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HSA

HB

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NORTHERN TECHNOLOGY GRANTS PROGRAM

The purpose of the Northern Technology Grants Program is to help develop and encourage the use of low-cost and small-scale technologies appropriate to Alaska.

In July, 1979, \$50,000 in grant funds was appropriated by Alaska's state government to be awarded by the Alaska Council on Science and Technology (ACST) in grants of up to \$5,000 each.

Proposals were solicited in the areas of "energy generation, waste disposal, recycling, food production, transportation, building design, or any residential or industrial enterprise which might be more efficient, less costly or less energy-intensive than methods now in use." Appropriateness to the Alaskan environment was required. The first year's program closed for receipt of applications on August 15, 1979.

The Alaska Council on Science and Technology received 178 proposals and selection of winning proposals was made in mid-September. Proposals were judged on innovativeness, potential benefit to Alaskans, and soundness of use of funds. Grant awards ranged from \$200 to \$5,000. Results will be published as projects are completed.

For more information on the program, please contact:

Alaska Council on Science & Technology
Pouch AV
Juneau, Alaska 99811
(907) 4653510



#0162 TIDAL/CURRENT HYDRAULIC
SUCTION DREDGE

O. Alexander Hoke \$5,000
Juneau, Alaska

Mr. Hoke will design and develop a working model of a tidal/current hydraulic suction dredge. A tide or current powered low velocity hydraulic turbine will drive a centrifugal water pump after the high-torque, low-RPM turbine energy has been translated into low-torque, high-RPM energy by a water tight gear box. The high-velocity discharge of water will be injected through a reduction nozzle and create a vacuum at the suction head. This vacuum will lift sand and gravel through a flexible hose to a sediment stockpile on the bank. Mr. Hoke will also consider methods of achieving a regular, automatic sweep of a channel by the dredge.

#0139 SOLAR GREENHOUSE

Steve and Cyndie \$5,000
Tack
Fairbanks, Alaska

Steve and Cyndie Tack will build a greenhouse which combines several of the better greenhouse construction and energy conservation principles now in use. The structure will be similar to a large cold frame with solar storage in the back wall and in the soil. Some of the features expected to make the greenhouse free of dependence on fuel heat from mid-April to late September include:

- a) Burying the north wall and parts of the other three walls to moderate the effect of very cold and very hot weather;
- b) Using solar collectors and an underground array of pipes to heat the soil;
- c) Using a massive north wall to store heat during the day and radiate heat at night;
- d) Glazing the greenhouse with a twin-wall stressed material;
- e) Making an easily-used blanket to cover the glazed surfaces at night.

#0083 BEE-OVERWINTERING BUILDING David W. Stoops \$3,775
Kasilof, Alaska

Mr. Stoops will construct a building in which he will over-winter bees in a controlled environment. Presently the state's 250 beekeepers have no alternative but to kill their bees each fall and face the difficulty and expense of shipping in new bees each spring.

#0029 WASTE-HEAT-CLAIMING GREENHOUSE Galena Regional \$2,570
Learning Center
Galena, Alaska

GRLC is a rural extension of the University of Alaska involved in facilitating subsistence gardening programs in 17 villages along the Yukon and Koyukuk Rivers. The group will use grant money to build a 1,500 square foot greenhouse heated by waste heat from the local power plant. The Galena Air Force Site will provide access to the glycol solution in the plant's cooling system. The hot glycol will be piped to a unit heater inside the greenhouse as well as through the soil bed of a garden behind the power plant.

#0089 SOLAR HOT WATER HEATER Julie Scott \$1,200
Camp Bingle, Alaska

Camp Bingle Harding Lake Camp is a non-profit camp operating at Harding Lake, a recreational area 40 miles east of Fairbanks. The camp is used by various children's groups and its program is educational in nature. The staff will build a solar collector into the camp's hot water system to help offset operating expenses and incorporate energy awareness into the camp's educational program.

#0144 INSULATED SHUTTERS Rob Walton \$1,100
Fairbanks, Alaska

Mr. Walton will design and construct insulating shutters that can be used to cover large window areas to reduce heat loss. The shutters will take advantage of garage door technology and photoelectric or temperature sensing switches to achieve ease of operation.

#0098 ELECTRIC CAR

David Grove \$5,000
Fairbanks, Alaska

Mr. Grove will build and test an electric car for operation in cold climates. The plans for the vehicle will be purchased, but modifications will be incorporated, such as the use of light weight aircraft steel, an insulated battery compartment, and solid state devices for startup. Mr. Grove expects to demonstrate that the electric car is uniquely suited to Alaska for three reasons: first, gasoline is generally priced higher here; second, because pollution, especially ice fog, is a serious problem; and finally, because much of Alaska's road system is disconnected, the auto's 60-mile range per charge will not be a serious limitation.

#0074 SOLAR GREENHOUSE

Jeremy and Linda \$5,000
Weld
Gakona, Alaska

The Welds will build an add-on solar greenhouse which will utilize a thick gravel pad to store heat from the greenhouse for later use in the greenhouse and in the attached cabin. The gravel pad will be insulated from the ground around it and a heat collector at the greenhouse ridge will pump warm air into it. In addition, a rain water collection system will be incorporated into the greenhouse such that the stored water will also bank heat.

#0027 AMBULANCE SPLINT

Steven J. Carney \$200
Fairbanks, Alaska

Mr. Carney will build a modification of the long spine board used by ambulances which he expects to be an improvement. His patient stabilization system will utilize vacuum "bean bags" in conjunction with conventional straps. The vacuum bags would rely on the same principal as the vacuum splints, be adjustable, and would attach to the board with velcro.

#0129 HYDROELECTRIC GENERATOR

Ted Neville \$350
Fairbanks, Alaska

Mr. Neville will build a small-scale water-powered electric generator to be powered by a river. A paddle wheel's rotation will be translated by a 2:1 ratio gearbox, and then drive an electric motor. The electric motor, when driven, produces current. Mr. Neville hopes to produce enough current to run small power tools.

#0145 OIL-FIRED CLOTHES DRYER Mike Potter \$500
Fairbanks, Alaska

Mr. Potter will convert a standard household dryer from electric to oil-fired hot water heat to take advantage of the oil-fired boiler which heats his house. Hot water will be piped to a radiator core which will be mounted on the rear of the dryer; air forced across the radiator will dry the clothes. The energy requirements and cost of drying clothes with an electric dryer will be measured before the conversion; when the oil-fired system is installed, its heat requirements will also be tested. Mr. Potter says the high cost of electricity and gas, and the fact that a large number of Alaskan homes use hot water heat suggest significant potential savings.

#0165 METHYL-FUEL PLANT Douglas R. Grimm \$5,000
Auke Bay, Alaska

Mr. Grimm will build a scale model of a system capable of accommodating the electrical and automotive energy needs of a typical urban or rural residence in southeast Alaska. The methyl-fuel plant will produce approximately one gallon of methyl-fuel for every 20 pounds of waste material. This project will make use of the large quantity of sawmill wood chips available in southeast Alaska. Experimentation will also be done with many other forms of "garbage." The fuel produced will then be applied to a modified 4 H.P. internal combustion engine driving an 1800 watt generator. This scale model should supply about 1/10 of the electrical energy requirement of a typical residence.

#0155 HYDROELECTRIC GENERATOR Richard V. Ford \$2,500
Copper Center, Alaska

Mr. Ford will build a small-scale hydroelectric system to reduce his family's dependence on a diesel generator. The system will be mounted on a raft in the Copper River and provide enough electricity to the residence for 8 months of the year.

#0136 WOOD FURNACE Donald M. Ruef \$2,109
Palmer, Alaska

Mr. Ruef will build, instrument and test a wood-coal furnace with a fluid-filled jacket. The fluid tube will store heat and be controlled to produce a low-pressure hot fluid and not vapor. Mr. Ruef expects the furnace to deliver 100,000 BTU/H, provide long-term even heat, require no electricity, and be marketable at less than \$1,500 each.

LIST OF GRANT RECIPIENTS

#0011	\$3,100	Kevin McDougall (Regenerative Freezer) P. O. Box 503 Delta, Alaska 99737
#0027	\$200	Steven J. Carney (Ambulance Stretcher) University of Alaska Fire Department Fairbanks, Alaska 99701
#0029	\$2,570	Galena Regional Learning Center (Waste-heat-claiming-greenhouse) P. O. Box 181 Galena, Alaska 99741
#0065	\$600	Chris Johansen (Solar Heater) P. O. Box 81162 College, Alaska 99708
#0074	\$5,000	Jeremy & Linda Weld (Solar Greenhouse) P. O. Box 165 Mile 128 Richardson Highway Gakona, Alaska 99586
#0083	\$3,775	David W. Stoops (Winter Beehouse) Mile 2.8 Kalifonsky Loop S.R. 2 Box 707 Kasilof, Alaska 99610
#0089	\$1,200	Julie Scott (Solar Water Heater) Camp Property Committee c/o Box 80435 College, Alaska 99708
#0098	\$5,000	David Grove (Electric Car) 214 Harwood Hall University of Alaska Fairbanks, Alaska 99701
#0106	\$250	Donald C. Pendergrast (Waste-oil Heater) S.R. Box 50342 Fairbanks, Alaska 99701
#0107	\$3,250	M. Michael Rowcroft (Juice Bottling) R. 3 Box 3323 Juneau, Alaska 99801
#0129	\$350	Ted Neville (Hydroelectric Generator) 313 Lakeview Trailer Court Fairbanks, Alaska 99701
#0136	\$2,109	Donald M. Ruef (Wood Furnace) P. O. Box 1906 Palmer, Alaska 99645

#0065 SOLAR HEATER

Chris Johansen \$600
Fairbanks, Alaska

Mr. Johansen will use grant money to build a simple solar air heater which could be placed in window openings. The heater would consist of a plastic panel which would admit fresh cold air from outside, allow the sun to heat it as it rises toward the window opening, and have a simple thermostatic device at the top to allow air to pass in only when it is warmer than the ambient room temperature.

#0106 WASTE-OIL HEATER

Donald C. \$250
Pendergrast
Fairbanks, Alaska

Mr. Pendergrast will build a stove that burns waste crankcase oil. The stove will provide a more complete use of a scarce resource and an efficient method of waste disposal. The design utilizes a discarded electric water heater, several frying pans, and generally available and inexpensive hardware.

#0180 EXPERIMENTAL GREENHOUSES

Jim Donally \$1,000
Anchorage, Alaska

Mr. Donally will build three greenhouses to test the efficiency of a plastic product, called ACPS, as a greenhouse wall material. ACPS is commercially available in long sheets or on rolls. Its common purpose is as a packing stock for fragile merchandise. It is a clear plastic film with little bubbles in it which, Mr. Donally notes, when squeezed "give a satisfying little pop." But, the bubbles also seem ideally suited to provide insulating dead air space for greenhouse walls. The first greenhouse built will have only a 6-mil visqueen covering. The second greenhouse will have ACPS, and the third, ACPS plus an insulated north wall. Maximum-minimum thermometers will be installed in each greenhouse and daily readings taken to determine the length of frost-free season.

#0139	\$5,000	Cyndie & Steve Tack (Experimental Greenhouse) S.R. Box 51113 Mile 24 Chena Hot Springs Road Fairbanks, Alaska 99701
#0144	\$1,100	Rob Walton (Insulated Shutters) P. O. Box 1480 Fairbanks, Alaska 99707
#0145	\$500	Mike Potter (Oil-fired Clothes Dryer) P. O. Box 80293 Fairbanks, Alaska 99708
#0146	\$4,045	Bert Bingham (Hydraulic-powered Auto) 1650 Beaver Road Fairbanks, Alaska 99701
#0155	\$2,500	Richard V. Ford (Hydroelectric Generator) P. O. Box 158 Copper Center, Alaska 99573
#0162	\$5,000	O. Alexander Hoke (Tidal-powered Dredge) P. O. Box 963 Juneau, Alaska 99802
#0165	\$5,000	Douglas R. Grimm (Methyl-fuel Plant) S. E. Applied Electronics P. O. Box 324 Auke Bay, Alaska 99821
#0180	\$1,000	Jim Donally (Experimental Greenhouses) 1014 East 11th, #4 Anchorage, Alaska 99501

HB

638

COMMITTEE REPORT

(7)

HOUSE

1/30/80

FURTHER: FINANCE

Date: 2-19-80

Mr. Speaker:

The Committee on STATE AFFAIRS has had HB 638

"An Act relating to transportation planning and reports."

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 HB 638 same title
 new title
- and recommends CS HB 638 DC PASS
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING DO PASS

[Signature]

[Signature]

[Signature]

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MEMBERS HAVING OTHER RECOMMENDATIONS:

[Signature]
CHAIRMAN

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 638 -- Revision

Title An Act relating to Transportation Planning and Reports

Requested by Special Committee on Roads and Highways Date 1/30/80

(this is date of first request)

II. FISCAL DETAIL

Agency Affected Department of Transportation and Public Facilities

Program Category Affected Transportation

BRU, Program, or Subprogram(s) Affected Planning and Research

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES		25.0				
200 TRAVEL *		30.0				
300 CONTRACTUAL		12.0				
400 COMMODITIES		4.0				
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		** 71.0				

FUNDING (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
GENERAL FUND		71.0				
FEDERAL FUNDS		0				
OTHER (Specify Fund Source)		0				

POSITIONS

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
FULL TIME		1				
PART TIME		0				
TEMPORARY		0				

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

This revises Fiscal Note of 2/9.80. Membership on the Council would be increased from five (5) to nine (9) members.

* - Travel based on four (4) meetings per year, nine (9) members for two (2) days.

** - Does not include 1.8 Million needed for Information System.

IV. DATE 5/27/80

PREPARED BY John Umlauf

Approved: 

AGENCY Planning & Research, DOT/PF

PHONE 465-2470

Original Legis. - Finance
cc Budget and Management

Prime Sponsor (First Legislator Named)

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HOUSE BILL NO. 638 -- Revision
 Title An Act relating to Transportation Planning and Reports
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 (this is date of first request)

II. FISCAL DETAIL

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 Program Category Affected Transportation
 BRU, Program, or Subprogram(s) Affected Planning and Research
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	0.9	1.8	2.7	2.7	2.7	2.7
200 TRAVEL **	8.1	22.5	23.4	23.4	23.4	23.4
300 CONTRACTUAL	1.0	2.0	2.0	2.0	2.0	2.0
400 COMMODITIES	1.0	2.0	2.0	2.0	2.0	2.0
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	11.0	28.3	30.1	30.1	30.1	30.1

FUNDING (Thousands of Dollars)

	11.0	28.3	30.1	30.1	30.1	30.1
GENERAL FUND						
FEDERAL FUNDS	0	0	0	0	0	0
OTHER (Specify Fund Source)	0	0	0	0	0	0

POSITIONS

	0	0	0	0	0	0
FULL TIME						
PART TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

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

This revises Fiscal Note of 2/9/80. Membership on the Council would be increased from five (5) to nine (9) members.

** Travel based on four (4) meetings per year, nine 9 members for two (2) days.

IV. DATE 3/21/80 PREPARED BY John Umlauf *Approved: JB*
 AGENCY Planning & Research, Dept of Transportation and Public Facilities
 PHONE 465-2470
 Original. Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Name I)

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

FINANCE DIVISION
POUCH WF-STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3795

March 12, 1980

MEMORANDUM

TO: Terry D. Gardiner, Speaker
Alaska House of Representatives

FROM: Wallace Miller, Consultant to
Legislative Finance Division *WJM*

SUBJECT: HB 638 Reporting

I have reviewed Sec. 19.10.155 Quarterly Reports and suggest the following language be substituted. The proposed language has the same intent as currently contained in the bill; however, DOTPF is in the process of developing a Management Information System which will provide the desired project status information "on call" rather than quarterly. I believe this "on call" capability can fully meet legislative information needs.

PROPOSED LANGUAGE

Sec. 19.10.155. Project Reporting. The department shall through the installation of the proposed management information system provide adequate project status reporting to the first session of the twelfth legislature. Adequate status reporting shall include (1) on call reporting of the current status of construction on the project; (2) a statement of the amount of money spent on the project to date; and (3) an estimate of the amount of money needed to complete the project.

Please refer to the attached memorandum from J. H. Hogan to the Chairman and members of the Budget and Audit Committee which makes the same recommendation regarding project status reporting.

Attachment: 3/4/80 Memo

A M E N D M E N T

Offered in the HOUSE

By Miller

TO: HOUSE BILL NO. 638

Page 2, lines 10 - 14

Delete all material and insert the following in its place:

Sec. 44.42.160. DUTIES. The council shall develop recommendations to the governor and legislature regarding:

(1) Policy for the development and implementation of a comprehensive long-range multi-modal state transportation plan. In making the recommendations for the plan the council shall consider alternatives:

(A) for improving existing modes and facilities to ensure safe and efficient transportation services.

(B) of providing transportation in the state, considering the economic costs and benefits and the social and environmental impacts;

(C) to existing modes of transportation in urban areas and the development of plans to improve urban transportation;

(D) for improving transportation for the elderly, handicapped and poor;

(E) for improving the movement of goods and services, including transportation support for resource development;

(F) for energy conservation measures;

(G) for user funding of operational and maintenance costs.

(2) Policy for the development and coordination of regional transportation planning, including development of regional short- and long-range inter-modal transportation plans and systems.

(3) Policy for the development of 6-year facility and construction program plans, including first and lifecycle cost budgets; functional performance criteria; and schedules for completion.

(4) Policy for the provision of effective coordination of state transportation planning with national transportation policy, state and local land use policies, and local and regional transportation plans and programs.

(5) Procedures for effective public involvement in transportation planning and operations, considering the development of regional transportation advisory boards, and, where applicable, the utilization of the Alaska Growth Policy Council/Public Forum.

(6) Procedures for the review and revision of state transportation policies and plans.

(7) Other activities considered necessary by the council or as directed by the governor.

A M E N D M E N T

ered in the HOUSE

By Gardiner

TO: HOUSE BILL NO. 638

e 2, lines 27 - 29 and Page 3, lines 1 - 6:

Delete all material and insert the following in its place:

Sec. 19.10.155. PROJECT REPORTING. The department shall establish an information system to provide current information for each project it undertak s. The information system shall be available to members of the legislature and shall include information on

- (1) the status of construction on each project;
- (2) the amount of money spent on each project; and
- (3) the estimated amount of money needed to complete each

project.

ISSUES RAISED BY H.B. 638

1. STATEWIDE COUNCIL: The establishment of a statewide council may compound the problems we face by an already overly centralized department. The establishment of regional councils may be more effective(composed of D.O.T., borough and city officials).
2. COUNCIL DUTIES: The duties of the council, to "review and comment on each plan and program," will likely overburden the council and render it useless.
3. STATUTORY RESPONSIBILITY: The legislature should place greater emphasis on the department's statutory responsibilities, i.e. 44.42.050 (develop a comprehensive, long-range transportation plan for the state).
4. PROJECT ACCOUNTING AND REPORTING: A. Any reporting system should include all D.O.T.'s projects(i.e., harbors,airports, docks) not just highways.
B. Need to adopt a comprehensive project accounting program that would expand the data reported in the monthly state accounting system. The data should include the status of the project, percentage of completion, explanations for delays and cost over-runs, make recommendations to the legislature where appropriate, as well as the funds appropriated and the money spent.
C. Once this system is established, the time interval for reporting is immaterial, because, entries are made everyday. Relevant data would be available everyday for both the legislature and public review.
5. BOND ACCOUNTING SYSTEM: As recommended by the special committee on roads and highways, there is a need to establish "an accounting system^{that}_A would accurately assess and tract the

amount of accumulated bond monies." This bill could incorporate such an accounting system.

6. REPORTS: A capital projects and budgetary reporting analysis is presently being prepared, through a contract with legislative finance, by Wally Miller. The department, likewise, has contracted with an accounting firm to review and make recommendations on the departments accounting system.

These individuals, along with their reports(when they are completed), should be brought before the committee for review and questioning.



Alaska State Legislature

House of Representatives

Committee on State Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

Official Business

SUBJECT TO CHANGE

STATE AFFAIRS COMMITTEE, Room 102, Capitol, 1:30 p.m.

Mar. 17 - Monday

HB 931 Transfer Council on Science &
Technology/Dept of Administration

HB 906 Re/Veterans service preference
under state personnel system

HB 907 Re/collective bargaining

Mar. 18 - Tuesday

HB 908 Re/merit principle in state
employment

HCR 57 Re/preparation and distribution
of personnel procedures manual

Mar. 19 - Wednesday

HB 746 Re/Overtime Comp/Flex Time Plan

HB 787 Establish Alaska Public Forum
Governor's Office

HCR 48 Re/Participation in state progr
supplemental employee benefits

HB 638 Re/transportation planning & reports
est Ak Transportation Policy Council

Mar. 20 - Thursday

CSSB 2 Re/comprehensive recycling and
reduction of litter

Mar. 21 - Friday

HB 883 Spec approp/Gov Off/Reapportionment
Board

HB 796 Establish Ak Research Corp

A M E N D M E N T

Offered in the HOUSE

By Miller

TO: HOUSE BILL NO. 638

Page 2, lines 10 - 14

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Sec. 44.42.160. DUTIES. The council shall develop recommendations to the governor and legislature regarding:

(1) Policy for the development and implementation of a comprehensive long-range multi-modal state transportation plan. In making the recommendations for the plan the council shall consider alternatives:

(A) for improving existing modes and facilities to ensure safe and efficient transportation services;

(B) of providing transportation in the state, considering the economic costs and benefits and the social and environmental impacts;

(C) to existing modes of transportation in urban areas and the development of plans to improve urban transportation;

(D) for improving transportation for the elderly, handicapped and poor;

(E) for improving the movement of goods and services, including transportation support for resource development;

(F) for energy conservation measures;

(G) for user funding of operational and maintenance costs.

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(6) Procedures for the review and revision of state transportation policies and plans.

(7) Other activities considered necessary by the council or as directed by the governor.

1678 Ussar
Introduced: 2/12/80
Referred: State Affairs and Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
COUNCIL BY REQUEST

1 IN THE SENATE

2 SENATE BILL NO. 435

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing advisory transportation councils."

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

8 * Section 1. AS 44.42 is amended by adding new sections to read:

9 ARTICLE 2. ADVISORY TRANSPORTATION COUNCILS.

10 Sec. 44.42.100. REGIONAL ADVISORY TRANSPORTATION COUNCILS. There
11 is established in the Department of Transportation and Public Facilities
12 a regional advisory transportation council for each of the regions
13 described in AS 44.42.105.

14 Sec. 44 42.105. REGIONS. The regions that have regional advisory
15 transportation councils are:

16 (1) Southeast Alaska: the Southeast Alaska mainland and
17 islands northward and westward from Dixon Entrance to Cape Suckling;

18 (2) Southcentral Alaska: the area drained by water flowing
19 into the Gulf of Alaska, Prince William Sound, Cook Inlet, and Shelikof
20 Strait from Cape Suckling westward to Portage Bay on the Alaska
21 Peninsula, including Trinity Islands and all coastal islands north of
22 Trinity Islands, and the area lying south of the rim of the Alaska Range
23 and Wrangell Mountains;

24 (3) Southwest Alaska: the Alaska Peninsula westward from
25 Portage Bay; Chirikof and Shumagin Islands, and all other adjacent
26 offshore islands; the Aleutian Islands and the Pribilof Islands; the
27 area northward and northwestward from the King Salmon River drainage,
28 including all land drained by water flowing into Bristol Bay and the
29 land within the boundaries of the Calista Regional Corporation; Nunivak

1 and St. Matthew Islands, and all other islands along the coast;

2 (4) Northwest Alaska: the area drained by all streams flow-
3 ing into the Arctic Ocean, Kotzebue Sound, Bering Strait, and Norton
4 Sound from Cape Lisburne to, but not including, the Pastolik River
5 drainage on the south; King, Little Diomedé, St. Lawrence, Sledge,
6 Stuart, and adjacent islands;

7 (5) Interior Alaska: the area drained by all streams and
8 rivers flowing into the Arctic Ocean between Cape Lisburne and the
9 Alaska-Canada boundary; the Firth River drainage lying within Alaska;
10 and the land encompassing the drainages of the Yukon and Kuskokwim
11 Rivers northward from the boundary of the Southcentral Alaska region,
12 eastward from the boundary of the Southwest Alaska region, eastward and
13 southward from the boundary of the Northwest Alaska region, and extend-
14 ing to the United States-Canada border.

15 Sec. 44.42.115. APPOINTMENT AND QUALIFICATIONS. Each regional
16 advisory transportation council consists of five members appointed by
17 the governor from among residents of the region. Each member must be a
18 resident and qualified voter of Alaska at the time of his appointment
19 and while serving on the council.

20 Sec. 44.42.120. TERMS OF OFFICE. (a) Members of a regional
21 advisory transportation council shall be appointed for five-year terms.
22 However, of the initial appointments, one member serves for one year,
23 one member serves for two years, one member serves for three years, one
24 member serves for four years, and one member serves for five years.

25 (b) The governor shall fill a vacancy on a regional advisory
26 transportation council for the balance of an unexpired term.

27 (c) Each regional advisory transportation council shall select a
28 chairman from among its members. The chairman of each regional advisory
29 transportation council serves a member of the State Advisory Trans-

1 portation Council established in AS 44.42.125.

2 Sec. 44.42.125. STATE ADVISORY TRANSPORTATION COUNCIL. There is
3 established in the Department of Transportation and Public Facilities
4 the State Advisory Transportation Council. The State Advisory Trans-
5 portation Council shall select a chairman from among its members.

6 Sec. 44.42.130. PER DIEM AND EXPENSES. Members of the regional
7 and state advisory transportation councils receive no salary, but are
8 entitled to per diem and travel expenses authorized by law for other
9 boards and commissions.

10 Sec. 44.42.135. MEETINGS. The chairman of a regional advisory
11 transportation council or of the State Advisory Transportation Council
12 may call meetings of the council upon at least seven days notice, and
13 must call meetings upon the request of two members.

14 Sec. 44.42.140. QUORUM AND MAJORITY. Three members of a regional
15 advisory transportation council or of the State Advisory Transportation
16 Council constitute a quorum for the conduct of business. A vote of the
17 majority of members present is required for action by a council.

18 Sec. 44.42.145. DUTIES OF REGIONAL ADVISORY TRANSPORTATION
19 COUNCILS. Each regional advisory transportation council shall assess
20 (1) the transportation needs of its region, particularly as those needs
21 relate to the development of renewable and nonrenewable resources in the
22 region; and (2) transportation modes which could reduce freight costs in
23 its region. Each regional advisory transportation council shall report
24 its findings at least annually to the State Advisory Transportation
25 Council.

26 Sec. 44.42.150. DUTIES OF STATE ADVISORY TRANSPORTATION COUNCIL.
27 The State Advisory Transportation Council shall

28 (1) review the reports of the regional advisory transportation
29 councils; and

1 (2) review and comment on each plan and program submitted to
2 it under AS 44.42.050 and AS 19.10.140 with regard to whether the plan
3 or program

4 (A) considers the needs set out in the reports of the
5 regional advisory transportation councils;

6 (B) should be amended to include the needs set out in
7 the reports of the regional advisory transportation councils.

8 Sec. 44.42.155. REPORT OF STATE ADVISOR" TRANSPORTATION COUNCIL.

9 The state council shall annually prepare a report summarizing the review
10 required by AS 44.42.150. The report shall be submitted annually to the
11 governor, the commissioner of transportation and public facilities, and
12 the legislature.

13 * Sec. 2. AS 19.10.140 is amended to read:

14 Sec. 19.10.140. LONG-RANGE PROGRAM FOR HIGHWAY CONSTRUCTION AND
15 MAINTENANCE. The governor shall require the department to establish a
16 continuing, long-range program for highway construction and maintenance.
17 The program shall annually project proposed construction and maintenance
18 of highways for not less than the next succeeding five years. A state-
19 ment of the program shall be submitted by the governor to the legis-
20 lature annually, and the long-range program shall include in detail the
21 program prepared under AS 19.10.150. The department shall annually
22 submit a copy of the program to the State Advisory Transportation
23 Council (AS 44.42.125).

24 * Sec. 3. AS 44.42.050(a) is amended to read:

25 a) The commissioner shall develop annually a comprehensive,
26 intermodal, long-range transportation plan for the state. In developing
27 and revising the state plan, the commissioner shall consider means and
28 costs of improving existing modes and facilities, state and federal
29 subsidies, and the costs and benefits of new transportation modes and

1 facilities. The commissioner shall also consider the recommendation of
2 the Alaska Transportation Planning Council. The plan shall be submitted
3 to the governor for his review and approval and submitted by the
4 governor to the legislature. A copy of the plan shall be submitted to
5 the State Advisory Transportation Council (AS 44.42.125).
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Justy - is it Aick
to send this amount.
down to State Affairs?

Should like to copy
it prior to 1:30pm

OK.

A M E N D M E N T

Offered in the HOUSE

By Gardiner

TO: HOUSE BILL NO. 638

Page 2, lines 27 - 29 and Page 3, lines 1 - 6:

Delete all material and insert the following in its place:

Sec. 19.10.155. PROJECT REPORTING. The department shall establish an information system to provide current information for each project it undertakes. The information system shall be available to members of the legislature and shall include information on

- (1) the status of construction on each project;
- (2) the amount of money spent on each project; and
- (3) the estimated amount of money needed to complete each project.

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

FINANCE DIVISION
POUCH WF-STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3795

March 12, 1980

MEMORANDUM

TO: Terry D. Gardiner, Speaker
Alaska House of Representatives

FROM: Wallace Miller, Consultant to
Legislative Finance Division 

SUBJECT: HB 638 Reporting

I have reviewed Sec. 19.10.155 Quarterly Reports and suggest the following language be substituted. The proposed language has the same intent as currently contained in the bill; however, DOTPF is in the process of developing a Management Information System which will provide the desired project status information "on call" rather than quarterly. I believe this "on call" capability can fully meet legislative information needs.

PROPOSED LANGUAGE

Sec. 19.10.155. Project Reporting. The department shall through the installation of the proposed management information system provide adequate project status reporting to the first session of the twelfth legislature. Adequate status reporting shall include (1) on call reporting of the current status of construction on the project; (2) a statement of the amount of money spent on the project to date; and (3) an estimate of the amount of money needed to complete the project.

Please refer to the attached memorandum from J. H. Hogan to the Chairman and members of the Budget and Audit Committee which makes the same recommendation regarding project status reporting.

Attachment: 3/4/80 Memo

Lamy Cattle

3891/3828

Notify when
hearing comes up.

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

FINANCE DIVISION
POUCH WF-STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3795

March 4, 1980

MEMORANDUM

TO: Chairman and Members
Budget & Audit Committee

FROM: *J.A.H.* Hogan, Director
Legislative Finance Division

SUBJECT: Bond Project Status Review

This year, as was the case last, the information on bond fund project status was disorganized and generally unsatisfactory. The reason for this is that one of the large packets was assembled by Budget & Management for state agencies, other than DOTPF, from budget documents prepared last Fall. The other large packet was prepared by DOT for its own projects. Since these were both manually assembled over the last two weeks, there were undoubtedly many errors, some of which were called to our attention in various errata sheets, delivered as late as Monday afternoon, and one was received this morning during preparation of this memorandum. In an effort to improve the quality of project status data given to the Legislature (and to provide the same benefits to management of the departments and the Governor's office) I would suggest the Committee give consideration to an item requested by the Department of Transportation in this year's capital budget. The attached document includes the cover page and conclusions page from a Peat, Marwick, Mitchell & Co. report on a proposed management information system. Their third conclusion reads:

"The third conclusion, and by far the most important, is that there exists a significant gap in management information pertaining to:

Project status; and

Bond fund status."

Attached to that is the budget request for funding to install portions of the management information system. If the Legislature supports this appropriation, I would suggest that intent language be added calling for the installation of this system in time to provide adequate project status reporting to the first session of the Twelfth Legislature.

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. House Bill No.638
 Title An Act Relating to Transportation Planning and Reports
 Requested by Special Committee on Roads and Highways Date 1/30/80

II. FISCAL DETAIL
 Agency Affected Department of Transportation & Public Facilities
 Program Category Affected Transportation
 BRU, Program, or Subprogram(s) Affected Planning & Research
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	0.5	1.0	1.5	1.5	1.5	1.5
200 TRAVEL **	4.5	12.5	13.0	13.5	14.0	14.5
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	5.0	13.5	14.5	15.0	15.5	16.0

** Travel based on 4 meetings per year, 5 members for 2 days

FUNDING (Thousands of Dollars)

	5.0	13.5	14.5	15.0	15.5	16.0
GENERAL FUND						
FEDERAL FUNDS	0	0	0	0	0	0
OTHER (Specify Fund Source)	0	0	0	0	0	0

POSITIONS

	0	0	0	0	0	0
FULL TIME						
PART TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

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

Administrative Order No.33, as amended, dated October 8, 1976 established the Alaska Transportation Planning Council within the Division of Policy Development and Planning. It is assumed that this HB 638 will supersede the Administrative Order No.33. The duties described by HB 638 are not as comprehensive as the duties for the Council in AO 33. In HB 638 the duties of the Council are limited to review and comment on the department's plans and programs and providing copies of their comments to the legislative and executive branches. AO 33 required development of recommendations on a variety of transportation policy issues, programs and procedures with at least one report annually detailing the findings, recommendations, and areas of study of the Council. There are no provisions for an Executive Secretary in HB 638 to provide the administrative support for the council. Arranging for meetings, agenda, travel, travel vouchers and payment, correspondence, transcribing meeting minutes, and report preparation are necessary administrative activities that must be provided.

IV. DATE 2/9/80 PREPARED BY John Umlauf
 AGENCY Planning & Research, DOTPF
 PHONE 465-2470
 Original Legislative Finance
 cc Budget and Management
 Prime Sponsor (First Legislator Named)

FISCAL NOTE

I. REQUEST HOUSE BILL NO. 638 -- Revision
 Bill/Resolution No. _____
 Title An Act relating to Transportation Planning and Reports
 Requested by Special Committee on Roads and Highways Date 1/30/80
 (this is date of first request)

II. FISCAL DETAIL
 Agency Affected Department of Transportation and Public Facilities
 Program Category Affected Transportation
 BRU, Program, or Subprogram(s) Affected Planning and Research
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	0.9	1.8	2.7	2.7	2.7	2.7
200 TRAVEL **	8.1	22.5	23.4	23.4	23.4	23.4
300 CONTRACTUAL	1.0	2.0	2.0	2.0	2.0	2.0
400 COMMODITIES	1.0	2.0	2.0	2.0	2.0	2.0
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	11.0	28.3	30.1	30.1	30.1	30.1

FUNDING (Thousands of Dollars)

	11.0	28.3	30.1	30.1	30.1	30.1
GENERAL FUND						
FEDERAL FUNDS	0	0	0	0	0	0
OTHER (Specify Fund Source)	0	0	0	0	0	0

POSITIONS

	0	0	0	0	0	0
FULL TIME						
PART TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

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

This revises Fiscal Note of 2/9/80. Membership on the Council would be increased from five (5) to nine (9) members.

** Travel based on four (4) meetings per year, nine 9 members for two (2) days.

IV. DATE 3/21/80 PREPARED BY John Umlauf *Approved: JB*
 AGENCY Planning & Research, Dept of Transportation and Public Facilities
 PHONE 465-2470
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

HB

643

(7)

COMMITTEE REPORT

HOUSE

1/30/80

FURTHER: FINANCE

Date: 2-26-80

Mr. Speaker:

The Committee on STATE AFFAIRS has had H.B. 643

"An Act making a special appropriation to the Department of Transportation and Public Facilities for transportation facilities for cities and villages of Kodiak Island, the Alaska Peninsula, and the Aleutian Islands; and providing for an effective date."

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 H.B. 643 same title
 new title
- and recommends CS H.B. 643 DO PASS
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

**MEMBERS SIGNING
DO PASS**

[Signature]

[Signature]

[Signature]

**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

[Signature]
CHAIRMAN

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS HB 643
 Title Appropriation to DOT/PF for Transportation Facilities for Kodiak Is. AK Penn.
 Requested by House State Affairs Date 2/29/80 Aleutian I s

II. FISCAL DETAIL

Agency Affected DOT/PF
 Program Category Affected Design/Construction
 BRU, Program, or Subprogram(s) Affected Aviation, Highways, Harbors
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES		22,325.0				
700 GRANTS, CLAIMS, ETC.						
TOTAL		22,325.0				

FUNDING (Thousands of Dollars)

GENERAL FUND		22,325.0				
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

Summary of Projects Included in CS HB 643

Marine Highway System Vessel:

An accurate estimate for this project will be available when a feasibility study, presently underway, is completed in May 1980. Meanwhile, the current (very rough) estimate of \$15,000,000 is based on a vessel 256' long, 15' draft, 15-16 lands, 65-70 cars capacity and 50 passengers. This estimate does not include related shore facilities necessary to accommodate this vessel.

IV. DATE 2/29/80 PREPARED BY J. W. Scribner
 AGENCY DOT/PF
 Original: Legislative Finance PHONE 465-3900
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Old Harbor:

Boat Harbor:

The existing boat harbor could be expanded by dredging additional basin area to the limits of the area available and the installation of moorage floats. Because of the restricted area available for expansion the \$1.0 million in HB 643 should be considered as maximum.

Preliminary Engineering & Permits	\$100,000
Right-of-Way	Unknown
Construction	700,000
Construction Supervision	50,000
Contingencies	50,000
Total (1980 Costs)	\$1,000,000

Airport Construction:

Existing 2000' runway on beach line. Subject to erosion. Approach over Village. Village has asked for new airport. Best possible site is about 2 miles from village and would require access road with two bridges. No preliminary studies have been done. Rough estimate of costs is \$3.5 million in 1980 costs including engineering, construction & contingencies.

Port Lions:

Airport:

Existing 2650' runway. Proposed project could consist of crushed gravel surface. Estimate \$400,000 total costs.

Sand Point:

Access to Red Cove Lake:

This project would be very low budget, simply to provide access to Red Cove Lake by 4-wheel drive vehicles or heavy duty pickup. The \$75,000 would probably be adequate only if there are no other costs involved with Right-of-Way, land disturbance fees or material acquisitions.

Road between City & Airport:

The total estimated project cost is \$1.6 million, of which about \$900,000 is currently programmed and available. Hence, an amount of \$700,000 is needed to complete road upgrade project.

Dock equipment:

The City has estimated a cost of \$500,000 for a large hoist for boats. There are relatively small tides at Sand Point and it is not feasible to work on boat bottoms without mechanical assistance.

Chignik:

Boat Harbor:

We have no information on this proposal on which to base an estimate. Moreover, policy is needed on who will operate and maintain the facility once completed. Presupposing that a feasible site exists, the extent of development would be in direct proportion to the funding made available assuming that the initial allocations was sufficient for construction of the basic features such as harbor protection and a basic of suitable depth.

False Pass:

Airport:

The \$150,000 proposed could be used for added erosion control work on the bridge abutments for the airstrip. However, these would not be sufficient funds for improving the useability of the airstrip.

Funding Summary for projects contained in CS HB 643

<u>Project</u>	<u>Estimated Costs</u>
Marine Vessel	\$15,000,000
Old Harbor	
boat harbor	1,000,000
airport	3,500,000
Port Lions	
airport	400,000
Sand Point	
Access to Red Cove Lake	75,000
Road between Airport & City	700,000
Dock equipment	500,000
Chignik	
Boat Harbor	1,000,000
False Pass	
Airport	150,000
Total	<u>\$28,325,000</u>

Status of Projects Deleted from HB 643

- King Cove Dock Facility - This project is included in the Governor's CIP program for 1983 at a funding level of \$1.2 million. Very recent cost estimates reveal that a more realistic figure for a basic dock structure is \$2.5 million not including right-of-way costs which are unknown at this time.
- Port Lions Boat Harbor Improvements - This project is included in the proposed FY 81 G.O. Bond Issue at a funding level of \$1.1 million.
- Sand Point Dock Facility - This project is included in the Governor's CIP program for the proposed FY 81 G.O. Bond package for a total cost of \$3.5 million, not including right-of-way costs which are unknown at this time.
- Unalaska Airport Construction - There is an existing contract to provide a gravel surface for the 4000' runway. Also a feasibility study is underway to extend the runway and the proposed FY 81 G.O. Bond Issue includes a \$6.6 million CIP project using federal ADAP funds.

Chignik Road between
airport and village

- A contract was recently let for \$664,000 to do this project.

Chignik Lagoon Stream
erosion control

- This work is included in the proposed FY 81 G.O. Bond Issue as part of a runway reconstruction project.

Nikolski Airport
Construction

- This project was deleted by the bill's sponsor since the airport presently belongs to the U.S. Air Force and there is no apparent way for the State to accomplish the desired work.

Total funds deleted from HB 643 = \$10,900,000

Funding Information

General Fund \$19,525,000
Other Funds - 0 -
\$19,525,000

Introduced: 1/30/80
Referred: State Affairs and Finance

1 IN THE HOUSE

BY OSTERBACK

2 HOUSE BILL NO. 643

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Department of Transportation and Public Facilities for transportation facilities for cities and villages of Kodiak Island, the Alaska Peninsula, and the Aleutian Islands, and providing for an effective date."

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

12 * Section 1. The sum of ^{\$ 23,625,000} \$19,525,000 is appropriated from the general fund to the Department of Transportation and Public Facilities for the following transportation facilities in the amounts set out after each:

16	Marine highway system vessel for service between	15,000,000	
17	Kodiak and communities of the Aleutian Islands	\$ 5,000,000	
18	King Cove dock facility	2,500,000	add onto Gov's CIP bill
19	Old Harbor	4,500,000	
20	boat harbor improvements	1,000,000	
21	airport construction	1,000,000	
22	Port Lions	3.5 mil	
23	boat harbor improvements	200,000	ingon's C.I.P.
24	airport construction	400,000	
25	Sand Point	100,000	
26	dock facility	3,500,000	
27	construction of recreational road, Knoll to	500,000	
28	Red Cove Lake	75,000	
29	Unalaska airport construction	4,000,000	
29	Chignik		

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boat harbor improvements	1,000,000
completion of road between village and airport	500,000
Chignik Lagoon stream erosion control	200,000
False Pass airport erosion control	150,000
Nikolski airport construction	200,000

*in gov's
C.P.P.*

* Sec. 2. The appropriations made by this Act are for capital projects and are subject to AS 37.25.020.

* Sec. 3. This Act takes effect immediately in accordance with AS 01.10.070(c).

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS HB 643
 Title Appropriation to DOT/PF for Transportation Facilities for Kodiak Is. AK Penn.
 Requested by House State Affairs Date 2/29/80 Aleutian I s

II. FISCAL DETAIL

Agency Affected DOT/PF
 Program Category Affected Design/Construction
 BRU, Program, or Subprogram(s) Affected Aviation, Highways, Harbors
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES		22,325.0				
700 GRANTS, CLAIMS, ETC.						
TOTAL		22,325.0				

FUNDING (Thousands of Dollars)

GENERAL FUND		22,325.0				
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

Summary of Projects Included in CS HB 643

Marine Highway System Vessel:

An accurate estimate for this project will be available when a feasibility study, presently underway, is completed in May 1980. Meanwhile, the current (very rough) estimate of \$15,000,000 is based on a vessel 256' long, 15' draft, 15-16 lands, 65-70 cars capacity and 50 passengers. This estimate does not include related shore facilities necessary to accommodate this vessel.

IV. DATE 2/29/80 PREPARED BY J. W. Scribner
 AGENCY DOT/PF
 PHONE 465-3900
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Old Harbor:

Boat Harbor:

The existing boat harbor could be expanded by dredging additional basin area to the limits of the area available and the installation of moorage floats. Because of the restricted area available for expansion the \$1.0 million in HB 643 should be considered as maximum.

Preliminary Engineering & Permits	\$100,000
Right-of-Way	Unknown
Construction	700,000
Construction Supervision	50,000
Contingencies	150,000
Total (1980 Costs)	\$1,000,000

Airport Construction:

Existing 2000' runway on beach line. Subject to erosion. Approach over Village. Village has asked for new airport. Best possible site is about 2 miles from village and would require access road with two bridges. No preliminary studies have been done. Rough estimate of costs is \$3.5 million in 1980 costs including engineering, construction & contingencies.

Port Lions:

Airport:

Existing 2650' runway. Proposed project could consist of crushed gravel surface. Estimate \$400,000 total costs.

Sand Point:

Access to Red Cove Lake:

This project would be very low budget, simply to provide access to Red Cove lake by 4-wheel drive vehicles or heavy duty pickup. The \$75,000 would probably be adequate only if there are no other costs involved with Right-of-Way, land disturbance fees or material acquisitions.

Road between City & Airport:

The total estimated project cost is \$1.6 million, of which about \$900,000 is currently programmed and available. Hence, an amount of \$700,000 is needed to complete road upgrade project.

Dock equipment:

The City has estimated a cost of \$500,000 for a large hoist for boats. There are relatively small tides at Sand Point and it is not feasible to work on boat bottoms without mechanical assistance.

Chignik:

Boat Harbor:

We have no information on this proposal on which to base an estimate. Moreover, policy is needed on who will operate and maintain the facility once completed. Presupposing that a feasible site exists, the extent of development would be in direct proportion to the funding made available assuming that the initial allocations was sufficient for construction of the basic features such as harbor protection and a basic of suitable depth.

False Pass:

Airport:

The \$150,000 proposed could be used for added erosion control work on the bridge abutments for the airstrip. However, these would not be sufficient funds for improving the useability of the airstrip.

Funding Summary for projects contained in CS HB 643

<u>Project</u>	<u>Estimated Costs</u>
Marine Vessel	\$15,000,000
Old Harbor	
boat harbor	1,000,000
airport	3,500,000
Port Lions	
airport	400,000
Sand Point	
Access to Red Cove Lake	75,000
Road between Airport & City	700,000
Dock equipment	500,000
Chignik	
Boat Harbor	1,000,000
False Pass	
Airport	150,000
Total	<u>\$28,325,000</u>

Status of Projects Deleted from HB 643

- King Cove Dock Facility - This project is included in the Governor's CIP program for 1983 at a funding level of \$1.2 million. Very recent cost estimates reveal that a more realistic figure for a basic dock structure is \$2.5 million not including right-of-way costs which are unknown at this time.
- Port Lions Boat Harbor Improvements - This project is included in the proposed FY 81 G.O. Bond Issue at a funding level of \$1.1 million.
- Sand Point Dock Facility - This project is included in the Governor's CIP program for the proposed FY 81 G.O. Bond package for a total cost of \$3.5 million, not including right-of-way costs which are unknown at this time.
- Unalaska Airport Construction - There is an existing contract to provide a gravel surface for the 4000' runway. Also a feasibility study is underway to extend the runway and the proposed FY 81 G.O. Bond Issue includes a \$6.6 million CIP project using federal ADAP funds.

Chignik Road between
airport and village

- A contract was recently let for \$664,000 to do this project.

Chignik Lagoon Stream
erosion control

- This work is included in the proposed FY 81 G.O. Bond Issue as part of a runway reconstruction project.

Nikolski Airport
Construction

- This project was deleted by the bill's sponsor since the airport presently belongs to the U.S. Air Force and there is no apparent way for the State to accomplish the desired work.

Total funds deleted from HB 643 = \$10,900,000

HB

667

(7)

COMMITTEE REPORT

HOUSE

2/4/80

FURTHER: FINANCE

Date: 2-22-80

Mr. Speaker:

The Committee on STATE AFFAIRS has had HB 667

"An Act making a supplemental appropriation to the Department of Transportation and Public Facilities for the North Slope haul road; and providing for an effective date."

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 HB 667 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

[Handwritten signatures]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill 667
 Title An Act making a supplemental appropriation to the DOTPF for the No. Slope Haul Road
 Requested by House State Affairs Committee (Christine Harting) Date 2/14/80

II. FISCAL DETAIL

Agency Affected Department of Transportation and Public Facilities
 Program Category Affected Transportation
 BRU, Program, or Subprogram(s) Affected Interior Region M & O BRU, No. Slope Road Component
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	86.0					
200 TRAVEL	55.3					
300 CONTRACTUAL	3,400.5					
400 COMMODITIES	143.2					
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	3,685.0					

FUNDING (Thousands of Dollars)

GENERAL FUND	3,685.0					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

The first session of the 11th Legislature appropriated \$2,400,000* to the Department of Transportation and Public Facilities for maintenance of the North Slope Haul Road during Fiscal Year 1980. The Governor's original request was for \$4,566,100 based on the assumption that the road would be maintained solely by State forces operating from five camp sites. At the present time there are three camps in operation manned by State employees providing maintenance for 182 miles of the Haul Road. The remaining 210 miles of road is being maintained under contract with two private contracting firms. This arrangement for maintenance of the North Slope Haul Road is expected to continue through Fiscal Year 1980.

(Continued on next page)

IV. DATE 2/21/80 PREPARED BY Robert W. Steele
 AGENCY Transportation & Public Facilities
 PHONE 364-2121 Ext. 258
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Fiscal Note - HB 667

The cost of maintaining the 182 miles of road with State forces during FY 80 is projected at \$1,953,900. The costs of the two presently negotiated contracts total \$344,260 per month, or \$4,131,100 for the 12 month period of FY 80. The total anticipated expenditures for maintenance of the entire road by both State forces and contracts would then be \$6,085,000. The table below indicates the projected shortfall based upon the above narrative.

Maintenance by State forces	\$1,953,900
Maintenance by contracts	<u>4,131,100</u>
Total Maintenance Costs	\$6,085,000
Less FY 80 appropriation*	<u>(2,400,000)</u>
Supplemental Requirement	\$3,685,000

A copy of Deputy Commissioner Ryan's memorandum on this subject is attached. It should be noted the due to an error in calculation, his memorandum requests \$3,737,300 of supplemental funds when in actuality only \$3,685,000 is required.

The Fiscal Year 1981 Governor's budget request assumes maintenance of the entire haul road utilizing only State forces, resulting in an overall reduction from the amounts required for FY 80.

Note * This assumes passage of HB 577 which appropriates the remaining \$360,000 of the North Slope Haul Road budget.

DEC 24 1979

ATTACHMENT E

TO: Ron Lind
Deputy Commissioner, Administration
Department of Transportation
and Public Facilities

DATE December 20, 1979 DOT/PF
COMMISSIONER'S OFFICE

FILE NO 400C-0003

TELEPHONE NO.

FROM: Patrick P. Ryan *P.P.R.*
Deputy Commissioner, M & O
Department of Transportation
and Public Facilities

SUBJECT Supplemental Request - North
Slope Haul Road Component

The Free Conference Committee Budget provided for a lump sum appropriation of \$2,400,000.00 to maintain the North Slope Haul Road. Additionally, the Haul Road was made a Component of the Interior Region Maintenance and Operations BRU.

The Governor's Request for the 1980 Operating Budget for the Haul Road was \$4,566,100. That amount was estimated to be adequate to provide year around maintenance from five camps manned by State employees. At the current time and for the remainder of Fiscal Year 80 there will be only three camps in operation providing coverage for 182 miles of the road. The remaining, 210 miles will be maintained under a contractual arrangement with two private contractors. The requirement to continue the two contracts for the remainder of Fiscal Year 1980 will require us to request a Supplemental greater than \$2,166,100. The \$2,166,100 is the difference between the Governor's request of \$4,566,100 for year around maintenance and the \$2,400,000 approved by the FCC for partial year funding.

The total Supplemental needed for the Haul Road Component to finish Fiscal Year 1980 is \$3,737,300. This amount will make a total FY 80 budget of \$6,137,300 which is \$1,571,200 over the Governor's Request for 1980.

The cost of maintaining the first 182 miles with the state forces located at three camps is estimated at \$1,953,900 for a full year. The two contracts will cost \$344,260 per month or \$4,131,100 for a full year. The total expenditures for this component as of November 30, 1979 was \$1,635,593 leaving a balance of \$404,407. The Legislature only fund 85% of the \$2.4 million approved.

There is the alternative of making up the shortfall in the Haul Road Component by transferring funds from the other three Interior Components. This alternative has been considered but would result in extensive reduction of services to the remainder of the Region as the effect would be a 33% reduction in those components. Therefore, that alternative is unacceptable in my opinion.

The third alternative is to drop the two contracts and man the remaining 210 miles with state forces. While it is estimated that this would result in a savings to the state, the alternative is not practical as camp facilities do not exist at this time to allow the placement of state personnel.

Therefore, we believe the only viable course of action is to request a supplemental in the amount of \$3,737,300 to complete FY 80.

HB

696

(7)

COMMITTEE REPORT

HOUSE

2/8/80

FURTHER: FINANCE

Date: 3-3-80

Mr. Speaker:

The Committee on STATE AFFAIRS has had HB 696

"An Act relating to the individual tax credit allowed under the Alaska Net Income Tax Act; and providing for an effective date."

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 696 same title
 new title
- and recommends CS HB 696 DO PASS
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS S. VING
DO PASS

[Signature]

[Signature]

[Signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]

[Signature]

[Signature]

CHAIRMAN

1
2
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the individual net income tax;
7 providing for payments to state residents; and pro-
8 viding for an effective date."

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

10 * Section 1. POLICY, PURPOSES AND FINDINGS. (a) It is the duty and
11 policy of the state with respect to the natural resources belonging to it and
12 the income derived from those natural resources to provide for their use
13 development, and conservation for the maximum benefit of the people of the
14 state.

15 (b) The purposes of this Act are

16 (1) to provide a mechanism for equitable distribution to the
17 people of Alaska of at least a portion of the state's energy wealth derived
18 from the development and production of the natural resources belonging to
19 them as Alaskans;

20 (2) to encourage persons to maintain their residence in Alaska and
21 to reduce population turnover in the state; and

22 (3) to encourage increased awareness and involvement by the resi-
23 dents of the state in the management and expenditure of state revenues
24 derived from natural resources development and production.

25 (c) The legislature finds that the demands on and cost of state govern-
26 ment have increased over the past few years at an excessive rate and that
27 this increase has been permitted to occur, at least in part, by a feeling on
28 the part of many residents of the state that because such a high proportion
29 of the state's revenue comes from royalties and bonuses under mineral leases

1 of state land, those demands and costs do not have a significant economic
2 impact upon them personally. It is in the public interest to distribute a
3 portion of Alaska's energy wealth to the people of the state.

4 (d) The legislature also finds that state residents have been paying
5 increasingly high prices for fossil fuels, while few have received direct
6 monetary benefits from the production and development of fossil fuels belong-
7 ing to them as Alaskans. It is in the public interest to return to state
8 residents a portion of the state's income from oil, gas, and other mineral
9 production to help offset rising fuel costs.

10 (e) The legislature also finds that state residents who have played a
11 role in the history and development of this state constitute an irreplaceable
12 resource and have made valuable contributions to the political, economic and
13 social fabric of the state not only in the form of taxes but also in the form
14 of participation in the state's development. The legislature finds that
15 these contributions cannot be measured accurately in monetary terms and that
16 the contributions have been made during years since statehood in which rela-
17 tively small amounts of revenue were generated from the development of the
18 state's natural resources. These same Alaskans have borne the burdens of a
19 high cost of living during their years of residence here. In order to
20 achieve a fair distribution of the present and future income from the
21 development of the state's natural resources, it is necessary to establish a
22 distribution mechanism that takes into account the years during which these
23 individuals were owners of the state's valuable natural resources but did not
24 receive direct benefits from that ownership. It is also in the public
25 interest to provide special incentives to ensure that long-time Alaskans will
26 remain in the state and to provide financial assistance to those who may not
27 otherwise be able to do so.

28 (f) The legislature also finds that there exists in the state a serious
29 problem of population turnover. A substantial portion of the state's popu-

1 lation is comprised of individuals who reside in Alaska for only a relatively
2 short time. This is especially true in the state's larger cities. This
3 constant turnover in population leads to political, economic, and social
4 instability and is harmful to the state. It is in the public interest for
5 the state to promote a stable resident population by providing incentives to
6 encourage Alaskans to maintain their residency in the state.

7 * Sec. 2. AS 43 is amended by adding a new chapter to read:

8 CHAPTER 23. DISTRIBUTION OF REVENUE TO STATE RESIDENTS.

9 Sec. 43.23.010. RESIDENCY PAYMENT. (a) An individual who is
10 eligible under (b) of this section is entitled to an annual residency
11 payment determined as follows:

12 (1) \$115 for each full year that the individual is a state
13 resident from January 1, 1975, through December 31 of the year for which
14 the residency payment is claimed;

15 (2) the amount of political campaign contributions made by
16 the individual during the year not to exceed \$50;

17 (3) 10 percent of the residential fuel expenses paid by the
18 individual during the year or \$10, whichever is greater;

19 (4) 10 percent of the expenses for residential fuel con-
20 servation capital improvements paid by the individual during the year
21 not to exceed \$200; and

22 (5) 16 percent of the tax credit claimed by the individual on
23 his federal income tax return for household and dependent care services
24 necessary for his gainful employment.

25 (b) An individual is eligible to receive a residency payment under
26 (a) of this section if he

27 (1) applies to the department for the payment; and

28 (2) he is a state resident on the date of the application.

29 (c) If an individual is a state resident for less than 12 months

1 during a year, the portion of the residency payment determined under
2 (a)(3) - (5) of this section shall be prorated according to the number
3 of months during the year that the individual was a state resident.

4 (d) If an individual is married and files a joint federal income
5 tax return, the portion of the residency payment determined under (a)(5)
6 of this section may not exceed 50 percent of tax credit claimed for
7 household and dependent care services on the joint federal income tax
8 return.

9 (e) A parent or guardian may claim a residency payment on behalf
10 of a minor or incompetent who is eligible to receive a residency payment
11 under AS 43.23.010.

12 Sec. 43.23.020. PROOF OF ELIGIBILITY. (a) An individual who
13 applies for a residency payment shall make and submit a statement of
14 eligibility which must be verified by him under penalty of perjury. The
15 commissioner may require an individual to provide additional proof of
16 eligibility including one or more affidavits from persons having
17 personal knowledge concerning the individual's eligibility.

18 (b) The department shall prescribe and furnish an application form
19 for claiming the residency payment which shall contain a statement of
20 eligibility and a certification of residency in the following form:

21 Under penalty of perjury, I certify that I am a state resident on
22 the date of this application and I have been a state resident for
23 _____ full years and that I understand that my claim for a
24 residency payment is partly determined by the number of years that
25 I have been a state resident after January 1, 1975. I also under-
26 stand that if I am convicted of falsely claiming a residency
27 payment I will forfeit all residency paymer. and that I must repay
28 all residency payments which have been paid to me. I understand
29 that this penalty is in addition to any criminal penalties imposed.

(signature of individual)

1
2
3 Sec. 43.23.030. PENALTIES AND ENFORCEMENT. (a) In addition to
4 any criminal penalties imposed by state law, if an individual is con-
5 victed of perjury or unsworn falsification for a statement made in a
6 certification of residency, and the conviction is not reversed, that
7 individual is not, and may never become, eligible for a residency pay-
8 ment, and he forfeits all residency payments paid to him.

9 (b) If the commissioner determines that a residency payment should
10 not have been claimed by or paid to an individual, he may use any col-
11 lection procedures or remedies available under this title to recover a
12 residency payment which was improperly made.

13 Sec. 43.23.040. APPROPRIATIONS OF PERMANENT FUND INCOME. (a) The
14 legislature shall appropriate 50 percent of the annual income of the
15 Alaska permanent fund for residency payments under AS 43.23.010. If 50
16 percent of the annual income of the Alaska permanent fund is not
17 sufficient to pay all residency payments due in a year, the legislature
18 shall appropriate the additional amount needed from the general fund.

19 (b) If 50 percent of the annual income of the Alaska permaner
20 fund is more than the amount needed to pay the residency payments due
21 during that year, the amount not needed to pay residency payments shall
22 be deposited in the general fund.

23 Sec. 43.23.050. DUTIES OF THE DEPARTMENT. The department shall

24 (1) by the 10th day of each regular legislative session,
25 present a request to the legislature for an appropriation for the resi-
26 dency payments required by AS 43.23.010;

27 (2) make the residency payments required by AS 43.23.010 from
28 an annual appropriation for that purpose;

29 (3) adopt regulations under the Administrative Procedure Act

1 (AS 44.62) which establish procedures and time limitations for claiming
2 a residency payment. The department shall set the time limitation for
3 applications for a residency payment so that all residency payments for
4 a year are paid before October 15 of the following year; and

5 (4) assist residents of rural areas who because of language,
6 illness, old age or inaccessibility to public transportation need as-
7 sistance to establish eligibility and to apply for the residency payment
8 provided by this chapter.

9 Sec. 43.23.060. DEFINITIONS. In this chapter,

10 (1) "Alaska permanent fund" means the fund established by
11 art IX sec. 15, of the state constitution;

12 (2) "commissioner" means the commissioner of revenue;

13 (3) "department" means the Department of Revenue;

14 (4) "expenses for fuel conservation improvements" means

15 (A) the cost of additional insulation or insulating
16 material installed in the principal residence of the individual if
17 the residence was in existence on June 5, 1977;

18 (B) the cost of insulating windows of the principal
19 residence of the individual;

20 (C) the cost of labor for the installation of the ma-
21 terials set out in (A) and (B) of this subsection; and

22 (D) the cost of installation of alternate sources of
23 power generation not dependent on fossil fuels for energy supply,
24 including but not limited to wind, tidal, solar or geothermal
25 sources;

26 (5) "individual" means a natural person;

27 (6) "political campaign contribution" includes a contribution
28 or gift to a person or organization for use exclusively

29 (A) for political campaigns for candidates for President

1 or Vice President of the United States, whether or not they will be
2 voted on in a primary election in the state; United States senator
3 from Alaska; United States representative from Alaska; governor or
4 lieutenant governor of Alaska; the Alaska legislature; delegate to
5 an Alaska constitutional convention; electoral confirmation as a
6 judge or justice of a court in the state; and municipal office in
7 the state; and

8 (B) for groups seeking to influence the outcome of a
9 ballot proposition or question; or dues to a nonprofit organization
10 organized primarily to influence an election;

11 (7) "residential fuel expenses" means the payments made by an
12 individual for wood, coal, heating oil, gas, electricity or other fuel
13 consumed in the state for the principal residence of the individual;

14 (8) "state resident" means an individual who is physically
15 present in the state with the intent to remain permanently in the state
16 or, if he is not physically present in the state, intends to return to
17 the state and he is absent for the following reasons:

18 (A) vocational, professional or other special education
19 for which a comparable program was not reasonably available in the
20 state,

21 (B) postsecondary education,

22 (C) military service,

23 (D) medical treatment, or

24 (E) service in Congress;

25 (9) "year" means a calendar year.

26 * Sec. 3. AS 43.20.011(a) is amended to read.

27 (a) There is imposed for each taxable year upon the taxable income
28 of every resident, nonresident and part-year resident individual and
29 fiduciary of the state, except those qualifying for the rates in (b) or

(c) of this section, taxes computed according to the following table.

If the taxable income is:

Then the tax is:

[NOT OVER \$2,000	3 PER CENT OF THE TAXABLE INCOME
OVER \$2,000 BUT NOT OVER \$4,000	\$60 PLUS 3.5 PER CENT OF EXCESS OVER \$2,000
OVER \$4,000 BUT NOT OVER \$6,000	\$130 PLUS 4.0 PER CENT OF EXCESS OVER \$4,000
OVER \$6,000 BUT NOT OVER \$8,000	\$210 PLUS 5.0 PER CENT OF EXCESS OVER \$6,000
OVER \$8,000 BUT NOT OVER \$10,000	\$310 PLUS 5.5 PER CENT OF EXCESS OVER \$8,000
OVER \$10,000 BUT NOT OVER \$12,000	\$420 PLUS 6.0 PER CENT OF EXCESS OVER \$10,000
OVER \$12,000 BUT NOT OVER \$14,000	\$540 PLUS 7.0 PER CENT OF EXCESS OVER \$12,000
OVER \$14,000 BUT NOT OVER \$16,000	\$680 PLUS 7.5 PER CENT OF EXCESS OVER \$14,000
OVER \$16,000 BUT NOT OVER \$18,000	\$830 PLUS 8.0 PER CENT OF EXCESS OVER \$16,000
OVER \$18,000 BUT NOT OVER \$20,000	\$990 PLUS 8.5 PER CENT OF EXCESS OVER \$18,000
OVER \$20,000 BUT NOT OVER \$22,000	\$1,160 PLUS 9.0 PER CENT OF EXCESS OVER \$20,000
OVER \$22,000 BUT NOT OVER \$26,000	\$1,340 PLUS 9.5 PER CENT OF EXCESS OVER \$22,000
OVER \$26,000 BUT NOT OVER \$32,000	\$1,720 PLUS 10.0 PER CENT OF EXCESS OVER \$26,000]
Over \$32,000 but not over \$38,000	[\$2,320 PLUS] 10.5 percent of excess over \$32,000

1	Over \$38,000 but not over \$44,000	<u>\$630</u> [\$2,950] plus 11.0 per-
2		cent of excess over \$38,000
3	Over \$44,000 but not over \$50,000	<u>\$1,290</u> [\$3,610] plus 11.5 per-
4		cent of excess over \$44,000
5	Over \$50,000 but not over \$60,000	<u>\$1,980</u> [\$4,300] plus 12.0 per-
6		cent of excess over \$50,000
7	Over \$60,000 but not over \$70,000	<u>\$3,180</u> [\$5,500] plus 12.5 per-
8		cent of excess over \$60,000
9	Over \$70,000 but not over \$80,000	<u>\$4,430</u> [\$6,750] plus 13.0 per-
10		cent of excess over \$70,000
11	Over \$80,000 but not over \$90,000	<u>\$5,730</u> [\$8,050] plus 13.5 per-
12		cent of excess over \$80,000
13	Over \$90,000 but not over \$100,000	<u>\$7,080</u> [\$9,400] plus 14.0 per-
14		cent of excess over \$90,000
15	Over \$100,000 but not over \$150,000	<u>\$8,480</u> [\$10,800] plus 14.0 per-
16		cent of excess over \$100,000
17	Over \$150,000 but not over \$200,000	<u>\$15,480</u> [\$17,800] plus 14.5 per-
18		cent of excess over \$150,000
19	Over \$200,000	<u>\$22,730</u> [\$25,050] plus 14.5 per-
20		cent of excess over \$200,000

* Sec. 4. AS 45.20.011(b) is amended to read:

(b) There is imposed for each taxable year upon the taxable income of every resident, nonresident and part-year resident married individual who makes a single return jointly with his spouse (as provided in section 6013 of the Internal Revenue Code) and upon every resident, nonresident and part-year resident surviving spouse (as defined in section 2(a) of the Internal Revenue Code) taxes computed according to the following table.

If the taxable income is:

Then the tax is:

1	[NOT OVER \$4,000	3 PER CENT OF THE TAXABLE INCOME
2	OVER \$4,000 BUT NOT OVER \$8,000	\$120 PLUS 3.5 PER CENT OF
3		EXCESS OVER \$4,000
4	OVER \$8,000 BUT NOT OVER \$12,000	\$260 PLUS 4.0 PER CENT OF
5		EXCESS OVER \$8,000
6	OVER \$12,000 BUT NOT OVER \$16,000	\$420 PLUS 5.0 PER CENT OF
7		EXCESS OVER \$12,000
8	OVER \$16,000 BUT NOT OVER \$20,000	\$620 PLUS 5.5 PER CENT OF
9		EXCESS OVER \$16,000
10	OVER \$20,000 BUT NOT OVER \$24,000	\$840 PLUS 6.0 PER CENT OF
11		EXCESS OVER \$20,000
12	OVER \$24,000 BUT NOT OVER \$28,000	\$1,080 PLUS 7.0 PER CENT OF
13		EXCESS OVER \$24,000
14	OVER \$28,000 BUT NOT OVER \$32,000	\$1,360 PLUS 7.5 PER CENT OF
15		EXCESS OVER \$28,000
16	OVER \$32,000 BUT NOT OVER \$36,000	\$1,660 PLUS 8.0 PER CENT OF
17		EXCESS OVER \$32,000
18	OVER \$36,000 BUT NOT OVER \$40,000	\$1,980 PLUS 8.5 PER CENT OF
19		EXCESS OVER \$36,000
20	OVER \$40,000 BUT NOT OVER \$44,000	\$2,300 PLUS 9.0 PER CENT OF
21		EXCESS OVER \$40,000
22	OVER \$44,000 BUT NOT OVER \$52,000	\$2,680 PLUS 9.5 PER CENT OF
23		EXCESS OVER \$44,000
24	OVER \$52,000 BUT NOT OVER \$64,000	\$3,440 PLUS 10.0 PER CENT OF
25		EXCESS OVER \$52,000]
26	Over \$64,000 but not over \$76,000	(\$4,640 PLUS) 10.5 percent
27		of excess over \$64,000
28	Over \$76,000 but not over \$88,000	<u>\$1,260</u> [\$5,900] plus 11.0 per-
29		cent of excess over \$76,000

1	Over \$88,000 but not over \$100,000	<u>\$2,580</u> [\$7,220] plus 11.5 per-
2		cent of excess over \$88,000
3	Over \$100,000 but not over \$120,000	<u>\$3,960</u> [\$8,600] plus 12.0 per-
4		cent of excess over \$100,000
5	Over \$120,000 but not over \$140,000	<u>\$6,360</u> [\$11,000] plus 12.5 per-
6		cent of excess over \$120,000
7	Over \$140,000 but not over \$160,000	<u>\$8,860</u> [\$13,500] plus 13.0 per-
8		cent of excess over \$140,000
9	Over \$160,000 but not over \$180,000	<u>\$11,460</u> [\$16,100] plus 13.5 per-
10		cent of excess over \$160,000
11	Over \$180,000 but not over \$200,000	<u>\$14,160</u> [\$18,800] plus 14.0 per-
12		cent of excess over \$180,000
13	Over \$200,000 but not over \$300,000	<u>\$16,960</u> [\$21,600] plus 14.0 per-
14		cent of excess over \$200,000
15	Over \$300,000 but not over \$400,000	<u>\$30,960</u> [\$35,600] plus 14.5 per-
16		cent of excess over \$300,000
17	Over \$400,000	<u>\$45,460</u> [\$50,100] plus 14.5 per-
18		cent of excess over \$400,000

19 * Sec. 5. AS 43.20.011(c) is amended to read:

20 (c) There is imposed for each taxable year upon the taxable income
 21 of every resident, nonresident and part-year resident head of a house-
 22 hold (as defined in section 2(b) of the Internal Revenue Code), taxes
 23 computed according to the following table.

24 If the taxable income is:

Then the tax is:

25 [NOT OVER \$2,000

3 PER CENT OF THE TAXABLE INCOME

26 OVER \$2,000 BUT NOT OVER \$4,000

\$60 PLUS 3.5 PER CENT OF
 EXCESS OVER \$2,000

27 OVER \$4,000 BUT NOT OVER \$6,000

\$130 PLUS 4.0 PER CENT OF
 EXCESS OVER \$4,000

1	OVER \$6,000 BUT NOT OVER \$8,000	\$210 PLUS 4.5 PER CENT OF
2		EXCESS OVER \$6,000
3	OVER \$8,000 BUT NOT OVER \$10,000	\$300 PLUS 5.0 PER CENT OF
4		EXCESS OVER \$8,000
5	OVER \$10,000 BUT NOT OVER \$12,000	\$400 PLUS 5.5 PER CENT OF
6		EXCESS OVER \$10,000
7	OVER \$12,000 BUT NOT OVER \$14,000	\$510 PLUS 6.0 PER CENT OF
8		EXCESS OVER \$12,000
9	OVER \$14,000 BUT NOT OVER \$16,000	\$630 PLUS 6.5 PER CENT OF
10		EXCESS OVER \$14,000
11	OVER \$16,000 BUT NOT OVER \$18,000	\$760 PLUS 7.0 PER CENT OF
12		EXCESS OVER \$16,000
13	OVER \$18,000 BUT NOT OVER \$20,000	\$900 PLUS 7.0 PER CENT OF
14		EXCESS OVER \$18,000
15	OVER \$20,000 BUT NOT OVER \$22,000	\$1,040 PLUS 7.5 PER CENT OF
16		EXCESS OVER \$20,000
17	OVER \$22,000 BUT NOT OVER \$24,000	\$1,190 PLUS 8.0 PER CENT OF
18		EXCESS OVER \$22,000
19	OVER \$24,000 BUT NOT OVER \$28,000	\$1,350 PLUS 8.5 PER CENT OF
20		EXCESS OVER \$24,000
21	OVER \$28,000 BUT NOT OVER \$32,000	\$1,690 PLUS 9.0 PER CENT OF
22		EXCESS OVER \$28,000)
23	Over \$32,000 but not over \$38,000	[\$2,050 PLUS] 9.5 percent of
24		excess over \$32,000
25	Over \$38,000 but not over \$44,000	<u>\$570</u> [\$2,430] plus 10.0 per-
26		cent of excess over \$38,000
27	Over \$44,000 but not over \$50,000	<u>\$1,170</u> [\$3,030] plus 10.5 per-
28		cent of excess over \$44,000
29	Over \$50,000 but not over \$60,000	<u>\$1,800</u> [\$3,660] plus 11.0 per-

1		cent of excess over \$50,000
2	Over \$60,000 but not over \$70,000	<u>\$2,900</u> [\$4,760] plus 11.5 per-
3		cent of excess over \$60,000
4	Over \$70,000 but not over \$80,000	<u>\$4,050</u> [\$5,910] plus 12.0 per-
5		cent of excess over \$70,000
6	Over \$80,000 but not over \$90,000	<u>\$5,250</u> [\$7,110] plus 12.5 per-
7		cent of excess over \$80,000
8	Over \$90,000 but not over \$100,000	<u>\$6,500</u> [\$8,360] plus 13.0 per-
9		cent of excess over \$90,000
10	Over \$100,000 but not over \$150,000	<u>\$7,800</u> [\$9,660] plus 13.5 per-
11		cent of excess over \$100,000
12	Over \$150,000 but not over \$200,000	<u>\$14,550</u> [\$16,410] plus 14.0 per-
13		cent of excess over \$150,000
14	Over \$200,000 but not over \$300,000	<u>\$21,550</u> [\$23,410] plus 14.5 per-
15		cent of excess over \$200,000
16	Over \$300,000	<u>\$36,050</u> [\$37,910] plus 14.5 per-
17		cent of excess over \$300,000

18 * Sec. 6. AS 43.20.015(a) is amended to read:

19 (a) For tax years beginning after December 31, 1979 [1977], each
 20 individual filing an Alaska net income tax return is entitled to the
 21 credit provided for in this section. For married taxpayers filing a
 22 joint return, the return may claim the credit for each spouse.

23 * Sec. 7. AS 43.20.015(b) is repealed and re-enacted to read:

24 (b) The amount of the annual individual tax credit is \$250 for
 25 each tax year beginning after December 31, 1974, for which the indi-
 26 vidual filed an individual income tax return but the annual individual
 27 tax credit may not exceed (1) \$1,250, or (2) the net income tax lia-
 28 bility of the individual for the year for which the credit is claimed,
 29 whichever is less.

1 * Sec. 8. AS 43.20.011(d) is repealed.

2 * Sec. 9. AS 43.23.010(a)(2) - (5) enacted in sec. 2 of this Act do not
3 apply to claims for a residency payment for the year ending December 31,
4 1979. For that year only, an eligible state resident may receive a residency
5 payment equal to \$115 for each full year that the individual was a state
6 resident from January 1, 1975, through December 31, 1979. The Department of
7 Revenue shall prescribe and distribute forms to the public so that the resi-
8 dency payment for 1979 will be paid before October 15, 1980.

9 * Sec. 10. If any provision enacted in sec. 2 of this Act is held to be
10 invalid by the final judgment, decision or order of a court of competent
11 jurisdiction, then that provision is nonseverable, and all provisions enacted
12 in sec. 2 of this Act are invalid and of no force or effect.

13 * Sec. 11. This Act terminates on the effective date of an Act which
14 repeals AS 43.20.011(a) - (d).

15 * Sec. 12. Sections 1 and 2 of this Act are retroactive to January 1,
16 1979.

17 * Sec. 13. Sections 3 - 8 of this Act apply to tax years beginning after
18 December 31, 1979.

19 * Sec. 14. Sections 3 - 8 of this Act are retroactive to January 1, 1980.

20 * Sec. 15. This Act takes effect immediately in accordance with AS 01 10.-
21 070(c).

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STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

POUCH 5 - JUNEAU 99811

February 18, 1980

The Honorable Mike Miller
Chairman
House State Affairs Committee
Room 102 - Capitol Building
Juneau, Alaska 99811

Dear Mr. Miller:

Re: House Bill No. 696

House Bill No. 696, an Act relating to the individual tax credit allowed under the Alaska Net Income Tax Act, was introduced in the House on February 8, 1980 and was referred to the House State Affairs and Finance Committees.

For the consideration of the House State Affairs Committee, I am enclosing copies of Fiscal Notes prepared by Gary Jenkins, Director, Audit Division; P. A. Wall, Director, Administrative Services Division and Bill Yankee, Research Section of the Department of Revenue concerning the proposed legislation.

Sincerely,



R. D. Stevenson
Special Assistant

cc: Russ Meekins
Chairman
House Finance Committee

Joseph K. Donohue
Deputy Commissioner
Department of Revenue

Gary Jenkins, Director
Audit Division
Department of Revenue

P. A. Wall, Director
Administrative Services Division
Department of Revenue

Vincent Wright
Research Section
Department of Revenue

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 696
 Title An Act relating to the individual tax credit allowed under Alaska
 Requested by House State Affairs & Finance Comm. ~~xx~~ Net Income Tax Act
 Date: 2/11/80

II. FISCAL DETAIL

Agency Affected _____ Revenue _____
 Program Category Affected _____ Fiscal Services _____
 BRU, Program, or Subprogram(s) Affected Audit Division

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

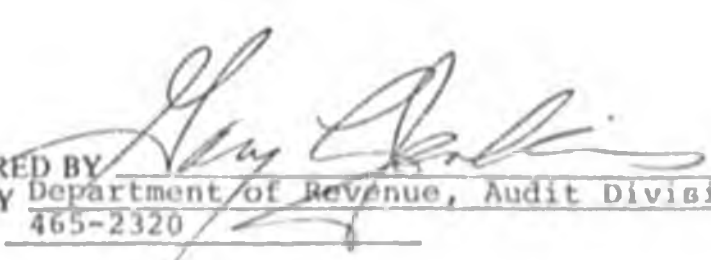
GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS None

FULL TIME						
PART TIME						
TEMPORARY						

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

See attached memorandum to R. D. Stevenson dated 2/11/80.

IV. DATE February 11, 1980 PREPARED BY 
 AGENCY Department of Revenue, Audit Division
 PHONE 465-2320
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

STATE
of ALASKA

MEMORANDUM

TO: R. D. Stevenson
Special Assistant
Department of Revenue

DATE: February 11, 1980

FILE NO:

TELEPHONE NO:

FROM: Gary L. Jenkins
Director
Audit Division

SUBJECT: House Bill No. 696

This bill would modify the current law providing for an annual individual tax credit by adding three additional years with an increasing amount of credit of \$100 per year. This credit would be partially refundable up to a maximum of \$200 for residents.

It appears that there may be a constitutional problem with this bill in that a part-year or nonresident taxpayer may take the credit only up to the amount of their tax liability while a resident may claim the credit and receive a refund up to \$200 in excess of their actual tax liability.

The sentence which begins in the middle of line 10, page 2 of the bill provides for a deferral of the credit payment, allowing the amount which might be refunded to be applied to future income taxes. The initial phrase of this provision states, "to the extent allowed under federal law". In light of the fact that there is no similar credit permitted under federal law, I would suggest that the phrase be eliminated and replaced with language such as, "a payment required by this subsection may be applied to the estimated tax liability of the taxpayer for the following tax year".

The potential loss of revenue which would result from enactment of this proposed legislation will be provided by the Research Section of the Department of Revenue.

The Administrative Services Division will prepare a Fiscal Note showing the administrative costs that they will incur if this legislation passed.

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 696
 Title Releating to the individual tax credit allowed under the Alaska Net Income Tax
 Requested by _____ Date 2/11/80

II. FISCAL DETAIL

Agency Affected _____ Revenue _____
 Program Category Affected _____ General Government _____
 BRU, Program, or Subprogram(s) Affected Administration & Support, Management Services
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES		34.3	36.9	42.1	45.0	48.2
200 TRAVEL						
300 CONTRACTUAL		15.5	17.0	23.2	24.8	26.6
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS CLAIMS, ETC.						
TOTAL		49.8	53.9	65.3	69.8	74.8

Data Processing Chargeback increase above continuation in FY 83.

FUNDING (Thousands of Dollars)

GENERAL FUND		49.8	53.9	65.3	69.8	74.8
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME		5/19mm	5/19mm	7/29mm	7/29mm	7/29mm
TEMPORARY						

2 PPT Tax Scanner positions (10mm) added in FY 83.

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

The administrative complexities of Chapter 144, SLA 1978 are compounded by HB 696. This occurs because the tax years claimed for the credit are not required to be consecutive, there is no time limit on the interval between tax years when the credit is claimed and there is substantial change in taxpayer names and addresses, and in Social Security Numbers. As a result, the computer programs which compare the total years claimed on this years return to the previous years in which earlier tax credits were claimed, produce many non-matching situations. These non-matching claims must be checked out manually before final disposition of the credit can be decided. Further, each additional year adds another income tax file to the computer cross-checking routines which increases the computer systems and supporting staff costs.

ASSUMPTIONS: Over 225,000 returns are estimated to be processed for the tax year 1980. 25,000 of these are expected to be in response to the credit payment provided for in HB 696. The expanding of the credit and

IV. DATE 2/16/80 PREPARED BY P. A. WALL
 AGENCY Revenue
 Original: Legislative Finance PHONE 465-2313
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

ASSUMPTIONS (Con't):

resulting credit payments will be incorporated into the existing process. Additional data capture will occur and will be added to the existing routines.

Program Summary: A Systems Analyst is required to design the cross-checking and payment system for HB 696. It will data capture returns filed for the credit payment only and will compare all returns against prior year tax files to verify the credit and reject for manual checking those not verified. Manually verified returns must then be data captured and processed. Additional staff will process the 25,000 returns expected from those filing for the credit as well as the additional work in manual verification.

Positions: 1 PPT Systems Analyst/Programer, Range 18, 3mm at \$2,361 per mo = 7.1
Position Cost: Benefits 1.1, FICA .4, Health Ins. .4 = 1.9

4 PPT Tax Scanners, Range 8, 16mm at \$1,197 per mo, Shift Work = 19.2
Position Cost: Benefits 2.8, FICA 1.3, Health Ins. 2.0 = 6.1

Other Costs: 2 Data Capture Machines, 4 mos ea at 350 mo = 2.8
Warrant Stock: 25,000 at \$24M .6
Postage: 25,000 at .15 cents ea 3.8
Envelopes: 25,000 at \$11.54M .3
Miscellaneous: Toll Calls, Insurance, Date Processing Chargeback,
(5.5), Electrical Installation = 8.0

1	POSITION TITLE Systems Analyst I.			RANGE/STEP 18/A	BARG. UNIT. GG	LOCATION J:ineau	GOV	APPROV.	DISAPP.
2	TYPE OF POSITION PPT	STAFF MONTHS 3	RP No.	PCN No.	PRIORITY HB 696	FORM 12	PAGE/LINE	LEG.	
3	TYPE OF EXPENDITURE			AMOUNT					
	1			2			3		
4	PERSONAL SERVICES- SALARY			7.1					
5	BENEFITS			1.1					
6	FICA			.4					
7	HEALTH INS.			.4					
8	TOTAL PERSONAL SERVICES			9.0					
9	TRAVEL								
10	CONTRACTUAL DP Chargeback			5.5					
11	COMMODITIES								
12	EQUIPMENT								
13	OTHER								
14	TOTAL COST			14.5					
JUSTIFICATION:									
Required to design the computer cross-checking and credit payment system. Data required for the process will be captured and compared against prior year tax files to verify the credit and reject for manual checking those not verified. Manually verified returns must be data captured and processed. The required controls and routines for batching, warrant release and warrant redemption must be provided. Appropriate documentation of the computer processes must be prepared.									
	CODE	FUNDING SOURCE							
15		FED RCPTS							
16		GF MATCH							
17		GEN FUND			14.5				
18		I-A RCPTS							
19		PGM RCPTS							
20		OTHER							
21	CONTINUATION								
22	ADDITION		FOR B&M USE ONLY						
4A KEY NUMBER				COLUMN NO.					

AGENCY Revenue PROGRAM AREA General Government

BRU Administration and Support

FY 81

13 REQUEST FOR NEW POSITION.

COMPONENT Management Services

Page 1 of 2

REVISED DATE _____



1	POSITION TITLE Tax Scanners				RANGE/STEP 8/A	BARG. UNIT. GG	LOCATION Juneau	GOV	APPROV.	DISAPP.
2	TYPE OF POSITION PPT	STAFF MONTHS 6	RP No.	PCN No.	PRIORITY HB 696	FORM 12	PAGE/LINE	LEG.		
3	TYPE OF EXPENDITURE			AMOUNT	JUSTIFICATION: Required to data capture 25,000 additional returns filed for the credit payment and to assist in the processing of the additional manually verified credit claims so that the normal tax refund process will not be slowed down. Work involves using the terminal and manual records in checking and verifying claims, batching, batch editing and correction, warrant release and control, and redeemed warrant processing.					
	1	2	3							
4	PERSONAL SERVICES:									
	SALARY		19.2							
5	BENEFITS		2.8							
6	FICA		1.3							
7	HEALTH INS.		2.0							
8	TOTAL PERSONAL SERVICES		25.3							
9	TRAVEL									
10	CONTRACTUAL		10.0							
11	COMMODITIES									
12	EQUIPMENT									
13	OTHER									
14	TOTAL COST		35.3							
	CODE	FUNDING SOURCE								
15		FED RCPTS								
16		CF MATCH								
17		GEN. F. ND		35.3						
18		I-A RCPTS								
19		PGM RCPTS								
20		OTHER								
21	CONTINUATION									
22	ADDITION									
FOR B&M USE ONLY										
4A KEY NUMBER _____ COLUMN NO. _____										

AGENCY Revenue PROGRAM AREA General Government

BRU Administration and Support

COMPONENT Management Services

FY 81

13 REQUEST FOR NEW POSITION.

Page 2 of 2

REVISED DATE _____

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. IB 696
 Title An Act Relating to the Individual Tax Credit
 Requested by House State Affairs Committee Date _____

II. FISCAL DETAIL

Agency Affected _____
 Program Category Affected _____
 BRU, Program, or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING ^{Millions}
(Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
GENERAL FUND	-0-	(\$25)	(\$27)	(\$46)	(\$66)	(\$68)
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
FULL TIME						
PART TIME						
TEMPORARY						

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

The above revenue loss for FY 81 is attributable to the three tax years 1978, 1979, and 1980 combined. Since each of these years are subject to the existing Income Credits, the only fiscal impact under this bill is due to the additional credit beyond tax liability (up to \$200 per taxpayer.) It is estimated that this impact will amount to \$5, \$9, and \$11 million for the three tax years respectively and sum to the \$25 million FY 1981 value.

For each of the FY 82-85 values, the previous tax year was used to calculate the impact. Starting with tax year 1981, the estimated revenue loss accounts for both the credit over and above tax liability (up to \$200) and the additional \$100 credit per taxpayer per year through tax year 1983. The FY 85 value is a reflection of growth over FY 84.

IV. DATE 2/13/80 PREPARED BY Bert Clark
 AGENCY Research Section
 PHONE 465-2390
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

To: Rep. Brian Rogers
From: Staff
re: Tax Proposals

COPY SM

February 8, 1980

Here is the report you requested covering all the current bills before the legislature concerning income taxes. One problem is that for many of the bills the Department of Revenue does not have adequate information to assess the effects. One critical piece of information they do not have is a table of income tax paid by income category. The research division is doing a study on that at the moment which is expected to be complete at the end of March. In the meantime I have used the 'broad brush average' approach and, on occasion the 'mix oranges with apples' approach. I have noted the method used whenever practical; please accept my appologies for any errors.

The 28 bills worked on fall into 5 groups:

- 1) COMPLETE OR VIRTUAL TAX REPEAL
- 2) "EARNED" TAX CREDITS/DEDUCTIONS
- 3) PAYABLE CREDIT--OTHER INCOME DISTRIBUTION
- 4) TAX COMPUTATION CHANGES
- 5) CONSTITUTIONAL TAX LIMITATIONS

<u>GROUP 1</u>	<u>GROUP 2</u>	<u>GROUP 3</u>	<u>GROUP 4</u>	<u>GROUP 5</u>
✓ HB 507	✓ CSHB 11	✓ HB 607	✓ HB 436	✓ HJR 37
✓ SB 297	✓ HB 115	✓ SB 359	✓ HB 464	✓ HJR 88
✓ HB 554 <i>Res.</i>	✓ SB 95	W.O. 7327	✓ SB 266	
✓ HB 571 <i>Res.</i>	✓ HB 145	W.O. 9844	✓ SSSB 47	
✓ HB 587	✓ SB 48		✓ HB 376	
✓ SB 260	✓ HB 284			
	✓ HB 431			
	✓ HB 622			
	✓ CSSB 310			
	✓ HB 655			
	✓ HB 99			

W.O. 78.39

✓ HB 675 }
✓ HB 676 } *Randolph (H) Freeman*
✓ HB 677 }

✓ HB 695 *Rogers (D)*

✓ HB 696 *Miles (D)*

✓ - 75 copies in velt

GROUP 1

COMPLETE OR VIRTUAL TAX REPEAL

- HB 507 (K) REPEALING NET INCOME TAX/INDIVIDUALS (Barnes, Beirne, Bettisworth, Chatterton, Eliason, Halford, Haugen, Hayes, Martin, Metcalfe, Montgomery, O'Connell & Phillips)
- SB 297 (V) REPEALING NET INCOME TAX/INDIVIDUALS (Kerttula, 1980)
These bills repeal the individual income tax beginning in tax year 1981. Average savings per taxpayer is \$734 annually; estimated revenue loss for FY 1981 is \$161 million. Dept. of Revenue is currently conducting a study (scheduled for late March completion) to show resident/non-resident benefits and spread of tax liability by adjusted gross incomes. In 1978, the largest group of returns (28%) occurred in the \$0-\$5,000 adjusted gross income; these will not benefit. The same year, non-resident returns accounted for 22% of all returns filed (versus 26.3% in 1977).
- HB 554 (L)(K) REPEALING NET INCOME TAX, INDIVIDUALS AND OIL AND GAS CORPORATE INCOME TAX (Randolph, Beirne, Bettisworth, Metcalfe, 1980)
Same as HB507/SB297 above on individual income tax, except the bill is retroactive to the 1979 tax year, with last year's taxes refunded. Effective 6/30/80, the Oil and Gas Corporate Income Tax is repealed, giving an estimated \$558,000,000 benefit the first year to the petroleum industry.
- HB 571 (K) REPEALING NET INCOME TAX/INDIVIDUALS AND SUSPENDING MOST OTHERS (Hayes, Barnes, Beirne, Bettisworth, Branson, Chatterton, Eliason, Halford, Haugen, Martin, Metcalfe, Montgomery, O'Connell & Phillips, 1980)
Repeals the individual income tax and the 4% capital gains tax on individuals, and suspends all other taxes except the Oil & Gas Severance Tax. Retroactive to 1/1/80, it would result in a \$161 million annual revenue loss from the individual income tax repeal (FY 81 estimate) and would suspend collection of \$855,000,000 until the commissioner of administration and revenue jointly certify the state general fund balance available for appropriation and expenditure has fallen below a six-month operating reserve. It is estimated this would occur immediately, since current revenue estimates include FY80 receipts.
- HB 587 (V) INCREASING INDIVIDUAL TAX CREDIT (Cotten, 1980)
Increases the Freeman tax credit in the second and succeeding years to \$5,000 per taxpayer per year. It would essentially eliminate all personal income taxes (a \$1200 credit eliminates 95 per cent of all state income taxes). Retroactive to 1/1/79. Taxpayer is entitled to receive interest on taxes withheld. Revenue loss \$160 million/year.
- SB 260 (D) REPEALING SCHOOL TAX (Stimson, 1979)
Repeals \$10 school tax, effective 1/1/80. Estimated \$2 million annual revenue loss

GROUP 2

"EARNED" TAX CREDITS/DEDUCTIONS

- CSHB 11 (Fin) ADOPTION EXPENSE DEDUCTION (Phillips & Halford, 1979)
Provides for a maximum tax deduction for allowable expenses incurred in adopting a child during the tax year. Retroactive to tax year 197. Fiscal note (revenues lost) \$29,000 annually.
- HB 115 (D) VOTING CREDIT (Rogers, 1979)
Allows a \$5 credit for voting in primary and general elections. Maximum credit \$10 in even-numbered tax years. Fiscal note (revenues lost) \$600,000 annually.
- SB 95 (R) VOTING CREDIT (Bradley, 1979)
Allows a \$50 credit for voting in primary or general elections. Maximum credit \$50 in even numbered tax years. Estimated fiscal note (revenues lost)\$5,000,000 annually.
- HB 145 (R) TUITION TAX CREDIT (Martin, 1979)
Allows a 50% credit for tuition payments made for tuition at an accredited or approved private educational institutions. Maximum credit \$500 for individual in elementary school, \$750 in secondary or vocational school, or \$1,000 for postsecondary education. Retroactive to 1/1/79. No revenue loss estimate available per Dept. of Revenue.
- SB 48 (R) TUITION TAX CREDIT (Bradley, 1979)
Allows a 50% credit for tuition payments made on behalf of any member of a taxpayer's family, to a maximum \$500 credit per individual in school (no limit on number of individuals in family eligible). Retroactive to 1/1/78. Dept. of Revenue has an "almost total lack of information" about revenue loss estimate.
- HB 284 (L) CONTRIBUTION CREDITS (Bettisworth, Martin, Randolph, 1979)
Provides for a tax credit of up to \$100 each for contributions made in 1979 to: Alaska Conservation Society, Alaska Center for the Environment, Alaskans Unite, Committee (sic) for the Management of Alaskan Lands, and the Real Alaska Coalition. Maximum credit is \$500 per year. No revenue loss estimate available.
- HB 431 (L) CONTRIBUTION CREDIT/CERTAIN CHARITIES (Randolph, Martin, 1979)
Allows a credit for contributions to Alaska chapters of non-profit, tax exempt (I.R.S. code sec. 501(c)(3)) organizations certified by commissioner of revenue. Retroactive to tax year 1979.