

378

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SB

388

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SB

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SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

January 24, 1978

Present: Chairman Orsini, Senators Willis, Ferguson and Hackney; Bruce Aronson, C/RA; Marilyn Miller, Alaska Municipal League; Roger Allington, Alaska Coastal Policy Development and Planning; Glen Akins, DPDP; Annette Smith, HC&RA; Steve Mizera, Republican Caucus; Jack Chenowith, Legislative Affairs; Steve J. Kettlekamp, Exxon; Keith Arnold, Alaska Oil & Gas Association; Oren Pomeroy, C/RA; and Tim Bradner of BP-Sohio.

Absent: Senator Bill Sumner

SENATE BILL 388

The meeting was called to order at 3:15 by Chairman Orsini who announced the formation of a subcommittee to deal with village land reconveyances occurring under paragraph 14 (c) of the Alaska Native Claims Settlement Act. Senator Ferguson was appointed Chairman. Senators Hackney and Orsini were appointed members. Senator Ferguson agreed that the subcommittee would be able to make a report to the committee within a month.

The committee first took-up CSSB 388. The two Co-chairman of the Alaska Coastal Policy Council, Frances Ulmer and Roger Allington, had been invited to present their views of the effects of CSSB 388 on the functioning of the council.

Council Co-chairman Allington referred his letter of January 23, 1978, to Senator Orsini, in which he supported SB 388's provision for the selection by the Governor of alternate members to fill unexpected vacancies in the council.

Co-chairman Ulmer concurred with Allington's assessment and noted that the question of the appointment of alternate members had been heatedly debated in the council without achieving a clear consensus.

She also cautioned against too great an attempt to restrict the number of alternates available for the governor's selection, but she believed that CSSB 388 would clarify the question of the alternate's qualifications. She suggested that assistant, as well as deputy commissioners be designated as acceptable substitutes for State commissioners in the council.

Marilyn Miller, representing the Alaska Municipal League, testified on CSSB 388. She stated that the League would prefer to see public members on the council appoint their own alternates in order to maintain a continuity of view point.

This completed public testimony on CSSB 388. Senator Ferguson moved that CSSB 388 as drafted be passed out of committee with individual recommendations. The committee vote was 2 Do Pass, 1 Do Not Pass Without Amendment and No Recommendations.

DISCUSSION OF ALASKA COASTAL MANAGEMENT PROGRAM

Chairman Orsini recalled Alaska Coastal Policy Co-chairman Frances Ulmer and Roger Allington to discuss the work of the council regarding the submission of its standard and guidelines to the Legislature. He pointed out the importance of the Legislature receiving these regulations in sufficient time this session to give them adequate consideration. He stated the intention of the committee to work with the unofficial draft regulations during the public hearing process in order to become as familiar as possible with the proposed regulations before their submission to the Legislature in April.

Council Co-chairman Ulmer told the committee that the council had recently completed a new draft of its regulations, copies of which had been made available to legislators. A sixty day hearing process would be underway shortly with public meetings throughout the state. The council believed that the regulations would be ready for submission to the Legislature in early April, following a final council meeting on the regulations in Juneau, March 24 and 25.

Ulmer stressed the need for legislative action on the Coastal Management Program this session in order to allow the state program to receive federal approval by December of 1978. She indicated that there had been some question within the council whether the regulations constituted a part of the program and also required legislative approval, the consensus of the council was that the regulations also required legislative action to accept them.

Glen Akins, Director of the Office of Coastal Management, outlined for the committee the situation in Washington State and Oregon where federal approval for these states' coastal management programs was given before all the local programs were completed. He noted, however, that court challenges against this practice are underway.

He also pointed out that the role of the federal government in funding state coastal programs is significant. So far approximately \$3 million in federal funds have been used in Alaska to finance state and local efforts. Approximately \$250,000 in state funds have been allocated to this purpose. Without federal approval next year, Akins believed that this financial obligation would have to be borne completely by the State.

In response to Chairman Orsini's question on the concept of federal consistency, Akins replied that Federal agencies have observed state coastal policy when public groups, local governments and the state government united behind one position. Ultimately, however, the Secretary of Commerce would be the arbiter in any dispute between a state and federal agency over federal consistency provisions.

SENATE BILL 372

The committee voted unanimously to pass SB 372 out of committee following the explanation of Senator Willis that the bill was intended to rectify a drafting error regarding a reference citation of Senate Bill 37 to the Alaska Statutes. There was no public testimony.



JUNEAU, ALASKA

Alaska State Legislature
Senate

January 13, 1978

Enclosed please find a copy of Senate Bills # 388 which, if enacted, may have an effect on your municipality. Your comments or recommendations would be appreciated, as we intend to give this proposed legislation our consideration in the near future.

Please write to the Senate Community and Regional Affairs Committee, Pouch V, Juneau, Alaska 99811: or call 465-3712.

Very truly yours,

Joe Orsini

Senator Joe Orsini
Chairman
Community and Regional
Affairs Committee

JO/tb

Enclosure: As stated

5-15-78

Joe-

Clark Gruening called to alert you to CSSB 388 coming up in House Finance tomorrow. I told him you'd be there to testify on the bill.

He also asked about HB 516 (appropriate technology) and hoped that you could bring it to Senate Finance for scheduling.

Ben

STATE
of ALASKA

MEMORANDUM

F: C55B
388

TO: J. Hogan
Legislative Finance Division
State Capitol
Pouch WF
Juneau, Alaska 99811

DATE: May 23, 1978

FILE NO:

TELEPHONE NO:

FROM: Murray R. Walsh *M Walsh*
Coordinator
Office of Coastal Management
Pouch AP
Juneau, Alaska 99811

SUBJECT: Fiscal Note for
HCS CS SB 388

Attached as per your request is a fiscal note for the subject bill. After examination, we find that this bill will have no fiscal impact. Please call me if you have any questions.
(465-3574)

cc: ✓ Senator Joseph Orsini
Tom Barnes, Budget and Management
Janet Green, Office of the Governor
Fran Ulmer, DPDP

State Account
772-8179

Offered: 1/25/78
Referred: Resources

Original sponsor: Orsini

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

1 IN THE SENATE

2 CS FOR SENATE BILL NO. 388

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

*Dave
Chie*

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the membership of the Alaska
7 Coastal Policy Council."

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

9 * Section 1. AS 44.19.891(d) is repealed and re-enacted to read:

10 (d) Each member of the council shall select one person to serve
11 as a permanent alternate at meetings of the council. If a member of
12 the council is unable to attend, he shall advise the alternate who
13 may attend and act in the place of the member. The alternate for a
14 public member appointed under (a)(1) of this section shall, at the time
15 of his designation and throughout the period of his service as a perma-
16 nent alternate, be [a resident of] the mayor or member of the assembly or council of a
17 municipality within the region from which the permanent member is
18 appointed. The alternate for a designated member serving under (a)(2)
19 of this section shall be a deputy commissioner of the department or
20 the director of a division in the department. The names of alternates
21 shall be filed with the council.

*DELETED
BY
H G/K*

22 * Sec. 2. AS 44.19.891(g) is repealed and re-enacted to read:

23 (g) If an incumbent public member ceases to meet the qualifications
24 prescribed in (a)(1) of this section for nomination to the council or if
25 a vacancy exists among the public members for any other reason except
26 for a vacancy due to the expiration of the term of a public member, the
27 governor shall, within 30 days of the establishment of the vacancy by
28 lack of qualification or other reason, make an appointment, to be im-
29 mediately effective, for the unexpired portion of the term. An

1 appointment by the governor made under this subsection to fill an un-
2 expired term of a public member shall comply with the requirements of
3 (a)(1) of this section; however, the governor may appoint from qualified
4 persons without soliciting from municipalities nominations of persons to
5 fill the unexpired portion of the term.
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Original sponsor: Orsini

Offered: 3/28/78
Referred: Finance

1 IN THE SENATE

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 388

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the state's coastal management pro-
7 gram; and providing for an effective date."

8 * Section 1. AS 46.40.040(1) is amended to read:

9 (1) by regulation, adopt under the provisions of the Admini-
10 strative Procedure Act (AS 44.62), not later than April 15, 1978 [WITHIN
11 SIX MONTHS OF THE EFFECTIVE DATE OF THIS ACT], for the use of and appli-
12 cation by coastal resource districts and state agencies for carrying out
13 their responsibilities under this chapter, guidelines and standards for

14 (A) identifying the boundaries of the coastal area sub-
15 ject to the district coastal management program;

16 (B) determining the land and water uses and activities
17 subject to the district coastal management program;

18 (C) developing policies applicable to the land and water
19 uses subject to the district coastal management program;

20 (D) developing regulations applicable to the land and
21 water uses subject to the district coastal management program;

22 (E) developing policies and procedures to determine
23 whether specific proposals for the land and water uses or activi-
24 ties subject to the district coastal management program shall be
25 allowed;

26 (F) designating and developing policies for the use of
27 areas of the coast which merit special attention; and

28 (G) measuring the progress of a coastal resource dis-
29 trict in meeting its responsibilities under this chapter;

1 * Sec. 2. AS 46.40.120(c) is amended to read:

2 (c) A determination under (b) of this section shall be made before
3 organization of the coastal resource service area [AND NO LATER THAN SIX
4 MONTHS FROM THE EFFECTIVE DATE OF THIS ACT].

5 * Sec. 3. AS 46.40.210(6)(C) is amended to read:

6 (C) the siting of major energy facilities, activities
7 pursuant to a state oil and gas lease, or large-scale industrial or
8 commercial development activities which are dependent on a coastal
9 location and which, because of their magnitude or the magnitude of
10 their effect on the economy of the state or the surrounding area,
11 are reasonably likely to present issues of more than local signi-
12 ficance;

13 * Sec. 4. AS 44.19.891(g) is repealed and re-enacted to read:

14 (g) If an incumbent public member ceases to meet the qualifica-
15 tions prescribed in (a)(1) of this section for nomination to the council
16 or if a vacancy exists among the public members for any other reason
17 except for a vacancy due to the expiration of the term of a public
18 member, the governor shall, within 30 days of the establishment of the
19 vacancy by lack of qualification or other reason, make an appointment,
20 to be immediately effective, for the unexpired portion of the term. An
21 appointment by the governor made under this subsection to fill an un-
22 expired term of a public member shall comply with the requirements of
23 (a)(1) of this section; however, the governor may appoint from qualified
24 persons without soliciting from municipalities nominations of persons to
25 fill the unexpired portion of the term.

26 * Sec. 5. This Act takes effect immediately in accordance with AS 01.10.-
27 070(c).

CITY OF SKAGWAY

GATEWAY TO THE GOLD RUSH OF '98"

P. O. BOX 415 SKAGWAY, ALASKA 99840

F: SB 388

January 23, 1978

Senator Joe Orsini, Chairman
Senate Community & Regional Affairs Committee
Pouch V
Juneau, Alaska 99811

Dear Senator Orsini:

This is in response to your letter of 13 January 1978 concerning Senate Bills No. 374, No. 375 and No. 388. These proposed pieces of legislation have been reviewed by the City Council. The position of the City of Skagway on each bill is as follows:

Bill No. 374: The City of Skagway strongly supports the enactment of this bill. This legislation will enable the City to obtain title to tide and submerged lands adjacent to City Park lands which were conveyed to the City by the Federal Government on 30 November 1931. Ownership of these tide lands will facilitate future development of the Park by the City. A copy of the Federal patent transferring the Park lands is enclosed for your information.

Bill No. 375: The City of Skagway supports passage of this bill. It is considered to be in the best interests of the State of Alaska and the Alaskan municipalities that a portion of the permanent fund principal and income be made available for development of municipal capital facilities.

Bill No. 388: The City of Skagway concurs in the goals and objectives of the Alaska Coastal Management Act and, therefore, supports changes which will facilitate the work of the Coastal Policy Council. The City Council, however, does have reservations with regard to the wording of Section 1.(d) of the proposed regulation. To explain:

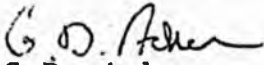
Although the need for alternates to the public members is justified, the method proposed for their selection is considered to be inadequate. It is suggested that, rather than having the principals select their alternates, the Assembly or Councils of the regions nominate alternates and that the Governor make the selections - in other words, alternates for public members be designated in the same manner as the principals.

There is one other point: Under the proposed legislation, it would be possible that alternates might constitute all or a majority of

January 23, 1978
Senator Joe Orsini
Page 2

the public participants in coastal policy actions. It is suggested that of the public members acting on coastal policy matters at least a majority be regular members.

Sincerely,


G.D. Acker
City Manager

Enclosure

cc: Representative Rudd
Senator Ray
Representative Miller
Representative Duncan
Roger Allington
City Attorney Ruddy

GDACP

**Municipality
of
Anchorage**



POUCH 6-650
ANCHORAGE, ALASKA 99502
(907) 274-2525

GEORGE M. SULLIVAN,
MAYOR

OFFICE OF THE MAYOR

March 8, 1978

Senator Joe Orsini, Chairman
Community & Regional Affairs Committee
Pouch "V"
Juneau, Alaska 99811

Dear Senator Orsini:

Following are comments from the Municipality of Anchorage
on proposed legislation:

S.B. 375 - relating to investment of permanent
fund money in community capital facilities.

It is felt that the apparent intent of this bill is very
good; however, as presently written, its provisions are so
general that specific comment is difficult. Some specifics
that need action are: Will money be in the form of grants
or loans? If loans, what will be interest percentages?
How much of permanent fund would be made available under
S.B. 375? What would be the criteria for obtaining grants/
loans?

S.B. 388 - membership of Alaska Coastal Policy
Council

Anchorage would have no problem with this legislation since
our representative, Lidia Selkregg, has appointed Mat-Su
Borough Mayor Don Larson as her permanent alternate. It
is assumed that the bill aims to preserve a geographic
and state-local balance on the Council.

Sincerely,

George M. Sullivan
George M. Sullivan
Mayor
for

/sw



City of Kodiak

PHONE (907) 486 - 3224
P.O.BOX 1397
KODIAK, ALASKA 99615

January 20, 1978

Senator Joe Orsini, Chairman
Community and Regional Affairs
Committee
Pouch V
Juneau, Alaska 99801

Dear Senator Orsini:

The Council took action at their regular meeting of January 26 supporting HB 388. They felt that it was important to have alternates for the Coastal Policy Council so that if the member from the community could not attend there would be representation.

The Council wishes to thank you for keeping them informed and the opportunity to comment.

Very truly yours,

CITY OF KODIAK

A handwritten signature in cursive script that reads "Libby Presnall". The ink is dark and the signature is fluid.

Libby Presnall
City Clerk



Erassable Bond

25% COTTON FIBER



City and Borough of Sitka

P.O. BOX 79 · SITKA, ALASKA · 99835

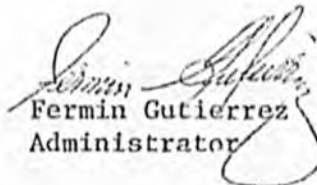
January 17, 1978

Senator Joe Orsini
Chairman, Community and
Regional Affairs Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Senator Orsini:

In reply to your letters of January 13, 1978, and the copy of SB 373, SB 374, SB 375 and SB 388 which accompanied same. Be advised that the City and Borough of Sitka supports the aforesaid Senate Bills.

Very truly yours,


Fermin Gutierrez
Administrator

cc: Senator Pete Meland

F. 1) SB 373
2) " 374
3) " 388
4) " 389

CITY OF CORDOVA

Phone: (907) 424-3237
or 424-3238

Box 1210

Reply to:

CORDOVA, ALASKA 99574

"The Friendly City"

January 30, 1978

The Honorable Joe Orsini, Chairman
Senate Community and Regional
Affairs Committee
Pouch "V"
Juneau, Alaska 99811

Dear Senator Orsini:

Thank you for permitting us the opportunity to comment on several bills before your committee.

Our comments are as follows:

Senate Bill 373 - No Comment

Senate Bill 374 - We would have no objection to this bill provided we can continue to apply for and receive leases to tidelands under the present methods, however, if this would infringe upon that right, we raise strong objections to any interference with our right to obtain tide or submerged lands.

Senate Bill 388 - We support this bill.

Senate Bill 375 - We support this concept for loans to municipalities as defined for construction or renovation of capital facilities.

Thanks again for the opportunity to comment.

Very truly yours,


Perry D. Lovett
City Manager

cc: Senator Kerttula
Representative Lovseth

members present and voting.

(f) Members of the council or their alternates are entitled to per diem and travel expenses authorized by law for members of boards and commissions.

(g) If there is a vacancy among the public members appointed under (a)(1) of this section, the governor shall make an appointment to become immediately effective for the unexpired portion of the term.

Sec. 44.19.892. POWERS OF THE COUNCIL. The council may

(1) apply for and accept grants, contributions, and appropriations, including application for and acceptance of federal funds which may become available for coastal planning and management;

(2) contract for necessary services;

(3) consult and cooperate with

(A) persons, organizations, and groups, public or private, interested in, affected by, or concerned with coastal area planning and management;

(B) agents and officials of the coastal resource districts of the state, and federal and state agencies concerned with or having jurisdiction over coastal planning and management;

(4) take any reasonable action necessary to carry out the provisions of secs. 891 - 894 of this chapter.

Sec. 44.19.893. DUTIES OF THE COUNCIL. In conformity with the Coastal Zone Management Act of 1972, as amended (16 U.S.C. 1451 et seq.), the council shall

(1) through the public hearing process and the recording of the minutes of the hearings, develop guidelines and standards for the preparation of, and approve, in accordance with AS 46.35, the Alaska coastal management program;

(2) establish continuing coordination among state agencies to facilitate the development and implementation of the Alaska coastal management program; in carrying out its duties under this paragraph, the council shall initiate an interagency program of comprehensive coastal resource planning for each geographic region described in sec. 891-(a)(1) of this chapter;

(3) assure continued provision of data and information to coastal resource districts to carry out their planning and management functions under the program;

(4) submit annually to the legislature, not later than the 10th day of each regular session, the portion of the coastal management program approved or amended by the council during the preceding year.

Sec. 44.19.894. COUNCIL STAFF. The council shall

utilize the staff of the office of coastal management within the division of policy development and planning in discharging its powers and duties. The coordinator of the office, with the concurrence of the council, may contract with or employ personnel or consultants he considers necessary to carry out the powers and duties of the council.

* Sec. 4. AS 46 is amended by adding a new chapter to read:

CHAPTER 35. THE ALASKA COASTAL MANAGEMENT PROGRAM.

ARTICLE 1. DEVELOPMENT OF ALASKA COASTAL MANAGEMENT PROGRAM.

Sec. 46.35.010. DEVELOPMENT OF ALASKA COASTAL MANAGEMENT PROGRAM. (a) The Alaska Coastal Policy Council established in AS 44.19.891 shall approve, in accordance with secs. 10 - 210 of this chapter, the Alaska coastal management program.

(b) The council may approve the Alaska coastal management program for a portion or portions of the coastal area before approving the complete program under (a) of this section. Portions of the program approved under this subsection shall be incorporated into the Alaska coastal management program.

(c) The Alaska coastal management program shall be reviewed by the council and, when appropriate, revised to

(1) add newly approved district coastal management programs, or revisions and amendments to the Alaska coastal management program;

(2) integrate newly approved district coastal management programs, or revisions and amendments of district coastal management programs, with existing approved programs and with plans developed by state agencies;

(3) add new or revised state statutes, policies, regulations or other appropriate material;

(4) review the effectiveness of implementation of district coastal management programs; and

(5) consider new information acquired by the state and coastal resource districts.

(d) All reviews and revisions shall be in accordance with the guidelines and standards adopted by the council under sec. 40 of this chapter.

Sec. 46.35.020. OBJECTIVES. The Alaska coastal management program shall be consistent with the following objectives:

(1) the use, management, restoration and enhancement of the overall quality of the coastal environment;

(2) the development of industrial or commercial enterprises which are consistent with the social, cultural, historic, economic and environmental interests of the people of the state;

- (1) preserve, protect, develop, use, and, where necessary, restore or enhance the coastal resources of the state for this and succeeding generations;
- (2) encourage coordinated planning and decision making in the coastal area among levels of government and citizens engaging in or affected by activities involving the coastal resources of the state;
- (3) develop a management program which sets out policies, objectives, standards and procedures to guide and resolve conflicts among public and private activities involving the use of resources which have a direct and significant impact upon the coastal land and water of the state;
- (4) assure the participation of the public, local governments, and agencies of the state and federal governments in the development and implementation of a coastal management program;
- (5) utilize existing governmental structures and authorities, to the maximum extent feasible, to achieve the policies set out in this section; and
- (6) authorize and require state agencies to carry out their planning duties, powers and responsibilities and take actions authorized by law with respect to programs affecting the use of the resources of the coastal area in accordance with the policies set out in this section and the guidelines and standards adopted by the Alaska Coastal Policy Council under AS 46.35.

* Sec. 3. AS 44.19 is amended by adding new sections to read:

ARTICLE 11A. ALASKA COASTAL POLICY COUNCIL.

Sec. 44.19.691. ALASKA COASTAL POLICY COUNCIL. (a) There is created in the Office of the Governor the Alaska Coastal Policy Council. The council consists of the following:

- (1) nine public members appointed by the governor from a list comprised of at least three names from each region, nominated by the municipalities of each region; the nominees shall be the mayor or member of the assembly or council of a municipality; one public member shall be appointed from each of the following general regions:
 - (A) northwest Alaska, including, generally, the area of the North Slope Borough and the Northwest Arctic regional educational attendance area;
 - (B) Bering Straits, including, generally, the area of the Bering Straits regional educational attendance area;
 - (C) southwest Alaska, including, generally, the area within the Lower Yukon, Lower Kuskokwim, Southwest, and Lake-Peninsula regional educational attendance areas and the Bristol Bay Borough;
 - (D) Kodiak-Aleutians, including the area of the Kodiak Island Borough and the Aleutian, Adak and Pribilof regional educational attendance areas;

- (E) Upper Cook Inlet, including the Municipality of Anchorage and the Matanuska-Susitna Borough;
- (F) Lower Cook Inlet, including, generally, the area within the Kenai Peninsula Borough;
- (G) Prince William Sound, including, generally, the area east of the Kenai Peninsula Borough to 141° W. longitude;
- (H) northern Southeast Alaska, including the area southeast of 141° W. longitude and north of 57° N. latitude, including the entirety of the City and Borough of Sitka; and
- (I) southern Southeast Alaska, including that portion of southeastern Alaska not contained within the area described in (H) of this paragraph;

(2) each of the following:

- (A) the director of the division of policy development and planning;
- (B) the commissioner of the Department of Commerce and Economic Development;
- (C) the commissioner of the Department of Community and Regional Affairs;
- (D) the commissioner of the Department of Environmental Conservation;
- (E) the commissioner of the Department of Fish and Game;
- (F) the commissioner of the Department of Natural Resources; and
- (G) the commissioner of the Department of Public Works.

(b) Each public member appointed by the governor under (a)(1) of this section serves a term of two years and until his successor is appointed and qualified, except that the term of office of a public member first appointed under (a)(1)(A), (a)(1)(C), (a)(1)(E) and (a)(1)(G) of this section shall be one year. A public member may be reappointed.

(c) The council shall designate co-chairmen, one of whom shall be selected from among the public members appointed under (a)(1) of this section and one from among the members designated in (a)(2) of this section.

(d) Members appointed under (a) of this section may select one person to serve as a permanent alternate at meetings of the council. If the member appointed is unable to attend, the alternate may act in his place.

(e) Four public members and three designated members of the council constitute a quorum, but one or more of the members designated by the council may hold hearings. All decisions of the council shall be by a majority vote of the

✓ Joe

SENATE RESOURCE COMMITTEE VIEWS ON CCSB 388

I talked to Reed Stoops (Senator Poland's Resource Committee AA) this morning regarding CSSB 388.

Stoops said that the Resouce Committee was looking at adding language to the bill in two areas:

1) To provide for a April 15 submission date for the program parallelling Lisa Rudd's bill.

2) To add clarifying language to state that the Legislature must approve all regulations as well as the Coastal Management Program. (Stoops said that this was understood but that the present language is somewhat ambiguous and Sen. Poland wishes to avoid any court challenges on this point).

Once the program is officially submitted to the Legislature in April, Stoops said that it was Sen. Poland's view that the legislators would have to adopt or reject the program in toto, that there could be no revision of the program either in committee or on the floor.

He did believe, however, that the legislative oversight of administrative regulations would later provide an avenue whereby the Legislature could exercise control over the regulatory policy of the Coastal Management Program (provided of course that such legislative oversight is not overturned in court).

Stoops said that Sen. Poland was in strong agreement with the need to insure that public members of the Council remain in fact local elected officials.

Ben Harding
1-26-77

STATE OF ALASKA

COASTAL POLICY COUNCIL

May 12, 1978

LOCAL MEMBERS:

Roger Allington,
Northern Southeast,
Co-Chairman
Roger Fagerstrom,
Bering Straits
Donald Gilman,
Lower Cook Inlet
Eben Hopson,
Northwest
Malcolm "Pete" Iselb,
Prince William Sound
Stan Paukan,
Southwest
Robert Sanderson,
Southern Southeast
Lidia Selkregg,
Upper Cook Inlet
Betty Wallin,
Kodlak-Aleutians

The Honorable John Rader
President of the Senate
Senate
State Capitol
Pouch V
Juneau, Alaska 99811

Dear Senator Rader:

Attached are the final Guidelines and Standards of the Alaska Coastal Policy Council, as approved by the Attorney General. The Guidelines and Standards are now in the Lieutenant Governor's Office and will be held there pending final action by the Legislature.

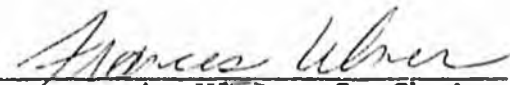
STATE MEMBERS:

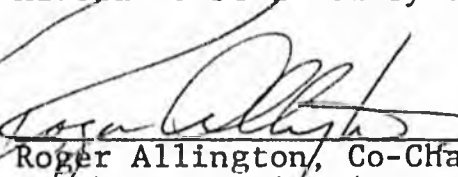
Frances Ulmer,
Director of Policy
Development &
Planning,
Co-chairwoman
Donald Harris,
Commissioner of
Transportation &
Public Facilities
Phillip Hubbard,
Commissioner of
Commerce &
Economic
Development
Robert LeResche,
Commissioner of
Natural Resources
Lee McAnerney,
Commissioner of
Community &
Regional Affairs
Ernst Mueller,
Commissioner of
Environmental
Conservation
Ronald Skoog,
Commissioner of
Fish & Game

In order to facilitate review of the Guidelines and Standards by the Legislature, the results of the Council's action at its March 30-31 meeting were sent to you and the Attorney General as early as possible in April. Thus, the Attorney General's review, which is required by law before any regulation is formally adopted, began at the same time as the Legislature's.

The Attorney General found no substantive problems with the Guidelines and Standards, but did make a number of grammatical and textual changes which are now embodied in the attached document. We consider the changes to be non-substantive and technical in nature. If you have any questions, we are available to discuss them at your convenience.

Sincerely,


Frances A. Ulmer, Co-Chairman
Alaska Coastal Policy Council


Roger Allington, Co-Chairman
Alaska Coastal Policy Council

cc: Sen. Joe Orsini



SB

426

SENATE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE MEETING

March 28, 1978

Present: Senators Orsini, Ferguson, Willis and Hackney. Lynn Wegener, Department of Community and Regional Affairs; Oren Pomeroy, Department of Community and Regional Affairs; Tom Hanna, Department of Environmental Conservation; Jerry Reinwand, Department of Environmental Conservation.

Absent: Senator Sumner

SENATE BILL 430

The proposed draft for SB 430 was discussed in last week's committee meeting. Chairman Orsini stated the only difference in the proposed draft is that it puts a \$150 million ceiling on the revenue bonds which is the same as the ceiling on the general obligation bonds. Chairman Orsini stated that the Committee was acting conservatively by putting a ceiling on revenue bonds. He explained that the reason was to see how the program works with respect to revenue bonds for which the state and municipalities had no prior experience. Senator Ferguson moved that the committee adopt the CS for SB 430. There was no objection. Senator Ferguson then moved that the committee move out SB 430 with a DO PASS recommendation. There was no objection.

SENATE BILL 426

Lynn Wegener, Administrative Director for the Department of Community and Regional Affairs, explained the necessity of the bill. He stated that the bill takes funds from the FY 78 senior citizens renters program and puts it to cover short-falls in the senior citizens property tax exemption program, the senior citizens special assessment program and the National Forest receipts. At that time, the committee questioned whether the action by the Department in seeking an appropriation adjustment was the proper procedure and asked instead if a Revised Program request would not have been more appropriate. Mr. Wegener replied that his department had been advised by the Office of Budget and Management to seek the transfer of funds to the senior citizens tax exemption program by means of an appropriation adjustment. It was also brought out in testimony that the transfer of \$25,000 to the agricultural land exemption account was no longer necessary and that Section 4 of the bill should therefore be deleted. This action would accordingly reduce the general fund figure in Section 7 from \$42,661,500 to \$42,636,500. Senator Ferguson moved that the committee pass the bill out with a NO RECOMMENDATION. Chairman Orsini suggested the committee send a letter to the Judiciary committee advising them of the facts brought out by the testimony and suggest the amendments to the language of the bill. There was no objection.

CS for HOUSE BILL 190

Chairman Orsini stated that the intent was to have a discussion on the

bill before the committee passed it out because of the confusing developments regarding this bill.

Jerry Reinwand, Deputy Commissioner of the Department of Environmental Conservation and Tom Hanna, also from the Department of Environmental Conservation, presented testimony. Mr. Reinwand commented on some potential problems that may be caused by the bill. He noted that the basic reason behind the bill was that Cook Inlet Air Resource Management District wanted to get rid of overlapping programs and duplication of authority. The CIARMD would like to have the authority to issue prevention of significant deterioration permits instead of the state issuing them. Mr. Reinwand stated that there probably would not be any problem authorizing the permit program to be transferred to them. He also stated that the reason it had not been done to date was because the Department had not received an application from the CIARMD requesting this. Mr. Reinwand stated that the Department did have some drawbacks about doing this. He stated that if the CIARMD was to issue a permit that would violate the state's regulations, EPA could impose sanctions taking away all planning money and cutting off program grant money. He explained that the state has an interest to make sure that in a situation such as this there should be some kind of state oversight responsibility. The Department had submitted some rough draft amendments for the bill to provide for state oversight.

Chairman Orsini asked if Mr. Reinwand would review the bill and get his comments back to the committee by Monday, April 3, 1978. Chairman Orsini suggested that the committee would have those comments incorporated into a draft bill before another committee hearing. He also said that a letter be sent to Cook Inlet Board explaining to them that under existing law they may be able to apply for the authority to issue permits and encouraging them to pursue this possibility.

The meeting was adjourned at 3:30 p.m.

SB 426

Shift from Sen Ct renters to Sen Ct owners

Sec 4 - not needed (final receipts < 125 K)

364.4 (?)

Sec 5 - more state \$ due to more FS sales

Sec 2 - only ~ 100K actually; remainder will lapse

Sec 7 - reduce by 25 K

$$\begin{array}{r} 61 \\ 25 \\ \hline 42,630,500 \end{array}$$

Why not RP?

advised to use "approp adjust" by BOM

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

JAY S. HAMMOND, GOVERNOR

POUCH AM — JUNEAU 99811
PHONE 465-2213

February 27, 1978

The Honorable George Hohman, Jr.
Chairman
Senate Judiciary Committee
Alaska State Senate

Dear Senator Hohman:

This is to inform you that the supplemental appropriation adjustment, in the sum of \$25,000 included in SB 426, for the Department of Community and Regional Affairs, State Assessor's Office, Agriculture Lands Exemption component, is no longer required. The FY 78 Agricultural Land Exemption appropriation was \$125,000 and now after all applications have been reviewed and eligible payments approved, the total funding need amounts to only \$118,613.50. The supplemental adjustment for the Agriculture Program was based upon the assumption that more applications would be received than has been the actual case.

Sincerely,

Ronald B. Lind
Director

cc: Jay Hogan, Director
Legislative Finance

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

POUCH AM — JUNEAU 99811
PHONE 465-2213

F: SB426
JAY S. HAMMOND, GOVERNOR

February 3, 1978

The Honorable Joseph Orsini
Chairman, Senate Community and
Regional Affairs Committee
Pouch V
Juneau, Alaska 99811

SB 426
Additional Backup Information

Dear Senator Orsini:

Attached is additional backup information on the appropriation adjustment request for the Department of Community and Regional Affairs, contained in SB 426.

Sincerely,

Ron Lehr for:

Ronald B. Lind, Director
Division of Budget and Management

attachment

cc: Keith Specking

STATE
of ALASKA

MEMORANDUM

DEPARTMENT OF COMMUNITY & REGIONAL AFFAIRS

RECEIVED

TO: [Ron Lind, Director
Division of Budget & Management
Office of the Governor


DATE: January 20, 1978

JAN 24 1978

FILE NO:

BUDGET & MANAGEMENT

TELEPHONE NO:

FROM: Lynn A. Wegener 
Administrative Director

SUBJECT: FY '78 Supplemental

As requested, the following is an update of my October 28, 1977 memo detailing the need for supplemental appropriations to fund anticipated shortfalls in the Fiscal Year 1978 Senior Citizens' Property Tax Exemption Program and the Senior Citizens' Special Assessment Program components of the Senior Citizens' Tax Exemption BRU and the Agricultural Lands Exemption Component of the State Assessor BRU.

Senior Citizens' Property Tax Exemption Program - \$114,400

FY '78 Appropriation	\$1,487,400
Applications received to date	<u>1,525,520</u>
Schedule attached	\$(38,120)
Maximum estimated contingency for late filed applications	<u>-76,276</u>
	\$(114,396)

Current Statutes allow Senior Citizens to file application to their municipality for tax exemption through December 31 for that calendar year's taxes. The State Assessor's Office has received the majority of the exemptions due, however, has not received all late filed applications. The outstanding exemptions due will be received from the municipalities through June 30.

Senior Citizens' Special Assessment Program - \$77,300

FY '78 Appropriation	\$ 168,000
Applications paid to date	
Anchorage	- 6,513
City of Cordova	- 7,680
	\$ 153,807
Application estimate	
City of Fairbanks	\$ - 193,500
Contingency for underestimation	- 37,607
	<u>\$(77,300)</u>

The original FY '78 budget estimate was based on the assumption that only the City and Borough of Juneau and the City of Cordova would apply for special assessments during the fiscal year. The Assessor has since been notified that the City of Fairbanks will be participating in the current year program for approximately \$193,500. The City of Fairbanks currently anticipates a February levy date with a 90-day application and will bill the State for reimbursement in April 1978. The contingency is requested as the tax rolls at this point are not complete and the number of applicants is uncertain. The \$193,500 represents the City of Fairbanks' current estimated requirement under this program. The City and Borough of Juneau has notified the State Assessor that their levy date has been adjusted from January 1, 1978 to January 1, 1979.

It should be noted that the dollars expended under this program represent a lien on the property and if sold to a non-qualified buyer, the amount of the assessment paid is reimbursed to the State.

Agricultural Land Use Assessment - \$25,000

FY '78 Appropriation	\$125,000
Municipality of Anchorage	- 12,763
Fairbanks North Star Borough	- 4,054
Kenai Peninsula Borough	- 4,836
Matanuska-Susitna Borough	- 111,416
	<u>(\$ 8,070)</u>
Contingency for underestimation	- 16,929
	<u>(\$ 25,000)</u>

Under this program, owners of farm land must apply to the appropriate municipality by February 1 to qualify for the Farm Land Assessment Rate for that tax year; therefore, the estimates provided by the Municipality should approximate actual costs of the program.

The primary reason for the shortfall is the increase in the full and true value assessment and a relatively stable farm use value assessment; thus, increasing the deferred assessment value and the corresponding deferred taxes paid by the State under AS 29.53.035.

State legislation has mandated that these three groups of taxpayers are exempt from payment in the appropriate category and indicates that the State will reimburse the Municipality for revenue lost through the operation of these programs. Payment of less than 100% of the municipal claims will result in lost revenue to the municipality.

If you need additional information, please contact us.

LAW:cd

cc: Oren Pomeroy

Senior Citizen Property Tax Exemption
 FY '78 Program Report of Municipal Estimates

<u>Boroughs</u>	<u>Tax Exempt</u>
Anchorage, Municipality of	\$ 741,785.81
Bristol Bay	1,081.51
Fairbanks North Star	137,096.86
Haines	4,183.78
Juneau, City & Borough of	219,866.19
Kenai	100,814.44
Ketchikan Gateway	99,549.73
Kodiak Island	26,550.75
Matanuska-Susitna	73,988.61
North Slope	2,284.86
Sitka, City & Borough of	17,064.92
TOTAL BOROUGHS	\$1,424,267.46

<u>Cities</u>	
Cordova	\$ 17,962.01
Craig	1,599.11
Dillingham	7,096.09
Nenana	465.00
Nome	19,843.22
Pelican	323.40
Petersburg	25,090.65
Skagway	7,279.37
Unalaska	1,449.89
Valdez	2,824.53
Wrangell	16,086.38
Yakutat	1,233.23
TOTAL CITIES	\$ 101,252.88

Estimated FY '78 to Date	\$1,525,520.34
Late File Contingency	76,276.00
Total Estimate, FY '78 Need	\$1,601,796.00

SB

430

SENATE COMMUNITY AND REGIONAL AFFAIRS
COMMITTEE MINUTES

March 16, 1978

Present: Senators Willis, Ferguson, Hackney and Sumner. Palmer McCarter, Department of Community and Regional Affairs; Lee Sharp, Attorney for the City and Borough of Juneau; Jim Rolle, Alaska Municipal League; Doug Griffin, Department of Community and Regional Affairs; David Rose, Exec. Director for the Alaska Municipal Bond Bank; Lance Anderson, Alaska Municipal Bond Bank; Dave Gray.

Absent: Senator Orsini

Senator Willis called the meeting to order at 3:15 p.m. Senator Willis asked Jack Chenoweth, from the Legislative Affairs Agency to explain what the bill will do.

Jack Chenoweth stated that the bill would add to the Bond Bank Authority the opportunity to sell or purchase revenue bonds for local governments. Right now the statutes require that the Bond Bank Authority limit itself to dealing with just the general obligation issue. This would extend the Bank's authority to the field of revenue bonds.

Senator Hackney asked if this practice was unusual.

David Rose, Executive Director of the Alaska Municipal Bond Bank told the Committee members that the Bank would not sell the cities' bonds on their behalf, but would buy the municipal bonds and then issue its own bonds on the financial market. In return for placing its assets to back smaller municipalities in Alaska, the Bond Bank would require some degree of security from the cities. Some of the procedures included the dedication by municipal authorities of some portion of their regular revenues to the bonds bought by the Bond Bank. He also gave the following background on his organization: The Bond Bank was created in 1975 to assist small cities in marketing their general obligation debt in cases where they were unknown or had no financial track record. The Bond Bank in May of 1976 issued its first debt on behalf of cities. The Bond Bank has since sold and purchased \$1.2 million bonds for sewers in the City of Seward; Kodiak \$1.8 million for roads and drainage and fire equipment; Matanuska-Susitna Borough \$6.9 million for schools; City of Homer \$410,000 for a public safety building and communications building; for the City of Nome \$350,000 for a library extension and the construction of a new fire station; City of Soldotna \$300,000 for sewer construction; Juneau \$431 million for the construction of fire stations; Ketchikan \$375,000 for port construction. Mr. Rose said that a good example of the bond bank would be the Bethel project which borrowed money to build a municipal building-court house combination. If it had not been for the bond bank the only other money Bethel could get was at 10% interest, which is an extremely high percentage rate. The Bond Bank refinanced the Bethel project at 4.72% on an interim basis and secured them their long range money at 5.87%. Mr. Rose went on to say that Bethel is probably the cardinal example of a small city not very well known financially trying to require funds

for needed capital improvements. He noted that the Bond Bank felt that it would not engage in revenue sharing bond debt financing until it had established a fairly good track record with the bond bank, its officers feel that they have the market acceptance and the knowledge and the expertise to continue to assist cities on this other half of their infrastructural problems. Principally they would be helping cities in the utility area; they would also expect to see activity in the area of ports, and possibly in the airport area. Mr. Rose stated that the Bond Bank would like to urge the passing out of a Committee Substitute. Mr. Rose explained that the Bank found that when it markets general obligation bonds and uses the name of the Alaska Municipal Bond Bank Authority it has some difficulty because the word "authority" denotes a degree of risk. It may be therefore paying a fractional amount higher interest for the bonds. They would plan to sue the short title then, Alaska Municipal Bond Bank in marketing general obligation debt and continue to use Alaska Municipal Bond Bank Authority when they began marketing revenue debt because the word authority denotes risk and in marketing revenue bonds that would be more fitting. He noted that the Board of Directors met in January of 1978 and the vote was 4-0 in support of the bill, with Sterling Gallagher absent as the fifth member of the board.

Lance Anderson, representing the Board of Directors of the Alaska Municipal Bond Bank, stated that with the additional authority authorized by the legislation the bank can assist the municipalities in ways that they have not been able to up to date. He went on to explain that many of the needs of the small municipalities are in the revenue area. He felt the bank could be of substantial assistance to the municipalities.

Lee Sharp, City Attorney for the City and Borough of Juneau, asked that the committee amend the bill to take care of an additional problem which has caused the City and Borough of Juneau some trouble. He explained that the statutes state that you can pledge to levy taxes without limitation on greater amount for the purpose of securing and paying debt. In order for the Municipal Bond Bank to buy Juneau bonds the city has to promise to levy taxes without limitation on greater amount. He stated that Judge Kalamarides of Fairbanks declared that you cannot make that promise. As a result, the bond bank cannot buy the city's bonds because it has no authority too. There is a Supreme Court ruling pending on this decision to date but Mr. Sharp felt that to overcome this problem that a minor amendment be made and was sent forth in a letter to the committee on March 16, 1978. The amendment would be in that section of the law which is already in the bill on line 16 right after the word "generally" add the phrase "to the extent permitted by law". This would then allow the city to make whatever pledge as the court determines the law to be. He stated that the bond bank would then have the authority to buy the city's bonds or the bonds of any other municipality that is caught in the same similar bind. He added that he had talked with Eric Wohlforth, who is the council for the bond bank, and he agreed that this type of language would overcome

this current difficulty.

David Rose commented that with respect to the City and Borough of Juneau's request for amendment that deals with the section that is in the proposed committee substitute it would be very easy to add those words.

Jim Rolle, Alaska Municipal League, stated that the League has made this a project of theirs. He further stated that the Alaska Municipal League supported both the amendments by the City and Borough of Juneau and the proposed committee substitute, as Mr. Rose submitted.

Dave Gray, the Capital Site Planning Commission currently proposed legislation for a Capital Development Corporation. He asked if the Corporation could sell revenue bonds to the Municipal Bond Bank under this proposed amendment. Mr. Rose stated that it would be his opinion that it could not. The only bonds that the bond bank can buy would be from an organized municipality, in case of the capital, the bank may be able to buy the revenue bonds issued by the municipality at some later date to refund the debt of the capital development corporation. He stated that they could not buy any debt unless it was an established on-going real city, not some corporation.

Palmer McCarter, Department of Community and Regional Affairs, stated that the Department strongly supports the proposed committee substitute to Sb 430. He went on to say that with respect to the City and Borough of Juneau that their proposed amendment seemed like a very reasonable and legitimate suggestion as an additional amendment to the committee substitute and from his own divisional interest it would seem very appropriate; he could not, however, specifically support the amendment by the City and Borough without more authority from the Department.

Senator Ferguson stated that he appreciated C&RA coming out with their support and went on to say that the Department of Revenue was opposed to SB 430, and thought so without unjustifiable reasons. It was stated that the Department of Revenue had been notified of the hearing and had stated that they would like to have someone testify on their behalf but had a problem of a number of people being out of town.

After hearing all the testimony on SB 430, Acting Chairman Willis suggested that a committee substitute be drawn up along the lines that have been proposed with the Juneau amendment included and when Chairman Orsini is back again, he can re-schedule this bill for the committee's consideration at that time. He also suggested that the Department of Revenue be notified so that it could testify. Senator Ferguson asked unanimous consent for this action, there was no objection.

The committee then discussed with Mr. Lance Anderson his reconfirmation with the Alaska Municipal Bond Bank. Mr. Anderson outlined his background and went on to give his opinion of what it has been like to work with the Municipal Bond Bank and opinions on the Bond Bank itself. The committee members stated that they endorsed Mr. Anderson's re-appointment to the Alaska Municipal Bond Bank.

The meeting was adjourned at 4:15 p.m.

SENATE COMMUNITY AND REGIONAL AFFAIRS
COMMITTEE MEETING

March 23, 1978

Present: Senators Orsini, Willis, Hackney and Sumner, Kenneth Kareen, Department of Administration; Sandra Withers, Department of Administration; Lee Sharp, City and Borough of Juneau; Doug Griffin, Department of Community and Regional Affairs; Dave Klemmer, Department of Revenue; Jim Rolle, Alaska Municipal League.

Absent: Senator Ferguson

SENATE BILL 430

The meeting was called to order by Chairman Orsini. The Committee had before it a proposed committee substitute based on the draft submitted by the Alaska Municipal Bond Bank Authority with one amendment recommended by the City and Borough of Juneau to clarify the legal obligations of municipalities.

Dave Klemmer, Department of Revenue, testified that Commissioner of Revenue Sterling Gallagher had recommended a \$75 million ceiling be placed on the sale of revenue bonds. He pointed out that the State of Alaska was initiating a new concept with the revenue bonds authority and that the \$75 million ceiling would provide a 1:3 ratio marketing ratio for the combined general obligation bonds (\$150 million) and revenue bonds (\$75 million).

Jim Rolle, Alaska Municipal League, opposed the placing of a ceiling on revenue bond sales since the needs of municipalities in this area could quickly exceed \$75 million.

Chairman Orsini asked Mr. Klemmer to put his Department's views in writing for the Committee.

SENATE BILL 373

Sandra Withers and Kenneth Kareen, Department of Administration, asked about the implementation of the bill. In particular, Ms. Withers asked what penalties were involved for failure to adhere to the bill provisions and Mr. Kareen questioned the inclusion of the Labor Relations Agency in adopting regulations under Sec. 14.20.565(c) since school teachers were not presently affected by the statutes. However, he stated that the Department of Administration supports the committee substitute for SB 373.

Chairman Orsini noted that the provision for issue progress reports, found in the original draft of the bill, had been deleted in the proposed committee substitute because earlier testimony had indicated that it was not likely to be productive. Senator Hackney asked that the comments of APEA and NEA-Alaska be obtained when this bill was brought up in committee again. Chairman Orsini announced that the C&RA committee meeting on March 30th would be a video-conference hearing on Senate Bills 501 and 373, held in the Governor's Conference Room. The meeting was adjourned at 3:55.

SENATE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE MEETING

March 28, 1978

Present: Senators Orsini, Ferguson, Willis and Hackney. Lynn Wegener, Department of Community and Regional Affairs; Oren Pomeroy, Department of Community and Regional Affairs; Tom Hanna, Department of Environmental Conservation; Jerry Reinwand, Department of Environmental Conservation.

Absent: Senator Sumner

SENATE BILL 430

The proposed draft for SB 430 was discussed in last week's committee meeting. Chairman Orsini stated the only difference in the proposed draft is that it puts a \$150 million ceiling on the revenue bonds which is the same as the ceiling on the general obligation bonds. Chairman Orsini stated that the Committee was acting conservatively by putting a ceiling on revenue bonds. He explained that the reason was to see how the program works with respect to revenue bonds for which the state and municipalities had no prior experience. Senator Ferguson moved that the committee adopt the CS for SB 430. There was no objection. Senator Ferguson then moved that the committee move out SB 430 with a DO PASS recommendation. There was no objection.

SENATE BILL 426

Lynn Wegener, Administrative Director for the Department of Community and Regional Affairs, explained the necessity of the bill. He stated that the bill takes funds from the FY 78 senior citizens renters program and puts it to cover short-falls in the senior citizens property tax exemption program, the senior citizens special assessment program and the National Forest receipts. At that time, the committee questioned whether the action by the Department in seeking an appropriation adjustment was the proper procedure and asked instead if a Revised Program request would not have been more appropriate. Mr. Wegener replied that his department had been advised by the Office of Budget and Management to seek the transfer of funds to the senior citizens tax exemption program by means of an appropriation adjustment. It was also brought out in testimony that the transfer of \$25,000 to the agricultural land exemption account was no longer necessary and that Section 4 of the bill should therefore be deleted. This action would accordingly reduce the general fund figure in Section 7 from \$42,661,500 to \$42,636,500. Senator Ferguson moved that the committee pass the bill out with a NO RECOMMENDATION. Chairman Orsini suggested the committee send a letter to the Judiciary committee advising them of the facts brought out by the testimony and suggest the amendments to the language of the bill. There was no objection.

CS for HOUSE BILL 190

Chairman Orsini stated that the intent was to have a discussion on the

bill before the committee passed it out because of the confusing developments regarding this bill.

Jerry Reinwand, Deputy Commissioner of the Department of Environmental Conservation and Tom Hanna, also from the Department of Environmental Conservation, presented testimony. Mr. Reinwand commented on some potential problems that may be caused by the bill. He noted that the basic reason behind the bill was that Cook Inlet Air Resource Management District wanted to get rid of overlapping programs and duplication of authority. The CIARMD would like to have the authority to issue prevention of significant deterioration permits instead of the state issuing them. Mr. Reinwand stated that there probably would not be any problem authorizing the permit program to be transferred to them. He also stated that the reason it had not been done to date was because the Department had not received an application from the CIARMD requesting this. Mr. Reinwand stated that the Department did have some drawbacks about doing this. He stated that if the CIARMD was to issue a permit that would violate the state's regulations, EPA could impose sanctions taking away all planning money and cutting off program grant money. He explained that the state has an interest to make sure that in a situation such as this there should be some kind of state oversight responsibility. The Department had submitted some rough draft amendments for the bill to provide for state oversight.

Chairman Orsini asked if Mr. Reinwand would review the bill and get his comments back to the committee by Monday, April 3, 1978. Chairman Orsini suggested that the committee would have those comments incorporated into a draft bill before another committee hearing. He also said that a letter be sent to Cook Inlet Board explaining to them that under existing law they may be able to apply for the authority to issue permits and encouraging them to pursue this possibility.

The meeting was adjourned at 3:30 p.m.

Industrial Development Authority

Mr. Anderson, A. W. D.

⊗ Additional Authority.

/ smaller community /

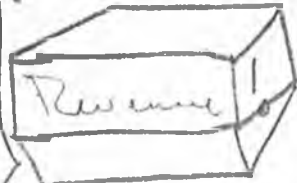
revenue

Doug Griffin

1.8 M Seward →

350 - 1 24 - Fire Station

{ Board of Directors }



Board -

Double Bonded Bond

5.87 %

District - Risk greater!

Municipal Bonds -

Signature of Bonds -

N.S. Fournough

Only Default

to be paid



Not adequate

Maximum Pledge /
Other Questions



Dave Gray

JIM Raley



Capital Develop Corp.

organized -

Pauline Messinger // // // // refund a dept.

430

2 Commissioners

✓ Joe
F: SB 430

CHENOWETH COMMENTS RE SB 430 - 3-27-78

Chenoweth noted this morning that the prime interest of the Alaska Municipal Bond Bank Authority in having its authority extended to revenue bonds concerns its desire to become involved in a major way in the bonding of coastal development energy projects. Information to that effect is attached. He believes that both the CRA Department and Rose were prepared to discuss this topic but the question was never raised by the Committee.

Regarding the Department of Revenue's proposed ceiling of \$75 million on the revenue bond sales, Chenoweth remarked that in three years the AMBBA has sold about \$20 million of its \$150 million ceiling for general obligation bonds. However, discussions with CRA have led him to believe that, given the scope of the AMBBA's interest in coastal energy projects, a \$75 million revenue bond ceiling would be exhausted within several years. He also believes that CRA may have more precise data on this since their observer at the Committee hearings on 430 happened to be the Department's CEIP man.

Ben Harding

Mr. Anderson

Original G. O. Bonds - wanted good track record here first. Have experience, & expertise now.

wants CS.

b - Bond bank has authority to issue ^{now} only GO bond.
Shouldn't subject city on revenue bonds

Lee Sharp - Bond ^{BANK} Rate or Amount - KALMARIDAS, decision
Bank

- Juncos wants to use bond bank
- Juncos in Carter - old
Jim Rolle - Municipal League

LANCE W. ANDERSON, C.P.A.
1600 Oxford Drive
Anchorage, Alaska 99501

Phone: (907) 274-9409

SUMMARY OF QUALIFICATIONS

Nature of
Background:

Over 12 years of progressive assignments in private and public accounting sectors.

Capabilities:

Highlights of experience and qualifications:

...Budgets and forecasts...Accounting & Business Systems Development...Accounting Control...Management Reports & Advisory Services...Consolidations...Tax Preparation... Credit & Collection Management...Personnel Supervision... Data Processing Applications...Cost Accounting...Cash Flow Control...Financial Statements...Financial Planning... Commercial Real Estate Management and Development...

Personal
Characteristics:

Ability to effectively plan and direct the work of support personnel, communicate effectively with management at all levels and establish well-structured financial and business controls to assure profit return.

Employment
Experience:

Property Manager and Trust C.P.A. for Alaska Electrical Trust Funds 1977-1978. Presently employed with Alaska Electrical Trust Funds, the Taft Hartley multiemployer pension, health and welfare, legal aid and apprenticeship programs jointly sponsored and managed by IBEW Local 1547 and National Electrical Contractors Association.

Responsible for management of Real Estate ventures of Pension Trust including 40,000 square foot office building and proposed 125,000 square foot office building. Also responsible for supervision of accounting and financial activities.

Vice-President-Finance for NANA Corporation 1974-1977. Recently resigned as Vice-President, Finance of Corporation with over \$30,000,000 in assets and revenues of approximately \$30,000,000. Corporation was profitable during all three years of employment.

Responsible for total supervision of all accounting activities and procedures. During period of employment centralized all accounting functions and substantially converted them to a real-time computerized system. Company revenues during this period of time grew from approximately \$700,000 to the current

\$30,000,000 plus and accounting staff which grew from four to twenty-five.

Collateral activities included establishment of financial policies, determination of investment objectives, development of banking and auditing relationships and providing counseling to key executives regarding new commercial ventures.

Manager-Tax Department- Peat, Marwick, Mitchell & Co.
1971-1974

Employed three years in the tax department of Peat, Marwick, Mitchell & Co. in Anchorage. Entered tax department under PMM accelerated tax training program. Responsibilities included account tax supervision for many accounts including:

- Alaska International Industries, Inc.
- Reeve Aleutian Airways, Inc.
- Alaska Mutual Savings Bank
- Yukon Office Supply, Inc.

Other activities included responsibility for Kodiak practice of PM&M, estate tax returns, and in-house tax training program.

Supervisor-Audit Department- Peat, Marwick, Mitchell & Co.
1965-1971

Joined PM&M in August of 1965 and was promoted to supervisor in July, 1968. Responsibilities included management supervision of audit clients including direct responsibility for field work. Audit client responsibilities included the following clients:

- Alaska Mutual Savings Bank
- Alaska State Bank
- First National Bank of Fairbanks
- B&B Fisheries, Inc.
- Automotive Parts and Equipment, Inc.
- Alaska Federation of Natives

Also participated in management group activities including business development, staff evaluation and long-range planning.

Education:

Graduate of West Anchorage High School in 1962 and the University of Washington in 1965 with a major in accounting and a minor in finance. Attended numerous PM&M training courses as well as courses offered by the Alaska Society of CPA's several of which I also taught. Awarded a CPA certificate in 1967 and am a member of the Alaska Society of CPA's and the American Institute of CPA's.

Personal

Data:

Age: 34; Married, three children - ages 6, 10 and 13. Lifelong resident of Anchorage.



Official Business

Alaska State Legislature

Senate

Committee on
Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

January 31, 1978

Enclosed please find a copy of Senate Bill 430 which, if enacted, may have an effect on your municipality. Your comments or recommendations would be appreciated, as we intend to give this proposed legislation our consideration in the near future.

Please write to the Senate Community and Regional Affairs Committee, Pouch V, Juneau, Alaska 99811: or call 465-3712.

Sincerely,

A handwritten signature in cursive script that reads "Joe Orsini".

JOE ORSINI
Chairman
Community and Regional
Affairs Committee

JO:gd

Enclosure: As stated

F: SB-430

CHAIRMAN:
NORMAN J. LEVESQUE

BOARD MEMBERS:
STERLING GALLAGHER
LEE MCANERNEY
LANCE ANDERSON
JAMES R. EIDE



THE FINANCIAL PLAZA
601 WEST FIFTH AVENUE
SUITE 325
ANCHORAGE, ALASKA 99501
(907) 274-7366

EXECUTIVE DIRECTOR:
DAVID A. ROSE

ALASKA MUNICIPAL BOND BANK AUTHORITY

February 6, 1978

Senator Joe Orsini
Chairman, Community and Regional Affairs Committee
Pouch V, State Capitol
Juneau, Alaska 99811

Dear Joe:

Thank you for your recent letter requesting my comments on SB 430 which will be reviewed by your committee.

The Board of Directors, by resolution, fully supports the Bill provided a new Section is added as follows:

"*Sec 2. AS 44.58.420 is amended to read:

Section 44.58.420. SHORT TITLE. This chapter may be cited as the Alaska Municipal Bond Bank Authority Act or the Alaska Municipal Bond Bank Act. The Alaska Municipal Bond Bank Authority created by this chapter may be referred to as the Alaska Municipal Bond Bank with the same legal effect as if the reference were to Alaska Municipal Bond Bank Authority;"

The above change will allow us to market bonds without the word "Authority" appearing in our name. We are advised that the word "Authority" infers that the bond is more of a revenue issue rather than general obligation. Also, some housing authorities and port authorities have recently fallen into market disfavor. If this amendment to title is passed, we plan to drop the word "Authority" on general obligation issues but would probably retain it for revenue issues. Dropping the word may provide market savings of as much as 20 basis points on G.O. issues.

Section 1 of SB 430 will enable us to meet the needs of smaller cities wishing to accomplish projects not properly classified as general obligation. These include utilities, docks, ports, etc. This change is extremely important if we are to be in a position to assist communities impacted by offshore energy exploration and development.

Hope you can schedule early action on the Bill. I'll be pleased to meet with the committee.

Sincerely,

David A. Rose, Executive Director



Official Business

Alaska State Legislature

Senate Committee on Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

February 7, 1978

Sterling Gallagher
Commissioner
Department of Revenue
Pouch S
Juneau, Alaska 99811

Dear Commissioner Gallagher:

Senate Bill 375 ("An Act relating to the investment of permanent fund money in community capital facilities") and Senate Bill 430 ("An Act extending the authority of the Alaska Municipal Bond Bank") have been referred to the Senate Community and Regional Affairs Committee for review.

I would appreciate your comments and assessment of these proposed bills, particularly in regard to any impact SB 375 might have on your Department's planning for permanent fund monies. The Committee would also be interested in any effect which, in your view, the enactment of these measures could have on other areas of your Department's operations.

Sincerely,

A handwritten signature in cursive script that reads "Joe Orsini".

JOE ORSINI
Chairman, Senate
Community & Regional
Affairs Committee

JO:gd

Enclosure(s): SB 375, SB 430

STATE OF ALASKA

DEPARTMENT OF REVENUE

TREASURY DIVISION

February 24, 1978

JAY S. HAMMOND, GOVERNOR

ELEVENTH FLOOR
STATE OFFICE BUILDING
POUCH SB
JUNEAU, ALASKA 99811

The Honorable Joe Orsini
Chairman, Senate Community & Regional
Affairs Committee
State Capitol
Juneau, Alaska 99811

Dear Senator Orsini:

Re: Senate Bill 430 and Senate Bill 375

The Department of Revenue agrees in principal with both bills but disagrees in the existing procedure. The Department of Revenue is submitting amendments to the Alaska Municipal Bond Bank Authority statute concerning the Authority's ability to issue revenue bonds and placing certain limitations on the amount of revenue bonds which may be issued. These amendments, if adopted, represent the Department's concern.

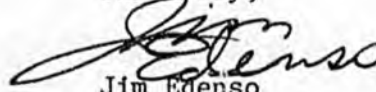
Attached is a copy of a draft bill that is currently in the Department of Law and will be introduced shortly. This draft amends the limitations as to the amounts of either general obligation or revenue bonds that may be outstanding at one time. It also proposes a short title which will allow for easier identification and ultimately better marketability of the Alaska Municipal Bond Bank bonds.

Senate Bill 375 amends the interim management statute (AS 37.10.065) for the investment of the Alaska Permanent Fund. AS 37.10.065 provides for a caretaker investment function, and it never was the legislative intent that this statute should become the definitive legislation for the permanent fund. The proposed investment activity to be included for the interim management statute would change the intent of the interim management statute which was to invest the Alaska Permanent Fund principal in low risk securities and not to invest the principal within Alaska. The Administration bill on the Alaska Permanent Fund, House Bill 298, provides for in-state investments of the kind described in Senate Bill 375.

The Department of Revenue does not wish to see the interim management statute turned into the permanent enabling legislation on the Alaska Permanent Fund. For these reasons the Department does not support either Senate Bill 430 or Senate Bill 375.

I will be very happy to discuss these bills with you at your convenience.

Sincerely,



Jim Edenso

Deputy Commissioner

JE:ge

Enclosure

STATE OF ALASKA

F. 375 375
353 710
JAY S. HAMMOND, Governor

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

POUCH B—JUNEAU 99801

March 3, 1978

The Honorable Joe Orsini
Chairman, Senate Community
& Regional Affairs Committee
Pouch V
Juneau, Alaska 99811

Dear Senator Orsini:

Thank you for your letter of February 7 regarding Senate Bill 375 and Senate Bill 430.

The Department is currently involved in analyzing the two aforementioned bills and as part of our normal legislative liaison with the Governor's Office will be forwarding our comments to Keith Specking.

The Department would very much like to be informed when you schedule a hearing on these bills. At that time a decision will be made as to whether our opinion is of sufficient importance and magnitude to warrant testimony before your committee.

Thanks again for the thoughtful notification in your February 7 letter.

Sincerely,



Carl M. Gonder, Jr.
Deputy Commissioner

CMG: thw

CHAIRMAN:
NORMAN J. LEVESQUE

BOARD MEMBERS:
STERLING GALLAGHER
LEE MCANERNEY
LANCE ANDERSON
JAMES R. EIDE



53
F. 430
THE FINANCIAL PLAZA
601 WEST FIFTH AVENUE
SUITE 325
ANCHORAGE, ALASKA 99501
(907) 274-7366

EXECUTIVE DIRECTOR:
DAVID A. ROSE

ALASKA MUNICIPAL BOND BANK AUTHORITY

March 10, 1978

Senator Joe Orsini, Chairman
Community & Regional Affairs Committee
Pouch V
Juneau, AK 99811

Dear Senator Orsini:

Your scheduling of hearings concerning both confirmation of Mr. Lance Anderson as a board member re-appointee and Senate Bill 430 for Thursday, March 16, 1978 is sincerely appreciated.

Mr. Anderson has served as a director of the Bond Bank since its inception in 1975. During that period, his professional expertise in the areas of finance and accounting has been invaluable. His ability to demand factual presentation and his capacity to assimilate and analyze the information provided, has materially assisted other Board members in making correct decisions in both the loan making process and in marketing bonds. Mr. Anderson is a Certified Public Accountant formerly with NANA Regional Native Corporation and with the firm of Peat, Marwick, Mitchell & Company. He is currently serving as building manager for the Pension Trust of Local 1547 of the International Brotherhood of Electrical Workers. The other board members and I strongly recommend confirmation of his reappointment.

Senate Bill 430 as proposed by Senator Croft is excellent as proposed. We do, however, need two additional sections and hope these additions can be made in Committee. The revised bill is attached as an enclosure.

Section 2 expands the authority of the Bank so that it will be able to purchase municipal revenue bonds as well as general obligation bonds. Now that the bond bank is established in bond markets and is relatively widely understood in the financial arena, it can safely begin to introduce revenue debt. Revenue debt was not included in the original bill because without a "track record" to rely on, such marketing would not have had market acceptance. The broadening of the definition of municipal bonds will permit us to assist smaller cities in utility and port development and will enable us to utilize CEIP Federal money to leverage debt rather than State funds. Section 2 on the enclosure is identical to Section 1 of SB 430.

Section 3 will allow us to market general obligation debt without the stigma of the word "Authority" which frequently has the connotation of risk. Use of the short title could possibly have a positive effect worth 20 to 25 basis points.

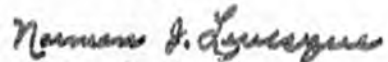
Section 1 retains the payover condition for general obligation bonds but removes it for revenue bonds. Since revenue bonds are more risk oriented than G.O., and garner higher interest rates, it is appropriate that payover not apply.

Section 4 calls for an immediate effective date so that we can assist cities during this construction season. Section 4 is identical to Section 2 of SB 430.

There is no State fiscal implication this year in these amendments. We expect that reserve funds for revenue debt will come primarily from the Federal CEIP rather than the State. Capital appropriations may be required in subsequent years dependent upon the level of demand and the State's ability to react to the demand.

We look forward to meeting with you and the Committee on March 16th.

Sincerely,



Norman J. Levesque
Chairman of the Board

enclosure

NJL:pjd

STATE
of ALASKA


MEMORANDUM

TO: Mr. Jerry Madden
State-Federal Coordinator
Division of Policy Development
and Planning
Office of the Governor

DATE: March 13, 1978

FILE NO.

TELEPHONE NO.

FROM: Ernst W. Mueller 
Commissioner
Department of Environmental
Conservation

SUBJECT: Application
Alaska Municipal
Bond Bank Authority
State I.D. No. 78022801

In accordance with Circular A-95, the Department of Environmental Conservation has reviewed the above mentioned project. In this regard, we have no objections.

STATE
of ALASKA

MEMORANDUM

TO: [The Honorable Ernst W. Mueller
Commissioner
Department of Environmental
Conservation

DATE: March 10, 1978

FILE NO: 78022801

TELEPHONE NO:

FROM: Jerry Madden
State-Federal Coordinator
Policy Development and Planning
Office of the Governor

SUBJECT: Alaska Municipal Bonds for
Coastal Energy Impact Program

The subject project has been submitted to the State Clearinghouse for review. Your agency is invited to review and comment on the attached information concerning the project.

Pertinent comments might include how the project could effect your agency's present and future operations, and the project's potential impact on those concerns which fall within the responsibilities and expertise of your agency.

The Clearinghouse has assigned State I.D. No. 78022801 to the project. Please use this number in all future correspondence concerning this project.

To be considered, your comments should reach this office by April 1, 1978

JM/dkh

Attachments

RECEIVED
MAR 13 1978

Department of
Environmental Conservation

FEDERAL ASSISTANCE

2. APPLICANT'S APPLICATION NUMBER

1. FUNDING NUMBER
AMBGA-1

3. STATE APPLICATION IDENTIFICATION NUMBER

a. NUMBER
AMBGA-1

1. TYPE OF ACTION
 PREAPPLICATION
 APPLICATION
(Mark appropriate box)

NOTIFICATION OF INTENT (OpI)
 REPORT OF FEDERAL ACTION

Leave Blank

b. DATE
19 **78** Year month day
2 8

b. DATE ASSIGNED
19 **78** Year month day
2 3

4. LEGAL APPLICANT/RECIPIENT
a. Applicant Name : **Alaska Municipal Bond Bank Authority**
b. Organization Unit :
c. Street/P.O. Box : **601 West Fifth Avenue, Suite 325**
d. City : **Anchorage** e. County :
f. State : **Alaska** g. ZIP Code: **99501**
h. Contact Person (Name & Telephone No.) : **David A. Rose (907) 274-7366**

5. FEDERAL EMPLOYER IDENTIFICATION NO.
6. PRO. GRAM
(From Federal Catalog)
a. NUMBER
b. TITLE
Coastal Energy Impact Program

7. TITLE AND DESCRIPTION OF APPLICANT'S PROJECT
CEIP Credit Assistance Loan Funds are requested for loan to Alaska Municipal Bond Bank Authority to use as a funded reserve for marketing bonds of qualified applicants under terms of the CEIP and Alaska's Policy Guidelines.

8. TYPE OF APPLICANT/RECIPIENT
A-State B-Interstate C-Substate District D-County E-City F-School District G-Special Purpose District
H-Community Action Agency I-Higher Educational Institution J-Indian Tribe K-Other (Specify):
Enter appropriate letter **A**

9. TYPE OF ASSISTANCE
A-Basic Grant B-Supplemental Grant C-Loan D-Insurance E-Other
Enter appropriate letter(s) **C**

10. AREA OF PROJECT IMPACT (Names of cities, counties, States, etc.)
State of Alaska

12. TYPE OF APPLICATION
A-New B-Revision C-Augmentation D-Reneval E-Continuation
Enter appropriate letter **A**

13. PROPOSED FUNDING	14. CONGRESSIONAL DISTRICTS OF:
a. FEDERAL \$ 50,000,000.00	a. APPLICANT Alaska
b. APPLICANT .00	b. PROJECT Alaska
c. STATE .00	16. PROJECT START DATE Year month day 1978 5 6
d. LOCAL .00	17. PROJECT DURATION Months
e. OTHER .00	18. ESTIMATED DATE TO BE SUBMITTED TO FEDERAL AGENCY Year month day 1978 2 8
f. TOTAL \$ 50,000,000.00	

15. TYPE OF CHANGE (For use of fee)
A-Increase Dollars B-Decrease Dollars C-Increase Duration D-Decrease Duration E-Cancellation F-Other (Specify):
Enter appropriate letter(s) **[] [] [] [] [] []**

20. FEDERAL AGENCY TO RECEIVE REQUEST (Name, City, State, ZIP code)
Dept. of Commerce, NOAA/OCZM, Washington, D. C. 20235

21. REMARKS ADDED
 Yes No

22. THE APPLICANT CERTIFIES THAT:

a. To the best of my knowledge and belief, data in this preapplication/application are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is approved.

b. If required by OMB Circular A-95 this application was submitted, pursuant to instructions therein, to appropriate clearinghouses and all responses are attached:
(1) **Alaska State Clearinghouse**
(2)
(3)

23. CERTIFYING REPRESENTATIVE
a. TYPED NAME AND TITLE
David A Rose, Exec. Director

b. SIGNATURE
David A. Rose

c. DATE SIGNED
Year month day
19 78 2 24

24. AGENCY NAME

25. APPLICATION RECEIVED
Year month day
19

26. ORGANIZATIONAL UNIT

27. ADMINISTRATIVE OFFICE

28. FEDERAL APPLICATION IDENTIFICATION

27. ADDRESS

29. FEDERAL GRANT IDENTIFICATION

31. ACTION TAKEN
 a. AWARDED
 b. REJECTED
 c. RETURNED FOR ASSIGNMENT
 d. DENIED
 e. WITHDRAWN

32. FUNDING	
a. FEDERAL \$ 50,000,000.00	
b. APPLICANT .00	
c. STATE .00	
d. LOCAL .00	
e. OTHER .00	
f. TOTAL \$ 50,000,000.00	

33. ACTION DATE Year month day
19
35. CONTACT FOR ADDITIONAL INFORMATION (Name and telephone number)

34. STARTING DATE Year month day
19
36. ENDING DATE Year month day
19
37. REMARKS ADDED
 Yes No

38. FEDERAL AGENCY A-95 ACTION
a. In taking above action, any comments received from clearinghouses were considered. If agency response is due under provisions of Part 1, OMB Circular A-95, it has been so being made.

b. FEDERAL AGENCY A-95 OFFICE (Name and telephone no.)

SECTION I - APPLICANT/RECIPIENT DATA

SECTION II - CERTIFICATION

SECTION III - FEDERAL AGENCY ACTION

A. Total Borrowing Capacity

(1) Total debt limit (describe law) AS 44.58.180(c) \$ 150,000,000

(2) Outstanding debt (as of January 31 1978) chargeable against debt limit \$ 16,880,000

(3) Unaided borrowing capacity (as of January 31 1978) (subtract sub-item (2) from sub-item (1)) \$ 133,120,000

B. Tax Data (Fiscal Year begins the 1 day of the month of July)

	Fiscal Years		
	Current beginning 19 <u> </u>	Previous Year 19 <u> </u>	Two years previous 19 <u> </u>
(1) Total assessed valuation	\$ <u>N/A</u>	\$ <u> </u>	\$ <u> </u>
(2) Ratio of assessed to actual valuation	<u> </u> %	<u> </u> %	<u> </u> %
(3) Legal limit for sub-item B(2)	<u> </u> %	<u> </u> %	<u> </u> %
(4) Tax rate per \$100 of assessed valuation \$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>
(5) Legal limit for sub-item B(1)	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>
(6) Tax collection ratio as percent of billings	<u> </u> %	<u> </u> %	<u> </u> %

C. General Tax Increases. If there is need for additional tax funds to service the proposed loan, what is the maximum feasible amount, in terms of electorate approval, of the increase in the tax rate and/or the ratio of assessed to actual property valuation? Answer the following:

(1) The tax rate per each \$100 of assessed valuation could be increased from \$ N/A (present) to not more than \$

(2) The valuation of assessed property value to actual value could be increased from N/A % (present) to not more than %

D. Special Assessments. Are special assessments against certain property holders made? Yes No
If yes, state the expected additional tax revenue and explain how this revenue is calculated.

N/A

Will this special assessment tax be supported with a general tax plan? Yes No

See Audit Attached

Fiscal Year Beginning

19__ 19__ 19__

(1) Cash balance (or deficit) from previous year	\$ _____	\$ _____	\$ _____
(2) Cash balance (or deficit) at end of year	\$ _____	\$ _____	\$ _____
(3) Unpaid bills at end of year	\$ _____	\$ _____	\$ _____

(4) Attach financial statements or audit for the past five fiscal years and mark Exhibit 2E(1).

3. Municipal Revenue Bond/Note Data.

A. Outstanding Revenue Supported Debt. If any of the proposed revenue bonds/notes will be payable from the same revenues as those currently pledged to any presently outstanding revenue bonds/notes, attach a copy of a resolution, ordinance or indenture authorizing the issuance of such obligations, together with a schedule of interest rates paid thereon.

N/A

B. Status of any Reserve and/or Sinking Funds. Identify below any reserve and/or sinking funds established by outstanding bond/note covenants, the required amount, and the present amounts in each such fund.

Name/Year of Issue/Debt	Name of Fund	As of <u>October 31</u> 19 <u>77</u>	
		Required Amount	Present Amount
All issues in Trust	Special Account	\$ 1,607,191	\$ 1,691,410
At Rainier National Bank, Seattle, Washington	Ordinary Reserve	\$ 803,595	\$ 834,955
		\$	\$
		\$	\$
		\$	\$

(1) Are revenues disposed of in the order required (flow of funds) by outstanding bond/note covenants? Yes No
If no, state the order of disposition and explain why this differs from the required order.

(2) Name and Address (include Zip Code) of corporate trustee, if any

Area Code/Telephone

Rainier National Bank
Seattle, Washington ATTN: Mr. D. C. Wilson

PART VII
(Complete for Loan Guarantee Applications only.)

LEGAL DATA
(This section is to be completed by an attorney at-law.)

LEGAL AUTHORITIES

Does a State agency have to clear or approve the proposed debt? (If yes, identify the agency and briefly explain its authority.)

YES	NO
	X

Applicant is a State agency

Give specific chapter and section citations to Constitutional, statutory and charter authorities or court decisions empowering the Applicant to construct, finance, maintain, and operate the proposed project in the manner contemplated in the Application.

Alaska Municipal Bond Bank Authority Act. AS 44.58

Is an election required to authorize and finance construction of the project, or does the right of referendum exist, with specific statutory citations therefor? (If yes, advise on the following.)

YES	NO
X	

(1) The plurality required for passage.

Majority of those voting

Alaska Constitution Art. IX Sec. 9
AS 44.58.410(3)

(2) When may such an election be held?

Will there be regulation by any public authority as to the proposed user charges? (If yes, state by whom and cite specific Constitutional, statutory, or charter authority.)

YES	NO
	X

Give specific statutory citations by chapter and section in answering the following.

(1) What are the remedies of holder of proposed debt obligations in the event of default?

Will depend on proposed Tripartate Agreement. Could be forced levys collection of real property taxes or foreclosure under Indenture

(2) How may such remedies be enforced?

Depends on Tripartate Agreement and Indenture

If applicant plans to finance any portion of this project through the issuance of bonds or other instruments of indebtedness, provide information on the following:

(1) A definition of the security to be provided for proposed debt.

Depends on Project and Tripartate Agreement.
Applicant must now take General Obligation Bonds from Municipalities

(2) Statutory authority for the issuance of said bonds or instruments of indebtedness.

AS 44.58

(3) Statutory limitations on the proposed bonds or instruments of indebtedness with respect to the following areas:

(a) Maximum term: _____ years

(b) Maximum interest rate: _____ % or () No limitations

(c) Maximum principal maturity requirements: _____

(d) Other pertinent limitations:

CHAIRMAN
NORMAN J. LEVESQUE

BOARD MEMBERS:
STERLING GALLAGHER
LEE McANERNEY
LANCE ANDERSON
JAMES R. EIDE



THE FINANCIAL PLAZA
601 WEST FIFTH AVENUE
SUITE 325
ANCHORAGE, ALASKA 99501
(907) 274-7366

EXECUTIVE DIRECTOR:
DAVID A. ROSE

ALASKA MUNICIPAL BOND BANK AUTHORITY

February 3, 1978

Mr. James Robey
Coastal Energy Impact Program
3300 Whitehaven Street
Washington, D.C. 20035

Dear Mr. Robey:

The purpose of this letter is to support an application by the State of Alaska for Coastal Energy Impact Program loan funds. Additionally, it outlines concepts and procedures currently being considered which will establish mechanisms for the implementation of the program in Alaska.

Upon approval of the State application, it is contemplated that your organization will enter into a loan agreement with the Alaska Municipal Bond Bank Authority. Under the terms of this agreement, the Bond Bank will borrow funds from you and utilize them as a funded reserve, at the 100% level, to support the issuance of Bond Bank bonds. Upon the sale of Bond Bank bonds, proceeds will be used to purchase the bonds issued by coastal impact communities. In this manner, your loan to the Bond Bank will directly assist these communities. This approach and the loan agreement is designed to accomplish the following:

- 1.) Assist coastal cities by purchasing debt so that they may proceed with needed energy impact capital improvements;
- 2.) provide for the issuance of coastal cities debt at low interest rates (the funded reserve will permit the Bank to receive an extremely beneficial rate which will be passed through to the coastal cities);
- 3.) establish the reserve in such a manner as to make available for conversion to grant in the event a city project should fail and default occur or threaten;
- 4.) provide for investment of funds borrowed by the Bond Bank in such a manner that they earn the current Federal rate;
- 5.) safeguard said funds through proper placement with a trustee designated by the Bond Bank and acceptable to you;
- 6.) provide for periodic payment of interest due you from the proceeds of invested funds in accordance with instructions issued to the trustee;
- 7.) provide that before funds are committed for the purpose of funding a reserve, a tri-party agreement is executed between you, the Bank and the city involved which sets forth the terms and conditions under which the reserve is provided, the impact assumptions which are expected to obtain, and specific language which indicates the circumstances which must occur if the loan is to be converted to a grant.

Mr. James Robey

February 3, 1978

Page 2

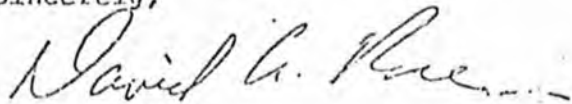
Other technical procedures and mechanisms will also be contained in the loan agreement between you and the Bond Bank.

It is anticipated that a draft loan agreement will be available for your review in Washington D.C. prior to February 23rd and 24th. On those dates the undersigned, the Bank bond counsel, and State lead agency representatives, will meet with you in Washington D.C. to discuss the proposed loan agreement and refine language in a manner which is mutually acceptable. Following agreement on language, the loan agreement will be presented to the Board of Directors of the Bond Bank for its approval by resolution.

In addition to discussion of the draft loan agreement, we will also provide a draft contract which the Bond Bank will enter into with a fund custodian-trustee. Since this contract will specify the manner in which funds borrowed from you will be invested and how interest due you will be paid, it is essential that there be mutual concurrence in this document as well.

If we can be of further assistance to you prior to our meeting on the 23rd and 24th of February, please do not hesitate to contact me or Mr. Wohlforth.

Sincerely,



David A. Rose
Executive Director

PART VI - FINANCIAL INFORMATION
(COMPLETE FOR LOAN/GUARANTEE APPLICATIONS ONLY)

NOTE: When all or part of the loan will be secured with general obligation bonds, special assessments and/or other tax supported obligations, complete Item No. 2, also complete this item when any revenue supported obligations will be additionally secured with full faith, credit and taxing power of the applicant.

When all or part of the loan will be secured with the revenues of a State or local municipal facility and revenue bonds, notes will be issued, complete Item No. 3, if such obligations will be additionally secured with the full faith, credit and taxing power of the applicant, also complete Item No. 2.

When the issuer is not a State, County Municipality or its agency, and is an organization such as a non-profit corporation or an Indian Tribe, complete Item No. 4 (Omit Items 2 and 3).

I. Debt History

A. Postponements and Defaults. Have there been any postponements or defaults in any payments of principal or interest past or current indebtedness by the Applicant? Yes No

If yes, explain the circumstances, corrective action taken, and pertinent dates. Attach explanation as Exhibit 1A.

B. Outstanding Bonded Indebtedness. List below each medium and long-term indebtedness currently outstanding; and such short-term indebtedness as may have a bearing on the loan requested. If for outstanding indebtedness of a particular series, there are two or more interest rates, show the average interest rate on obligations still outstanding.

Name of Outstanding Indebtedness	Amount Outstanding as of January 31, 1978	Date of Issue	Average Interest Rate	Total Term of Issue
AMBBA Bonds Series 1976-B	\$ 7,145,000	1976	6.68 %	20 yrs
" " Series 1976-C	\$ 400,000	1976	5.70 %	10 yrs
" " Series 1977-A	\$ 680,000	1977	5.48 %	10 yrs
" " Series 1977-B	\$ 4,920,000	1977	5.98 %	20 yrs
" " Series 1977-C	\$ 3,735,000	1977	5.99 %	20 yrs
	\$	19	%	yrs
	\$	19	%	yrs
	\$	19	%	yrs
	\$	19	%	yrs
	\$	19	%	yrs

C. Federal Loans. If any bonds or other instruments of indebtedness are presently held by the U. S. Government, specify the Agency and the instruments of indebtedness:

None

**Municipality
of
Anchorage**



POUCH 6-650
ANCHORAGE, ALASKA 99502
(907) 274-2525

GEORGE M. SULLIVAN,
MAYOR

OFFICE OF THE MAYOR

March 16, 1978

The Honorable Joe Orsini, Chairman
Community and Regional Affairs Committee
Pouch "V"
Juneau, Alaska 99811

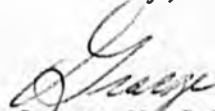
Dear Joe:

I want to thank you for the legislation that you have sent to me for review. It has been a great help to me, and a good deal of it I have forwarded to my various department heads to look over and comment. I've been out of the state for approximately the last three weeks and find my desk piled too high to see over; but I did want you to know that I appreciate the bills you are sending for me to look at, and also to tell you that I may be getting down there in the next week or two. I hope that while I'm there we can get together to discuss some of the proposed legislation that affects Anchorage.

With specific reference to a Bill you recently sent me, SB 430, an Act extending the authority of the Alaska Municipal Bond Bank; I can easily support this bill, although it will have little or no effect on Bond Funding for our own utilities.

I look forward to seeing you real soon in Juneau.

Sincerely,


George M. Sullivan
Mayor

/gm



THE CITY AND BOROUGH OF JUNEAU

CAPITAL OF ALASKA

155 SOUTH SEWARD ST. JUNEAU, ALASKA 99801

DATE: March 16, 1978

FILE NO. Legislature - 1978 Session

SUBJECT: SB 430, AMBBA Authority

Honorable Joe Orsini, Chairman
Senate Community and Affairs Committee
Pouch "V"
Juneau, Alaska 99811

Dear Senator Orsini,

As you and the committee are no doubt aware, litigation involving the oil companies and the North Slope Borough have cast doubts on the meaning of sections of Title 29 which relate to the extent of the authority of municipalities to pledge taxes to secure debt. The decision in the Superior Court placed certain limitations on the language which municipalities and bond counsel had not previously believed existed. The definition of "municipal bond" as it appears in the Alaska Municipal Bond Bank Act reflects the commonly held view that there was no limitation on the authority of the municipality to levy taxes for the purposes of securing and paying debt and interest. The bond bank is authorized by the Act to buy only municipal bonds which are defined as bonds which have an unlimited tax pledge. Unfortunately, the decision in the North Slope case prohibits the municipality from making an unlimited pledge of taxes. Therein lies the problem. The AMBBA is authorized by law to buy bonds which boroughs, first class and home rule municipalities are unable to issue under the North Slope decision. To overcome this dilemma, we suggest that the following amendment be made to Senate Bill 430:

In line 16, after the word "generally" add the phrase "to the extent permitted by law".

This amendment would authorize the AMBBA to purchase municipal bonds where the municipality had made a pledge of its taxes to the extent authorized by law. The law being what the court says it is (until the legislature changes it), this amendment would authorize the purchase by the AMBBA of municipal bonds which it cannot now purchase under the North Slope ruling.

I believe that the proposed amendment is in keeping with the original purpose of defining a municipal bond in the

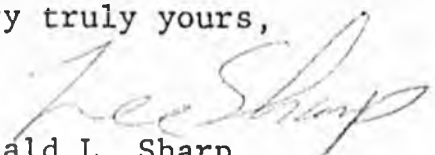
Joe Orsini
March 16, 1978
Page Two

manner it presently appears; that is, that the bond be backed by the maximum full faith and credit pledge which the municipality could lawfully make.

Today, I discussed this proposed amendment with Eric Wolforth, who is bond counsel for the AMBBA. He concurred that the proposed amendment would alleviate the problem created by the North Slope decision as it relates to the authority of the bond bank to purchase bonds.

We urge the committee to include the proposed language in a committee substitute for Senate Bill 430.

Very truly yours,


Gerald L. Sharp
City/Borough Attorney

GLS/sm

cc: Senators Willis, Ferguson, Hackney and Sumner


STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

POUCH Y STATE CAPITOL
JUNEAU ALASKA 99811
907 465 3800

MEMORANDUM

March 17, 1978

SUBJECT: SB 373; collective bargaining
TO: Senator Joseph L. Orsini
FROM: Richard A. Bradley, Legislative Counsel 

After the hearing on SB 373 recently, you asked me to comment on one question.

The testimony offered on SB 373 suggested that some municipalities and school districts had provisions in their collective bargaining agreements stipulating that negotiations under the agreement would be undertaken in private.

Your question to me was whether in the context of such a provision, the municipality or school district retained the authority to adopt an ordinance which would mandate collective bargaining in the public's view.

In my opinion, a municipality or school district retains the right to determine the public policy of the community it speaks for. Therefore, a municipality or a school district may adopt an ordinance or resolution articulating such a policy.

In areas such as the protection of civil rights, restraints inconsistent with that goal may be expected to yield and the fact that the restraints are located in contracts has not been found significant. Southern Illinois Builders Assn. v. Ogilvie, 327 F. Supp. 1154 (S.D. Ill. 1971) and Contractors Assn. of Eastern Pa. v. Sec. of Labor, 442 F. 2d 159 (3rd Cir.) cert. den., 404 U.S. 854 (1971), aff'g. 311 F. Supp. 1002 (E.D. Pa. 1970). See also Federal Housing Authority v. Darlington 358 U.S. 84, 91 (1958); Fleming v. Rhodes, 331 U.S. 100, 107 (1947).

Senator Joseph L. Orsini
March 17, 1978
Page 2

In my opinion, the strong public policy in favor of the public's right to know what government is doing militates toward a similar conclusion. In any consideration of such a move, a municipality or school district presently operating under such a contractual provision could move to an open policy in stages by either declining to negotiate such a provision in renewals of agreements or providing by ordinance for open negotiations in all future agreements.

RAB:hjd

SB-373


STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU ALASKA 99811
907 455 3800

LEGISLATIVE AFFAIRS AGENCY

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RAB:hjd

LANCE W. ANDERSON, C.P.A.
1600 Oxford Drive
Anchorage, Alaska 99501

Phone: (907) 274-9409

SUMMARY OF QUALIFICATIONS

Nature of
Background:

Over 12 years of progressive assignments in private and public accounting sectors.

Capabilities:

Highlights of experience and qualifications:

...Budgets and forecasts...Accounting & Business Systems Development...Accounting Control...Management Reports & Advisory Services...Consolidations...Tax Preparation... Credit & Collection Management...Personnel Supervision... Data Processing Applications...Cost Accounting...Cash Flow Control...Financial Statements...Financial Planning... Commercial Real Estate Management and Development...

Personal
Characteristics:

Ability to effectively plan and direct the work of support personnel, communicate effectively with management at all levels and establish well-structured financial and business controls to assure profit return.

Employment
Experience:

Property Manager and Trust C.P.A. for Alaska Electrical Trust Funds 1977-1978. Presently employed with Alaska Electrical Trust Funds, the Taft Hartley multiemployer pension, health and welfare, legal aid and apprenticeship programs jointly sponsored and managed by IBEW Local 1547 and National Electrical Contractors Association.

Responsible for management of Real Estate ventures of Pension Trust including 40,000 square foot office building and proposed 125,000 square foot office building. Also responsible for supervision of accounting and financial activities.

Vice-President-Finance for NANA Corporation 1974-1977.

Recently resigned as Vice-President, Finance of Corporation with over \$30,000,000 in assets and revenues of approximately \$30,000,000. Corporation was profitable during all three years of employment.

Responsible for total supervision of all accounting activities and procedures. During period of employment centralized all accounting functions and substantially converted them to a real-time computerized system. Company revenues during this period of time grew from approximately \$700,000 to the current

\$30,000,000 plus and accounting staff which grew from four to twenty-five.

Collateral activities included establishment of financial policies, determination of investment objectives, development of banking and auditing relationships and providing counseling to key executives regarding new commercial ventures.

Manager-Tax Department- Peat, Marwick, Mitchell & Co.
1971-1974

Employed three years in the tax department of Peat, Marwick, Mitchell & Co. in Anchorage. Entered tax department under PMM accelerated tax training program. Responsibilities included account tax supervision for many accounts including:

- Alaska International Industries, Inc.
- Reeve Aleutian Airways, Inc.
- Alaska Mutual Savings Bank
- Yukon Office Supply, Inc.

Other activities included responsibility for Kodiak practice of PM&M, estate tax returns, and in-house tax training program.

Supervisor-Audit Department- Peat, Marwick, Mitchell & Co.
1965-1971

Joined PM&M in August of 1965 and was promoted to supervisor in July, 1968. Responsibilities included management supervision of audit clients including direct responsibility for field work. Audit client responsibilities included the following clients:

- Alaska Mutual Savings Bank
- Alaska State Bank
- First National Bank of Fairbanks
- B&B Fisheries, Inc.
- Automotive Parts and Equipment, Inc.
- Alaska Federation of Natives

Also participated in management group activities including business development, staff evaluation and long-range planning.

Education:

Graduate of West Anchorage High School in 1962 and the University of Washington in 1965 with a major in accounting and a minor in finance. Attended numerous PM&M training courses as well as courses offered by the Alaska Society of CPA's several of which I also taught. Awarded a CPA certificate in 1967 and am a member of the Alaska Society of CPA's and the American Institute of CPA's.

**Personal
Data:**

Age: 34; Married, three children - ages 6, 10 and 13. Lifelong resident of Anchorage.

SB

454

Municipality
of
Anchorage



POUCH 6-650
ANCHORAGE, ALASKA 99502
(907) 274-2525

GEORGE M. SULLIVAN,
MAYOR

OFFICE OF THE MUNICIPAL ATTORNEY

January 23, 1978

Howard DeVore
Alaska State Volunteer Services
338 Denali St., Mackay Bldg. 7th
Anchorage, Alaska 99501

Re: Proposed Senate Bill on Volunteer Services

Dear Mr. DeVore:

You have asked for a response to the above-captioned bill concerning volunteer services from the Municipality of Anchorage. The Municipality of Anchorage would not be in favor of the measure as it is presently drafted. It is our view that the potential legal problems created by the use of volunteers will be magnified by the proposed legislation and would be more effectively addressed by local legislation tailored to meet specific community needs.

The legislation which deems volunteers employees for the purpose of tort liability apparently is intended to decrease governmental liability in this area. However, the activities of volunteers will not necessarily fall within the state statute immunizing local governments from tort actions for certain acts of their employees. Absent this immunization, the proposed bill could actually have the effect of increasing exposure to liability under tort doctrine applied to the employment relationship. This in turn would discourage local governments from sponsoring volunteer programs and activities.

Extension of workman's compensation to volunteers also poses significant problems. First, from a legal standpoint, volunteers are not presently covered under workman's compensation laws and the present bill does not indicate how this will be accomplished. As the bill is presently drafted potential abuse of workman's compensation benefits exists in that volunteers are not subject to usual personnel management which safeguards against unfounded claims. Finally, the bill does not set forth a plan for the administration of volunteer coverage under workmen's compensation

Howard DeVore
January 23, 1978
Page 2

including the difficult task of setting terms of coverage. Volunteer workers are an important community resource but problems created by their use can best be solved at a local level.

Please contact this office if you have any questions.

Very truly yours,

THEODORE D. BERNIS
Municipal Attorney

Peggy A. Roston

Peggy A. Roston
Assistant Municipal Attorney

PAR:gml

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU ALASKA 99811
907 465 3800


LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

May 9, 1978

SUBJECT: Volunteer Services (CSSB 454)

TO: Senate State Affairs Committee
ATTN: Barney Eberhardt, A.A.

FROM: Kenneth E. Vassar 
Legislative Counsel

You have requested that I draft a committee substitute for Senate Bill 454 which will (1) provide that volunteers are state employees for the purposes of confidentiality statutes relating to state employees, and (2) provide a mechanism for the inclusion of volunteers under the Alaska Workmen's Compensation Act (AS 23.30.005 - 23.30.270). In connection with the latter, your instructions provided that I should contact Senator Huber for details.

You will note that the attached draft includes a new clause at the end of section 220(a) of the bill which provides that volunteers are state employees for the purposes of AS 39.51.-010. This, I believe, is the section you had in mind; and it basically prohibits misuse of confidential information by a person who is or has been an employee of the state.

In addition, a new section, which is incorporated as section 2, has been added to the bill. This section would amend the Alaska Workmen's Compensation Act by adding a new section which provides a method of determining a volunteer's average weekly wage for the purposes of that act. If a volunteer has income from outside employment or self-employment, that will be used in accordance with the normal procedure under the act to determine his average weekly wage. If a volunteer is unemployed or retired, his average weekly wage will be considered to be the greater of 75 percent of the Alaska average weekly wage or his average weekly wage for his last period of employment. The "75 percent" figure has been used only for discussion purposes and has no other particular significance.

KEV:jpd

SENATE COMMUNITY AND REGIONAL AFFAIRS
COMMITTEE MEETING

June 1, 1978

Present: Senators Orsini, Hackney and Sumner; Ann Mawn, Lt. Governor's office; Don M. Berry, Municipality of Anchorage; Steve Hole, DOE; Bob Cooksey, NEA-Alaska.

Absent: Senators Willis and Ferguson

The meeting was called to order at 3:10 p.m. and the bills before the Committee were SB 454 and HB 934 am.

SENATE BILL 454

Chairman Orsini stated that the Committee had a committee substitute for the bill. He stated that it took out all references to municipalities. There was no public testimony given at this time.

Senator Sumner moved that SB 454 pass out of committee with "INDIVIDUAL RECOMMENDATIONS".

HOUSE BILL 934 am

Chairman Orsini stated that this bill came of HESS committee with a "DO PASS" recommendation.

Bob Cooksey, NEA-Alaska, stated that they had no objections to the bill.

Steve Hole, Department of Education, stated that the Department was in favor of HB 934 am

Senator Sumner moved that HB 934 am pass out of committee with "INDIVIDUAL RECOMMENDATIONS".

The meeting was adjourned at 3:30 p.m.

F. CSSB
454

Alaska MUNICIPAL League

TELEPHONES
(907) 586-1325
586-6526

204 N. FRANKLIN ST.
JUNEAU, ALASKA 99801

Dear Ben;

In response to your request for a position on CSSB 454, I offer you the following:

Should this bill come up, we would testify against the "municipal opt-in" clause. We would do this for two reasons. First, I would suspect that we already can, if we chose, cover any of our volunteers. The second reason is that, while we might want to cover some, we would not necessarily wish to cover all. I would fear though, that if there were a law on the books, there would be pressure for the municipality to opt in regardless of need. Thus, our insurance rates would really increase. Consider the methods by which the Workmen's Compensation Board would consider the wages of a volunteer if they had not earned wages in the last three years. It would appear that the low would be \$1,967 per month with a high of \$4,110. These kinds of dollars could encourage abuse.

I think that pretty well describes our feelings.





HOWARD L. DEVORE
OFFICE OF VOLUNTEER SERVICES

STATE OF ALASKA
OFFICE OF THE GOVERNOR

MACKAY BUILDING
ANCHORAGE, ALASKA 99501
(907) 274-6223

(Ken Jessar)

Req. WAIVER OR

S/MS - FOR
PASSAGE S/FIN.

AS PASSED
5/18/10

Original sponsor: Rules Committee by request of the Governor

CONTACT RE WAIVER OR HEARING.

IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

CS FOR SENATE BILL NO. 454

IN THE LEGISLATURE OF THE STATE OF ALASKA

TENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to volunteer service."

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

* Section 1. AS 39.05 is amended by adding new sections to read:

ARTICLE 5. VOLUNTEER SERVICE.

Sec. 39.05.200. AUTHORIZATION; ^{OFFICE OF VOLUNTEER SERVICES.}
(a) All state agencies are authorized to recruit, train, and accept without regard to personnel laws, rules, or regulations, including the Public Employment Relations Act (AS 23.-40.070 - 23.40.260), the services of individuals without compensation as volunteers for or in aid of their functions.

(b) There is created in the office of the lieutenant governor the Office of Volunteer Services.
Sec. 39.05.210. INCIDENTAL EXPENSES. All state agencies are authorized, within appropriation limits, to provide for incidental expenses, such as transportation, lodging, subsistence, and uniforms or special clothing required for the volunteers.

Sec. 39.05.220. EMPLOYMENT STATUS. (a) Except as otherwise provided in this section, a volunteer is not a state official or employee and is not subject to the provisions of law relating to state employment, including those related to hours of work, rates of compensation, leave, unemployment compensation, employee benefits, and employee labor relations; however, a volunteer is a state employee for the purposes of AS 39.51.010.

(b) For the purposes of tort claims against the state, a volunteer is a state employee.

(c) For the purposes of the Alaska Workmen's Compensation Act (AS 39.005 - 23.39.270), a volunteer is a state employee as provided in

Issue of IDENTIFICATION

AS 23.30.244.

Sec. 39.05.230. LIMITATION. Volunteers may be used to supplement existing salaried employees or service contracts but may not be used to supplant them.

Sec. 39.05.240. APPLICATION. (a) A person applies to be a volunteer on a form prescribed by the lieutenant governor and made available at any state agency which uses volunteers. The forms may vary among agencies in accordance with their respective needs. An agency may refuse to accept any application for volunteer service if it believes it cannot reasonably utilize the service.

(b) A person who performs volunteer service without first applying as provided by (a) of this section and without having his application accepted is not a volunteer for the purposes of secs. 200 - 250 of this chapter.

Sec. 39.05.250. LOCAL OPTION. (a) A municipality may provide, by resolution or ordinance, for volunteer service under this chapter for that municipality.

(b) A municipality which provides for volunteer service shall notify the lieutenant governor and request application forms prescribed by him for municipalities.

(c) The provisions of secs. 200 - 240 of this chapter apply to any municipality which provides for volunteer service; however,

(1) volunteers are considered to be municipal employees for the purposes of tort claims only if the municipality has approved that classification by resolution or ordinance;

(2) volunteers are considered to be municipal employees for the purposes of workmen's compensation only if the municipality has approved that classification by resolution or ordinance.

(d) Nothing in this section affects the performance of public

service for municipalities on a voluntary basis, such as but not limited to, spring clean-ups, municipal celebrations, Fourth of July activities, volunteer fire departments, police reserves, ski patrols, and other forms of voluntary public service which are performed under municipal auspices; however, the municipality may include these services, in whole or in part, under the coverage of secs. 200 - 240 of this chapter as provided by this section.

* Sec. 2. AS 23.30 is amended by adding a new section to read:

Sec. 23.30.244. VOLUNTEERS. (a) Volunteers whose services are utilized by state agencies [or municipalities] under the provisions of AS 39.05.200 - 39.05.250 are considered employees under this chapter only while actually traveling or working as volunteers of state agencies or municipalities. The average weekly wage of the volunteer, for the purpose of computing compensation, shall be determined in accordance with sec. 220 of this chapter; however, if the volunteer is unemployed or retired and has received no wages ^{See Amendment} for the three calendar years

~~immediately preceding the injury, his average weekly wage shall be considered to be the greater of~~

- ~~(1) 75 per cent of the Alaska average weekly wage as determined under sec. 175 of this chapter, or~~
- ~~(2) the volunteer's average weekly wage determined in accordance with sec. 220 of this chapter for his most recent period of employment.~~

(b) Annual appropriations to fund the coverage provided for in (a) of this section for volunteers whose services are utilized by state agencies shall be provided for in the budget of the Office of the Governor. ~~_____~~

* Sec. 3. AS 44.19.030 is amended by adding a new paragraph to read:

- (3) coordinate, promote, and adopt regulations for the pro-

gram for full-time and part-time volunteer service authorized by AS
39.05.200 - 39.05.230.

Sec 23.30.24 4(a) (after) received no wages -
AMENDMENT TO CS FOR SENATE BILL NO 454 *Hubers*

~~SEC. 39.05.220. EMPLOYMENT STATUS~~

~~(c) For the purposes of the Workmen's Compensation Act (230.005-230.27)~~

~~a volunteer is a state employee.~~ (ADD) "The Workmen's Compensation Board

may fix the wage-earning capacity of volunteers in state agencies at no

less than Range 20, Step A and no higher than the top of classified service."

SB

469



Official Business

Alaska State Legislature

Senate

Committee on
Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

Enclosed please find a copy of Senate Bills # 469 which, if enacted, may have an effect on your municipality. Your comments or recommendations would be appreciated, as we intend to give this proposed legislation our consideration in the near future.

Please write to the Senate Community and Regional Affairs Committee, Pouch V, Juneau, Alaska 99811: or call 465-3712.

Very truly yours,

A handwritten signature in cursive script that reads "Joe Orsini".

Senator Joe Orsini
Chairman
Community and Regional
Affairs Committee

Jo/tb

Enclosure: As stated