State and local elected bodies in Vermont were forbidden from excluding the public from meetings. Closed sessions are allowed only for certain discussions, and minutes must be made available to the public.

Among other 1973 actions, legislative committee meetings were opened to the public in Connecticut, North Dakota, Texas, and Vermont. California opened legislative budget conference committee sessions.

Florida required public agencies to utilize public announcement and competitive negotiation in selecting services of architects, professional engineers and registered land surveyors.

Illinois required identification of the owners of secret land trusts involved in transactions with governmental units.

News reporters' right to protect the source of their information is guaranteed to some extent by 25 States, with action taken to enact new or more extensive laws in 1973 in California, Indiana, Minnesota, Nebraska, New Mexico, and Oregon.

A new Utah law requires administration agencies to give public notice of any new or changed rules.

Mechanisms to assure citizen access to public records were strengthened in New Hampshire and Oregon. Citizen access to public records is provided in 46 States.



Cartoons by
Debra Stuart

GETTING IT TOGETHER

EXECUTIVE REORGANIZATION

Extensive governmental reorganization was implemented in Kentucky and South Dakota.

In South Dakota, more than 160 agencies, boards and commissions were consolidated into 16 departments under a proposal by Governor Richard Kneip which received legislative sanction.

Reorganization of Kentucky government by Governor Wendell Ford awaits the approval of the 1974 Legislature.

Executive agencies were established or reorganized in at least 18 other States.

In the area of finance, Delaware authorized reorganization of the Department of Revenue. Nevada reorganized the Departments of Administration and General Services. Connecticut reorganized the State Investment Department and combined the Budget Division and the Office of State Planning. Idaho changed the Bureau of the Budget to the Division of the Budget under the Governor's office. Minnesota created a new department of finance. New York established a commission to study state and local financing. North Carolina reorganized the Department of Revenue. Wyoming established a Department of Revenue and Taxation to combine the State Tax Commission, the State Board of Equalization and related agencies. In Montana, the functions of the Board of Equalization were divided between the new Department of Revenue and the new State Tax Appeal Board. Michigan reorganized its Department of Management and Budget.

Environmental functions were merged in Virginia into a Department of Conservation, Development and Natural Resources and in Wyoming into a Department of Environmental Quality. Maine established a Department of Conservation to absorb forestry and parks and recreation. Idaho merged the Department of Environmental Protection and Health and the Department of Social and Rehabilitation Services into the Department of Environmental and Community Services.

In the area of social services, Connecticut established a Council on Human Services, Kansas created a cabinet-level Department of Social and Rehabilitative Services, and North Carolina reorganized the Department of Human Resources. Michigan's Governor combined the Departments of Social Services, Public Health and Mental Health into a new Department of Human Services.

Among other executive reorganization activity:

Idaho created a Legislative-Executive Commission to study executive reorganization.

Alabama created a Department of Youth Services.

New consumer units were established in Montana, Nevada, and Tennessee.

California implemented earlier legislation es-

tablishing new Departments of Health, Transportation, and Planning and Research.

Connecticut established Departments of Personnel and Administration and of Commerce, a State Development Authority, a Foundation of the Arts, and an Indian Affairs Council.

Illinois established state boards of education and elections as mandated by the 1970 constitution.

Minnesota established a Department of Personnel.

Montana changed the name of the Department of Law Enforcement and Public Safety to the Department of Justice and created the State Board of Education, the Board of Regents and the Board of Public Education. Montana also provided for team election of the Governor and Lieutenant Governor and succession to the office of Governor.

North Carolina's planned six-year reorganization included implementing legislation for new Departments of Cultural Resources and Military and Veterans Affairs.

Utah established a council on science and technology, a federal research steering committee to assemble data to support location of federal installations, a state office of veterans affairs, and a committee of marriage and family counseling.

Virginia created a Commission on State Governmental Management to bring greater efficiency in government. The Department of Mental Hygiene and Hospitals was renamed the Department of Mental Health and Mental Retardation. The Office of Civil Defense was renamed the Office of Emergency Services.

South Dakota placed executive branch employees on a merit system basis. Gubernatorial succession procedures were established. State and local agencies were permitted to buy radio and television time for public interest announcements.

Kansas implemented a constitutional amendment providing for team election of the Governor and Lieutenant Governor.

Colorado adopted the Model Act Relating to Interference with the Legislative Process.

Arkansas established an authority to finance and construct public buildings and created an Office of Emergency Services.

STATE GOVERNMENT NEWS

© The Council of State Governments 1973

January 1974 Vol. 17, No. 1

Published monthly by

THE COUNCIL OF STATE GOVERNMENTS
Iron Works Pike, Lexington, Kentucky 40511

BREVARD CRHFIELD, Executive Director
Paul Albright, Director of Publications
Elaine Knapp, Editor, State Government News

\$5 per year

Second class postage paid at Lexington, Kentucky and additional mailing offices. Postmaster: Send form 3579 to Box 11910, Lexington, Kentucky 40511

LEGISLATIVE REORGANIZATION

Legislative reorganization or other legislative changes were implemented in at least 16 States.

New positions of Auditor General, responsible to the Legislature, were established in Illinois and Rhode Island. Joint legislative committees on post audit were established in Mississippi and Virginia and a legislative subcommittee on post audit established by Oklahoma.

Legislative research functions were revamped in Maine, Minnesota, Oregon, and Virginia.

Wyoming implemented a constitutional amendment authorizing annual legislative sessions. North Carolina by parliamentary procedure divided the 1973 session into two segments, the second to begin January 1974.

The Washington Legislature by resolution established the concept of itself as a continuing lawmaking body in 1973 and interim committees met until a fall session was held.

Alaska changed its convening date from the second to the third Monday in January.

Texas' Legislature adopted joint rules to prohibit "free conference committees." West Virginia provided for filling vacancies in offices of Senate President and House Speaker when the Legislature is not in session. The New Hampshire Legislature sustained the Governor's veto of a legislative management plan.

The Oklahoma Legislature prohibited executive creation of any agency while it is in session and required legislative approval of any executive-established agencies. It also required all state funds to be deposited in the State Treasury and required legislative approval of any capital improvement authority projects.

The Louisiana Legislature abolished its interim study committees and authorized standing committees to undertake any interim studies. The House provided for pre-session referral and hearing of pre-filed bills. The Legislature also established a council to control legislative staffing and committee spending.

Montana provided for legislative review of administrative rules, repealed the Governor's power to pocket-veto and provided for an amendatory veto.

Arkansas provided for legislative review of rules promulgated by state agencies and provided for pre-session filing of bills.

REAPPORTIONMENT

A dramatic change in the principles shaping state reapportionment occurred when the U.S. Supreme Court ruled in February on the Virginia case of *Mahan v. Howell*. The Court declared that state legislative districts need not meet the strict equality of population guidelines set forth by the Court for congressional districts. The thrust of the

decision was buttressed by June rulings by the Court in Connecticut and Texas cases.

However, by 1973 most States had completed reapportionment and followed the stricter, earlier guidelines.

Among 1973 reapportionment actions, House districts were redrawn by Alabama, California, Illinois, Kansas, Maryland, Massachusetts, Mississippi, Nevada, New Jersey, North Dakota, South Carolina, Tennessee, and West Virginia.

Senate districts were redrawn by Alabama, California, Illinois, Maryland, Massachusetts, Mississippi, Nevada, New Jersey, North Dakota, Tennessee, and Vermont.

Court actions are possible on several of these reapportionment plans. Alabama's legislatively approved reapportionment was voided by a federal court which opted to retain districts as it drew them in 1972.

Some other Legislatures, such as Mississippi, effectively ratified court-drawn reapportionment plans by adopting them as law.

North Dakota voters defeated two reapportionment proposals on the December 4 ballot, leaving the issue up to a federal court. The rejected measures were a legislative proposal with single- and multi-member districts and an initiative proposal for single-member districts and a reapportionment commission.

A proposal to reduce the size of the House by one third was placed on the 1974 ballot by the Massachusetts Legislature.

Action was predicted in 1974 in House redistricting in Georgia, Idaho, Maine, Montana, Rhode Island, and Vermont, and in Senate reapportionment in Idaho, Montana, Pennsylvania, and West Virginia.

ELECTIONS

Citizens were allowed to check off \$1 of their state income tax returns for local and state political party contributions in Iowa, Maine, Massachusetts, Rhode Island, and Utah.

Presidential primaries were authorized in Georgia and Nevada.

Statewide voter registration was required in Iowa and Missouri. Voter registration by mail was allowed in certain Maryland counties and Baltimore. Minnesota approved voter registration by postcard and registration on election day.

Voter durational residency laws continued to be revised by States in accordance with the U.S. Supreme Court's 1972 ruling. Residency requirements were reduced to 30 days or less or otherwise revamped by Maine, Minnesota, Nevada, New Jersey, Tennessee, and Wyoming, among others.

Massachusetts' state employees who are elected to local office must be granted a leave of absence if they so request. Connecticut employers of 25 or more must rehire workers elected to one term of municipal office.

A TAXING SITUATION

SALES, EXCISE TAXES

Connecticut cut its sales tax from 7 to 6.5 percent, although it still remains the highest state sales tax.

Indiana hiked its sales tax from 2 to 4 percent, exempting food, to help finance property tax relief.

Tennessee extended for another year its "temporary" sales tax of 3.5 percent.

North Dakota exempted food from its sales tax and initiated a phaseout of the oleomargarine tax.

Wisconsin repealed its oleomargarine tax.

California on October 1 rolled back for six months the increase in the sales tax from 5 to 6 percent which took effect in July. It was increased by a December 1972 session but proved unnecessary as the State amassed an \$800 million surplus.

The Illinois Legislature is considering an amendatory veto by the Governor which substituted a \$10 per person rebate on food and medicine taxes for a legislatively-passed reduction in the sales tax from 4 to 3.5 percent.

Alcoholic beverage taxes were raised in Connecticut, Indiana, South Carolina, and Washington, and reduced by Minnesota.

Motor fuel taxes were increased in Arkansas, Delaware, Michigan, and Mississippi.

Only Colorado increased its cigarette tax, with proceeds to replace local cigarette taxes.

Montana increased its coal production license tax, to a graduated scale of from 12 cents to 40 cents per ton depending on its grade.

Tennessee authorized a 10-cent-per-ton tax on coal.

Louisiana in a special December session increased its severance taxes on oil and gas; exempted food, drugs, fuel oil and coal from the sales tax; and reinstated deductibility of federal tax for state income tax purposes.

PERSONAL INCOME TAXES

Delaware was the only State to increase its personal income tax, raising it by 10 percent.

Montana made permanent a 10 percent surcharge on the personal income tax.

Washington voters in November chose to remain one of four States without a personal or corporate income tax by rejecting a legislative proposal to impose one and assume state financing of school costs.

A permanent 7.5 percent reduction in personal income tax rates and a limitation on state spending to a declining percentage of personal income were rejected by California voters in November, defeating the Governor's tax initiative.

Personal and corporate income taxes would be increased as part of a new school finance, property tax relief plan on the May 1974 ballot in

Oregon. A similar proposal was defeated in May 1973 by voters.

Income tax reductions and exemptions were more numerous. New York suspended the 2.5 percent income tax surcharge for 1973. Nebraska reduced its personal income taxes from 15 to 13 percent for 1973 and to 11 percent for 1974 of federal liability and corporate taxes from 3.75 to 3.25 percent for 1973 and to 2.75 percent for 1974 of federal taxes.

Income tax relief in the form of increased exemptions was provided in nine States.

Arkansas reduced taxes for lower income persons.

California reduced its income tax on sliding scale for 1973 and eliminated 1973 taxes for couples with incomes under \$8,000.

Iowa exempted from the income tax persons with incomes under \$4,000.

Idaho allowed an additional \$5 tax credit per personal exemption for 1973.

Michigan raised the personal income tax exemption by \$300 to \$1,500.

Mississippi exempted from income taxes taxpayers with incomes less than \$8,000, and provided relief for middle-income families, as well as increasing personal exemptions.

Ohio provided working couples a credit on 1973 returns and voters lifted the \$3,000 ceiling on income tax exemptions for dependents.

Utah provided a \$6 income tax credit for each dependent off 1973 taxes.

Wisconsin increased the personal income tax credit from \$15 to \$20.

North Dakota and Utah raised income tax rates, but adopted federal deductions and exemptions.

CORPORATE INCOME TAXES

Corporate income taxes were changed in several States.

Delaware kept existing rates by raising the corporate income tax from 6 to 7.2 percent when a 20 percent surcharge expired. It also ended the 50 percent exemption on capital gains.

Indiana raised its corporate income tax from 2 to 3 percent and placed a 2 percent tax, to rise to 3 percent by 1977, on corporate profits. A 20-year phaseout of corporate gross income taxes was initiated.

Maine raised its corporate income tax to 5 percent on taxable income under \$25,000 and to 7 percent on income in excess of \$25,000. Large industries were exempted from paying a sales tax on new manufacturing machinery. Local inventory taxes were replaced by a state inventory tax for the next three years.

Montana made permanent its "temporary" 6.75 percent corporate tax.

ELDERLY PROPERTY TAX RELIEF

Some form of property tax relief for the elderly is now provided in every State with action being taken by five States in 1973.

For the first time, property tax relief programs for the elderly were enacted in Arizona, Arkansas, Missouri, and Nevada, each of which adopted a state-financed circuit breaker, and in Wyoming which provided a homestead exemption.

Under the circuit breaker concept, property tax relief is provided when the property tax reaches a percentage of income that the State considers an overload. Income levels for eligibility are set in each State.

Circuit breakers were adopted for the first time by Indiana, Connecticut, Kansas and Michigan to replace other forms of property tax relief for the elderly. Circuit breakers are now in effect in 21 States.

Property tax relief programs for the elderly were improved or expanded in at least 20 other States in 1973: Alabama, Alaska, Colorado, Connecticut, Idaho, Indiana, Iowa, Kansas, Michigan, Minnesota, Mississippi, New Mexico, North Dakota, Ohio, Rhode Island, South Carolina, Utah, Vermont, Virginia, and West Virginia.

Property tax relief for the elderly is state financed in 31 States while local financing is state mandated or authorized in the others.

HOMEOWNER TAX RELIEF

Direct property tax relief for homeowners was provided in at least nine States.

Far-reaching property tax relief programs were enacted in Michigan, Oregon, and Vermont.

Michigan authorized a general 60 percent state income tax credit or rebate on property taxes in excess of 3.5 percent of income. A 100 percent credit was provided the elderly.

Oregon homeowners were provided property tax relief ranging from \$100 to \$490 and renters given income tax credits from \$50 to \$245, providing their incomes are under \$15,000.

Vermont established a sliding scale formula of property tax relief based on income levels. Property taxes were limited to 4 percent of incomes under \$4,000 and to 6 percent of incomes over \$16,000, up to a maximum amount of \$500, in relief.

Wisconsin added \$75 million to its general property tax relief fund for the biennium, in addition to the annual \$65 million appropriation and growth funds. The relief is in the form of credits based on the extent to which local tax rates exceed one half of the statewide average. In addition, \$33 million was appropriated to finance expansion of the homestead exemption for the elderly to include all homeowners and renters whose incomes are \$7,000 or less. A minimum refund or credit of \$10 was provided and a maximum of \$500 in relief set.



Indiana provided a 20 percent reduction in property taxes and authorized income tax deductions for renters.

Ohio appropriated \$287 million for a 10 percent property tax rollback.

Arizona homeowners were provided a 25 percent credit on 1973 property taxes to offset property tax increases caused by a massive reassessment. The measure was financed by a \$40 million appropriation, of which \$35 million was in federal revenue sharing funds. Localities were limited to 10 percent property tax increases.

Minnesota increased homeowners' property tax relief from 35 percent to 45 percent of taxes, up to a maximum of \$325, and renters' relief by a raise in the income tax credit from \$90 to \$120.

Georgia appropriated \$50 million for property tax relief by requiring counties to grant credit against property taxes in order to collect special state funds for roads.

OTHER CHANGES

Property tax relief was provided indirectly by state assumption of all county welfare costs in Kansas and Wisconsin and of 50 percent of welfare costs by Minnesota and by assumption of aid to dependent children in Iowa.

Personal property tax relief was authorized by several States.

New Mexico exempted all noncommercial property.

Personal property taxes are to be phased out in Iowa in 10 years and in Wyoming by 1977. A phaseout of personal property taxes on manufacturing materials, business inventories and livestock was initiated in Wisconsin.

Taxing of farmland according to use rather than potential market value was authorized by 1973 laws in Hawaii, Illinois, Montana, New Hampshire, and North Carolina, and by voter-

approved constitutional amendments in Ohio and Pennsylvania. Such farmland tax breaks are now authorized in 32 States.

State takeover of tax assessment administration was authorized by 1973 laws in Maryland and Montana, joining only Hawaii in that task. Montana also authorized a 3-mill levy to finance statewide reappraisal. In Florida state standards are to be developed for property tax assessment. North Carolina required counties to assess property at a full 100 percent ratio.

In a unique program, Ohio authorized private developers to receive tax exemptions up to 20 years on increased value of inner-city property they reclaim under contract with the city council. The hope is that private enterprise will move faster than federal urban renewal.

Montana authorized a 2-mill statewide levy for support of state government. In addition, county levies were raised by 3 mills. Levies were also authorized for joint city-county libraries and for licensed day-care centers.

IN THE BLACK

Most States experienced surpluses at the end of fiscal 1973. The improved fiscal condition of most States enabled Legislatures to pass such measures as tax relief, increased state services and additional capital projects.

The largest surplus was California's \$850 million. Alaska had the second largest at \$642 million, but it was attributable to the 1969 North Slope oil lease sale. Florida had a surplus of about \$300 million and North Carolina of about \$209 million. Most of the others were less spectacular, being small or moderate general fund balances.

The fiscal condition of most States took an upward turn in fiscal 1972 according to Census Bureau data. In fiscal 1972 aggregate state revenue exceeded state expenditures by \$3.1 billion, in contrast with fiscal 1971 when aggregate state expenditures exceeded state revenue by \$1.6 billion.

The annual, general fund (except where indicated otherwise) budgets for 1973-74 approved by 1973 legislative sessions were:

Alaska, \$352.9 million operating and capital; Arizona, \$507 million; Arkansas, \$841 million, biennial; California, \$9.339 billion; Colorado, \$690 million; Connecticut, \$1.2 billion; Delaware, \$327 million; Florida, \$2.1 billion; Georgia, \$1.6 billion; Hawaii, \$1.1 billion, biennial; Idaho, \$150 million; Illinois, \$7.4 billion; Indiana, \$4.37 billion total including federal; Iowa, \$1.6 billion, biennial; Kansas, \$1.2 billion; Louisiana, \$1.9 billion; Maine, \$231 million; Maryland, \$2.5 billion total; Massachusetts, \$2.3 billion; Michigan, \$2.6 billion; Minnesota, \$3.5 billion, biennial; Mississippi, \$564 million; Missouri, \$911.8 million; Montana, \$225.5 million, biennial; Nebraska, \$213.9 million; New Hampshire, \$212.8 million, biennial; New Jersey,

\$2.4 billion; New Mexico, \$340 million; New York, \$8.77 billion; North Carolina, \$1.7 billion; North Dakota, \$274 million; Ohio, \$9.96 billion, biennial; Oklahoma, \$403 million total; Pennsylvania, a \$3.5 billion budget was in legislative conference in late 1973; Rhode Island, \$375.5 million; South Dakota, \$105 million; Texas, \$9.7 billion, biennial; Utah, \$359 million; Vermont, \$142 million; Virginia, \$72 million; Washington, \$2.7 billion; Wisconsin, \$2.75 billion, biennial; and Wyoming, \$109 million, biennial.

As a cautionary note, all these figures are not comparable as different States may compute their budgets differently.

CLEAN LIVING

WATER, SOLID WASTE

Laws to fight water pollution were passed in at least 34 States in 1973 sessions. Among them, sewer systems were funded in New York, \$210 million from a 1972 bond; New Jersey, \$101 million from a 1969 bond; Minnesota, \$30 million; Missouri, \$8 million; Tennessee, \$11.6 million; and Kansas, \$15 million, in 1973 bonds. A \$250 million water quality bond will be voted on in California in June 1974.

A plan to convert most of the garbage in the State to fuel and reusable material by 1985 was initiated by Connecticut with creation of an authority with \$250 million bonding powers.

Laws concerning solid waste management and resource recovery were enacted in some 16 other States. Among them, local revenue bonds were authorized for solid waste disposal programs in Georgia and Louisiana. Minnesota provided state grants to localities for resource recovery. New York approved spending \$66 million for solid waste management from a 1972 bond issue. State regulations for solid waste were enacted in Delaware, Hawaii, Maine, New Jersey, and New York.

LAND USE PLANNING

One of the major coastal protection laws passed in 1973 was by New Jersey which required a permit for all coastal facilities and authorized blocking of developments if necessary. Coastal or wetlands protections, including regulation of dredging and draining, were passed by Alabama, Delaware, Hawaii, Mississippi, New York, and Texas in 1973.

Hawaii provided for state acquisition or management of lands which have natural, environmental, recreational, scenic or historic value. Minnesota and Tennessee also provided for state regulation of such critical areas. South Dakota created a board to preserve historic sites.

New York was authorized to control development of 3.7 million acres of private land in the Adirondack Park.

Statewide land use policies were adopted in Oregon and Colorado.

Vermont set standards for land development and prepared for a more specific land use plan to come up for legislative action in 1974.

Arizona authorized local planning agencies to manage the urban environment.

Hawaii required counties to prepare urban design plans.

Environmental controls were placed on subdivisions in Arizona, Minnesota, Montana, New Mexico, Oregon, and Tennessee.

Environmental impact statements were required for major state projects in Connecticut, Maryland, and Virginia, and for state and private projects in Minnesota. Such statements are required for sewer and water projects in North Carolina. Environmental impact statement requirements were suspended in New Mexico.

PARKS, OPEN SPACE

Funds were provided for parks and open space in California, \$14.5 million; North Carolina, \$14 million; New Jersey, \$15 million of 1971 bond; Maine, \$3 million voter-approved bond for parks; and Idaho, 1 percent of the Motor Vehicle Fund.

New Jersey established a natural lands trust and empowered it to acquire, hold and dispose of lands and apply for federal funds. Authorization was also given to invest \$1.6 million to save the New Jersey portion of the Appalachian Trail from development.

California authorized cities and counties to obtain open space land by eminent domain. California also approved the Tahoe Conservancy Agency Compact, subject to congressional approval, and authorized \$10 million for purchase of lands in the Tahoe Basin.

Arkansas established a state system of natural areas.

Minnesota approved a \$23 million bond to establish a state zoo.

Public hiking and other trail systems were authorized in Arkansas, Florida, and New Mexico.

AIR POLLUTION

Air pollution controls were instituted or made more stringent in at least 15 States, including tighter motor vehicle emission controls in Colorado and Utah. In addition, South Dakota empowered its air commission to determine the type of fuels used in the State.

Texas authorized localities to issue revenue bonds to finance air quality improvements. Hawaii authorized state revenue bonds to finance private or public antipollution projects.

California created a regional agency to fight smog in the south coast air basin.

A number of other States provided tax incentives for pollution control facilities.

OTHER

Noise pollution was regulated in Hawaii and Maryland and on motor vehicles in Idaho. Ohio provided tax breaks for noise abatement equipment.

North Carolina in 1973 became one of several States to adopt a sediment control plan.

Washington allowed contractors to recover costs for public construction programs delayed by environmental litigation.

North Dakota empowered the Governor to regulate federal land acquisition in the State.

Among new antilittering laws, New Hampshire mandated fines of at least \$50 and up to \$200 as well as a possible three-day jail term or litter cleanup, and West Virginia provided penalties for littering along streams, including requiring cleanup.

Vermont enacted a capital gains tax on speculative land sales, applicable to property held less than six years other than residential land. In its first two months of operation, the tax law raised only \$50,000.

Among States enacting new or stronger pesticide control laws were Connecticut, Montana, New Mexico, and Wyoming.

California regulated its \$1 billion a year timber industry.



THE 3 R's IN '73

EQUALITY IN SCHOOL FINANCE

The threat of a nationwide revamping of school finance laws was erased when the U.S. Supreme Court on March 21 upheld Texas' system of reliance on local property taxes in the famous Rodriguez case.

However, the fact that equality in school financing would remain a state-by-state issue was assured when the U.S. Supreme Court later declined to review a New Jersey Supreme Court April decision that the State's school financing system violated a state constitutional mandate for a "thorough and efficient" system of public schools.

In Idaho, a district judge on November 21 ruled the school financing system violated the state constitutional requirement for a uniform system of public schools. The State is appealing.

The Illinois Supreme Court on September 25 upheld the school financing system and turned down a contention the State should finance 50 percent of school costs.

In 1973 legislative actions, at least eight States made major changes in their school financing formulas in efforts to equalize educational opportunities between richer and poorer districts: Colorado, Florida, Indiana, Maryland, Michigan, North Dakota, Utah, and Virginia.

Colorado guaranteed each school district \$25 per pupil for 1974 for each mill levied, with the State to subsidize the amount not raised locally. However, richer school districts will continue to receive certain state aid. Limits were placed on the amount spent by school districts.

Florida's new formula provides additional funds to tax-poor counties where property taxes produce less money per student than wealthier districts. Funds are allocated on the basis of the number of fulltime-equivalent students at a school, replacing the instruction unit as the financing vehicle.

Indiana increased flat grant support, but also created a supplemental support formula for property-poor districts.

Maryland's new formula increases state aid to poorer counties and Baltimore City and decreases state aid to richer areas.

Michigan guaranteed each school district up to \$38 per pupil for each mill of local property tax, up to a limit of 22 mills. The "equal yield" formula limits state aid to rich districts while increasing it to poor districts.

North Dakota increased state aid per pupil from \$260 to \$540, thus assuming 70 percent of all school costs. School districts are to be reimbursed on the basis of actual costs and the amount of state aid to a district is to be reduced by the sum a 20-mill levy would raise. The new formula will expire June 1975, unless renewed. Reductions in maximum school district levies were mandated.

Utah extensively revised its school finance

laws. Total state funds under the new program were raised by \$23.3 million or 12 percent. The increase in state aid will range from 4 to 38 percent for different districts.

Virginia increased state aid to education by \$24.7 million to meet its new state constitutional responsibility of providing "quality education."

Arizona repealed its form of state aid to schools effective July 1974 and was meeting in late 1973 to adopt a new formula.

State aid to public education was increased in most States. Among the major changes, Maine increased state support from 33 to 50 percent of school costs, and Oregon raised state support from 20 to 30 percent. State assumption of most of school finance in addition to tax structure changes was defeated by Oregon voters in May and Washington voters in November.

PUBLIC EDUCATION

State aid was provided for kindergartens in Alabama, Arkansas, Montana, and North Carolina, and expanded for kindergartens in California, with \$41 million appropriated for preschool programs, Oklahoma, Tennessee, and Texas. Kindergartens were mandated for all schools in Ohio by 1975 and in New Mexico by 1977.

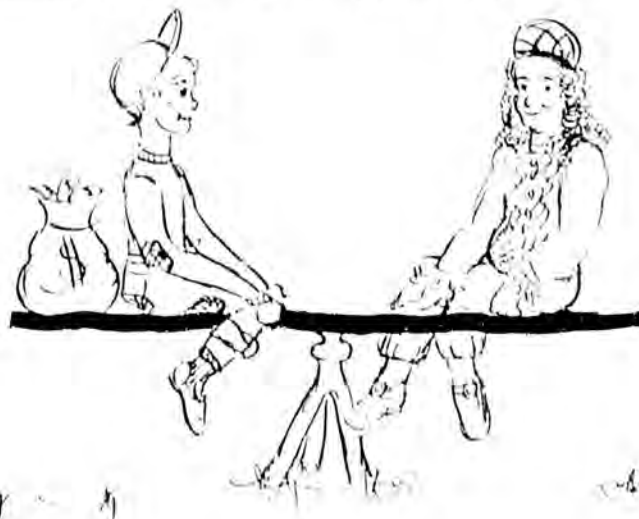
Public education programs for handicapped children were expanded in Arkansas, Colorado, Georgia, Maryland, Missouri, New Jersey, North Dakota, and Oklahoma. New Jersey voters approved a \$25 million bond for education facilities for the handicapped.

Georgia appropriated \$10 million to hire 1,200 new special education teachers, \$2 million to work with emotionally disturbed children, \$900,000 for minibuses for special education, and \$6.8 million for kindergartens for the handicapped.

Colorado required each school district to plan for special education and appropriated \$14 million for the programs.

North Dakota mandated special education for all and authorized local levies up to 3 mills to finance it.

Oklahoma created nine centers to examine children for potential learning handicaps.



PRIVATE SCHOOL AID

North Carolina voters approved \$300 million in school bonds.

New York created an agency to monitor the efficiency of public schools.

Louisiana and South Dakota provided for regional, post-secondary vocational-technical schools.

Free textbooks were provided in Arkansas for high schoolers as well as other students and in South Dakota for public and private school students.

Pennsylvania required a public vote before construction or addition to public school buildings.

Instruction programs for non-English speaking pupils in their native language were expanded in Arizona and Texas.

Rhode Island authorized a new Board of Regents to rule on school construction.

The Indiana Governor was empowered to appoint the Superintendent of Public Instruction from 1975 to 1977.

College student loan programs were launched in Minnesota and Washington.

Virginia provided grants for students at public and private-nonreligious colleges.

Among States increasing aid to junior and community colleges were California, Kansas, North Dakota, and Wyoming.

West Virginia approved use of college student extracurricular fees for student legal services.

Sale of academic papers, such as term papers and theses, was outlawed in Colorado and Connecticut, joining California, Maryland, Massachusetts, New York, Pennsylvania and Wisconsin in restricting such "ghost-written" papers.

SCHOOL TAX RELIEF

State assumption of a larger share of local school finance was expected to reduce property taxes in several States. State aid to education in Kansas was increased by about \$69.8 million and county school levies reduced from 8 to 2 mills on 30 percent valuation.

Property taxes are supposed to drop 20 percent for Maine homeowners under state assumption of 50 percent of school costs and a uniform statewide property tax system.

North Dakota assumed 70 percent of school costs and mandated a reduction in maximum allowable school district levies for an estimated statewide reduction of 15 mills.

School levies were limited to 27 mills in Idaho and to 23 mills in Wyoming.

Utah eliminated the 1.6-mill state property tax for schools for 1974.

Wyoming established a procedure to apply a portion of general fund surpluses to reducing the 6-mill property tax levy. Property taxes were reduced by three quarters of a mill for a \$1 million tax break in 1973 under the law.

A statewide school mill levy and a change in local school levies in Montana are expected to increase property taxes in some areas and reduce them in others.

State aid to private, religious schools remained a viable issue in 1973 despite more discouraging court decisions. The U.S. Supreme Court on June 25 voided a 1971 Pennsylvania law and a 1972 New York law providing state aid to parents of parochial school pupils and a 1970 New York law providing funds to private schools for record keeping.

Iowa appropriated \$6 million to provide auxiliary services to private and parochial schools, such as health, remedial education and library services.

Ohio increased its appropriation for auxiliary services to church-related and private schools to \$81.4 million. The program was delayed by a court suit.

Washington authorized grants to needy pupils in public and church-related schools but the program was voided by the State Supreme Court.

Wisconsin implemented a voter-approved constitutional amendment by authorizing school districts to release pupils for outside religious instruction.

WELCOME HOME

Cash bonuses for soldiers who served in Vietnam were principal subjects of 1973 veterans action.

Fifteen States and the Territory of Guam now have Vietnam veterans' bonuses. The amounts range from \$120 in Vermont to Guam's \$720 with variations on length of time served and location of service.

Enacting bonuses for Vietnam veterans in 1973 were Indiana, maximum \$200 for veterans and \$500 for disabled veterans; Iowa, maximum \$200 bonuses and \$500 for disabled veterans, and Minnesota, \$100-\$600 bonuses.

In November, voters in three States approved funds for bonuses. Ohio authorized \$300 million in bonds for bonuses up to \$500, Pennsylvania authorized an additional \$10 million to fund its bonus, and West Virginia voters authorized \$40 million in bonds for a bonus up to \$400.

Also in 1973, Massachusetts funded its 1968 bonus with \$15 million in bonds and South Dakota provided \$3.95 million for back claims under its 1969 bonus.

Alabama provided for a \$500 payment to members of the armed services from the State who were prisoners of war in Vietnam.

More States joined a list of over 30 States which have changed the observance of veterans day back to the traditional November 11.

Many States also acted to give job preference, educational benefits, and other benefits to veterans.

Alabama, Arkansas, Illinois, and South Dakota were among States providing higher educational opportunities to dependents of disabled veterans or dependents of veterans missing in action or prisoners of war.

THE FAMILY OF MAN

EQUAL RIGHTS

The proposed amendment to the U.S. Constitution guaranteeing equal rights for both sexes was ratified by seven more States in 1973, bringing the total to a disputed 30 since Nebraska voted to rescind its ratification. The approval of eight more States is needed by March 1979.

At least 15 States passed laws to prohibit discrimination based on sex in a variety of areas, chiefly credit transactions and employment.

SOCIAL SERVICES, WELFARE

Changes in welfare programs were made in a number of States. Among them, Illinois and Rhode Island switched to flat grant systems, and state assumption of county welfare costs was approved in Iowa, Kansas, Minnesota (50 percent), and Wisconsin. Montana authorized the Department of Revenue to investigate welfare matters. New York prepared for central computerization of welfare administration. Among States increasing welfare payments were Illinois, New York, and Washington.

Services for the elderly were established in several States, with new administrative units created in Florida, Illinois, and Missouri. Maryland established nutritional and community care services programs for the aged. New Jersey entitled senior citizens to discounts on drugs and bus fares. South Dakota issued free fishing licenses to those over 65.

The problems of the young came under special state attention. Hawaii authorized a state-wide planning system for child services. Montana authorized tax levies to fund day-care centers. New Jersey provided state aid for low-income families willing to accept the State's hard-to-place children. Florida revised its court procedures for juveniles and mandated a state system of detention services. Alabama created a Department of Youth Services which took over the operations of juvenile correctional facilities. Iowa provided funds for summer jobs for youth.

Arizona approved county family counseling programs on an experimental basis.

Utah established a division of family services.

Family planning services were authorized in Arkansas, Georgia, Hawaii, Maine, New Mexico, Oregon, and Oklahoma.

HANDICAPPED

Architectural and employment barriers against the physically handicapped were ordered lowered by several States. Wheel chair ramps are required on public buildings in Illinois and Florida and on street curbs in Minnesota. Employment discrimination not related to job performance was forbidden in Florida and Rhode Island.



HOUSING

Several States took action in 1973 to avert a housing crunch which was developing from the federal housing moratorium and the shrinking availability of mortgage money.

Housing for low- and moderate-income people was the object of legislation in Louisiana, New York, Oregon, Rhode Island, South Dakota, Tennessee, and Utah. The Legislatures of Louisiana and Utah appropriated \$3 million each to take up the slack of federal housing funds cutbacks.

New Jersey raised the maximum interest ceiling on mortgage money to 9.5 percent and New York raised the limit from 7.5 to 8 percent. New legislation in Illinois is designed to curb abuses in the mortgage loan broker industry.

Minnesota, Nevada, Rhode Island, South Dakota and Tennessee joined the growing list of States with housing finance agencies or authorities. About 20 States now have these agencies.

Bonding authority for New York's Urban Development Corporation was increased by \$500 million to provide low- and middle-income housing projects and Oregon created a \$200 million bonding program for low-cost housing.

The bonding authority for the Massachusetts Home Finance Agency was raised by \$250 million and \$120 million provided for additional public housing in the Bay State.

GETTING THERE

At least 11 States enacted regulatory measures for other forms of housing—rented and mobile.

Landlord-tenant relationships were regulated in Arizona, Florida, Illinois, Maryland, Minnesota, Texas, and Washington. Maryland also limited unjustified rent increases to 5 percent and Maine's local communities were given the authority to impose rent controls if a serious public housing emergency occurs.

Rights of mobile home owners or renters in parks were guaranteed in Florida, Massachusetts, Minnesota, New Hampshire, New Jersey, and New Mexico. New Jersey's stringent law limits the grounds for eviction, requires park operators to disclose in writing all fees and rules, and prohibits park owners from requiring mobile home owners to purchase equipment from them.

Safety and other standards for mobile homes were enacted in a number of States, including Arkansas, Missouri, New Mexico, and South Dakota.

In other housing-related news, the New York Legislature appropriated \$150,000 to implement the opening of a housing court for New York City.

The Rhode Island Legislature adopted an act requiring financial institutions to withhold payment of mortgages under \$100,000 until subcontractors have been paid.

AGE OF MAJORITY

Adult rights and responsibilities were given to 18 year olds by 11 more States, bringing the total to 41. Lower age of majority laws were enacted in Colorado, Florida, Indiana, Iowa, Maryland, Massachusetts, Minnesota, Nevada, New Hampshire, Ohio, North Dakota, and Texas.

At least six of these States also lowered the drinking age to 18 for hard liquor and several others allowed beer consumption. A measure to lower the drinking age to 19 in Washington State was defeated by voters.

Wyoming lowered its age of majority to 19, joining two other States.

FAMILY LAW

No-fault divorce laws, which make irretrievable breakdown of the marriage a ground for divorce without blame to either spouse, were adopted by Arizona, Colorado, Connecticut, Georgia, Indiana, Missouri, Montana, and Washington.

New York repealed its 120-day conciliation period for serving of the formal complaint in a divorce case.

Connecticut revised the adoption law to make it almost impossible to overturn a final adoption decree and prohibited agencies from withholding adoptions on the basis of marital status or race or religion.

Washington required natural parents to post bond when they take legal action to regain custody of adopted children.

TRANSPORTATION

The potential energy shortage bolstered interest in public transportation systems in 1973 in addition to the legislative attention they were already commanding.

Substantive action in financing public transit was recorded in the States of Arkansas, California, Colorado, Connecticut, Massachusetts, Tennessee, and Washington.

Arkansas authorized counties and municipalities levying a motor vehicle tax to use certain of these revenues for a public transportation system.

The Colorado General Assembly permitted regional transportation districts to levy a one half of 1 percent sales tax for mass transit subject to voter approval.

California's Legislature approved a constitutional amendment allowing gas tax revenues to be diverted into development of rapid transit systems subject to statewide voter approval in June 1974.

Connecticut merged funds from all transportation sources into a single fund and earmarked a certain percentage of the money for mass transit. The Legislature also authorized the use of town aid highway funds for mass transit.

In late November, the Massachusetts House and Senate approved a statewide transportation package which included \$55 million to cover half the deficit of the Massachusetts Bay Transportation Authority (MBTA) and \$40 million for communities outside the MBTA. The package also includes nearly \$45 million in bonding authority for the MBTA and other public transit systems and the municipal airport.

Counties in Massachusetts were permitted to levy up to two mills in property tax for public transportation upon voter approval. One million dollars from state liquor profits is to be used on a per capita basis for financing transit districts in cities and counties. Certain lanes of state highways were designated as commuter lanes for the exclusive use of buses and certain other multiple-occupant motor vehicles.

Tennessee legislation provides that an amount up to 25 percent of state street aid funds to municipalities may be used to subsidize public transportation systems.

The Washington Legislature provided state matching of local money for public transit systems. Additionally, the State authorized \$75,000 for a study of new and different methods of public transportation facilities.

Arizona and North Carolina joined 21 other States which have Departments of Transportation responsible for many transportation administrative and planning duties. The North Carolina Board of Transportation and a Secondary Roads Council replace the former State Highway Commission.

AN APPLE A DAY

HEALTH

Hospital rates were regulated by Connecticut and Washington.

Nevada authorized full-scale practice of the Chinese science of acupuncture. Practitioners are not required to be physicians but must be licensed by the acupuncture board. A 1973 Oregon law allows practice of acupuncture by nondoctors but requires such treatments to be authorized by a physician.

Prepaid health care plans or health maintenance organizations were allowed to operate and regulated in Iowa and New York. Minnesota made available state aid to nonprofit medical facilities offering prepaid health care plans.

New York authorized state aid to help construct municipal medical facilities and limited-profit nursing homes.

North Carolina approved a program to set up rural health clinics to provide care in doctor-short areas.

Texas established a scholarship program for students willing to practice medicine after graduation in rural areas. Tennessee created a loan-scholarship program for students willing to practice in medically short areas.

A \$12.8 million medical scholarship program was approved in California and an additional \$3 million appropriated to aid programs designed to increase the number of family doctors.

Iowa appropriated funds to establish family practice residency programs in community hospitals.

Tennessee authorized localities to fund nonprofit medical services.

New Mexico funded essential medical services for the needy not eligible for public assistance.

Physicians' assistants were given legal status and regulated in Hawaii, New Mexico, South Dakota, and West Virginia, joining some 30 other States which regulate the occupation.

Statewide emergency medical services programs were established in Florida, Hawaii, and Missouri.

Vermont funded a program to help pay dental expenses of school children from low- and moderate-income families.

Arizona consolidated seven agencies into a new Department of Health Services.

California approved a \$12 million plan to develop local alcoholism rehabilitation programs.

Tennessee joined the growing number of States requiring certification of need for construction or expansion of health care facilities.

Procedures were established to safeguard mental patients' rights in Florida and North Carolina. Indiana began a phaseout of some mental hospitals, replacing them with community health centers. Connecticut provided funds to improve mental



retardation facilities and to bring mental health institutions up to new national accreditation standards. New York provided for a unified approach to planning and financing mental health services. Ohio authorized state bonds for nonprofit mental health services.

Central registries for child abuse complaints were established in New York and Tennessee and reporting requirements stiffened in South Dakota and Nebraska.

A number of States approved new medical facilities or improvements, with most connected to state universities, among them Iowa, Kansas, and Louisiana. Initial funding was provided for medical schools in North Carolina, Ohio, Oklahoma, and South Dakota and a school of dentistry in Mississippi. State aid of \$14.6 million was provided to private medical colleges in New York.

ABORTION

The U.S. Supreme Court's January 1973 decision legalizing abortions resulted in numerous lower court decisions voiding state antiabortion laws, many of which dated back to the last century.

At least 13 States enacted new abortion laws, although several were in outright defiance of the court's legalization of abortion and others legalized abortions but placed additional restrictions on them.

Rhode Island's 1973 law which forbids any abortion not necessary to save a woman's life is now in court. A similar law was enacted in North Dakota. States enacting new laws legalizing abortions were Georgia, Idaho, Illinois, Indiana, Minnesota, Nebraska, Nevada, North Carolina, South Dakota, Tennessee, and Utah.

New laws in Nebraska, Nevada and Utah legalized abortions within certain limits, but required that steps be taken to preserve the life of any viable fetus. Utah's law, however, was voided by a federal court in September.

Conscience measures which allow hospitals or medical personnel to refuse to perform abortions were passed in at least 18 States.

Resolutions calling upon Congress to propose a constitutional amendment to allow States to restrict abortions were approved by at least 14 State Legislatures.

TIME AND A HALF

LABOR

The nationwide drive to improve and expand workmen's compensation laws resulted in over 200 amendments to such laws by legislative sessions in 49 States and Puerto Rico.

Maximum benefits for disability were increased in at least 28 States by law and in seven others by automatic adjustments. At least \$3.3 billion in workmen's compensation benefits will be paid out in 1973.

State minimum wage laws were enacted for the first time for workers not covered by federal law in Minnesota, \$1.80 an hour, and Ohio, \$1.60. State minimum wages were increased in Arkansas, Illinois, Maine, Nevada, North Carolina, Oregon, South Dakota, and Washington, and expanded in Maryland and New Mexico.

Private pension plans were regulated in Connecticut and New Jersey.

Connecticut required employers of more than 25 persons to rehire anyone who leaves his job for a single term of elective municipal office.

Hawaii established a public service employment program under the Department of Social Services and Housing.

Massachusetts approved a tax credit of \$500 to business and industry for every new job created at a salary of over \$4,200 to employ persons receiving state unemployment pay, welfare, or manpower training. The jobs must be in excess of a normal 3 percent growth rate.

Employers were restricted from using lie detectors on their employees in Idaho and Minnesota.

States continued to provide for state implementation of the federal Occupational Safety and Health Act standards, with at least 10 passing legislation in 1973.

GOVERNMENT PAY RAISES

Action was taken in 1973 to raise the pay of top state executive officials in at least 16 States: California, Georgia, Indiana, Iowa, Kansas, Maine, Minnesota, Nebraska, North Dakota, Ohio, Oregon, Rhode Island, Tennessee, Utah, Vermont, and Washington.

Legislative compensation was raised by 1973 actions in Colorado, Georgia, Indiana, Iowa, Missouri, New York, North Dakota, Ohio, Pennsylvania, Utah, Washington, Wisconsin, and Wyoming. Nebraska scheduled a May 1974 vote on a constitutional raise in legislative pay from \$4,800 to \$8,100 annually. In November, voters rejected measures to allow higher legislative pay in Rhode Island and Texas.

Judicial pay levels were raised in 1973 in Arkansas, Colorado, Iowa, Massachusetts, Minne-

sota, New York, North Dakota, Ohio, Utah, Vermont, and Washington.

Washington voters in November approved an initiative measure which provides legislators and other elected state officials and judges with pay increases of approximately 5.5 percent. It voided a 1973 law which would have raised pay levels substantially higher.

School personnel salaries were raised in Arkansas, Georgia, Hawaii, Louisiana, Mississippi, North Carolina, Oklahoma, Washington, and West Virginia.

Public employees' salaries were raised, mostly with the 5.5 percent guidelines, in Alabama, Arkansas, Georgia, Hawaii, Iowa, Louisiana, Nebraska, Nevada, New Hampshire, New York, North Carolina, Ohio, Vermont, Virginia, and West Virginia.

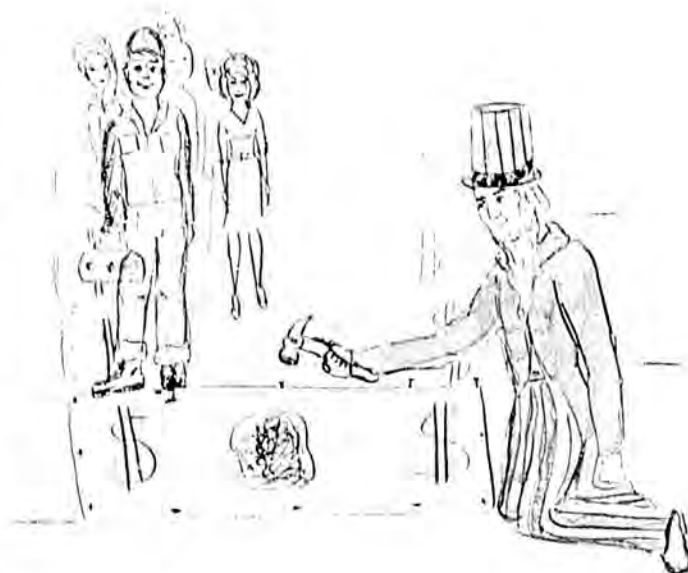
The federal Cost of Living Council (CLC) intervened in several scheduled pay raises for state officials. Among them, the CLC allowed Georgia legislators and chief officials about two thirds of pay raises authorized by a 1973 law. The CLC cut pay raises for 150,000 California state workers from an average 11.3 percent to a 7 percent maximum.

In other 1973 actions, the CLC allowed Pennsylvania legislators a \$2,500 boost in expense allowances and Kentucky police officers a 15 percent raise, both state-authorized in 1972.

Among States granting collective bargaining powers to public employees were Massachusetts, Minnesota, Montana, and Oregon. Virginia provided binding employee grievance procedures for state employees.

Montana created a Salary Commission and granted public employees the right to bargain collectively.

Arkansas created a commission to recommend compensation levels of legislators and executive officials and established a new compensation plan for state employees.



THE FLIM-FLAM MAN

CONSUMERS

Laws against unfair trade practices and deceptive ads, most modeled after the federal FTC law, were passed in Connecticut, Florida, Illinois, Missouri, Montana, Nevada, Texas, and Utah.

More States gave consumers cooling-off periods to cancel door-to-door sales with laws passed in 1973 by Arkansas, Idaho, Kansas, Minnesota, Missouri, Nevada, Texas, and Virginia.

Protections for consumers in installment sales were provided in Kansas by a Uniform Consumer Credit Code, in New York by a law which will aid in getting faulty workmanship corrected, in Arkansas, Florida, and Ohio by requiring a court hearing for persons in default on loans, and in Virginia by limiting the late charge to 5 percent of the installment payment. Minnesota raised the maximum bank installment loan from \$5,000 to \$25,000. Florida allowed an increase in lending limits and interest rates.

Public posting of prescription drug prices was required in California, Minnesota, New Hampshire, and New York, and was allowed in Connecticut, Nevada, and South Dakota.

Land sales practices were regulated in Florida, Illinois, Montana, Oregon, Tennessee, and Washington. These laws provide consumer protections such as requiring developers to inform buyers of all facts of the development as water supply, utilities, and road maintenance.

Altering of car odometer readings was outlawed in Minnesota, Missouri, and North Carolina.

Dating of perishable foods was required in Minnesota and Washington.

Collection agencies were regulated in Washington and West Virginia.

Hearing aid dealers were required to obtain state licenses in Minnesota, Rhode Island, Washington, and West Virginia.

Maryland's Attorney General was given subpoena power in enforcing consumer protection laws. Kansas established a small claims procedure. North Carolina courts were allowed to approve attorneys' fees for plaintiffs in consumer small claims cases.

Franchises were regulated in Arkansas, Illinois, and Minnesota to protect small investors. Arizona regulated franchise agreements between auto manufacturers and retailers.

Regulations were placed on the sale of securities in Delaware and such regulations tightened in Georgia, making it difficult to sell worthless bonds and stocks.

Among other consumer laws:

Minnesota authorized consumers to sue violators of consumer laws for damages, and courts were authorized to assess violators up to \$25,000. Other Minnesota laws require posting of gas octane ratings, regulate cable television, require toy safety, and require itemizing of funeral costs.

New Jersey required used household items to be tagged as such when offered for sale.

Utah mandated licensing of radio and television repairmen and regulated lie detection examiners.

Alaska required licensing of psychological associates.

New York outlawed the sale of hazardous toys. New York also established a commission to investigate the cost of living, shortages and the energy crisis.

Rhode Island regulated motor vehicle damage appraisers.

Washington regulated direct solicitation charity drives to insure at least 80 percent of the money goes to the intended charity.

Maryland set labeling requirements for ground beef, set standards for repair of home appliances, and adopted a hazardous substances act.

INSURANCE

No-fault auto insurance plans were enacted by eight more States in 1973 bringing the total to 16 with some form of no-fault. No-fault is mandatory and tort liability is limited under new laws in Colorado, Hawaii, Kansas, Nevada, New York, and Utah. No-fault is optional with the consumer and suits for negligence are not restricted under new laws in Arkansas and Texas; similar optional laws were passed in Minnesota in 1970 and South Dakota and Virginia in 1972. No-fault laws allow injured motorists to collect up to certain maximums from their own insurers regardless of who's to blame for the accident.

The Florida Supreme Court on July 12 voided the part of Florida's 1971 no-fault law which prohibited motorists from suing for property damages of under \$500.

Insurance practices were further regulated in several States. Among them, Florida required insurers to return to policy holders excess profits on no-fault auto insurance; Maine and Missouri regulated insurance cancellations; New Mexico expanded its unfair insurance practices act to claims and delivery; and Virginia amended its open competition law on rates. North Carolina replaced its assigned risk auto liability plan with an industry reinsurance system to give motorists a choice.



APPEALING LEGISLATION

DEATH PENALTY REVIVED

Not since the nail-biting tenseness of the Humphrey Bogart and James Cagney movies has the ominous statement "murder in the first degree" drawn such attention than in the recent Legislatures as many States reenacted the death penalty.

But unlike Bogart or Cagney movies which could take you from courtroom drama to the "chair" in one quick scene, State Legislatures instituted mechanisms of review more applicable to the irreversible nature of the punishment.

Connecticut provided two separate proceedings in capital crimes—one for determining guilt of a defendant and the second to determine if the crime meets death penalty requirements. Oklahoma was among States providing for mandatory review of a death penalty imposition. In Arizona, the judge is to conduct a separate sentencing hearing after a guilty plea or verdict to determine whether the death sentence is to be imposed.

The Georgia General Assembly passed a law providing for the death penalty in specific cases, but only if the jury verdict includes a finding of at least one "statutory aggravating circumstance." Every death penalty handed down in the State must be reviewed for evenhandedness by the Georgia Supreme Court.

A majority of the death penalties are mandatory and specify the crimes to which they apply. Others are not mandatory. Illinois' law—a compromise between the Governor and the Legislature—says a three-judge sentencing panel shall impose the death penalty in a murder case when the crime falls into one of the categories specified in the bill unless a majority of the judges determine that "there are compelling reasons for mercy and that the defendant should not be sentenced to death."

Since the U.S. Supreme Court decision which voided most state capital punishment laws, death penalty laws were enacted in two States in 1972 and in 19 others in 1973. Pennsylvania was considering a bill in late 1973.

States which have death penalty laws on their books are Arizona, Arkansas, California, Connecticut, Florida, Georgia, Idaho, Illinois, Indiana, Louisiana, Montana, Nebraska, Nevada, New Mexico, Ohio, Oklahoma, Rhode Island, Tennessee, Texas, Utah, and Wyoming.

Massachusetts' Governor vetoed a death penalty bill in late 1973.

CRIMINAL JUSTICE

At the other end of the spectrum, more States acted to aid ex-offenders return to society.

Connecticut adopted a state policy to encourage private and public employers to hire ex-offenders. Along with Arkansas and Colorado it removed restrictions or disqualifications prohibiting former

felons from receiving trade, occupational or professional licenses. Another Colorado law provides for expunging the records of misdemeanants after one year and felons after three years. In North Carolina, a similar law pertains to juveniles.

Massachusetts law seals criminal records in some circumstances. An Arizona judge may clear the records of persons wrongfully accused and Tennessee legislation requires records of persons not convicted to be expunged.

Ohio acted to remove the stigma of a high school diploma earned in prison. The law requires the diploma to be granted for credits earned in prison to be issued from the inmate's home school.

Two more States acted to aid victims of crime. Eleven States now have legislation providing compensation for victims of crime. Added to the list in 1973 were Illinois and Washington. Illinois provides a compensation range of \$500 to \$10,000 when the victim is not otherwise insured. Washington extended to victims of crime the benefits and services available under existing workmen's compensation provisions. California which had the first law providing compensation for crime victims (1965) raised the maximum amount of benefits from \$5,000 to \$23,000 in 1973.

Courts and judicial revision programs were produced in Delaware and South Dakota.

Correctional reform programs were implemented in several States. Hawaii, Mississippi, South Dakota, and Wyoming approved work release programs and Tennessee permitted prisoner furloughs under certain circumstances. Minnesota established a full-time parole board and provided for a prison ombudsman who will hear prisoner grievances.

Three more States—Illinois, Indiana, and Oklahoma—acted to control the sale and criminal use of cheap handguns known as "Saturday night specials."

Arkansas recognized the need for bilingual technical assistance in the criminal justice field and mandated court interpreters for defendants who do not speak the English language.

Iowa required criminals to make retribution to victims before parole is granted.

DRUG LAWS

Continuing a definite trend of the past several years, more States acted to liberalize punishment regarding marijuana possession and use and stiffen punishment for persons who sell marijuana or other drugs. A view of both ends of this continuum was provided by legislation in New York and Oregon.

New York cracked down on pushers providing mandatory life sentences for drug traffickers with parole possible after service of a minimum amount of prison term—however, supervision is for life. Minimum prison time of 15 to 25 years is mandatory for sale of one ounce or more of hard drugs and 6 to 8 years for sale of lesser amounts. Stiff

sentences were also required for possession of these drugs.

Oregon lowered the punishment for simple possession of an ounce or less of marijuana from a year in jail and a \$1,000 fine to a fine of \$100 only, even for repeat offenders.

GAMBLING

Voters in Maine, Ohio, and Rhode Island authorized state lotteries in the November elections bringing the total number of States with such authorization to at least 11.

Lotteries have been implemented in at least eight States. The list of States with lotteries in operation or authorized includes Connecticut, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, and South Dakota.

In 1973, South Dakota legislators authorized lotteries with a maximum prize of \$5,000 and bingo games with a prize limit of \$500 to be operated by certain nonprofit organizations. Ohio set up the machinery for its lottery authorized by voters last May. It provides that 45 percent of the money wagered be returned in prizes.

The cry "BINGO!" will be heard in a few more States as a result of new laws. Iowa, Oklahoma, South Dakota, Virginia, and Washington authorized bingo operations by certain nonprofit, charitable, or religious organizations. Gambling was also legalized on games of skill and chance at fairs in Iowa.

Betting on horse racing was the subject of legislation in Connecticut, New York, Oklahoma, and Wyoming. State racing and wagering boards or commissions were created in New York and Oklahoma.

The operation of horse racing and parimutuel betting systems in Oklahoma by county fair boards or agricultural expositions was authorized. The act was adopted statewide, but local option is in effect for racing meets.

New York's State Racing and Wagering Board was given jurisdiction over the state lottery, horse racing activities and off-track betting. New York City's Off-Track Betting Corporation was allowed to retain most of its powers.

Citizens in Connecticut towns in which race tracks are planned were given authority to petition for a referendum on the issue.

Parimutuel betting in Wyoming was broadened to permit betting on professional roping events with licenses for such events limited to 45 days in any one county.

Washington's gambling legislation was enacted to implement a constitutional amendment approved by the voters last year. In addition to legalizing bingo, the Legislature authorized raffles for nonprofit or charitable organizations and punchboards, pulltabs, and non-payoff, one-coin mechanical amusement devices as trade stimulants in certain public places, newspaper and magazine lotteries,

movie giveaways, and newspaper contests on football and other games where the readers guess the outcome. Local communities in Washington were given the local option on gambling and were permitted to tax gambling activities up to 10 percent of the gross take.

Hawaii amended the state penal code as it applies to gambling. The Legislature established a new misdemeanor offense of gambling for which evidence of profit need not be shown and the Legislature defined components of social gambling as an affirmative defense.

LIGHT MY FIRE

ENVIRONMENT, RESOURCES

The location of power plants was regulated by Arkansas, Connecticut, Florida, Minnesota, Montana, and New Hampshire.

Those responsible for oil spills were made liable for damages and cleanup by new laws in New York and North Carolina. A similar 1970 Florida law was upheld by the U.S. Supreme Court April 18 and Maine's oil spill tax was upheld by the Maine Supreme Court June 4.

Strip mining was regulated and reclamation of land required in Minnesota, Montana, and North Dakota. Montana also required permission of surface rights owner for any mining. West Virginia continued to 1975 the prohibition against strip mining in counties where it did not exist in 1970. Minnesota levied taxes of 25 cents per acre on holders of severed mineral rights.

Alabama and Mississippi agreed to authorize a new Ameraport Interstate Off-Shore Harbor and Terminal Compact to develop an off-shore facility for petroleum loading and unloading.

PRICES, TAXES

New Mexico gave the State the option to buy at the market price any minerals that may be produced from state land.

Connecticut created a commission to regulate petroleum product prices and bring civil actions against unfair distributory practices. Discrimination by refiners against independent retailers was outlawed.

Major U.S. oil companies were sued for anti-trust violations in separate suits filed by Connecticut, Florida, and New York.

Florida authorized regulation of the rates of companies selling energy after consumer complaints.

Alaska revised its oil taxing and regulatory laws in a special session in late 1973 in an effort to settle lawsuits brought by oil companies against 1972 laws.

Oil and natural gas taxes were raised in Louisiana, and the State was given price and supply controls over newly contracting users.

17 GOVERNORS TALK FUEL PROBLEMS WITH PRESIDENT, ENERGY ADVISER

Seventeen Governors who met with President Richard Nixon and his energy adviser William E. Simon December 14 agreed on several areas regarding fuel conservation measures and fuel allocation plans including the need for uniform speed limits for all vehicles. The Governors agreed that:

—Agricultural production should be given a category 1 allocation rather than the proposed category 2 allocation;

—The Federal Energy Office should publish state data on the supplies of each type of fuel within each State;

—The 3 percent "state set-aside" for fuels proposed in current regulations should be firm and increased up to 10 percent;

—The state plan for fuel allocation should preempt the federal plan if minimum goals are set and state plans should cover middle distillates, gasoline, and propane; and

—Local boards should be voluntary with each Governor, not mandated.

CRISIS ACTIONS

Special powers to meet the energy crisis were granted to Governors in Delaware, Maryland, and Washington by special legislative sessions in late 1973. Some other Governors announced they would request energy conservation powers from their Legislatures.

Highway speed limits were lowered to 50 m.p.h. and 55 m.p.h. in a number of States following President Nixon's energy address to the Nation requesting such action. Among States acting were Alaska, Delaware, Idaho, Maryland, Massachusetts, Montana, New Jersey, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, South Carolina, Texas, Vermont, Virginia, and Washington.

Pollution regulations were lifted temporarily to allow use of higher sulfur fuel in some States, among them Florida, Massachusetts, New Hampshire, New Jersey, and Rhode Island.

Oregon required electric and gas utilities to submit plans for load curtailment during emergencies.

A blackout on commercial outdoor lighting ordered by Oregon Governor Tom McCall late September was lifted in December due to an improved electricity supply outlook.

Longer school Christmas holidays to save fuel were authorized in Delaware, Maryland, and New Hampshire.

At least 32 Governors have established state government energy conservation programs, according to a special report on "The States and the Fuel and Energy Crisis," released by the Council of State Governments in early December. It also contains model legislation to give Governors broad authority to control the energy emergency.

NEW YORK GOVERNOR RESIGNS

Four-term New York Governor Nelson A. Rockefeller announced he would resign December 18 to head two national commissions full time.

Assuming the governorship will be Lieutenant Governor Malcolm Wilson for the term which expires at the end of 1974. Both have served since 1959.

The Governor initiated the recently established Commission on Critical Choices for America which will be funded through private and public grants. Earlier, Henry L. Diamond resigned as State Environmental Conservation Commissioner to become executive director of the commission.

The Governor also heads a water quality commission.

STATE ATTORNEYS GENERAL FOCUS ON U.S. ATTORNEY GENERAL SELECTION

The National Association of Attorneys General (NAAG) adopted a resolution at its winter meeting in New Orleans, Louisiana, December 2-5, that a NAAG committee study methods for changing the selection of the U.S. Attorney General.

Changes, the resolution said, should be considered with the view of improving and enhancing public confidence in the administration of justice. Changes in the method of selection and in the tenure of the U.S. Attorney General to increase the independence of the office might enhance the Attorney General's ability to investigate and prosecute charges of official misconduct.

Former U.S. Attorney General Elliot Richardson was a guest speaker during the conference. Mr. Richardson told the 47 state chief legal officers attending the meeting that restoration of public trust in government is one of the overriding needs of the day.

The first day of the conference was devoted to a discussion of the energy crisis. Speakers included energy experts from private industry, the federal government and the academic world.

Other resolutions adopted by the NAAG concern federal development of a national energy policy with the goal of U.S. self-sufficiency by 1985, privacy of bank records, and bribery of public officials.

IDAHO SCHOOL FINANCING VOIDED

Idaho's school financing system violates the state constitution because it does not provide equal educational opportunity to all public school pupils, a district judge ruled November 21.

Attorney General W. Anthony Park said the State would appeal to the State Supreme Court.

The judge said, "A system of public school finances in which per pupil expenditures vary directly with amount and value of taxable property within the school districts which the State has created cannot meet the constitutional mandate."

STATE GOVERNMENT NEWS

from
THE COUNCIL OF STATE GOVERNMENTS
Iron Works Pike, Lexington, Kentucky 40511

Second Class Postage Paid at Lexington, Kentucky
and additional mailing offices

RECEIVED
JAN 8 1974

LEGISLATIVE AFFAIRS
AGENCY

Mrs. Beverly Keithahn
Secretary of the Senate,
Alaska Legislature
Juneau, Alaska 99801

20

ALASKA REVISES OIL LAWS

Alaska revised its oil taxing and regulatory laws in an effort to settle lawsuits brought by major oil companies challenging 1972 legislation. The Legislature met from October 17 to November 12 in special session.

An industry-supported 20-mill property tax on oil and gas equipment passed and limits were set on local governments' taxing powers on these properties.

An oil production tax at a base of 25 cents a barrel was enacted with an escalation clause to allow the tax to rise with an increase in the U.S. Labor Department's domestic wholesale price index on crude oil. The royalty credit was dropped.

A conservation tax of one-eighth cent a barrel was approved.

The Legislature authorized noncompetitive sale and lease of state land at appraised value for pipeline-related use.

A common purchaser requirement passed to protect the smaller producer.

Deleted from previous law were an option for state purchase of up to 20 percent of the pipeline and an escalating rental provision.

The Legislature approved supplemental appropriations of \$5.3 million to special regional needs generated by the pipeline construction.

The Alaska Pipeline Commission was retained to regulate intrastate pipeline activities.

Alaska's new Attorney General is Norman C. Gorsuch, 31, who has been deputy attorney general since 1971. Governor William A. Egan named him to succeed Attorney General John Havelock, who announced his resignation two months ago but stayed for the recent special session.

NORTH DAKOTA REMAP REJECTED

Reapportionment of North Dakota's Legislature is again before a federal court following voter rejection December 4 of two alternative plans.

Voters turned down a plan drawn by the 1973 Legislature which provided for 37 legislative districts with 50 senators and two representatives per senator. Also rejected was a constitutional amendment to establish a nonlegislative reapportionment commission to divide the State into single-member districts.

The federal court approved a reapportionment plan for the 1972 election and retained jurisdiction for adopting a different plan.

LAME DUCK POWERS AFFIRMED

A lame duck Governor does not lose his powers of appointment to the Governor-elect, a Nebraska district court ruled.

The court voided a portion of a 1972 law which would have empowered the Governor-elect to appoint three new members to an expanded Natural Resources Commission for terms beginning in 1975.

The court also voided the Legislature's designation of certain state officers to the commission as a violation of the Governor's power of appointment.

The substantive portion of the law conferring broad environmental powers on the newly created Natural Resources Commission was upheld by the court.

The State Supreme Court is expected to hear an appeal during January.

OFFICES OF THE COUNCIL OF STATE GOVERNMENTS

Headquarters Office

Iron Works Pike, Lexington, Kentucky 40511

Eastern Office

36 West Forty-fourth Street, New York, New York 10036

Southern Office

3384 Peachtree Road, N.E., Atlanta, Georgia 30326

Midwestern Office

203 North Wabash Avenue, Chicago, Illinois 60601

Western Office

85 Post Street, San Francisco, California 94104

Washington Office

1150 Seventeenth Street, N.W., Washington, D.C. 20036

AGO 532088

*Permanent Investment
Fund package*

Retting

AGO 532089

PLEASE NOTE: THE PRECEDING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.

*Hold 4-23
yegler*

Original sponsor: Rules Committee by request of the Governor

1 IN THE SENATE

BY THE SPECIAL COMMITTEE ON INVESTMENT AND MONETARY POLICY

2 CS FOR SENATE JOINT RESOLUTION NO. 74

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the
6 Constitution of the State of Alaska
7 establishing the Alaska Resources
8 Permanent Fund.

9 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. Article IX of the Constitution of the State of Alaska is
11 amended by adding a new section to read:

12 SECTION 15. ALASKA RESOURCES PERMANENT FUND. The Alaska Resources
13 Permanent Fund created by the Second Session of the Sixth Legislature,
14 including any additions by appropriations, shall be permanent and
15 not subject to appropriation. It shall be invested for maximum long-
16 term return. Investments shall be made in accordance with the standards
17 observed by men of ordinary prudence, discretion, intelligence, and
18 experience, when investing, and not speculating with, their own funds.
19 Income becomes part of the fund. Market value of the fund will be
20 determined quarterly. During the first three years of operation of the
21 fund an amount equal and limited to five per cent of its average market
22 value shall be withdrawn from the fund annually and thereafter be
23 subject to appropriation for general purposes. The average market
24 value will be calculated as the arithmetic mean of the market value
25 of the fund considering the immediately passed quarter-end, and as the
26 history of operation of the fund permits, up to but not exceeding the
27 11 quarters immediately preceding the most recent quarter-end. After
28 three years of operations of the fund an amount, subject to the minimum
29 and maximum limitations noted below, equal to one-half of the amount

1 by which the most recent market value of the fund exceeds the market
2 value of the fund at its inception as adjusted to compensate for the
3 potential eroding effects of inflation, shall be withdrawn from the
4 fund annually and thereafter be subject to appropriation for general
5 purposes. The adjustment to compensate for the potential eroding
6 effects of inflation shall be equal to the percentage by which the
7 Consumer Price Index as calculated by the Bureau of Labor Statistics
8 has changed, between the time of inception of the fund and the time of
9 the quarter-end for which this calculation pertains, as applied to the
10 value of the fund at its inception. The procedure of this paragraph
11 shall not be applied if such adjustment results in an adjusted fund
12 value less than the value of the fund at its inception. The withdrawal
13 of funds as provided for above shall be constrained by a minimum and
14 maximum amount. The minimum amount shall be equal to five per cent of
15 the average market value of the fund. The maximum amount shall be equal
16 to 10 per cent of the average market value of the fund. The average
17 market value shall be calculated as the arithmetic mean of the market
18 value of the fund considering the immediately passed quarter, and as
19 the history of the fund permits, up to but not exceeding the 11 quarters
20 immediately preceding the most recent quarter-end. No other withdrawals
21 may be made from the fund, except for payment of expenses of adminis-
22 tration.

23 * Sec. 2. The amendment proposed by this resolution shall be placed
24 before the voters of the state at the next statewide election in conformity
25 with sec. 1, art. XIII of the Constitution of the State of Alaska, and the
26 state election laws.
27
28
29

✓
yes
3/7/70
to Russ

Original sponsor: Rules Committee by request of the Governor

BY THE RULES COMMITTEE
BY REQUEST OF THE SPECIAL
COMMITTEE ON INVESTMENT
AND MONETARY POLICIES

1 IN THE SENATE

2 CS FOR SENATE BILL NO. 404

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the Alaska resources permanent
7 fund and providing for its administration; and pro-
8 viding for an effective date."

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

10 * Section 1. AS 37 is amended by adding a new chapter to read:

11 CHAPTER 12. ALASKA RESOURCES PERMANENT FUND.

12 Sec. 37.12.010. PURPOSE. The purpose of secs. 10 - 180 of this
13 chapter is to provide a method by which funds surplus to current and
14 foreseeable needs may be invested to appreciate as a source of future
15 state revenues.

16 Sec. 37.12.020. ALASKA RESOURCES PERMANENT FUND. There is
17 created a permanent fund known as the Alaska resources permanent fund
18 to which appropriations may be made from time to time.

19 Sec. 37.12.030. ALASKA FUND INVESTMENT COMMITTEE. There is
20 established the Alaska Fund Investment Committee composed of the
21 commissioners of commerce and revenue, the president of the senate and
22 another senator appointed by the president from the opposite political
23 party, the speaker of the house and another representative appointed
24 by the speaker from the opposite political party, three members of the
25 public, not more than two of whom are of the same political party,
26 knowledgeable and experienced in banking, accounting or investing,
27 appointed by the governor. The three public members of the committee
28 who are appointed must be confirmed by the legislature in joint session.
29 The committee shall, at its first meeting, select a chairman and vice

1 chairman.

2 Sec. 37.12.040. TERMS OF MEMBERS APPOINTED FROM THE PUBLIC AND
3 THEIR REMOVAL. (a) Appointed public members of the committee are
4 appointed for six-year terms. However, the first three appointments
5 shall be for two, four and six years respectively.

6 (b) Appointed public members of the committee, unless removed,
7 serve until their successors are appointed and have qualified.

8 (c) An appointed public member of the committee may be removed
9 from office by the governor, for cause, after notice and opportunity to
10 be heard at a public hearing. A vacancy in the membership of the
11 appointed public members of the committee occurring other than by expira-
12 tion of a term shall be filled by the governor for the unexpired term
13 only.

14 Sec. 37.12.050. INVESTMENT POLICY. The committee shall invest
15 the fund with primary emphasis on long-term total return.

16 Sec. 37.12.060. MANAGEMENT STANDARDS. The committee, in managing
17 the fund, shall exercise the judgment and care under the circumstances
18 then prevailing which men of ordinary prudence, discretion, intelligence,
19 and experience exercise in the management of their own affairs not in
20 regard to speculation but in regard to the permanent disposition of
21 their funds, considering probable income, probable appreciation, and
22 safety of their capital.

23 Sec. 37.12.070. POWERS. The powers of the state with respect to
24 the investments are all of the powers which a natural person has in
25 dealing with his own property including but not limited to the power
26 to invest, reinvest, purchase and purchase at a premium, sell and
27 sell at less than cost, exchange, convey, transfer, lease, lease back
28 and otherwise dispose, register securities, vote securities, give
29 proxies, exercise conversion privileges, subscription rights and other

1 options, consent or otherwise participate in corporate reorganization
2 or other changes affecting corporate securities, pay assessments or
3 charges, enforce and compromise claims, make, execute, acknowledge and
4 deliver documents of transfer, conveyances and other instruments
5 necessary or appropriate to carry out such powers.

6 Sec. 37.12.080. FUNCTIONS OF THE COMMITTEE. The committee shall

7 (1) act as custodian of the investments and provide for
8 their safekeeping;

9 (2) collect the interest, dividends, rents, and other
10 income of the fund and collect principal and the proceeds of the sale
11 of investments;

12 (3) manage the fund, and in so doing exercise the state's
13 powers respecting the investments;

14 (4) maintain adequate accounts and records;

15 (5) prepare and submit a monthly report to the governor
16 disclosing a detailed summary of investments purchased, sold, exchanged,
17 conveyed, transferred, leased, and otherwise acquired or disposed of,
18 and stating the investments acquired or disposed of, dates of trans-
19 actions, the prices paid and received, any gain or loss, and the names
20 of the brokers, dealers, or contractors who engaged in the transactions;

21 (6) cause an annual audit of the fund by a licensed certified
22 public accountant who is not an employee of the state and submit the
23 auditor's report to the governor.

24 Sec. 37.12.090. CONFLICT OF INTEREST AND PUBLIC DISCLOSURE. (a)
25 Any member of the committee who is an employee or officer of, or who
26 contracts with, or obtains a direct or indirect interest in any corpora-
27 tion or other entity in which an investment is made from the fund
28 shall disclose publicly the existence of such employment, office,
29 contract or interest upon the acquisition of it.

1 (b) At least quarterly, each member shall file reports with the
2 committee, to be maintained in the office of the director, as public
3 documents, of all securities transactions in which he has engaged
4 during the preceding 90 days.

5 (c) No member shall vote upon any question the outcome of which
6 would affect substantially the value of any interest.

7 Sec. 37.12.100. QUORUM. Five members of the committee constitute
8 a quorum for the conduct of business at a meeting.

9 Sec. 37.12.110. EXPENSES. The three members from the public
10 receive no pay but are entitled to the travel expenses and per diem
11 authorized for members of boards and commissions.

12 Sec. 37.12.120. EXECUTIVE DIRECTOR. (a) The committee shall
13 employ an executive director who shall assist the committee with
14 respect to the administration of the fund.

15 (b) The director is an ex officio, nonvoting member of the
16 committee.

17 Sec. 37.12.130. CONTRACTS. (a) The committee may contract with
18 one or more qualified persons in the state or elsewhere

19 (1) to perform the functions specified in sec. 80(1) - (3)
20 of this chapter; except that when contracts are made with respect to
21 the function specified in sec. 80(3) of this chapter, three or more
22 fund managers shall be engaged and separate portions of the fund shall
23 be allocated to each of them;

24 (2) to provide the commission with advice and other services.

25 (b) Contracts may provide for reasonable compensation and reim-
26 bursement of expenses.

27 Sec. 37.12.140. ANNUAL DETERMINATION OF MARKET VALUE AND REPORT.
28 In addition to the monthly reports provided for in sec. 80(5) of this
29 chapter, at the end of each fiscal year, after deducting from the fund

1 for the purpose of computation the expenses of administration of that
2 year, the committee shall determine the market value, capital gains
3 and losses and dividend income of the fund and submit a report of its
4 findings to the governor and each legislature.

5 Sec. 37.12.150. REPORTS. Reports of the committee provided for
6 by secs. 80(5) and 140 of this chapter are public 30 days after they
7 are filed.

8 Sec. 37.12.160. WITHDRAWALS. (a) Expenses of administration
9 shall be paid out of the fund.

10 (b) Sixty days after the end of each fiscal year, whether or not
11 provided by income and capital appreciation, an amount in cash, or
12 securities at market value as of the date of transfer, or both, equal
13 and limited to five per cent of the mean average of the determined
14 market value of the fund at the end of that fiscal year and the deter-
15 mined market values of the fund at the ends of the two (necessarily,
16 none and one, at the ends of the first and second fiscal years,
17 respectively) preceding years shall be withdrawn from the fund and
18 transferred to the general fund.

19 (c) There shall be no other withdrawals from the fund.

20 Sec. 37.12.170. TRANSFER TO FUND. Upon the effective date of
21 an Act appropriating to the fund, the amount appropriated shall be
22 transferred to the fund in cash, or securities at market value as of
23 that date, or both.

24 Sec. 37.12.180. DEFINITIONS. In secs. 10 - 180 of this chapter

25 (1) "committee" means Alaska Fund Investment Committee;

26 (2) "expenses of administration" means the amount incurred
27 during the fiscal year in accordance with contracts for managerial,
28 advisory, legal, appraisal, accounting, auditing, performance evalu-
29 ations, custodial, execution of transactions, brokerage, and other

1 services;

2 (3) "fiscal year" means the fiscal year of the fund, which
3 is the period July 1 to June 30;

4 (4) "fund" means the Alaska resources permanent fund and
5 includes income and capital appreciation;

6 (5) "investment manager" means a person who, for compensa-
7 tion, engages in the business of advising others, either directly or
8 through publications or writings, as to the value of securities or
9 as to the advisability of investing in, purchasing, or selling
10 securities, or who, for compensation and as a part of a regular business,
11 issues or promulgates, analyzes or reports concerning securities, or
12 invests in securities as agent for others;

13 (6) "investments" means the property of the fund and in-
14 cludes cash;

15 (7) "long-term total return" means an investment policy
16 which includes long-term capital appreciation, dividend income, plus
17 interest income, plus realized capital gains, plus unrealized capital
18 gains, minus realized capital losses, and minus unrealized capital
19 losses;

20 (8) "manage", with respect to the fund, includes but is
21 not limited to selection of classes of investments, selection of
22 investments from within those classes, and the acquisition, retention,
23 disposition, and exchange of investments;

24 (9) "permanent" when applied to the fund means that it
25 shall have perpetual existence, not be subject to invasion or diversion,
26 and be kept intact except for withdrawals as provided in sec. 160 of
27 this chapter.

28 * Sec. 2. This Act takes effect on the day after its passage and approval
29 or on the day it becomes law without approval.

✓

Myer 3/6/70
to Russ

Original sponsor: Rules Committee by request of the Governor

BY THE RULES COMMITTEE BY REQUEST OF THE SPECIAL COMMITTEE ON INVESTMENT AND MONETARY POLICIES

1 IN THE SENATE

2 CS FOR SENATE BILL NO. 405

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act appropriating to the Alaska resources permanent fund; and providing for an effective date."

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

9 * Section 1. The sum of \$900,000,000 is appropriated from the general
10 fund to the Alaska resources permanent fund.

11 * Sec. 2. This Act takes effect on the day after its passage and approval
12 or on the day it becomes law without approval.

13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

2-21-70
✓ *Ziegler*

Original sponsor: Rules Committee by
request of the Governor

BY THE RULES COMMITTEE BY
REQUEST OF THE SPECIAL
COMMITTEE ON INVESTMENT
AND MONETARY POLICIES

1 IN THE SENATE

2 CS FOR SENATE JOINT RESOLUTION NO. 74

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the Consti-
6 tution of the State of Alaska estab-
7 lishing the Alaska Resources Permanent
8 Fund.

9 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. Article IX of the Constitution of the State of Alaska is
11 amended by adding a new section to read:

12 Sec. 15. ALASKA RESOURCES PERMANENT FUND. The Alaska Resources
13 Permanent Fund created by the Second Session of the Sixth Legislature,
14 including any additions by appropriations, shall be permanent and not
15 subject to appropriation. It shall be invested with primary emphasis
16 on long-term total return. Investments shall be made in accordance
17 with the standards observed by men of ordinary prudence, discretion,
18 intelligence, and experience, when investing, and not speculating
19 with, their own funds. Income becomes part of the fund. An amount
20 equal and limited to five per cent of its market value shall be with-
21 drawn from the fund annually and thereafter be subject to appropriation
22 for general purposes. No other withdrawals may be made from the fund,
23 except for payment of expenses of administration.

24 * Sec. 2. The amendment proposed by this resolution shall be placed
25 before the voters of the state at the next state-wide election in conformity
26 with sec. 1. art. XIII of the Constitution of the State of Alaska, and the
27 state election laws.
28

Hold

BILL AND RESOLUTION REQUEST

Request for Bill
 By Senator Rettig
 Subject:
 APPRO -- Permanent Fund - Hellstrand
memorial
 Drafter Russ
 Assigned by Russ
 Date in 1/28/74 Due on ASAP

Recorded
 Draft 1 2 3 4 5 6 FINAL
 OK for final _____
 Deliver to Rettig
 Date delivered _____
 Instructions to typist

Special Instructions

Per attached

OBJECT OF LEGISLATIVE ACTION

Bill
 ___ Determine appropriate AS section, chapter or title (including latest supplement) to amend. Legislator may specify.
 ___ Check with revisor of statutes concerning section numbering.
Resolution
 ___ Use special resolution request work form for basic facts and addressees. Record and proceed on this form.

SOURCES OF LAW AND FACT

___ Journals and Legislative Reporting Service for previous session bills.
 ___ Check with agency concerned (with requestor's permission).
 ___ Laws of other states.
 ___ Bar Foundation Bill Reporting Service.
 ___ Publication "Suggested State Legislation."
 ___ Professional and industrial groups and services (with requestor's permission).
 ___ Alaska Delegation newsletters.
 ___ Other _____

INTERPRETATION

___ AS annotations.
 ___ Shepard's Citations.
 ___ Alaska Attorney General Opinions.
 ___ Legal Reference Works.

LEGAL CHECK

___ Constitutional aspects considered.
 ___ Conformity with one-subject rule.
 ___ Law not local or special unless general will not suffice.
 ___ Subject reflected in title.
 ___ Alaska Supreme Court rules checked for 2/3 majority vote requirement.

DRAFTING CHECK

___ Organize bill.
 ___ Provide effective date clause if effective date other than constitutional; reference to in title;
 ___ Style, grammar, and words.
 ___ Read three times: 1 - for meaning; 2 - for clarity and simplicity; and 3 - for loopholes or misapplication.
 ___ Recheck AS citations and internal references.

ADVICE AND CONSULTATION

___ Confer with appropriate staff members.
 ___ Consult with legislator.
 ___ Advise revisor of final numbering.
 ___ Make recommended changes.
 ___ Submit for final approval.

✓
Nye
3/6/70
to Rules

Original sponsor: Rules Committee by request of the Governor

BY THE RULES COMMITTEE BY REQUEST OF THE SPECIAL COMMITTEE ON INVESTMENT AND MONETARY POLICIES

1 IN THE SENATE

2 CS FOR SENATE BILL NO. 405

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act appropriating to the Alaska resources permanent fund; and providing for an effective date."

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

9 * Section 1. The sum of \$900,000,000 is appropriated from the general
10 fund to the Alaska resources permanent fund.

11 * Sec. 2. This Act takes effect on the day after its passage and approval
12 or on the day it becomes law without approval.

13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

Hald

BILL AND RESOLUTION REQUEST

Request for Bill
 By Senator Rettig
 Subject:
PERMANENT FUND -- Earl D. Hillstrand
7
memorial fund
 Drafter Russ
 Assigned by Russ
 Date in 1/28/74 Due on ASAP

Recorded _____
 Draft 1 2 3 4 5 6 FINAL
 OK for final _____
 Deliver to Rettig
 Date delivered _____

 Instructions to typist

Special Instructions
 Per attached

OBJECT OF LEGISLATIVE ACTION

Bill
 ___ Determine appropriate AS section, chapter or title (including latest supplement) to amend. Legislator may specify.
 ___ Check with revisor of statutes concerning section numbering.
Resolution
 ___ Use special resolution request work form for basic facts and addressees. Record and proceed on this form.

SOURCES OF LAW AND FACT

___ Journals and Legislative Reporting Service for previous session bills.
 ___ Check with agency concerned (with requestor's permission).
 ___ Laws of other states.
 ___ Bar Foundation Bill Reporting Service.
 ___ Publication "Suggested State Legislation."
 ___ Professional and industrial groups and services (with requestor's permission).
 ___ Alaska Delegation newsletters.
 ___ Other _____

INTERPRETATION

___ AS annotations.
 ___ Shepard's Citations.
 ___ Alaska Attorney General Opinions.
 ___ Legal Reference Works.

LEGAL CHECK

___ Constitutional aspects considered.
 ___ Conformity with one-subject rule.
 ___ Law not local or special unless general will not suffice.
 ___ Subject reflected in title.
 ___ Alaska Supreme Court rules checked for 2/3 majority vote requirement.

DRAFTING CHECK

___ Organize bill.
 ___ Provide effective date clause if effective date other than constitutional; reference to in title;
 ___ Style, grammar, and words.
 ___ Read three times: 1 - for meaning; 2 - for clarity and simplicity; and 3 - for loopholes or misapplication.
 ___ Recheck AS citations and interal references.

ADVICE AND CONSULTATION

___ Confer with appropriate staff members.
 ___ Consult with legislator.
 ___ Advise revisor of final numbering.
 ___ Make recommended changes.
 ___ Submit for final approval.

✓
yes
3/7/70
to Russ

Original sponsor: Rules Committee by request of the Governor

BY THE RULES COMMITTEE
BY REQUEST OF THE SPECIAL
COMMITTEE ON INVESTMENT
AND MONETARY POLICIES

1 IN THE SENATE

2 CS FOR SENATE BILL NO. 404

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the Alaska resources permanent
7 fund and providing for its administration; and pro-
8 viding for an effective date."

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

10 * Section 1. AS 37 is amended by adding a new chapter to read:

11 CHAPTER 12. ALASKA RESOURCES PERMANENT FUND.

12 Sec. 37.12.010. PURPOSE. The purpose of secs. 10 - 180 of this
13 chapter is to provide a method by which funds surplus to current and
14 foreseeable needs may be invested to appreciate as a source of future
15 state revenues.

16 Sec. 37.12.020. ALASKA RESOURCES PERMANENT FUND. There is
17 created a permanent fund known as the Alaska resources permanent fund
18 to which appropriations may be made from time to time.

19 Sec. 37.12.030. ALASKA FUND INVESTMENT COMMITTEE. There is
20 established the Alaska Fund Investment Committee composed of the
21 commissioners of commerce and revenue, the president of the senate and
22 another senator appointed by the president from the opposite political
23 party, the speaker of the house and another representative appointed
24 by the speaker from the opposite political party, three members of the
25 public, not more than two of whom are of the same political party,
26 knowledgeable and experienced in banking, accounting or investing,
27 appointed by the governor. The three public members of the committee
28 who are appointed must be confirmed by the legislature in joint session.
29 The committee shall, at its first meeting, select a chairman and vice

1 chairman.

2 Sec. 37.12.040. TERMS OF MEMBERS APPOINTED FROM THE PUBLIC AND
3 THEIR REMOVAL. (a) Appointed public members of the committee are
4 appointed for six-year terms. However, the first three appointments
5 shall be for two, four and six years respectively.

6 (b) Appointed public members of the committee, unless removed,
7 serve until their successors are appointed and have qualified.

8 (c) An appointed public member of the committee may be removed
9 from office by the governor, for cause, after notice and opportunity to
10 be heard at a public hearing. A vacancy in the membership of the
11 appointed public members of the committee occurring other than by expira-
12 tion of a term shall be filled by the governor for the unexpired term
13 only.

14 Sec. 37.12.050. INVESTMENT POLICY. The committee shall invest
15 the fund with primary emphasis on long-term total return.

16 Sec. 37.12.060. MANAGEMENT STANDARDS. The committee, in managing
17 the fund, shall exercise the judgment and care under the circumstances
18 then prevailing which men of ordinary prudence, discretion, intelligence,
19 and experience exercise in the management of their own affairs not in
20 regard to speculation but in regard to the permanent disposition of
21 their funds, considering probable income, probable appreciation, and
22 safety of their capital.

23 Sec. 37.12.070. POWERS. The powers of the state with respect to
24 the investments are all of the powers which a natural person has in
25 dealing with his own property including but not limited to the power
26 to invest, reinvest, purchase and purchase at a premium, sell and
27 sell at less than cost, exchange, convey, transfer, lease, lease back
28 and otherwise dispose, register securities, vote securities, give
29 proxies, exercise conversion privileges, subscription rights and other

1 options, consent or otherwise participate in corporate reorganization
2 or other changes affecting corporate securities, pay assessments or
3 charges, enforce and compromise claims, make, execute, acknowledge and
4 deliver documents of transfer, conveyances and other instruments
5 necessary or appropriate to carry out such powers.

6 Sec. 37.12.080. FUNCTIONS OF THE COMMITTEE. The committee shall

7 (1) act as custodian of the investments and provide for
8 their safekeeping;

9 (2) collect the interest, dividends, rents, and other
10 income of the fund and collect principal and the proceeds of the sale
11 of investments;

12 (3) manage the fund, and in so doing exercise the state's
13 powers respecting the investments;

14 (4) maintain adequate accounts and records;

15 (5) prepare and submit a monthly report to the governor
16 disclosing a detailed summary of investments purchased, sold, exchanged,
17 conveyed, transferred, leased, and otherwise acquired or disposed of,
18 and stating the investments acquired or disposed of, dates of trans-
19 actions, the prices paid and received, any gain or loss, and the names
20 of the brokers, dealers, or contractors who engaged in the transactions;

21 (6) cause an annual audit of the fund by a licensed certified
22 public accountant who is not an employee of the state and submit the
23 auditor's report to the governor.

24 Sec. 37.12.090. CONFLICT OF INTEREST AND PUBLIC DISCLOSURE. (a)
25 Any member of the committee who is an employee or officer of, or who
26 contracts with, or obtains a direct or indirect interest in any corpora-
27 tion or other entity in which an investment is made from the fund
28 shall disclose publicly the existence of such employment, office,
29 contract or interest upon the acquisition of it.

1 (b) At least quarterly, each member shall file reports with the
2 committee, to be maintained in the office of the director, as public
3 documents, of all securities transactions in which he has engaged
4 during the preceding 90 days.

5 (c) No member shall vote upon any question the outcome of which
6 would affect substantially the value of any interest.

7 Sec. 37.12.100. QUORUM. Five members of the committee constitute
8 a quorum for the conduct of business at a meeting.

9 Sec. 37.12.110. EXPENSES. The three members from the public
10 receive no pay but are entitled to the travel expenses and per diem
11 authorized for members of boards and commissions.

12 Sec. 37.12.120. EXECUTIVE DIRECTOR. (a) The committee shall
13 employ an executive director who shall assist the committee with
14 respect to the administration of the fund.

15 (b) The director is an ex officio, nonvoting member of the
16 committee.

17 Sec. 37.12.130. CONTRACTS. (a) The committee may contract with
18 one or more qualified persons in the state or elsewhere

19 (1) to perform the functions specified in sec. 80(1) - (3)
20 of this chapter; except that when contracts are made with respect to
21 the function specified in sec. 80(3) of this chapter, three or more
22 fund managers shall be engaged and separate portions of the fund shall
23 be allocated to each of them;

24 (2) to provide the commission with advice and other services.

25 (b) Contracts may provide for reasonable compensation and reim-
26 bursement of expenses.

27 Sec. 37.12.140. ANNUAL DETERMINATION OF MARKET VALUE AND REPORT.
28 In addition to the monthly reports provided for in sec. 80(5) of this
29 chapter, at the end of each fiscal year, after deducting from the fund

1 for the purpose of computation the expenses of administration of that
2 year, the committee shall determine the market value, capital gains
3 and losses and dividend income of the fund and submit a report of its
4 findings to the governor and each legislature.

5 Sec. 37.12.150. REPORTS. Reports of the committee provided for
6 by secs. 80(5) and 140 of this chapter are public 30 days after they
7 are filed.

8 Sec. 37.12.160. WITHDRAWALS. (a) Expenses of administration
9 shall be paid out of the fund.

10 (b) Sixty days after the end of each fiscal year, whether or not
11 provided by income and capital appreciation, an amount in cash, or
12 securities at market value as of the date of transfer, or both, equal
13 and limited to five per cent of the mean average of the determined
14 market value of the fund at the end of that fiscal year and the deter-
15 mined market values of the fund at the ends of the two (necessarily,
16 none and one, at the ends of the first and second fiscal years,
17 respectively) preceding years shall be withdrawn from the fund and
18 transferred to the general fund.

19 (c) There shall be no other withdrawals from the fund.

20 Sec. 37.12.170. TRANSFER TO FUND. Upon the effective date of
21 an Act appropriating to the fund, the amount appropriated shall be
22 transferred to the fund in cash, or securities at market value as of
23 that date, or both.

24 Sec. 37.12.180. DEFINITIONS. In secs. 10 - 180 of this chapter

25 (1) "committee" means Alaska Fund Investment Committee;

26 (2) "expenses of administration" means the amount incurred
27 during the fiscal year in accordance with contracts for managerial,
28 advisory, legal, appraisal, accounting, auditing, performance evalu-
29 ations, custodial, execution of transactions, brokerage, and other

1 services;

2 (3) "fiscal year" means the fiscal year of the fund, which
3 is the period July 1 to June 30;

4 (4) "fund" means the Alaska resources permanent fund and
5 includes income and capital appreciation;

6 (5) "investment manager" means a person who, for compensa-
7 tion, engages in the business of advising others, either directly or
8 through publications or writings, as to the value of securities or
9 as to the advisability of investing in, purchasing, or selling
10 securities, or who, for compensation and as a part of a regular business,
11 issues or promulgates, analyzes or reports concerning securities, or
12 invests in securities as agent for others;

13 (6) "investments" means the property of the fund and in-
14 cludes cash;

15 (7) "long-term total return" means an investment policy
16 which includes long-term capital appreciation, dividend income, plus
17 interest income, plus realized capital gains, plus unrealized capital
18 gains, minus realized capital losses, and minus unrealized capital
19 losses;

20 (8) "manage", with respect to the fund, includes but is
21 not limited to selection of classes of investments, selection of
22 investments from within those classes, and the acquisition, retention,
23 disposition, and exchange of investments;

24 (9) "permanent" when applied to the fund means that it
25 shall have perpetual existence, not be subject to invasion or diversion,
26 and be kept intact except for withdrawals as provided in sec. 160 of
27 this chapter.

28 * Sec. 2. This Act takes effect on the day after its passage and approval
29 or on the day it becomes law without approval.

Hold

BILL AND RESOLUTION REQUEST

Request for Resolution
 By Senator Rettig
 Subject:
 PERMANENT FUND -- Earl D. Hillstrand
 ↑
memorial fund
 Drafter Russ
 Assigned by Russ
 Date in 1/28/74 Due on ASAP

Recorded
 Draft 1 2 3 4 5 6 FINAL
 OK for final _____
 Deliver to Rettig
 Date delivered _____

 Instructions to typist

Special Instructions
 Per attached

OBJECT OF LEGISLATIVE ACTION
Bill
 ___ Determine appropriate AS section, chapter or title (including latest supplement) to amend. Legislator may specify.
 ___ Check with revisor of statutes concerning section numbering.
Resolution
 ___ Use special resolution request work form for basic facts and addressees. Record and proceed on this form.

SOURCES OF LAW AND FACT
 ___ Journals and Legislative Reporting Service for previous session bills.
 ___ Check with agency concerned (with requestor's permission).
 ___ Laws of other states.
 ___ Bar Foundation Bill Reporting Service.
 ___ Publication "Suggested State Legislation."
 ___ Professional and industrial groups and services (with requestor's permission).
 ___ Alaska Delegation newsletters.
 ___ Other _____

INTERPRETATION
 ___ AS annotations.
 ___ Shepard's Citations.
 ___ Alaska Attorney General Opinions.
 ___ Legal Reference Works.

LEGAL CHECK
 ___ Constitutional aspects considered.
 ___ Conformity with one-subject rule.
 ___ Law not local or special unless general will not suffice.
 ___ Subject reflected in title.
 ___ Alaska Supreme Court rules checked for 2/3 majority vote requirement.

DRAFTING CHECK
 ___ Organize bill.
 ___ Provide effective date clause if effective date other than constitutional; reference to in title;
 ___ Style, grammar, and words.
 ___ Read three times: 1 - for meaning; 2 - for clarity and simplicity; and 3 - for loopholes or misapplication.
 ___ Recheck AS citations and interal references.

ADVICE AND CONSULTATION
 ___ Confer with appropriate staff members.
 ___ Consult with legislator.
 ___ Advise revisor of final numbering.
 ___ Make recommended changes.
 ___ Submit for final approval.

4-23
J. C. Miller

✓

Original sponsor: Rules Committee by request of the Governor

1 IN THE SENATE

BY THE SPECIAL COMMITTEE ON INVESTMENT AND MONETARY POLICY

2 CS FOR SENATE JOINT RESOLUTION NO. 74

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the
6 Constitution of the State of Alaska
7 establishing the Alaska Resources
8 Permanent Fund.

9 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. Article IX of the Constitution of the State of Alaska is
11 amended by adding a new section to read:

12 SECTION 15. ALASKA RESOURCES PERMANENT FUND. The Alaska Resources
13 Permanent Fund created by the Second Session of the Sixth Legislature,
14 including any additions by appropriations, shall be permanent and
15 not subject to appropriation. It shall be invested for maximum long-
16 term return. Investments shall be made in accordance with the standards
17 observed by men of ordinary prudence, discretion, intelligence, and
18 experience, when investing, and not speculating with, their own funds.
19 Income becomes part of the fund. Market value of the fund will be
20 determined quarterly. During the first three years of operation of the
21 fund an amount equal and limited to five per cent of its average market
22 value shall be withdrawn from the fund annually and thereafter be
23 subject to appropriation for general purposes. The average market
24 value will be calculated as the arithmetic mean of the market value
25 of the fund considering the immediately passed quarter-end, and as the
26 history of operation of the fund permits, up to but not exceeding the
27 11 quarters immediately preceding the most recent quarter-end. After
28 three years of operations of the fund an amount, subject to the minimum
29 and maximum limitations noted below, equal to one-half of the amount

1 by which the most recent market value of the fund exceeds the market
2 value of the fund at its inception as adjusted to compensate for the
3 potential eroding effects of inflation, shall be withdrawn from the
4 fund annually and thereafter be subject to appropriation for general
5 purposes. The adjustment to compensate for the potential eroding
6 effects of inflation shall be equal to the percentage by which the
7 Consumer Price Index as calculated by the Bureau of Labor Statistics
8 has changed, between the time of inception of the fund and the time of
9 the quarter-end for which this calculation pertains, as applied to the
10 value of the fund at its inception. The procedure of this paragraph
11 shall not be applied if such adjustment results in an adjusted fund
12 value less than the value of the fund at its inception. The withdrawal
13 of funds as provided for above shall be constrained by a minimum and
14 maximum amount. The minimum amount shall be equal to five per cent of
15 the average market value of the fund. The maximum amount shall be equal
16 to 10 per cent of the average market value of the fund. The average
17 market value shall be calculated as the arithmetic mean of the market
18 value of the fund considering the immediately passed quarter, and as
19 the history of the fund permits, up to but not exceeding the 11 quarters
20 immediately preceding the most recent quarter-end. No other withdrawals
21 may be made from the fund, except for payment of expenses of adminis-
22 tration.

23 * Sec. 2. The amendment proposed by this resolution shall be placed
24 before the voters of the state at the next statewide election in conformity
25 with sec. 1, art. XIII of the Constitution of the State of Alaska, and the
26 state election laws.
27
28
29

2-28-70
J. Ziegler

Original sponsor: Rules Committee by
request of the Governor

BY THE RULES COMMITTEE BY
REQUEST OF THE SPECIAL
COMMITTEE ON INVESTMENT
AND MONETARY POLICIES

1 IN THE SENATE

2 CS FOR SENATE JOINT RESOLUTION NO. 74

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the Consti-
6 tution of the State of Alaska estab-
7 lishing the Alaska Resources Permanent
8 Fund.

9 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. Article IX of the Constitution of the State of Alaska is
11 amended by adding a new section to read:

12 Sec. 15. ALASKA RESOURCES PERMANENT FUND. The Alaska Resources
13 Permanent Fund created by the Second Session of the Sixth Legislature,
14 including any additions by appropriations, shall be permanent and not
15 subject to appropriation. It shall be invested with primary emphasis
16 on long-term total return. Investments shall be made in accordance
17 with the standards observed by men of ordinary prudence, discretion,
18 intelligence, and experience, when investing, and not speculating
19 with, their own funds. Income becomes part of the fund. An amount
20 equal and limited to five per cent of its market value shall be with-
21 drawn from the fund annually and thereafter be subject to appropriation
22 for general purposes. No other withdrawals may be made from the fund,
23 except for payment of expenses of administration.

24 * Sec. 2. The amendment proposed by this resolution shall be placed
25 before the voters of the state at the next state-wide election in conformity
26 with sec. 1. art. XIII of the Constitution of the State of Alaska, and the
27 state election laws.
28
29