

36.

HJ

FILE NO. 2

K. PUBLIC EMPLOYEES' BENEFITS

Please answer these questions:

1. Are you a retired public employee of the State of Alaska?

Yes

No

2. Are you the widow of a public employee of the State of Alaska?

Yes

No

3. Check the block which applies to you if you are receiving any of the following benefits from the State of Alaska:

Public Employees Retirement

Public Employees Widow's Pension

Public Employees Disability Pension
(Either occupational or non-occupational).

If you checked any of the blocks under question 3, the money you receive under this program cannot be seized before it is paid to you. You may not claim any exemption for money you have already received from the State.

L. WELFARE

If you are receiving or have recently received any of these kinds of welfare payments, you may claim an exemption for them by filling in the blanks under the kind of payment which you receive:

Item 1. General Relief

a) If you claim an exemption for relief money, check here:

b) Write here the amount of money you receive on relief each month. _____

Item 2. Old Age Assistance

a) If you claim an exemption for Old Age Assistance money, check here:

b) Write here the amount of money you receive from Old Age Assistance each month. _____

Item 3. Aid to the Blind

- a) If you claim an exemption for money you receive as Aid to the Blind, check here:
- b) Write here the amount of money you receive each month as Aid to the Blind. _____

Item 4. Aid to the Permanently and Totally Disabled

- a) If you claim an exemption for money you receive as Aid to the Permanently and Totally Disabled, check here:
- b) Write here the amount of money you receive as Aid to the Permanently and Totally Disabled each month. _____

M. OTHER FEDERAL EXEMPTIONS

Under Federal law, certain kinds of wages, benefits and other money may be claimed as exempt. Please read the following items and fill in any which apply to you.

Item 1. Federal Employees (Civil Service) Retirement Benefits

a) Are you receiving Federal Employees Retirement Benefits:

- Yes
 No

If you are, these payments are exempt.

b) How much do you receive each month? \$ _____

Item 2. Military Annuities

a) Are you the surviving spouse or child of a deceased person who was retired from the armed forces:

- Yes
 No

b) If you answered "yes" to question a, are you receiving an annuity from the military?

- Yes
 No

- c) If you are, the amount of your annuity is exempt. Write the amount you receive each month here: \$ _____.

Item 3. Foreign Service Retirement

- a) Are you retired from the Foreign Service of the United States?

Yes

No

- b) Are you receiving retirement benefits from the Foreign Service?

Yes

No

These benefits are exempt. Write in the monthly amount you receive here: \$ _____

Item 4. Federal Judicial Survivor's Annuity

- a) Are you the widow or child of a Federal Judge who has died?

Yes

No

- b) Are you receiving an annuity from the Judicial Survivor's Annuity Fund?

Yes

No

Monthly amount: \$ _____

These annuities are exempt.

Item 5. Longshoreman and Harborworkers

- a) Are you receiving benefits under the Longshoreman's and Harborworkers Compensation Act?

Yes

No

- b) If you are, you may claim them as exempt by checking here and writing in the amount you receive each month here: \$ _____

Item 6. Veteran's Benefits

a) Do you receive Veteran's Benefits of any kind from the Veteran's Administration?

Yes

No

b) You may claim your exemption for these benefits by checking here:

c) Write the amount of your benefits here: \$ _____

Item 7. Social Security

a) Do you receive Old Age or Survivor's Benefits under Social Security?

Yes

No

b) How much do you receive each month? \$ _____

These benefits are exempt.

Item 8. Railroad Retirement Benefits

a) Are you a retired railroad worker?

Yes

No

b) Do you receive benefits under the Railroad Retirement Act?

Yes

No

c) How much do you receive each month? \$ _____

These benefits are exempt.

Item 9. Railroad Worker's Unemployment

a) Do you receive benefits from Railroad Workers' Unemployment Insurance?

Yes

No

b) How much do you receive each month? _____

These benefits are exempt.

Item 10. CIA Retirement Act

If you are a retired member of the Central Intelligence Agency, and you receive benefits under the CIA Retirement Act of 1964 for Certain Employees, your benefits are exempt. If you claim such an exemption, check here: Enter the monthly amount of your benefits here: \$ _____

Item 11. Bankruptcy

If you have ever gone into bankruptcy in the Federal Court, you may have some additional exemptions. In order to help the court decide on this, please answer these questions:

a) Have you ever gone into Bankruptcy in a Federal Court?

Yes

No

b) If you are now involved in a bankruptcy case, check here:

c) If you have gone through bankruptcy in the past write the date your bankruptcy proceeding ended here: _____

d) Write the number of your bankruptcy case here: _____

e) Where did you go through bankruptcy? (City and State) _____

Item 12. Fishermen and Seamen

a) Are you a fisherman who works on a fishing boat?

Yes

No

b) Are you a seaman?

Yes

No

If you checked "yes" under either a or b, you may claim an exemption for any back wages owed

to you for working on a fishing boat or as
a seaman. If you claim this exemption, check
here:

Write the amount of back wages owed to you
here _____

STATEMENT

PLEASE READ THIS CAREFULLY: I have read this form in full,
or had it read to me. The answers I have given are true.
I know that I will be required to swear under oath before
the Court at my hearing that my answers are true to the best
of my knowledge. I also know that the Court must decide,
at my hearing, whether the property I have claimed as exempt
really is exempt under the law, and that some of my claimed
exemptions may not be allowed to me if the Court finds that
they are not legally exempt.

Sign your name here

JOURNAL
SUPPLEMENT

HOUSE - SUPPLEMENT NO. 3

February 13, 1970

"Judiciary Committee Report

on

HOUSE BILL NO. 363

This bill modifies the procedural requirements for execution upon the assets of a judgment debtor, where no attorney has appeared or where judgment was obtained by default. In such cases many people, particularly the indigent or unlearned, are completely unaware that state and federal law exempt a basic minimum of property from execution to satisfy a judgment. Existing law, however, also permits execution without any notification to the judgment debtor of those rights.

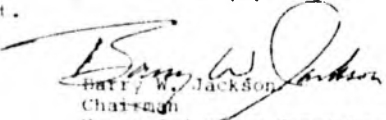
This defeats the established policy of this State, which is intended to enable judgment debtors to retain minimal income and property for their support. A more effective procedure is needed to insure the use of existing exemption rights by indigents and those unaware of their rights.

First, the bill prohibits property from being sold or otherwise disposed of pursuant to a writ of execution for a period of 15 days. This waiting period will not unduly burden the judgment creditor in that assets capable of movement or seizure will be protected by the court.

Second, it provides for a prompt hearing on exemptions claimed, if possible within three days after the judgment debtor has received notice.

Third, the debtor in such cases must receive a notice specifying the property seized or to be sold, which notice must be filed in court with proof of service. The notice must contain an explanation, capable of being understood by a layman, of the various exemptions which exist and a form on which the claimed exemptions may be asserted.

The bill provides that the Alaska Supreme Court prescribe the proper forms to be used. Attached to this report are sample forms, noted with approval by the committee, and it is urged that such forms be adopted by the court to the extent consistent with existing style and form of pleadings and other papers prescribed by the court.



HARRY W. JACKSON
Chairman

House Judiciary Committee"

SAMPLE NOTICE FORM

IN THE _____ COURT OF THE STATE OF ALASKA
_____ JUDICIAL DISTRICT

Plaintiff,)
))
v.))
))
Deferdant.))
_____)

No. _____

A Writ of Execution has been issued against you. The following property claimed to be your property has been seized:

A copy of the Writ of Execution is attached to this notice.

Final sale or disposition of this property will be sought fifteen (15) days after you receive this notice.

Certain of your property may be exempt from execution under Alaska or federal law. These exemptions are explained below. If the execution is directed against exempt property, you may prevent loss of this property by following these steps within fifteen (15) days:

1. Fill out the attached "Assertion of Exemption" form, indicating which of the property stated in the Writ of Execution you claim as exempt, and sign the form.
2. Mail or deliver the form to the clerk of the court _____, room _____, Alaska.

3. Mail or deliver copies of the form to the plaintiff or his attorney. (See above.)

4. Mail or deliver a copy of the form to any person having possession of any property you claim as exempt. For instance, your employer, if you claim that your wages are exempt.

If these steps are followed within fifteen (15) days of the date you received this notice, the property you claim as exempt will not be disposed of. You will then be notified that a hearing will be held to determine whether the property is exempt.

Explanation of Exemptions:

The form is used only to claim an exemption as to property stated in the Writ of Execution.

If the property stated in the Writ of Execution includes any of the following items, fill out the forms and deliver or mail copies as explained above.

The first item on the form, A.1., should be checked and filled in if the Writ of Execution states that your wages, or other money owed to you, is to be attached. A single person may keep \$200 after taxes, in any thirty (30) day period, the head of household may keep \$400 after taxes. Therefore, add all the money you have earned, even if you haven't been paid, from all sources in the last thirty (30) days.

Items A.2., A.3., A.4., A.5. refer to exemptions of other personal property. If the writ of Execution specifies any of these items, check the appropriate places on the form.

Item B. is for exemption of money paid to you as child support under a court order. If the writ of Execution is against any money you have received for

child support, under a court order, whether you have the money or it is in the bank, this item should be checked.

Item D. is your homestead exemption. If the Writ of Execution states that the place where you live, and which you or a member of your family owns, is to be attached, this item should be checked.

Item E. should be checked if the Writ of Execution is directed to any money you have received as unemployment benefits in Alaska. This may only be used if the money has been kept separate from your other money.

Item F. should be checked if the Writ of Execution is directed to money you have received as an award for Workmen's Compensation in Alaska, even if you have put it in the bank.

Item G. includes various exemptions you are allowed under federal law. If the Writ of Execution states that any money is to be attached and you got the money from a Federal pension, soldier's bonus, railroad retirement or soldier's savings, this item should be checked.

ATTORNEY FOR PLAINTIFF

SAMPLE EXEMPTION FORM

IN THE _____ COURT OF THE STATE OF ALASKA
_____, JUDICIAL DISTRICT

)
)
Plaintiff,)
)
v.)
)
Defendant,)

No. _____

ASSERTION OF EXEMPTION

Notice of execution was received by me _____
_____ on _____

_____, 19 __; Of the property specified in the
notice for which execution is sought, exemption is
claimed to the following extent, and by the following
authority:

A. A.S. 9.35.080

- () 1. In the past 30 days I have earned
\$ _____, after taxes, from
all sources. I therefore claim as
exempt the sum of \$ _____. (In
a thirty-day period, you are enti-
tled to \$200 as a single person, \$350
as head of a household. It doesn't
matter if you haven't been paid yet.)
- () 2. Books, pictures and musical instru-
ments up to \$500 in value.
- () 3. Clothing for the use of the family,
or watches and jewelry to \$200 in
value.
- () 4. Tools, equipment or vehicles used in
earning a living, up to \$1000 in
value.
- () 5. Furniture, household goods, utensils
or articles used by family, to \$12,000
in value.

B. A.S. 9.35.085

- () The sum of \$ _____ which was paid
to me under order of court as child
support. The child support came in
No. _____

C. A.S. 9.35.087

() A liquor license owned by me.

D. A.S. 9.35.090

() The home owned by a member of the family, to the value of \$8,000, consisting of up to 160 acres if outside a city or town, or up to 1/4 acre if within a city or town.

E. A.S. 23.20.405

() The sum of \$ _____ received by me as a benefit under the Alaska Employment Security Act, (unemployment payments), which sum has been kept separate from any other funds.

F. A.S. 23.30.160

() The sum of \$ _____ received by me as a payment of compensation under the Alaska Workmen's Compensation Act,

G. Federal exemptions

() Under federal law, the sum of \$ _____ exempt as _____
(Exemptions allowed are pension money - 18 USC 454a; soldier's bonus - 38 USC 610, 616c; homestead 43 USC 175; railroad retirement - 45 USC 228 a-y; soldier's savings - 10 USC 906.)

The claim which gave rise to this execution notice is not based on the purchase price of any property claimed as exempt under Items A(2), A(3), A(4), or A(5).

The above statements of indicated exemptions are correct and valid to the best of my knowledge.

February 13, 1970

HOUSE JOURNAL
SUPPLEMENT

No. 3

DATED at _____, Alaska,
this ____ day of _____, 19 ____.

SB-112
HB-172

April 16, 1971

To: Representative Moran

From: Senator Ziegler

Re: SB 112

Bill:

You and I are probably in accord that Chapter 170, SLA 70 is one of the world's most abominable pieces of legislation, although I am sure we were well-intended at the time it was passed.

This bill, of course, refers to execution of judgments, notice to the non-represented default judgment defendant.

The courts, the clerks thereof, the lawyers, plaintiffs and defendants are all in agreement that the bill does absolutely nothing except create work for everybody and that it does not help those people which it was designed to help.

Attached are many documents which will give you all the back-up material in the world you will need to push SB 112 through. It is an absolute repealer of the 70 statute, coupled with a written guarantee of the Supreme Court of the state of Alaska that a new form of summons will be promulgated by the Court which will tell the defendant that in addition to the fact that a default judgment might be taken against him, that he has certain rights and privileges and what he must do to exercise the same.

I could go on, but if you'll take the time to read the attachments, I think you'll agree with me that the obliteration of the statute plus a more comprehensive summons is a better way to go than Harris's HB 172, which merely conforms to existing statutory law but would shorten the 19-page document which plaintiff's counsel must currently complete and serve.

Bob

Alaska State Legislature

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



MEMBER
RULES
COMMERCE
LEGISLATIVE COUNCIL

Senate

JUDICIARY

February 18, 1971

Alaska State Supreme Court
941 Fourth Avenue
Anchorage, Alaska 99501

Alaska Bar Association
941 Fourth Avenue
Anchorage, Alaska 99501

Anchorage Bar Association
c/o Everett Harris, President
425 G Street
Anchorage, Alaska 99501

Tanana Valley Bar Association
c/o Dallas Phillips, President
300 Barnette Street
Fairbanks, Alaska 99701

Ketchikan Bar Association
c/o W.C. Stump, Vice President
Box 2693
Ketchikan, Alaska 99901

Juneau Bar Association
c/o William G. Ruddy, President
123 Seward Street
Juneau, Alaska 99801

Gentlemen:

The legislature in its wisdom enacted into law last year a statute pertaining to executions. Chapter 170 SLA 1970 is now AS 09.35.035.

Almost everyone seems to think that the concept of acquainting a judgment debtor with all his rights is good, but according to all the information the committee can glean, the rigamarole with which everyone must contend to carry out the provisions

Page Two

of the chapter are much too onerous upon all hands--the plaintiff, the defendant and the judiciary.

I recently introduced SB 112 which would repeal the entire act, thereby putting us back in the position which existed prior to 1970. By no means do I contend that this is the ideal solution, but I think it's preferable to existing law pertaining to executions and the attendant cumbersome procedures.

It has been suggested that the standard form for summonses be modified to spell out in more detail what will happen to a defendant if he doesn't avail himself of his rights. Those rights presumably could be spelled out in less than 19 pages which, of course, a plaintiff must correctly complete and serve upon an unrepresented default defendant under existing law.

The Senate Judiciary committee would appreciate hearing from everyone as to recommended courses of action.

It has also been suggested that a repealer might well be indicated and that the Supreme Court might consider supplementing the repealer with a new form of summons which will alert the debtor to the fact that dire things might happen to him (other than a default judgment being taken against him) if he doesn't assert his rights within a time certain.

Very truly yours,

Robert H. Ziegler, Sr.

RHZ/pks

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SEN ROBERT ZEIGLER

~~SEN ROBERT ZEIGLER~~ JUN 1971 ✓

RESEARCH COMPLETED ON PROBLEM WITH EXECUTION EXEMPTIONS
IF ALASKA STATUTE REPEALED SIMPLIFIED PROCEDURE CAN BE
ESTABLISHED EXTENSIVE LETTER FOLLOWS BY PECIAL DELIVERY
MONDAY

ROBERT ERWIN.

LW/wc 1140A WY



Supreme Court

State of Alaska

941 FOURTH AVENUE
ANCHORAGE, ALASKA
99501

CHIEF JUSTICE
GEORGE F. BONEY

ASSOCIATE JUSTICES
JOHN H. DIMOND
JAY A. RABINOWITZ
ROGER G. CONNOR
ROBERT C. ERWIN

April 12, 1971

The Honorable Robert H. Ziegler, Sr.
Alaska State Senator
c/o Baranof Hotel
Juneau, Alaska 99801

Dear Senator Ziegler:

I am enclosing herewith a copy of a memorandum which I had prepared for me by our staff, concerning the Federal requirements in the execution process.

After review of this matter, it appears that we can satisfy all Federal requirements, even those which we anticipate may come in the future by expanding somewhat on the summons concerning the fact that default judgment may be taken against a party and execution will issue if he does not answer, by including in the execution documents to the police officer a statement of the Federal standards, and by requiring notice of default being given to each judgment debtor before execution issues.

The only basic change that would be required would be an expansion of language in the summons and the execution itself, and a change in the rule which requires notice of default only be sent in those cases where an attorney is present. The same three-day period could be retained, but it would be expanded to include all cases.


While there is distinctly a problem with regard to Federal law and the notice requirements as set down in Sniadach v. Family Finance Corp., 395 U.S. 337 (1969), we

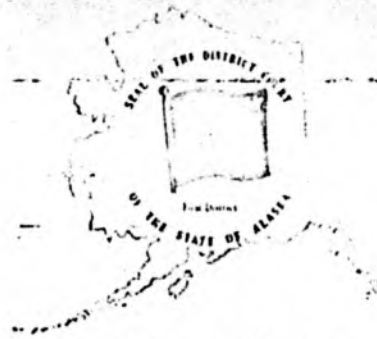
The Honorable Robert H. Ziegler, Sr.
April 12, 1971
Page Two

feel that it would be better to be safe in anticipating Federal standards with the notice of default than to ignore this probability and possible case law which would require notice before the execution could be issued.

We realize that we are on the safe side of this particular issue and we are attempting to anticipate the movement of either Federal case or statutory law. An argument can be made either way. However, the Supreme Court is interested in solving the rather difficult problem posed by the statute requiring us to explain all exemptions to the judgment debtor (which practically is impossible while still complying with Federal standards expressed in both federal case law and new Federal statutes.

Sincerely,


Robert C. Erwin
Associate Justice



District Court

State of Alaska

FIRST JUDICIAL DISTRICT

BOX 707

KETCHIKAN, ALASKA

99901

February 18, 1971

Senator Robert H. Ziegler, Sr.
Alaska State Senate
Pouch U
Juneau, Alaska 99801

Re: Opinions on Alaska Statute 09.35.035:
Default Judgment or NonAppearance of Attorney
for Judgment Debtor

My dear Senator Ziegler:

My comments with respect to the Alaska Statute your Senate Bill No. 112 would repeal are in addition to those sent in by my Clerk, Mrs. Doris Volzke. I can only amplify what she has said because she is actually the person to whom I have delegated the onerous work made necessary by the passage of Chapter 175 of the Session Laws of 1970. This added Alaska Statute 09.35.035 to our Code of Civil Procedure.

// This law in the main affects persons in Small Claims Court which now involve amounts up to \$1,000.00. Generally, such claims are prosecuted by nonlawyers against persons who do not employ a lawyer. The intent of a Small Claims Court is to settle disputes involving small amounts of money without the expense, time, or technical procedures required in the employment of attorneys. The basic idea has always been for two people to come into a court and informally advise the judge of the nature of the complaint and to have the judge settle the matter for them. Very seldom does an attorney appear in Small Claims Court. This, of course, was the situation prior to the passage of the instant legislation which resulted in the appearance of a 19-page document emanating from the Alaska Supreme Court. This document is so complicated and so detailed that I have never been able to read it at one sitting. Attorneys who have seen it have refused to use it without first conferring with an accountant. The average layman to whom it is referred is immediately struck with the complexity of the document.

February 18, 1971

Through the use of the form setting forth exemptions to which the defendants are entitled, the burden of the proof is shifted to the plaintiff, who must prove that the defendant is not entitled to certain exemptions, and therefore, the money the plaintiff has found is subject to payment of the debts. There is no provision for service. The cost of service required by the delivery of the document to the defendant is added to the defendant's cost and, therefore, compounds his indebtedness. Although there is an acknowledgment section of the document for the defendant acknowledging that he has received this, there is no onus upon him to actually fill this out and return it to the court.

The personnel of the court are required to give legal advice in all cases to persons required as plaintiffs to provide these documents and as defendants to know what they have in their hand. The clerks are not lawyers. I do not think that it is the intent of this particular piece of legislation to call upon the courts to provide free legal advice for small claims matters to this extent.

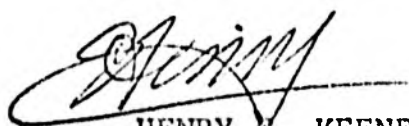
The instant statute also requires the court to designate a Trustee, and provides that the funds attached be handled in a special manner by this Trustee. This places upon the Trustee a burden entailing liability for the proper and special handling of the funds. This is an increasing burden upon the Clerk of the Court in handling Small Claims, which are supposed to be handled in a simplified manner.

Not only is the court required to give advice and educate people on the meaning of these forms, but at the same time the court is required to maintain a supply of the forms, to store them, to provide them, and to charge for them, in accordance with the orders of the Administrative Director of the courts.

In view of the fact that the Supreme Court of the State of Alaska has in the past not provided instructions for the operation of the Small Claims Court, I feel that this implementation of the instant statute is an extremely technical, work-producing and unnecessary facet of Small Claims into which the Court has thrust itself, complicating and destroying the entire intent of the mechanism of this particular branch of the District Court.

I hope that somewhere in this material which I am forwarding to you, you will find points of justification for the repeal of Alaska Statute 09.35.035. I am certain the the repeal of this statute will benefit all parties concerned, including the parties defendant who were intended to be protected thereby.

Very truly yours,



HENRY C. KEENE, JR.
DISTRICT JUDGE



District Court

State of Alaska

FIRST JUDICIAL DISTRICT

BOX 707

KETCHIKAN, ALASKA

99901

18th February 1971

The Honorable R. H. Ziegler, Sr.
Senator
Alaska State Senate
Pouch U
Juneau, Alaska 99801

RE: HB 363 am S

SENATE BILL NO. 112

Dear Bob:

This is in reference to HB 363 am S passed some months ago relating to the executions of judgment. Effective date of said bill was September 7, 1970.

Prior to passage of this bill, the work load in this District Court office pertaining to civil was 60%, criminal case load 25%, other 5%.

Since September 1970, paper work pertaining to civil cases(closed) has increased threefold in that;

The HB-363-am-S bill requires that for every execution issued that a nineteen(19) page form be filled out by the defendant, form furnished by the plaintiff; [the 19 page form with all questions to be answered by the defendant scares the defendant and he feels by this time he must obtain an attorney; which means additional cost for an attorney, costs of service fees of said writ to be served to employer and copy of writ to be served to the defendant, end results--costs added to defendants bill;

if the defendant signs the for claiming exemptions, a hearing date must be set by the court--additional cost of serving notice of hearing--all this time and typing of course is time consuming by staff of the courts.

Hearing is held--decisions rendered--more paper work by the clerk, more filing cabinet space needed.

The intent of this bill is to protect the judgment debtor. Todate it has caused confusion, added costs to judgment debtor, added work

Senator R.H. Ziegler, Sr.

RE: HB 363 am S

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to the court and staff, and as Clerk of this District Court for 11 years I see no advantage of this bill.

I personally thank you for introducing SENATE BILL NO. 112.

Passage of Senate Bill No. 112 will lessen civil case load of the courts and I know that all persons concerned will be ever grateful.

Thanking you in advance for your time and effort, I remain,

Sincerely,

Doris M. Volzke

(Mrs) Doris M. Volzke
Clerk-District Court
P. O. Box 707
Ketchikan, Alaska 99901

3/24/71

COMMENTS ON HOUSE BILL NO. 180

"AN ACT RELATING TO MARINE RADIO COMMUNICATIONS"

In an effort to determine whether the proposed Act was in conflict with existing regulations, either international or domestic, I have reviewed the laws covering the use of radiotelephone on vessels of varying sizes. Extracts from the International Safety of Life at Sea (SOLAS), The Communications Act of 1934, and the Federal Communications Commission's Rules and Regulations are attached.

It would appear that a gap exists in these regulations so far as requiring radiotelephone capability on the bridge of vessels which are required to be equipped with radiotelegraph by international law. There further appears to be no clear-cut requirement for small cargo vessels to be equipped with radiotelephone.

There is another section of the regulations that seems to leave some doubt as to what is actually required or intended.

In the attached FCC regulations, Section 83.223 and Section (b) reads in part, "...shall, during its hours of service for telephony, maintain an efficient watch for the reception of A3 and A3H emissions on the authorized carrier frequency 2182 kc/s,..." I have requested from the FCC clarification of the "...hours of service for telephony,..." but have not yet received a reply.

The proposed bill has been discussed with the Engineer in Charge for the FCC in Alaska, who offered the suggestion that the Act be referred to the FCC for review and comments. Such a procedure would, of course, take considerable time.

The intent of House Bill No. 180, to insure better communications between itinerant and local vessels, is certainly in the best interest of all concerned. Some minor changes in the wording might be helpful in clarifying the requirements of the proposed Act; for instance, line 21 could be made to read:

"With at least five channels, including standard VHF calling and distress frequencies,..."

Lines 23 and 24 could read:

"...channels, including standard radiotelephone calling and distress frequencies is installed and capable of being operated from the bridge or wheelhouse of the vessel."

Line 26 could read:

"...times on the applicable standard calling and distress frequency by a person qualified to operate radio equipment of the type..."

Section 30.07.020 appears to be blanket authority for the Department of Commerce to write regulations controlling all marine communications in the State. I doubt that this is either necessary or desirable.


C. L. Buck, Director
Division of Communications

Attachments:

- I - SOLAS
- II - The Communications Act of 1934
- III - FCC Rules and Regulations, Part 83

EXCERPTS FROM

INTERNATIONAL SAFETY OF LIFE AT SEA

(SOLAS)

March 24, 1971

Regulation 3 - Radiotelegraph Station

Passenger ships irrespective of size and cargo ships of 1,600 tons gross tonnage and upwards, unless exempted under Regulation 5 of this Chapter, shall be fitted with a radiotelegraph station complying with the provisions of Regulations 8 and 9 of this Chapter.

Regulation 4 - Radiotelephone Station

Cargo ships of 300 tons gross tonnage and upwards but less than 1,600 tons gross tonnage, unless fitted with a radiotelegraph station complying with the provisions of Regulations 8 and 9 of this Chapter shall, provided they are not exempted under Regulation 5 of this Chapter, be fitted with a radiotelephone station complying with the provisions of Regulations 14 and 15 of this Chapter.

Regulation 5 - Exemptions from Regulations 3 and 4

(a) The Contracting Governments consider it highly desirable not to deviate from the application of Regulations 3 and 4 of this Chapter; nevertheless the Administration may grant to individual passenger or cargo ships exemptions of a partial and/or conditional nature, or complete exemption from the requirements of Regulation 3 or Regulation 4 of this Chapter.

(b) The exemptions permitted under paragraph (a) of this Regulation shall be granted only to a ship engaged on a voyage where the maximum distance of the ship from the shore, the length of the voyage, the absence of general navigational hazards, and other conditions affecting safety are such as to render the full application of Regulation 3 or Regulation 4 of this Chapter unreasonable or unnecessary. When deciding whether or not to grant exemptions to individual ships, Administrations shall have regard to the effect that exemptions may have upon the general efficiency of the distress service for the safety of all ships. Administrations should bear in mind the desirability of requiring ships which are exempted from the requirement of Regulation 3 of this Chapter to be fitted with a radiotelephone station which complies with the provisions of Regulations 14 and 15 of this Chapter as a condition of exemption.

(c) Each Administration shall submit to the Organization as soon as possible after the first of January in each year a report showing all exemptions granted under paragraphs (a) and (b) of this Regulation during the previous calendar year and giving the reasons for granting such exemptions.

Regulation 7 - Watches--Radiotelephone

(a) Each ship which is fitted with a radiotelephone station in accordance with Regulation 4 of this Chapter shall, for safety purposes, carry at least one radiotelephone operator (who may be the master, an officer or a member of the crew holding only a certificate for radiotelephony) and shall, subject to the provisions of paragraph (b) of this Regulation, while at sea, maintain continuous listening watch on the radiotelephone distress frequency, in the place on board from which the ship is usually navigated, using a loud-speaker or other appropriate means.

(b) Listening may be discontinued

(i) when the receiving equipment is being used for traffic on another frequency and a second receiver is not available; or

(ii) when, in the opinion of the master, conditions are such that maintenance of the listening watch would interfere with the safe navigation of the ship.

Listening watch should, however, as far as possible be maintained during the silence periods provided for in the Radio Regulations.

Regulation 14 - Radiotelephone Stations

- (a) The radiotelephone station shall be in the upper part of the ship and so located that it is sheltered to the greatest possible extent from noise which might impair the correct reception of messages and signals.
- (b) There shall be efficient communication between the radiotelephone station and the bridge.
- (c) A reliable clock shall be securely mounted in such a position that the entire dial can be easily observed from the radiotelephone operating position.
- (d) A reliable emergency light shall be provided, independent of the system which supplies the normal lighting of the radiotelephone installation, and permanently arranged so as to be capable of providing adequate illumination of the operating controls of the radiotelephone installation, of the clock required by paragraph (c) of this Regulation and of the card of instructions required by paragraph (f).
- (e) Where a source of energy consists of a battery or batteries, the radiotelephone station shall be provided with a means of assessing the charge condition.
- (f) A card of instructions giving a clear summary of the radiotelephone distress procedure shall be displayed in full view of the radiotelephone operating position.

Regulation 15 - Radiotelephone Installations

(a) The radiotelephone installation shall include a transmitter, a receiver and a source of energy.

(b) The transmitter shall be capable of transmitting on the radiotelephone distress frequency and on at least one other frequency in the bands between 1,605 kc/s and 2,850 kc/s, using the class of emission assigned by the Radio Regulations for these frequencies. In normal operation the transmitter shall have a depth of modulation of at least 70 per cent, at peak intensity.

(c) (i) In the case of cargo ships of 500 tons gross tonnage and upwards but less than 1,600 tons gross tonnage the transmitter shall have a minimum normal range of 150 miles; i.e., it shall be capable of transmitting clearly perceptible signals from ship to ship by day and under normal conditions and circumstances over this range* (Clearly perceptible signals will normally be received if the R.M.S. value of the field strength produced at the receiver by the unmodulated carrier is at least 25 microvolts per metre):

(ii) In the case of cargo ships of 300 tons gross tonnage and upwards but less than 500 tons gross tonnage--

for existing installations the transmitter shall have a minimum normal range of at least 75 miles;

for new installations the transmitter shall produce a power in the aerial of at least 15 watts (unmodulated carrier).

(d) The transmitter shall be fitted with a device for generating the radiotelephone alarm signal by automatic means. The device shall be capable

*In the absence of field strength measurements, it may be assumed that this range will be obtained by a power in the aerial of 15 watts unmodulated carrier) with an aerial efficiency of 27 per cent.

Regulation 15 - Radiotelephone Installations (cont'd)

of being taken out of operation at any time in order to permit the immediate transmission of a distress message. The Administration may delay the application of the requirement for the device in the case of existing installations for a period not exceeding three years from the date of coming into force of the present Convention.

(e) The device required by paragraph (d) of this Regulation shall comply with the following requirements:--

- (i) The tolerance of the frequency of each tone shall be ± 1.5 per cent;
- (ii) The tolerance on the duration of each tone shall be ± 50 milliseconds;
- (iii) The interval between successive tones shall not exceed 50 milliseconds;
- (iv) The ratio of the amplitude of the stronger tone to that of the weaker shall be within the range 1 to 1.2.

(f) The receiver required by paragraph (a) of this Regulation shall be capable of receiving the radiotelephone distress frequency and at least one other frequency available for maritime radiotelephone stations in the bands between 1,605 kc/s and 2,850 kc/s, using the class of emission assigned by the Radio Regulations for these frequencies. In addition, the receiver shall permit the reception of such other frequencies, using the class of emission assigned by the Radio Regulations, as are used for the transmission by radiotelephony of meteorological messages and such other communications relating to the safety of navigation as may be considered necessary by the Administration. The receiver shall have sufficient sensitivity to produce signals by means of a loudspeaker when the receiver input is as low as 50 microvolts.

Regulation 15 - Radiotelephone Installations (cont'd)

(g) The receiver used for maintaining watch on the radiotelephone distress frequency shall be preset to this frequency, or so arranged that setting to the frequency may be carried out in a rapid and precise manner and that, when set to this frequency, the receiver shall not easily be detuned accidentally. The Administration may delay the application of the requirements of this paragraph in the case of existing installations for a period not exceeding three years from the date of coming into force of the present Convention.

(h) To permit rapid change-over from transmission to reception when manual switching is used, the control for the switching device shall, where practicable, be located on the microphone or the telephone handset.

EXCERPTS FROM
THE COMMUNICATIONS ACT OF 1934
AS AMENDED
March 24, 1971

Section 351. Ship Radio Installations and Operations

(a) Except as provided in Section 352 hereof it shall be unlawful--

(1) For any ship of the United States, other than a cargo ship of less than five hundred gross tons, to be navigated in the open sea outside of a harbor or port, or for any ship of the United States or any foreign country, other than a cargo ship of less than five hundred gross tons, to leave or attempt to leave any harbor or port of the United States for a voyage in the open sea, unless such ship is equipped with an efficient radio installation in operating condition in charge of and operated by a qualified operator or operators, adequately installed and protected so as to insure proper operation, and so as not to endanger the ship and radio installation, as hereinafter provided, and in the case of a ship of the United States, unless there is on board a valid station license issued in accordance with this Act: Provided, That the Commission may defer the application of the provisions of this section for a period not beyond January 1, 1955, with respect to cargo ships of less than sixteen hundred gross tons not subject to the radio requirements of the Safety Convention when it is found impracticable to obtain or install equipment necessary for compliance therewith;

(2) For any ship of the United States of sixteen hundred gross tons, or over, to be navigated outside of a harbor or port, in the open sea, or for any such ship of the United States or any foreign country to leave or attempt to leave any harbor or port of the United States for a voyage in the open sea, unless such ship is equipped with an efficient radio

Section 351. Ship Radio Installations and Operations (cont'd)

direction finding apparatus (radio compass) properly adjusted in operating condition as hereinafter provided, which apparatus is approved by the Commission: Provided, That the Commission may defer the application of the provisions of this section with respect to radio direction finding apparatus to a ship or ships between one thousand six hundred and five thousand gross tons for a period not beyond November 19, 1954, if it is found impracticable to obtain or install such direction finding apparatus.

(b) A ship which is not subject to the provisions of this part at the time of its departure on a voyage shall not become subject to such provisions on account of any deviation from its intended voyage due to stress of weather or any other cause over which neither the master, the owner, nor the charterer (if any) has control.

Section 354. Operators, Watches--Radiotelephone Equipped Ships

(a) Each cargo ship fitted with a radiotelephone installation in accordance with section 356 shall, for safety purposes, carry at least one qualified operator who may be a member of the crew holding only a certificate for radio telephony.

(b) Each cargo ship of the United States fitted with a radiotelephone installation in accordance with section 356 shall, while being navigated outside a harbor or port, keep a listening watch in such manner and during such periods as determined by the Commission.

Section 356. Technical Requirements--Radiotelephone Equipped Ships

Cargo ships of less than sixteen hundred gross tons may, in lieu of the radiotelegraph installation prescribed by section 355, carry a radiotelephone installation meeting the following requirements:

- (a) The ship's radiotelephone installation shall be in the upper part of the ship and, unless situated on the bridge, there shall be efficient communication with the bridge.
- (b) The radiotelephone installation shall be capable of transmitting and receiving on the frequencies and with types of emissions designated by the Commission pursuant to law for the purpose of distress and safety of navigation.
- (c) The transmitter shall be capable of transmitting clearly perceptible signals from ship to ship during daytime, under normal conditions and circumstances, over a minimum normal range of one hundred and fifty nautical miles.

Section 381. Radio Installations on Vessels Carrying Passengers for Hire

Except as provided in section 382, it shall be unlawful for any vessel of the United States, transporting more than six passengers for hire, to be navigated in the open sea or any tidewater within the jurisdiction of the United States adjacent or contiguous to the open sea, unless such vessel is equipped with an efficient radiotelephone installation in operating condition.

Section 385. Radio Installations on Vessels Carrying Passengers for Hire.

The Commission shall make such inspections as may be necessary to insure compliance with the requirements of this part.

EXCERPTS FROM
THE COMMUNICATIONS ACT OF 1934
AS AMENDED
March 24, 1971

Section 351. Ship Radio Installations and Operations

(a) Except as provided in Section 352 hereof it shall be unlawful--

(1) For any ship of the United States, other than a cargo ship of less than five hundred gross tons, to be navigated in the open sea outside of a harbor or port, or for any ship of the United States or any foreign country, other than a cargo ship of less than five hundred gross tons, to leave or attempt to leave any harbor or port of the United States for a voyage in the open sea, unless such ship is equipped with an efficient radio installation in operating condition in charge of and operated by a qualified operator or operators, adequately installed and protected so as to insure proper operation, and so as not to endanger the ship and radio installation, as hereinafter provided, and in the case of a ship of the United States, unless there is on board a valid station license issued in accordance with this Act: Provided, That the Commission may defer the application of the provisions of this section for a period not beyond January 1, 1955, with respect to cargo ships of less than sixteen hundred gross tons not subject to the radio requirements of the Safety Convention when it is found impracticable to obtain or install equipment necessary for compliance therewith;

(2) For any ship of the United States of sixteen hundred gross tons, or over, to be navigated outside of a harbor or port, in the open sea, or for any such ship of the United States or any foreign country to leave or attempt to leave any harbor or port of the United States for a voyage in the open sea, unless such ship is equipped with an efficient radio

Section 351. Ship Radio Installations and Operations (cont'd)

direction finding apparatus (radio compass) properly adjusted in operating condition as hereinafter provided, which apparatus is approved by the Commission: Provided, That the Commission may defer the application of the provisions of this section with respect to radio direction finding apparatus to a ship or ships between one thousand six hundred and five thousand gross tons for a period not beyond November 19, 1954, if it is found impracticable to obtain or install such direction finding apparatus.

(b) A ship which is not subject to the provisions of this part at the time of its departure on a voyage shall not become subject to such provisions on account of any deviation from its intended voyage due to stress of weather or any other cause over which neither the master, the owner, nor the charterer (if any) has control.

Section 354. Operators, Watches—Radiotelephone Equipped Ships

(a) Each cargo ship fitted with a radiotelephone installation in accordance with section 356 shall, for safety purposes, carry at least one qualified operator who may be a member of the crew holding only a certificate for radio telephony.

(b) Each cargo ship of the United States fitted with a radiotelephone installation in accordance with section 356 shall, while being navigated outside a harbor or port, keep a listening watch in such manner and during such periods as determined by the Commission.

Section 356. Technical Requirements--Radiotelephone Equipped Ships

Cargo ships of less than sixteen hundred gross tons may, in lieu of the radiotelegraph installation prescribed by section 355, carry a radiotelephone installation meeting the following requirements:

- (a) The ship's radiotelephone installation shall be in the upper part of the ship and, unless situated on the bridge, there shall be efficient communication with the bridge.
- (b) The radiotelephone installation shall be capable of transmitting and receiving on the frequencies and with types of emissions designated by the Commission pursuant to law for the purpose of distress and safety of navigation.
- (c) The transmitter shall be capable of transmitting clearly perceptible signals from ship to ship during daytime, under normal conditions and circumstances, over a minimum normal range of one hundred and fifty nautical miles.

Section 381. Radio Installations on Vessels Carrying Passengers for Hire

Except as provided in section 382, it shall be unlawful for any vessel of the United States, transporting more than six passengers for hire, to be navigated in the open sea or any tidewater within the jurisdiction of the United States adjacent or contiguous to the open sea, unless such vessel is equipped with an efficient radiotelephone installation in operating condition.

Section 385. Radio Installations on Vessels Carrying Passengers for Hire.

The Commission shall make such inspections as may be necessary to insure compliance with the requirements of this part.

EXCERPTS FROM

FEDERAL COMMUNICATIONS COMMISSION

RULES AND REGULATIONS, PART 83 SHIPBOARD MARITIME SERVICE

March 24, 1971

Section 83.103 Location of station.

All components of a station on board ship subject to this part, including the antenna(s), antenna supporting structures, and source(s) of power used to energize the station equipment, shall be located on board the vessel identified in the station license, even though the vessel be temporarily moored. For purposes of communication, no component of a ship station shall be connected by wire line directly or indirectly to any equipment, apparatus, or facilities which are not located entirely on board the vessel identified in the station license: Provided, That the limitations of this section shall not apply (a) when the station is being operated in an emergency under provisions of Section 83.75, or (b) when it is necessary, while the ship is temporarily moored, to energize one or more components of a main installation or an emergency installation by means of a source of power not located on board the ship, for the purpose of assuring compliance with any applicable safety radio requirement of law.

Section 83.104 Operating controls.

(a) In each ship station, operating controls shall be readily available at the principal operating location of the station for instant use by the authorized operator in accordance with the provisions of Section 83.154, whenever the station is being used for transmission, capable of being used to:

- (1) Commence and discontinue normal operation of the station;
- (2) Change normally from each operating radio-channel to any other associated operating radio-channel in the same characteristic portion of the spectrum; and
- (3) Change normally from transmission to reception and vice-versa.

(b) Every ship station using telegraphy for normal traffic shall be provided with a device permitting changeover from telegraph transmission to telegraph reception and vice versa without manual switching. In addition, these stations should be able to listen on the reception frequency during the course of periods of transmission.

(c) Every ship station using telephony shall, when an authorized operator is present at the principal operating location, be capable of change-over from telephone transmission to telephone reception and vice-versa within a total period of two seconds under circumstances which do not require a change in operating radio-channel at the same time.

(d) Every ship station shall, during its hours of service and when the authorized operator is present at the principal operating location, be capable of:

- (1) Commencing operation within one minute after the need to do so occurs;

Section 83.104 Operating controls (cont'd).

(2) Discontinuing all emission within five seconds after emission is no longer required or after the necessity arises for emission to cease.

(e) Each ship station using a multichannel installation for telegraphy (except equipment intended for use only in emergencies on frequencies below 515 kc/s) shall, when the authorized operator is present at the principal operating location, be capable of changing, after the need to do so occurs, from each operating radio channel to any other operating radio channel for transmission or reception by means of telegraphy within:

(1) A period of five seconds if the particular radio channels are within the same characteristic portion of the spectrum; or

(2) A period of fifteen seconds if the particular radio channels are not within the same characteristic portion of the spectrum.

(f) Every ship station and marine-utility station using a multi-channel installation for telephony shall, when the authorized operator is present at the principal operating location, be capable of changing, after the need to do so occurs, from one operating radio-channel to another operating radio-channel for transmission or reception by means of telephony within:

(1) A period of five seconds, when changing from the calling frequency to a working frequency and vice versa within the band 1600-4000 kc/s; or

(2) A period of three seconds, when changing from the calling frequency to a working frequency and vice versa within the band 156-174 Mc/s.

(g) Whenever the same carrier frequency is used for radiotelephone transmission and reception, means shall be provided so that transmission may be either automatically "voice-controlled" or controlled manually by the person whose speech is being transmitted.

Section 83.104 Operating controls (cont'd).

(h) (1) Subject to the provisions of subparagraph (2) of this paragraph, each ship station using telegraphy on frequencies within the band 405 kc/s to 535 kc/s must, with respect to the use of any transmitter capable of a plate input power in excess of 450 watts and completed in construction subsequent to January 1, 1952, be provided with an arrangement readily permitting the use of a plate input power for telegraphy which is not in excess of 200 watts. Each such transmitter shall be furnished with a durable nameplate with the month and year of its completion permanently inscribed thereon.

(2) The requirement of subparagraph (1) of this paragraph shall not apply when there is available in the same station a duly authorized radiotelegraph transmitter capable of operation on the international calling frequency 500 kc/s and at least one working frequency within the band 405 kc/s to 485 kc/s, capable of being energized by a source of power other than an emergency power supply installed for compliance with applicable provisions of treaty or statute, and not capable of a plate input power in excess of 450 watts when operated on such frequencies.

(i) The frequency selector switch on transmitters employing single sideband shall automatically provide for A3H emission when the transmitter is operated on 2003 (in the Great Lakes area), 2182 or 2638 kc/s.

Section 83.106 Required frequencies for radiotelephony.

(a) Each ship radiotelephone station licensed to operate in the band 1605 to 3500 kc/s shall be able to transmit A3 or A3H emission¹ and receive A3 emission¹ on the carrier frequency 2182 kc/s, and, if used for other than safety communication, shall be capable also of transmitting A3 or A3H emission¹ and receive class A3 emission¹ on at least two other frequencies within that band.

(b) Each ship station equipped with radiotelephony to work in the authorized bands between 156 and 162 Mc/s shall be able to transmit and receive Class F3 emission on:

- (1) The Distress, Safety and Calling frequency 156.800 Mc/s;
- (2) The primary Intership Safety frequency 156.300 Mc/s;
- (3) One or more working frequencies; and
- (4) All other frequencies necessary for its service;
- (5) Exceptionally, however, single or dual channel equipment which otherwise conforms to the technical requirements of this part, may be used solely for navigational communications on a ship's bridge, on a frequency designated for such navigational purposes, in those cases where such ships have no requirement for other VHF communications.

¹Subject to the limitations set forth in Section 83.132.

NOTE: The licensee of a ship station authorized prior to September 3, 1968, for single channel or dual channel equipment may continue to use such equipment in the same station until January 1, 1974.

Section 83.153 Location of operator.

When an operator is required for the operation of a station subject to this part, such operator shall, whenever the transmitting apparatus is being operated, be on duty at the principal operating position or a control point of the station and, subject to the lawful authority of the master, shall be in charge of the station.

Section 83.155 Operator(s) required by Title III of Communications Act of 1934.

(a) Each passenger ship of the United States which in accordance with Part II of Title III of the Communications Act is equipped with a radiotelegraph station shall for safety purposes carry at least one radio officer holding a radiotelegraph first-class operator license, and in addition at least one radio officer holding a radiotelegraph first- or second-class operator license or a temporary limited radiotelegraph operator license: Provided, That the holder of a radiotelegraph second-class operator license or a temporary limited radio-telegraph operator license may not act as chief radio officer.

(b) Each cargo ship of the United States which in accordance with Part II of Title III of the Communications Act is equipped with a radiotelegraph station, which is not fitted with a radiotelegraph auto alarm in proper operating condition, shall for safety purposes carry at least two radio officers, each of whom shall hold a radiotelegraph first- or second-class operator license or a temporary limited radiotelegraph operator license: Provided, That the holder of a radiotelegraph first- or second-class operator license or a temporary limited radiotelegraph operator license may not act as chief radio officer until he has had at least 6 months satisfactory service in the aggregate as a qualified radiotelegraph operator in a station on board a ship or ships of the United States.

(c) Each cargo ship of the United States which in accordance with Part II of Title III of the Communications Act is equipped with a radiotelegraph station, which is fitted with a radiotelegraph auto alarm in proper

Section 83.155 Operator(s) required by Title III of Communications

Act of 1934 (cont'd).

operating condition, shall for safety purposes carry at least one radio officer holding a radiotelegraph first- or second-class operator license or a temporary limited radiotelegraph operator license, who has had at least 6 months' satisfactory service in the aggregate as a qualified radiotelegraph operator in a station on board a ship or ships of the United States.

(d) Each cargo ship of the United States which in accordance with Part II of Title III of the Communications Act is equipped with a radiotelephone station shall for safety purposes carry at least one qualified operator.

Where the power of the station does not exceed 250 watts carrier power or 1,000 watts peak envelope power, such operator shall hold a radiotelephone third-class operator permit or higher class of operator authorization.

Where the power of the station exceeds 250 watts carrier power or 1,000 watts peak envelope power, such operator shall, as a minimum, hold a radiotelephone second-class operator license.

(e) Each vessel of the United States transporting more than six passengers for hire, which in accordance with Part III of Title III of the Communications Act is equipped with a radiotelephone installation, shall for safety purposes carry at least one qualified operator. Where the power of the station does not exceed 250 watts carrier power or 1,000 watts peak envelope power, such operator shall hold a radiotelephone third-class operator permit or higher class of operator authorization. Where the power of the station exceeds 250 watts carrier power or 1,000 watts peak envelope power, such operator shall, as a minimum, hold a radiotelephone second-class operator license.

Section 83.156 Operator(s) required by the Safety Convention.

(a) Each ship of the United States which is not subject to Part II of Title III of the Communications Act but which in accordance with the radio provisions of the Safety Convention is equipped with a radiotelegraph station, shall for safety purposes carry at least the number of radio officers specified in subparagraphs (1) and (2) of this paragraph:

(1) If fitted with a radiotelegraph auto alarm in proper operating condition:

(i) Each cargo ship, and each passenger ship carrying or certificated to carry 250 passengers or less, or more than 250 passengers but engaged on a voyage of less than 16 hours duration between two consecutive ports, shall carry at least one radio officer holding a radiotelegraph first- or second-class operator license or a temporary limited radiotelegraph operator license; who has had at least 6 months' satisfactory service in the aggregate as a qualified radiotelegraph operator in a station on board a ship or ships of the United States;

(ii) Each passenger ship carrying or certificated to carry more than 250 passengers and engaged on a voyage exceeding 16 hours duration between two consecutive ports, shall carry at least two radio officers, each of whom shall hold a radiotelegraph first- or second-class operator license or a temporary limited radiotelegraph operator license: Provided, That the holder of a radiotelegraph second-class operator license or a temporary limited radiotelegraph operator license may not act as chief radio officer until he has had at least 6 months' satisfactory service in the aggregate as a qualified radiotelegraph operator in a station on board a ship or ships of the United States;

Section 83.156 Operator(s) required by the Safety Convention (cont'd).

(2) If not fitted with a radiotelegraph auto alarm in proper operating condition:

(i) Each cargo ship shall carry at least two radio officers, each of whom shall hold a radiotelegraph first- or second-class operator license or a temporary limited radiotelegraph operator license: Provided, That the holder of a radiotelegraph first- or second-class operator license or a temporary limited radiotelegraph operator license may not act as chief radio officer until he has had at least 6 months' satisfactory service in the aggregate as a qualified radiotelegraph operator in a station on board a ship or ships of the United States;

(ii) Each passenger ship shall carry at least one radio officer holding a radiotelegraph first-class operator license, and in addition at least one radio officer holding a radiotelegraph first- or second-class operator license or a temporary limited radiotelegraph operator license: Provided, That the holder of a radiotelegraph second-class operator license or a temporary limited radiotelegraph operator license may not act as chief radio officer.

(b) Each cargo ship of the United States which is not subject to Part II of Title III of the Communications Act but which in accordance with the radio provisions of the Safety Convention is equipped with a radiotelephone station, shall for safety purposes carry at least one qualified operator. Where the power of the station does not exceed 250 watts carrier power or 1,000 watts peak envelope power such operator shall hold a radiotelephone third-class operator permit or higher class of operator authorization.

Where the power of the station exceeds 250 watts carrier power or 1,000

Section 83.156 Operator(s) required by the Safety Convention (cont'd).

watts peak envelope power such operator shall, as a minimum, hold a radio-
telephone second-class operator license.

Section 83.159 Operator requirements for noncompulsory stations.

| <u>Description of station</u> | <u>Minimum Operator Authorization</u> |
|--|---------------------------------------|
| Public ship telegraph, all categories | T-2 or TLT |
| Limited ship telegraph | T-3 |
| Public or limited ship telephone, more than 250 watts carrier power or 1,000 watts peak envelope power | P-2 |
| Public or limited ship telephone, not more than 250 watts carrier power or 1,000 watts peak envelope power | P-3 |
| Public or limited ship telephone, not more than 100 watts carrier power or 400 watts peak envelope power | RP |
| Marine utility ship | RP |
| Ship radiolocation-test, using radar only | P-2, with ship-radar endorsement. |

Section 83.173 Authority of the master.

(a) Except as may be regulated by law or international agreement or by the rules of the Commission, the service of each station on board ship shall at all times be under the supreme control of the master, who shall require that each operator of such station comply with the International Radio Regulations in force and that the ship station for which the operator is responsible is used, at all times, in accordance with those regulations.

(b) However, during any period in which the Department of Defense lawfully may exercise and is in fact lawfully exercising emergency controls over United States merchant shipping, no provisions of the Commission's rules and regulations shall prevent the master of any ship of the United States from taking any action whatsoever in regard to the radio installation, the operators, the transmission and receipt of messages, and the radio service of the ship whenever in his discretion such action is necessary to carry out instructions of the Department of Defense.

Section 83.183 Hours of service of ship stations.

(a) Ship stations whose service is not continuous may not close before:

- (1) Finishing all operations resulting from a distress call, or urgency or safety signal;
- (2) Exchanging, so far as practicable and within the scope of their normal operation, all traffic originating in or destined for public coast stations situated within their range and mobile stations which, being within their range, have indicated their presence before the actual cessation of communication.

Section 83.202 Watch required on vessels subject to the Communications Act.

(a) Each ship of the United States which is equipped with a radiotelegraph station for compliance with part II of title III of the Communications Act shall, while being navigated in the open sea outside of a harbor or port, keep a continuous and efficient watch on 500 kc/s by means of radio officers: Provided, however, That in lieu thereof on a cargo ship equipped with a radiotelegraph auto alarm in proper operating condition an efficient watch on 500 kc/s shall be maintained by means of a radio officer for at least 8 hours per day in the aggregate; i.e., for at least one-third of each day or portion of each day that the vessel is navigated in the open sea outside of a harbor or port.

(b) Each cargo ship of the United States which is equipped with a radio-telephone station for compliance with part II of title III of the Communications Act shall, while being navigated in the open sea outside of a harbor or port, keep a continuous and efficient watch on 2182 kc/s in the room from which the vessel is normally steered while at sea, whenever such station is not being used for authorized traffic. Such watch shall be maintained by at least one officer or member of the crew of the vessel who has been designated by the master to do so. The person designated by the master may simultaneously perform other duties relating to the operation or navigation of the vessel, provided such other duties do not interfere with the effectiveness of the watch.

(c) Each vessel of the United States transporting more than six passengers for hire, which is equipped with a radio-telephone installation for compliance with part III of title III of the Communications Act shall, while being

Section 83/202 Watch required on vessels subject to the Communications
Act (cont'd).

navigated in the open sea or any tidewater within the jurisdiction of the United States adjacent or contiguous to the open sea, keep a continuous and efficient watch on 2182 kc/s in the case of an installation operating in the 1605-3500 kc/s band, or on 156.8 Mc/s in the case of an installation operating in the 156-174 Mc/s band, whenever such installation is not being used for authorized traffic. Such watch shall be maintained by at least one officer or member of the crew of the vessel who has been designated by the master to do so. The person designated by the master may simultaneously perform other duties relating to the operation or navigation of the vessel, provided such other duties do not interfere with the effectiveness of the watch.

83.203 Watch required on vessels subject only to the Safety Convention.

(a) Each ship of the United States which is equipped with a radiotelegraph station for compliance with the Safety Convention, but which is not fitted with a radiotelegraph auto alarm in proper operating condition, shall while at sea keep a continuous and efficient watch on 500 kc/s by means of radio officers. If fitted with a radiotelegraph auto alarm in proper operating condition, such watch shall be kept while at sea as follows:

(1) Each cargo ship, and each passenger ship carrying or certificated to carry 250 passengers or less, or more than 250 passengers but engaged on a voyage of less than 16 hours duration between two consecutive ports, at least 8 hours watch a day in the aggregate;

(2) Each passenger ship carrying or certificated to carry more than 250 passengers and engaged on a voyage exceeding 16 hours duration between two consecutive ports, at least 16 hours watch a day in the aggregate.

(b) Each cargo ship of the United States which is equipped with a radio-telephone station for compliance with the Safety Convention shall, while at sea, keep a continuous and efficient watch on 2182 kc/s in the manner prescribed by Section 83.202 (b).

Section 83.223 Watch on 2182 kc/s.

(a) Each ship station on board a ship navigating the Great Lakes and licensed to transmit by telephony on one or more frequencies within the band 1605 to 3500 kc/s shall, during its hours of service for telephony, maintain an efficient watch for reception of A3 and A3H emissions on the authorized carrier frequency 2182 kc/s, whenever the station is not being used for transmission on that frequency or for communication on other frequencies.

(b) Except for stations on board vessels required by law to be fitted with radiotelegraph equipment, each ship station (in addition to those ship stations specified in paragraph (a) of this section) licensed to transmit by telephony on one or more frequencies within the band 1605 to 3500 kc/s shall, during its hours of service for telephony, maintain an efficient watch for the reception of A3 and A3H emissions on the authorized carrier frequency 2182 kc/s, whenever such station is not being used for transmission on that frequency or for communication on other frequencies. When the ship station is in Region 1 or 3, such watch shall, insofar as is possible, be maintained at least twice each hour for 3 minutes commencing at x h. 00 and x h. 30, Greenwich mean time.

Section 83.224 Watch on 156.800 Mc/s.

Each ship station, or, if more than one maritime mobile station is being operated from a vessel than at least one station, licensed to transmit by telephony on one or more frequencies within the band 156-162 Mc/s shall, during its hours of service for telephony in this band, maintain an efficient watch for the reception of F3 emissions on the authorized carrier frequency 156.800 Mc/s whenever such station is not being used for transmission on other frequencies: Provided, however, That ship stations licensed under the provisions of Section 83.106 (d) (5) or operating under the provisions of the note to Section 83.106 of the rules are exempt from the watch requirements on 156.800 Mc/s.

**ALASKA STATE
MEDICAL ASSOCIATION**

519 WEST EIGHTH AVENUE ANCHORAGE, ALASKA 99501 TELEPHONE 277-6891



April 2, 1971

Senator Lowell Thomas, Jr.
Pouch V
Juneau, Alaska 99801

HB 186

Dear Senator Thomas:

The A.S.M.A. opposes HB 186, an act relating to physical examination of nonresident employees.

Frankly, we were totally unaware of AS 18.15.060-110, which HB 186 amends. None of us has ever seen the health certificate referred to.

The intent of the original statute in 1949 must have been to exclude individuals with important contagious diseases such as tuberculosis, diphtheria, smallpox, and syphilis. Certainly the intent was not to detect minor contagious diseases such as viral respiratory infections or athlete's foot, though the language of the statute does not make this clear.

The present incidence of dangerous communicable infectious diseases is so low that pre-employment examinations to detect them are not worthwhile in terms of cost and inconvenience.

The emphasis rather should be to discover conditions such as heart disease, syncope, defective vision, defective hearing, hernias, back conditions, accident proneness, alcoholism, drug addiction, sociopathy, and other mental disease which could be costly to the individual, employer, and public alike. An aim should be to reduce workmen's compensation claims.

There is no medical reason to distinguish between resident and non-resident prospective employees.

Responsible employers have pre-employment examination programs for these purposes. All employers should be encouraged to provide such examinations, though it may not be appropriate to require owners of small business to do so, particularly for temporary positions.

In summary we see no merit in HB 186 and none in the original xenophobic statute. AS 18.15.060-110 should either be repealed as archaic and wasteful of people's time and money or extensively modified to protect against the conditions described above.

Sincerely,

Rodman Wilson, M.D., Chairman
Legislative Committee

RW/lps

cc: Senator Jay Hammond
Senator John Butrovich
Senator C. R. Lewis
Rep. Joe McGill
Rep. William Moran
Commissioner Henry Benson
Commissioner Fred McGinnis

seattle-northwest  securities corporation

March 24, 1971

HB 204

The Honorable Members of the House of Representatives
State of Alaska
Juneau, Alaska

Subject: House Bill 204

Gentlemen:

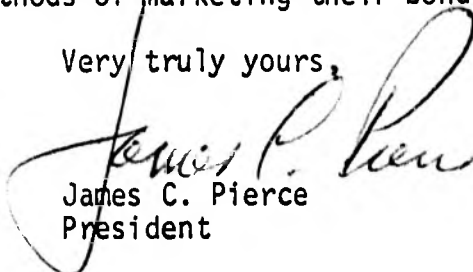
With Alaska municipalities anticipating the need for tremendous sums to finance capital improvements, we find it difficult to understand the introduction of legislation that would limit the sources of bond financing.

As we understand it, House Bill 204 would prohibit a person who provides financial or programming assistance to a political subdivision from bidding on the bonds at public sale or negotiating for their purchase at a private sale. Admittedly, such a restriction might not harm the marketability of the municipal bonds issued by the larger municipalities, but it could very materially limit the marketability of bonds issued by the smaller municipalities. As you know, Anchorage and Greater Anchorage Area Borough have locally adopted such restrictions. The City and Borough of Juneau has restricted the financial consultant from purchasing bonds on a negotiated basis, but the financial consultant is allowed to bid at a public sale. Such local regulation is entirely proper since it allows each municipality to determine whether the restriction will be harmful to its particular bond issues.

To our knowledge, no state law restricts a financial consultant from bidding at a public sale. At one time this was true in Oregon, but that is no longer the case.

As a firm specializing in underwriting Alaska and Northwest municipal bonds, we feel very strongly that the municipal corporation should not be restricted by state law in the available methods of marketing their bond issues.

Very truly yours,



James C. Pierce
President

JCP:lh

MEMORANDUM**State of Alaska**

TO: The Honorable William J. Moran
 Chairman, House Judiciary Committee
 Alaska State Legislature
 Juneau, Alaska 99801

DATE: March 18, 1971

FROM: *Eric E. Wohlforth*
 Eric E. Wohlforth, Commissioner
 Department of Revenue

SUBJECT: House Bill 204 - An Act Relating to the
Sale of Public Bonds

Some background of the structure of the market for State and municipal bonds is necessary in analyzing the bill.

1. In general the State and Municipal bond market is a high volume market growing in size almost every month. In the year 1970 a total of \$17,761,645,833 in municipal bonds were sold surpassing the previous yearly high of \$16,374,332,960. In the month of January, 1971 financing by State and local governments reached an all time high of \$2,599,020,490.

In contrast, during the calendar year 1970 the State of Alaska issued \$35,726,000 in bonds or a fraction of .020141 of the total amount of municipal bonds issued during 1970 throughout the country.

2. As the Committee knows, all Alaska State bonds are sold at public sale. The mechanics of sale and marketing of bonds are very roughly as follows.

Each time an issue is announced prior to its legal advertisement historical accounts of bond underwriters meet with tentative price suggestions. These underwriters include the large commercial banks as well as investment banking houses which specialize in the underwriting of municipal issues. Pricing ideas are developed among account members sometimes until the last hour before sealed bids are submitted. Account members may drop out because of dissatisfaction with the price, and late economic developments such as Federal discount prime rate increases or decreases may dramatically alter the price which the underwriting syndicate is willing to pay.

Although members of the account may run into the hundreds, one or more majors are usually designated to submit the bid in behalf of the account after a syndication agreement is signed by the members of the account.

Once the bid is submitted and the apparent winning bid is known, the bond underwriters begin a strenuous sales effort towards selling the bonds at the agreed on price at the final syndicate meeting. If the bonds are priced correctly from the underwriters point of view the complete issue may be sold within a matter of hours after submission of the apparent winning bid.

The prime objective of the underwriters is to achieve a sale as soon as possible and distribution ability is the key to market success given the correct price.

The actual profit which the underwriting group makes on a bond sale is ascertainable by comparison of the yield spreads translated into price for each maturity of the bonds in the winning bid with the yields stated in the re-offering advertisement as published in the national financial journals. Usually, the national financial journals point out how rapidly the bonds sell and a rough estimate can always be made of the underwriting spread.

3. In my opinion and in my experience it is clear that an investment house which has aggressively bid for and purchased Alaska issues has by far the best feel of the market. It is also clear that the market for Alaska municipal bonds has broadened very substantially since the oil lease sale with many first time owners of Alaska municipal bonds.

An intimate knowledge of the structure of the market for Alaska municipal bonds is of extreme value to the State Bond Committee.

Someone with this knowledge can tell the Bond Committee of the length and amount of an issue which the market may accept. This was dramatically illustrated with the recent conflicting advice received from two financial houses prior

to the last State bond sale. The bond advisors selected for the most recent General Obligation bond issue of \$21,325,000 advised us that the market could support an issue of this size with the maturity schedule running it up to 22 years. Other advice cautioned against a sale of this size and also indicated that combining bonds with maturity limitations of 6% with limitations of 7% would confuse the market and make for fewer bids.

The attached copy of Revenue News of the Department of Revenue dated February 16, 1971 shows that the advice to sell the \$21,325,000 issue out to 22 years was correct. Five bids were received from four of the largest banks in the country and as noted in the article the winning bid was the best rate received on Alaska bonds in over three years.

The bond advisor was a member of one of the accounts bidding for the bonds which was unsuccessful in their bid. The spread between the bid of the group in which Nuveen was a manager and the winning bid was .0922%.

It is interesting to note that the bidding and marketing practices in the municipal bond field have never drawn an anti-trust prosecution. Attorney General Kennedy in the 1960's drew some national attention to the possibility of collusive bids but no prosecution resulted.

4. Denying us the expertise of an underwriting firm acting as financial or fiscal advisor could hamper our bond issuing operations. We need access to a firm which can give us the best advice on maturities and amount of issue as well as analysis of when we should go to market. In my opinion the few firms that provide financial advice but do not bid on the bonds are simply not close enough to the market to materially assist us.

In conclusion, I do not feel that with the active competition for Alaska State bonds the danger exists of a financial advisor somehow of structuring the issue to fit his own needs rather than the market in general. The test of the

The Honorable William J. Moran

-4-

March 18, 1971

financial advisors expertise is his ability to structure an issue to gain the widest possible interest and the maximum number of bids. The informational media available in the municipal bond field are so extensive that there is no opportunity whatsoever to cut down the amount of publicity given to a bond issue. Our most recent bond sale was publicized in the Bond Buyer which is a trade journal of the municipal bond financing as well as through announcement in financial papers and advertisement here in Alaska. 1,086 copies of the Official Statement were sent out to potential purchasers.

I enclose a chart showing the activity of three of the leading purchasers of Alaska State bonds over a period of time. I may mention that permitting the financial advisor to bid for bonds has been uniform practice since Statehood.

EEW/ge
Enclosures

Revenue News

A Monthly Publication by the Alaska State Department of Revenue
Pouch S, Juneau, Alaska 99801

FEBRUARY 16, 1971

No. 1

This is the first publication of the Department of Revenue designed to provide more complete information to Alaskans on the activities of the department. We welcome any suggestions as to format and content of future issues, directed to Pouch S, Juneau, Alaska 99801. Our district offices are located at the following addresses and stand ready to assist you in tax or motor vehicle services.

| <u>Location</u> | <u>Address</u> | <u>Phone Number</u> |
|-----------------|---------------------|---------------------|
| Anchorage | 800 E Street | 272-1581 |
| Fairbanks | 604 Barnette Street | 452-1511 |
| Ketchikan | 107 Stedman | Canal 5-4116 |
| Nome | Front Street | 443-2441 |
| Juneau | 240 S. Franklin | 586-1870 |

OIL LEASE SALE PROCEEDS

The Department of Revenue reports that as of January 27, 1971, the total investments in the General Fund held both in the Bank of America and in Alaska amount to \$904,491,680. This compares with the figure of \$923,202,321 which was the amount in the General Fund on November 30, 1970. These figures represent the principal or par value of the securities held. The market value of the investments, that is, the price they would command if sold, was \$925,147,103.86 as of January 1, 1971.

It is still correct to refer to \$900,000,000 in the General Fund, but very shortly the Fund will fall below this amount. Figures supplied by the Department of Administration based on our current budget now indicate that the Fund will fall to \$814,905,600 (par value) by the end of this fiscal year, which is June 30, 1971. This figure represents the effect of charges against the Fund. The cash balance should be much higher. By the next year, that is, by June 30, 1972 it is estimated, based on the proposed budget, that the Fund will fall to \$709,144,200 and will steadily drop thereafter to a balance of under \$100,000,000 by June 30, 1976.

The increase of our State expenditures each year should increase and benefit the quality of life in Alaska. In a very real sense the question of what the 900 million dollars is doing for the State of Alaska is answered by the fact of increased annual expenditure for education, health and other State services and programs. The direct Alaskan investment of the General Fund includes \$100,000,000 in five-year State deposits with Alaska banks, \$6,805,000 in Alaska local government bonds and in mortgages purchased by the State.

With the necessity of spending portions of oil lease sale proceeds in the General Fund to maintain or improve the quality of life in Alaska, it becomes vitally important that we determine exactly how much money we can devote to long-range programs to carry through until the time when increased revenue becomes available. The existing

Mortgage Loan Participation program has been temporarily suspended while we evaluate whether purchase of mortgages through the banking system has the actual or potential effect of significantly reducing the cost of housing in Alaska. At the same time we are developing a series of computer projections to determine a high-low estimate of the Fund balance on differing expenditure and rates-of-return assumptions. This computer model will have the capacity to receive information such as the amount of a suggested program or a delay in anticipated oil revenues and tell us in minutes what effect this has on the balance in the general fund.

MONEY MARKET OPERATIONS

As bonds and notes now held in the fund mature, they can only be re-invested in securities yielding less interest under current market conditions. This is because the nation is experiencing a period of easy money with an active Federal Reserve policy to make more credit available through the banking system. On November 30, 1970 the average yield to maturity of the Fund was 7.34%, today the average yield is 7.22%. One year ago the prime commercial bank rate, that is, the rate charged "best quality borrowers" was 8-1/2%, currently it is 6%. With very substantial maturities scheduled during 1971, the fund should experience a further reduction in average yield due to a lowering of interest rates available for re-investment of maturing securities.

We can, however, increase the amount of dollars earned by the Fund by selling some of the present holdings which are now worth much more than their original purchase price and re-invest in other securities offering a higher rate of return over the remaining period of the original holdings. In this way more actual dollars will accrue to the portfolio even though the average yield on holdings in the manner reported in the past would decline somewhat. We will set up a new method of reporting yields to give effect to capital gains profit in investment performance. In our opinion the most significant feature of investment management is the actual increase in dollars to the Fund rather than the yield alone. We are continually evaluating conservative investment opportunities to maximize return on our holdings and further capital gains.

GENERAL OBLIGATION BOND SALE

On February 2, 1971 the State Bond Committee received five bids for a total of \$21,325,000 of State bonds, representing the largest issue of State general obligation bonds sold to date. The winning bid of 5.07% submitted by The Chase Manhattan Bank and Salomon Brothers of New York City was the best interest rate on Alaska bonds in over three years. In addition the sale was a departure from recent policy of short-term issues with maturities scheduled out to twenty-two years corresponding more nearly to the useful life of the projects. The chart below illustrates the extent of improvement in the market for Alaska bonds represented by this issue:

| <u>Date of Sale</u> | <u>Daily Bond Buyer Average Reported Nearest to Sale Date</u> | <u>State Bonds Average Net Interest Cost</u> | <u>Maturities</u> | <u>Amount of Issue</u> |
|---------------------|---|--|-------------------|------------------------|
| May 1, 1967 | 3.79 | 4.5016 | 1967-92 | \$15,325,000 |
| Sept. 1, 1967 | 4.07 | 4.903 | 1968-92 | \$10,200,000 |
| April 1, 1968 | 4.31 | 5.1867 | 1968-88 | \$14,525,000 |
| May 1, 1969 | 5.10 | 5.75 | 1970-79 | \$ 8,200,000 |
| May 28, 1969 | 5.10 | 6-3/8 | 1972-89 | \$ 2,225,000* |
| July 1, 1969 | 5.68 | 5.69 | 1970-79 | \$10,500,000 |

| <u>Date of Sale</u> | <u>Daily Bond Buyer Average Reported Nearest to Sale Date</u> | <u>State Bonds Average Net Interest Cost</u> | <u>Maturities</u> | <u>Amount of Issues</u> |
|---------------------|---|--|-------------------|-------------------------|
| Sept. 17, 1969 | 6.37 | 3 (HUD) | 1970-79 | \$ 2,030,000** |
| Sept. 17, 1969 | 6.37 | 5-5/8 | 1970-79 | \$ 8,200,000 |
| March 4, 1970 | 6.00 | 5.49 | 1971-80 | \$11,501,000 |
| July 1, 1970 | 6.79 | 5.90 | 1971-75 | \$12,900,000 |
| Sept. 1, 1970 | 6.16 | 5.87 | 1971-85 | \$11,325,000 |
| Feb. 2, 1971 | 5.13 | 5.0719 | 1972-92 | \$21,325,000 |

* International Airport Revenue

** University of Alaska Bonds

NEW DEVELOPMENTS IN TAXATION

MULTISTATE TAX COMMISSION

The Multistate Tax Commission, which Alaska joined on July 1, 1970, was formed for the purpose of establishing uniformity among state and local governments for the taxation of interstate business, an area of acute concern in Alaska tax administration.

Currently the Multistate Tax Commission is trying to formulate a comprehensive plan for taxation of interstate business which would serve as a backup plan in case Congress should reconsider Federal legislation in this field. The idea here is to establish an accord among the various states for a plan that would be acceptable to business and states alike for presentation to Congress if it decides to act in this area. Development of appropriate interstate tax legislation is vital if Alaska is to capture its fair share of revenue in the oil development of the 1970's.

The Multistate Tax Commission has also formed an audit capability who will also coordinate the activities of the various states in conducting joint audits. This program will result in a greater consistency of audit programs, a greater compliance among the various companies, and should produce an increase in income for many of the states involved. At the same time, it will help the various companies who are involved in interstate business since they will be confronted with only one audit group rather than being audited by all of the states in which they do business. They will also receive more consistent treatment from the auditors.

This recent information comes from the winter meeting of the Multistate Tax Commission which was held January 24 through 26 in Washington, D. C., and was attended by alternate delegate Fred Boetsch, Director of the Audit Division. Although many of the substantive provisions of the "plan" were not resolved to everyone's satisfaction, the progress made in the Audit Committee was excellent.

INCOME TAXES

The first group of 1970 refund warrants consisting of 158 warrants amounting to \$12,011.67 was made January 22, 1971.

Starting with the next group, we will be utilizing a new data processing system which will further speed up refund processing. This new system will eliminate several edit routines and will also eliminate the handling of given punch cards several times as has been done in the past. This will simplify the operation from

the standpoints of those having manual control over the refunds and the computer operators. In addition, a new scanning system developed by the Audit Division should permit us to put through refunds at a much faster rate. We estimate that these systems will reduce refunding time by about three weeks.

The Audit Division has also announced that a completely new system for informing the taxpayer of adjustments to his tax liability has been instituted. In the past a taxpayer has simply been provided with a debit and credit memo and a brief explanation of the reason for the change. Taxpayers and their accountants have been concerned that they could not reconcile the amount of tax shown on the adjustment with the amount of tax originally computed on the return. Under the new system the taxpayer will receive a photocopy of his return which for 1970 provides a column in which the Department may make any audit changes. This will show him just exactly what figures were changed and by how much. This copy will be accompanied by a covering letter explaining in detail the reason for the audit change. This improvement has been brought about primarily by the utilization of MT/ST equipment in preparing these audit adjustment letters. We believe that these letters will better inform the public as to the reasons underlying any change, and enable them to see just exactly where the changes have been made. This will contribute immensely to our public relations programs and, we believe, provide a tremendous increase in the quality of our taxpayer service.

MISCELLANEOUS TAXES

A new data processing system has also been set up in the Business License field which will result in a much faster turnaround time in the issuance of business licenses. Under the previous system, an application for licensing was received and audited, then a license issued. This required batching the applications and scheduling data processing time for a print-out of the actual licenses. Under the new system the licenses have all been pre-printed and a number pre-assigned to each individual business. This number was also indicated on the Business License Applications which were sent out. As these applications come back it will be a simple matter of auditing the applications and then pulling the correct license from the file and mailing it to the taxpayer. Turnaround time here should be reduced to about 10 to 14 days from six to eight weeks under the old system.

The Miscellaneous Tax Section is also considering a new type of withholding tax form which will provide a greater convenience to the businessman in submitting his quarterly withholding report and remittance. This new form envisions a package being sent to the businessman-employer which would include a self-addressed envelope to the Department and pre-printed data on the forms. We will have more information on this form in our next newsletter.

RECEIVED

DEC 28 1970

DEPARTMENT OF REVENUE
STATE OF ALASKA
JUNEAU

RECAP OF ACTIVITIES OF THREE MAJOR UNDERWRITERS
(Issues Managed or Co-Managed by Each Firm)

| <u>Year</u> | <u>JOHN NUVEEN & CO. (INC.)</u> | | <u>Bank of America, N.T. & S.A.</u> | | <u>Blyth & Co., Inc.</u> | |
|-------------|-------------------------------------|----------------------|---|----------------------|------------------------------|----------------------|
| | <u>Par Value</u> | <u>No. of Issues</u> | <u>Par Value</u> | <u>No. of Issues</u> | <u>Par Value</u> | <u>No. of Issues</u> |
| 1970 | \$ 56,640,000 | 8 | \$30,456,000 | 6 | \$ -0- | 0 |
| 1969 | 17,900,000 | 5 | 14,250,000 | 2 | 10,615,000 | 3 |
| 1968 | 29,590,000 | 8 | 10,500,000 | 1 | 15,500,000 | 1 |
| 1967 | 25,535,000 | 6 | 16,500,000 | 1 | 15,700,000 | 3 |
| 1966 | <u>10,135,000</u> | <u>3</u> | <u>-0-</u> | <u>0</u> | <u>5,400,000</u> | <u>2</u> |
| 1966-1970 | <u>\$139,800,000</u> | <u>30</u> | <u>\$71,706,000</u> | <u>10</u> | <u>\$47,215,000</u> | <u>9</u> |

HB-219

MEMORANDUM

State of Alaska

TO: The Honorable George Holman, Chairman
House Finance Committee
Alaska State Legislature

DATE : April 16, 1971

FROM: M.R. Charney, Director
Division of Budget & Management
Department of Administration

SUBJECT: House Bill 219

Pursuant to your recent request, the following information is transmitted concerning original project proposals under Capital Improvement bond issues for which appropriations are requested in HB 219.

Section 1. \$12,690,000 from the "1970 School Construction Fund". Chapter 170, SIA 1970 authorized a bond issue totaling \$20,300,000 for the following projects:

Regional and Area Schools at:

*Bethel
7 million*

| | |
|--|---------------------|
| Dillingham | \$ 720,000 |
| Bristol Bay | 720,000 |
| McGrath | 540,000 |
| Bethel | 749,000 |
| Anchorage | 2,025,000 |
| Fairbanks | 1,500,000 |
| Tok | 495,000 |
| Forth Yukon | 630,000 |
| St. Mary's or Bethel | 2,625,000 |
| Aleutian area | 1,000,000 |
| Contingency | <u>96,000</u> |
| Total Regional and Area Schools | \$11,100,000 |

State Schools:

| | | |
|------------|---|------------|
| Annette | 2 Classrooms, storage area | \$ 150,000 |
| Bethel | Gymnasium, music and related facilities | 1,400,000 |
| Bethel | 10-classroom Elementary school | 1,500,000 |
| Galena | Elementary school and quarters | 1,000,000 |
| Healy | Resource center | 100,000 |
| Levelock | Teacher housing | 30,000 |
| Sand Point | 2 Elementary rooms, 2 quarters | 300,000 |

Relocatables

| | | |
|-----------------|------------------------------|-----------|
| Bradfield Canal | 1 classroom and quarters | \$ 50,000 |
| Cape Pole | 1-1/2 classroom and quarters | 80,000 |
| Coffman Cove | 1-1/2 classroom and quarters | 80,000 |

Relocatables (cont.)

| | | |
|---------------------|---------------------------------|------------------|
| El Capitan | 1 classroom and quarters | \$ 50,000 |
| Exchange Cove | 1 classroom and quarters | 50,000 |
| Gildersleve | 1 classroom and quarters | 50,000 |
| Port Alice | 1 classroom and quarters | 50,000 |
| St. John's Harbor | 1 classroom and quarters | 50,000 |
| Whale Pass | 1 classroom and quarters | 50,000 |
| Deep Bay | 1 classroom and quarters | 50,000 |
| Thorne Island | 1 classroom and quarters | 50,000 |
| Glennallen | Administrative area and storage | \$ 113,500 |
| Igiugig | 1 classroom and quarters (R) | 80,000 |
| New Stuyahok | 2 classrooms and quarters | 120,000 |
| Nikolai | 1 quarters | 30,000 |
| Northway | Resource center, 2 classrooms | 250,000 |
| Thorne Bay | Administration and storage | 40,000 |
| Gakona | 2 classrooms and 1 quarters | 225,000 |
| Akutan | 1 classroom and kitchen | 80,000 |
| Anderson | 4 quarters (R) | 80,000 |
| Aniak | 1 quarters | 30,000 |
| Artic Village | 1 classroom | 60,000 |
| Bettles | 1 kitchen and storage (R) | 50,000 |
| Newhalen-Nondalton | Secondary school | 1,210,000 |
| Angoon | Secondary school | 500,000 |
| Nelson Island | Secondary school | <u>1,241,500</u> |
| Total State Schools | | \$ 9,200,000 |

Section 2. \$1,500,000 from the "1970 Alaska Senate Housing Program Construction Fund". Chapter 1970, SLA 1970 authorized a bond issue totaling \$3,000,000 to acquire, construct, equip and make other Capital Improvements to Alaska Remote Housing facilities.

Section 3. \$1,722,500 from the "1970 State Recreational Facilities Construction Fund". Chapter 181, SLA 1970 authorized a bond issue totaling \$2,300,000 for the following projects:

| | |
|---|------------|
| Red Shirt Lake Access Road | \$ 212,500 |
| Valdez Glacier Wayside Expansion | 50,000 |
| Chena River Recreation Area Master Plan | 50,000 |
| Mellugh Creek Wayside Expansion | 10,000 |
| Ft. Abercrombie Master Plan | 50,000 |
| Chugach Mountains Master Plan | 50,000 |
| Hatcher Pass Master Plan | 50,000 |
| Lake Louise Master Plan | 30,000 |
| City of Eagle Preservation Plan | 25,000 |
| Renovate Potlach House, Ketchikan | 50,000 |
| Captain Cook Campground (1972) | 125,000 |

The Honorable George Hohman, Chairman
 April 16, 1971
 page 3

| | |
|---|---------------|
| Nancy Lake Boat Ramp, Visitor Center, Office, Warehouse (1972) | \$ 250,000 |
| Willowcreek Wayside Expansion (1972) | 25,000 |
| Deadman Lake Development (1972) | 75,000 |
| Nancy Lake Land Acquisition (1972) | 125,000 |
| Wayside, Mt. McKinley Viewpoint on Fairbanks Highway (1972) | 50,000 |
| Nancy Lake Loop Road, Design & Clearing (1972) | 250,000 |
| Chilkoot Trail Master Plan (1972) | 20,000 |
| Anchor River Campground Expansion (1972) | 25,000 |
| Moon Lake Campground Expansion (1972) | 25,000 |
| Fort Abererorbie State Park (1972) | 450,000 |
| Dry Creek Campground (1972) | 75,000 |
| Wood River - Tikchik Master Plan (1972) | 50,000 |
| Stormy Lake and Swanson River Road Access (1972) | 125,000 |
| Contingency | <u>52,500</u> |
| TOTAL | \$ 2,300,000 |

Section 4. \$1,500,000 from the "1970 State Health and Welfare Correctional Facilities Construction Fund". Chapter 183, SLA 1970 authorized a bond issue totaling \$8,600,000 for the following projects:

| | |
|---|------------------------|
| McLaughlin Youth Center, Phase I | \$ 502,500 |
| Phase II | 417,700 |
| Phase III | 963,400 |
| Regional Correctional Institution in Anchorage and Fairbanks | 5,216,000 1,510,500 |

Section 5. \$2,100,000 from the "1970 State Health and Medical Facilities Construction Fund". Chapter 190, SLA 1970 authorized a bond issue totaling \$5,600,000 for the following projects:

| | |
|---|------------------|
| Rehabilitation Building - A.P.I. | \$ 180,000 |
| Occupational Therapy Addition - A.P.I., | 306,000 |
| Maintenance Building - Harborview Memorial Hospital | 100,000 |
| Health Centers at Nome, Tok Junction, Sitka, Craig, Bethel | 1,240,800 |
| Child Care Center, Location T.B.D. | 422,000 |
| Projects to Match Hill-Burton Funds | |
| Mentally Retarded Facility (1971) | 75,000 |
| Mentally Retarded Facility (1972) | 75,000 |
| Mental Health Center (1971) | 75,000 |
| Mental Health Center (1972) | 75,000 |
| General Hospitals (1971) | 1,500,000 |
| General Hospitals (1972) | <u>1,500,000</u> |
| TOTAL | \$ 5,600,000 |