

750

SCRA

SB

2

750

SB

2

COMMITTEE REPORT
SENATE

1/15/79

FURTHER: Finance

Date: 3/8/79 3-10-79

Mr. President:

The Committee on COMMUNITY & REGIONAL AFFAIRS has had SB 2
comprehensive recycling and reduction of litter

under consideration and (a majority of the committee) (the committee)
reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

Bob Mulcahy - No Pass

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Tom Kelly - Do Not Pass unless Amended

Pat R. O'Neil - No Rec

Tommy Stinson - No Rec

CHAIRMAN

Committee Log Book - 1979

Tape Number 1

SENATE C/RA
Committee

Side Number 1

Dates 2/22/79 to _____

Bill Numbers Discussed

HJR 10	HCR 7, am	SB 2							
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Date & Time	Tape Meter Number	Bill	Significant Information (Witness, Action)
2/22/79 1:33	0002		Chairman Sturgulewski called Hearing to order.
	0019	HJR 10	(Senators Mulcahy & Stimson Absent)
	0019	HCR 7, am.	COMMITTEE "DO PASS"
	26	SB 2	Chairman Sturgulewski
	32		Sen. Kelly, Motion for CS
	37		Chairman Sturgulewski
	40		Recess/CS handouts given audience
	41		Chairman - call back to order.
	79		Senator Colletta, Sponsor
	157		Sen. Sturgulewski
	160		Commissioner McAnerney, Dept. C/RA (from audience)
	166		Eric Lee, Director, Div. Community & Rural Dev.)
	182		Chairman Sturgulewski
	186		Eric Lee
	270		Sen. Rodey
	278		Mr. Lee
	294		Sen. Rodey
	303		Chairman Sturgulewski
	313		Mr. Lee
	316		Sen. Rodey
	317		Mr. Lee
	318		Chairman Sturgulewski
	320		Mr. Lee
	334		Sen. Kelly
	337		Mr. Lee
	341		Chairman Sturgulewski
	343		Mr. Lee
	392		Christine Foster
	394		Virginia del Piaz
	401		Ms. del Piaz
	504		Chairman Sturgulewski
	505		Senator Kelly

506 Ms. Piaz
 511 Chairman Sturgulewski
 513 Sen. Colletta
 546 Chairman Sturgulewski
 547 Sen. Rodey
 559 Sen. Colletta
 567 Sen. Rodey
 582 Sen. Colletta
 598 Sen. Rodey
 599 Sen. Colletta
 607 Sen. Rodey
 611 Sen. Sturgulewski
 613 Mr. Mitch Gravo/ Municipality
 of Anchorage
 644 Chairman Sturgulewski
 645 Sen. Kelly
 649 Sen. Sturgulewski
 653 Ron Murphy
 665 Sen. Sturgulewski
 674 Mr. Murphy
 759 Sen. Kelly
 671 Mr. Murphy
 766 Sen. Kelly
 768 Mr. Murphy
 778 Sen. Kelly
 785 Mr. Murphy
 804 Sen. Sturgulewski
 805 Sen. Rodey
 806 Mr. Murphy
 809 Sen. Rodey
 810 Sen. Kelly
 811 Mr. Murphy
 824 Sen. Rodey
 826 Mr. Murphy
 843 Sen. Rodey
 844 Mr. Murphy
 846 Sen. Sturgulewski
 847 Mr. Murphy
 861 Sen. Sturgulewski
 865 Mr. Don Dickey (Alaska
 Chamber of Commerce)
 949 Sen. Sturgulewski
 950 Sen. Kelly
 958 Mr. Dickey
 963 Sen. Rodey
 966 Mr. Dickey
 970 Mr. Murphy (from audience)
 971 Mr. Dickey
 981 Sen. Kelly
 983 Mr. Dickey
 990 Sen. Sturgulewski
 997 Mr. Dickey
 999 RECESS
 3:30 Meeting called to order
 1002 Commissioner Ernie Mueller (Dept. of
 Environmental Conservation)
 Plus Jon Tillinghast, from Dept.
 13 Mr. Tillinghast
 23 Sen. Sturgulewski
 27 Commissioner Mueller
 30 Sen. Sturgulewski
 31 Mr. Mueller
 60 Sen. Rodey
 68 Commissioner Mueller
 69 Mr. Tillinghast
 74 Sen. Kelly
 78 Commissioner Mueller
 84 Sen. Sturgulewski
 92 Sen. Kelly
 94 Commissioner Mueller
 97 Sen. Kelly
 98 Commissioner Mueller
 99 Sen. Sturgulewski
 101 John Messenger (Acting Commissioner, Dept.
 of Revenue)
 134 Sen. Sturgulewski
 138 Mr. Messenger
 142 Sen. Sturgulewski
 144 Mr. Messenger
 145 Sen. Kelly
 147 Mr. Messenger
 152 Sen. Kelly
 153 Sen. Sturgulewski
 160 Sen. Rodey
 163 Sen. Kelly
 164 Sen. Sturgulewski/Sen. Kelly
 166 Mr. Messenger
 169 Sen. Rodey
 171 Sen. Sturgulewski
 175 Sen. Kelly
 1179 ADJOURNED 3:50 p.m.

3-8-79

Committee Log Book

Tape Number 1

Senate CIRA
Committee

Side Number 182

Present: Chmn. Sturgulewski, Senators Stimson,
Rodey, Mulcahy

Dates 3-8-79 to _____

Bill Numbers Discussed

SB	SB	SB	SB	SCR					
2	204	131	205	9					

Date & Time	Time Meter Number	Bill	Significant Information (Witness, Action)
1:30 P.M.	000	SB 2	Chairman Sturgulewski Sen. Mulcahy Mtn. bring "15" before Committee
			David Olerud-Haines - Nat'l Fed. ^{Business} Independent
			Mr. DeBoy - Dir. - Gordon Youth Center
			Sen. Kelly, attend to Dept. Envt. Control
			Sen. Mulcahy move to pass wind rec. tomorrow
			Decision to have work session 1 Beltz Rm
		SB 204	Carolyn Guess - APUC Commissioner
			Sen. Holman
			Rob Kochus
			Carolyn Guess
			Mulcahy
			Rodey
			Hold until tomorrow! Guess to work w/ ^{Holman}
			David Hutchinson AK Dir Cooperative Assoc.
			Jerry Larson, Mgr., Engineering Dept.
		SB 131	John Scribner, Dir. Water Programs
			Sally Hanson, Sen. Kertula's AA
			Palmer McCarter Dept. CIRA - objection
			Sen. Stimson MOVE to pass wind rec - M. Martin



Official Business

Alaska State Legislature

Senate Committee on Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

TO: Senator Bob Mulcahy
Vice-Chairman
Senator Terry Stimson
Senator Tim Kelly
Senator Patrick Rodey
Senator George Hohman
Senator Frank Ferguson
Senator Mike Colletta
All Interested Parties

FROM: Senator Arliss Sturgulewski *AS*
Chairman

SUBJECT: COMMITTEE MEETING - ASSEMBLY BUILDING, ROOM 207

Thursday, March 8, 1979

1:30 p.m.

SB 204 - An Act relating to public utility rates.

SB 2 - Continued from February 22:
An Act relating to the comprehensive recycling and reduction of litter and imposing a litter reduction assessment; and providing for an effective date.

1 HPC L
3-12-79

Committee Log Book - 1980

Tape Number 1

SENATE C/RA

Side Number 1

Committee _____

Dates 3/12/79 to _____

Bill Numbers Discussed

SB									
2									

Date & Time	Tape Meter Number	Bill	Significant Information (Witness, Action)
	000.....	SB 2	Chairman Sturgulewski called meeting to order
	09		Sen. Kelly, am to Bill / Chairman Sturgulewski
	17		Sen. Kelly, amendment No. 1
	37		Chairman Sturgulewski
	40		Sen. Rodey - agrees with Sen. Kelly
	47		Chairman Sturgulewski
	49		Mr. Baldwin, Legal Office
	53		Sen. Sturgulewski objects to amendment
	59		Call to adopt amendment/ Sturgulewski only objection
	67		Sen. Kelly, Amendment 2
	75		Chairman Sturgulewski reviews
	79		Motion to adopt
	80		Chairman Sturgulewski to Mr. Baldwin
	82		No opposition to Am. 2
	83		Sen. Kelly presents Amendment No. 3
	87		Chairman Sturgulewski asks to hold until Commissioner C/RA arrives - who is on the way
	95		Sen. Kelly, next amendment
	107		Chairman Sturgulewski
	110		Mr. Baldwin
	116		Sen. Kelly
	119		Sen. Rodey
	124		Mr. Baldwin
	126		Chairman Sturgulewski
	130		Sen. Stimson
	132		Mr. Baldwin
	137		Sen. Stimson (Existing Law questions)
			Mr. Baldwin
	142		Sen. Stimson (Existing Enforcement)
	165		Chairman Sturgulewski
	169		Sen. Rodey
	174		Chairman Sturgulewski
	175		Mr. Baldwin
	177		Commissioner L. McAnerney/ Sen. Rodey
	181		Chairman Sturgulewski
	183		Sen. Kelly
	187		Rick Lauber

197 Mr. Baldwin
200 Chairman Sturgulewski
201 Am Adopted - No objection
202 Sen. Kelly, Last Amendment
213 Chairman Sturgulewski
218 Sen. Rodey
228 Commissioner L. McAnerney / Dept. C/RA
230 Chairman Sturgulewski
235 Senator Stimson
243 Commissioner McAnerney
247 Chairman Sturgulewski
249 Vote - Amendment adopted - No objections
250 Sen. Kelly - financing
279 Chairman Sturgulewski
287 Motion to move CSSB 2
Sen. Stimson
292 Chairman Sturgulewski / review Financing part and
Sen. Rodey SB 2 / would like to move package out
Sen. Kelly - can't vote 2 bills at once and financing is not
a bill yet
308 Sen. Rodey
316 Chairman Sturgulewski - called recess to ck procedure

Committee Log Book - 1980

SENATE C/RA

Committee

Tape Number II
Side Number 1
Dates 3/12/79 to _____

Bill Numbers Discussed

SB 2	SCR 9	SB 204						
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Date & Time	Tape Meter Number	Bill	Significant Information (Witness, Action)
	009 010 012	SB 2	Chairman Sturgulewski called meeting back to order CSSB 2 up for consideration
	018		Sen. Stimson motion to pass out with ind. rec. Sen. Rodey - no rec and Sen. Kelly - do not pass until funding appropriation is settled.
	022		Chairman Sturgulewski - another bill needs to be for funding
	024 027		Sen. Mulcahy moved to introduce funding bill Sen. Kelly objected / no bill before Committee Chairman Sturgulewski
	028 040		Sen. Kelly Sen. Rodey/ Motion to introd. bill with notation to this corrects single subject constitutional problem which existed in the original bill.
	053		Chairman Sturgulewski - write letter to Sen. Pres. suggesting new bill be drawn...
	70		Sen. Kelly objects in the final vote on the letter. idea - he wants to see source of funding first, having objected to the original version.
	080	SCR 9	Sen. Kelly
	85 90 93		Sen. Sturgulewski Sen. Rodey Sen. Sturgulewski
	100	SB 204	Chairman Sturgulewski
	109 134		Sen. Hohman Sen. Rodey / Sen. Hohman
	140 156		Commissioner Carolyn Guess/ APUC Chairman Sturgulewski
	165 177		Ms. Guess Chairman Sturgulewski
	195 220		Sen. Hohman questions Ms. Guess Sen. Hohman
	227		Sen. Kelly/ Sen. Hohman

233 Sen. Hohman
244 Sen. Sturgulewski
249 Sen. Hohman
263 Ms. Guess/ Chrm Sturgulewski
313 Sen. Hohman
321 Sen. Sturgulewski
323 Sen. Stimson questions Sen. Hohman
339 Mr. Hutcheon
353 Sen. Stimson
357 Ms. Guess
368 Sen. Stimson
375 Ms. Guess
390 Sen. Hohman
405 Sen. Mulcahy moved to adopt "CS" for SB 204
417 All agreed - no objections
426 Sen. Rodey moved to pass out "CS" for SB 204

SCR 9

432 Sen. Rodey
434 Sen. Kelly
435 Chairman Sturgulewski
436 Sen. Stimson
445 Sen. Rodey
455 Sen. Mulcahy
460 Sen. Rodey
468 Chairman Sturgulewski - motion to pass out?
Egeryone - "Do pass"
473 Sen. Rodey
474 Mtg. Adjourned.

AMENDED TITLE: CS SB 2

AN ACT RELATING TO THE COMPREHENSIVE RECYCLING AND REDUCTION
OF LITTER; AND PROVIDING FOR AN EFFECTIVE DATE

\$500,000 (F. NOTE)

PRIME SPONSOR: COLLETTA

CO-SPONSORS: KERTTULA, SACKETT, DANKWORTH, MELAND, STURGULEWSKI, SUMNER,
ZIEGLER, BRADLEY, FAHRENKAMP

CURRENT STATUS: 5/28/80 IN (H) RULES

SB 2 TITLE & SPONSOR SUMMARY

10:58 5/30/80 PAGE 1 OF 3

AMENDED TITLE: CS SB 2

AN ACT RELATING TO THE COMPREHENSIVE RECYCLING AND REDUCTION
OF LITTER; AND PROVIDING FOR AN EFFECTIVE DATE

\$500,000 (F. NOTE)

PRIME SPONSOR: COLLETTA

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ZIEGLER, BRADLEY, FAHRENKAMP

CURRENT STATUS: 5/28/80 IN (H) RULES

SB 2 SENATE ACTION

10:59 5/30/80 PAGE 2 OF 3

DATE	SEQ	PAGE	LEGISLATIVE ACTION
01/15/79	01	0007	FIRST READING -- COMMITTEE REPORTS
03/12/79	02	0433	CRA -- DNE01, CS02, NR02
03/14/79	04	0472	FIN -- CRA CS03, NR04
03/20/79	05	0567	RLS -- OTHER05
03/21/79	06	0578	SECOND READING
03/21/79	07	0578	CRA CS ADOPTED BY UNAN CONSENT
03/21/79	08	0578	ADVANCED TO 3RD READING BY UNAN CONSENT
03/21/79	09	0578	THIRD READING
03/21/79	10	0579	PASSED BY DIV 19-01-00
03/21/79	11	0579	EFFECTIVE DATE VOTE SAME AS PASSAGE
03/12/79	03	0433	C&RA LETTER OF INTENT
****	**	**	*** ** *

SB 2 HOUSE ACTION

10:59 5/30/80 PAGE 3 OF 3

DATE	SEQ	PAGE	LEGISLATIVE ACTION
03/22/79	12	0710	FIRST READING -- COMMITTEE REPORTS
03/27/80	13	0780	S.A. -- CS06, NR01
05/19/80	14	1487	FIN COMM REFERRAL ADDED BY UNAN CONSENT
05/19/80	16	1487	MOVED FROM JUD TO FIN BY UNAN CONSENT
05/28/80	17	1750	FIN -- S.A. CS(AM)05, NR02
			RULES
05/19/80	15	1487	FIN CMTE REFERRAL ADDED
05/28/80	18	1750	FIN F/NOTE-HSE SUPPL #79
****	**	**	*** ** *

Copies To: Notices Sent
2/13/79

Gen Sec.

St. Dept Clerk

CRT Oper.

Collotta



Official Business

Alaska State Legislature

Senate
Committee on
Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 998

TO:

Senator Bob Mulcahy
Vice-Chairman
Senator Terry Stimson
Senator Tim Kelly
Senator Patrick Rodey
Senator Mike Colletta
Senator Jalmer Kerttula
Senator John Sackett
Senator M.E. Dankworth
Senator Pete Meland
Senator Bill Summer
Senator Robert Ziegler
Senator W.E. Bradley
Senator Bettye Fahrenkamp
All Interested Parties

FROM:

Arliss Sturgulewski *AS*
Chairman

SUBJECT:

COMMITTEE MEETING - BUTROVICH ROOM, 207 Capitol Building

Thursday, February 22, 1979

1:30 p.m.

SB 2 - An Act relating to the Comprehensive Recycling and Reduction of Litter and Imposing a Litter Reduction Assessment; and providing for an effective date.

Mr. Jerry Barber
Safeway Stores
800 East Diamond Boulevard
Anchorage, Alaska 99502

Mr. Dan Pekick
KNL Distributing
4574 Lois Drive
Anchorage, Alaska 99503

Mr. Larry Compton
Time Saver Grocery
3919 Spenard Road
Anchorage, Alaska 99503

Mr. Joe Hart
Alaska Distributing
3840 Spenard Road
Anchorage, Alaska 99503

Mr. Bill Whaley
Market Basket
P.O. Box 21
Fairbanks, Alaska 99701

Mr. Bob Winstow
Anchorage Cold Storage
P.O. Box 39
Anchorage, Alaska 99510

Mr. Les Norman
Gottstein Company
6441 "C" Street
Anchorage, Alaska 99502

Mr. Ed O'Neil
Brown Jug
Box 2000
Anchorage, Alaska 99510

Mr. Ben Marsh
Cabaret Hotel & Restaurant
Box 883
Eagle River, Alaska 99577

Mr. Lloyd Robinson
ALPAC Corporation
2300 Twenty-Sixth Ave. So.
Seattle, Washington 98144

Messrs. Cox and Stith
Pepsi Cola Company
4901 Fairbanks Street
Anchorage, Alaska 99503

Mr. Orville Proctor
Proctor's Supermarket
P.O. Box 4-1476
Anchorage, Alaska 99504

Mr. Bob Swanson
Johnson Leilier
100 W. Intern'l Airport Rd.
Anchorage, Alaska 99502

Mr. Joe Wiley
Carr's Food Center
1341 Fairbanks Street
Anchorage, Alaska 99501

Mr. Ben Anderson
Alaska Beverage
Box 1541
Fairbanks, Alaska 99701

Mr. Tom Satre
Sitka Northern Lights
P.O. Box 1169
Sitka, Alaska 99835

Others on SB 2 letter "see notification list"

The Honorable Clem Tillion
President of the Senate
Alaska State Legislature

LETTER OF INTENT ---- SB 2

Senate Bill 2, An Act relating to the comprehensive re--
cycling and reduction of litter, and providing for an
effective date, contains two elements; i.e., the program and
the financing mechanism. In order to avoid possible con-
stitutional problems involving the single subject rule, the
Community and Regional Affairs Committee has developed Com-
mittee Substitute for Senate Bill 2, which covers program
elements of SB 2. The Community and Regional Affairs Com-
mittee has developed a companion bill to cover the financing
mechanisms and respectfully requests the introduction of
this bill.

SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Chairman

SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

February 22, 1979
Committee Public Hearing - Butrovich Room
HJR 10, HCR 7, am., SB 2

1:30 p.m. The meeting was called to order by Chairman Sturgulewski. Absent were: Senator Mulcahy and Senator Stimson. Present were: Senator Rodey, Senator Kelly and Chairman Sturgulewski.

House Concurrent Resolution 7, amended - Sponsored by the House Community and Regional Affairs Committee - "Relating to an annexation of territory to the City of Kodiak."

Following introduction and a brief discussion, the Committee gave an unanimous "do pass" decision.

House Joint Resolution 10 - Sponsored by Representative Zharoff - "Relating to Local Boundary Commission Recommendation I of January 23, 1979, for annexation of territory to the City of Kodiak."

Following introduction and a brief discussion, the Committee gave an unanimous "do pass" decision.

Senate Bill 2 - Sponsored by Senators Colletta, Kerttula, Sackett, Dankworth, Meland, Sturgulewski, Sumner, Ziegler, Bradley and Fahrenkamp - "An Act relating to the comprehensive recycling and reduction of litter and imposing a litter reduction assessment; and providing for an effective date."

Following introduction, Chairman Sturgulewski called a brief recess, in order to pass before the public new work drafts of a committee substitute for this bill.

Chairman Sturgulewski after calling the meeting back to order pointed out several main changes which show in the committee substitute. Section 41.21.140 dealing with Federal requirements was added. If there are any changes in Federal requirements that would affect a portion of the bill, we would see that those particular State portions, when in conflict with the State, would automatically drop out so the Federal funds could flow in. The tax portion has been segregated out. It does not require a fiscal note, but again under the single subject rule, it needs to have a separate vehicle. The nonseverability clause has been omitted so that this bill would conform to what the other legislation within the State normally does. There is a severability clause, where if a portion of

the bill is found to be invalid, the rest of the bill stands. The Courts have moved to hold as much as possible that the legislation will stay in effect, and that is a very major change in the substitute bill. A section has been added allowing for staggered terms of the Advisory Council, whereas the former bill caused a complete changeover in a two-year period of time.

Senator Colletta, the prime sponsor, was the first to testify. Stressing that the bill is a personal priority, he then briefly refreshed memories on the history revolving around the bill. The deposit and the litter reduction activity bills have changed through the times and circumstances. Both bills now address themselves to a recycling finish, in addition to the reduction of litter. This bill would be an opportunity to try something that would truly address a litter free environment versus the deposit measure. This bill is completely industry supported. It would create the first step, regardless of its volume collection, in a process to develop a litter free environment and save a resource ethic that we should all be participating in. He stressed he did not stand on the pride of authorship on anything within the bill other than the conceptual idea behind the bill. The bill is a composite of many, many litter acts that are in effect in various states and the amendments have been made out of actual work applications over the eight years that some have been in effect. The last page of the work draft, Page 13, Section 6, is a review and evaluation provision. Convinced that Alaskans will outperform other states, he urged that this bill be given a trial, so we will all have a better and happier place to live in without having added an additional burden to the overall populace in the attempt to reduce litter and recycle some of the materials that we use.

Mr. Eric Lee, Director of the Division of Community and Rural Development, Department of Community and Regional Affairs, stated his Department was basically in support of the concept of litter reduction and staying a litter-free State. There were some concerns in the language, somewhat of a technical nature. There was a concern that the costs of the program were covered by the new revenues generated. One recommendation was that a new division not be created. It was felt a highly visible program within an existing division, within the Department, would be just as advantageous and more economical in cost. A Department assumption is that a central location of the program would be located in Anchorage and that there would be a field office in Juneau, and costs are related to that accordingly. A Department assumption is that local communities are concerned about implementing the comprehensive litter reduction program and that the Departmental staff will provide assistance, guidance, and coordination in their efforts. The Department does not intend to be able to solve the problems themselves and it is with the assumption that local communities would be participating very actively, and that the program in those local communities would eventually become self-sustaining. The language of the initial bill indicated the administrative cost to be limited to 35 percent. The Department assumes that the administrative costs are defined as those costs which are not directly related to the program. Although some program costs may be salaries, salaries of people

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Although some program costs may be salaries, salaries of people who 100 percent of the time are coordinating with the communities, they simply are not defined as administrative costs. An annual inflation rate of six percent is assumed. Basically, the Department took the revenue projection and tried to tell what they could do with that amount of money. So, the first years expenditures, next year, would be \$600,000 total expenses, which was believed in line with the original projection. Of the \$600,000, the Department broke out the line item budget on the second page. Included was a staff of eight people, with some clerical staff. A staff chart is provided. The high level information officer, educational type person, who heads the section is supported by a clerical staff and four professional field people, who would be working in the field with the local communities, to coordinate the activities of the program. In the 1981 projection, one more position was added, a fulltime position for a recycling coordinator. In discussions with other states, who had been involved in this, it was indicated this position would not be needed until the program was on its feet. Then, a coordinator for the recycling efforts would be needed. Other major items involved some travel, necessary when the staff needed to participate with local communities. The Advisory Council, which is created, would need travel and per diem monies as indicated on the fiscal note. There are basic communication costs, space costs, and other items based by the standard cost of the Anchorage area and the Juneau area. Another large item is \$75,000 for promotional and educational type activities. A film has been listed as one major item. Other states have felt it to be one of the more advantageous methods of information assimilation. With promotion being one of the objectives, the budget is a reflection of this. Equipment and commodities to operate the number of bodies based upon current standards, as well as the grants section, where direct grants would be made to communities for the various functions are outlined in the bill.

Senator Rodey stated that in June, 1978, in a Community and Regional Affairs memo, the estimated cost of the bill was 2.6 million. There has been a significant reduction in the cost of the bill, without an apparent major change, and asked Mr. Lee why the tremendous decrease in the cost.

Mr. Lee stated that at that point the Department had tried to develop a handle on what it would cost essentially to do everything that everybody else in the country was doing. Other people had been contacted as well as various states with different programs. One major item was the Youth Patrol. The State of Washington funds their program 100 percent. Hundreds of youths are hired to go out and actually pick up the litter, and they are paid out of the general fund, which is over a million dollars. So, if the Legislature wants to fund a Litter Patrol with State funds, the language does not indicate it. It indicates other sources of funds for hiring that type of people. That was one of the major functions. Additionally, the Department was trying to say, what is the ultimate cost if a Rolls Royce of a program. In discussions with the sponsor and others, the revenue projections were indicated. The Department concurred that the cost of the program should not exceed the revenue. What is being said now is that is what can be done, and what will be done with that amount of money, and scale it down accordingly.

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Senator Rodey commented that the Litter Patrol is still in the work draft, and that the Department of Revenue estimated revenue last year at \$890,000. Would that be a reasonable amount of money to support the program? It was noted that legislators often see proposed programs come back more expensive than when they had started out. Community and Regional Affairs was felt to be one of the most responsible, but still felt that he should be cautious.

Chairman Sturgulewski commented that perhaps the new proposal on the tax bill had not yet been noted, and gave a brief summary.

Senator Rodey asked Mr. Lee if the Department handled any other litter control programs, or programs relating to refuse. Mr. Lee replied no.

Mr. Lee indicated that the Department of Environmental Conservation expressed concerns about the language. He would like a further clarification of the definition of administrative costs because if personnel services are considered administrative costs, you are not going to get this type of program for 35 percent of the total.

Senator Kelly asked why the Department of Community and Regional Affairs was selected to administer the program rather than the Department of Natural Resources. Mr. Lee did not know and suggested the original sponsor be asked.

Mr. Lee further stressed that the language referring to three months after the fiscal year to determine the report is a bit too restrictive, because the books do not actually close for a couple of months after the fiscal year end, and the Department would like to see an extension of six months, rather than three months.

Chairman Sturgulewski inquired if that would bring the program back before the Legislature for that immediate year.

Mr. Lee replied the Department has a similar type situation with the day care assistance program, which they administer. Fiscal time frame would be difficult to close down all the books. There is some concern about the Department's ability and mechanism for receiving and expending contributions of either cash or in kind, in terms of the day-to-day operations. The Department has no experience in this area and would like the language to clearly establish the intent, that the Department could take in gifts, donations, and turn around and spend those on behalf of the program. It was noted that some states have indicated difficulty in public relations with businesses when specific size, color and shapes of receptacles were mandated as these businesses may have spent a large amount of money on the decor of their buildings. So, the Department would like to see a little more flexibility in that part of the language. The Department would also like to see some indication as to what is expected and the intent of the establishment of a fine. Another item would be for the general use of grant money to municipalities to allow them to purchase the required receptacles, and so forth, a primary need.

Chairman Sturgulewski inquired if the thinking was toward smaller communities where that would be the difference of the beginning of the program. Mr. Lee replied yes. If that is the primary need and primary situation and they have no other basic resource. This could at least be a possibility. The sole use of the grants certainly does not support that idea.

Mr. Kanouse, Program Coordinator for the Division of Community and Rural Development, Department of Community and Regional Affairs, who had sat at the testifying table with Mr. Lee had no comments.

Ms. Foster introduced herself as Christine Foster, appearing as a member of the sponsoring committee for Ballot Proposition No. 5, in the 1978 General Election.

Ms. del Piaz introduced herself as Virginia del Piaz, Chairman of the Ballot Proposition, properly known as the Alaska Bottle Bill Initiative. She stated it was general knowledge she and Chris are legislative staff this Session and had received permission to testify. Several years ago they undertook an initiative drive to place a proposal for a term of beverage container legislation before the public. There were two problems of concern, recycling and litter. The initiative was defeated in the November General Election, but the interest in addressing these two problems remain undiminished. There is the concern that any legislation deal meaningfully and not just be cosmetic only in this problem.

Probably the most important concern is that the program would most appropriately be administered under the Department of Environmental Conservation, rather than the Community and Regional Affairs Department. DEC has the existing litter control measures, and has solid waste management. As a Department, DEC is the lead State agency for solid waste management planning, has the regulation for enforcement, for technical assistance, both under the State Law and the Federal 1976 Resource Recovery and Conservation Act. DEC already distributes litter bags, they have already done litter surveys, they provide local assistance to governments, promote the Alaska Clean-Up Month, which is believed to be May, and have done so for a number of years, and have also been involved in policing television spots and other public literature. It is very evident that this agency has been involved in this for some time and is therefore felt to be more of an appropriate agency to deal with the program. This program could be put in an existing division, in DEC, probably their Terrestrial Programs division, which already handles most of what is proposed.

Concerning the Advisory Council, there are two ways of working with it. One comment that if the program is moved to DEC, DEC already has an existing Advisory Committee that could possibly expand their charge to the proposed legislation. There is existing funding already for this particular Committee. They are a very well constituted working Committee. They are used to dealing with these things and they are very familiar with these types of problems. If the program is kept in Community and Regional Affairs, it was felt the Advisory Council should

very definitely not represent just the same interest group. It should be expanded to different interest groups rather than just businesses. Some suggestions might include a public member, education members of the community, local government officials, perhaps a rural representative, somebody from the recycling group, youth groups, some type of business representative, possibly one from a consumer group and environmental group, and one from service organizations which have expressed quite a lot of interest. Another suggestion is that the Council not meet more than two or three times a year, rather than the four or more times as stated. This would also help fiscal implications such as per diem and travel.

The proposed Litter Patrol has changed quite a bit through the years. In the current bill, the duties and purposes are vague and not well specified. This should be clarified further. As a note, to cover the size of our State of Alaska and to be an effective part of the program, it might grow quite large. There might be some problems with the way it's constituted.

If the grant section is to remain, some definite limitation on the grants indicated should be made. Numbers one through four for a large part already exists; numbers five and six could very effectively be made into a loan program either with one existing, or create a new one; and numbers seven through ten could be done by the Department or division, or could be subcontracted, or could possibly be grants, if so deemed. For further information, the first one goes with the instruction of informative material distribution to elementary or secondary schools, and so forth. There are already a lot of sources for this, mainly for the Keep American Beautiful Program and some through Federal programs. The second one, purchase and erection of roadside signs is vague, and it would be duplicating to give grants for this. There is already an existing statute for the address of roadside signs for littering. Section 19.19.010, states a Commissioner of the Department of Transportation and Public Facilities shall place a sign near State boundaries at each primary and secondary highway which informs the public of the prohibition against, and penalty for, highway littering and may place similar signs at other locations in the State when considered necessary. We are already covering that contingency. Third, the organization, operation of the clean-up drive conducted by local agencies, private organization or service groups, even volunteer help, does exist in the private sector and question the wisdom of using State monies to fund this. Fourth, public information that is selected by the division including the use of media. DEC is already doing media spots against litter and programs are noted on television and radio. Fifth and Sixth speak to Number Five, the expansion of existing and creation of new source separation programs. Six, expansion of existing and creation of new community recycling centers. This might more appropriately be under a loan program because it is speaking of capital expenditures. Seven through Ten should more appropriately be under the section that gives the charge to the division in whichever department. It is essentially telling the things that should be done.

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The litter control assessment, no matter what it's finally called, should be tied to the amount of litter generated by a business. There should be some relation between non-litter generated to the tax put upon by a particular business or operation.

Senator Kelly asked Virginia if she was satisfied with the recycling provisions of the bill. Ms. del Piaz replied there quite frankly weren't many and would certainly like to see this strengthened.

Chairman Sturgulewski felt some major and basic issues had been raised and asked Senator Colletta to speak again addressing the reason for the designation of the Department of Community and Regional Affairs as well as the Youth Patrol.

Senator Colletta again emphasized that this bill was the accumulation of experience gained by other states over the past eight years. This is not a State bureaucracy. For all practical purposes, this is a people's activity, thus the agency, Community and Regional Affairs, was picked, as they deal with people on a daily basis. DEC is limited in their scope. Although they have activities Statewide, it's not a normal reoccurring daily function. They deal with specific issues, and the Department of Natural Resources is the same way. They have Statewide responsibilities, but they do not work on a daily basis Statewide.

The Litter Patrol has been a source of controversy from the day it was requested, and it was never requested by him. The Youth Patrol is very much alive, and in Anchorage thought there was around 2,000 youngsters involved. This is being run through nonprofit and civic organizations. They are not State employees.

Senator Rodey expressed concern on the cost of the bill, especially being borne by Alaskan business, small and large alike. He stated his reluctance to put any additional burdens on Alaskan businesses this year, also feeling it's passed on to the consumer and affecting all Alaskans. The Litter Patrol appears to be a unknown quantity at this point and particularly in future years.

Senator Colletta again stressed that the Litter Patrol is alive and it is not State funded. It is comprised of youngsters who are assisting their parent organization in the earning of money, and it is a volunteer effort. The only paid individuals are those that the State will furnish to assist communities in accomplishing a Litter Act activity.

Senator Rodey further pointed out that nowhere in the bill does it say that, it merely says the division shall adopt mandatory requirements for adoption of regulations which established the Litter Patrol. Another concern is the requirement that businesses procure, place and maintain receptacles, at their own expense, after their expenses here. The responsibility is on people owning or operating a public place, which includes most businesses, certainly all retail. This was alluded to previously.

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Senator Colletta stated he did not know of any other specific language. Specific organizations, such as the Chamber of Commerce, have already implemented the litter and recycling activity, totally privately funded. It was the understanding in talking with the Chairman of that activity, that it is not a probability. The only assist that he would want out of the passage of the bill would be the educational aspects and conceivably, on occasion, a little bit of receipt money to tide over some of the contractual things that deal with the nonprofit organizations in the pick-up of litter. Through the normal course of activity, they do have designated spots, and receptacles now, and the responsibilities for policing their own yards still remains theirs. All we are doing is assisting and hoping that the accumulation of that would be the central place for them, again benefiting them. They still sweep their own parking lots and everything else.

To further clarify, originally there was a Litter Patrol. These were uniformed youngsters working for a State agency and so forth, but experience has shown that was not the most practical way. What you have done is just expand a refuse pick-up activity. Greater success has been achieved in the utilization of the local youth and instilling pride in each community.

Senator Rodey stated he would be happy to work on the language and redo this section.

Mr. Gravo introduced himself as Mitch Gravo, testifying as a resident of the Municipality of Anchorage. Litter is a major problem for the municipality and any legislation which helps deal with that problem, is supported. Legislative intent is a concern and suggests the Committee discuss the possibility of including the public sector also in that section. The Municipality works very closely with the Chamber of Commerce and last year the program was a tremendous success. This year there will be some changes, a new approach, and the program should be even more successful. The Advisory Council should also have solid waste professionals, and people with considerable expertise. It is indicated that six months after the bill goes into effect there should be a survey. If this goes into effect in July, the survey would be conducted in January, and in Anchorage all the litter is covered up at that time. They see it in May. When garbage and refuse is referred to in the bill, the suggestion is made for the word solid waste to be used instead, giving a specific definition. Concerning receptacles, the costs to those individuals may be significant depending upon the design, and the bill speaks that the design will be the responsibility of the director.

you might use the word solid waste, instead of garbage or refuse, because it ~~is~~
..... ~~and~~ has a specific definition. Finally, when the legislation speaks to the
receptacle, the costs to those individuals may be significant depending on the
design, and the bill speaks ~~of~~ the design will be the responsibility of the director,
and we suggest that perhaps you look at some, that better responsibility being } ?
placed with professional with a design, in the least costly manner possible. I
have no further comment.

Chairman Sturgulewski: Fine. Are there questions of Mitch?

Senator Rodey: Madam Chairman, just one comment briefly with regard to the
tenth section of the bill, since Senator Ziegler, the Senate grammarian, is not
with us, let me, let me offer some comments. The English language is a beautiful
thing and I think perhaps we could include its usage in the ^{tenth} ~~intent~~ clause by
perhaps, by cutting down some of the existing verbage. I think it would be
interesting for the press to take a look at it and see how it, we might say
what is intended to be said and in fewer words and discretion set aside.

Chairman Sturgulewski: Thank you, Pat. Thank you, Mitch. Appreciate that. Ron
Murphy?

Mr. Murphy: Madam Chairman and members of the Committee. My name is Ron Murphy.
I'm a lawyer from Seattle, and the reason I am here is because it is my understanding
that the Committee would like to hear from me about the experience we have had in
that State and other states that I am familiar with. I represent the industry
group that has been involved in this kind of a program in other states, especially

in Washington State; and, I have had a great deal of experience, good and bad, and made some mistakes, and hopefully have learned from them and my purpose here, I believe, is to hopefully answer questions that you might have that might help you in making determination of how to make your determination. I should also say that I have worked with, closely with, the Alaska industries people, and tried to work with Senator Colletta, and some of the other people here in Alaska, within the government, to give them the benefit of our experience.

Senator Sturgulewski: Mr. Murphy, I think it would be very helpful to us. I am sure you have had a chance to look at Senate Bill 2 and the Committee Substitute, what we have on the table in basic form, very similar to that. I wonder if you might be able to say what we have presented here, how that compares to what's happening in Washington and what you feel, or perceive has happened in Washington as a result of their bill. Or, have we strengthened areas where they have had weaknesses. What about this program? What can it do for Alaska, if there is a commitment of those that have said that we will make this bill work. What might happen in Alaska as a result of a bill like that?

Mr. Murphy: I'll do my best.

Chairman Sturgulewski: Yes, just a little kind of an overview and comparison and what will this do for us.

Mr. Murphy: All right. And then if I don't answer something, or raise other questions, I hope you'll shoot straight at me and I'll try to do my best. If I don't know the answer, I'll tell you.

Chairman Sturgulewski: I may not, but I bet Senator Rodey will.

Mr. Murphy: All right. First of all, I think you asked me what, how does this bill compare with what my experience has been in other states and observations. This bill was put together as I understand it, as an attempt, to take the best of those bills and weed out the poor portions of those bills, and then it was tried to be tailored to the situation here that exists as best to be determined for Alaska. A lot of thought went into that and a lot of work went into it and it was an attempt to put it together in a fashion that would work here. For instance, the Washington approach, in the beginning, was entirely a litter bill approach. Back in 1970-71, when the Washington approach was put together, it pertained entirely of litter. Now we find that there are these recycling solid waste problems that have developed and so the bill that you have before you is an attempt to incorporate and address itself to those problems and solving them. I should start right out, though, and try to be specific and say, it is not the intention as I understand this bill, and Senator Colletta certainly has more and better knowledge of what this is about and what he wants to accomplish, and you might want to accomplish^{ish}, than I do. But industry, and speaking for industry I can say, I can say honestly and candidly, industry is behind this bill, as I understand in Alaska, and I can tell you its behind the bill in Washington. And I understand from talking to the industry people here that they don't intend to have a cosmetic bill, as stated here earlier, they want a bill to work. And they'll stand behind it and attempt to make it work. Now this bill is addressed somewhat to recycling, where the Washington bill was not. Now we are amending the Washington bill now to incorporate and strengthen recycling sections; but fortunately, when we drafted the Washington bill, we made it flexible enough, by luck, that it could address itself somewhat to recycling, and we were able to incorporate recycling in it and in the State of Washington, we have got a tremendous increase in recyclers and

recycling, which I think in large measure is due to this situation we have down there. We have some 500 recyclers in the State of Washington now, almost more than any other state and part of that is due to the bill. Not all of it, I assure you. Going back, ~~the~~ what we did in Washington is, we were told in the State of Washington as industry, that if we didn't come up with something to solve the problem of litter back in those days, that we'd, the State would solve it for us. And we had some good Senators and Representatives that we knew, and we sat down with them, and we said, hey, we don't know how to solve the litter problem. We don't. We know it's a big one now because of what's happening in this country. But we said we'll go out and see what we can come up with. So, we got together a group of industry people like the ones you have here, and we'll try to get together here now, and come up with a program that we can present the Legislature and they take a look at it in that stage and say o.k., it makes sense, or it doesn't make sense. And that's what we did. And we studied, spent about \$15,000, doesn't seem like much money now, but then it was quite a bit, to study the litter situation in the various states by the municipalities, by the states, by the individuals, businesses, and so forth, and come up with what we thought was the way to solve it. And we came up with basically what is known as the Washington Model Litter Law now. ~~That's how we~~ The idea behind this is, as I stated earlier, it's not to have the State solve all the problems that we had in the recycling and litter, and it's not to have the State tax everybody, industry, or anybody else, to solve all the solid waste and recycling problems, we haven't got that much money. But the purpose is to put the problem of litter control and now recycling into one central agency in a given state and get some control over it, get some guidance over it, get some standards set, and get a program going, so people will know how to deal with the problem. So we, in Washington and other states now, and we hope in Alaska, will put this under a government agency that will take control of setting these standards and start working on the problem, instead of a mish-mash

like we had with one industry doing one thing, and one city doing another thing, and we don't know where we are going. People need guidance and we need study and we need work, so this is what the idea was. But we also put in here after our studies were made, some specific things which we thought should be done, so we didn't say the State solved the problem. We found out that there weren't enough receptacles out in given communities, given areas where people were apt to litter, like beaches, parks, playgrounds, you know, marinas. And the receptacles weren't placed in the right places at the right time. And the receptacles weren't the kind of receptacles that people could see and recognize. So, one of the things we require in this Act and in the other acts, is that the State sets standards, just like we have with stop lights today, just like we have all restaurants have to have toilet facilities. The State sets standards on these receptacles and they should be. Somebody said here earlier, and I know it was a good thought and we wrestled with this, we think ~~Standardize~~ *Standardized in Color + Design* and color it and design. It doesn't mean they have to be expensive; but they should have some way people could recognize wherever they go that's a litter receptacle and that's what it's for and there should be enough of them out so that they can use them. How many times have we gone down a city street, and I've done it in Seattle, and I've done it in Yakima where I grew up, and I think I did it in Anchorage, and you are a person who wants to see litter picked up, you pick up the litter and don't know what to do with it. So we've got to have the things out there for people to put them in and they should be standardized, we think, in color and design. So we found that people were being fined for litter, littering and charged \$100, \$150, \$500. This wasn't helping. One question answered earlier today was why was the fine low. Frankly we set the fines low down there and suggest it to you here, because the idea is to keep the fine low for the litterer because you don't want him to go and clog up the courts. We want it to be like a parking ticket, and so then, when a person litters, and he is fined, he just takes bail and it's sort of an educational process. That's a little thing, but it's one of

the more important things. The other thing that we found out is that motorists, drivers, people going places, have a lot to do with litter. They get in a car, out it goes, when they get in their cars and go picnicking, and so forth. So, it's mandatory in this Act to have litter receptacles in automobiles. We also found out, and this can be a litter bag. You also find in here that litter receptacles are required to be ~~placed in~~ ^{issued with license plates} all the, to be handed out by the State agencies. They are inexpensive, the State can give them out and the State will send them out with motor vehicle registrations, this is all an education process. So, we have followed this pattern in the State of Washington basically, and it's taken a long time to go through all of it, but basically, identification of litter receptacles, plenty of them out, litter bags, plenty of them out, and a good strong educational program for the public. And I might stop here and ask you to ask me some questions, it's not a boondoggle, but ^{an} ~~but~~ educational program for the public, ^{it} is not just going out and buying some television spots ~~to~~ ["] don't litter, it's to get each community involved. Have this Department, with one other field man go to the communities, like in the State of Washington. We have an annual program in ^{Ellensburg} Ellensburg, Washington, where it's clean up the Yakima River. The field person from our Department goes out, starts the program there, for instance, to get those young people ⁱⁿ ~~to~~ school there to go out and clean up that River once a year and ~~it~~ starts them out, gets them going and gives them receptacles, gets their local community to get the trucks going; and these are the kind of programs that are coordinated under this Act. I can stop and talk about the Litter Patrol in a minute, but right now you may have some questions.

Chairman Sturgulewski: Yes. Senator Kelly?

Senator Kelly: Mr. Murphy, in the State of Washington, which Department administers this program?

Mr. Murphy: In the State of Washington we use the Department of Ecology. The reason we use that is that it had just been formed at that time and it seemed like the natural place for it to go, because they were going to be a Statewide agency talking about ecological matters. I, when, if you would ask me specifically why this Department was picked here, I wouldn't have known the answer and I was very pleased to hear what Senator Colletta said that, if you need an agency that works in the various communities at a local level, so that you can get that local touch and get self-help programs going. And the Department of Ecology was the only Department we had that did that.

Senator Kelly: And then you said something about 500 recycling plants in the State of Washington. Is that 500 ~~re~~bottling plants, or, what exactly are your recycling centers?

Mr. Murphy: Recycling centers in the State of Washington everything from a fairly large ~~area~~ plant, ^{to} where you have maybe a scrap dealer with several employees, ^{from one} handling hundreds of thousands of tons of stuff down to a one, or two, man shop, where you've got a fellow that believes in recycling and goes out and does it on a very insignificant small time basis, say one man. Am I answering your question? That's what ~~to~~ ^{meant} we don't ^{mean} a bottle shop, I mean we don't mean a manufacturer.

Senator Kelly: You're not actually recycling the material, you're not recycling aluminum cans, or recycling bottles, you're just simply, kind of a scrap center?

Mr. Murphy: It would include both, collecting it, putting it in boxes, separating it, and selling it to somebody who does it. We would count the ones who collected it, just the little guy with the shop where he collects bottles and cans and gives somebody money for it, or paper, all those things. But it isn't always the fellow

who processes it, no. It's the collection agency included. So when I say 500, really, it's the little guy too. It's the little guy who picks it up, and has it here, and pays people to bring it in; and then he sells it to somebody else. Of course he might sell it to Northwestern Glass, the glass, and they turn it into glass bottles. Does that answer your question?

Senator Kelly: Yes. That answers that particular question. And the last question I have, I suppose, I have some doubt whether standardized receptacles are really necessary because I am assuming they are going to be a great deal more expensive. If a person has the option between just buying a logo and putting it on an existing receptacle, or buying a standardized receptacle that has obviously been manufactured outside the State and brought in, I'm pretty concerned that the size, the weight, and everything; it's going to turn out to be *quite* an expensive item. It's like looking for a bathroom, you know, it doesn't make any difference if it's boys, or men, or gentlemen, or has a silhouette, you know, when you need a bathroom, you know where to find one and you can find it relatively *easily*.

Mr. Murphy: Well, I didn't do a good job on that. You're exactly right on what we had in mind. We don't have in mind to standardize as to shape and buy outside the State of Alaska. What we have in mind only is that it be standardized in one color and have a logo on it. That's all. Now our State Department went ahead and passed some other regulations as to where they should be placed, like shopping centers. They told, this is what your Department would do we hope, in a shopping center in the State of Washington, you're supposed to have, if you run a shopping center, so many of these receptacles because of the amount of traffic that's in that center. Instead of one receptacle for 500,000, well that's over exaggerated, one receptacle for 10,000 people who go through a shopping center in a weekend, there's got to be a 100 receptacles in that shopping center. And they are not

necessarily, although a rich shopping center does put out expensive ones, but if you are running a Mom and Pop Shoe Store, and you had a lot of traffic there and I don't know if a shoe store would be a good example. But a marina, it might be that you would put out a litter barrel painted green, but you would have a logo on it which the State supplies free. Our State supplies all the logo stickers so that if you are a little guy, you have to have this green receptacle and you can paint a barrel if you want, then the State will supply you with a sticker so everybody can recognize it, and they stick it on the receptacle. So you are right. There is no requirement that you have this expensive piece of hardware. No. But they should be standardized in the sense that you recognize them.

Chairman Sturgulewski: Senator Kelly what _____

Mr. Murphy: The logo is the important thing and I would like to think the color is too, but I, I heard a man, this Mr. Lee, say that he went around and found out this is a problem because some businesses do not want to go with the green color that we use because it destroys their decor. And we've had a terrible fight on this sometimes, and our position is, in industry, is that if you're, I shouldn't, let's not say MacDonalds, let's say if your a Joe Hugh's Drive In organization and you've got all green, no all brown, and your architect says you should have brown receptacles, because it's pretty, our answer is too bad. We want to see those receptacles and we want them to be green, and there has been some scraps on that. Correct.

Chairman Sturgulewski: Further questions, Senator? Senator Rodey?

Senator Rodey: Just one question and what is your per capita costs in the State

of Washington?

Mr. Murphy: Oh, for our program? Anybody got a calculator? I don't have one. I could, I could divide, right now our program is going to be about, and we're very high now, our program started out \$600,000. We're spending about a million four in the next bi-annum, so divide that 3 million 5 hundred people and that will about do it.

Senator Rodey: Obviously, fairly, fairly low cost on that _ _ _

Mr. Murphy: Yes, what do you get, I'm interested to know myself.

Senator Rodey: That bi-annum, is that a two-year budget?

Mr. Murphy: No, that's a one year, a bi-annum would be double that, which would be about three. What we did is we went from 1971 at 600,000 like you've done, up to this figure; but we have a different tax setup than you do. I think your tax proposal here is better because ours puts a heavier load on some industries. And, incidentally, I want to be very level with you, we looked at this very carefully, how to make suggestions to this Legislature here, to carry this tax and I think that the tax program that shows here, this assessment program makes a lot more sense than the one we have in the State of Washington, for you're safe. But you don't have enough base here to isolate one or smaller groups you get prohibited, this way everybody shares in the cost and it makes good sense.

Chairman Sturgulewski: Alright, Mr. Murphy, you're talking about amount tied in the amount of litter so called, that's what your

Mr. Murphy: Yes, we break it, you know .

Senator Kelly: Madam Chair. How do you pay for the program in Washington?

Mr. Murphy: Well, in Washington we have a very broad base tax, like you do, but we were able there to tax broad, broad spectrum of industries that were related to the litter problem only. For instance, you wouldn't tax the Boeing Airplane Co., but you would tax the department store because the department store puts out the materials that are in bags, sacks, toothbrushes, and so forth that end up in ...

Senator Kelly: So, you're much more restrictive.

Mr. Murphy: But we couldn't do that in your State. Yes, but we tried that in your State, we really tried hard to come up with that kind of a ^{tact} ~~tact~~ approach but because of the number of people in your State, ~~we had to do this in other states, we couldn't,~~ we just couldn't, it was impossible. But the one you've got now, I think is really very good.

Chairman Sturgulewski: Senator Rodey, I think we cut you off before you were finished there.

Senator Rodey: No.

Chairman Sturgulewski: Did that answer your question?

Senator Rodey: I think it did. Evidently you have a very, ^{lower} ~~lower~~ per capita cost than we do, which I think would be natural considering the situation of Alaska and

the situation of, really the two questions that I'm concerned about, ^{just} how efficient and effective can that litter program be and then secondly, how much will it cost us and I think that's all legislators and those two points aside.

Chairman Sturgulewski: Mr. Murphy, do you have any further response to that?

Mr. Murphy: Yes. He says, o.k., Murphy, you've got this program down there and you haven't told me what it's worth. Isn't that what you are saying? I think that's what you are asking.

Senator Rodey: That's what you are saying.

Chairman Sturgulewski: Would you like an answer to that question?

Senator Rodey: I think so, because, that's why I asked the cost ~~worth~~ and that's ^{one} part and the other question is how much are you getting for your money?

Mr. Murphy: Right. O.K., is it worth it? We started out in the State of Washington with not, you see when you start out in the State, how do you find out how much litter you have in the State to begin with? I don't know how to find out, so we had ^{Booz} Booth, Allen and Hamilton make a study for us. It cost us some \$70,000 back in those days to tell us what to do about this program, ~~what the~~, how to get it started and what have we got here in the way of litter, so we can see if we're making progress later on. They came up with a figure that we worked from, and according to the figures that have been done by outside measuring outfits, we have had upwards of a 60 percent reduction of litter, from what we would have had. Now, if you go to the State of Washington on a given day, Senator, I want

were it \$15,000 (?)

you to notice, when you go down a certain highway on a given day after there has been a summer tourist season on the 4th of July, and that road hasn't been picked up, you're going to see litter. But if you do it on a ^{routine} basis throughout the State as a study ~~not attempting to be done~~, and honestly as we know how to have them done, the State knows how to have them done, we have had a tremendous reduction of litter. We haven't solved it, I don't think we will ever, all the litter problem, but we have made a tremendous reduction, and we are very proud of what we've done. So I think it's worth the effort and the money.

Chairman Sturgulewski: Further questions?

Senator Rodey: Just one comment, it would be interesting if we knew the perimeters of our litter problem, in the State of Alaska.

Mr. Murphy: It would be very difficult to start out with because you're starting with 100, well 50 or 100 years of accumulation and you know you have to get a handle on it.

Chairman Sturgulewski: That's discouraging. (Laughter)

Mr. Murphy: Were there any other

Chairman Sturgulewski: Mr. Murphy, I do have one specific question. The way the Advisory Council is set up, it's completely composed of business people and I have had a number of questions raised; and we've had that today about the fact that we should really be bringing in, on the one hand we have the technicians, the other the broader public interest; and there's, true, the commitment of industry to make it work, but what's your comment as to how you bring in the various groups that

have an interest in this?

Mr. Murphy: I don't want to speak for Senator Colletta, so I'm speaking personally; and I don't even know whether he'd agree with me or not, haven't the slightest idea, and I also want to level with you. I think part of that was put in there, I can't say this for sure, but put in there for all business because business was very concerned that this might get out of control, if you got the wrong people on the Advisory Committee and tried to use this against them. I think that was a frightening thing that they put in here. I, myself, would say personally, I'm not really speaking for the rest of the business in Alaska now, I, myself, would say, you ought to go ahead and put some other legitimate interests in here that want to solve the litter problem and not attack something else. You understand what I mean, I'm sure. Yes, that kind of an approach and some safeguards for the voter, you've got to pay a tax and in this case it's all business in Alaska, so if they don't get overwhelmed, I say to try and strike a good balance. The other reason we'd like to see business on there with a good say is because we think business should be committed to make this program work and if they are on there, in strong force, then they have a chance to really make it work.

Chairman Sturgulewski: Thank you for your comments. Any other questions from Mr. Murphy? Thank you very much. We have a dual, I believe they wish to appear together, for the State Chamber of Commerce, Lou Harris and Don Dickey, is that correct? And following that, the last person I have on my list here would be Commissioner Mueller from the Department of Environmental Conservation.

Mr. Dickey: Madam Chairman, members of the Committee. I am Don Dickey, speaking on behalf of the Alaska State Chamber of Commerce. The idea of a comprehensive recycling or litter reduction program is, I think, is not only commendable but not

new because for a number of years, dozen or so, Chambers of Commerce throughout this State, and some of your home committees have been carrying on, as you know, very aggressive and progressive programs, as has been testified to before. However, the problem with that, our own community here has on one or two occasions national and yet it seems to have no, it's like a ^{centipede} (~~senate-bee?~~) with a hundred legs and no head to it, there doesn't seem to be any coordination Statewide, ^{there are} some areas left out completely or not motivated enough to get started, and so I think the idea of looking at a comprehensive program with this magnitude has merit. I share, I was pleased to hear the Senator, mention that, Rodey, his concern on the cost because certainly as business people, we share that at a time when the economy is not particularly booming. At the outset, in the original bill, as you know, it was tied to a gross business, gross receipt tax, having, or from 18 to 20 ^{I have heard} found that the greatest thorn in the side of the business people, the inequities of that tax, which are now repealed. I was not anxious to lead any movement that would possibly get that back on their backs; and so I felt that method of financing was objectionable, and I so stated to the Chairman, Senator Colletta, and others, who were involved in this. And I am very pleased to see the substitute, which is being proposed and the method of funding. I think it has two virtues as I look at it quickly. One is ^{simplicity} simplicity, and there are only four steps; and second, which is important, equity. As for the funding method, asked about raising money, as I see the new proposal, you are asking only the \$25 business license now required. Those in the lower income brackets, more volumes of business^{es} would be asked only to add \$5, second step takes it up to 10; and I understand from State figures of about 33,000 business licenses that 73 percent of all those licenses would fall within the \$5 or \$10 brackets. As far as the increase would go, where they are paying 25, now, 30, 35, so two out of three businessmen in Alaska would only have to contribute no more than \$10 a year. And I don't think that's unrealistic at all. At the very top of that spectrum,

the fourth step proposal in your bill, businesses having over a \$1,000,000 gross ^{volume} volume, I'd say, and there's only seven percent in the State, but with this small amount would only have to pay \$75 more than they are now paying, or a total of \$100. So at that top from going up \$5 step up to a hundred, I don't think its excessive. I would like to start with the philosophy, and we have discussed, you and I, Senator, and others, the idea that its a chicken and egg thing ~~is~~, should we tie the tax and the funding to those people who contribute to the problem? And my response~~s~~, while that sounds logical and commendable, I don't think there are enough soldiers here or in China to police everybody that contributes to the problem; and I am going to propose, and we are taking it from our viewpoint that all of us contribute to the problem, all of us should contribute to the solution. So, I think in this manner, instead of trying to pick who threw the most out at the wastebasket, or if it's a professional man, or chamber type, all of us are either someplace, either ^{at} in the picnic, or in the cars that are potential contributors to the trash problem. So, I think it's logical that all businesses be asked to contribute to the solution. I also say, and commend the Committee, ~~for a better~~, for this step which in no case would anyone have to pay more than \$100, which is only a \$75 increase~~d~~ in over a million dollars; and I think the small merchant who has that tough problem is protected with the \$5 step. Commenting on some of the other factors, I ^{am,} naturally, again getting back to the funding factor, I am not only pleased to see, but we'd be considered a watch d : to make sure that this action not include for administrative expenses that exceed 35 percent. I think that's most important. I don't feel we have enough money in this State, or Washington State combined, to pay for all of these functions; nor is that suggested as I read this. What I think we need is to encourage, stimulate and not duplicate but stimulate voluntary services that are already existing; whatever you want to call the youth corp~~s~~; boy scouts, girl scouts, civic groups, organizations of that

nature, who long and hard have toiled at the collection and reduction of litter. So I hope that would be considered and that factor would be watched and the goal met. As far as grants to the existing Advisory Committee, it has been suggested that that seven member proposed committee be expanded; and I would, I believe that's realistic. I would concur with previous witnesses, Virginia and ^{Mr.} Murphy, that that has merit. Certainly we shouldn't draw a circle that excludes anybody, we should make it big enough that it includes everybody, provided they share the same goal and that's to clean up litter. As far as numbers, I have no magic proposals, I do think it should be ~~so~~ small enough that it's practical if they meet somewhere, and not be a complete troop of them, if they have to go. Having served on, a number of occasions over the past two dozen years, on State boards and commissions, I feel that the proposal of the Council meet not less than once every three months is perhaps unrealistic and may be unnecessary. I have, again, no magic figure to substitute, but twice a year probably, and maybe three. But I think merely the cost of that and the getting together, with the size of our State, any of us who have served as most of you have on various boards and commissions, I don't think it needs that much policing. As far as the receptacles, I know that, I think what is being proposed, and I have, well being Irish, I'm not going to propose green berets, or red, or purple, or even brown for the Hickel establishments, I'm merely suggesting that we would probably save some dollars, to get what they are using in Idaho, or in Washington. ~~If~~ we could order them in volume; and if all we do then, if we merely use our own oil barrels, but as has been suggested, use some decals from Alaska, so that the symbol is used on them, I think that would be a saving and it would also be an educational step for children or old folks to know that that's where they are to throw their refuse, trash. ~~The,~~ ~~on,~~ I note that there are, ~~There~~ is proposed also grants for public agencies, private, and also civic groups, municipal ~~or gym~~ types, and I think, whereas Anchorage particularly, Juneau to a lesser degree, Fairbanks, some others, have

had very fine clean-up programs. I think nothing should be done to discourage those, or minimize the voluntary help. It should merely supplement, and as I read the bill, that's what they propose to do, and I think that's good. As far ~~as~~ ^{the} youth corp, and I know that's, gets to be a touch word on what we mean, I have no clarifying definition, but I think the key to this thing is getting young people involved. That's where it's at, and that's where we're really going to get to them to work on whatever banner, and I think these folks are more dedicated than the parents, in many cases, ~~and that we~~ ^{we} should certainly utilize them, and the need for some job training and distraction from other activities that is perhaps not as desirable would come from having an opportunity for young people who find it tough to find jobs to be involved in some of these positive steps. So, I do hope it is encouraged in some other manner. Certainly the idea of issuing bags and things, some has been done already, I feel that there ^{are} motor registration ~~of~~ ^{also the} ~~and~~ ^{your} cars, and your boats, I think has merit and the receptacles. I had noted also ~~on the~~ ^{that}, as far as ~~there~~ ^{is} has been some contention ⁱⁿ on which Department, it should be placed, I am not quite as concerned with that. I think the most important thing is to determine the function. And the achievement of the goal is the desire and not who's favored agency gets to run it. I think the real accomplishment, and the thing I'm also pleased to see, that it has, and Senator Colletta at the offset testified, has a self-destruct clause that in three years he has enough confidence, and that's how we would look at it. Let's make corrections where needed, and if, at the end of three years it produced nothing, or little, too little, then I think it should self-destruct as is proposed. But I think that's a very favorable factor and I also would like, getting back to the financing end, the fact that apparently the proposed budget, and I only had a second to look, but the, starting at about 600,000, and if it could be done for less, I would encourage that too, but I see for the three-year period, but it's proposed that they indicate to us that they'd expect to raise under this four-step funding method on the license,

about \$668,000, and that appears to be an adequate money to carry it for three years. I think we would make a major mistake, in our public relations for the business people, if in about a year and a half, we have to go back and and put another tap on it. So, I think that three-year funding and I hope, I have no idea that is correct, but I hope that, all the costs the Senator brought up are considered in there and that we don't find an overrun which finds us having to come back because that would be twice as tough as ~~as in the past~~. I certainly, for one, and it has been testified wouldn't take my time, nor yours, to try and come up to suggest some cosmetic approach. If this is a comprehensive, everybody-get-to-it approach Statewide, including the bush, and everywhere else, I say fine. If we all get our shoulder to it, I think we can make some accomplishment, so, even though the cost is involved, I think this substitute is a reasonable approach to it and appreciate the chance to talk.

Chairman Sturgulewski: Don't go away, just a minute. Questions of either of you?
Senator Kelly?

Senator Kelly: Yes. I'm somewhat chagrined on that you've taken such an easy approach onto the reestablishment of the gross business license tax in the State. You know, we have, I suppose a philosophical ^{difference} on how do you fund a bill of this nature assuming that, you know, we feel that it's comprehensive enough to mean anything. Washington, obviously, as Mr. Murphy testified, goes a different route and what they're saying, I assume like something those businesses who contribute the most to the problem are picking up the tab. In Alaska we're saying, in essence, that everybody contributes to the problem, and that, but the businessman, be it the small businessman that might not in the least bit contribute to the problem, will pick up the tab. We're opening up the gross business tax again, and aren't you all worried that once we open it up and begin taxing on licenses

again, that it will just be a simple step each year, just to increase it each year?

Mr. Dickey: No. I think that's a real possibility and I testified at the offset that we were not favorable when it was tied previously. If you recall, Senator, when you look at the proposal, there's a little difference. I guess it's kind of half horse, half rabbit, you're asking me which I like of the two, and what I'm saying, I prefer this to the previous one, which would have put at the top a fine or a fee of \$25,000. So, I'm saying I like \$75 better than \$23,000; so in proportion I think it's a much more realistic bill. I share your concern, and the possibility that this could be a vehicle to get back in the gross business license tax, which I would spend my fulltime arguing against it again, as I have for 18 years.

Chairman Sturgulewski: Senator Kelly, any further questions? Senator Rodey?

Senator Rodey: Just one. Where would you draw the line, Don, in terms of Chamber support for this legislation in terms of cost? We, unfortunately have seen costs rise and in some cases, all out of proportion of what we had anticipated. Certainly you've been a spectator, as well as a participant in these activities, and where would the Chamber draw the line in that regard? We are talking about a six hundred, seven hundred ⁰⁰⁰ cost.

600,000 - 700,000

Mr. Dickey: Yes. I have no magic figure. I did talk to Senator Colletta and the others. I expressed and repeat publically my concern that we are starting a little high. Now obviously the people in administration are saying that they can hardly do it for this cost, and I can understand it, what are you paying for and what do you get? I was basing mine, you have to have some bench mark, and I asked Washington

State, prior to Mr. Murphy's testimony, what do you have, five years of experience in Washington, or six?

Mr. Murphy: Actually we really got rolling in 1972, but we had started in 1971.

Mr. Dickey: Seven years. But my thought when he responded with that they started out there with about \$600,000, and they are still holding, which appears pretty good based on their population. So, by comparison, I was hoping we could get more for less, I guess. Now, how that would be done, I realize you have to line for line go down for it to be done. But I am stressing that I think one of the ways to do it, is that people who come in, as I understand it, into these communities to help stimulate the clean-up of the river, or the communities, the problem, that there only be one or two stimulators from the State and that the rest of the volunteers, I don't think that everybody should have to be, or expect to be paid, or that the volunteers who were doing a good job in some communities, be discouraged and say why should I go out and do this for free when across the street somebody is getting paid for this and let them do it. So, I think that is a very real concern. I don't have a magic figure. I would hope that it would be less than this and somewhere, I'd say, under, we could do it for five hundred thousand, somewhere to start, and then work up. But I did stress to the sponsors and others, this idea that the three of whatever they fund, I hope for those three years, just from a sales point would be, would permit us to whatever growth is going to occur, and still not have to go back for seconds ..

Chairman Sturgulewski: I wonder, have you gotten

Senator Kelly: Let me ask, having spent 18 years in business, Don, and being as close to the Alaska political situation and the State Government budgetary process as you

are, do you reasonably expect that budget to stay at \$600,000 for three years?

Mr. Dickey: No. Nor do they propose that in here. They say six hundred, six hundred seventy three, and I think in the third year, six hundred sixty seven. And as I point out the total, I'm only using their figures, but they say it will raise six hundred sixty eight thousand the first year. We hope that there will be more business licenses attracted to share this pleasantry with us, so that we can all contribute. But, so, what I guess my response, Senator, would be that it appears that figure is adequate even with the three steps and I also want to re-emphasize and say again that I am pleased to see and would be here to see how it turns out, but there's a three year self-destruct, because if that starts, as we are all a little concerned, if that starts getting into millions of dollars worth of program, then I think we might have very quickly have second thoughts or other methods of skinning that same rabbit.

Chairman Sturgulewski: Any further questions? Fine. I'll point out for the Committee. We have a little bit of a problem. Both Senator Kelly and I should be over joining poor lonely Senator Bradley, who's trying to run a meeting without a quorum. I wonder if I could get an indication, we've had Commissioner Mueller, who would like to speak are there others in the audience that wish to speak on the subject? Alright, we have a couple of more. Commissioner, would we do you, two options here. One, we could allow Senator Rodey to continue the meeting and we would then miss it, or we could take a very brief recess, and help Senator Bradley get a quorum and get established at an official meeting and then slip back to hear your testimony. What's your schedule?

Commissioner Mueller: I don't have a schedule, Senator

Chairman Sturgulewski: Could we, we'll take about a ten minute recess and then come back to hear the additional testimony.

Mr. Dickey: Senator, could I just

Chairman Sturgulewski: Just a moment, Mr. Dickey go ahead.

Mr. Dickey: Just a last burst of wisdom.

Chairman Sturgulewski: Oh, my, I can hardly wait. (Laughter)

Mr. Dickey: I would hope that the self-destruct on the bill would also tie with the self-destruct on the tax. (Laughter)

Chairman Sturgulewski: Very good. We'll be back in ten minutes. Thank you.

CHAIRMAN STURGULEWSKI: Calling the meeting back to order, I just might point out a couple of changes there are, some cleaning up and technical things. A couple of things I think are important are on pages in the old Senate Bill 2, we have added Sections ^{41, 21, 140} ~~41, 21 and 140~~. You will find this in your Committee Substitute. It has to do with Federal requirements. If there are any changes in Federal requirements that would affect a portion of the bill, we would see that those particular ^{potentially} ~~projects~~, when in conflict obviously, ^{with} ~~would, when~~ the State ~~is in conflict with the Federal~~, that the State portion would automatically drop out, so the Federal funds could flow in. We have segregated out the taxing, the tax portion of this. It does not require a fiscal note; but again under the single subject, it needs to have a separate ~~an~~ vehicle. We have done away with the non-severability clause so that this bill would conform to what the other legislation within the State normally does. There is a severability clause, where if a portion of the bill is found to be invalid, the rest of the bill stands. It, of course, is to hold as much as possible.

The Courts have moved to hold as much as possible, but the legislation will stay in effect, and that is ^{in the sub. bill} a very major change. We have added a section that would allow for staggered terms of the Advisory Council. The way the former bill was, it caused ^a ~~for them to be~~, ⁱⁿ a complete changeover ~~and~~ a two-year period of time. I think those are the main changes other than housekeeping.

We do have a list of people who have signed in. We still have a sign-in sheet there. We would first like to hear from the prime sponsor, if we could. Senator Colletta, would you like to join us? Do we have any other members of the House or Senate that would like to move up to the table? Fine. Thank you. Senator Colletta.

Senator Colletta: Madam Chairman and members of the Committee. First, I want to thank you for taking such speedy action on a measure that is ^a personally a priority of mine; and I would like to also inform you that my remarks will be relatively brief. I know the Committee panel, I have associations with them on a reoccurring daily basis, ^{both} within and out of the Legislature. And, I know that there is also an area where there is a great amount of visibility on this measure, but it would seem it would be well to refresh our memories as to how Senate Bill 2 is before us today. As you know, or may not, the litter act has been around for as long as some people have ^{worked} and worked very hard for a deposit measure. Since the original introduction of either of those two measures, the deposit or the litter reduction activity, times and circumstances have changed. Both bills now address themselves to a recycling finish, in addition to the reduction of the other. Maybe we should address ourselves to a speedy relation to the time available. ~~We~~ use what we pick up so, conceptually, I am very firm the election process. My convictions were from, by the people that possibly Senate Bill 2 offered, at the very least, an opportunity to try something that would truly address a litter free environment. This ^{is} the deposit mentioned. I can't stress that strongly enough because I believe that it should play a very important part in your deliberations as to what you do with this measure. It's worth a ^{try}, it's completely industry supported; but most importantly, I believe it will create the first step, regardless of its volume collection in a process that's going to be a viable, a truly a litter free and that could all be put to use. I do not stand on the side of the ^{authorship} upper ship on anything within the bill other than the conceptual idea behind the bill. The bill is a composite of many, many litter acts that are in effect in various states and the amendments that they have made out of actual work applications of the measure over You will receive a great deal of testimony. I had an opportunity to be in the audience here. But, we both need your support and possibly in opposition too. I would also direct

your attention, in even though your work drafts have already begun to make some changes and make it ^{a bill} ... even more of a bill, that you also allow such a place which is a review and evaluation as possible.

Chairman Sturgulewski: Mr., Senator, I wish you would make note of that again. I think, I think that's an important part of what you indicated earlier on the bill.

Senator Colletta: The last ^{Page 13} capable work draft that everyone has, page 13, section 6, is really an evaluation provision. I personally am so convinced that based on other state's experience, that Alaskan's are not performing and I would be willing to gamble on time ... certain for a trial on this measure ... we do implement the measure, so, it. You know, the least anybody can do is try and I think at a trial, they will all have a better and happier place to live in without having an additional burden to the overall populace in the attempt to reduce litter and recycle, some of the materials that were used. Madam Chairman, I might conclude with that, unless there are specific questions that we, or any of the Committee wish to ask.

Chairman Sturgulewski: Any questions of Senator Colletta? Fine, thank you very much. I thought that it might be helpful next to hear from the Department of Community and Regional Affairs. They will have a major role, of course, in at least a bureaucratic point of view of seeing that this bill is carried forward. And, Commissioner McAnerney is here. I believe you would like Eric Lee to talk to us today?

Commissioner McAnerney: (From the audience) Yes, Eric Lee is the one.

Chairman Sturgulewski: Fine. I hope that he'll, very good, thank you Commissioner, will speak to the fiscal note that is attached. We have a tax bill, but it doesn't indicate how much will be available for a program. And, if you could identify yourself for the record, we'd appreciate it.

Mr. Lee: I am Eric Lee, Director of the Division of Community and Rural Development, with the Department of Community and Regional Affairs.

Chairman Sturgulewski: Would you introduce yourself for the record?

Mr. Kanouse: I am Dan Kanouse, Program Coordinator for the Division of Community and Rural Development, Department of Community and Regional Affairs.

Chairman Sturgulewski: Fine, thank you. Go ahead, Eric.

Mr. Lee: Madam Chairman, the Department is basically in support of the concept obviously of staying a litter-free State in the reduction of litter in the State of Alaska for ^{the extent} possible. In looking at the original draft of the bill, we, of course, have some comment and some concerns about the language; and as Senator Colletta mentioned, the concept is, I think representative ^{that we are concerned as well as} also a bill ^{commitment} that has a working language that will enable the Department to successfully work on ~~that~~ the bill. So, ^{regime} to get into ^{How} that, I do have several items which are ^{of} somewhat of a technical nature ^{which I would like to discuss} to be discussed later today, or at a later time; whatever is the pleasure of the Committee. I can briefly mention what some of those are in my remarks, if you'd like.

Chairman Sturgulewski: Eric, I think it would be helpful to point those out, the areas of concern. We would probably hear some of those mentioned a number of times;

but as far as specific solutions to that or suggestions, you might hold that until another time.

We of course do
Mr. Lee: Right. There's a cause of concern that the costs of the program are covered by the new revenues generated, and I've not had the opportunity to examine the new revenue projections, but our fiscal note is based primarily upon the old bill projections which *were* provided to us. The fiscal note, which I can't find, *probably do have a copy, got mixed up.*

Chairman Sturgulewski: *We* You do have copies.

Mr. Lee: Fine. *We* We did make several assumptions, in developing the fiscal note, and I think some *of those* of the assumptions are important, and we certainly would like to be corrected if our assumptions are at fault in the change before the Committee. The first recommendation we have in the, we make, *and* did make an assumption in that *our development* was that a new division not be created. That *is* is an unnecessary probation of the bureaucracy and *in fact* that a highly visible program within an existing division, within the Department, would be just as advantageous, and more economical in terms of the cost *being put* into it. The other assumption is that a central location of the program would be located in Anchorage and that there would be a field office in Juneau and the cost developed *are* related to that. We made the assumption that local communities are concerned about implementing the comprehensive litter reduction program and that our Departmental staff will provide them with assistance and guidance and coordination from their efforts. We do not intend to be *available* to solve the problems ourselves and in *that section*, local communities will be participating very actively. The assumption that the program *in the* local communities will eventually become self-sustaining. The language of the initial bill indicated an administrative cost *would be limited to* a little over 35 percent, and

our assumption was that administrative costs are defined as those costs which are not directly related to the program. A program costs something close to administrative costs, but some program costs may be salaried, salaries of those people who 100 percent of the time are coordinating with the communities. We, simply do not define as administrative costs. We assume an annual inflation rate of six percent. Getting back to the first page of the line item layout of the ~~now~~, our estimation is first primarily, what we did, Madam chairman, is to take the revenue projection and try to tell you what we can do with that amount of money. So, the first years expenditures, next year would be \$600,000, total expenses. I believe this was in line with the original projection. Of these \$600,000, we have broken out on the second page the line item budget project for you. We are talking about the staff of eight people, includes clerical staff, there is a staff chart provided on the next page, and the information offers high level information officer educational type person, who heads the section supported by a clerical staff and four professional field people who would be working in the field with the local communities to coordinate the activities of the program. In the 1981 projection, we have added one more position, that is a fulltime position as a recycling coordinator. In our discussion with other states, who have been involved in this, have indicated that that position would, is one that would not really need to be, could not possibly be a fulltime position until the program is on its feet going with development kind, that makes it what it was some- one to coordinate the recycling efforts at the same time, so we have added at least one additional position, in 1981. The other as we go down through involves some travel, which is going to be necessary for the staff to participate with the local communities. The Advisory Council which is created, the travel and per diem need to be paid and that is indicated in the fiscal note. We get into the basic communications costs, space costs, based by the standard cost of the Anchorage area and the Juneau area, and so we couldn't note them. Another large item in here is \$75,000 for commercial and educational type activities. We have listed in perhaps as a

major item. This is obviously a flexible ... of the things ^{that apparently the other} the Interstate ^{States has felt}
Commerce has been ^{one of the main} wanting to know, advantageous methods of information assimilation,
^{and I think promotion} commercial being one of the objectives ^{that cost the success} and that is why the budget is why it is.
Jumping down to the base of equipment and commodities ^{show} to operate the number of
bodies based upon current standards; and the grants sections would be direct grants
to communities for the various ^{how many districts} sections outlined in the bill. I will be more than
happy to try and answer any specific questions and the fiscal aspects of it. ^{main}

Senator Rodey: My question is very simple. In June of 1978, in a Community and
Regional Affairs memo, the estimated cost of the bill was 2.6 million. There has
been a significant reduction in the cost of the bill in that time without an
apparent major change in the bill. Could you explain to me why the tremendous
decrease in the cost of the bill?

Mr. Lee: O.K. What we did, and it wasn't, when we were talking about that part,
was to develop a handle on what ^{what} the cost essentially, to do everything that every-
body else ^{is doing} is doing. And we contacted other people, and various states have dif-
ferent programs. One major thing in that section was the Youth Patrol, which the
State of Washington has. The State of Washington funds that Youth Patrol one
hundred percent. They actually hire hundreds I believe, of children, youth who ^{is out of}
actually go out and pick up the litter. They pay for that out of the general fund
and that was over a million dollars ^{in that portion} in that portion. So, ^{if you want to fund a} if you want to fund a
Litter Patrol with State funds, the language in here does not indicate that. It
indicates that we will be using other sources of funds for hiring that type of
people. ^{But} That was one of the major functions. Additionally, we were trying to say
what is the ^{what cost} , what cost would it be if we had the Rolls Royce of a program? ^{In} In
our discussions with the sponsor and with others what the revenue projections
were and the fiscal, and we concur that the cost of the program after that

~~to revenue.~~ What we were saying now is that is what we can do, and what we are ^{will} going to do with that amount of ^{money} dollars, and ^{scale it down} spare that accordingly. 294

Senator Rodey: Madam Chairman, just a comment. The Litter Patrol is, of course, still in the work draft that we have. The estimate of revenue by the Department of Revenue last year was \$890,000; and, if I'm not correct, and, do you believe that would be a reasonable amount of money to support the program? We, of course, see programs proposed to us and invariably they come back to us more expensive than when they started out. And Community and Regional Affairs has been one of the most responsible departments criticism on Community and Regional Affairs; but I am very cautious about this.

Chairman Sturgulewski: I might add that, one little comment, Eric at the beginning indicated that you have not, with the new proposal on the tax bill, had an opportunity to review your fiscal note. There was a high and a low and there are, there was a little bit lower amount from the smaller businesses put in the tax bill that has just been laid on your table and obviously you haven't had an opportunity to, to look at it, nor perhaps Eric Lee. The amount of revenue projection is approximately \$680,000 from this There was one that had the full \$10 right at the beginning scale. It would have brought it up into the range that you are talking about. That's without a new fiscal note, that's

Mr. Lee: our original fiscal note is ... benefit our revenue projection than, perhaps the new bill. We were working with approximate figures at that time.

Chairman Sturgulewski: Senator Rodey, any further questions?

Senator Rodey: One further question, Eric, do you handle any other litter control

programs within the Department, or programs relating to refuse, or

Mr. Lee: No, we do not.

Chairman Sturgulewski: Any further questions of the representatives from the Community and Regional Affairs? Just one question, if I may, were you going to go on to some structural areas, fine.

Mr. Lee: That's why, I was going to say if you'd like, I'd continue to communicate on this thing. Some of the structural programs that we had, that I was, some of these things will need further investigation and we carry on discussion to ... to determine the impact as well The Department of Environmental Conservation, I don't mean to speak for them, have indicated to us that they have concerns about the language, which may preempt all other statutes dealing with litter and perhaps lose some of those that we don't want to see removed, changed. They, I would like a further clarification of the definition of administrative costs because if our personal services are considered administrative costs, you are not going to get this type of program, for 35 percent of the total.

Senator Kelly: Mr. Lee, why was the, your Department selected to administer the program rather than the Department of Natural Resources, for example?

Mr. Lee: Senator, I could not answer. I suggest that the original sponsor and the The language referring to three months after fiscal year to determine the report is a bit too restrictive, because the books don't actually close for a couple of months after the end of the fiscal year and we would like to see an extension of six months, rather than three months.

Chairman Sturgulewski: On that point though, that would mean, the possibility then, of that program not possibly getting, would that bring it back before the Legislature for that immediate year, then?

Mr. Lee: It had, what occurs now, we have a similar type of situation with the day care assistance program, which we administer Legislature, and we have that report prepared and ready for the Legislature before it convened in January. And three months after the first of the year would be October and, it would be, fiscal would be very difficult because the time frame and close down of all the books. We are somewhat concerned about the Department's ability and mechanism for receiving and expending contributions of either cash or in kind in terms of the day-to-day operations. We have not had experience in this area and would like the language establishing so it is clear that the intent that we can take in gifts, donations, and turn around and spend those on behalf of the program. There has been some concern indicated to us from other states that if you absolutely mandate a specific size, color, shape of a receptacle, that they have a lot of difficulty in the public relations aspect getting some of the businesses to support that, because they may have spent a large amount of money on the decor of their building, and you want to put a purple trash barrel alongside of their blue building, they would object, so we would like to see a little more flexibility, perhaps in that language. Also, we are somewhat concerned, would like some further investigation on the impact of the dollar amounts levied on the This would, like at least some indications as to what is expected and the intent of the establishment of the fine, it appears in some cases, fines have been reduced and we are not sure if that is the intent. Another item we would like to see added to the available use, for the general use of the grant money to municipalities, and would like to see that, allow them to also purchase purchase the required receptacles, and so forth, that is their primary need, and the current language

Chairman Sturgulewski: Eric, in that case, are you thinking of smaller communities where that would be the difference of the beginning of the program?

Mr. Lee: Yes, right. If that, that's the primary need, and primary situation, they have no other basic resource, we will, at least, have that be a possibility. I don't think we want to see that because the sole use of the grants at all, *we* certainly ^{do} not support that idea.

Chairman Sturgulewski: Other questions ~~of~~, you might have of Eric Lee? Were you going to be giving some testimony today, or are you here as the back-up man?

Mr. Kanouse:

Chairman Sturgulewski: Fine. We'll obviously be having work sessions on this, and we appreciate your testimony. Senator Kelly? Fine, thank you very much. The next person to sign in was Chris Foster. I don't in all cases have the organization that is being represented. Oh, and Virginia del Piaz, if you'll introduce yourselves for the record, please?

Ms. Foster: My name is Christine Foster. I am appearing today as a member of the sponsoring committee for Ballot Proposition No. 5, in the 1978 General Election.

Ms. del Piaz: And I am Virginia del Piaz. I was Chairman of the Ballot Proposition Chris was speaking of, properly known as the Alaska Bottle Bill Initiative. We'd both also like to state that it is general knowledge we are legislative staff this Session. We have received permission to testify on this bill. O.K. Last year, or several years ago, we undertook an initiative drive to place a proposal for a term

of beverage container legislation before the public, because we were concerned about two problems. That was recycling and litter. The initiative was defeated in the November General Election, but our interest in addressing these two important problems has not diminished. It is our hope that the Legislature will give serious consideration to making any new program the very best possible for the State of Alaska. We are concerned that any legislation deal meaningfully and not just cosmetic^{ally} in this problem. In that spirit we would like to make a few suggestions on this bill. We did not have the Committee Substitute to look at when we read the measure before us, so some of this might be a little out of line in sequence. Probably the most important thing we'd like to suggest to the Committee, and this ^{is} is already somewhat been brought up ^{out} the Community and Regional Affairs, is that this program would most appropriately be administered under the Department of Environmental Conservation, rather ^{than} the the Community and Regional Affairs Department. DEC has the existing litter control measures, it has solid waste management. In general, as a division, as a Department, DEC is the lead State agency for solid waste management planning, the regulation for enforcement, for technical assistance, both under the State law and the Federal 1976 Resource Recovery and Conservation Act. DEC already distributes litter bags, they've already done litter surveys, they provide local assistance to governments, they also promote the Alaska Clean-Up Month, which I believe is the month of May, and have done so for a number of years, and have also been involved in policing television spots and other public literature. So, it's pretty evident that this particular agency has been involved in this type of thing for some time and it is our feeling that they would be more of an appropriate agency to deal with this program. The lead, as it should be, and should continue to be with the Agency most logical, which would be DEC. It could be put, as was also suggested by Community and Regional Affairs in an existing division, in DEC, which would probably be their Terrestrial Programs division. That

already handles most of what the proposed division, of what this legislation ~~needs,~~ ^{needs,} would handle. Secondly, the section of the Advisory Council, whereas you have two different ways of working with this. No. 1. If you are going to move the program to DEC, DEC already has an existing Advisory Committee that could very possibly, easily expand their charge to the concerns expressed in this bill. This would, to our way of thinking, be a logical extension of the need to DEC, of course, and also there is existing funding, and so forth, for this particular Committee. They are very well constituted, they are a working Committee, ~~they're,~~ ~~they~~ are used to dealing with these things and they're very familiar with these types of problems, so feel that this would be the more logical way to go. But, if the Committee decides to keep the program in the Community and Regional Affairs, we feel the Advisory Council should very definitely not represent just the same interest group, as is currently there, which would, on page 4, lines 7 through 10, Section B, on the old bill. ~~Some of the,~~ ^{We} feel, that it should be expanded to ~~and for a~~ different interest group, rather than just the businesses. And some suggestions might include a public member, ^{Education} members of the education ^{and} community that deal in education in the State, local government officials, perhaps a rural representative, somebody from the recycling group, youth groups are involved in this, obviously, of course, some type of business representative, possibly one from a consumer group and environmental group, or for service organizations which have expressed quite a lot of interest in this bill. We'd also suggest that they don't need to meet as many times a year, possibly twice or three times, rather than four or more times, would be adequate and would also help on the fiscal implications of per diem and travel. On the proposed Litter Patrol this, in following this bill over the years, has changed quite a bit. And in the current bill, the duties and purposes of this Litter Patrol are very vague and not very well specified, and so we suggest that this be a lot more truly tied down

clean-up drive conducted by local agencies, private organizations or service groups, even volunteer help. Now this is something that already does exist in the private sector ^{with} of the volunteer effort, and we just wonder at the wisdom of using State monies to fund something that is already essentially being taken care of in the private sector. And fourth, any other public information that is selected by the division including the use of media, ^{as} I mentioned earlier, ~~there is already a~~, DEC is already doing some media spots against the litter and I think everybody familiar with the National ED Council, TSA Time, which you see on television and hear on the radio quite frequently, so feel this in a large part is already being done. The fifth and sixth one, speak to No. five, the expansion of existing and creation of new source separation programs, and six, expansion of existing and creation of new community recycling centers. This, as I said once, that this might more appropriately be under a loan program, because it is speaking of capital expenditures for structures, and ^{so} for equipment, and that this might be more appropriate for that particular type of program. And the last one, seven through ten, felt that these might more appropriately be under the section that gives the charge to the division, whether it's in DEC, or C/RA; but this is essentially telling them the things they should be working on and they are, in fact, pretty similar to what is charged to the division. And the litter control assessment, which was in the original bill that we were dealing with, and now you have separated them out, but our point still remains pretty consistent. No matter how this assessment, or tax, or whatever it is to be called when it's done, it should be tied to the amount of litter generated by a business. There should be some relation there between non-litter generated to the tax put upon a particular business or operation. Now, we'd like comments and suggestions but what we offered haven't been real specific and we don't have the language drafted, but we'd be more than happy at any time to work with the Committee on

to what their purposes are. And also, just make the observation that if this is to be an effective part of this program, it would probably have to go pretty large in order to cover a State the size of Alaska, so there might be some problems with the ways it's constituted. We would like to make a comment on the grant section of the bill. If this is to remain, in fact a grant section, we suggest there be some definite limitation on the grants indicated in the bill. As far as we could see, there was no limitation or lower limitation on the grants to be made. But, actually, when you look at the things as they are listed and there are ten listed, they break down in a different way than just getting grants. No.'s one through four are pretty much already existing; and five and six could, I think, very effectively; be made into a loan program, either with one existing, or create a new one; and No.'s seven through ten could be done by the Department or the division, or could be subcontracted, or could possibly be grants, if this was deemed one. I would like to go over them briefly to explain how we came to that conclusion. The first one goes with the instruction at the distribution of informative material to elementary or secondary schools, and so forth. This is already, there are a lot of sources for this already, mainly for Keep America Beautiful program and some through Federal programs. We feel this in a large part already does exist. The second one, purchase and erection of roadside signs. This one is pretty vague, and to give grants for this is really ^{duplication.} There are ~~are~~ already, ^{already} is an existing statute for the address of roadside signs for littering and that Sec. 19.17.010, which states, very briefly, a Commissioner of Department of Transportation and Public Facilities shall place a sign near State boundaries, at each primary and secondary highway which informs the public of the prohibition against ^{and} ~~and~~ highway littering and shall ^{may} ~~shall~~ place some ^{similar} ~~more~~ signs ^{at} ~~at~~ other locations within the State when considered necessary. It was our thought, ^{it's} ~~that this kind of,~~ ^{were} it's already covering that contingency. Third, the organization, operation of the

specifics. We do have specific language worked for the loan program, if you'd be interested in that, that's why we've done possible language.

Chairman Sturgulewski: We definitely would want that information. Any questions of Virginia?

Senator Kelly: Just one. Virginia, are you satisfied with the recycling provisions in this bill?

Ms. del Piaz: Quite frankly, there aren't too many. I would certainly like to see this strengthened. There is quite a lot of interest going on with that, in this State currently. I know Anchorage is getting started with the program and I think this would have to be strengthened. I don't have any specific suggestions for you right now, but we could certainly work on it.

Chairman Sturgulewski: Other questions? Chris, did you care to give testimony also?

Ms. Foster: No, Virginia covered all our major points for both of us.

Chairman Sturgulewski: Fine. Thank you very much. I think a very major basic issue has been raised, and I am sure there will be other testimony. I wonder if Senator Colletta might wish to speak and I, to the reason for the designation of Community and Regional Affairs and also possibly to the Youth Patrol. I think those will be of interest to other groups and I know the Committee will be interested.

Can you
check his
earlier
wording

Senator Colletta: Madam Chairman, yes, I see that Senator Rodey raised those and if you will recall in my introductory remarks, I stated the bill hadn't, a great evolution because of that hitting us occurred over eight years of implementation. Community and Regional Affairs was picked for reason. (This is not a State bureaucracy. This is, for all practical purposes, a people's activity; and who thus can do that, but the agency that's dealing with people on a daily basis; as is their prime charge of community and regional affairs. DEC is limited in their scope, although they have activities Statewide, it's not a normal reoccurring daily function. They go and on specific issue? Department of Natural Resources, the same way. They have Statewide responsibilities, but they don't work on a daily basis Statewide. The Litter Patrol, the fiscal note that Senator Rodey alluded to, has been a source of controversy from the day it was requested, and ironically, and for your information, it was never requested by myself. It was requested by those who were in opposition to the Litter Act; and I don't wish to open up that controversy. But that's where this 2.8 million dollars came from. At one time, in the course of introduction, Commissioner Max Brewer, from DEC, had suggested to me that he had some approximately 40 people, that he would delegate an additional responsibility to. Somehow, or another, 40 people got into the act that we were going to start funding and paying. Put 40 people on the payroll. This is the intent. The Youth Patrol is very much alive and ... In Anchorage I would suspect they have no less than 2,000 youngsters in a Youth Patrol. They are being run through nonprofit and civic organizations. They are not State employees. You can interpret any kind of wording, in whichever manner you wish, to fit the need that you wish. I would like to take the latitude of thanking Virginia and Chris. I offered an invitation, when it became .. on election night that this was not a victory for those people who, philosphically were ^{not} in tune with me, I offered an invitation to them to cooperate to make this a workable bill. And, I'm now happy that they have come forward to do that.

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Chairman Sturgulewski: We'll appreciate it as a Committee and certainly use their services. Senator Rodey?

Senator Rodey: Senator Colletta, my concerns, of course, the cost of the bill, I know you share that concern with me and the reason I referred to the previous memo, is because it is one piece of evidence that relates to the cost of the bill. And, I'm particularly concerned because the cost of the bill would be borne by Alaskan businesses, small and large alike, and quite frankly, I'm somewhat reluctant, perhaps reluctant in the extreme, to put any additional burdens on Alaskan businesses this year. I would rather stand neck deep in the Gastineau Channel than to ask another burden on business this year. Certainly it's passed on to the consumer too and it affects all Alaskans in that regard. That's why I'm concerned about the funding because it will reach the point of making a decision; and if we do have a bill, of course, I would like to see the lowest possible fiscal note and I know you share that concern with me. And that's why I'm looking at some of the alternatives and also the funding of the Litter Patrol, which appears to be an unknown quantity at this point, particularly in, in future years.

Senator Colletta: Senator Rodey, it's apparent one of two things is occurring. Either you're not hearing me, or I'm not making myself understood; but I thought I had addressed that. The Litter Patrol is alive, it's not State funded. The Litter Patrol is comprised of youngsters who are assisting their parent organization in the earning of some dollars. It's a volunteer effort. The only paid individuals are those that the State will furnish to assist communities in accomplishing a Litter Act activity.

is assisting and hoping that the accumulation of that would be the central place for them, again benefiting them. They still sweep their own parking lots and everything else. So, I don't think it's that controversial of an issue; it could be, but I doubt it, very much.

Senator Rodey: I'm not sure it is controversial, Madam Chairman, and perhaps we could hear from members present from these groups, or the Chamber on that and see if they have any question or

Senator Colletta: Madam Chairman. If I might have a, -I really want to clarify that Litter Patrol, I think maybe we're grasping at words. Originally there was a Litter Patrol; these were uniformed youngsters working for a State agency and so forth, but experience has shown that that's not the most practical way, because what you've done is just expand a refuge picking up activity, which just doesn't accomplish ^{the most lasting benefit} and they have had greater success in utilization of the local ^{youth}.... instilling the pride in each community.

Chairman Sturgulewski: Senator Rodey?

Senator Rodey: Madam Chairman. I'd be happy to work with you, Mike, on this and redo the language, because the language Litter Patrol is still in there, and we need to redo the language in that section because it's a bit unfair to me. I think you're absolutely correct, certainly we can look at Europe and see what they have done to be at these means, that, some of the, which are very traditional.

Chairman Sturgulewski: Thank you. Are there other questions? Thank you very much Senator Colletta. The next asked to testify, Mr. Gravo and Ms.

Senator Rodey: Madam Chairman. Let me point out, though, that in, nowhere in the bill does it say that, it merely says that the division shall adopt mandatory requirement for adoption of regulations which established the Litter Patrol; and I think it is something we ought to consider in our draft. And certainly in our work on bills, I find your assurances to be absolutely gold plated. And I think this is one of the things which we need to deal with in the draft of the bill. And, let me bring one other concern up. There is, on page 6, Section C, ^{where it} places the responsibility on people owning or operating in a public place and that does include ~~a very category; and includes~~ a great many businesses; if perhaps not most businesses in the State of Alaska, certainly ~~all~~ retail businesses. And, it deals with a question that Eric mentioned earlier; and that requires the businesses to procure, place and maintain those receptacles at, should be at their own expense, after their own expenses here. What reaction have we had from the community in regard to this? This was alluded to previously.

Senator Colletta: I don't know if there has been any other specific language that it's probably six months ahead of what this measure hopes to accomplish. They have already through specific organizations such as the Chamber of Commerce implemented the litter and recycling activity, totally privately funded. It is my understanding in talking with the Chairman of that activity, is not a probability the only assist that he would want out of the passage of this bill, would be the educational aspects and conceivably, on occasion, a little bit of receipt money to tide them over on some of the contractual things that deal with the nonprofit organizations in the pick-up of litter. But the responsibility you are referring to in Section C, Pat, I don't know how to answer that to you, other than the normal course of activity, they do have designated spots, receptacles now and the responsibilities for policing their own yards, still remains theirs. All we are doing

Municipality of Anchorage, or possibly a private citizen today, I don't know.
Mitch?

Mr. Gravo: Sure. My name is Mitch Gravo. I am testifying as a resident of the Municipality of Anchorage. Litter is a major problem for the municipality and any legislation which helps us deal with that problem, we support. My comments will be very ^{brief} and they just deal with a few housekeeping matters. The first one, on legislative intent, suggest the Committee discuss the possibility of including the public sector also in that section, where you indicate encouragement and stimulation of private recycling efforts. For example, the Municipality works with, very closely with, the Chamber of Commerce on the program that Senator Colletta was just speaking about. Last year it was a tremendous success and this year because of the changes, new approach, I think it will be even more of a success. The Advisory Council possibility that not only the people are mentioned in there, be part of that Council, but also solid waste professionals, also be included, people with considerable expertise. The survey section, you indicate that six months after the bill goes into effect there should be a survey to determine if its working. You might take a look at that, in that if it goes into effect in July, the survey would be conducted in January, and in Anchorage, all litter is covered up in January, and we see it in May. So, you might take a look at that.

Chairman Sturgulewski: Fine. I think that's more of a technical thing we do need to look at, because it was more of a question of when that program begins, and it's going to take a little time to get it underway. Good point.

Mr. Gravo: When you speak of, when the bill speaks of garbage or refuse, that's somewhat vague and our solid waste people suggested, quite publically, that perhaps

Calling the, ah, meeting back to order, I just might point out a couple of, ah, changes there are, ah, oh some cleaning up and technical things; but a couple of things I think are important on page of old Senate Bill 2, we have added, ah Sections 41, 21 and 140. You will find in your Committee Substitute. It has to do with Federal requirements, the, ah, if there are any changes in Federal requirements that, ah, would affect a portion of the Bill, ah, we would see that those particular, ah, projects, when in conflict obviously, ah, would, when the State is in conflict with the Federal that the State portion would, ah, automatically drop out, so the Federal funds could flow in. We have segregated out the, ah, the taxing, tax bill portion of this. It does not require a fiscal note, but again under the single subject it needs to have a separate, ah, vehicle. We have done away with nonseverability the non separate ability clause so that this Bill would conform to, ah, what the other legislation within the State normally does. There is a separate ability clause, where if a portion of the Bill, severability ah, is found to be invalid, the rest of the Bill stands. It, of course, to hold as much as possible

The Courts have moved to hold as much as possible, but the legislation will stay in effect; and that is a very major change. We have added a section that would allow for staggered terms of the Advisory Council. The way the former Bill was, it caused for them to be, ah, complete changeover and a two-year period of time. I think those are the main, ah, changes other than housekeeping. Ah we do have a list of people who have signed in. We still have a sign-in sheet there. We would like first to, ah, hear from the prime sponsor, if we could, ah,

Senator Colletta, would you like to join us? Do we have any other members of the House or Senate that would like to, ah, move up to the table? Fine. Thank you. Senator Colletta.

Madam Chairman and Members of the Committee, first I want to thank ^{is} you for taking such speedy action on a measure that, ah, personally a priority of mine and, ah, I would like to also inform you that my remarks will be relatively brief. I know the Committee panels, I have associations with them on a reoccurring daily basis, within and out of the Legislature, and, ah, I know that there is also an ^{where} area ~~that~~ there is a great amount of visibility on this measure, but it would seem it would be well to ^{ah} refresh our memories as to how Senate Bill 2 is before us today. As you know, ah, or may not, the litter act has been around for as long as some people have pouted and worked very hard for a deposit measure. Since the original introduction of either of those two measures, the deposit or the litter reduction activity, times and circumstances have changed. Both bills now address themselves to a recycling finish, in addition to ^{the} a reduction of the other maybe we should address ourselves to a speedy relation to the time available. We use what we pick up so, conceptually, I am very firm instruing the election process. My convictions were from by the people that possibly Senate Bill 2 offered, at the very least, an opportunity to try something that would truly address a litter free environment. This is the deposit mentioned. I can't stress that strongly enough because I believe that it should play a very important part in your deliberation^s as to what you do with this measure. It's worth a try, it's completely industry supported; but most importantly, I

believe it will create the first step, regardless of its volume collection in a process that's going to be a viable, a truly a litter free and that could all be put to use. I do not stand on the side of the upper ship on anything within the Bill other than the conceptual idea behind the Bill. The Bill is a composite of many many litter acts that are in effect in various states and the amendments/^{that}they have made out of actual work applications of the measure over You will receive a great deal if testimony, ah, I had an opportunity to be, ah, both, ah, in the audience here; but, ah, we, ~~may~~ need your support and possibly in opposition too. I would also direct your attention in even though your work drafts have already begun to make some changes and make it ... even more of a bill, that you also allow such a place which is ~~xxx~~ ^{a review and} evaluation as possible.

Ah, Mr., ah, Senator, ah, I wish you would, ah, ah, make note of that again. I think .. I think that's an important part of what you indicated earlier on the Bill.

^{capable}
The last~~xxxxxxx~~ work draft that everyone has, page 13, Section 6, in really an evaluation provision. I personally am so convinced that based on other state's experience, that Alaskan's are not performing and I would be willing to gamble on time ... ^{certain} for a trial on this measure ... we do implement ^{the} ~~this~~-measure, so, it, ah You know, the least anybody can do is try and I think at a trial they will all have a better and happier place to live in without having an additional burden to the overall populace in the attempt to reduce litter and recycle, some of the materials ^{that were} used.

Madam Chairman, I might conclude with that, unless there are specific

specific questions that we, or any of the Committee wish to ask.

Any questions of Senator Colletta? Fine, thank you very much. I thought that it might be helpful next, and, ah, to hear from the Dept. of Community & Regional Affairs. They will have a major role, of course, in, ah, at least from a bureaucratic point of view of seeing that this Bill is carried forward and Commissioner McAnerney is here, I believe you would like Eric Lee to talk to us today?

Yes, Eric Lee is the one

Fine, I hope that he'll, very good thank you Commissioner, will speak to the, ah, fiscal note that's attached. We have a tax bill but it doesn't, ah, indicate how much will be available for a program; and if you could identify yourself for the record, we'd appreciate it.

& Rural

I am Eric Lee, Director of the Division of Community/Development, with the Department of Community & Regional Affairs.

Would you introduce yourself for the record?

I am Dan Kanouse, Program Coordinator for the Division of Community and Rural Development, Department of Community & Regional Affairs.

Fine, thank you. Go ahead, Eric.

Madam Chairman, The Dept. is ^{basically in support of} ~~based on~~ the concept obviously of

staying a litter-free state in the reduction of litter in the State
 of Alaska for ^{for thing} possible. In looking at the original draft of the,
 of the Bill, we, of course have some comment and some concerns
 about the language and as Senator Colletta mentioned ah, ah, the
 concept is, I think representative also a bill that has a working language
 that will enable the Dept. to successfully ^{work on that} ~~xxxxxxx~~, the bill, so
 to get into that I do have several items which ah, ^{STURG} are of a technical
 nature to be discussed later today, or at a later time, whatever,
 is the pleasure of the Committee. I can briefly mention what some
 of those are in my remarks, if you'd like.

STURG. Eric, I think it would be helpful to, to point those out, the areas
 of concern. We would probably hear some of those mentioned a number
 of times; but as far as ah, ah, specific solutions to that or
 suggestions, you might hold that until another time.

LEE Right.

There's a cause of concern that the cost of the program are covered
 by the new revenues generated, and, ah, I've not had the opportunity
 to examine ^{the new} ~~xxx~~ revenue projections, but, ah, our fiscal note is
 based primarily upon the old bill projections which was provided
 to us. The fiscal note which I can't find, probably do have a
 copy, got mixed up.

STURG. You do have copies.

Fine. Ah, The, We did make several assumptions, ah, in developing
 the fiscal note and I think some of the assumptions are important

be corrected if our assumptions are
 and we certainly would, ah, like to ~~correct-some-that-are-at-fault~~
 at fault in the chance
~~in-the---~~ before the Committee. The first recommendation we have
 that
 in the we make, did make an assumption in that .. was/a new division
 not be created; that, a, this is an unnecessary, ah, probation of
 the bureaucracy and in fact that a highly visible program within an
 existing division, within the Department, would, ah, be just as
 advantageous and, ah, more economical in terms of the cost being
 put into it. The other assumption is that a central location of
 the program would be located in Anchorage and that there would be
 a field office in Juneau and the cost developed related to that.
 We made the assumption that local communities are concerned about
 implementing the comprehensive litter reduction program and that
 our Departmental staff will provide them with assistance and
 guidance and coordination from their efforts. We do not, ah,
 intend to be available to solve the problems ourselves and in
 that section local communities will be participating very actively.
 The assumption that the program in the local communities will
 eventually become self-sustaining. The language of the initial
 administrative
 bill indicated an ~~XXXXXX~~ cost of a little over 35 % and our, our
 assumption was that administrative costs are defined as those costs
 which are not directly related to, ah, to the program. A program
 costs something close to administrative; but some program costs may
 be salaried; ~~XXXXXX~~ ^{salaries} of those people who 100 % of the time are
 coordinating with the communities. We, we simply do not define as
 an annual present
 administrative costs. We assume .. rate of 6 %. Ah, getting back
 to the first page of the, the line item layout of the ...ah, our
 first
 estimation is/primarily, what, what we did, Madam chairman, is to
 take the revenue projection and, and try to tell you what we can do
 with that amount of money, so the, the first years expenditures

next year would be \$600,000, total expenses. I believe this was in line with the original projection. Of these \$600,000, we have broken out on the second page the line item project/you. We are ^{for} ~~talking-about-the-staff-of-eight-people-includes/~~ ^{part-of-the-staff-there} ~~the-staff-chart-----is-a~~ provided-

talking about the staff of eight people includes clerical staff, there is a, a staff chart provided, ah, on the next page, and the information ^{educational} offers high level information office/type person who heads the section supported by ~~xxxxxxx~~ a clerical staff and 4 professional field people who would be working in the field with the local communities to coordinate the activities of the program. In the 1981 projection, we have added one more position, that is a fulltime position as a recycling coordinator

who In our discussion with other states, ~~we~~ have been involved in this ^{would, would} ^{really} have indicated that that position/is one that would not/need to be ^{possibly} could not/be a fulltime position until the program is on its feet going with ... development kind that makes it what it was ...

someone to coordinate the recycling efforts at the same time, so ^{in 1981} we have added at least one position, ~~in-fact-you-need-one~~ . The other ^{involves some}

.... as we go down through ~~xxxxxx~~ travel, which, ah, is going to be necessary for the staff to participate with the local communities. The Advisory Council which is created, ah, the travel and per diem ^{and} need to be paid,/that is indicated in the fiscal note, we get into the basic, ah, communications costs, ah, ~~xxxxxxx~~ space costs....

based by the standard cost of the Anchorage area and the Juneau ^{ar} area, and so we couldn't note them. Another large item in here is \$75,000 for commercial and educational type activities. WE have listed in film? perhaps as a major item. This is obviously a flexible of the things the Interstate Commerce has been wanting to know, advantageous methods of information assimilation - commercial being one of the objectives and that is why the buget is why it is. Jumping down to the base of equipment and commodities

to operate the number of bodies based upon current standards; and the grants sections would be direct grants to communities for the various sections outlined in the bill. I will be more than happy to answer any specific questions ...

and the fiscal aspects of it.

Sen. Rodey: My question is very simple. IN June of 1978 in a Community & Regional Affairs memo, the estimated cost of the Bill was 2.6 million. There has been a significant reduction in the cost of the bill in that time without an apparent major change in the Bill. Could you explain to me why the tremendous decrease in the cost of the bill?

Mr. Lee: O.k. What we did, and it wasn't, when, when we were talking about that part was to develop a handle on what the cost essentially ~~xxxxxxxxxxxx~~ to do everything that everybody else is doing. And we contacted other people, and, and, various states have different programs. One major thing in that section was the Youth Patrol, which the State of Washington has. The State of Washington funds that Youth Patrol 100 percent. They actually hire ^{hundreds} ~~thousands~~, I believe, of children, youth who actually go out and pick up the litter. They pay for that out of the general fund and that was over a million dollars in that portion; so if you want to fund a litter patrol with State funds, the language in here does not indicate that. It indicates that we will be using other sources of funds for hiring that type of people. That was one of the major functions. Additionally, we were trying to say what is the what cost would it be if we had the Rolls Royce of a program? In our discussions with the sponsor and with other, ^{communicate} ~~revenue projections~~ ^{and} what the ~~projections~~ were and the fiscal, we concur that the cost ^{of the program} ~~xxx~~ ^{proceeds to} ~~revenue~~. What we were saying now is that is what we can do, and what we are going to do ~~\$x~~ with that amount of dollars, and ^{spare} ~~spend~~ that accordingly.

Sen. Rodey: Madam Chairman, just, just a comment, the litter patrol is, of course, still in the work draft that we have. The estimate of revenue by the Dept. of Revenue last year was \$890,000

if I'm not correct, and do you believe that that would be a reasonable amount of money to support the program. WE, ~~for~~ or course, see programs proposed to us and invariably they come back to us more expensive than when they started out and C/RA has been one of the most ~~xxxx~~ responsible departments ... criticism on C/RA; but I am very cautious about this.

Chairman Sturgulewski: I might that, one little comment, Eric at the beginning indicated that you have not, ah, with the new proposal on the tax bill had an opportunity to review your fiscal note. There was a high and a low and there are, there was a little bit lower amount from the smaller businesses put in the tax bill that has just been laid on your table and obviously you haven't had an opportunity to, to look at it, nor perhaps Eric Lee. The amount of revenue projection is approximately \$680,000 from this ~~revision~~ ~~provision~~ - There was one .. that had the full \$10 right at the beginning scale, ~~that~~ it would have brought it up into the range that you are talking about. That's without a new fiscal note, that's

benefit our
Mr. Lee: ... our original fiscal note is revenue projection than, than perhaps the new bill. We were working with approximate figures at that time.

Chairman S. Senator Rodey, any further questions?

do
Rodey: One further question, Eric, /you handle any other litter control programs within the Dept. or programs relating to refuse, or

Lee: No, we do not.

Sturg: Any further questions of the representatives from the Community & Regional Affairs? Just one question, if I may, were you going to go on to some structural areas - fine.

I was going to say
Lee: That's why, /if you'd like I'd continue to communicate on this thing. ~~Some~~ Some of the structural ~~xxxx~~ problems, ~~xxxx~~ that I was, some of these things will need further investigation and w aren't?