

226

HJ

HB

265

-

HB

356

HB

265

*file on 265*

LAW OFFICES OF  
ALASKA LEGAL SERVICES CORPORATION  
315 FIFTH STREET, SUITE B  
JUNEAU, ALASKA 99801  
TELEPHONE 586-~~XXXX~~ 6425

April 11, 1975

MEMORANDUM

TO: Representatives Cotton, Guy, Gardiner, Itta  
FROM: Donald E. Clocksin  
DATE: April 11, 1975  
RE: HE265-66, Community Legal Assistance Grant Program

-----  
I have an additional example of where the funds made available under these bills could be used. A Bethel area village, *Akolmiut*, wants to purchase its own boarding home in Bethel for the students from that village when they go to the Bethel Regional school. They need legal assistance to negotiate the purchase of the building, the transfer of title to the building, the acquiring of insurance appropriate for a boarding home, and the completion of foster home licensing applications. Much of the work that needs to be done for this village can only be done by an attorney. The project is beneficial because of the lack of boarding home facilities in Bethel - by purchasing the home the village will assure that its students have adequate living facilities while attending high school.

DEC:mjb

Put in file for the floor

HB 265

xxx6425

MEMORANDUM

TO : Reps. Cotton, Gardiner, Guy and Itta  
FROM : Don Clocksin *DCC*  
SUBJECT: HB 265-66, Community Legal Assistance Grant  
Program - Floor Debate  
DATE : April 3, 1975

-----  
When these bills come up on the House floor you may want to refer to this material.

1. Background. In June, 1974, a Conference on Justice in the Bush was held at Minto, Alaska. At that Conference residents of rural Alaska met with state officials to determine the needs of bush Alaska. To assure that the needs and desires expressed at Minto were carried out, a Monitoring Committee was established. Out of the work of that Committee came the recognition that many small villages and towns were being faced with increased responsibilities. One tool they often needed to help run their own affairs was legal assistance. The Local Government Specialists (LGS's) provided through the Department of Community and Regional Affairs were very helpful in the bush, but the fact they were not lawyers meant that some times there were problems they couldn't solve. A supplement to those LGS's was needed.

2. The bills. HB 265 would create the Community Legal Assistance Grant Fund in the Department of Community and Regional Affairs. Grants could be made to villages or groups of villages that needed legal help not available through the LGS's and which they could otherwise not afford. Grants cannot be made to regional or village corporations created under the Alaska Native Claims Settlement Act, and could only be made for special, one-time projects. Grants may not exceed \$20,000 each, and will, of course, usually be much less.

HB 266 appropriates \$50,000 for the fund. The amount is not enough, but since this is a new idea, it was felt the amount appropriated should be kept to a minimum.

Memorandum

To: Reps. Cotton, Gardiner,  
Guy and Itta

-2-

April 3, 1975

The Department of Community and Regional Affairs would adopt regulations to implement these bills. According to testimony, applications would be reviewed carefully to assure other funds were not available and to see that the money is used effectively.

Since only first and second class municipalities and unincorporated villages and groups of villages are eligible, this money could not go to the larger cities or to boroughs, for example, Eagle River, Anchorage, etc. (See attached list of eligible first and second class municipalities).

3. Support. The bill is an Executive Request and is supported by the Department of Community and Regional Affairs, the Attorney General's office, and the Bush Justice Monitoring Committee.

DEC:bg  
Enclosure

<u>CLASSIFICATION</u>	<u>POPULATION</u>	<u>INCORP. DATE</u>
<u>Home Rule Cities</u>		
Anchorage	78,929	1920
Cordova	2,114	1909
Fairbanks	32,975	1903
Kenai	4,028	1960
Ketchikan	7,468	1960
Kodiak	3,923	1940
North Pole	265	1953
Palmer	1,409	1951
Petersburg	2,386	1910
Seward	1,823	1912
Valdez	2,271	1901
Wrangell	2,787	1903
<u>First Class Cities</u>		
Barrow	2,307	1959
Craig	467	1922
Dillingham	1,025	
Galena	442	
Girdwood	210	1961
Haines	1,980	1910
Homer	1,243	1964
Hoonah	748	1946
Hydaburg	260	1927
Take	551	1952
King Cove	338	1947
Klawock	290	1929
Nenana	469	1921
Nome	2,488	1901
Pelican	169	1943
Saint Mary's	384	1967
Selawik	429	1963
Seldovia	612	1945
Skagway	710	1900
Soldotna	1,202	1967
Unalaska	510	1942
Yakutat	227	1948
<u>Second Class Cities</u>		
Akhiok	102	1972
Akiachak	330	1974
Akiak	186	1970
Akolmiut	608	1969
Alakanuk	495	1969
Aleknagik	208	1973
Ambler	217	1971
Anaktuvuk Pass	125	1957

CLASSIFICATIONPOPULATIONDATESecond Class Cities

Anderson	463	1962
Angeon	400	1963
Aniak	273	1972
Anvik	100	1969
Bethel	2,921	1957
Brevig Mission	130	1969
Buckland	125	1966
Chefornak	182	1974
Chevak	447	1967
Clark's Point	62	1971
Deering	78	1970
Delta Junction	703	1960
Diomede	90	1970
Eagle	105	1901
Eek	195	1970
Ekwok	103	1974
Elim	174	1970
Emmonak	502	1964
Fort Yukon	637	1959
Fortuna Ledge	200	1970
Gambell	380	1963
Glen Alps	75	1961
Golovin	118	1971
Goodnews Bay	228	1970
Grayling	167	1969
Holy Cross	212	1968
Hooper Bay	556	1966
Houston	69	1966
Hughes	85	1973
Huslia	199	1969
Kachemak	151	1961
Kaktovik	141	1971
Kaltag	240	1969
Kiana	300	1964
Kivalina	200	1969
Kobuk	61	1973
Kotlik	284	1970
Kotzebue	2,125	1958
Koyuk	122	1970
Koyukuk	124	1973
Larsen Bay	109	1974
Lower Kalskag	195	1969
Manokotak	230	1970
Mekoryuk	254	1969
Mountain Village	491	1967
Napakiak	279	1970
Napaskiak	200	1971
New Stuyahok	229	1972
Newhalen	68	1971

<u>CLASSIFICATION</u>	<u>POPULATION</u>	<u>INCORP. DATE</u>
<u>Second Class Cities</u>		
Nightmute	123	1974
Nikolai	82	1970
Nondalton	216	1971
Noorvik	483	1964
Nulato	311	1963
Old Harbor	327	1966
Ouzinkie	173	1967
Pilot Station	301	1969
Point Hope	404	1966
Port Alexander	36	1974
Port Heiden	66	1972
Port Lions	227	1966
Ruby	148	1973
Russian Mission	132	1970
Saint Michael	222	1969
The Aleut Community of St. Paul Island	488	1971
Sand Point	474	1966
Savoonga	380	1967
Saxman	272	1930
Scammon Bay	221	1967
Shageluk	172	1970
Shaktoolik	160	1969
Sheldon Point	127	1974
Shishmaref	309	1969
Shungnak	165	1967
Stebbins	272	1969
Tanana	406	1961
Teller	213	1963
Tenakee Springs	101	1971
Togiak	383	1969
Toksook Bay	304	1972
Tuluksak	202	1970
Unalakleet	550	1974
Wainwright	357	1962
Wales	111	1964
Wasilla	300	1974
White Mountain	87	1969
Whittier	186	1969
<u>Organized Under Federal Law</u>		
Metlakatla	1,050	1944
<u>Dissolution Recommended</u>		
Long Island	7	1965

*Partin members files*

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1975 MAR 19 PM 4 03

02028 ANCHORAGE AK 44 03-19 1110A ADT

PMS REP TERRY GARDNER

1861

JUN

WE STRONGLY ENDORSE HB265 QUOTE CREATING THE COMMUNITY  
LEGAL ASSISTANCE GRANT PROGRAM UNQUOTE AND  
HB266 ACCOMPANYING APPROPRIATION FOR THIS PROGRAM.  
YOUR FAVORABLE REACTION TO THESE BILLS WOULD BE GREATLY  
APPRECIATED. THANK YOU FOR YOUR CONSIDERATION OF OUR REQUESTS.

GORDON JACKSON EXECUTIVE VICE PRESIDENT  
HUMAN RESOURCES ADMINISTRATION AFN INC

# TELEGRAM

BCA ALASKA COMMUNICATIONS, INC.

PHONE: 580-6440

TUNEAU, ALASKA 99801 1975 MAR 19 PM 2 22

02016 ANCHORAGE AK 92 03-19 1040A ADT

PMS HON TERRY GARDINER CHM JUDICIARY COMMITTEE

HOUSE OF REPRESENTATIVES

JUN

ACCEPT THIS AS RURAL ALASKA COMMUNITY ACTION PROGRAM'S  
FULL ENDORSEMENT OF HB 265, PROVIDING FOR A LEGAL ASSISTANCE  
GRANT FUND. LEGAL ASSISTANCE IS A CRITICAL NEED THROUGHOUT  
THE UNORGANIZED BOROUGH, ESPECIALLY IN LIGHT OF MOVEMENT  
TOWARD LOCAL CONTROL OF SCHOOLS AND THE DEVELOPMENT OF  
LOCAL GOVERNMENTS. HB 266 PROVIDING DLRS 50,000 FOR THE PROGRAM  
IS A GOOD STEP; HOWEVER, IF MORE FUNDING IS AVAILABLE IT  
WOULD BE NEEDED. GRANT FUND CONCEPT APPROVED BY BUSH JUSTICE  
CONFERENCES, WASILLA MEETING, ETC. STRONG SUPPORT FOR THIS  
BILL EXISTS STATEWIDE. THANK YOU FOR YOUR HELP.

PHIL SMITH EXECUTIVE DIRECTOR RURAL CAP

HB

283

The meeting was called to order at 7:15 p.m. by Chairman Gardiner. All members were present except Mr. Fink.

HB 248 Public Administrator

Art Snowden testified that a Supreme Court change in procedure abolished presiding judges of district courts. There is now only one presiding judge in each district located in the superior court. This is merely a housekeeping bill.

HB 248 was moved out of committee do pass.

HB 282 Public Administrator

Art Snowden testified that this bill contains the same deletion of presiding judges of districts courts. He stated that there is a bill presently being drawn up by the Governor to create a medical examiner to replace the coroner/public administrator. This bill would be effective only if the medical examiner bill passes.

Susan Burke of the Court System stated that a drafting error in line 14 should be corrected by the deletion of the words "and as coroner"

The committee discussed the possibility of holding HB 282 until the medical examiner bill is referred to committee.

Mr. Snowden explained the change in line 17: The bill makes it possible for the court to appoint several different attorneys on a case by case basis. There will be no annual salary for one person.

Mr. Specking asked for a definition of "reasonable" in line 17 and suggested that the word should be removed. Mr. Snowden explained that "reasonable" salary would be determined by the court, not the attorney.

Mr. Brown moved HB 282 out of committee with the amendment to line 14 suggested by Ms. Burke: delete: "and as coroner" There being no objection, HB 282 was moved out of committee.

HB 283 Acting district court judges

Mr. Snowden testified that the Supreme Court had requested this bill to assure the highest qualifications possible for acting district court judges.

Mr. Specking and Mr. Brown pointed out that the presiding judge of the superior court already has the authority to determine qualifications when he makes an appointment. Mr. Specking asked what would be done in an emergency situation and stated that he felt the judge should have the option of determining qualifications in each case.

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House Judiciary Committee  
March 13, 1975  
page 2

Mr. Snowden stated that he felt it was bad state policy to leave this possible loophole. He assured the committee that there was no shortage of qualified people.

Mr. Brown moved HB 283 out of committee. Mr. Specking objected. On vote, the committee passed HB 283 out of committee with individual recommendations.

#### CS HB 48 Transfer interests in realty

The CS was explained by Chairman Gardiner to those committee members who were not at the last meeting on the subject. He stated that the bill had been signed out of committee with the stipulation that the new language would be considered by Commissioner Motley. Commissioner Motley has apparently declined to comment since he has not returned the committee's phone calls or written a reply in two weeks. CS HB 48 left the committee

#### HB 31 Abandoned Vessels

Mr. Specking gave the committee a brief overview of the bill's subject. The committee will research the matter and will schedule HB 31 for a future hearing.

#### HB 191 Transportation Tariffs

The committee determined to hold this bill for future action after research as there seems to be some controversy.

#### HB 192 Public Utilities Tariffs

Since all the material received was in favor of this bill and the committee could see no controversy, Mr. Brown moved HB 192 out of committee do pass. There being no objection, it was so ordered.

The meeting was adjourned at 8:35 p.m.

**ALLEN T. COMPTON**

ATTORNEY AT LAW

201 FRANKLIN STREET

**JUNEAU, ALASKA 99801**

TELEPHONE 907-586-2482

March 13, 1975

The Honorable Terry Gardiner  
Chairman, House Judiciary Committee  
Alaska State House of Representatives  
Pouch V  
Juneau, Alaska 99811

RE: HB 283

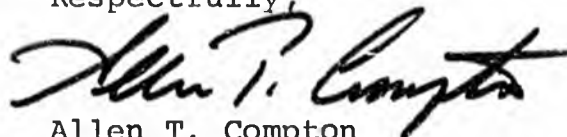
Dear Mr. Chairman:

During a conference call with the Board of Governors of the Alaska Bar Association this date, the above bill was discussed. After due consideration, the Board of Governors directed me to inform you that it supported this measure.

I will not be able to attend the hearing scheduled for this evening, but would appreciate this advisement of support being made of record.

Thank you for your consideration.

Respectfully,



Allen T. Compton  
Legislative Counsel  
Alaska Bar Association

ATC/bt

cc: Mr. Arthur H. Snowden II  
Administrative Director of Courts

H B

3 1 4

# COMMITTEE REPORT

FINANCE

4/21/75

HOUSE

Mr. Speaker:

Date 4/30/75

The Committee on W JUDICIARY has had HB 314

under consideration. A Majority of the members of the Committee

( ) recommends it DO PASS

( ) recommends it DO NOT PASS

( ) recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR HB 314 AND THAT

CS FOR HB 314 DO PASS

( ) "and" recommends it BE REFERRED TO THE \_\_\_\_\_

COMMITTEE

( ) reports it back WITHOUT RECOMMENDATION

"other" \_\_\_\_\_

Members signing the Majority report:

[Signature] do pass

\_\_\_\_\_

[Signature] DO Pass as amended

\_\_\_\_\_

Members NOT concurring in the Majority report:

[Signature] recommends: Do Not Pass unless amended

[Signature] recommends: " " "

[Signature] recommends: do not pass

[Signature] recommends: no rec

\_\_\_\_\_ recommends: \_\_\_\_\_

[Signature] Chairman

House Judiciary Committee  
April 22, 1975

The meeting was called to order at 7:13 p.m. by Chairman Gardiner. All members were present.

HB 314 Outdoor Advertising

Walt Parker, Commissioner of the Department of Highways, testified that the present statute bans signs within 660 feet -- the bill would ban signs visible within 660 feet. The bill is needed to conform to federal statutes. Without it Alaska will lose 10% of federal highway monies - \$10-12 million.

page 1, line 19: delete "secondary"  
page 2, line 14: insert "primary delete "secondary"  
This amendment was to permit advertising on secondary roads which are not funded by federal money.

Mr. Williams of the Department of Highways stated that non-complying signs would be allowed to stand until July 1, 1976. After that date there would be condemnation and compensation paid to the sign owner.

Mr. Bradley moved to adopt the Commerce amendments and move the bill out. Mr. Specking objected.

Mr. Parr moved to amend the motion to delete "or secondary" from the existing laws. Mr. Gardiner objected. The amendment carried.

The bill was moved out as CS with individual recommendations.

SB 96 Salmon eggs

Commissioner Brooks stated that last year this bill died in committee. During the summer regulations were adopted permitting the sale of eggs. The Attorney General recommends that this sale be allowed in the statute. Roe are worth from \$1 to \$1.50 a pound. This is wasted if the eggs are not sold. This was why emergency regulations were adopted affecting a limited area. Roe used to be used for dog food, but now there are fewer dogs in the area. 2.4 million subsistence fish were taken last year. This was due to a large chum run.

Jimmy Huntington stated that illegal traffic in roe was minimal in the AYK area, heavier in the Nenana area. Statistics showed illegal sales accounted for 10-15% of the total in areas where Japanese had processing. He favored trying the bill.

## MEMORANDUM

TO: Hon. Terry Gardiner, Chairman  
House Judiciary Committee  
Alaska State Legislature

DATE : April 28, 1975

FROM: Walter B. Parker  
Commissioner  
Department of Highways

DATE :

00-3077

SUBJECT:

HB 314

This is to clarify testimony offered your committee on HB 314 concerning outdoor advertising.

We have no strong feelings on the inclusion of secondary system roads under the terms of this bill. Federal law does not speak to the secondary system; it requires outdoor advertising control only on interstate and primary highways. Removing the secondary system from present law and HB 314 will not jeopardize receipt of any federal aid to highway construction. If the secondary system is included in HB 314 and left in existing statutes, funds expended for control of outdoor advertising along the secondary system will be State funds. Outdoor advertising control along the secondary system is ineligible for federal aid at this time.

I have enclosed for your distribution copies of the letter with which the Alaska Department of Highways described its sign policy last summer. I must emphasize that the sign policy described above is a stringent requirement of the Federal-Aid Highway Program and is now being rigorously enforced by the federal government.

If I may be of any further assistance, please feel free to call my office.

Enclosures

WBP/DMD/mth

July 15, 1974

RE: Political Signs  
23-2900

TO: All individuals who have filed for State or  
Statewide office with the Lieutenant Governor.

(List Attached)

Political signs placed within highway rights of way or within 600 feet of the right of way line and visible from a primary State Highway are prohibited under State law. The law is stringent in this regard and has made us responsible for enforcement. Alaska's entire Federal-aid Highway program would be jeopardized if we shirked our responsibility.

We earnestly solicit your help by instructing your campaign managers not to place signs in the prohibited areas; if such signs are presently in existence, please remove them immediately.

Political signs remaining in the prohibited areas will be removed by us and stored in our nearest maintenance yard for ninety days and then destroyed. They may be recovered any time prior to the ninety days by paying for removal and storage costs.

If you are in doubt concerning the width of the right of way in a given location, please contact the nearest district highway office for information.

Anchorage  
5700 Tudor Rd.  
Phone: 337-1511

Fairbanks  
2301 Peger Rd.  
Phone: 452-1911

Juneau  
Switzer Creek  
Box 3-1000  
Phone: 789-0841

Valdez  
Box 507  
Phone: 835-4322

Nome  
Box 220  
Phone: 443-5266

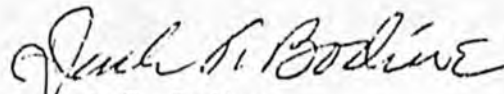
We need your help in this job and ask that you report to our nearest District Office any other known political signs within the prohibited area.

Political Signs  
July 15, 1974  
Page II

All candidates are being notified of our responsibility by this letter,  
and all prohibited political signs will be treated in the same manner.

Very truly yours,

B. A. Campbell  
Commissioner of Highways



Jack T. Bodine  
Acting Right of Way Director

# STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

## DEPARTMENT OF HIGHWAYS

OFFICE OF THE COMMISSIONER

P. O. BOX 1467 — JUNEAU 99801  
(907) 364-2121

April 17, 1975

Re: 00-3077  
House Bill 314

Honorable Terry Gardiner  
Alaska State Representative  
State Capitol Building  
Juneau, Alaska 99811

Dear Mr. Gardiner:

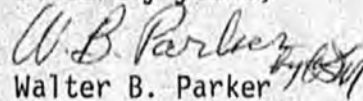
In support of our request for your favorable consideration of the captioned legislation, we are attaching a copy of the Federal Highway Amendments of 1974 and a copy of a letter from the Assistant Chief Counsel for Right-of-Way and Environmental Law, Federal Highway Administration, Department of Transportation.

The purpose of the proposed amendment is to bring Alaska into compliance with federal law. Failure to do so will subject the state to loss of ten percent of the entire federal participation in Alaska's highway program (approximately \$10-\$12 million). It should be noted that the off-system roads program, by which the State has the most opportunity to meet local requirements, would be affected by over \$1 million in lost funds. The State can ill afford any further cut back of transportation facilities.

Since the federal law provides that each state must be in compliance by July 1, 1975 or the end of the present legislative session, it is crucial that action be taken at this time.

Therefore, we again respectfully request your assistance in passing this much needed legislation.

Sincerely yours,

  
Walter B. Parker  
Commissioner

Attachment

WBP/HNW:jo

UNITED STATES GOVERNMENT

*Memorandum*

*Regional Counsel*  
*110-001*  
DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION

DATE: JAN 20 1975

SUBJECT: Model Legislation to Meet the Outdoor Advertising and Junkyard Control Provision in the Federal-Aid Highway Amendments of 1974

In reply refer to: FCC-40

FROM : Assistant Chief Counsel for Right-of-Way and Environmental Law

*Department of Law*

TO : All Regional Counsels

JAN 21 1975

*63*  
*600-1000-1000*

We have drafted model legislation which it is believed will enable States to comply with the outdoor advertising and junkyard provisions of the Federal-Aid Highway Amendments of 1974. It is noted that a State must adopt these controls by July 1, 1975, or the end of its next legislative session, whichever is later, or be subject to the penalties in 23 U.S.C. 131(b). Our draft legislation takes the form of subjecting signs beyond 660 feet of the right-of-way to the same controls as signs within 660 feet by reference. We did not feel it practical to draft model legislation to amend various sections of existing State law to cover the signs beyond 660 feet, because of the wide variations in such existing legislation. Of course, any State could adopt specific amendments to their law to remove the 660-foot limitations. However, the States should be cautioned that the control is different within and without 660 feet in three important respects. (First, signs beyond 660 feet are controlled whether or not in zoned or unzoned commercial or industrial areas. Second, signs beyond 660 feet are only controlled if outside of urban areas. Third, signs beyond 660 feet are only controlled if they were erected for the purpose of their message being read from the main traveled way of an Interstate or primary system highway. For the first reason, just a repeal of the 660-foot limitation on control in existing law would not effectuate compliance with the Federal statute.

The model legislation we have drafted reads:

1. Outdoor Advertising Control Extended Beyond 660 Feet.

Control of outdoor advertising signs, displays and devices is extended to signs, displays and devices located beyond 660 feet of the edge of the right-of-way of the Federal-aid Interstate or primary systems outside of urban areas erected with the purpose of their message being read from the main traveled ways of such systems. Such signs, displays or devices are prohibited, whether or not in commercial or industrial areas, unless they are of a class or type allowed and erected within 660 feet of the edge of the right-of-way of such system outside of commercial or industrial areas.

UNITED STATES GOVERNMENT

Memorandum

Regional Counsel  
110-001  
DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION

DATE: JAN 20 1975

SUBJECT: Model Legislation to Meet the Outdoor Advertising and Junkyard Control Provision in the Federal-Aid Highway Amendments of 1974

In reply refer to: FCC-40

FROM: Assistant Chief Counsel for Right-of-Way and Environmental Law

Department of Law

TO: All Regional Counsels

JAN 27 1975  
U.S. DEPARTMENT OF TRANSPORTATION

We have drafted model legislation which it is believed will enable States to comply with the outdoor advertising and junkyard provisions of the Federal-Aid Highway Amendments of 1974. It is noted that a State must adopt these controls by July 1, 1975, or the end of its next legislative session, whichever is later, or be subject to the penalties in 23 U.S.C. 131(b). Our draft legislation takes the form of subjecting signs beyond 660 feet of the right-of-way to the same controls as signs within 660 feet by reference. We did not feel it practical to draft model legislation to amend various sections of existing State law to cover the signs beyond 660 feet, because of the wide variations in such existing legislation. Of course, any State could adopt specific amendments to their law to remove the 660-foot limitations. However, the States should be cautioned that the control is different within and without 660 feet in three important respects. ( First, signs beyond 660 feet are controlled whether or not in zoned or unzoned commercial or industrial areas. Second, signs beyond 660 feet are only controlled if outside of urban areas. Third, signs beyond 660 feet are only controlled if they were erected for the purpose of their message being read from the main traveled way of an Interstate or primary system highway. For the first reason, just a repeal of the 660-foot limitation on control in existing law would not effectuate compliance with the Federal statute.

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2. Just Compensation Payable for Signs Beyond 660 Feet.

Legal outdoor, advertising signs, displays or devices prohibited by section 1 shall be removed upon the payment of just compensation in the same manner and subject to the same limitations as signs lawfully erected within 660 feet of the edge of the right-of-way of the Federal-aid Interstate and primary systems outside of commercial and industrial areas.

3. Landmark Signs.

Signs lawfully in existence on October 22, 1965, determined by the State, subject to the concurrence of the United States Secretary of Transportation, to be landmark signs, including signs on farm structures or natural surfaces, of historic or artistic significance, the preservation of which would be consistent with the purposes of this section, are not required to be removed.

NOTE: (1) This model act follows the control language of the Federal-Aid Highway Amendments of 1974, but a State may adopt language effecting stricter limitations with respect to signs, displays and devices, in accordance with 23 U.S.C. 131(k). These stricter controls might limit signs beyond 660 feet in urban areas, or prohibit any sign visible from the highway.

NOTE: (2) This model act does not cover sections 109(c) or 110 of the 1974 Amendments which require just compensation upon the removal of outdoor advertising or the relocation, removal or disposal of junkyards. We view these provisions as ending the hiatus period of October 22, 1965, to January 1, 1968, in Federal law during which there was no requirement for just compensation. However, if the State in its law does not require the payment of just compensation for signs or junkyards in existence prior to the adoption of State-wide outdoor advertising or junkyard control, additional State amendments to its control laws should be adopted providing;

(a) Just compensation shall be paid upon the removal of any outdoor advertising sign display or device lawfully erected under the laws of this State which is caused to be removed under this [Chapter] [Article].

(b) Just Compensation shall be paid the owner for the relocation removal, or disposal of a junkyard lawfully established under the laws of this State which is caused to be relocated, removed or disposed of under this [Chapter] [Article].

(Signed) \_\_\_\_\_

Edwin J. Reis

Alaska, no part of such a ferry operation shall be in any foreign or international waters.<sup>126</sup>

(6) No such ferry shall be sold, leased, or otherwise disposed of without the approval of the Secretary. The Federal share of any proceeds from such a disposition shall be credited to the unprogramed balance of Federal-aid highway funds of the same class last apportioned to such State. Any amount so credited shall be in addition to all other funds then apportioned to such State and available for expenditure in accordance with the provisions of this title.<sup>127</sup>

(h) Notwithstanding the provisions of section 301 of this title, in the case of each State which, before January 1, 1975, shall have constructed or acquired any interstate toll bridge (including approaches thereto), which before January 1, 1975, caused such toll bridge to be made free, which bridge is owned and maintained by such State or by a political subdivision thereof, and which bridge is on the Federal-aid primary system (other than the Interstate System), sums apportioned to such State in accordance with paragraphs (1) and (3) of subsection (b) of section 104 of this title shall be available to pay the Federal share of a project under this subsection of (1) such amount as the Secretary determines to be the reasonable value of such bridge after deducting therefrom that portion of such value attributable to any grant or contribution previously paid by the United States in connection with the construction or acquisition of such bridge, and exclusive of rights-of-way, or (2) the amount by which the principal amount of the outstanding unpaid bonds or other obligations created and issued for the construction or acquisition of such bridge exceeds the amount of any funds accumulated or provided for their amortization, on the date such bridge is made free, whichever is the lesser amount.<sup>128</sup>

#### Sec. 130. Railway-highway crossings.

(a) Except as provided in subsection (d) of section 120 of this title and subsection (b) of this section, the entire cost of construction of projects for the elimination of hazards of railway-highway crossings, including the separation or protection of grades at crossings, the reconstruction of existing railroad grade crossing structures, and the relocation of highways to eliminate grade crossings, may be paid from sums apportioned in accordance with section 104 of this title. In any case when the elimination of the hazards of a railway-highway crossing can be effected by the relocation of a portion of a railway at a cost estimated by the Secretary to be less than the cost of such elimination by one of the methods mentioned in the first sentence of this section, then the entire cost of such relocation project, except as provided in subsection (d) of section 120 of this title and subsection (b) of this section.

<sup>126</sup> Amended by sec. 139(h) of Public Law 93-87, Aug. 13, 1973 (87 Stat. 271).

<sup>127</sup> New subsection added by sec. 139 of Public Law 91-605, Dec. 31, 1970 (84 Stat. 1713).

<sup>128</sup> New subsection added by sec. 132 of Public Law 93-87, Aug. 13, 1973 (87 Stat. 267).

may be paid from sums apportioned in accordance with section 104 of this title.

(b) The Secretary may classify the various types of projects involved in the elimination of hazards of railway-highway crossings, and may set for each such classification a percentage of the costs of construction which shall be deemed to represent the net benefit to the railroad or railroads for the purpose of determining the railroad's share of the cost of construction. The percentage so determined shall in no case exceed 10 per centum. The Secretary shall determine the appropriate classification of each project.

(c) Any railroad involved in a project for the elimination of hazards of railway-highway crossings paid for in whole or in part from sums made available for expenditure under this title, or prior Acts, shall be liable to the United States for the net benefit to the railroad determined under the classification of such project made pursuant to subsection (b) of this section. Such liability to the United States may be discharged by direct payment to the State highway department of the State in which the project is located, in which case such payment shall be credited to the cost of the project. Such payment may consist in whole or in part of materials and labor furnished by the railroad in connection with the construction of such project. If any such railroad fails to discharge such liability within a six-month period after completion of the project, it shall be liable to the United States for its share of the cost, and the Secretary shall request the Attorney General to institute proceedings against such railroad for the recovery of the amount for which it is liable under this subsection. The Attorney General is authorized to bring such proceedings on behalf of the United States, in the appropriate district court of the United States, and the United States shall be entitled in such proceedings to recover such sums as it is considered and adjudged by the court that such railroad is liable for in the premises. Any amounts recovered by the United States under this subsection shall be credited to miscellaneous receipts.

#### Sec. 131. Control of outdoor advertising.<sup>129</sup>

(a) The Congress hereby finds and declares that the erection and maintenance of outdoor advertising signs, displays, and devices in areas adjacent to the Interstate System and the primary system should be controlled in order to protect the public investment in such highways, to promote the safety and recreational value of public travel, and to preserve natural beauty.

(b) Federal-aid highway funds apportioned on or after January 1, 1968, to any State which the Secretary determines has not made provision for effective control of the erection and maintenance along the Interstate System and the primary system of outdoor advertising signs, displays, and devices which are within six hundred and sixty feet of the nearest edge of the right-of-way and visible from the main traveled way of the system, shall be

<sup>129</sup> This section was revised by the Highway Beautification Act of 1965, Title I, Public Law 89-285, Oct. 22, 1965 (79 Stat. 1020).

reduced by amounts equal to 10 per centum of the amounts which would otherwise be apportioned to such State under section 104 of this title, until such time as such State shall provide for such effective control. Any amount which is withheld from apportionment to any State hereunder shall be reapportioned to the other States. Whenever he determines it to be in the public interest, the Secretary may suspend, for such periods as he deems necessary, the application of this subsection to a State.

(c) Effective control means that after January 1, 1968, such signs, displays, and devices shall, pursuant to this section, be limited to (1) directional and other official signs and notices, which signs and notices shall include, but not be limited to, signs and notices pertaining to natural wonders, scenic and historical attractions, which are required or authorized by law, which shall conform to national standards hereby authorized to be promulgated by the Secretary hereunder, which standards shall contain provisions concerning the lighting, size, number, and spacing of signs, and such other requirements as may be appropriate to implement this section, (2) signs, displays, and devices advertising the sale or lease of property upon which they are located, and (3) signs, displays, and devices advertising activities conducted on the property on which they are located.

(d) In order to promote the reasonable, orderly and effective display of outdoor advertising while remaining consistent with the purposes of this section, signs, displays, and devices whose size, lighting and spacing, consistent with customary use is to be determined by agreement between the several States and the Secretary, may be erected and maintained within six hundred and sixty feet of the nearest edge of the right-of-way within areas adjacent to the Interstate and primary systems which are zoned industrial or commercial under authority of State law, or in unzoned commercial or industrial areas as may be determined by agreement between the several States and the Secretary. The States shall have full authority under their own zoning laws to zone areas for commercial or industrial purposes, and the actions of the States in this regard will be accepted for the purposes of this Act. Whenever a bona fide State, county, or local zoning authority has made a determination of customary use, such determination will be accepted in lieu of controls by agreement in the zoned commercial and industrial areas within the geographic jurisdiction of such authority. Nothing in this subsection shall apply to signs, displays, and devices referred to in clauses (2) and (3) of subsection (c) of this section.<sup>130</sup>

(e) Any sign, display, or device lawfully in existence along the Interstate System or the Federal-aid primary system on September 1, 1965, which does not conform to this section shall not be required to be removed until July 1, 1970. Any other sign, display, or device lawfully erected which does not conform to this section shall not be required to be removed until the end of the fifth year after it becomes nonconforming.

<sup>130</sup> Amended by sec. 6(a) of Public Law 90-495, Aug. 23, 1968 (82 Stat. 815).

(f) The Secretary shall, in consultation with the States, provide within the rights-of-way for areas at appropriate distances from interchanges on the Interstate System, on which signs, displays, and devices giving specific information in the interest of the traveling public may be erected and maintained. Such signs shall conform to national standards to be promulgated by the Secretary.

(g) Just compensation shall be paid upon the removal of the following outdoor advertising signs, displays, and devices—

(1) those lawfully in existence on the date of enactment of this subsection,

(2) those lawfully on any highway made a part of the interstate or primary system on or after the date of enactment of this subsection and before January 1, 1968, and

(3) those lawfully erected on or after January 1, 1968.

The Federal share of such compensation shall be 75 per centum. Such compensation shall be paid for the following:

(A) The taking from the owner of such sign, display, or device of all right, title, leasehold, and interest in such sign, display, or device; and

(B) The taking from the owner of the real property on which the sign, display, or device is located, of the right to erect and maintain such signs, displays, and devices thereon.

(h) All public lands or reservations of the United States which are adjacent to any portion of the Interstate System and the primary system shall be controlled in accordance with the provisions of this section and the national standards promulgated by the Secretary.

(i) In order to provide information in the specific interest of the traveling public, the State highway departments are authorized to maintain maps and to permit informational directories and advertising pamphlets to be made available at safety rest areas. Subject to the approval of the Secretary, a State may also establish information centers at safety rest areas for the purpose of informing the public of places of interest within the State and providing such other information as a State may consider desirable.

(j) Any State highway department which has, under this section as in effect on June 30, 1965, entered into an agreement with the Secretary to control the erection and maintenance of outdoor advertising signs, displays, and devices in areas adjacent to the Interstate System shall be entitled to receive the bonus payments as set forth in the agreement, but no such State highway department shall be entitled to such payments unless the State maintains the control required under such agreement. Such payments shall be paid only from appropriations made to carry out this section. The provisions of this subsection shall not be construed to exempt any State from controlling outdoor advertising as otherwise provided in this section.<sup>131</sup>

<sup>131</sup> Amended by sec. 6(b) of Public Law 90-495, Aug. 23, 1968 (82 Stat. 815).

~~AMERICAN ASSOCIATION OF STATE HIGHWAY~~

AND TRANSPORTATION OFFICIALS

341 NATIONAL PRESS BLDG.

WASHINGTON, D. C. 20004

FEDERAL-AID HIGHWAY AMENDMENTS OF 1974

DECEMBER 17, 1974.—Ordered to be printed

Mr. WRIGHT, from the committee of conference  
submitted the following

## CONFERENCE REPORT

(To accompany S. 3934)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3934) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Federal-Aid Highway Amendments of 1974".

### HIGHWAY AUTHORIZATIONS

*Sec. 101. For the purpose of carrying out the provisions of title 23, United States Code, the following sums are hereby authorized to be appropriated:*

(1) *For the Federal-aid primary system in rural areas, out of the Highway Trust Fund, an additional \$100,000,000 for the fiscal year 1976. For the Federal-aid secondary system in rural areas, out of the Highway Trust Fund, an additional \$50,000,000 for the fiscal year 1976. Sums authorized by this paragraph are in addition to the authorizations for fiscal year 1976 for these systems in section 104(a)(1) of the Federal-aid Highway Act of 1973.*

(2) *For control of outdoor advertising under section 131 of title 23, United States Code, \$50,000,000 for the fiscal year 1975.*

(3) *For control of junkyards under section 136 of title 23, United States Code, \$15,000,000 for the fiscal year 1975.*

(4) *For landscaping the scenic enhancement under section 319(b) of title 23, United States Code, \$10,000,000 for the fiscal year 1975.*

(5) Nothing in paragraph (1) or (b) of this section shall be construed to authorize the appropriation of any sums to carry out section 131, 136, 319 (b), or chapter 4 of title 23, United States Code.

(6) For off-system roads under section 219, title 23, United States Code, \$200,000,000 for the fiscal year 1976.

#### INDIAN RESERVATION ROADS AND BRIDGES

Sec. 102. (a) Paragraph (9) of subsection (a) of section 104 of the Federal-Aid Highway Act of 1973 is amended to read as follows:

"(9) For Indian reservation roads and bridges, \$83,000,000 for the fiscal year ending June 30, 1974, \$81,000,000 for the fiscal year ending June 30, 1975, and \$82,000,000 for the fiscal year ending June 30, 1976."

(b) The definition of the term "Indian reservation roads and bridges" in subsection (a) of section 101 of title 23, United States Code, is amended to read as follows:

"The term 'Indian reservation roads and bridges' means roads and bridges, including roads and bridges on the Federal-aid systems, that are located within or provide access to an Indian reservation or Indian trust land or restricted Indian land which is not subject to fee title alienation without the approval of the Federal Government, or Indian and Alaska Native villages, groups, or communities in which Indians and Alaskan Natives reside, whom the Secretary of the Interior has determined are eligible for services generally available to Indians under Federal laws specifically applicable to Indians."

(c) Section 208 of title 23, United States Code, is amended by relettering subsections (c) and (d) as (d) and (e), respectively, and adding a new subsection (c) as follows:

"(c) Before approving as a project on an Indian reservation road or bridge any project on a Federal-aid system in a State, the Secretary must determine that obligation of funds for such project is supplementary to and not in lieu of the obligation, for projects on Indian reservation roads and bridges, of a fair and equitable share of funds apportioned to such State under section 104 of this title."

(d) No funds appropriated under the expanded definition of this section shall be expended without the formal consent of the governing body of the tribe band or group of Indians or Alaska Natives for whose use the Indian reservation roads and bridges are intended.

#### RURAL HIGHWAY PUBLIC TRANSPORTATION DEMONSTRATION PROGRAM

Sec. 103. Section 147 of the Federal-Aid Highway Act of 1973 is amended to read as follows:

"(a) To encourage the development, improvement, and use of public mass transportation systems operating vehicles on highways for transportation of passengers within rural areas and small urban areas, and between such areas and urbanized areas, in order to enhance access of rural populations to employment, health care, retail centers, education, and public services, there are authorized to be appropriated \$15,000,000 for the fiscal year ending June 30, 1975, and \$60,000,000 for the fiscal year ending June 30, 1976, of which \$50,000,000 shall be out of the Highway Trust Fund, to the Secretary of Transportation to carry out demonstration projects for public mass transportation

highways in rural areas and small urban areas. Projects eligible for Federal funds under this section shall include highway traffic control devices, the construction of passenger loading areas and facilities, including shelters, fringe and transportation corridor parking facilities to serve bus and other public mass transportation passengers, the purchase of passenger equipment other than rolling stock for fixed rail, and the payment from the General Fund for operating expenses incurred as a result of providing such service. To the extent intercity bus service is provided under the program, preference shall be given to private bus operators who lawfully have provided rural highway passenger transportation over the routes or within the general area of the demonstration project.

"(b) Prior to the obligation of any funds for a demonstration project under this section, the Secretary shall provide for public notice of any application for funds under this section which notice shall include the name of the applicant and the area to be served. Within sixty days thereafter, a public hearing on the project shall be held within the proposed service area."

#### DEMONSTRATION PROJECT--RAILROAD-HIGHWAY CROSSING

Sec. 104. Section 163 of the Federal-Aid Highway Act of 1973 is amended by relettering subsection (a) as paragraph (a)(1) and adding the following new paragraph:

"(2) The Secretary of Transportation shall enter into such arrangements as may be necessary to carry out an engineering and feasibility study for a demonstration project in Lafayette, Indiana, for relocation of railroad lines from the central area of the city. There are authorized to be appropriated to carry out this paragraph \$360,000 for the fiscal year ending June 30, 1975."

#### TRANSPORTATION FOR ELDERLY AND HANDICAPPED PERSONS

Sec. 105. (a) It is hereby declared to be the national policy that elderly and handicapped persons have the same right as other persons to utilize mass transportation facilities and services; that special efforts shall be made in the planning, design, construction, and operation of mass transportation facilities and services so that the availability to elderly and handicapped persons of mass transportation which they can effectively utilize will be assured; and that all Federal programs offering assistance for mass transportation (including the programs under title 23, United States Code, the Federal Aid Highway Act of 1973, and this Act) effectively implement this policy.

(b) Subsection (b) of section 165 of the Federal Aid Highway Act of 1973 (87 Stat. 282) is amended to read as follows:

"(b) The Secretary of Transportation shall require that projects receiving Federal financial assistance under (1) subsection (a) or (c) of section 142 of title 23, United States Code, (2) paragraph (4) of subsection (c) of section 103, title 23, United States Code, or (3) section 147 of the Federal-Aid Highway Act of 1973 shall be planned, designed, constructed, and operated to allow effective utilization by elderly or handicapped persons who, by reason of illness, injury, age, congenital malfunction, or other permanent or temporary incapacity

ound and those with semiambulatory capabilities, are unable without special facilities or special planning or design to utilize such facilities and services effectively. The Secretary shall not approve any program or project to which this section applies which does not comply with the provisions of this subsection requiring access to public mass transportation facilities, equipment, and services for elderly or handicapped persons."

#### VEHICLE SIZES AND WEIGHTS

Sec. 106. (a) Section 127 of title 23, United States Code, is amended by striking out "eighteen thousand pounds carried on any one axle, or with a tandem-axle weight in excess of thirty-two thousand pounds, or with an overall gross weight in excess of seventy-three thousand two hundred and eighty pounds," and inserting in lieu thereof the following: "twenty thousand pounds carried on any one axle, including all enforcement tolerances; or with a tandem axle weight in excess of thirty-four thousand pounds, including all enforcement tolerances; or with an overall gross weight on a group of two or more consecutive axles produced by application of the following formula:

$$W = 500 \left( \frac{LN}{N-1} + 12N + 36 \right)$$

where W = overall gross weight on any group of two or more consecutive axles to the nearest 500 pounds, L = distance in feet between the extreme of any group of two or more consecutive axles, and N = number of axles in group under consideration, except that two consecutive sets of tandem axles may carry a gross load of 34,000 pounds each providing the overall distance between the first and last axles of such consecutive sets of tandem axles is thirty-six feet or more; provided, That such overall gross weight may not exceed eighty thousand pounds, including all enforcement tolerances."

(b) The first sentence of section 127 of title 23, United States Code, is amended by inserting immediately after "July 1, 1956," the following: "except in the case of the overall gross weight of any group of two or more consecutive axles, on the date of enactment of the Federal-Aid Highway Amendments of 1974." The third sentence of such section is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "except in the case of the overall gross weight of any group of two or more consecutive axles, on the date of enactment of the Federal-Aid Highway Amendments of 1974."

#### ENFORCEMENT

Sec. 107. (a) Chapter 1 of title 23 of the United States Code is amended by inserting after section 140 the following new section:

##### § 141. Enforcement of requirements

"Each State shall certify to the Secretary before January 1 of each year that it is enforcing all State laws respecting maximum vehicle size and weights permitted on the Federal-aid primary, the Federal-aid urban system and the Federal-aid secondary system, including the Interstate System in accordance with section 127 of this

title, and all speed limits on public highways in accordance with section 154 of this title. The Secretary shall not approve any project under section 106 of this title in any State which has failed to certify in accordance with this section."

(b) The analysis of chapter 1 of title 23 of the United States Code is amended by striking out

"141. Real property acquisition policies."

and inserting in lieu thereof the following:

"141. Enforcement of requirements."

#### ALASKA FERRY OPERATIONS

Sec. 108. Paragraph (5) of subsection (a) of section 129 of title 23, United States Code, is amended to read as follows:

"(5) Such ferry may be operated only within the State (including the islands which comprise the State of Hawaii) or between adjoining States. Except with respect to operations between the islands which comprise the State of Hawaii and operations between any two points in Alaska and between Alaska and Washington, including stops at appropriate points in the Dominion of Canada, no part of such ferry operation shall be in any foreign or international waters."

#### CONTROL OF OUTDOOR ADVERTISING

Sec. 109. (a) The first sentence of subsection (b) of section 131 of title 23, United States Code, is amended by inserting after "main traveled way of the system," the following: "and Federal-aid highway funds support" med on or after January 1, 1975, or after the expiration of the next regular session of the State legislature, whichever is later, to any State which the Secretary determines has not made provision for effective control of the erection and maintenance along the Interstate System and the primary system of those additional outdoor advertising signs, displays, and devices which are more than six hundred and sixty feet off the nearest edge of the right-of-way, located outside of urban areas, visible from the main traveled way of the system, and erected with the purpose of their message being read from such main traveled way."

(b) Subsection (c) of section 131 of title 23, United States Code, is amended to read as follows:

"(c) Effective control means that such signs, displays, or devices after January 1, 1968, if located within six hundred and sixty feet of the right-of-way and, on or after July 1, 1975, or after the expiration of the next regular session of the State legislature, whichever is later, if located beyond six hundred and sixty feet of the right-of-way, located outside of urban areas, visible from the main traveled way of the system, and erected with the purpose of their message being read from such main traveled way, shall, pursuant to this section, be limited to (1) directional and official signs and notices; which signs and notices shall include, but not be limited to, signs and notices pertaining to natural wonders, scenic and historical attractions, which are required or authorized by law, which shall conform to national standards hereby authorized to be promulgated by the Secretary hereunder, which standards shall contain provisions concerning lighting, size,

appropriate to implement this section. (2) signs, displays, and devices advertising the sale or lease of property upon which they are located, (3) signs, displays, and devices advertising activities conducted on the property on which they are located, and (4) signs lawfully in existence on October 22, 1965, determined by the State, subject to the approval of the Secretary, to be landmark signs, including signs on farm structures or natural surfaces, of historic or artistic significance the preservation of which would be consistent with the purposes of this section."

*(c) Subsection (9) of section 131 of title 23, United States Code, is amended by striking out the first sentence and inserting the following in lieu thereof:*

*"Just compensation shall be paid upon the removal of any outdoor advertising sign, display, or device lawfully erected under State law."*

#### CONTROL OF JUNKYARDS

*Sec. 110. Subsection (j) of section 136 of title 23, United States Code, is amended by striking out the first sentence and inserting in lieu thereof the following:*

*"(j) Just compensation shall be paid the owner for the relocation, removal, or disposal of junkyards lawfully established under State law."*

#### ADVANCE CONSTRUCTION

*Sec. 111. (a) Subsection (a) of section 115 of title 23, United States Code, is amended by striking out "including the Interstate System," each of the two places it appears and inserting in lieu thereof at each such place the following: "other than the Interstate System."*

*(b) Section 115 of title 23, United States Code, is amended by redesignating subsection (b) as subsection (c) and by adding immediately after subsection (a) the following new subsection:*

*"(b) When a State proceeds to construct any project on the Interstate System without the aid of Federal funds, as that System may be designated at that time, in accordance with all procedures and all requirements applicable to projects on such System, except insofar as such procedures and requirements limit a State to the construction of projects with the aid of Federal funds previously apportioned to it, the Secretary, upon application by such State and his approval of such application, is authorized to pay to such State the Federal share of the cost of construction of such project when additional funds are apportioned to such State under section 104 of this title if—*

*"(1) prior to the construction of the project the Secretary approves the plans and specifications therefor in the same manner as other projects on the Interstate System, and*

*"(2) the project conforms to the applicable standards under section 109 of this title."*

#### DONATIONS

*Sec. 112. Section 323 of title 23, United States Code, is amended by striking out "after he has been tendered the full amount of the estimated just compensation as established by an approved appraisal of the fair market value of the subject real property," and by inserting in lieu thereof the following: "after he has been fully informed*

*of his right to receive just compensation for the acquisition of his property."*

#### SPECIAL BRIDGE REPLACEMENT PROGRAM

*Sec. 113. Subsection (c) of section 144 of title 23, United States Code, is amended to read as follows:*

*"(c) For the purpose of carrying out the provisions of this section, there are hereby authorized to be appropriated out of the Highway Trust Fund \$100,000,000 for the fiscal year ending June 30, 1972, \$150,000,000 for the fiscal year ending June 30, 1973, \$25,000,000 for the fiscal year ending June 30, 1974, \$75,000,000 for the fiscal year ending June 30, 1975, and \$125,000,000 for the fiscal year ending June 30, 1976, to be available until expended. Such funds shall be available for obligation at the beginning of the fiscal year for which authorized in the same manner and to the same extent as if such funds were apportioned under this chapter."*

#### UNIFORM NATIONAL SPEED LIMIT

*Sec. 114. (a) Chapter 1 of title 23 of the United States Code, relating to highways, is amended by inserting at the end thereof a new section as follows:*

#### "§ 151. National Maximum Speed Limit

*"(a) The Secretary of Transportation shall not approve any project under section 106 in any State which has (1) a maximum speed limit on any public highway within its jurisdiction in excess of fifty-five miles per hour, or (2) a speed limit on any other portion of a public highway within its jurisdiction which is not uniformly applicable to all types of motor vehicles using such portion of highway, if on November 1, 1973, such portion of highway had a speed limit which was uniformly applicable to all types of motor vehicles using it. A lower speed limit may be established for any vehicle operating under a special permit because of any weight or dimension of such vehicle, including any load thereon. Clause (2) of this subsection shall not apply to any portion of a highway during such time that the condition of the highway, weather, an accident, or other condition creates a temporary hazard to the safety of traffic on such portion of a highway.*

*"(b) As used in this section the term 'motor vehicle' means any vehicle driven or drawn by mechanical power manufactured primarily for use on public highways, except any vehicle operated exclusively on a rail or rails.*

*"(c) Notwithstanding the provisions of section 120 sums apportioned to any State under section 101 shall be available to pay the entire cost of any modification of the signing of the Federal-aid highways for which such sums are apportioned within such State due to a reduction in speed limits to conserve fuel if such change in signing occurs or has occurred after November 1, 1973.*

*"(d) The requirements of this section shall be deemed complied with by administrative action lawfully taken by the Governor or other appropriate State official that complies with this section."*

*(b) The analysis of such chapter 1 is amended by inserting at the end thereof the following:*

*"151. National maximum speed limit"*

(c) Section 2 of the Emergency Highway Energy Conservation Act is repealed.

#### ACCESS HIGHWAYS TO PUBLIC RECREATION AREAS ON CERTAIN LAKES

Sec. 115. (a) Chapter 1 of title 23, United States Code, is further amended by adding at the end thereof the following new section:

§ 155. Access highways to public recreation areas on certain lakes

"(a) The Secretary is authorized to construct or reconstruct access highways to public recreation areas on lakes in order to accommodate present and projected traffic density. The Secretary shall develop guidelines and standards for the designation of routes and the allocation of funds for the purpose of this section which shall include the following criteria:

"(1) No portion of any access highway constructed or reconstructed under this section shall exceed thirty-five miles in length nor shall any portion of such highway be located more than thirty-five miles from the nearest part of such recreation area.

"(2) Routes shall be designated by the Secretary on the recommendation of the State and responsible local officials, after consultation with the head of the Federal agency (if any) having jurisdiction over the public recreation area involved.

"(b) The Federal share payable on account of any project authorized pursuant to this section shall not exceed 70 per centum of the cost of construction or reconstruction of such project.

"(c) All of the provisions of this title applicable to highways on the Federal-aid system (other than the Interstate System) determined appropriate by the Secretary, except those provisions which the Secretary determines are inconsistent with this section, shall apply to any highway designated under this section which is not a part of the Federal-aid system when so designed.

"(d) For the purpose of this section the term 'lake' means any lake, reservoir, pool, or other body of water resulting from the construction of any lock, dam, or similar structure by the Corps of Engineers, Department of the Army, or the Bureau of Reclamation, Department of the Interior, or the Tennessee Valley Authority, and any multipurpose lake resulting from construction assistance of the Soil Conservation Service, Department of Agriculture. This section shall apply to lakes Secretary or hereafter constructed or authorized for construction.

"(e) There is authorized to be appropriated not to exceed \$25,000,000 for the fiscal year 1976 to carry out this section. Amounts authorized by this subsection for a fiscal year shall be available for that fiscal year and for the two succeeding fiscal years."

(b) The analysis of chapter 1 of title 23 of the United States Code is amended by adding at the end thereof the following:

"155. Access highways to public recreation areas on certain lakes."

#### AUBURN BRIDGE

Sec. 116. (a) In order to provide access between the historical portion of the city of Auburn, California, Auburn District Fairgrounds, city park and parking lots, and the Auburn Dam Overlook area, for motor

vehicles and for passage of pedestrians, equestrians, and cyclists under a highway relocation, the Secretary of the Interior is authorized to construct, in lieu of a drainage culvert, an intermediate size bridge across a shallow ravine. The bridge, at approximate stations 154+26 to 155+30 (84 feet), shall be part of the State Highway Number 49 relocation through the city of Auburn, California.

(b) Upon completion such bridge shall be transferred to the State of California for operation and maintenance as a part of the highway relocation. The cost of the bridge, less the original planned drainage culvert, shall be considered as nonreimbursable.

(c) There is authorized to be appropriated to carry out this section the sum of \$250,000 (October 1975 price levels) plus or minus such amounts as may be justified by changes in price indexes applicable to the type of development involved herein.

#### NORTHEAST CORRIDOR DEMONSTRATION-RAIL CROSSINGS

Sec. 117. Subsection (a) of section 322 of title 23, United States Code, is amended by inserting at the end thereof the following:

"The Secretary may permit selected individual public crossings of unusually low-potential hazard to remain at ground level, if they are provided with the best available protection."

#### OVERSEAS HIGHWAY

Sec. 118. (a) The Secretary is authorized to undertake projects for the reconstruction or replacement of bridge structures of a two-lane nature on the Overseas Highway, to Key West, Florida. The Federal share payable on account of such projects shall not exceed 70 per centum of the costs of such reconstruction or replacement.

(b) There are authorized to be appropriated, out of the Highway Trust Fund, not to exceed \$100,000,000, to carry out such projects. Such sums shall be available until expended except that of the funds authorized under this section only \$10,000,000 for the fiscal year ending June 30, 1975, and \$15,000,000 for the fiscal year ending June 30, 1976, can be obligated.

§ 53. 119. (a) For the purpose of this section the term—

#### BIKEWAY DEMONSTRATION PROGRAM

Sec. 119. (a) For the purpose of this section the term—

(1) "bikeway" means a bicycle lane or path, or support facility, a bicycle traffic control device, a shelter, or a parking facility to serve bicycles and persons using bicycles;

(2) "State" means any one of the fifty States, the District of Columbia, or Puerto Rico.

(b) (i) The Secretary is authorized to make grants to States for demonstration projects for the construction of bikeways. Such bikeways shall be for commuting and for recreational purposes and shall be located in urbanized areas and such other urban areas as are designated by the State highway department under subsection 103(d) of title 23, United States Code.

(2) The Federal share of any demonstration project for the construction of a bikeway shall be 80 per centum of the total cost of such

project. The remaining 20 per centum of such cost shall be paid by the grantee.

"(3) No grant shall be made under authority of this Act unless such bikeway project is in accordance with continuing comprehensive transportation planning process carried on cooperatively by States and local communities in accordance with section 134 of title 23, United States Code.

(4) The Secretary shall establish, by regulation, construction standards for bikeway projects for which grants are authorized by this Act, and shall establish, by regulation, such other requirements as may be necessary to carry out this Act.

(c) Grants made under this Act shall be in addition to, and not in lieu of, any sums available for bicycle projects under section 217 of title 23, United States Code.

(d) There are authorized to be appropriated to the Secretary to carry out this section \$10,000,000 for the fiscal year 1976.

#### EXTENSION OF CARPOOLS

Sec. 120. (a) The last sentence of section 3(d) of the Emergency Highway Energy Conservation Act (Public Law 93-239) is amended by striking out "December 31, 1975" and inserting in lieu thereof "December 31, 1977".

(b) The Secretary of Transportation is authorized to make grants for demonstration projects designed to encourage the use of carpools in urban areas. Such a project may include, but not be limited to, such measures as systems for locating potential riders and informing them of convenient carpool opportunities, designating existing highway lanes as preferential carpool highway lanes or shared bus and carpool lanes, providing related traffic control devices, and designating existing publicly owned facilities for use as preferential parking for carpools. There is authorized to be appropriated not to exceed \$7,500,000 to carry out this subsection.

#### SAFER ROADS PROGRAM

Sec. 121. The first sentence of sub-section (c) of section 405 of title 23, United States Code, is amended by striking the word "and" after "crossings," and inserting in lieu thereof the following: "the correction of high-hazard locations, and".

#### OFF-SYSTEM ROADS

Sec. 122. (a) Chapter 2 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 219. Off-system roads

"(a) The Secretary is authorized to make grants to States for projects for the construction, reconstruction, and improvement of any off-system road (including, but not limited to, the replacement of bridges, the elimination of high-hazard locations, and roadside obstacles).

"(b) On or before January 1 next preceding the commencement of each fiscal year the Secretary shall apportion the sums authorized

to be appropriated to carry out this section among the several States as follows:

"(1) one-third in the ratio which the area of each State bears to the total area of all States;

"(2) one-third in the ratio which the population of rural areas of each State bears to the total population of rural areas of all the States; and

"(3) one-third in the ratio in which the off-system road mileage of each State bears to the total off-system road mileage of all the States. Off-system road mileage as used in this subsection shall be determined as of the end of the calendar year preceding the year in which the funds are apportioned and shall be certified to by the Governor of the State and subject to approval by the Secretary.

"(c) Sums apportioned to a State under this section shall be made available for expenditures in the counties of such State on a fair and equitable basis.

"(d) Sums apportioned under this section and programs and projects under this section shall be subject to all of the provisions of chapter 1 of this title applicable to highways on the Federal-aid secondary system except the formula for apportionment, the requirement that these roads be on the Federal-aid system, and those other provisions determined by the Secretary to be inconsistent with this section. The Secretary is not authorized to determine as inconsistent with this section any provision relating to the obligation and availability of funds.

"(e) As used in this section the term "off-system road" means any toll-free road (including bridges) in a rural area, which road is not on any Federal-aid system and which is under the jurisdiction of and maintained by a public authority and open to public travel."

(b) The analysis of chapter 2, title 23, United States Code, is amended by adding at the end thereof the following:

"219. Off-system roads."

#### BRIDGES ON FEDERAL DAMS

Sec. 123. (a) Section 320(d) of title 23 of the United States Code (as amended) is amended by striking out "\$25,261,000" and inserting in lieu thereof "\$27,761,000".

(b) All sums appropriated under authority of the increased authorization established by the amendment made by subsection (a) of this section shall be available for expenditure in the same manner and for the same purpose as provided for in subsection (b) of section 116 of the Federal-Aid Highway Act of 1970 (Public Law 91-607).

#### DEMONSTRATION PROJECTS

Sec. 124. The Secretary of Transportation shall carry out a demonstration project for construction of a high-density urban highway intermodal transportation connection between Franklin Avenue and Fifty-ninth Street, South, in Minneapolis, Minnesota. The Federal share of such project shall be 90 per centum of the cost thereof. Such highway shall be placed on a Federal-aid system before any funds are expended under this section. There is authorized to be ap-

appropriated, out of the Highway Trust Fund, not to exceed \$53,000,000 to carry out this section, except that not to exceed \$10,000,000 for the fiscal year 1975, and \$15,000,000 for the fiscal year 1976, shall be expended to carry out this section.

#### ROUTE WITHDRAWALS

SEC. 125. (a) Section 103(c)(2) of title 23 of the United States Code is amended by striking out the period following "House Report Numbered 92-1443" and inserting in lieu thereof a comma and the following: "increased or decreased, as the case may be, as determined by the Secretary, based on changes in construction costs of such route or portion thereof as of the date of withdrawal of approval under this paragraph and in accordance with that design of such route or portion hereof which is the basis of such 1972 cost estimate."

(b) Section 103(c)(3) of title 23 of the United States Code is amended by striking out the period following "House Report Numbered 92-1443" and inserting in lieu thereof a comma and the following: "increased or decreased, as the case may be, as determined by the Secretary, based on changes in construction costs of such route or portion thereof as of the date of withdrawal of approval under this paragraph and in accordance with that design of such route or portion hereof which is the basis of such 1972 cost estimate."

#### SCHOOL BUS DRIVER TRAINING

SEC. 126. (a) Chapter 4 of title 23, United States Code, is amended by adding at the end thereof the following new section:

##### § 406. School bus driver training

"(a) The Secretary is authorized to make grants to the States for the purpose of carrying out State programs approved by him of driver education and training for persons driving school buses.

"(b) A State program under this section shall be approved by the Secretary if such program—

"(1) provides for the establishment and enforcement of qualifications for persons driving school buses;

"(2) provides for initial education and training and for refresher courses;

"(3) provides for periodic reports to the Secretary on the results of such program; and

"(4) includes persons driving publicly operated, and persons driving privately operated, school buses.

"(c) Not less than \$7,500,000 of the sums authorized to carry out section 402 of this title for fiscal year 1976 shall be obligated to carry out this section. Such sums shall be apportioned among the States in accordance with the formula established under subsection (e) of section 402 of this title. The Federal share payable on account of any project to carry out a program under this title shall not exceed 70 per centum of the cost of the project."

(b) The analysis of chapter 4, title 23, United States Code, is amended by adding at the end thereof the following:

"406. School bus driver training."

And the House agree to the same.

JIM WRIGHT,  
JOHN C. KLUCZYNSKI,  
HAROLD T. JOHNSON,  
W.M. HARSHA,  
JAMES C. CLEVELAND,

*Managers on the Part of the House.*

JENNINGS RANDOLPH,  
MIKE GRAVEL,  
QUENTIN BURDICK,  
HOWARD BAKER,  
ROBERT T. STAFFORD,

*Managers on the Part of the Senate.*

JOINT EXPLANATORY STATEMENT OF THE  
COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3934) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SHORT TITLE:

*Senate bill*

Provides that this Act may be cited as the "Federal-Aid Highway Amendments of 1974".

*House amendment*

Provides that this Act may be cited as the "Federal-Aid Highway Act of 1974".

*Conference substitute*

The conference substitute is identical to the Senate bill.

PARKWAYS

*Senate bill*

Section 101 amends section 101(a)(5) of the Federal-Aid Highway Act of 1973 to provide the following authorizations for appropriations out of the Highway Trust Fund for parkways:

- (1) \$60,000,000 for the fiscal year ending June 30, 1974.
- (2) \$75,000,000 for each of the fiscal years ending June 30, 1975, and 1976.

*House amendment*

No comparable provision.

*Conference substitute*

No comparable provision.

## HIGHWAY AUTHORIZATIONS

*Senate bill*

The Senate bill contains no comparable provision for primary or secondary systems authorizations, and off-system roads.

The Senate bill contains an authorization for \$65,000,000 for each of the fiscal years 1975 and 1976 for outdoor advertising.

In addition, the Senate bill contains an authorization of \$15,000,000 for each of the fiscal years 1975 and 1976 for control of junkyards.

The Senate bill also contains an authorization of \$15,000,000 for each of the fiscal years 1975 and 1976 for landscaping and scenic enhancement.

*House amendment*

Section 102 of the House amendment authorizes the following sums to be appropriated:

(1) For the Federal-aid primary system in rural areas, out of the Highway Trust Fund, \$900,000,000 for the fiscal year 1976. For the Federal-aid secondary system in rural areas, out of the Highway Trust Fund, \$500,000,000 for the fiscal year 1976.

(2) For control of outdoor advertising under section 131 of title 23, United States Code, \$50,000,000 per fiscal year for the fiscal years 1975 and 1976.

(3) For control of junkyards under section 136 of title 23, United States Code, \$15,000,000 per fiscal year for the fiscal years 1975 and 1976.

(4) For landscaping the scenic enhancement under section 319 (b) of title 23, United States Code, \$10,000,000 per fiscal year for the fiscal years 1975 and 1976.

(5) Nothing in paragraph (1) or (6) of this section shall be construed to authorize the appropriation of any sums to carry out section 131, 136, 319(b), or chapter 1 of title 23, United States Code.

(6) For off-system roads under section 219, title 23, United States Code, \$200,000,000 for the fiscal year 1976.

*Conference substitute*

The conference substitute authorizes the following sums for purposes of carrying out the provisions of title 23, United States Code:

(1) For the Federal-aid primary system in rural areas, out of the Highway Trust Fund, \$100,000,000 for the fiscal year 1976. For the Federal-aid secondary system in rural areas, out of the Highway Trust Fund, \$50,000,000 for the fiscal year 1976.

(2) For control of outdoor advertising under section 131 of title 23, United States Code, \$50,000,000 per fiscal year for the fiscal year 1975.

(3) For control of junkyards under section 136 of title 23, United States Code, \$15,000,000 per fiscal year for the fiscal year 1975.

(4) For landscaping the scenic enhancement under section 319 (b) of title 23, United States Code, \$10,000,000 per fiscal year for the fiscal year 1975.

(5) For off-system roads under section 219, title 23, United States Code, \$200,000,000 for the fiscal year 1976.

## INDIAN RESERVATION ROADS AND BRIDGES

*Senate bill*

Section 102(a) amends section 101(a)(9) of the Federal-Aid Highway Act of 1973 to provide the following authorizations for appropriations for Indian reservation roads and bridges:

(1) \$83,000,000 for the fiscal year ending June 30, 1974.

(2) \$81,000,000 for the fiscal year ending June 30, 1975.

(3) \$83,000,000 for the fiscal year ending June 30, 1976.

Section 102(b) amends the term "Indian reservation roads and bridges" in section 101(a) of title 23, United States Code, by inserting "including roads and bridges of the Federal-aid systems," immediately after "bridges".

Section 102(c) adds a new section 208(c) to title 23, United States Code, which reads as follows:

"(c) Before approving as a project on an Indian reservation road or bridge any project on a Federal-aid system in a State, the Secretary must determine that obligation of funds for such project is supplementary to and not in lieu of the obligation, for projects on Indian reservation roads and bridges, of a fair and equitable share of funds apportioned to such State under section 104 of this title."

Section 102(d) requires the consent of the governing body of the tribe, band, or group of Indians or Alaska Natives before any funds appropriated under the expanded definition by this section are expended.

*House amendment*

No comparable provision.

*Conference substitute*

The conference substitute is the same as the Senate bill.

## RURAL HIGHWAY PUBLIC TRANSPORTATION DEMONSTRATION PROGRAM

*Senate bill*

Section 103 authorizes an additional \$45,000,000 for the Rural Highway Public Transportation Demonstration Program, raising the total to \$75,000,000 for fiscal years 1975 and 1976. Of this amount, one-third is to be provided by general fund appropriations and two-thirds from the Highway Trust Fund. The payment of operating expenses is authorized from the general fund appropriations for the demonstration program. The Senate bill also provides that, when intercity bus service is provided as part of the demonstration program, preference is to be given to private operators who are providing or have provided service in the area of a project. The bill further provides that public notice, including the name of the applicant, must be given in each proposed project area and that a public hearing must be held within 60 days.

*House amendment*

No comparable provision.

*Conference substitute*

The conference substitute is identical to the Senate bill.

## DEMONSTRATION PROJECT—RAILROAD-HIGHWAY CROSSING

*Senate bill*

Section 101 of the Senate bill amends section 163 of the Federal-Aid Highway Act of 1973 by directing the Secretary of Transportation to carry out an engineering and feasibility study for a demonstration project in Lafayette, Indiana, for relocation of railroad lines. The section authorizes the appropriation of \$360,000 to carry out this amendment.

*House amendment*

No comparable provision.

*Conference substitute*

The conference substitute is the same as the Senate bill.

## TRANSPORTATION FOR ELDERLY AND HANDICAPPED PERSONS

*Senate bill*

Section 105(a) of the Senate bill contains a statement of national policy which is similar to that found in section 16(a) of the Urban Mass Transportation Act of 1964, as amended, and which declares that elderly and handicapped persons have the same right to utilize mass transportation systems as other persons.

The section amends section 165(b) to insure that any project receiving Federal financial assistance under the Federal-aid urban system, interstate transfer, or rural bus demonstration sections of the Federal-Aid Highway Act of 1973 shall be "planned, designed, constructed and operated so as to allow effective utilization by elderly or handicapped persons", including those in wheelchairs.

*House amendment*

No comparable provision.

*Conference substitute*

The conference substitute is identical to the Senate bill.

## VEHICLE SIZES AND WEIGHTS

*Senate bill*

Section 106 of the Senate bill amends section 127 of title 23, United States Code, by striking out "eighteen thousand pounds carried on any one axle, with a tandem-axle weight in excess of thirty-two thousand pounds, or with an overall gross weight in excess of seventy-three thousand two hundred and eighty pounds," and inserting in lieu thereof the following: "twenty thousand pounds carried on any one axle, including all enforcement tolerances; ten thousand pounds on the steering axle of any truck tractor, including all enforcement tolerances; or with a tandem axle weight in excess of thirty-four thousand pounds, including all enforcement tolerances; or with an overall gross weight on a group of two or more consecutive axles produced by application of the following formula:

$$W = 500 \left( \frac{LN}{N-1} + 12N + 36 \right)$$

where  $W$  = overall gross weight on any group of two or more consecutive axles to the nearest 500 pounds,  $L$  = distance in feet between the extreme of any group of two or more consecutive axles, and  $N$  = number of axles in group under consideration, except that two consecutive sets of tandem axles may carry a gross load of 34,000 pounds each providing the overall distance between the first and last axles of such consecutive sets of tandem axles is thirty-six feet or more: *Provided*, That such overall gross weight may not exceed eighty thousand pounds, including all enforcement tolerances."

*House amendment*

No comparable provision.

*Conference substitute*

The conference substitute is identical to the Senate bill except as follows:

(1) The phrase "10,000 pounds on the steering axle of any truck tractor, including all enforcement tolerances;" is deleted.

(2) Because of inclusion in the Senate passed bill of a new and optional weight limitation on any group of two or more consecutive axles of vehicles operating on the Interstate System, additional language was added by the Conference Committee to express the intent of the Senate as stated by the floor manager when this provision was debated on the Senate floor. The added language makes it clear that any vehicle or combination of vehicles that could lawfully operate in a State on the date of enactment of the Federal-Aid Highway Amendments of 1974 may be permitted to continue to operate on the Interstate System in such State even though the overall gross weight of any group of consecutive axles may exceed that permitted by the formula in this section.

## STATE ENFORCEMENT

*Senate bill*

Section 107 of the Senate bill amends section 127 of title 23, United States Code, by adding a new subsection (b) which requires each State to certify annually that State size and weight laws are being enforced on Federal-aid primary, secondary, and urban systems within the State.

The section provides that, whenever State certification fails to satisfy the Secretary that State vehicle size and weight limitations are being adequately and uniformly enforced on any non-Interstate Federal-aid system, the Secretary must refuse to approve programs or projects for such system until he receives assurance satisfactory to him that the requirements of this subsection are being met.

*House amendment*

Section 107 of the House amendment provides that each State must certify to the Secretary before January 1 of each year that it is enforcing all State laws respecting maximum vehicle size and weights permitted on the Interstate System in accordance with section 127 of this title, and all speed limits on public highways in accordance with section 2 of the Emergency Highway Energy Conservation Act (Public Law 93-239). The Secretary shall not approve any project under section 106 of this title in any State which has failed to certify in accordance with this section.

*Conference substitute*

The conference substitute is a combination of the Senate bill and the House amendment and requires each State to certify to the Secretary annually that it is enforcing all State laws respecting maximum vehicle size and weights on all Federal-aid systems. In addition, this section enforces all maximum speed limits on public highways.

## ALASKA FERRY OPERATIONS

*Senate bill*

Section 108 of the Senate bill amends section 129(g) (5) of title 23, United States Code, by augmenting the operating authority of the Alaska ferry system in international waters to include stops at appropriate points in the Dominion of Canada.

*House amendment*

No comparable provision.

*Conference substitute*

The conference substitute is the same as the Senate bill.

## CONTROL OF OUTDOOR ADVERTISING

*Senate bill*

Section 109 amends section 131(b) of title 23, United States Code, to require that "effective control" of outdoor advertising include measures for regulating signs erected more than 660 feet from the nearest edge of the right-of-way if they are legible from the main traveled way of the highway. The test of legibility is whether the message on a sign, either pictorial or written, can be communicated to a motorist with normal vision traveling at the posted speed on the main traveled way. This amendment would not prevent States from imposing more stringent controls, including restrictions on all signs visible from the controlled highway. This section also authorizes the Secretary to impose a penalty of 10 percent of the highway funds apportioned to any State which did not provide after January 1, 1975, or the end of the next session of the State Legislature, whichever is later, for the control of signs beyond 660 feet which are legible from the main traveled way.

In addition, this section guarantees just compensation for the removal only of those signs lawfully erected under State law prior to enactment of the Federal-Aid Highway Act of 1974.

Section 109(e) amends section 131(f) of title 23, United States Code, by expanding the use of official "logo" signs to the Primary System, as well as the Interstate.

Section 109(g) of the Senate bill amends section 131(i) of title 23, United States Code, to provide for Federal financial assistance to the States in establishing information centers at safety rest areas and other travel information systems within the rights-of-way of Interstate and primary highways. The Federal share of the cost of establishing the information centers and other alternate information systems is 75 percent, and up to 20 percent of the funds provided for section 131 may be used for these purposes.

Section 109(h) amends section 131(m) of title 23, United States Code, to provide for an increase in authorizations for highway beautification to \$65 million for each of the two fiscal years 1975 and 1976.

*House amendment*

Section 103(a) of the House amends section 131(b), title 23, United States Code, by extending outdoor advertising controls beyond the present 660 feet from the edge of the highway right-of-way to cover signs which are visible from the main traveled way and which were erected for the purpose of being read from the main traveled way of the Interstate or Federal-aid primary system, and States would be given until January 1, 1975, or after the expiration of the next regular session of the State legislature, whichever is later, to conform to such extended control requirements.

Section 103(b) amends the definition of "effective control" in section 131 of title 23, United States Code.

Section 103(c) amends subsection (d) of section 131, title 23, United States Code, to assure that outdoor advertising in areas zoned industrial or commercial will be permitted in the extended control zone.

Section 103(d) amends section 131(e) of title 23, United States Code, to indicate that any nonconforming sign under State law enacted to comply with such section shall be removed no later than the end of the fifth year which becomes nonconforming, except as determined by the Secretary.

Section 103(e) amends section 131(f) of title 23, United States Code, to authorize the Secretary to permit the States to allow certain directional signs within the right-of-way of Federal-aid primary highways. Section 103(f) of the House amendment amends section 131(g) of title 23, United States Code, to insure the payment of just compensation in the case of signs which were lawfully erected under State law but which are required to be removed. In addition, section 103(g) of the House amendment adds three new subsections to provide as follows:

(1) Subsection (o) provides that no sign lawfully in existence on June 1, 1972, giving directional information in the specific interest of the traveling public need be removed until December 31, 1975, or until the State where the sign is located certifies that directional information is reasonably available from other sources, whichever first occurs.

(2) Subsection (p) is designed to prevent inequities from arising where a second removal of a sign is required by virtue of the provisions contained in this bill, a new amendment authorizing 100 percent Federal funding for removing such signs is added.

(3) Subsection (q)(1) directs the Secretary to assist States in assuring the motorist adequate directional information concerning available goods and services. He is further directed to consider functional and esthetic factors in developing the national standards for highway signs authorized by section 131 (e) and (f). Paragraph (2) of subsection (q) lists those signs which could be considered to provide directional information about available goods and services. Paragraph (3) directs the Secretary to encourage the States to defer removing necessary directional information signs of this type which were in place on June 1, 1972, until all other non-conforming signs were removed. Paragraph (4) permits any facility providing the motorist with goods and services in the interest of the traveling public to continue using one nonconforming sign in each direction on any highway subject to a State statute implementing section 131. If the

sign renders directional information about the facility, it had been in place on June 1, 1972, and it is within 75 miles of the facility or such distance as the State shall establish. A qualifying sign is to remain until the Secretary is satisfied that the information is being provided by one of the enumerated alternatives, or such other alternative as the State deems adequate.

*Conference substitute*

The conference substitute adopts section 103(a) of the House amendment, section 109(b) of the Senate bill with an amendment which deletes the words "and legible from the main traveled way of the system" and inserts in lieu thereof "located outside of urban areas, visible from the main traveled way of the system, and erected with the purpose of their message being read from such main traveled way," and accepts section 103(f) of the House amendment.

CONTROL OF JUNKYARDS

*Senate bill*

Section 110(a) of the Senate bill amends the first sentence of section 336(j) of title 23, United States Code, to provide compensation to the owner for the relocation, removal, or disposal of junkyards lawfully in existence on the effective date of State legislation enacted to comply with section 336(j).

Section 110(b) authorizes \$15,000,000 for each of the fiscal years ending June 30, 1975, and June 30, 1976.

*House amendment*

Section 101 of the House amendment is essentially the same as section 110(a) of the Senate bill.

Section 103(3) of the House amendment is the same as section 110(b) of the Senate amendment.

*Conference substitute*

The conference substitute is the same as section 101 of the House amendment.

RESEARCH AND PLANNING

*Senate bill*

Section 111 of the Senate bill amends section 307(a) of title 23, United States Code, to authorize the Secretary in his discretion to engage in research with respect to beautification, roadside development, and scenic enhancement.

*House amendment*

No comparable provision.

*Conference substitute*

No comparable provision.

LANDSCAPING AND SCENIC ENHANCEMENT

*Senate bill*

Section 112 of the Senate bill authorizes the appropriation of \$15,000,000 for each of the fiscal years 1975 and 1976 for the purpose of carrying out section 319(b) of title 23, United States Code.

*House amendment*

Section 102(4) of the House amendment authorizes the appropriation of \$10,000,000 per fiscal year for the fiscal years 1975 and 1976 for the purpose of carrying out section 319(b) of title 23, United States Code.

*Conference substitute*

Section 101(4) of the conference substitute is the same as the House amendment, except that such section authorizes an appropriation of \$10,000,000 for fiscal year 1975.

SPECIAL BRIDGE REPLACEMENT PROGRAM

*Senate bill*

Section 113 of the Senate bill amends section 141(e) of title 23, United States Code, to provide increased authorizations for the special bridge replacement program of \$50,000,000 for each of the fiscal years 1975 and 1976.

*House amendment*

No provision.

*Conference substitute*

The conference substitute is the same as the Senate bill, except that the increased authorization is only for fiscal year 1976.

UNIFORM NATIONAL SPEED LIMIT

*Senate bill*

Section 114 of the Senate bill adds a new section to chapter 1 of title 23, United States Code, to provide that the Secretary of Transportation shall not approve any project under section 106 in any State which has (1) a maximum speed limit on any public highway within its jurisdiction in excess of fifty-five miles per hour, or (2) a speed limit on any other portion of a public highway within its jurisdiction which is not uniformly applicable to all types of motor vehicles using such portion of highway, if on November 1, 1973, such portion of highway had a speed limit which was uniformly applicable to all types of motor vehicles using it.

The Senate bill does not prohibit States from setting a speed limit lower than 55 miles per hour on any road.

The Senate bill also provides that sums apportioned to any State under section 104 shall be available to pay the entire cost of any modification of the signing of the Federal-aid highways for which such sums are apportioned within such State due to a reduction in speed limits to conserve fuel if such change in signing occurs or has occurred after November 1, 1973.

*House amendment*

Section 112 of the House amendment amends section 2 of the Emergency Highway Energy Conservation Act to provide that such section shall cease to be in effect on and after the date on which Congress by concurrent resolution declares there is no need requiring the application of such section.

*Conference substitute*

The conference substitute is identical to the Senate bill.

## ACCESS ROADS TO FEDERAL LAKES

*Senate bill*

Section 115 of the Senate bill adds a new section to chapter 1 of title 23, United States Code, authorizing \$10,000,000 annually out of the general fund during fiscal years 1975 and 1976 for constructing access highways to public recreation areas at lakes developed under programs of the Army Corps of Engineers, the Bureau of Reclamation, the Soil Conservation Service, and the Tennessee Valley Authority. Such highways are to be no more than 20 miles in length, and they must be recommended by both State and responsible local officials. In addition, the Federal share payable on account of any project authorized pursuant to this section shall not exceed 50 per centum of the cost of construction or reconstruction of such project.

*House amendment*

Section 108 of the House amendment adds a new section to chapter 1 of title 23, United States Code, which authorizes the Secretary of Transportation to construct or reconstruct access highways to public recreation areas on lakes in order to accommodate present and projected traffic density. This section provides that the Secretary shall develop guidelines and standards, including as criteria the following: (1) such highway constructed or reconstructed shall not exceed 25 miles in length nor shall be located more than 35 miles from the nearest part of the recreation area; and (2) such routes shall be designated by the Secretary on the recommendation of the State and responsible local officials, after consultation with the head of the Federal agency (if any) having jurisdiction over the public recreation area involved. The Federal share payable for such project shall not exceed 70 per centum of the cost of construction or reconstruction of the project; and all the provisions of Title 23 which are applicable to non-Interstate highways on the Federal-aid system, and which are determined appropriate and not inconsistent with this section by the Secretary, shall apply to any highway designated under this section which is not a part of the Federal-aid system when so designated.

*Conference substitute*

The conference substitute is the same as the House amendment. It is the intent and expectation of the conferees that projects initially approved under this section will include the following: County Road 25 designated by the Corps of Engineers connecting farm to market road 982 to Tickey Creek Park east of Dallas, Texas; a route from Lawrence, Kansas, to Clinton Lake; Rapid Forge Road, between U.S. 9 and State Road 28 providing access to Paint Creek Reservoir near Greenfield, Ohio; access roads to Lake Raystown, located in Huntingdon County, Pennsylvania; Hemlock Road, located in Glade Township, Warren County, Pennsylvania, beginning at the end of Pennsylvania Avenue and running along the north side of the Allegheny River to the dam; and various access roads to lakes in Indiana.

## PARKWAYS AND ASSOCIATED LANDS AND RIGHTS-OF-WAY

*Senate bill*

Section 116 of the Senate bill amends section 207 of title 23 of the United States Code by adding a new subsection which indicates that

parkways and all associated lands and rights-of-way funded in whole or in part from the Highway Trust Fund shall be managed solely for scenic and recreational use and passenger car travel.

*House amendment*

No comparable provision.

*Conference substitute*

No comparable provision.

## NORTHEAST CORRIDOR DEMONSTRATION-RAIL CROSSINGS

*Senate bill*

Section 117 of the Senate bill amends section 322 of title 23, United States Code, to permit under certain circumstances selected public rail-road-highway crossings to remain at ground level and to be provided with appropriate warning and protection devices.

This section also provides a uniform cost-sharing formula for crossings on Federal-aid and non-Federal-aid routes, 90 percent Federal and 10 percent State funds.

This section authorizes to be appropriated from the general fund not to exceed \$22,000,000 and out of the Highway Trust Fund such additional sums as are necessary to carry out the provisions of this section (exclusive of subsection (f)).

*House amendment*

No comparable provision.

*Conference substitute*

The conference substitute is the same as section 117(a) of the Senate bill.

## OVERSEAS HIGHWAY

*Senate bill*

Section 118 authorizes the Secretary to undertake projects for the reconstruction or replacement of bridge structures of a 2 lane nature on the Overseas Highway to Key West, Florida. The Federal share of this project shall not exceed 75 per centum of total cost. In addition, this section authorizes to be appropriated out of the Highway Trust Fund not to exceed \$116,250,000 to carry out such projects. Such sums shall be available until expended except that of the funds authorized under this section only \$10,000,000 for the fiscal year ending June 30, 1975, and \$15,000,000 for the fiscal year ending June 30, 1976, can be obligated.

*House amendment*

Section 114 of the House amendment authorizes from the Highway Trust Fund \$10,000,000 for fiscal year 1975 and \$15,000,000 for fiscal year 1976 for the reconstruction of Federal-aid primary routes in the State of Florida. This would be at the regular 70 percent Federal matching ratio.

*Conference substitute*

The conference substitute is the same as the Senate bill, except that total authorizations are reduced to \$109,200,000 and the Federal matching ratio is reduced to 70 percent.

## BIKEWAY DEMONSTRATION PROGRAM

*Senate bill*

Section 119 of the Senate bill authorizes \$20 million—\$10 million from the Highway Trust Fund and \$10 million in general funds—for expenditure, upon application by a State, in urban areas currently eligible to receive urban system highway funds. These funds are available for expenditure only for bikeway projects and are intended to be supplementary to bikeway funds available under the ongoing Federal-aid highway program. The Federal share of any demonstration project for the construction of bikeways shall be 80 per centum of the total cost of such project.

*House amendment*

No comparable provision.

*Conference substitute*

The conference substitute is the same as the Senate bill, except that only \$10 million is authorized from the General Fund for fiscal year 1976.

Termination of Federal Highway Construction Contracts.

*Senate bill*

Section 120 of the Senate bill creates an administrative procedure which defines grounds upon which a highway contractor may seek to terminate a Federal contract, and, in effect, recognizes certain acts on the part of the Federal Government as constituting force majeure.

*House amendment*

No comparable provision.

*Conference substitute*

No comparable provision.

## CARPOOLING

*Senate bill*

Section 121 of the Senate bill modifies provisions of the Emergency Highway Conservation Act (P. L. 93-239) relating to incentives for carpooling by extending the date for application for carpool demonstration programs by one year to December 31, 1975, and authorizes \$5,000,000 out of the Highway Trust Fund specifically for carpooling projects. The Federal share of any such project shall be 90 per centum and shall not exceed \$1,000,000.

*House amendment*

Section 115 of the House amendment amends section 3(d) of the Emergency Highway Conservation Act (P. L. 93-239) by extending the date on which application must be submitted to December 31, 1975.

*Conference substitute*

The conference substitute is the same as the House amendment, except that an additional \$7,500,000 from the General Fund is authorized for distribution at the discretion of the Secretary.

## FEDERAL-AID SAFER ROADS DEMONSTRATION PROGRAM

*Senate bill*

Section 122 of the Senate bill amends section 405(e) of title 23, United States Code, to permit appropriated funds to be used for projects to correct high hazard locations on public roads not on the Federal-aid system.

*House amendment*

No comparable provision.

*Conference substitute*

The conference substitute is identical to the Senate bill.

## ADVANCE CONSTRUCTION

*Senate bill*

No comparable provision.

*House amendment*

Section 105 of the House amendment amends section 115 of title 23, United States Code, to provide that when a State has obligated all funds for any Federal-aid system, including the Interstate System, apportioned to it, and proceeds to construct any project on that Federal-aid system without the aid of Federal funds, the Secretary is authorized to pay to such State the Federal share of the costs of construction of such project when additional funds are apportioned to the State. The Secretary is not authorized to approve an application under this section unless an authorization is in effect for the fiscal year for which the application is sought.

*Conference substitute*

The conference substitute is the same as the House amendment.

## BUS WIDTHS

*Senate bill*

No comparable provision.

*House amendment*

Section 106 amends chapter 1 of title 23 of the United States Code by providing that any bus having a width of 102 inches or less may operate on any lane of 12 feet or more in width on the Interstate System.

*Conference substitute*

No comparable provision.

## BRIDGES OVER FEDERAL DAMS

*Senate bill*

No comparable provision.

*House amendment*

Section 109 of the House amendment amends subsection 320(d) of title 23, United States Code, by increasing the authorization for the emergency fund from \$25,261,000 to \$27,761,000, which shall be avail-

able for expenditure by the Secretary of Transportation in accordance with section 320.

*Conference substitute*

The conference substitute is the same as the House amendment.

OFF-SYSTEMS ROAD

*Senate bill*

No comparable provision.

*House amendment*

Section 110 amends chapter 2 of title 23, United States Code, by adding a new section authorizing the Secretary to make grants to States for projects for the construction, reconstruction, and improvement of any off-system road. Such grants may include, but not be limited to, the replacement of bridges and the elimination of high-hazard locations and roadside obstacles.

The sums authorized to be appropriated shall be apportioned by the Secretary, on or before January 1 next preceding the commencement of each fiscal year as follows: (1)  $\frac{1}{3}$  in the ratio in which the area of each State bears to the total area of all States; (2)  $\frac{1}{3}$  in the ratio in which the population of rural areas of each State bears to the total population of rural areas of all States; and (3)  $\frac{1}{3}$  in the ratio in which the off-system road mileage of each State bears to the total off-system road mileage of all the States.

The off-system road mileage shall be determined as of the end of the calendar year preceding the year in which the funds are apportioned and shall be certified to by the Governor of the State and subject to approval by the Secretary.

The counties in each State shall receive any sums apportioned to the State, on a fair and equitable basis.

The provisions of Chapter 1 of title 23 applicable to the Federal-aid secondary system will govern all sums apportioned under this section with the exception of the provisions relating to the formula for apportionment, the requirement that these roads be on the Federal-aid system, and such other provisions determined by the Secretary to be consistent with this section. The Secretary does not have the authority to determine as inconsistent with this section any provision relating to the obligation and availability of funds.

The term "off-system road" means any toll-free road, including bridges, in a rural area, which road is not on any Federal-aid system and which is under the jurisdiction of and maintained by a public authority and open to public travel.

State and local officials in selecting roads under this section shall consider, among other matters, improvement and construction of access highways to rural areas substantially impacted by accelerated mining and power generation activities to meet national energy demands.

Section 102(6) authorizes the appropriation of \$200,000,000 for off-system roads for the fiscal year 1976.

*Conference substitute*

The conference substitute is the same as the House amendment.

It is the intention of the conferees that funds authorized by this section be used solely for reconstruction and improvement on existing routes. Such authorizations shall be for only one year.

DONATIONS

*Senate bill*

No comparable provision.

*House amendment*

Section 111 amends section 323 of title 23, United States Code, so as to no longer require either an appraisal or a tender of the full amount of the estimated just compensation where a party has indicated a desire to donate property.

*Conference substitute*

The conference substitute is the same as the House amendment.

DEMONSTRATION PROJECTS

*Senate bill*

No comparable provision.

*House amendment*

Section 115 directs the Secretary of Transportation to carry out a demonstration project for construction of a high-density urban highway intermodal transportation connection between Franklin Avenue and Fifty-ninth Street, South, in Minneapolis, Minnesota. The Federal share of such project shall be 90 per centum of the cost thereof. There is authorized to be appropriated, out of the Highway Trust Fund, not to exceed \$53,000,000 to carry out this section.

*Conference substitute*

The conference substitute is the same as the House amendment, except that no more than \$10,000,000 may be obligated for fiscal year 1975 and \$15,000,000 for fiscal year 1976.

AUBURN BRIDGE

*Senate bill*

No comparable provision.

*House amendment*

Section 116 authorizes the Secretary of the Interior to construct, in lieu of a drainage culvert, an intermediate size bridge across a shallow ravine in order to provide access between the historical portion of the city of Auburn, California, Auburn District Fairgrounds, city park and parking lots, and the Auburn Dam Overlook area. This section authorizes \$250,000 to carry out such bridge project.

*Conference substitute*

The conference substitute is the same as the House amendment.

ROUTE WITHDRAWALS

*Senate bill*

No comparable provision.

*House amendment*

Section 117 of the House amendment amends section 103(e)(4) of title 23, United States Code, to permit a State, from which an Interstate route in an urbanized area is withdrawn, to receive an amount out of general funds of the Treasury equal to the Federal share of the

cost of the removed route for use on non-highway public mass transportation projects in such urbanized area involving the construction of rail facilities or the purchase of passenger equipment for any mode of public mass transportation. Funding available for transfer is limited to the cost of the withdrawn route as reflected in the 1972 Interstate Cost Estimate. In addition, section 103(e)(2) is amended to permit Interstate funds to be transferred from a withdrawn route to a substitute route, also limited to the dollar amounts in the 1972 cost estimate.

*Conference substitute*

The conference substitute is the same as the House amendment.

SCHOOL BUS DRIVER TRAINING

*Senate bill*

No comparable provision.

*House amendment*

Section 118 of the House amendment authorizes \$7,500,000 out of the Highway Trust Fund for fiscal 1976 for the purpose of carrying out State programs for driver education and training for persons driving school buses.

*Conference substitute*

The conference substitute is revised to provide that no less than the authorized funds shall be derived from funds apportioned pursuant to section 402 of title 23, United States.

JIM WRIGHT,  
JOHN C. KLUCZYNSKI,  
HAROLD T. JOHNSON,  
Wm. HARSITA,  
JAMES C. CLEVELAND,

*Managers on the Part of the House.*

JENNINGS RANDOLPH,  
MIKE GRAVEL,  
QUENTIN BERDICK,  
HOWARD BAKER,  
ROBERT T. STAFFORD,

*Managers of the Part of the Senate.*

~~Kath~~  
~~Sam~~  
Fred  
Charlie



HB 314 - Com. Parker Williams

Area 660 ft from center

Primary + secondary roads

Now have prohibited out to 660 ft.

Signs which are visible from highway

penalty 10% of highway funds

Could delete "Secondary" highways and  
still be in compliance

Signs on own premise is legal

# STATE OF ALASKA

## DEPARTMENT OF HIGHWAYS

OFFICE OF THE COMMISSIONER

P. O. BOX 1467 — JUNEAU 99801  
(907) 364-2121

JAY S. HAMMOND, GOVERNOR

April 17, 1975

Re: 00-3077  
House Bill 314

Honorable Terry Gardiner  
Alaska State Representative  
State Capitol Building  
Juneau, Alaska 99811

Dear Mr. Gardiner:

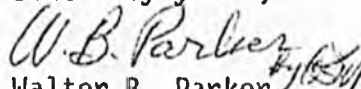
In support of our request for your favorable consideration of the captioned legislation, we are attaching a copy of the Federal Highway Amendments of 1974 and a copy of a letter from the Assistant Chief Counsel for Right-of-Way and Environmental Law, Federal Highway Administration, Department of Transportation.

The purpose of the proposed amendment is to bring Alaska into compliance with federal law. Failure to do so will subject the state to loss of ten percent of the entire federal participation in Alaska's highway program (approximately \$10-\$12 million). It should be noted that the off-system roads program, by which the State has the most opportunity to meet local requirements, would be affected by over \$1 million in lost funds. The State can ill afford any further cut back of transportation facilities.

Since the federal law provides that each state must be in compliance by July 1, 1975 or the end of the present legislative session, it is crucial that action be taken at this time.

Therefore, we again respectfully request your assistance in passing this much needed legislation.

Sincerely yours,

  
Walter B. Parker  
Commissioner

Attachment

WBP/HNW:jo

HB

356

"An Act creating the Alaska Horse Racing Commission and authorizing pari-mutuel wagering at sanctioned events."

# COMMITTEE REPORT

HOUSE

4/21/75

Mr. Speaker:

Date 5/7/75

The Committee on JUDICIARY has had HB 356

under consideration. A Majority of the members of the Committee

( ) recommends it DO PASS

( ) recommends it DO NOT PASS

( ) recommends it DO PASS WITH ATTACHED AMENDMENT(S)

() recommends it BE REPLACED WITH CS FOR HB 356 AND THAT

CS FOR HB 356 DO PASS

( ) "and" recommends it BE REFERRED TO THE \_\_\_\_\_

COMMITTEE

( ) reports it back WITHOUT RECOMMENDATION

( ) "other"

Members signing the Majority report:

<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	_____	_____

Members NOT concurring in the Majority report:

_____	recommends:	
<u>[Signature]</u>	recommends:	<u>No rec</u>
_____	recommends:	
_____	recommends:	
_____	recommends:	

[Signature] Chairman

The Legislature of the State of Alaska  
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. House Bill 356 wagering at sanctioned events.  
Title: An Act creating the Alaska Horce Racing Commission and authorizing peri-mutuel  
Requested by: House Judiciary Committee Date: \_\_\_\_\_  
Return Date Requested: ASAP  
Agency: \_\_\_\_\_ Program: \_\_\_\_\_

II. FISCAL DETAIL

Budget Request Unit(s) Affected: \_\_\_\_\_

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES	1,000	5,000	9,000	12,000	22,000	31,800
200 TRAVEL	300	1,000	2,500	2,500	3,250	5,600
300 CONTRACTUAL	500	1,000	1,500	2,000	2,500	2,800
400 COMMODITIES	75	300	1,000	1,200	1,450	2,500
500 EQUIPMENT	800	200	800	3,600	4,500	3,000
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.			14,800			
TOTAL	2,675	7,500	29,600	21,300	33,700	45,700

B. FUNDING: (Thousands of dollars)

GENERAL FUND	2,675					
FEDERAL FUNDS						
OTHER	0	10,500	36,500	70,000	105,000	140,000

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Preparation of fiscal impact of HB 365 prepared by the Alaska State Fair, Inc., Palmer, Alaska (Mr. John Hale, Mgr.) in conjunction with the local Horseman's Assoc. See 3 page narrative for clear explanation for need of general funds (only for FY-75). Anticipated receipts after the start of peri-mutual should carry expences as projections are stated in attachment.

IV. ATTACHMENTS

Analyses (3 pages)

V. DATE: May 7, 1975

PREPARED BY: F.S. Honsinger

F.S. Honsinger  
Acting Director, Division of Agric.

Original: Legislative Finance  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)

### III ANALYSIS

A recent consultation with the State of Montana regarding funding required for the establishment of a Pari-Mutuel Department in the State Racing Commission revealed that in the initial stages of development a great deal of the personal services travel, contractual, commodities and equipment expenses were done on a volunteer or semi-volunteer basis.

The fiscal detail as listed in the attached fiscal note were read to the the Director of Racing in the State of Montana and he felt that the expenses were excessive. However, in order to paint the darkest picture, we have let the expenditures stand as originally developed.

During fiscal 1975 there is no opportunity for the Racing Commission to derive any revenues. However, starting in 1976 revenues will be available from the Pari-Mutuel handle and licensing fees.

The key person in the establishing of the Racing Commission will be the State Steward. He must be knowledgeable in the field of horse breeding and horse racing. He must serve as his own secretary-clerk until funds become available through Pari-Mutuel revenues

In 1975 his main task is to prepare the Racing Commission Rules and Regulations, which the Racing Commission should review and approve.

The Racing Commission itself should not have a great deal of actual work to perform. Its role is that of an advisory board to guide the State Steward who is the professional employee of the State.

Therefore, in fiscal 1975 we have assumed that the State Steward will function for a period of one month, that the Racing Commission will meet for a two day period and that an Electric Typewriter will be purchased to put the "office" in operation.

In 1976 we assume that the State Steward will be working for a period of five months. The Commissioners will meet for a total of 4 days and a Thousand Dollars (\$1,000.00) is placed in the travel budget to cover Commission travel and permit the State Steward one trip to the Outside.

In fiscal 1977, as the racing program grows in the State, we have projected a 9 month employment period for the State Steward. We have allowed for 6 days of Commission meetings and increased the travel budget to allow the Steward to make two outside trips and provide for travel expenses for experts from the lower 48 to visit Alaska.

In 1978, we have placed a State Steward in a full time job, kept the same travel budget as 1977 increased Commission expenses in the 300 category to allow for extensive evaluation of the Pari-Mutuel Program and provided \$3,600.00 for office equipment which we feel will be required at this time.

In fiscal 1979, the State Steward has a salary increase which would cost the State \$14,500.00 a year and he has assigned to him a part

III Cont'd

time clerk, budgeted at \$7,500.00. Travel has been increased to \$3,250.00, Commission increased to \$2,500.00 and equipment expenses to \$4,500.00 to allow for aquisition of electronic office equipment and filing system.

In fiscal 1980, the State Steward is budgeted at \$17,800.00 with an Assistant at \$14,000.00. Travel has been increased to \$5,600.00 as it is felt at this stage in Alaskas Pari-Mutuel program more complex and exotic machinery and tecniques must be examined and studied by the Commission. Equipment expenses have been lowered as the Race Tracks themselves by this time will have developed much of the machinery for the operation of the accounting of the State Pari-Mutuel Program.

. . . . .

## B FUNDING

Regarding the funding of the Pari-Mutuel System, it has been pointed out that there is no income from the State racing Program in 1975, since the Program does not start until fiscal 1976. This would indicate that \$2,675.00 might be required from State Funds to get the Racing Commission started. If there is any objection to this, the Alaska State Fair, Inc. located at mile 40 on the Glenn Highway, has indicated that it would underwrite the initial expenses of the Commission with the understanding that advance monies would be credited to them on future licensing fees.

In fiscal, 1976, if Pari-Mutuel wagering is authorized and a Racing Commission is established before June 30th, it is estimated that 5 days of racing can be held at the Alaska State FAir Track located at Mile 40 on the Glenn Highway. An extremely modest projection of 500 customers per day would give a total attendance of 2,500 people. Based on the formula generally accepted by experts in the Pari-Mutuel field it can be expected that these 2,500 people will create a total handle of \$150,000.00. Based on the 5% that is payable to the State, it is apparent that \$7,500.00 will go into State funds. An additional \$3,000.00 can be anticipated from license fees and other minor sources of Commission revenue.

In fiscal 1977, the second year of racing, it is practical to assume that a 14 day program can be provided at the Alaska State FAir, Inc. racetrack located at mile 40 on the Glenn Highway. It could be further be assumed that another racetrack in the State could provide a three (3) day week-end program. However, in order to paint the worst picture the revenues have not been counted. During a 14 day program, it can be assumed that the average attendance a day will be 750 persons for a total of 10,500 bettors. Again assuming the formula of \$60.00 per person it is apparent that the Pari-Mutuel handle will be \$630,000.00. The State share of 5% will total \$31,500.00 and miscellaneous license fees of \$5000.00 will make the total revenue derived from the 1977 season be equal to \$36,500.00.

## FUNDING cont'd

In fiscal 1978, again assuming that only one track will be in operation in the state, it is anticipated that a 20 day program will be in operation at Alaska State Fair, Inc. Racetrack at Mile 40 on the Glenn Highway. Due to population increase in the metropolitan Anchorage area and the increased need for recreational outlets at this time, it is felt that the average daily attendance with a 20 day race meet can be logically set at 1000 people. Total attendance for the season would be 20,000 and the total handle would be \$1,200,000.00. The 5% payable to the State would be \$60,000.00 and miscellaneous license fees should increase this by \$10,000.00 for a grand total of \$70,000.00.

In fiscal 1979, it is assumed that at least one other racetrack will be in operation in the State of Alaska, probably in the Southeast. If this is so the annual attendance at these racetracks can easily be assumed to be 30,000 people. The pari-mutuel handle would be \$1,800,000.00 and the States share of these revenues would be \$90,000.00. Miscellaneous license fees and other sources of revenue would increase this by \$15,000.00 making the total revenues to the State \$105,000.00.

In fiscal 1980, it is anticipated that a full 30 day program will be instituted at the Alaska State Fair, Inc. racetrack at Mile 40 on the Glenn Highway and that 10 additional days of racing will be available elsewhere in the state. The total attendance at these events is estimated at 40,000 people for a pari-mutuel handle of \$2,400,000.00. The revenues available to the State would be \$120,000.00 with additional revenues of \$20,000.00 for a total of \$140,000.00.

Again referring to the situation in Montana, the creation of a Racing Commission requires the participation and dedication of men and women committed to the improvement and development of the breed. Without this type of person there will never be a successful Racing program in the State of Alaska. In the particular case of our State we are most fortunate in having a race track equipped with modern electric starting gates and electronic photo-finish equipment. The horse people in the State of Alaska have indicated their willingness to donate time and money in the development of a first class horse racing program for the State of Alaska. If there is any reluctance of the State of Alaska to provide initial seed money to establish a Racing Program in the State of Alaska it is almost certain that the various Horse groups in the State would supply private funding in the initial stages.

Without a racing program in the State of Alaska, there will never be a serious Horse Breeding industry.

House Judiciary Committee  
April 23, 1975  
page 2

SB 59 Juvenile names

Pat Wellington stated that the Department of Public Safety can support the bill but would like it to go further. He stated that the courts and probation felt that the bill would hinder treatment.

Mr. Brown moved CS SB 59 out of committee. There being no objection, it was so ordered.

HB 356 Pari mutuel betting

Mr. Specking stated that he wanted the penalty section tightened.

The committee discussed the possibility of whether "Alaska bred" definition on page 5 was too restrictive. The suggestion was made to leave out "conceived in Alaska." Mr. Parr stated that he was not opposed to legalizing betting but did not think that the bill's main purpose was to promote horse breeding. Mr. Cotton said that he favored the bill because it would promote agriculture.

Mr. Gardiner moved on page 4, line 24: to delete (8) and renumber (9) to (8) and in (6) to change 1% to 2%.  
The amendment passed.

page 3, line 5: (7) the committee considered whether or not they wanted a commission with police powers. If the commission is weak, who will police the industry? Mr. Specking requested an AG and Public Safety opinion on how strong they felt the commission should be. Other considerations: stronger penalties, intent section (expect commission to promote?), composition of board. These would be researched and the bill would be considered again.

110

House Judiciary Committee  
April 28, 1975

page 2

HB 356 Pari-mutuel betting

In response to a request from Mr. Specking for stiffer penalties, Mr. Walker stated that the penalty should fit the crime and relate to those penalties for other crimes. Mr. Specking responded by stating that Mr. Solerno had suggested a strong approach to any illegal activities outside the area of those to be legalized. Mr. Gardiner suggested that the Commission should be strong rather than setting penalties at the felony level.

Rob Johnson of the Attorney General's Office stated that the language in the proposed CS was overly broad. Mr. Specking stated that he felt that this was a protection against organized crime and since it was current law in the State of Virginia, there probably was a good reason for the broad scope. Mr. Johnson stated that page 3, lines 1 and 2 were inconsistent with page 7, lines 12 and 13.

The committee discussed the possibility of legal off track betting. It would require a communications network and might keep people from attending the fair.

Mr. Brown suggested that standards for the committee be defined in statute.

Mr. Bradley requested that the AG study the bill and comment and that he would like the opinion of the Department of Public Safety on the bill.

The committee discussed the possibility of adding to the proposed purpose clause (encourage agriculture) language to the effect that it legalized gambling. They also considered a statement of intent that the operation would be self supporting. They questioned the formula of allocation, and requested a fiscal note. They also requested that the Department of Revenue consider the possibility of taxation. Mr. Brown suggested that Mr. Walker consider stronger penalties for second and subsequent violations.

House Judiciary Committee  
May 2, 1975

The meeting was called to order by Chairman Gardiner at 1:30 p.m.  
Mr. Parr, Eliason, and Brown were absent.

HJR 10 Inherent Rights

Clark Gruening, sponsor of the bill, testified that he favored the House State Affairs CS since the intent of the bill was not changed. He stated that 14 other states have added similar language to their constitutions. The language "consistent with the public interest" allows for economic development as does the language "to the maximum degree possible." The committee asked if "maximum degree possible" could be used as a judicial standard. Mr. Gruening replied that it was less than "humanly possible."

Mr. Cotton moved the State Affairs CS for HJR 10 out of committee. There being no objection, it was so ordered.

HB 356 Pari mutuel betting

The following changes were explained in the proposed Judiciary CS:

Commissioners shall only be residents and registered voters. Commission shall be made up of representatives of the fair, breeders, and the public

page 3, line 9 and 10: delete (10) and renumber)

page 3, line 19 and 20: delete all

page 3, line 25: change state treasurer to Commissioner of Revenue

page 5, line 1: change to sec. 140 add (a)

page 5, line 5: add: the breach of which does not affect or could not reasonably be expected to affect the outcome of the race.

page 5, line 12: add (b) non compliance with any regulation which does affect the outcome of the contest is a felony and punishable by a fine of not more than \$5,000 or by imprisonment for not more than five years, or both.

page 5, line 14 change to sec. 150

page 5, line 17: delete "after being conceived in Alaska"

page 6, line 5: change to Sec 160

add section including commission under conflict of interest.

Mr. Bradley moved Judiciary CS for HB 356 out of committee.

## W O R K D R A F T

Original sponsor: Ose, Buchholdt,  
Cotten, et al

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR HOUSE BILL NO. 356

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act creating the Alaska Horse Racing Commission and  
7 authorizing pari-mutuel wagering at sanctioned events."

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

9 \* Section 1. AS 05 is amended by adding a new chapter to read:

10 CHAPTER 40. HORSE RACING.

11 ARTICLE 1. ALASKA HORSE RACING COMMISSION.

12 Sec. 05.40.010. ALASKA HORSE RACING COMMISSION. The Alaska Horse  
13 Racing Commission is created. The commission shall be composed of five  
14 members appointed by the governor. Each commissioner shall at the time  
15 of his appointment have resided in the state for the preceeding five  
16 years and be a registered voter. Initially, one member shall be a  
17 member of the board of directors of a state agricultural or industrial  
18 fair, two shall be breeders or owners of race horses, and two shall be  
19 representatives of the public. The successor to the initial member who  
20 was a member of the board of directors of a state fair shall be a member  
21 of the board of directors of a state agricultural or industrial fair  
22 with a pari-mutuel system. The commission shall elect a chairman from  
23 its membership.

24 Sec. 05.40.020. TERM OF OFFICE. The governor shall make the  
25 initial appointments to the commission within 30 days after the effec-  
26 tive date of this Act; two for a term to expire on January 1, 1976, two  
27 to expire on January 1, 1977, and one for a term to expire January 1,  
28 1978. Thereafter appointments shall be for a term of three years.  
29 Vacancies shall be filled by appointments for the unexpired term. Com-

1 missioners shall hold their offices until their successors are appointed  
2 and qualified.

3 Sec. 05.40.030. REMOVAL FROM OFFICE. The governor may remove a  
4 board member for cause, after first giving him notice of the charges  
5 against him and an opportunity to be heard.

6 Sec. 05.40.040. COMPENSATION AND PER DIEM. Members of the commis-  
7 sion receive no salary for their service on the commission but are  
8 entitled to per diem and travel expenses authorized by law for boards  
9 and commissions.

10 Sec. 05.40.050. QUORUM. Three members of the commission consti-  
11 tute a quorum for the transaction of business.

12 Sec. 05.40.060. JURISDICTION. Jurisdiction of the commiss\_on  
13 extends to any person conducting, or participating in the conduct of, a  
14 meeting where horse racing is permitted for any stake, purse, or reward.

15 Sec. 05.40.070. POWERS OF THE COMMISSION. The commission is em-  
16 powered to:

- 17 (1) grant, refuse and revoke licenses;
- 18 (2) make regulations for the holding, conducting and operating  
19 of all race meets and races held in the state and to fix and set racing  
20 dates;
- 21 (3) make an annual report to the governor of its administra-  
22 tion of the racing laws;
- 23 (4) require of each applicant for a license, the full name  
24 of the person, association or corporation applying, and if the applicant  
25 is a corporation or an association, the name of the state in which incor-  
26 porated, the nationality, and residence of the members of the association  
27 and the names of the stockholders and directors of the corporation;
- 28 (5) require on each application a statement under oath that  
29 the information contained in the application is true;

1 (6) personally, or by agents and representatives, supervise  
2 and check the making of pari-mutuel pools and the distribution from them;

3 (7) cause the various places where race meets are held to be  
4 visited and inspected at reasonable intervals;

5 (8) regulate rates charged by the licensee for admission to  
6 races, or for the performance of any service, or for the sale of any  
7 article on the premises of the licensee;

8 (9) approve all proposed extensions, additions or improvements  
9 to the buildings, stables or tracks upon property owned or leased by a  
10 licensee and require the removal of an employee or official employed by  
11 the licensee;

12 (10) completely supervise and control the pari-mutuel machines  
13 and equipment at all races held or operated by the state or a state  
14 agency or commission;

15 (11) approve all contracts and agreements for the payment of  
16 money and all salaries, fees and compensations by any licensee;

17 (12) regulate the size of the purse, stake or reward to be  
18 offered for the conducting of a race;

19 (13) exclude, or compel the exclusion, from any and all race  
20 courses, any person whom the commission considers detrimental to the  
21 best interests of racing or a person who wilfully violates the racing  
22 laws or a regulation or order of the commission or a law of the United  
23 States or of this state;

24 (14) compel the production of all documents showing the  
25 receipts and disbursements of a licensee and to determine the manner in  
26 which these financial records shall be kept;

27 (15) investigate the operations of any licensee and to place  
28 attendants and other persons that may be necessary in the offices, on  
29 the tracks or in places of business of a licensee; and

1 (16) summon witnesses, books, papers, documents or tangible  
2 things and to administer oaths for the effectual discharge of the com-  
3 mission's duties.

4 (17) appoint a hearing officer to conduct any hearing  
5 required by this chapter or a regulation promulgated under this chapter.

6 Sec. 05.40.080. REGULATIONS OF THE COMMISSION. (a) The regula-  
7 tions adopted by the commission have the force of law. The attorney  
8 general shall enforce the regulations.

9 (b) The commission shall make reasonable regulations for the  
10 control, supervision, identification, and direction of applicants and  
11 licensees, including regulations providing for the supervising, dis-  
12 ciplining, suspending, fining, and barring from racing of all persons  
13 required to be licensed by this chapter and for the holding, conducting,  
14 and operating of all races, race meets, and race tracks conducted under  
15 this chapter. It shall announce the place, time, number of races per  
16 day, and duration of race meets, for which license fees shall be exacted.

17 (c) Every person holding a license under this chapter and every  
18 owner or trainer of any horse or other animal licensed to enter any  
19 racing contest under this chapter shall comply with all regulations and  
20 all orders issued by the commission. No person may work on the premises  
21 of a racetrack without first obtaining from the commission a license for  
22 the activity. This licensing requirement does not apply to the members  
23 of the commission or its employees or to persons whose only participation  
24 is individually as spectator or bettor. The fees for the license shall  
25 be fixed by the commission. No person may hold any race meet with pari-  
26 mutuel wagering without obtaining a license.

27 (d) The commission may deny, suspend, or revoke any license issued  
28 under this chapter after a hearing. The commission may delegate author-  
29 ity for these hearings, with right of appeal to the commission and may

1 appoint a hearing officer to conduct hearings. The commission shall  
2 have the authority to summarily suspend a license for fourteen days  
3 pending a hearing if the continuation of the license may be detrimental  
4 to the best interests of racing. Grounds for the denial, suspension, or  
5 revocation shall include, but not be limited to, moral turpitude, any  
6 violation of this chapter or regulations promulgated under this chapter,  
7 false or fraudulent statement in application for such license, or conduct  
8 detrimental to racing. The laws of this state and the regulations  
9 promulgated under this chapter shall be enforced by all licensees  
10 conducting race meets, their officials, and their employees in accordance  
11 with this chapter and shall also be enforced by the commission, its  
12 officials, and its employees.

13 (e) In carrying out the provisions of this chapter, the commission,  
14 or hearing officer may subpoena witnesses and compel their attendance  
15 and may also require the production of books, papers, memoranda, or  
16 other things relevant to the subject matter of the hearing in any case  
17 involving the revocation or suspension of license or involving disci-  
18 plinary action. Any member of the commission, or the hearing officer  
19 may administer oaths or affirmations to witnesses appearing before the  
20 commission, board of stewards or judges, or hearing officer.

21 (f) If any person refuses to obey a subpoena issued under (e) of  
22 this section or refuses to testify or produce books, papers, or documents  
23 the commission may apply to the superior court, setting forth the facts,  
24 and the court shall, in a proper case, issue its subpoena to the person,  
25 requiring his attendance before the court to testify or to produce  
26 books, papers, or documents as may be considered pertinent or necessary  
27 by the commission. Any person failing or refusing to obey the subpoena  
28 or order of the court may be proceeded against in the same manner as for  
29 refusal to obey any other order or subpoena of the court.

1           Sec. 05.40.090. RECORDS OF THE COMMISSION. The commission shall  
2 keep detailed records of all meetings and of the business transacted and  
3 of all collections and disbursements, reports of which shall be embodied  
4 in an annual report which the commission shall prepare and submit to the  
5 state treasurer before January 1. All records of the commission shall  
6 be public records and as such subject to the public inspection.

7                           ARTICLE 2. LICENSING.

8           Sec. 05.40.100. ELIGIBILITY FOR A LICENSE. The commission shall  
9 license only nonprofit race meets held on commission sanctioned race  
10 courses, located on recognized state fair grounds. No meet may be  
11 licensed unless the applicants qualify for state funding under AS 03.20.-  
12 020. No person shall be qualified to be licensed under this section if  
13 he:

14                   (1) has been convicted in any jurisdiction of an offense which  
15 would be a felony under the laws of this state, unless sufficient evi-  
16 dence of rehabilitation has been presented to the racing commission;

17                   (2) has been guilty of or attempted any fraud or misrepresen-  
18 tation in connection with racing, breeding or otherwise, unless sufficient  
19 proof of rehabilitation has been presented to the racing commission;

20                   (3) has violated or attempted to violate any law or regulation  
21 with respect to racing in any jurisdiction, unless sufficient proof of  
22 rehabilitation has been presented to the racing commission;

23                   (4) has consorted or associated with bookmakers, touts or  
24 persons of similar pursuits, unless sufficient proof of rehabilitation  
25 has been presented to the racing commission;

26                   (5) is consorting or associating with bookmakers, touts or  
27 persons of similar pursuits;

28                   (6) is financially irresponsible; or

29                   (7) is a past or present member of or participant in organized

1 crime as such membership or participation may be found or determined by  
2 the racing commission.

3 Sec. 05.40.120. DISTRIBUTION OF GROSS RECEIPTS. The mutuel pool  
4 shall be distributed as follows:

5 (1) five per cent shall be retained by the licensee;

6 (2) breakage shall be retained by the licensee;

7 (3) in the event a governmental agency imposes a special  
8 tax on a licensee by levying on the money deposited in the pari-mutuel  
9 system the licensee may withhold the amount of the tax;

10 (4) five per cent shall be allocated as purse money;

11 (A) the formula for distribution of purse money shall be  
12 determined by agreement between an organization representing the  
13 horsemen and the licensee;

14 (B) the agreement shall be subject to the approval of  
15 the commission;

16 (5) one per cent shall be paid to the incorporated city  
17 nearest the meet;

18 (6) two per cent shall be paid to the owners of Alaska bred  
19 horses finishing first, second, third and fourth in accordance with a  
20 formula promulgated by the commission before commencement of each meet;

21 (7) five per cent shall be paid to the commission;

22 (8) the remainder shall be paid to the holders of tickets on  
23 the winning horses.

24 ARTICLE 4. PROHIBITED ACTS AND PENALTIES.

25 Sec. 05.40.130. PROHIBITED ACTS AND PENALTIES. It is a misde-  
26 meanor punishable by a fine of not more than \$1,000, or by imprisonment  
27 for not more than one year, or by both to

28 (1) breach or fail to comply with a regulation of the com-  
29 mission or term of this chapter;

1 (2) record, report or register a wager on a horse in a horse  
2 race unless under the terms of this chapter;

3 (3) place a bet upon the results of a horse race except by a  
4 pari-mutuel method of wagering conducted by a person licensed under this  
5 chapter, and upon the grounds or inclosure of the licensee;

6 (4) permit a person under the age of 18 to use the pari-  
7 mutuel system.

8 ARTICLE 5. ADMINISTRATIVE PROCEDURE ACT.

9 Sec. 05.40.140. APPLICABILITY OF THE ADMINISTRATIVE PROCEDURE ACT.  
10 The commission shall comply with the Administrative Procedure Act  
11 (AS 44.62).

12 ARTICLE 6. DEFINITIONS.

13 Sec. 05.40.150. DEFINITIONS. In this chapter, unless the context  
14 otherwise requires,

15 (1) "Alaska-bred horse" means a foal dropped by a mare in  
16 Alaska after being conceived in Alaska and remaining in Alaska until the  
17 foal is weaned;

18 (2) "breakage" means the odd cents by which the amount payable  
19 on each dollar wagered exceeds a multiple of 10 cents; breakage may not  
20 exceed 20 per cent of the total amount deposited in the pool;

21 (3) "commission" means the Alaska Horse Racing Commission;

22 (4) "meeting" means an exhibition of thoroughbred, quarter  
23 horse, appaloosa, arabian, standardbred, purebred, or registered horse  
24 racing where the pari-mutuel system is used;

25 (5) "pari-mutuel" means a form of wagering on the outcome of  
26 horse races in which those who wager purchase tickets of various denom-  
27 inations on a horse and all wagers for each race are pooled and held by  
28 the commission for distribution; when the outcome of the race has been  
29 decided, the commission distributes the percentage of the total wagers

1 determined by sec. 120 of this chapter to holders of tickets on the  
2 winning horses.  
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# TELEGRAM

NCA ALASKA COMMUNICATIONS, INC.

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JUNEAU ALASKA 99801

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PMS REP TERRY GARDENER

JUN 28 1975

WE URGE YOUR SUPPORT ON HB356 TO ESTABLISH AN ALASKA  
HORSERACING COMMISSION.

PREMUS, ED AND THERESA PREMUS, PHIL PHINGSTAD, BOB AND GLADYS  
SWIFT, JIM AND LORRAINE MCPHERSON, HAROLD AND BONITA STRONG,  
MARVIN SLOUGHTER, BOB AND BARBARA ROSS, BOB AND PAM SWIFT,  
MILES AND DONNA FRANCE, PALMER CHAMBER OF COMMERCE--PALMER  
-- JOHN HALE, RAY AND ROSALIE WHITE,--WILLOW-- RICK AND LOLA  
ELLIS, JIME AND DANA RICHMAN,--CHUGIAK-- DENNIS AND EVELYN  
CLARK--TALKEETNA-- JINX AND MARILYN COSTER, ROCKY KEENE,  
JIM SOUBY, AL AND TINA MAINEY, BONNIE FRANCE --ANCHORAGE--  
CLIFF AND WANDA MARCUS, CURT AND CAROLYN ANDERSON, LEN AND  
MARSHA MELTON, LEO AND JYD KAMMERMAYER, BOB AND LOIS MUMFORD,  
VERN AND KAREN FRANCE, JIM AND MARYANN HERMON, CECIL AND MARION

# Gambling: A New Plan

By TOM SEPPY  
AP Sports Writer

BOSTON (AP)—Legalized sports wagering never could compete with its illicit counterpart unless income tax laws are changed to exempt winnings, the National Gambling Commission has been told.

Charles Rogovin, a private consultant on the problems of organized crime and former head of the federal government's Law Enforcement Assistance Administration, told the commission Thursday he favored legalization of all gambling, including betting on sports such as baseball, basketball and football.

Rogovin said, however, "The government cannot compete with illegal gambling on the tax issue alone."

He told the commission, which ends three days of hearings in Boston today, that state governments would have to delay gaining new revenues until its illegal competitors are knocked out of business, which could only happen if they offered equal services.

"Today, wagers can be made upon any sporting contest so long as the illegal operators have definitive odds available," he said. "The government would have to offer the same range of services."

"While government operations would not be inexpensive, I do not doubt that it can compete with illegal enterprise in terms of offering equal or higher rates or returns to betters; especially since that portion of illegal operators' overhead which currently must be expended for the corruption of law enforcement would not be a necessary cost to government."

Commission chairman Charles Morin and Rogovin disagreed at one point when Morin said he believed that Americans would prefer to bet with a legal bookmaker over an illegal one, without the tax break.

"I think it could be we're selling the American people short," said Morin, a Washington attorney who has raised the issue previously in the hearings.

Rogovin said the bettor might prefer to bet legally if the parlor was next door to his home, but he most likely would place a bet with the illegal bookie if he believed that the federal government would not learn that he had won and force him to pay tax on the winnings.

The Commission on the Review of National Policy Toward Gambling, the panel's formal name, heard testimony Thursday from police representatives urging legalization of all forms of gambling, Massachusetts state officials who said legalize all but sports gambling.

Boston police commissioner Robert J. diGrazia and the International Brotherhood of Police Officers urged legalization of gambling because, they said, current laws are unenforceable.

Citing the hypocrisy of law enforcement efforts, diGrazia said gambling was made criminal because some people wanted to impose their standards of morality on everybody else.

# Sports Gambling Cited In Boston

By TOM SEPPY

BOSTON (AP)—Illegal sports wagering, particularly on sports events, provides a major source of income for organized crime in the Northeastern part of the country, federal officials have told the National Gambling Commission.

James Newpher, head of the FBI's Boston office, estimated that at least \$2 billion is generated annually by illegal betting on sports events, horses and numbers in Massachusetts alone. He said organized crime makes a minimum of \$166.5 million in profit each year from its Massachusetts operation, with the largest dollar volume coming from sports gambling.

Witnesses before the Gambling Commission Wednesday generally opposed the legalization of sports betting but one, Massachusetts Treasurer Robert Q. Crane, advocated it vigorously because, he said, it could provide new, needed revenues for the state.

Crane called on the federal government to take every action in its power, including a thorough review of federal taxes now imposed on legal gambling, to facilitate the operation of gambling by those states which wish to do so.

Massachusetts Attorney General Francis X. Bellotti said he could support legislation for off-track betting in the state to gain increased revenues but not wagering on sports events such as baseball, basketball, hockey and football.

"Some people have argued that people gamble illegally anyway, so why not legalize sports betting, regulate the betting," said Bellotti.

"It could be regulated and tax revenue would be increased."

"I would feel very frustrated if we had to legalize any form of gambling because we had given up on the attempt to enforce the laws," said Bellotti.

"It could be regulated and tax revenue would be increased."

"I would feel very frustrated if we had to legalize any form of gambling because we had given up on the attempt to enforce the laws," said Bellotti.

## Gallery

### Softball

Softball Association is meeting Monday in room 111. Managers and those who are not on a team are invited.

Local teams in the league will meet Monday night. A new rule has been set for new teams.

### Tourney

Golden Gloves and Junior Golden Gloves will be held Saturday at the City Center gym, 6th and "G" streets, from 7 p.m. and over 20 bouts will be held.

Registration for boxers age 16 to 35 is open.

# HORSE RACING IN THE UNITED STATES

1973



Prepared by

**THE NATIONAL ASSOCIATION OF STATE RACING COMMISSIONERS**

P.O. Box 4216

Lexington, Kentucky 40504

Price Per Copy \$5.00

## RACING REVENUE TO STATES BY YEARS (for the U.S.)

1973 ..... 533,500,015	1963 ..... 316,570,791	1953 ..... 167,426,465	1943 ..... 38,194,727
1972 ..... 505,904,550	1962 ..... 287,930,030	1952 ..... 142,489,696	1942 ..... 22,005,278
1971 ..... 508,338,417	1961 ..... 264,853,077	1951 ..... 117,250,564	1941 ..... 21,128,173
1970 ..... 486,403,097	1960 ..... 258,039,385	1950 ..... 98,366,167	1940 ..... 16,145,182
1969 ..... 461,498,886	1959 ..... 243,388,655	1949 ..... 95,327,053	1939 ..... 10,369,807
1968 ..... 426,856,448	1958 ..... 222,049,651	1948 ..... 95,803,364	1938 ..... 9,576,335
1967 ..... 394,381,913	1957 ..... 216,747,621	1947 ..... 97,926,984	1937 ..... 8,434,792
1966 ..... 388,452,125	1956 ..... 207,456,272	1946 ..... 94,035,859	1936 ..... 8,611,538
1965 ..... 369,892,036	1955 ..... 186,989,588	1945 ..... 65,265,405	1935 ..... 8,386,255
1964 ..... 350,095,928	1954 ..... 178,015,828	1944 ..... 55,971,233	1934 ..... 6,024,193

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# TOTAL RACING DAYS AND TOTAL RACES

State	RACING DAYS					NUMBER OF RACES				
	Total	Thoroughbred	Harness	Qtr. Horse	Mixed	Total	Thoroughbred	Harness	Qtr. Horse	Mixed
Arizona	200	✓		✓	200	2,002	843		225	934
Arkansas	50	50				454	454			
California	885	380	212	190	103	8,257	4,319	1,916	2,022	
Colorado	145	62		83		1,445	607		838	
Delaware	367	119	248			3,518	1,079	2,439		
Florida	606	326	205	75		5,995	3,189	2,050	756	
Idaho	107	✓		✓	107	1,118	582		507	29
Illinois	836	372	452	12		8,451	3,306	5,030	115	
Kentucky	550	246	304			5,159	2,185	2,974		
Louisiana	337	207			130	3,796	2,430		287	1,079
Maryland	368	241	127			3,327	2,161	1,166		
Massachusetts	399	229	170			3,844	2,118	1,726		
Michigan	604	239	365			5,834	2,184	3,650		
Montana	82	✓		✓	82	738	✓		✓	738
Nebraska	177	177				1,527	1,527			
Nevada	10	✓		✓	10	102	70		32	
New Hampshire	371	80	291			3,650	741	2,909		
New Jersey	380	180	200			3,804	1,620	2,184		
New Mexico	283	✓		✓	283	3,323	2,208		1,115	
New York	1,643	427	1,216			15,596	3,845	11,751		
Ohio	975	349	612	14		9,421	3,395	5,897	129	
Oregon	117	✓		✓	117	1,155	922		233	
Pennsylvania	937	504	433			8,869	4,631	4,238		
Rhode Island	237	237				2,158	2,158			
South Dakota	50(E)	✓		✓	50	500(E)	✓		✓	500
Vermont	189	119	70			1,813	1,099	714		
Washington	223	150		24	49	2,217	1,845		372	
West Virginia	643	578	65			5,444	4,851	593		
Wyoming	8	✓		✓	8	80	67		13	
<b>Total</b>	<b>11,779</b>	<b>5,272</b>	<b>4,970</b>	<b>398</b>	<b>1,139</b>	<b>113,597</b>	<b>54,436</b>	<b>49,237</b>	<b>6,644</b>	<b>3,280</b>

E-Estimated

# ATTENDANCE AND DAILY AVERAGE ATTENDANCE

States	ATTENDANCE					DAILY AVERAGE ATTENDANCE				
	Total	Thoroughbred	Harness	Qrt. Horse	Mixed	Total	Thoroughbred	Harness	Qrt. Horse	Mixed
Arizona	526,100	✓		✓	526,100	2,631	✓		✓	2,631
Arkansas	686,565	686,565				13,731	13,731			
California	10,097,931	6,582,296	1,580,663	1,164,079	770,893 †	11,410	17,321	7,455	6,126	7,484
Colorado	454,981	324,596		130,385		3,138	5,236		1,571	
Delaware	1,938,935	663,378	1,275,557			5,283	5,575	5,143		
Florida	3,636,959	2,892,964	564,235	179,760		6,002	8,875	2,753	2,397	
Idaho	224,382	✓		✓	224,382	2,097	✓		✓	2,097
Illinois	6,402,515	2,088,439	3,387,744	26,332		7,659	8,033	7,495	2,194	
Kentucky	2,494,255	1,787,167	707,088			4,535	7,265	2,326		
Louisiana	1,926,972	1,448,419			478,553 ‡	5,718	6,997			3,681
Maryland	2,809,525	2,268,368	541,157			7,635	9,412	4,261		
Massachusetts	2,771,486	1,804,753	966,733			6,946	7,881	5,687		
Michigan	3,663,574	1,819,843	1,843,731			6,066	7,614	5,051		
Montana	No Record									
Nebraska	1,273,374	1,273,374				7,194	7,194			
Nevada	15,400	✓		✓	15,400	1,540	✓		✓	1,540
New Hampshire	1,798,529	671,681	1,126,848			4,848	8,396	3,872		
New Jersey	3,651,272	2,574,473	1,076,819			9,609	14,303	5,384		
New Mexico	1,007,167	✓		✓	1,007,167	3,559	✓		✓	3,559
New York	14,890,041	6,116,567	8,773,474			9,036	14,325	7,215		
Ohio	3,528,369	1,583,700	1,919,499	25,170		3,619	4,538	3,137	1,798	
Oregon	432,126	✓		✓	432,126	3,694	✓		✓	3,694
Pennsylvania	5,175,578	2,804,617	2,370,961			5,524	5,565	5,476		
Rhode Island	1,091,958	1,091,958				4,607	4,607			
South Dakota	80,000(E)	✓		✓	80,000	1,600	✓		✓	1,600
Vermont	615,971	455,074	160,897			3,259	3,824	2,299		
Washington	1,080,552	938,855		12,645	129,052	4,846	6,259		703	2,346
West Virginia	2,402,248	2,274,522	127,726			3,736	3,935	1,965		
Wyoming	5,931	✓		✓	5,931	741	✓		✓	741
<b>Total</b>	<b>74,682,716</b>	<b>43,051,609</b>	<b>26,423,132</b>	<b>1,538,371</b>	<b>3,669,604</b>	<b>6,340</b>	<b>8,166</b>	<b>5,317</b>	<b>5,068</b>	<b>2,802</b>

E - Estimated

2

† Fairs - Thoroughbred and quarter horse

‡ Quarter horse and Thoroughbred

# PARI-MUTUEL AND DAILY AVERAGE TURNOVER

(To Closest Dollar)

## PARI-MUTUEL TURNOVER

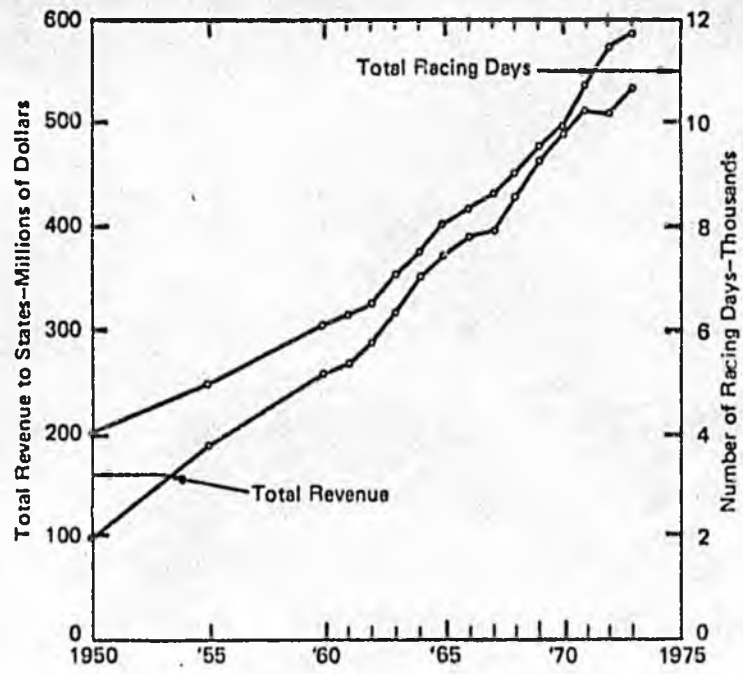
## DAILY AVERAGE TURNOVER

States	PARI-MUTUEL TURNOVER					DAILY AVERAGE TURNOVER				
	Total	Thoroughbred	Harness	Qtr. Horse	Mixed	Total	Thoroughbred	Harness	Qtr. Horse	Mixed
Arizona	32,799,254	✓		✓	32,799,254	163,996	✓		✓	163,996
Arkansas	68,504,109	68,504,109				1,370,082	1,370,082			
California	1,033,475,892	789,141,840	139,844,079	104,489,973		1,167,769	1,923,310	659,642	513,721	632,593 †
Colorado	27,175,824	20,935,824		6,240,000		187,420	337,675		75,181	
Delaware	160,243,692	68,279,797	91,963,895			436,632	573,780	370,823		
Florida	327,189,130	290,565,836	28,320,674	8,302,620		539,916	891,307	138,150	110,702	
Idaho	5,875,279	4,092,928		1,617,234	165,117	54,909	✓		✓	54,909
Illinois	649,834,741	305,322,755	343,481,998	1,029,988		777,314	820,760	759,916	858,323	
Kentucky	184,761,467	146,509,717	38,251,750			335,930	595,568	125,828		
Louisiana	136,957,219	126,399,284		10,557,935		406,401	513,440			235,963 ‡
Maryland	279,025,178	243,035,777	35,989,401			758,221	1,008,447	283,381		
Massachusetts	206,425,366	146,106,115	60,319,251			517,357	638,019	354,820		
Michigan	347,284,654	186,401,868	160,882,786			574,975	779,924	440,775		
Montana	3,295,673	✓		✓	3,295,673	40,191	✓		✓	40,191
Nebraska	83,988,554	83,988,554				474,512	474,512			
Nevada	330,274	8,277		14,250	307,747	33,027	✓		✓	33,027
New Hampshire	127,527,416	56,465,848	71,061,568			343,740	705,823	244,198		
New Jersey	397,029,980	288,080,171	108,949,809			1,044,816	1,600,445	544,749		
New Mexico	64,514,326	44,583,132		19,931,194		227,966	✓		✓	227,966
New York	1,654,110,434	774,577,663	879,532,771			1,006,762	1,813,999	723,300		
Ohio	258,376,567	147,894,034	108,857,115	1,625,418		265,002	423,766	177,872	116,102	
Oregon	32,172,391	27,552,926		4,619,465		274,978	✓		✓	274,978
Pennsylvania	466,105,459	272,619,498	193,485,961			497,444	540,912	446,850		
Rhode Island	113,614,298	113,614,298				479,385	479,385			
South Dakota	3,500,000(E)	✓		✓	3,500,000	70,000	✓		✓	70,000
Vermont	43,612,016	31,263,593	12,348,423			230,751	262,719	176,406		
Washington	77,849,569	75,696,813		2,071,360	81,396	349,101	466,861		25,719	147,002
West Virginia	204,998,211	196,648,477	8,349,734			318,815	340,222	128,457		
Wyoming	255,041	✓		✓	255,041	31,880	✓		✓	31,880
<b>Total</b>	<b>6,990,832,014</b>	<b>4,508,289,134</b>	<b>2,281,639,215</b>	<b>160,499,437</b>	<b>40,404,228</b>	<b>593,500</b>	<b>855,138</b>	<b>459,082</b>	<b>403,265</b>	<b>35,473</b>

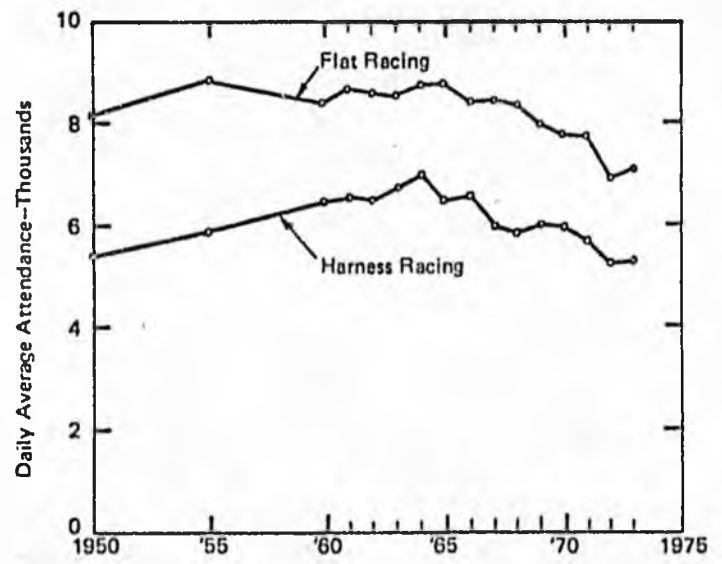
E-Estimated

† Fairs -- Thoroughbred and quarter horse

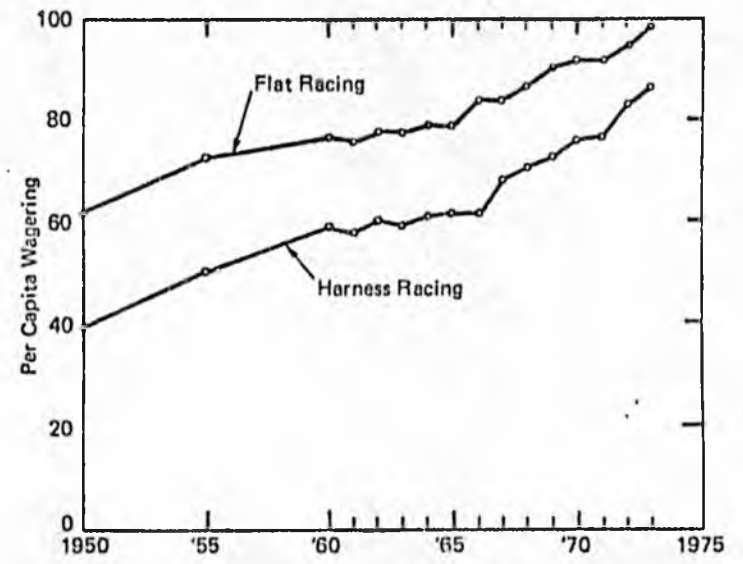
‡ Thoroughbred and quarter horse



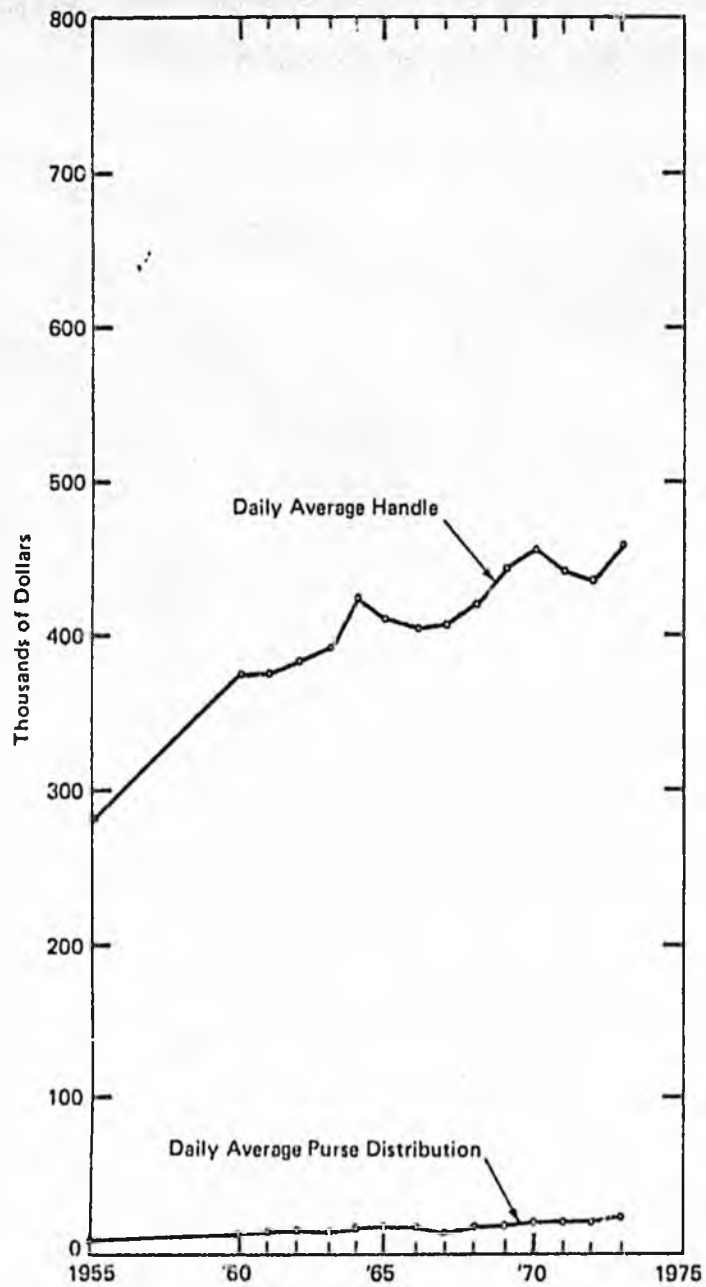
Total Revenue to the States and Total Number of Racing Days



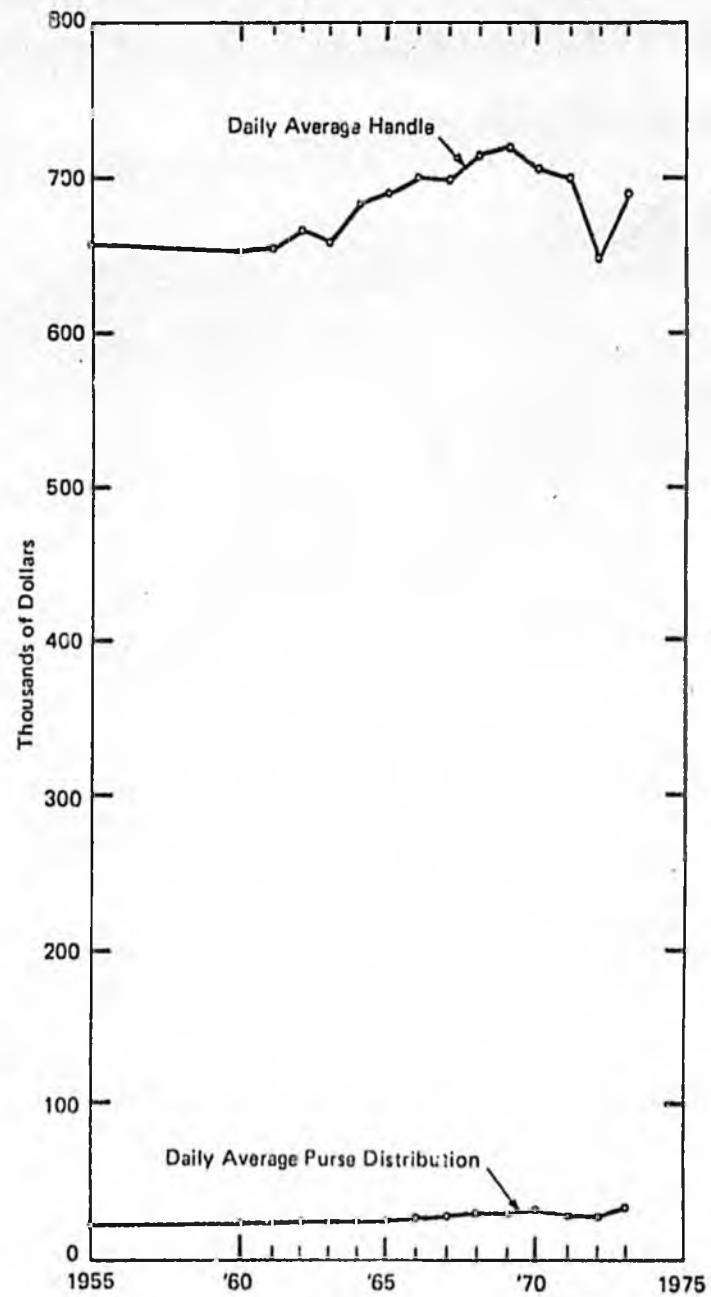
Daily Average Attendance--Harness Racing and Flat Racing



Per Capita Wagering--Harness Racing and Flat Racing



Daily Average Handle and Daily Average Purse Distribution for Harness Racing



Daily Average Handle and Daily Average Purse Distribution for Flat Racing

# TOTAL REVENUE TO STATE

States	TOTAL REVENUE TO STATE					PERCENT INCREASE OR DECREASE				
	Total	Thoroughbred	Harness	Qrt. Horse	Mixed	Total	Thoroughbred	Harness	Qrt. Horse	Mixed
Arizona	1,721,839	✓		✓	1,721,839	+13%	✓		✓	+13%
Arkansas	4,469,437	4,469,437				+14%	+14%			
California	75,270,723	59,487,168	9,164,264	6,521,306	97,985	+ 8%	+ 6%	+ 2%	+47%	+ 5%
Colorado	1,237,591	975,331		260,506	1,754	+ 9%	+ 9%		+ 7%	
Delaware	9,414,360	3,823,318	5,591,042			+ 9%	+ 9%	+ 8%		
Florida	23,205,133	20,831,546	2,061,651	311,464	472	+18%	+17%	+27%	+1.03%	
Idaho	156,747	✓		✓	156,757	+25%	✓		✓	+25%
Illinois	53,100,575	26,118,059	26,622,329	70,002	290,185	+10%	+ 8%	+12%		
Kentucky	8,776,688	7,157,963	1,618,725			+10%	+ 9%	+25%		
Louisiana	7,146,325	5,729,515			1,416,810	+12%	✓		✓	
Maryland	17,344,550	14,911,211	2,433,339			+ 3%	+ 2%	+12%		
Massachusetts	17,593,943	13,544,843	4,049,100			+19%	✓	✓		
Michigan	26,639,623	16,848,227	9,791,396			+ 9%	+ 8%	+ 9%		
Montana	No tax paid to state									
Nebraska	4,176,200	4,176,200				+25%	+25%			
Nevada	8,304	83	143	8,078		No record from 1972				
New Hampshire	9,228,280	4,833,566	4,394,714			- 9%	- 9%	-10%		
New Jersey	34,529,604	27,426,478	7,103,126			- 4%	- 4%	- 7%		
New Mexico	1,723,734	✓		✓	1,723,734	+12%				+12%
New York	162,730,734	75,491,604	87,239,130			+ 2%	+ 2%	+ 3%		
Ohio	18,407,968	11,582,866	6,709,489	11,613		+ 9%	+ 5%	+17%	+ 4%	
Oregon	1,545,663	✓		✓	1,545,663	7%	✓	✓		+ 7%
Pennsylvania	27,795,185	15,561,807	12,233,376			+26%	+18%	+36%		
Rhode Island	8,021,938	8,021,938				-23%	-23%			
South Dakota	150,000(E)				150,000					
Vermont	2,588,139	2,030,092	558,047			- 5%	-12%	+39%		
Washington	4,443,136	4,342,087		87,620	13,429	+35%	✓		✓	
West Virginia	12,062,922	11,756,594	306,328			+13%	+13%	+ 5%		
Wyoming	10,674	✓		✓	10,674	No record from 1972				
<b>Total</b>	<b>533,500,015</b>	<b>339,119,933</b>	<b>179,876,058</b>	<b>7,366,654</b>	<b>7,137,370</b>	<b>+ 5%</b>	<b>+ 5%</b>	<b>+ 5%</b>		

E-Estimated

# REVENUE TO STATE

## TRACK LICENSES

State	Total	Thoroughbred	Harness	Qtr. Horse	Mixed
Arizona	.				
Arkansas	25,000	25,000			
California					
Colorado					
Delaware	8,000	5,750	2,250		
Florida					
Idaho	625				625
Illinois	103,200	43,500	57,500	2,200	
Kentucky	338,500	338,500			
Louisiana					
Maryland	217,075	216,000	1,075		
Massachusetts	155,250	121,250	34,000		
Michigan	27,020	1,000	26,020		
Montana					
Nebraska					
Nevada	No Record				
New Hampshire					
New Jersey	100,000	100,000			
New Mexico	80,840	✓		✓	80,840
New York	138,600	16,900	121,700		
Ohio	9,872	5,020	4,842	10	
Oregon					
Pennsylvania	4,000	4,000			
Rhode Island					
South Dakota	No Record				
Vermont	820	540	280		
Washington	11,510	6,000		1,260	4,250
West Virginia	154,250	144,500	9,750		
Wyoming					
<b>Total</b>	<b>1,374,562</b>	<b>1,027,960</b>	<b>257,417</b>	<b>3,470</b>	<b>85,715</b>

## OCCUPATIONAL LICENSES

Total	Thoroughbred	Harness	Qtr. Horse	Mixed
22,315	✓		✓	22,315
18,812	19,812			
309,765	179,440	54,880	50,300	25,145 †
24,455	9,557		13,144	1,754
147,647	103,695	28,427	15,053	472
18,165	✓		✓	18,165
110,595	✓	50,165	✓	60,430 †
40,691	✓	40,691	✓	
48,837				48,837 †
96,035	81,146	14,889		
43,209	24,039	19,170		
60,511	21,528	38,983		
30,243	30,243			
5,032	✓		✓	5,032 †
33,423	13,096	20,327		
110,312	83,272	27,040		
46,173	✓		✓	46,173
118,340	56,458	61,882		
89,549	36,176	50,384	2,989	
4,160	✓		✓	4,160
126,393	91,369	35,024		
16,262	16,262			
No Record				
17,388	7,539	9,849		
11,495	✓		✓	11,495 †
91,566	77,144	14,422		
<b>Total</b>	<b>1,641,373</b>	<b>849,776</b>	<b>466,133</b>	<b>81,486</b>

† Fairs - Thoroughbred and quarter horses

\* Total includes all flat racing

# REVENUE TO STATE (continued)

(To Closest Dollar)

States	PARI-MUTUEL TAXES					BREAKAGE †				
	Total	Thoroughbred	Harness	Qtr. Horse	Mixed	Total	Thoroughbred	Harness	Qtr. Horse	Mixed
Arizona	1,689,329	✓		✓	1,689,329					
Arkansas	4,110,247	4,110,247				252,186	252,186			
California	69,065,655	53,944,084	8,762,546	6,359,025		5,117,736	4,829, 33	248,624	39,819	
Colorado	1,209,996	963,979		246,017						
Delaware	8,484,806	3,413,990	5,070,816			610,678	242,390	368,288		
Florida	19,853,831	17,951,672	1,706,159	196,000		1,984,586	1,721,551	199,933	62,702	
Idaho	133,068	✓		✓	133,068					
Illinois	47,075,803	23,640,721	23,378,433	56,649		3,136,464	1,399,279	1,730,722	6,463	
Kentucky	8,008,139	6,478,071	1,530,067							
Louisiana	6,782,274	5,719,592		132,281	930,401					
Maryland	14,974,470	12,998,478	1,975,992			1,438,760	1,108,435	330,325		
Massachusetts	16,371,863	12,645,615	3,726,248			914,085	673,523	240,562		
Michigan	24,692,777	15,844,214	8,848,563			1,561,380	818,392	742,988		
Montana										
Nebraska	3,949,418	3,949,418								
Nevada	3,271	83		143	3,046					
New Hampshire	8,590,335	4,517,268	3,983,067			576,067	246,545	329,522		
New Jersey	33,185,822	26,359,335	6,826,487			559,593	436,560	123,033		
New Mexico	1,400,939	✓		✓	1,400,939					
New York	150,046,484	68,472,894	81,573,590			9,105,657	5,287,010	3,818,647		
Ohio	17,620,808	11,174,918	6,337,540	108,350		621,482	344,021	273,391	4,070	
Oregon	1,485,858	1,285,151		200,707						
Pennsylvania	24,913,849	13,630,975	11,272,874			1,859,743	1,062,193	797,550		
Rhode Island	7,256,999	7,256,999				492,760	492,760			
South Dakota	150,000(E)				150,000	No Record				
Vermont	2,331,153	1,847,907	483,246			192,042	134,235	57,807		
Washington	4,418,633	4,331,857		85,962	814					
West Virginia	11,579,090	11,307,287	271,802							
Wyoming	10,202	✓		✓	10,202					
<b>Total</b>	<b>489,305,118</b>	<b>311,844,755</b>	<b>165,757,430</b>	<b>7,385,134</b>	<b>4,317,799</b>	<b>28,423,219</b>	<b>19,048,773</b>	<b>9,261,392</b>	<b>113,054</b>	

E-Estimated

† All breakage to \$0.10 except in Delaware and Washington, see Summary of Tax Methods.

4-13-70

# Rettig Files Minority Report On Monetary Committee's Package

Anchorage banker Ron Rettig submitted the following minority report after the House Special Monetary Committee, of which he is a member, produced a package of fiscal legislation late last week. The report has been edited.

This committee was formed Feb. 2, 1970, with the following House members: Gene Guess, D-Anchorage, chairman; Bill Ray, D-Juneau; Tom Fink, R-Anchorage; Dick Borer, R-Cordova; Gene Miller, D-Fairbanks; Wendell Kay, D-Anchorage; Ron Rettig, R-Anchorage.

The committee met about four times each week, and all members attended regularly except Mr. Ray, who declined to attend after the first three or four sessions. It is not clear whether he withdrew from membership on the committee or just became frustrated and gave up.

It was not until the eighth or ninth week that we got down to the consideration of actual legislation. Until the meetings were merely mini-seminars on philosophy. Under pressure originating in Republican caucuses, the committee finally under-

took a crash program of action

on measures. The 28-bill package introduced in the House this afternoon is largely the product of two or three cram sessions. The General Obligation bond package involving in excess of \$140 million received only brief mention in committee.

During the 10 weeks of more than 40 meetings, testimony was heard from only about a dozen persons; no public hearings were held on any subject.

The committee has held no meetings since the 28 bills were drafted. None of the bills have been available for examination by committee members.

With the exception of the housing mortgage investment bill, HB 821, and the feeble, halting approach to fisheries improvement program, (HB 828 and HB 829), the committee did little more than suggest some me-too additions to the governor's program, with even deeper incursions into the \$800 million.

Except as to interest rates, the mortgage investment measure is similar to the Little Fannie Mae program I suggested last fall and which was reported in detail in the Anchorage

(Continued on page 8)

## ...Rettig Report

(Continued from Page 4)

Times at that time.

The measure introduced by the committee provides for the purchase of residential mortgage loans bearing rates not exceeding 6½ per cent . . .

With current prevailing mortgage rates of 9½ per cent it appears that a rate of 7½ per cent would be far more appropriate for state funds.

Further, I believe such a program should be limited to loans on owner-occupied one to four-family dwellings. As written, the rates are so low and the permitted loan classifications so broad (commercial loans, etc.) that funds would soon be exhausted.

The committee rejected my suggestion for a broadly based permanent fund for fisheries research, rehabilitation and development.

HB 777 and HB 778 which I prepared and had introduced through the House Resources Committee would ensure, through the establishment of a \$100 million permanent fund, the continuing expansion of this job-oriented industry.

It is well within the capability of the state through these two bills to make certain that, by the time oil is gone, fishing and the fishing industry can mean more for the well being of Alaskans than even the great oil industry.

The committee gave no attention whatever to the inflationary influences of the vast spending programs recommended, nor did the committee bother to consider the consequences that may result if the pipeline should not be built.

I deeply regret the committee's rejection of the establishment of permanent funds for the conservation of the state's capital funds such as the gov-

ernor's permanent fund measure (SB 404).

The committee departed sharply from its consistent position of rejection of permanent funds when it adopted a permanent or single purpose fund to assume bonded debt of school districts.

These measure would provide a fund of \$72,121,157 to pay interest and principal installments on previously issued school district bonds. If these should become law an immediate windfall of at least \$15 million would accrue to bond holders.

We are advised by bond authorities this could do nothing to improve future bond ratings of the districts and would hurt the state's bond rating.

I am afraid it would make the state appear rather silly in the eyes of bond investors. A far better approach would be to appropriate annually for the debt service.

Thankfully, all bills now go to the House Finance Committee for in-depth study and correlation with the state's overall budget and financial considerations.

# Monetary Committee Of House Winding Up Its Deliberations

JUNEAU (AP)—Rep. Tom Fink said today the House Special Monetary Committee has "substantially finished its deliberations," and will introduce about 20 bills, including one which would have the state invest up to \$300 million in mortgages on property within Alaska.

Fink, an Anchorage Republican who serves on the committee, said the group made "two or three basic decisions."

First, he said, it determined that the \$900 million from last year's oil lease sale "should be used to meet the needs of the state." And he said the committee decided that the money should not be locked up in a permanent fund, as proposed by Republican Gov. Keith Miller.

He said the committee "determined that we should get maximum use out of the fund" and said it also decided that "any monies the state had available for investment should be invested in Alaska."

Fink issued a lengthy news release, and the items he listed totaled about \$470 million.

Rep. Gene Guess, the Anchorage Democrat who chairs the committee, called Fink's statement "a bit premature." But he said it was a "pretty good summary of what the committee did."

Guess said, "The bills are being costed out and related to projected revenues and cash flow."

He said he hoped to get a committee report of his own ready by tomorrow.

Fink said that "probably the most important bill" was the one to allow the state to invest in mortgages, with a 6.5 per cent limit on the interest on home loans and a 7.5 per cent ceiling on non-home loans.

He said that within a year the state could be expected to invest \$100 million in mortgages.

Fink said the committee approved the governor's proposals for a new cabinet-level Department of Treasury and the formation of a Planning and Budget Division.

The lawmaker said the group

recommended an appropriation of some \$33 million to build projects previously approved for the Alaska State Housing Authority to construct. Fink said a direct appropriation "will result in a considerably lower cost for state office space."

However he said the group also passed out "with mixed recommendations" the governor's \$147 million bond package. Fink said he was against such, "since we have a large amount of money and could directly appropriate for whatever capital improvements are necessary at this time."

Fink said the committee recommended the removal of any requirements of collateral for state deposits in Alaska banks.

He said the group "substantially increased" the revenue sharing program started last year, and endorsed proposals for the state to pick up a large chunk of school construction

costs. This would include the assumption by the state of local districts' bonded debt.

Fink said the committee approved the "general concept" of the state paying 90 per cent of the cost of basic education.

He said a \$20 million hospital loan fund was approved, and also a \$5 million revolving fund for ASHA, to be used while the agency awaits federal approval for projects.

Other legislation which he said was approved included increases in the maximums on veterans' loans, the administration's \$10 million water and sewer assistance proposal and a \$54 million housing package.

Although he disagreed with the decision, Fink said, the committee approved a one-year extension of the existing interest law, which now places a 10 per cent ceiling on mortgages and business loans. Fink said the limit should not be that high.

The House Special Monetary Committee is expected to bring out its package of bills this week after long, arduous work.

The Senate Monetary Committee has sent its bills on to the Senate Finance Committee as they were ready, and it has operated within a more limited scope than its House counterpart.

Introduction of the House monetary package into the legislative mill turns loose a group of measures that still require consideration by both houses and their respective finance committees.

## 1970 - 1980 Estimated Hospital Bed Need

No attempt was made to project the communities in which hospital construction would take place due to lack of adequate statistics.

The population figure was adjusted to exclude the native and military populations. The Hill-Burton minimum factor of 4.5 beds per 1,000 population was used to estimate the number of beds needed each year. Using current figures plus known construction 713 beds were determined to be available in 1969. A median figure of \$50,000.00, per bed was used to compute the costs.

Under current Hill-Burton guidelines and assuming that the Hill-Burton Act will still be in existence in the years 1970 to 1980 without change the total cost of \$58,290,000.00 would be broken down as follows:

Federal	1 million per year	11,000,000.00
State matching ratio at 30 %		17,487,000.00
Project Sponsors Share		29,803,000.00
Total Bed Cost		58,290,000.00

<u>YEAR</u>	<u>POPULATION</u>	<u>BED NEED-ADDITIONAL</u>	<u>BED COST</u>
1970	262,700*	471	23,550,000
1971	275,300	54	2,700,000
1972	288,400	58	2,900,000
1973	302,000	63	3,150,000
1974	316,200	63	3,150,000
1975	331,000	78	3,940,000
1976	350,000	85	4,250,000
1977	362,400	54	2,700,000
1978	378,100	72	3,600,000
1979	400,400	99	4,950,000
1980	414,500	68	3,400,000

\* Population projections from Stanford Research Institute.

In accordance with Federal Law the State has been divided into (7) Catchment Areas for the purpose of determining need and priorities for Construction of Community Mental Health Centers and Construction of Facilities for the Mentally Retarded. These areas are:

- Area 1 - Ketchikan Catchment Area -  
Election Districts 1 and 2
- Area 2 - Juneau Catchment Area -  
Election Districts 3, 4 and 5
- Area 3 - Anchorage Catchment Area -  
Election Districts 6, 7, 8, 9, 10 and 13
- Area 4 - Kodiak Catchment Area -  
Election Districts 11 and 12
- Area 5 - Bethel Catchment Area -  
Election Districts 14 and 19
- Area 6 - Fairbanks Catchment Area -  
Election Districts 15 and 16
- Area 7 - Nome Catchment Area -  
Election Districts 17 and 18

Under P.L. 88-164, Title I, Alaska receives \$100,000 per year for Construction of Facilities for the Mentally Retarded and \$100,000 per year for Construction of Community Mental Health Centers. The matching ratio is (40%) Federal and (60%) Sponsor.

Estimated cost of a center is \$500,000 in northern part of the State and about \$300,000 in southeast. In general these are non-income producing centers.

5 Centers at \$500,000	\$2,500,000
2 Centers at \$300,000	600,000
Cost of 7 Centers	<u>\$3,100,000</u>

Federal Share at 40%	1,240,000
Community Share at 60%	1,860,000

We recommend that consideration be given to the proposal that a sufficient and reasonable fund be set aside and made available to local communities at a reasonable rate of interest for use in construction of capital improvements, including hospital and health facilities.

Respectfully submitted,

/S/ Joseph M. Ribar, MD

Joseph M. Ribar, MD, Acting Chairman

Recommendation of the Health and Welfare Facilities Committee of the State Comprehensive Health Advisory Council accepted by the council as a whole at its meeting January 23, 1970.

Please write the names

of each guest for me & also yours

Robert Ogden - Exec Secty, Alachua Medical Assoc.

Lowell Swartz - Health specialist

Larry Sullivan - Coordinator County Health  
Planner

Jack Hollard - Admin. Director Hosp.  
Vice Pres. A. H. A.

Merton Charney - J. Borough Chair

SUGGESTED HEALTH FACILITIES LOAN FUND

Supported By:  
Alaska Hospital Association  
Alaska Medical Association

"An Act relating to providing loan funds to public and non-profit agencies at low interest for the purpose of assisting in the Construction, Acquisition, Modernization, Equipping and other Capital Improvements of Hospitals, Health Centers, Mental Health Centers, Nursing Homes and other Health related facilities."

Requirements for construction, modernization, equipping and other Capital Improvements shall comply with regulations as they are now established or will be established by the State of Alaska, Department of Health and Welfare and/or appropriate federally sponsored construction programs such as, Hill-Burton, Mental Health Centers and Facilities for Mentally Retarded.

In view of anticipated needs of the State according to current studies of the Department of Health and Welfare, projected to 1980 and in consideration of other anticipated health needs, it is suggested that a 20 million dollar revolving loan fund be established and that this fund be increased or decreased annually by the Legislature on a need basis.

It is requested that this bill, if submitted include retroactive provisions to provide relief for communities with hospitals now under construction.