

1173

HSA

HB

927

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HCR

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1 required to be prepared under AS 44.62.195.

2 * Sec. 20. Sections 2 - 13 of this Act take effect July 1, 1980.

3 * Sec. 21. Sections 14 - 16 of this Act take effect July 1, 1981.

COMMITTEE REPORT

March 12, 1980

Dear Mr. Speaker:

The Committee on State Affairs has had under consideration HB 927, "An Act designating programs and activities for review and termination under AS 44.66; and providing for an effective date." Following local and teleconferenced hearings on the bill it was the decision of the Committee to amend the bill by deleting sections 2 through 6 and sections 8 through 16. Sections 2 through 6 and sections 8 through 13 were deleted because the various agencies and organizations scheduled for appraisal and "sunset" review had indeed already undergone a performance audit this year by the Legislative Audit Division. Upon consideration of the performance audits and testimony received both locally and from around the state it was decided that these particular agencies and organizations were deserving of continuation and it would not be in the best interests of the state to initiate still another performance audit or to terminate them under the terms of Alaska "sunset" legislation.

In the case of sections 14 through 16 it was recommended that the Board of Fisheries, Board of Game and Alaska Public Broadcasting Commission be amended out of the bill -- thus eliminating them from "sunset" review -- but that the three entities nevertheless be designated for performance audit by the Legislative Budget and Audit Committee.

Section 17, dealing with the Alaska State Council on the Arts, was also removed from the bill in the State Affairs Committee substitute, the feeling of the committee being that at the present time the council is undergoing a change of management and that the review would not show a "typical" operation by the council. It is suggested that with the designation of a new executive director in the very near future, the council should probably undergo a performance audit and "sunset" review next year.

Because sections 18 through 23 of the bill included specific requests for "sunset" review by members of the Budget and Audit Committee -- as authorized by the "sunset" statutes -- the State Affairs Committee made no deletions among these sections.


CHAIRMAN

IBEW JNU

IBEW KET

3/10/80

ATTN: TOM CASHEN

PLEASE FORWARD THE FOLLOWING MESSAGE TO MR DARRELL MILLER.

THANK YOU

FRAN

DARRELL MILLER, DIRECTOR
OCCUPATIONAL SAFETY & HEALTH
DEPARTMENT OF LABOR
SEALASKA PLAZA, 3 RD FLOOR
TEL. 465-4855

3/10/80

ATTN: REPRESENTATIVE JIM DUNCAN, CHAIRMAN
LEGISLATIVE BUDGET & AUDIT COMMITTEE

REPRESENTATIVE MIKE MILLER
ALASKA LEGISLATIVE COUNCIL

RE: SUNSET REVIEW, HOUSE BILL 927

WE STRONGLY URGE YOUR SUPPORT OF STATE ADMINISTRATION AND COMPLIANCE FOR CONTINUANCE OF ENFORCEMENT OF ALASKA OCCUPATIONAL HEALTH AND SAFETY. LOCAL COMPLIANCE OFFICER, JOE STOVER, IS A DEFINITE ASSET TO THIS AREA AND WITHOUT THE CONTINUANCE OF THE STATE OSHA OUR INSPECTION IN COMPLIANCE UNDER FEDERAL OSHA WOULD BE NEXT TO IMPOSSIBLE.

PEOPLE OF THIS AREA NEED THE PROTECTION IN TERMS OF OCCUPATIONAL AND HEALTH SAFETY, AND TO REVERT BACK TO FEDERAL ADMINISTRATION OF OSHA, WOULD BE A GIANT STEP BACKWARD. PLEASE DO NOT EVEN CONSIDER TAKING AWAY SOMETHING THAT THE PEOPLE OF THIS COMMUNITY WORKED HARD FOR AND DESERVE TO KEEP.

SINCERELY

FRAN BOYD
PRESIDENT
KETCHIKAN BUILDING TRADES

IBEW JNU

IBEW KET
V

LA61 1965 12.31 JAD1 0062 12.31 03/11/00

TO: ALL MEMBERS OF THE HOUSE STATE AFFAIRS COMMITTEE

DEAR SIR:

WE FEEL THAT THE DOSH REGULATIONS ARE ADEQUATE FOR OUR NEEDS AND THAT WE CANNOT SEE ANY NEED FOR FEDERAL REGULATIONS DOING THE SAME JOB.

HAVING LOCAL OFFICES AND PEOPLE GIVES BETTER COMMUNICATIONS AND ENABLES US TO WORK WITH LOCAL REPRESENTATIVES IN A MORE TIMELY AND LESS COSTLY MANNER.

SINCERELY,

JOHN TYHUIS, BEI
BOX 2392
KODIAK, AK. 99615

FDX/110/NW

3

1401 2851 14.49 1401 0094 14.49 03/11/80

TO: SENATOR BOB MULLOY
TO: REPRESENTATIVE FRED ZHAROFF
TO: ALL MEMBERS OF THE HOUSE STATE AFFAIRS COMMITTEE

Chairman Miller

IN REGARDS TO HOUSE BILL 527 ART. 13 DROPPING OF STATE OCCUPATIONAL
SAFETY PROGRAM. I DO NOT SUPPORT THIS AND BELIEVE THE EXISTING PROGRA

WILL SERVED THE PEOPLE OF THIS STATE, WORKERS AND CONTRACTORS.

LOUIS SCHNEIDER
A.L.C. CONST. INT. SUPERINTENDANT ALASKA DIV.
L.S. SCHNEIDER & SONS, INC. PRES.
MILL COAST LUMBER, INC. PRESIDENT
STEEL MECHANICAL, INC. VICE PRES.

14601 2808 14.43 3601 5092 14.44 03/11/70

TO: SENATOR BOB MULLANS
TO: REPRESENTATIVE FRED ZHAROFF

TO: ALL MEMBERS OF THE HOUSE STATE AFFAIRS COMMITTEE *Chairman Miller*

I STRONGLY SUPPORT THE OCCUPATIONAL SAFETY PROGRAM AND URGE YOU TO SUPPORT KEEPING THE PROGRAM IN FORCE.

IDEAL PAINTING AND DECOR., INC.
P.O. BOX 127
MOBILE, AL. 36615
JOHN H. WELCH

Moore Business Forms, Inc.

LA61 2762 14.27 JAG1 0089 14.27 02/11/00

3

FOR SENATOR BOB HULLMAN
FOR REPRESENTATIVE ERIC ZHAROFF
FOR ALL MEMBERS OF THE HOUSE STATE AFFAIRS COMMITTEE

Cherilyn Miller

I STRONGLY SUPPORT THE OCCUPATIONAL SAFETY PROGRAM AND URGE YOU TO

SUPPORT KEEPING THE PROGRAM IN FORCE.
YOUR AND CONCERNED CITIZEN

Introduced: 2/29/80
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
BUDGET AND AUDIT COMMITTEE

2 HOUSE BILL NO. 927

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act designating programs and activities for review
7 and termination under AS 44.66; and providing for an
8 effective date."

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

10 * Section 1. LEGISLATIVE PURPOSE. The purpose of this Act is to identify
11 and designate the agency programs and activities which will be subject to the
12 legislative oversight process, as required under AS 44.66.030. Before the
13 termination of an agency program identified in this Act, hearings must be
14 held in the same manner and following the same procedures as are followed in
15 the termination hearings for boards and commissions. This Act causes the
16 legislative oversight procedures established for boards and commissions to be
17 applied to the designated executive branch agency programs and activities.

18 * Sec. 2. The following laws relating to mechanical inspection functions
19 of the Department of Labor are repealed:

20 (1) AS 18.60.220 - 18.60.395 (boiler and pressure vessel
21 inspection);

22 (2) AS 18.60.600(a)(2), 18.60.600(b), and 18.60.610 - 18.60.-
23 650 (electrical wiring inspection);

24 (3) AS 18.60.715(b), 18.60.720(b), 18.60.725, 18.60.730 and
25 18.60.740(4) (plumbing code inspection);

26 (4) AS 18.60.800(b)(2) and 18.60.820 (elevator safety inspec-
27 tion).

28 * Sec. 3. AS 18.80.010 - 18.80.160, 18.80.270 - 18.80.290, and AS 39.50.-
29 200(9)(N) (State Commission for Human Rights) are repealed.

1 * Sec. 4. AS 23.35 (Fishermen's Fund) is repealed.

2 * Sec. 5. AS 44.19.870 - 44.19.881 (division of policy development and
3 planning, Office of the Governor) are repealed.

4 * Sec. 6. AS 45.50.491 - 45.50.521 (consumer protection - Department of
5 Law) are repealed.

6 * Sec. 7. AS 45.50.531(b) is amended to read:

7 (b) A person entitled to bring an action under this section may,
8 [AFTER INVESTIGATION BY AND APPROVAL OF THE ATTORNEY GENERAL,] if the
9 unlawful act or practice has caused similar injury to numerous other
10 persons similarly situated and if he adequately represents the similarly
11 situated persons, bring an action on behalf of himself and other simi-
12 larly injured and situated persons to recover actual damages. [A PERSON
13 PLANNING TO BRING AN ACTION UNDER THIS SUBSECTION SHALL FIRST SUBMIT TO
14 THE ATTORNEY GENERAL A COPY OF HIS PROPOSED COMPLAINT, AND HE MAY NOT
15 FILE THE COMPLAINT IN COURT WITHOUT THE ATTORNEY GENERAL'S APPROVAL.]
16 In an action brought under this subsection, the court may in its discre-
17 tion order, in addition to damages, injunctive or other equitable re-
18 lief.

19 * Sec. 8. AS 47.10.150, 47.10.160, and 47.10.190 - 47.10.220 (programs of
20 the Department of Health and Social Services relating to the confinement of
21 juveniles) are repealed.

22 * Sec. 9. A claim for an injury compensable under AS 23.35, repealed by
23 this Act, may be paid by the commissioner of labor if the claim for compen-
24 sation is made within one year of the effective date of this Act. A claim
25 shall be paid in accordance with the provisions of AS 23.35 as the provisions
26 read at the time of repeal. On July 1, 1981, the balance in the fishermen's
27 fund (AS 23.35.060, repealed, and AS 37.05.155(a)(6)) lapses into the general
28 fund.

29 * Sec. 10. The inspection responsibilities of the Department of Natural

1 Resources under AS 03.05 are terminated.

2 * Sec. 11. The inspection responsibilities of the Department of Health
3 and Social Services under AS 18.35 are terminated.

4 * Sec. 12. The water inspection responsibilities of the Department of
5 Environmental Conservation under AS 46.03 are terminated.

6 * Sec. 13. The responsibility of the Department of Labor under AS 18.60
7 for programs related to the Occupational Safety and Health Act (OSHA) is
8 terminated.

9 * Sec. 14. The Board of Fisheries, established under AS 16.05.221, is
10 terminated.

11 * Sec. 15. The Board of Game, established under AS 16.05.221, is termi-
12 nated.

13 * Sec. 16. AS 14.58.010 - 14.58.090 (relating to the Alaska Public Broad-
14 casting Commission) are repealed. The Alaska Public Broadcasting Commission,
15 established under AS 14.58.010, is terminated. The activities and programs
16 of the Department of Education funded by the Alaska Public Broadcasting
17 Commission appropriation in the fiscal year 1980 general appropriation Act,
18 as found on page 9, line 23, of ch. 80, SLA 1979, are terminated.

19 *del* * Sec. 17. AS 44.19.900 - 44.19.950 (relating to the Alaska State Council
20 on the Arts) are repealed. The Alaska State Council on the Arts, established
21 under AS 44.19.900, is terminated. The activities and programs of the Office
22 of the Governor funded by the Alaska Arts Council appropriation in the fiscal
23 year 1980 general appropriation Act, as found on page 8, lines 15-17 of
24 ch. 80, SLA 1979, are terminated.

25 * Sec. 18. AS 14.20.380 - 14.20.510 (relating to the Professional
26 Teaching Practices Commission) are repealed. The Professional Teaching
27 Practices Commission, established under AS 14.20.380, is terminated. The
28 activities and programs of the Department of Education funded by the Pro-
29 fessional Teaching Practices Commission appropriation in the fiscal year 1980

1 general appropriation Act as found on page 8, line 29, of ch. 80, SLA 1979,
2 are terminated.

3 * Sec. 19. The activities and programs of the Department of Education
4 funded by the administrative and program support appropriation in the fiscal
5 year 1980 general appropriation Act as found on page 8, lines 36-38 and page
6 9, line 4, of ch. 80, SLA 1979, are terminated.

7 * Sec. 20. The activities and programs of the Department of Education
8 funded by the executive administration appropriation in the fiscal year 1980
9 general appropriation Act, as found on page 9, lines 30-33, of ch. 80, SLA
10 1979, are terminated.

11 * Sec. 21 The activities and programs of the Department of Education
12 funded by the student financial aid appropriation in the fiscal year 1980
13 general appropriation Act, as found on page 9, line 37 and page 10, lines
14 4-6, of ch. 80, SLA 1979, are terminated.

15 * Sec. 22. AS 14.40.901 - 14.40.919 (relating to the Alaska Commission on
16 Postsecondary Education) are repealed. The Alaska Commission on Post-
17 secondary Education, established under AS 14.40.903, is terminated. The
18 activities and programs funded by the Postsecondary Education Commission
19 appropriation in the fiscal year 1980 general appropriation Act, as found on
20 page 10, lines 7-9, of ch. 80, SLA 1979, are terminated.

21 * Sec. 23. The activities and programs of the Department of Commerce and
22 Economic Development, division of economic enterprise funded by the economic
23 enterprise appropriation in the fiscal year 1980 general appropriation Act as
24 found on page 36, lines 34-39, of ch. 80, SLA 1979, are terminated.

25 * Sec. 24. Sections 1 - 13 and sec. 24 of this Act take effect July 1,
26 1980.

27 * Sec. 25. Sections 14 - 23 and sec. 25 of this Act take effect July 1,
28 1981.

Print out of line items from SLA 1979 for HB 927:

- *Sec. 16 page 9, line 23, of ch. 80, SLA 1979
Department of Education:
PUBLIC BROADCASTING COMMISSION (7 POSITIONS)
\$3,844,400
- *Sec. 18 page 8, line 29, of ch. 80, SLA 1979
Department of Education
SOS ASHA PAYMENTS
\$286,000
- *Sec. 19 page 8, lines 36-38 and
page 9, line 4, of ch. 80, SLA 1979
Department of Education
ADMINISTRATION & PROGRAM SUPPORT
ADMINISTRATIVE SERVICES (19 POSITIONS)
FINANCIAL ACCOUNTING & AUDIT (13 POSITIONS)
GENERAL OVERHEAD
\$1,881,100
- *Sec. 20 page 9, lines 30-33, of ch. 80, SLA 1979
Department of Education
EXECUTIVE ADMINISTRATION
COMMISSIONER (1 POSITION)
PLANNING INFORMATION & RESEARCH (13 POSITIONS)
BOARD & COMMISSIONS (2 POSITIONS)
\$1,544,900
- *Sec. 21 page 9, line 37 and
page 10, lines 4-6, of ch. 80, SLA 1979
Department of Education
STUDENT FINANCIAL AID
SCHOLARSHIP LOAN PROGRAM
WICHE - STUDENT EXCHANGE PROGRAM
STUDENT INCENTIVE GRANT PROGRAM
\$9,269,300
- *Sec. 22 page 10, lines 7-9, of ch. 80, SLA 1979
Department of Education
POST SECONDARY EDUCATION COMMISSION
GENERAL ADMINISTRATION (10 POSITIONS)
STUDENT FINANCIAL AID ADMINISTRATION (17 POSITIONS)
\$1,150,700
- *Sec. 23 page 36, lines 34-39, of ch. 80, SLA 1979
Department of Revenue
ECONOMIC ENTERPRISE
GENERAL OPERATIONS (23 POSITIONS)
\$1,674,500

STATE OF ALASKA

AUDIT DIVISION
POUCH W—ALASKA OFFICE BUILDING

THE LEGISLATURE
BUDGET AND AUDIT COMMITTEE / FINANCE DIVISION
POUCH WF—STATE CAPITOL
JUNEAU, ALASKA 99811

February 13, 1980

TO: The Legislative Budget and Audit Committee
FROM: Gerald L. Wilkerson, CPA *MLL*
Legislative Auditor
Division of Legislative Audit
SUBJECT: Legislative Responsibilities for Identifying
Agency Programs to be Subjected to Sunset Review

According to AS 44.66.030, the Legislative Budget and Audit Committee is to designate, not later than March 1, 1980, the programs and activities within the Education and University or Alaska Budget Categories, which shall be subject to termination in the next fiscal year. In addition, it is our interpretation that the Committee may select any program from within the Executive Branch.

The programs and sub-programs of the two agencies mentioned above are listed in Attachment A.

Suggested criteria that may be used in selecting programs are listed in Attachment B.

During the First Session of the Eleventh Legislature, the Committee selected the Board of Fisheries, the Board of Game and the Alaska Public Broadcasting Commission for termination in Fiscal Year 1981. However, the legislation passed (HCSSB 86) was subsequently vetoed by the Governor. The Committee may wish to re-elect these three agencies.

Based upon the Division's workload, it is recommended the Committee not select more than eight programs or activities for sunset review.

ATTACHMENT A

EDUCATION BUDGET CATEGORY

OFFICE OF THE GOVERNOR

Alaska Historical Commission
Alaska Arts Council

DEPARTMENT OF ADMINISTRATION

Teacher Retirement - Regular TRS State

DEPARTMENT OF EDUCATION

Financial Support Programs

Pupil Transportation
Debt Retirement - Local
Student Lunch Program
Fine Arts Camps
Tobacco Tax Distribution
Local Formula - REAA
SOS - ASHA Payments
Regional Resource Centers
Federal Programs
Tuition Students
Board Home Grants
State Contract Programs
Rural Student Vocational Program

Administration and Program Support

Administrative Services
Financial Accounting and Audit
General Overhead

Foundation Program Components

Student Administrative Support
Special Education Adjustments
Vocational Education Adjustments
Correspondence Study - DOE
Correspondence Study - Local
Community Schools Adjustments
Bilingual Program Adjustment

DEPARTMENT OF EDUCATION (cont'd)

Museums

State Library

Regular Operations
Anchorage Media Center
Alaska Health Science Library
Blue Book

Public Broadcasting Commission

Program Evaluation

K-12 Education Program
Career and Vocational Education
Special Education
Supplemental Programs

Professional Teaching Practices Commission

Executive Administration

Commissioner
Planning Information and Research
Boards and Commissions

Project Educational Telecommunications

Cross-Cultural Education - Adult and Postsecondary
Education

Student Financial Aid

Scholarship Loan Program
WICHE-Student Exchange Program
Student Incentive Grant Program

Postsecondary Education Commission

General Administration
Student Financial Aid Administration

Adult Education and Vocational Training

Adult Basic Education
Fire Service Training
Adult Vocational Education
CETA Vocational Education Grants
Grants Administration

DEPARTMENT OF EDUCATION (cont'd)

Skill Center

Vocational Rehabilitation

Counseling and Placement
Services to Clients
Administration
Specialized Facilities
State Supported Facilities
Disability Determination
Employment of the Handicapped
Independent Living Rehabilitation

UNIVERSITY OF ALASKA

Board of Regents

Regent Staff and Support
Faculty Sabbatical Leave Program
Recruitment - Relocation
Inter-collegiate Athletics

Statewide Administration

Statewide Staff and Support
Data Processing Services
Risk Management
Staff Benefits

University Center - Fairbanks Academic

Institution
Research and Professional Centers
Public Service - KUAC
Academic Support

University Center - Fairbanks Other

Student Services
Administration and Plant

University Center - Anchorage Academic

Instruction
Research and Professional Centers
Academic Support

University Center - Anchorage Other

Student Services
Administration and Plant

UNIVERSITY OF ALASKA (cont'd)

University Center - Juneau Academic

Southeast Senior College Instruction
Juneau-Douglas Community College Instruction
Public Service
Academic Support

University Center - Juneau Other

Student Services
Administration and Plant

Community College - Statewide Administration

Anchorage Community College - Academic

Instruction
Public Service
Academic Support
Chugiak/Eagle River College Extension

Anchorage Community College - Other

Student Services
Administration and Plant

Kenai Peninsula Community College - Academic

Instruction
Academic Support

Kenai Peninsula Community College - Other

Student Services
Administration and Plant

Ketchikan Community College - Academic

Instruction
Academic Support

Ketchikan Community College - Other

Student Services
Administration and Plant

UNIVERSITY OF ALASKA (cont'd)

Kodiak Community College - Academic

Instruction
Academic Support

Kodiak Community College - Other

Student Services
Administration and Plant

Kotzebue Community College - Academic

Instruction
Academic Support

Kotzebue Community College - Other

Administration and Plant

Kuskokwim Community College - Academic

Instruction
Academic Support
Yupik Language Center

Kuskokwim Community College - Other

Student Services
Administration and Plant

Mat-Su Community College - Academic

Instruction
Academic Support

Mat-Su Community College - Other

Student Services
Administration and Plant

Northwest Community College - Academic

Instruction
Academic Support

UNIVERSITY OF ALASKA (cont'd)

Northwest Community College - Other

Administration and Plant

Prince William Sound Community College - Academic

Instruction
Academic Support

Prince William Sound Community College - Other

Administration and Plant

Sitka Community College - Academic

Instruction
Academic Support
Sheldon Jackson Consortium

Sitka Community College - Other

Student Services
Administration and Plant

Tanana Valley Community College - Academic

Instruction
Academic Support

Tanana Valley Community College - Other

Student Services

Rural Education

Instruction
Research and Professional Centers
Academic Support
Cooperative Extension Service

Student Loans, Scholarships

University Center
Community Colleges

Auxiliary Services

University Center
Community Colleges

UNIVERSITY OF ALASKA (cont'd)

Organized Research

Institute of Water Resources
Agricultural Experiment Station
Institute of Social and Economic Research
Center for Cross-Cultural Studies
Arctic Environmental Information Data Center
Mineral Industry Research Laboratory
WAMI Medical Program
Geophysical Institute
Institute of Marine Science
Institute of Arctic Biology
Biome Center
Cooperative Wildlife Research
Sea Grant Program
Naval Arctic Research Laboratory
Development Programs and Projects

University Debt Service - Other

Revenue Bonds
Other than Revenue Bonds

ATTACHMENT B

RECOMMENDED CRITERIA FOR SELECTING PROGRAMS
SUBJECT TO SUNSET REVIEW

1. Duplication of program's objectives.
2. Duplication of efforts.
3. Degree of public exposure.
4. Dollars spent.
5. Dollar impact on consumer and/or private industry.
6. Availability/success of complaint function.
7. Results of assessment of alternative methods to achieve program's objectives.
8. Question of who should provide the service - State government, local government, or private sector.
9. Age of program.
10. Number of positions in program.
11. Existence of recent legislative review.
12. Indication of program deficiencies from constituent complaints and internal/external audits.
13. Source of funding.
14. Recent change in legislation affecting the responsibilities of the program.



Official Business

Alaska State Legislature

House of Representatives

Committee on State Affairs

March 11, 1980

Pouch V
State Capitol
Juneau, Alaska 99811

On Wednesday, March 19, 1980 from 1:30 to 5:00 p.m. PST the HOUSE STATE AFFAIRS COMMITTEE will hold hearings on HB 927, "An Act designating programs and activities for review and termination under AS 44.66." The hearing will be held in Room 102 of the Capitol and teleconferenced to all sites. For more information contact your local legislative information office.

THE FOLLOWING PAGES WERE TREATED AS
A UNIT IN THE ORIGINAL FILE.

To the attention of:
Rep. Mike Miller, Chairman
House State Affairs Committee

Attached please find copies of
correspondence relative to
H.B. 927, for your consideration

Dennis Gallagher
by Corinne Jones



Member
National Safety Council



Member American Society
of Safety Engineers

Gallagher-Jones & Associates, Inc.

1025 H Street, Anchorage, Alaska 99501
Phone (907) 274-6708

February 1, 1980

Representative Russ Meekins, Jr.
House of Representatives
Pouch V
Juneau, Alaska 99811

Dear Representative Meekins,

Please be advised that we are concerned about the possibility that the Division of Occupational Safety and Health of the State of Alaska Department of Labor be phased out.

We understand that an audit was conducted and that recommendations were made to eliminate DOSH and turn the handling of division matters back to the federal government.

We are opposed to such handling of a fine organization whose prime concern is the welfare of all business in Alaska.

Very truly yours,


D. C. Gallagher, Safety Consultant

DCC:cnj
cc: Commissioner of Labor Edmund W. Orbeck

Dennis C. Gallagher, Professional Safety Engineer Consultant
GENERAL AND INDUSTRIAL SAFETY
Associate Member Alaska Chapter Associated General Contractors of America, Inc.
Certified State of Alaska First Aid Instructor
Notary Public



Member
National Safety Council



Member American Society
of Safety Engineers

Gallagher-Jones & Associates, Inc.

1025 H Street, Anchorage, Alaska 99501
Phone (907) 274-6708

February 1, 1980

Senator Bill Sumner
State Senate
Pouch V
Juneau, Alaska 99811

Dear Senator Sumner,


When we met, last fall during the AGC convention at the Captain Cook, we talked briefly about the proposed elimination of the Division of Occupational Safety and Health, State of Alaska Department of Labor. Now, with the legislature in session again, and the matter having become critical, we are concerned.

Please consider the importance of keeping the State of Alaska in control of the program, rather than committing the federal government to repair and maintain it.

Elimination of many jobs, handled by capable people, is a recognized consequence of our government, particularly with such an increase in funds.

Thank you for your consideration.

Very truly yours,


D. C. Gallagher, Safety Consultant

ECG:cmj

cc: Commissioner of Labor, Edmund J. Orbeck

Dennis C. Gallagher, Professional Safety Engineer Consultant
GENERAL AND INDUSTRIAL SAFETY
Associate Member Alaska Chapter Associated General Contractors of America, Inc.
Certified State of Alaska First Aid Instructor
Notary Public



BILL SUMNER
Alaska State Senator

DISTRICT 7 E

February 11, 1980

DURING SESSION
FOUCH V
JUNEAU ALASKA 99901
(907) 485 3701

OUT OF SESSION
1016 WEST 8TH AVENUE
SUITE 212
ANCHORAGE ALASKA 99501
(907) 273 4841

COMMITTEES
RESOURCES
CHAIRMAN
FINANCE
RULES
COMMITTEE ON COMMITTEES
JOINT INTERIM COMMITTEE
ON GAS PIPELINE FINANCING

D.C. Gallagher
Gallagher-Jones and Associates
1025 H Street
Anchorage, Alaska 99501

Dear Mr. Gallagher:

I appreciate your again getting in touch about possible changes in the OSHA program. Be assured I'll do everything I can to assure the state maintains its control over the program. Its record thus far has been impressive and merits the legislature's support.

Good to hear from you. Do continue to keep in touch -- I appreciate the input.

Sincerely,

A handwritten signature in cursive script that reads "Bill Sumner".

BILL SUMNER
Senator

BS/cf



BILL SUMNER

Alaska State Senator

DISTRICT 7 E

February 11, 1980

DURING SESSION:
POUCH V
JUNEAU ALASKA 99801
1907 278 3761

OUT OF SESSION
1018 WEST 8TH AVENUE
SUITE 218
ANCHORAGE ALASKA 99501
1907 272 4861

COMMITTEES
RESOURCES
CHAIRMAN
FINANCE
RULES
COMMITTEE ON COMMITTEES
JOINT INTERIM COMMITTEE
ON GAS PIPELINE FINANCING

D.C. Gallagher
Gallagher-Jones and Associates
1025 H Street
Anchorage, Alaska 99501

Dear Mr. Gallagher:

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Good to hear from you. Do continue to keep in touch -- I appreciate the input.

Sincerely,

A handwritten signature in cursive script that reads "Bill Sumner".

BILL SUMNER
Senator

BS/cf



Member
National Safety Council



Member American Society
of Safety Engineers

Gallagher-Jones & Associates, Inc.

1025 H Street, Anchorage, Alaska 99501
Phone (907) 274-6708

February 1, 1980

Senator Terry Stimson
State Senate
Touch 7
Juneau, Alaska 99811

Dear Senator Stimson,

We wish to go on record as being opposed to the proposed removal of the Division of Occupational Safety and Health from the State Department of Labor, with transfer of their authority back to the Federal government.

It seems that statewide enforcement by out of state people will work a hardship on all of the business community of Alaska. Please consider this very grave matter and help to keep our capable Alaskans on their jobs.

Very truly yours,


D. C. Gallagher, Consultant
GALLAGHER-JONES & ASSOCIATES, Inc.

DCG:cmj

cc: Commissioner of Labor, Edmund W. Orbeck

Dennis C. Gallagher, Professional Safety Engineer Consultant
GENERAL AND INDUSTRIAL SAFETY
Associate Member Alaska Chapter Associated General Contractors of America, Inc.
Certified State of Alaska First Aid Instructor
Notary Public

Alaska State Legislature

SENATOR
TERRY STIMSON
POUCH V
JUNEAU ALASKA 99811



WHILE IN ANCHORAGE
1610 E STREET
ANCHORAGE ALASKA 99501

Senate

February 29, 1980

D. C. Gallagher
Safety Consultant
Gallagher-Jones and
Associates Inc.
1025 "H" Street
Anchorage, Alaska 99501

Dear Mr. Gallagher,

Thank you for your letter dated February 1, 1980 in regards to the Division of Occupational Safety and Health.

I am aware of your concerns pertaining to this particular issue. I want to assure you that I also oppose the removal of the Division of Occupational Safety and Health.

For your additional information, the fourth Wednesday of each month during this session, there will be an Anchorage Democrat, District 7 teleconference. This will be held at the Anchorage Legislative Affairs Information Office at 1024 West 6th Avenue from 5:00 pm - 7:00 pm, so that constituents will be able to relay their concerns to their legislators.

Thank you for taking the time to voice your opinion on this issue. Should you have any further concerns please feel free to contact me. Your input is much appreciated.

Sincerely,

Terry Stimson
State Senator
District 2

TS:lfp

Alaska State Legislature

SENATOR
TERRY STIMSON
POUCH V
JUNEAU, ALASKA 99801



WHILE IN ANCHORAGE
1610 E STREET
ANCHORAGE, ALASKA 99501

Senate

February 29, 1980

D. C. Gallagher
Safety Consultant
Gallagher-Jones and
Associates Inc.
1025 "H" Street
Anchorage, Alaska 99501

Dear Mr. Gallagher,

Thank you for your letter dated February 1, 1980 in regards to the Division of Occupational Safety and Health.

I am aware of your concerns pertaining to this particular issue. I want to assure you that I also oppose the removal of the Division of Occupational Safety and Health.

For your additional information, the fourth Wednesday of each month during this session, there will be an Anchorage Democrat, District / teleconference. This will be held at the Anchorage Legislative Affairs Information Office at 1024 West 6th Avenue from 5:00 pm - 7:00 pm, so that constituents will be able to relay their concerns to their legislators.

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Sincerely,

Terry Stimson
State Senator
District E

TS:lfp



Member
National Safety Council



Member American Society
of Safety Engineers

Gallagher-Jones & Associates, Inc.

1025 H Street, Anchorage, Alaska 99501
Phone (907) 274-6708

February 1, 1980

Representative Bill Parker
House of Representatives
Pouch V
Juneau, Alaska 99811

Dear Representative Parker,

There is activity going on which may mean the dissolution of the Division of Occupational Safety and Health, Department of Labor. Should that happen, many state employees would be job hunting in a labor market that is grim at best.

State handling of safety in industrial and occupational fields has been excellent. We feel that federal employees coming in could not do as closely as our Alaskans.

Thank you for your consideration and help in this matter.

Very truly yours,

D. C. Gallagher, Safety Consultant

CC: cr
cc: Edmund W. Crisp

Dennis C. Gallagher, Professional Safety Engineer Consultant
GENERAL AND INDUSTRIAL SAFETY
Associate Member Alaska Chapter Associated General Contractors of America, Inc.
Certified State of Alaska First Aid Instructor
Notary Public

Bill Parker

state representative

pouch V
Juneau
99811

200 denali
Anchorage
99501

February 8, 1980

D.C. Gallagher
Gallagher-Jones and Associates
1025 H St.
Anchorage, Alaska 99501

Dear Mr. Gallagher;

I received your letter of February 1, and I checked into the situation surrounding the Division of Occupational Safety and Health.

Any threat to DOSH stems from a performance review conducted by the Division of Legislative Audit last year that was critical of the practices and procedures of DOSH. The report opined that the mandatory enforcement functions of the division were redundant in light of the capability and primary legal responsibility of the Federal OSHA program. The audit recommended that the DOSH mandatory enforcement functions be terminated for that reason, and estimated the potential savings to the State at \$800,000 if such action were taken. It is my understanding that this would virtually eliminate DOSH.

Additionally, SB 86, which passed the legislature last session, would make the division subject to Sunset review. However, that bill was vetoed by the governor (for technical deficiencies and not for intent), and there is no movement now to override the veto.

Darryl Miller, commissioner of DOSH, thinks that the audit does indeed pose a threat to his division, although there is no action now based on its findings. He said that DOSH is attempting to initiate public hearings on the matter to counteract what he believes to be an inaccurate audit.

I will be following this issue in the coming months. I agree that Alaska poses unique problems to business and industry, and Alaskans have the knowledge to deal with them in the best interests of the state. Please contact me if you have any other questions or concerns.

Best regards,

Bill Parker



Member
National Safety Council



Member American Society
of Safety Engineers

Gallagher-Jones & Associates, Inc.

1025 H Street, Anchorage, Alaska 99501
Phone (907) 274-6708

February 1, 1980

Representative Mike Biernie
House of Representatives
Touch 7
Juneau, Alaska 99811

Dear Representative Biernie,

Of grave concern and worry is the proposed changeover from state to federal control of our Division of Occupational Safety and Health, Department of Labor. We cannot agree that the competence of state employees is less than federal personnel sent here from outside.

We feel that the needs of business and industry within Alaska can best be served by Alaskans aware of the peculiar needs and problems of our state.

Please give some serious thought to the matter and help in any way possible.

Sincerely,

D. C. Gallagher
GALLAGHER-JONES & ASSOCIATES, Inc.
D. C. Gallagher, Safety Consultant

TCG:ml

cc: Commissioner of Labor, Anchorage, Alaska

Dennis C. Gallagher, Professional Safety Engineer Consultant
GENERAL AND INDUSTRIAL SAFETY
Associate Member Alaska Chapter Associated General Contractors of America, Inc.
Certified State of Alaska First Aid Instructor
Notary Public

ALASKA STATE LEGISLATURE - HOUSE OF REPRESENTATIVES

IN SESSION



POUCH V
JUNEAU ALASKA 99811
TELEPHONE (907) 465-4948

SUITE 1, 1020 "I" STREET
ANCHORAGE, ALASKA 99501
TELEPHONE (907) 277-6219

REP. M. F. "MIKE" BEIRNE
DISTRICT 7, ANCHORAGE

MEMBER OF
FIFTH STATE LEGISLATURE
NINTH STATE LEGISLATURE
TENTH STATE LEGISLATURE
ELEVENTH STATE LEGISLATURE

COMMITTEES
HEALTH
EDUCATION AND
SOCIAL SERVICES
COMMITTEE FOR REVIEW
OF REGULATIONS

February 18, 1980

D. C. Gallagher, Safety Consultant
Gallagher-Jones & Associates, Inc.
1025 "H" Street
Anchorage, Alaska 99501

Dear Mr. Gallagher:

Thank you for your recent correspondence concerning your Division of Occupational Safety and Health, I appreciate receiving your views on this matter. I will study it very carefully and give it every possible consideration.

If you have further comments, please do not hesitate to contact me.

Very truly yours,

M. F. Beirne
M. F. "Mike" Beirne
State Representative
District 7

MFB:lmk



Member
National Safety Council



Member American Society
of Safety Engineers

Gallagher-Jones & Associates, Inc.

125 H Street, Anchorage, Alaska 99501
Phone (907) 274-6708

February 1, 1980

Representative Bill Miles
House of Representatives
Seuch V
Juneau, Alaska 99811

Dear Representative Miles,

We are very much opposed to the elimination of the Division of Occupational Safety and Health, a very vital part of the state Department of Labor, staffed by many capable and dedicated people.

Following an audit, the consensus seems to be that the state should turn OSH back to ODH, so that out of state personnel will come in as Alaska's lose their jobs. If this is the case as it seems to be, please be good enough to give the matter your consideration and help in keeping the program as it is.

Very truly yours,

Dennis C. Gallagher
D. C. Gallagher, Safety Consultant

Enclosed

see Description of 1-10-80

Dennis C. Gallagher, Professional Safety Engineer Consultant
GENERAL AND INDUSTRIAL SAFETY
Associate Member Alaska Chapter Associated General Contractors of America, Inc.
Certified State of Alaska First Aid Instructor
Notary Public

Alaska House of Representatives



COMMITTEE ON NATURAL RESOURCES
POUCH V • JUNEAU ALASKA 99801

February 13, 1980

Mr. D. C. Gallagher
Gallagher-Jones and Associates, Inc.
1025 H Street
Anchorage, AK 99501

Dear Mr. Gallagher:

Thank you for your letter voicing your opposition to the elimination of the Division of Occupational Safety and Health.

I will look into the subject and see what are the pros and cons of the issue.

Please keep in touch with me; I appreciate hearing from you.

Sincerely,

Bill Miles
Bill Miles

CO CHAIRMAN

REP ALVIN OSTERBACK (469 3719) • REP BILL MILES (465 1970)

VICE CHAIRMAN

REP FRED ZHAROFF

REP PAT CARNEY • REP CV CHAT CHATTERTON • REP SAM COITEN
REP DICK ELIASON • REP JACK FULLER • REP RICH HALFORD

THE PRECEDING PAGES WERE TREATED AS
A UNIT IN THE ORIGINAL FILE.



Alaska State Legislature

House of Representatives

Committee on State Affairs

Official Business

Pouch V
State Capitol
Juneau, Alaska 99811

February 13, 1980

M E M O R A N D U M

TO: House State Affairs Committee Members

FROM: Kristine Harder

The staff continued with the teleconference on the Sunset reviews and the informal reviews of the Boards and Commissions yesterday afternoon despite the absence of the committee members. We heard testimony from two pawn brokers in Anchorage, LaVerne Cooper and Doris Steale, both of whom were irate with the Consumer Protection Agency for the same reasons expressed by the pawn brokers who testified on Monday. We also received comments from Maxine Brittell of Sitka who expressed dissatisfaction with the way the Consumer Protection Agency was handling her case. Our final testimony came from Phyllis Hendricks who testified from Soldotna that she felt stricter control was needed of the Collections Agencies.

HB

931

COMMITTEE REPORT

(7)

HOUSE

3/4/80

FURTHER:

Date: 3-17-80

Mr. Speaker:

The Committee on STATE AFFAIRS has had HB 931

"An Act transferring the Council on Science and Technology from the Department of Environmental Conservation to the Department of Administration; 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 931 same title
 new title
- and recommends CS 118771 DO PASS
- AND attaches a "letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]

[Signature]

[Signature]

[Signature]

CHAIRMAN



THE ALASKA COUNCIL ON SCIENCE AND TECHNOLOGY

March 13, 1980

Representative Mike Miller, Chairman
House State Affairs Committee
Alaska State House of Representatives
Pouch V
Juneau, Alaska 99811

Dear Representative Miller:

The Alaska Council on Science and Technology, while cognizant of the intents behind H.B. 931 is very concerned with the potential implications of restating the entire statute which established the Council in the last legislature. In addition, we are concerned with specific language which might be interpreted to mean or imply that the Council is subject to the authorities of the Commissioner of Administration in subjective policy and program matters.

As you know, the Council is unique in United States experience relevant to science policy and program development in that we currently report on our activities to both the executive and legislative branches of Alaskan government. We believe that this system has worked satisfactorily thus far in our experience and should be continued so that a dialogue for responsive and progressive science policies and programs may involve the Council with the concerns of both the governor's office and the legislature.

Accordingly, we propose to you only a modest amendment to the Council's authorizing legislation contained in AS 44.21. Amendment to AS 44.21 to read:

"Section 44.21.200 COUNCIL ESTABLISHED

a) The Alaska Council on Science and Technology is hereby established. The Council is assigned to the Department of Administration for administrative purposes and services only."

Additionally, we comment that the several minor changes in AS 44.21 and the recodification of grant authorities pertinent to the Council are unnecessary per se and may unnecessarily limit future activities of the Council as originally envisioned by the legislature.

Representative Mike Miller
March 13, 1980
Page 2

Thank you for this consideration.

Sincerely,

A handwritten signature in cursive script that reads "T. Neil Davis". The signature is written in dark ink and is positioned above the printed name and title.

T. Neil Davis
Chairman

cc: Representative Terry Gardiner
Speaker of the House

DH:TND:ljm

972

HB

(7)

COMMITTEE REPORT

HOUSE

3/24/80

FURTHER: JUDICIARY

Date: 4-21-80

Mr. Speaker:

The Committee on STATE AFFAIRS has had HB 972

"An Act relating to legislative procedures; 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 777 same title
 new title
- and recommends CS HB 772 CS HB 972
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

**MEMBERS SIGNING
DO PASS**

[Signature]

John D. [Signature]

[Signature]

[Signature]

**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

[Signature]

CHAIRMAN

Article 6. Agency Meetings Public.

Section

310. Agency meetings public

312. State policy regarding meetings

Sec. 44.62.310. Agency meetings public. (a) All meetings of a legislative body, of a board of regents, or of an administrative body, board, commission, committee, subcommittee, authority, council, agency, or other organization, including subordinate units of the above groups, of the state or any of its political subdivisions, including but not limited to municipalities, boroughs, school boards, and all other boards, agencies, assemblies, councils, departments, divisions, bureaus, commissions or organizations, advisory or otherwise, of the state or local government supported in whole or in part by public money or authorized to spend public money, are open to the public except as otherwise provided by this section. Except when voice votes are authorized, the vote shall be conducted in such a manner that the public may know the vote of each person entitled to vote. This section does not apply to any votes required to be taken to organize the afore-mentioned bodies.

(b) If excepted subjects are to be discussed at a meeting, the meeting must first be convened as a public meeting and the question of holding an executive session to discuss matters that come within the exceptions contained in (c) of this section shall be determined by a majority vote of the body. No subjects may be considered at the executive session except those mentioned in the motion calling for the executive session unless auxiliary to the main question. No action may be taken at the executive session.

(c) The following excepted subjects may be discussed in an executive session:

(1) matters, the immediate knowledge of which would clearly have an adverse effect upon the finances of the government unit;

(2) subjects that tend to prejudice the reputation and character of any person, provided the person may request a public discussion;

(3) matters which by law, municipal charter, or ordinance are required to be confidential.

(d) This section does not apply to

(1) judicial or quasi-judicial bodies when holding a meeting solely to make a decision in an adjudicatory proceeding;

(2) juries;

(3) parole or pardon boards;

(4) meetings of a hospital medical staff; or

(5) meetings of the governing body or any committee of a hospital when holding a meeting solely to act upon matters of professional qualifications, privileges or discipline.

(e) Reasonable public notice shall be given for all meetings required to be open under this section.

Open and Executive Sessions

RULE 22. (a) All meetings of a legislative body are open to all legislators, whether or not they are members of the particular legislative body that is meeting, and to the general public except as provided in (b) of this rule.

(b) A legislative body may call an executive session at which members of the general public may be excluded for the following reasons:

(1) discussion of matters, the immediate knowledge of which would adversely affect the finances of a government unit;

(2) discussion of subjects that tend to prejudice the reputation and character of a person;

(3) discussion of a matter that may, by law, be required to be confidential.

(c) When a legislative body desires to call an executive session in accordance with (b) of this rule, the body shall first convene as a public meeting and the question of holding an executive session shall be determined by a majority vote.

(d) The provisions of this rule shall not be interpreted as permitting the exclusion of a legislator from an executive session, whether or not he is a member of the body that is meeting. A legislator not a member of the body holding an executive session shall, however, be subject to the same rules of confidentiality and decorum as pertain to regular members of the body.

(e) Minutes shall be kept of each meeting of a standing or special committee. Meetings may be electronically recorded at the option of the committee. Committee minutes and other materials of research value shall be delivered to the legislature's reference library at the end of each session for appropriate disposition.

(f) To the maximum extent feasible, the time, place and subject matter of meetings of standing or special committees shall be announced by the committee chairman in advance. The announcement should be, if possible, made on the floor of the House or Senate during sessions. Posting of notices and other forms of announcement are encouraged. The presiding officer of each house shall enforce compliance with this subsection.

Committee Referral and Action

RULE 23. (a) A committee acts on all bills referred to it and reports its actions and recommendations to the house as soon as practicable. Committee reports must be in writing and the report must be signed by a majority of the members of the committee. The report will note the recommendation of each member signing the report.

(b) When a bill is reported back by a committee without at least one "Do Pass", unless the bill has a subsequent referral or referrals of record, the presiding officer shall put the question "Shall the bill be

CORRECTION

THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY

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TO ASSURE LEGIBILITY

CORRECTION

Article 6. Agency Meetings Public.

Section

310. Agency meetings public

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- (3) matters which by law, municipal charter, or ordinance are required to be confidential.

(d) This section does not apply to

- (1) judicial or quasi-judicial bodies when holding a meeting solely to make a decision in an adjudicatory proceeding;
- (2) juries;
- (3) parole or pardon boards;
- (4) meetings of a hospital medical staff; or
- (5) meetings of the governing body or any committee of a hospital when holding a meeting solely to act upon matters of professional qualifications, privileges & discipline.

(e) Reasonable public notice shall be given for all meetings required to be open under this section.

(f) Action taken contrary to this section is void. (§ 1 art VI (ch 1) ch 143 SLA 1959; am § 1 ch 48 SLA 1966; am § 1 ch 78 SLA 1968; am § 1 ch 7 SLA 1969; am §§ 1, 2 ch 98 SLA 1972; am § 2 ch 100 SLA 1972; am § 1 ch 189 SLA 1976)

Effect of amendments. — The first 1972 amendment inserted "a legislative body or" in the first sentence of subsection (a) and substituted "clearly have an adverse effect upon" for "adversely affect" in subsection (c)(1).

The second 1972 amendment inserted "a board of regents or of" near the beginning of subsection (a).

The 1976 amendment added the second and third sentences of subsection (a).

Legislative committee reports. — For legislative committee report on ch. 78, SLA 1968 (SB 395), see House Journal (1968), p. 707. For report on ch 7, SLA 1969 (HB 32), see 1969 House Journal, p. 142. For report on ch 98, SLA 1972 (SB 253), see 1972 House Journal, p. 158. For report on ch. 100, SLA 1972 (CSHB 605 am), see 1972 House Journal, p. 643.

Am. Jur. reference. — 42 Am. Jur., Public Administrative Law, § 94.

Sec. 44.62.312. State policy regarding meetings. (a) It is the policy of the state that

(1) the governmental units mentioned in § 310(a) of this chapter exist to aid in the conduct of the people's business;

(2) it is the intent of the law that actions of those units be taken openly and that their deliberations be conducted openly;

(3) the people of this state do not yield their sovereignty to the agencies which serve them;

(4) the people, in delegating authority, do not give their public servants the right to decide what is good for the people to know and what is not good for them to know;

(5) the people's right to remain informed shall be protected so that they may retain control over the instruments they have created.

(b) Section 310(c)(1) of this chapter shall be construed narrowly in order to effectuate the policy stated in (a) of this section and avoid unnecessary executive sessions. (§ 3 ch 98 SLA 1972)

Revisor's note (1972). — AS 44 62.312(a) is based on Cal. Gov't C.A., sec. 54950.

Legislative committee report. — For report on ch. 98, SLA 1972 (SB 253), see 1972 House Journal, p. 158.

Article 7. Legislative Review of Rules.

Section

35. Legislative annulment of regulations and review

Sec. 44.62.320. Legislative annulment of regulations and review. (a) The legislature, by a concurrent resolution adopted by a vote of both houses, may annul a regulation of an agency or department.

(b) Within 45 days after a regulation is filed by the lieutenant governor, the lieutenant governor shall submit the regulation to the

Open and Executive Sessions

RULE 22. (a) All meetings of a legislative body are open to all legislators, whether or not they are members of the particular legislative body that is meeting, and to the general public except as provided in (b) of this rule.

(b) A legislative body may call an executive session at which members of the general public may be excluded for the following reasons:

- (1) discussion of matters, the immediate knowledge of which would adversely affect the finances of a government unit;
- (2) discussion of subjects that tend to prejudice the reputation and character of a person;
- (3) discussion of a matter that may, by law, be required to be confidential.

(c) When a legislative body desires to call an executive session in accordance with (b) of this rule, the body shall first convene as a public meeting and the question of holding an executive session shall be determined by a majority vote.

(d) The provisions of this rule shall not be interpreted as permitting the exclusion of a legislator from an executive session, whether or not he is a member of the body that is meeting. A legislator not a member of the body holding an executive session shall, however, be subject to the same rules of confidentiality and decorum as pertain to regular members of the body.

(e) Minutes shall be kept of each meeting of a standing or special committee. Meetings may be electronically recorded at the option of the committee. Committee minutes and other materials of research value shall be delivered to the legislature's reference library at the end of each session for appropriate disposition.

(f) To the maximum extent feasible, the time, place and subject matter of meetings of standing or special committees shall be announced by the committee chairman in advance. The announcement should be, if possible, made on the floor of the House or Senate during sessions. Posting of notices and other forms of announcement are encouraged. The presiding officer of each house shall enforce compliance with this subsection.

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(b) When a bill is reported back by a committee without at least one "Do Pass", unless the bill has a subsequent referral or referrals of record, the presiding officer shall put the question "Shall the bill be

League of Women Voters of Alaska

April 16, 1980

Honorable Mike Miller
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Representative Miller:

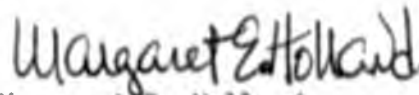
The League of Women Voters supports HB 972 with some modifications.

We believe that standardized record keeping of committee meetings should be instituted. We further believe that minutes of the meetings should be made available to the public in a timely manner.

However, we do have some reservations regarding the oath taking sections of the bill. We believe that requiring the representational lobbyist to swear an oath before giving testimony to a committee would intimidate the majority of citizen lobbyist so much so that they would refrain from giving testimony. We believe that committees now have statutory authority to require an oath, under certain circumstances, and we believe that authority should be invoked when the need arises.

Therefore, we would support HB 972, if the sections requiring everyone giving testimony before a committee to swear an oath are deleted.

Sincerely,



Margaret E. Holland
Action Chairperson

HB

1013

(7)

COMMITTEE REPORT

HOUSE

4/21/80

FURTHER: FINANCE

Date: 4-22-80

Mr. Speaker:

The Committee on STATE AFFAIRS has had NB 1013

"An Act making a special appropriation to the Department of Commerce and Economic Development for a loan to the White Pass and Yukon Corporation for upgrade of the White Pass and Yukon route; 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 _____ 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**

Terry Martin

Bill [unclear]

John [unclear]

**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

[unclear signature]

CHAIRMAN

FY '80 LWCF Local Projects

Sponsor	Project	LWCF	Bond Fund
Division of Parks	SCORP	\$ 48,700	
Division of Parks	Chena Rec.	275,400	
Division of Parks	Chugach Visitor	225,000	
Division of Parks	Cohoe Wayside	162,820	
Division of Parks	Silver King	129,200	
Division of Parks	Kachemak Acq.	100,000	
		<u>\$941,120</u>	

LOCAL PROJECTS

ADF&G	Rifle Range	75,000	
Anchorage	Fish Creek Amend.	126,880	funded
Anchorage	Lynn Ary	75,000	
Anchorage	Taylor & Tarwater	175,000	
Anchorage	Cheney Dev.	50,000	
Anchorage	Huffman	235,000	
Anchorage	Seppala	50,000	
Anchorage	Creekside	75,000	
Anchorage	Hamilton	20,000	
Barrow	Outdoor Recreation	96,500	48,250
Cordova	Nirvana	56,000	28,000
Cordova	Harborview	49,400	
Craig	Tot-Lots	14,500	7,250
English Bay	Recreation Area	25,000	12,500
Haines	Tlingit Amend.	2,500	funded
Homer	Sportsfield	15,000	
Ketchikan	Dudley Amend.	41,093	funded
Mat-Su	Butte Trail	14,040	
Mat-Su	Field Shelters	21,924	
Mat-Su	Houston Camper	17,763	8,881.50
Mat-Su	Lazy Mt. Trail	36,244	
Mat-Su	Storage Building	20,800	
Mat-Su	Talkeenta Park	12,818	
Mat-Su	Tot-Lot	2,500	
Mat-Su	Palmer Multi-Use	20,800	
Mat-Su	Trapper Creek	12,142	
Mat-Su	Wasilla Lake	46,800	23,400
Mat-Su	Wasilla Townsite	15,600	7,800
Nome	Recreation Area	55,055	13,169*
Nulato	Recreation	12,500	6,250
Port Graham	Alcut Baseball	18,200	9,100
Saxman	Playground	10,000	5,000
Valdez	Neighborhood Park	30,000	
Wrangell	Baseball	13,350	6,675
Yakutat	Recreation Area	99,580	24,895*
		<u>\$1,641,989</u>	<u>\$201,170.50</u>

Not to be funded at this time:

Mat-Su	West Park		
Delt. Jet.	Bike Trail		
Anchorage	London Est.	\$2,442,161	FY 80

Denali Funding:

Bethel	Outdoor Rec. Ph II	\$165,000	Denali Development from FY 79 apportionment balance
Craig	Camper Park		
Mat-Su	Four Tot-Lots		
Mat-Su	Wasilla Historic Park		
Port. Peninsula	Kibishi Ph II		

*Bond Funding is less than 50% of LWCF funding.


 Alternate State Liaison Officer

November 16, 1979
 (Date)



Alaska State Legislature

House of Representatives

Committee on State Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

Official Business

Reel #41 - Side 1 - 1172
April 16, 1980 1:30 p.m. - Wednesday

Present: Miller, Martin, Eliason, Gardiner, Fuller, Parker
Absent: Metcalfe

Special hearing with Division of Parks regarding federal cuts in National Historic Preservation Grant Program.

Testifying: William S. Hanable, State Historic Preservation Officer

Mr. Hanable presented a brief overview of the cut that was made by the federal government in the National Historic Preservation Grant Program on April 1, 1980. Usually in October the state starts making preparation for grants and in March receives notification of the hard figures which will be available for the state. This year notification was given in March that funds were available and the state notified applicants that their proposals were approved. On April 1 the federal government by direction of President Carter froze many federal grant programs. At this time the state was notified that any grants not already under agreement were not to be funded. This amounted to \$367,000 lost to the state. The Planning and Survey grants were under one blanket agreement with the state from which sub-grants were made. The Planning and Survey grants do not require architectural plans to be pre-filed before money is made available. However, the individual project grants require architectural plans to be filed and approved before receiving grant funds. This resulted in these projects being left without funds. Some of these individuals had already incurred expenses in getting the architectural plans drawn up and some had borrowed money for the matching 50 per cent required for these grants. This left the projects only funded by the 50 per cent matching.

Funds under agreement	\$365,000	planning and survey grants
Funds cut	\$367,000	individual projects

Mr. Hanable would not recommend funding by individual project, as this would not allow for those projects going a little bit over or under. The list which is attached to his (Mr. Hanable's) letter is the priority list.

It was decided to send a committee bill up to finance. One objection was noted -- Rep. Martin objected on the grounds that it would set a dangerous precedent for funding all federal programs which may be cut in the future.

DO PASS: Miller, Eliason, Parker, Gardiner, Fuller
DO NOT PASS: Martin

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

274-4676

619 Warehouse Dr., Suite 210
Anchorage, Alaska 99501

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF PARKS

April 15, 1980

Re: 3800-80

Honorable Mike Miller
Chairman, House State Affairs Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Representative Miller:

I appreciate the invitation to report to your committee on the National Historic Preservation Fund grant program in Alaska.

Since 1969, Alaska has received over \$2,000,000 in federal dollars from the Fund for historic site identification and restoration. Those dollars have been allocated to 119 projects with a total value of over \$4,100,000. Project allocations have ranged from Ketchikan to Barrow and from Kennecott to Atka. Eighty percent of the projects have been in the local government and private sectors. Twenty percent have been State projects.

Twenty-five applicants requested over 1.9 million dollars for development projects in 1980. Alaska's allocation from the federal fund--for development uses--in 1980 was \$367,000. The State Historic Sites Advisory Committee allocated the available money to 15 applicants. On April first, President Carter's budget cuts pulled the rug from under them. Although the State had received documents from the U. S. Department of the Interior advising that Alaska would receive \$367,000 in development funds for historic preservation projects in 1980, the money was withdrawn due to the budget cuts.

Quite apart from the fact that the funds were to be used to stabilize significant historical buildings, and that stabilization must now be delayed indefinitely, the withdrawal of funds is also resulting in personal hardship for Alaskans. Many of the grant applicants spent considerable time and money in developing their requests for the federal funds; and, after we had notified them that the Historic Sites Advisory Committee had assigned funds to their projects, spent even more money on architectural fees and so forth. At least one prospective recipient of the grant dollars is now--having needed "front" money for her project--face! with a bank loan at 19½% interest for total project costs.

Honorable Mi'e Miller
April 15, 1980
page 2

A mechanism exists by which the Legislature can provide relief for these 15 Alaskans. AS 41.35.040 authorizes State grants for privately owned historic sites, to be used for stabilization and restoration. An appropriation to the Department of Natural Resources for that purpose could do two things: (1) assist the Alaskans who were adversely impacted by the Presidential cuts in the federal grant program; (2) help to preserve the Historic buildings in question.

If the Legislature chooses to make such an appropriation, the State Historic Sites Advisory Committee--which is charged with allocating AS 41.35.040 funds to specific projects--has pledged to assign the appropriation dollars to those 15 applicants who had the rug pulled from under them by President Carter.

Because of that pledge, and because our experience has been that nearly every project will require some change, I recommend that an appropriation, if made, be written as a total dollar amount to the AS 41.35.040 grant program, rather than specifying particular projects. This will allow some flexibility as plans change, while assuring that the Alaskans hurt by the federal action are assisted.

Thank you.

Sincerely,



William S. Hanable, Chairman
State Historic Sites Advisory Committee

WSH:at

enclosure

cc: Members, House State Affairs Committee
Alaska State Legislature

PROJECTS WHICH WERE ALLOCATED, BUT HAVE LOST FEDERAL MATCHING
GRANT FUNDS DUE TO PRESIDENT CARTER'S BUDGET CUTS

<u>Project</u>	<u>Owner</u>	<u>Historical Significance</u>
Pact Train Inn, Skagway, Phase III (\$29,000 received in FY 78, \$115,000 received in FY 80) continued stabili- zation of structure; foundation work, roofing.	Mrs. Shelia Brena Skagway	Built in 1908, this is one of the dominant architectural features of the Skagway Historic District.
Dedmar's/Keller Curio Shop, Skagway Tentative prior approval to begin work. \$34,775 for foundation, heating, insulation, and roofing, Architectural planning.	Ms. Barbara Kalen Skagway	Built in 1897 this originally housed the studio of W. A. Hegg, famous photographer.
Seattle Hotel, Skagway \$5,042 for window repair and replacement of siding.	Mr. Steven Jaklitsch Skagway	An early gold rush building, this is one of several smaller commercial structures which contribute to the historical character of Skagway.
Rainey/Skarland Cabin \$4,160 for exterior repair, roof replace- ment and insulation, fire alarm installation.	University of Alaska Fairbanks	This small cabin was built for noted anthropologist Froelich Rainey, and since then has housed many of his pro- fessional colleagues who have contrib- uted to history.
Red Onion Curio Shop \$8,025 for architectural planning, sprinkler system, wiring, heater installation.	Ms. Janice Wrentmore Skagway	An early Skagway saloon, this colorful structure is being restored by its owner.
McCarthy Powerhouse, Phase II \$11,385 for structural repairs, roof window, wall repairs.	Haven Holsapple Hondo Rast and Co. Hamilton, Montana	Built to increase production of the Motherlode Mine before its takeover by giant Kennecott, this was the first and only powerplant at McCarthy.
Independence Mine Stabilization, \$75,500 Architectural planning, historical research, emergency stabilization. (Special approval secured for use of donated value of property over two year period.	Alaska Division of Parks Anchorage	The second largest gold lode mine operation in Alaska, this extensive complex has been given to the State for development as an historical park.

<u>Project</u>	<u>Owner</u>	<u>Historical Significance</u>
Chitina Tin Shop \$25,070 for architectural planning, structural engineering, and emergency stabilization. Tentative prior approval secured.	Mr. Art Koeninger, Owner Chitina	Originally constructed to supply tin ware for the great Kennecott Mines to the east, this building now serves as a small craft shop.
Knik Museum, Phase II, \$39,790 for roof repair, weather damage, foundation work.	Matanuska-Susitna Borough Palmer	At first a roadhouse on the Iditarod Trail, this is now a dog mushing museum.
Kennecott #8, Richards \$4,500 for repair, interior.	Chris R. Richards Kennecott via Glenallen	Among the many buildings surviving from the Kennecott copper operation, these are in private ownership today, held by owners who value their historical character.
Kennecott #38, Doherty/Sloan, \$3,769 for roof repair, foundation replacement, transportation.	J. B. Doherty/Susan Sloan Kennecott via Glenallen	" " "
Kennecott #79, Kirkwood, \$9,897 for roofing, foundation, paint and rebuilding front steps.	Richard W. Kirkwood Kennecott via Glenallen	" " "
St. Peter's See House, Phase II, \$669 for emergency wiring.	St. Peter's Church Episcopal Bishopric of Alaska	Planned and partially built as the attractive parish and first headquarters of the Episcopalian church in Alaska by the renowned Bishop Peter Trimble Rowe.
McCarthy General Store, Phase III \$12,675 for plumbing, wiring, shelving, painting.	Sally Gibert Anchorage	Pioneer meatmarket, hardware and general store, this was a major commercial structure in the Kennecott mines satellite city of McCarthy.
St. Michael's Cath. Reconstruction, Phase V, \$26,750 for icon restoration, inventory, evaluation.	St. Michael's Cathedral Bishopric of Sitka and Alaska Orthodox Church in America	Smoke damaged by the tragic 1966 fire which destroyed the original St. Michael's Cathedral at Sitka, these icons will be the finishing reconstruction project after their preservation treatment.
Total - \$367,007		

TELEGRAM

APR 83 4: 23

02149 ANCHORAGE ALASKA 03 04-83 325P AST

PMS THE RED ONION STABILIZATION

MS JANICE C WRENTMORE OWNER THE RED ONION

PO BOX 271 00691

SKAGWAY AK 99840

PRESIDENT CARTER HAS CUT NATIONAL HISTORIC PRESERVATION GRANT PROGRAM BY 16.5 MILLION DOLLARS. FEDERAL GOVERNMENT IS UNABLE TO HONOR PREVIOUS COMMITMENT OF GRANTS TO STATE. AS A RESULT, YOUR GRANT PROJECT OF DLRS6,025 FROM FY80 FUNDS CANNOT BE FUNDED.

IF YOU WISH TO CONTINUE APPLICATION ON CHANCE THAT CONGRESS MAY RESTORE FUNDS, PREVIOUS DEADLINES APPLY. MORE INFORMATION WILL FOLLOW BY MAIL WHEN AVAILABLE.

WILLIAM S HANABLE

STATE HISTORIC PRESERVATION OFFICER

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF PARKS

619 Warehouse Dr., Suite 210
Anchorage, Alaska 99501

Re: 3800-80 Historic Preservation Grants-in-Aid Program
The Red Onion Stabilization

Ms. Janice C. Wrentmore, Owner
The Red Onion
P.O. Box 271
Skagway, Alaska 99840

Dear Ms. Wrentmore:

The Heritage Conservation and Recreation Service has notified us of Alaska's Fiscal Year 1980 apportionment under the Historic Preservation Grants-in-Aid Program.

Therefore, in accord with national preservation objectives and priorities recommended by the Historic Sites Advisory Committee, this document serves as notice that \$8,025 in Federal funding has been allocated for The Red Onion Stabilization under the Historic Preservation Grants-in-Aid Program.

Funding constraints of the Historic Preservation Grants-in-Aid Program demand plans and specifications required for project initiation be in our office as soon as possible. At the latest, plans and specifications must be in our office at the close of business, Friday afternoon, May 30, 1980. Under no circumstances can this deadline be extended.

The only costs that will be recoverable are those incurred after federal approval of plans and specifications and execution of the federal grant agreement.

Please contact us if you have questions.

Sincerely,

William Hanable
William S. Hanable
State Historic Preservation Officer

LSG clk

*not true if
costs incurred before
planning & construction fees*

Please note -

I already have incurred @ \$2000
in architectural cost in order to comply
with requests/requirements related to
the commitment made to me for a grant.

Jan
Wentmore

TELEGRAM

3 APR 80 4: 20

02149 ANCHORAGE ALASKA 03 04-83 325P AST

PMS THE RED ONION STABILIZATION

MS JANICE C WRENTMORE OWNER THE RED ONION

PO BOX 271 00691

SKAGWAY AK 99840

PRESIDENT CARTER HAS CUT NATIONAL HISTORIC PRESERVATION GRANT
PROGRAM BY 16.5 MILLION DOLLARS. FEDERAL GOVERNMENT IS UNABLE
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IF YOU WISH TO CONTINUE APPLICATION ON CHANCE THAT CONGRESS MAY
RESTORE FUNDS, PREVIOUS DEADLINES APPLY. MORE INFORMATION WILL
FOLLOW BY MAIL WHEN AVAILABLE.

WILLIAM S HANABLE

STATE HISTORIC PRESERVATION OFFICER

W/S

1980 GRANT PROGRAM STATUS

Ed Crittenden moved that the FY 1980 grant priorities be revised as follows:

Pack Train Inn	\$115,000	
Dedmons Photo	34,775	
Seattle Hotel	5,042	
Rainey Skarland Cabin	4,159	
Red Onion	8,025	
Eagle's Hall	5,350	(Planning Grant)
Golden North Hotel	6,150	(Planning Grant)
Fairbanks F.O.B	82,134	(Planning Grant)
Bergmann Hotel	24,893	(Planning Grant)
Independence Mine	183,500	
Knik Museum Ph II	80,663	
Chitina Tin Shop	25,070	
Wasilla Elementary School	4,642	
Kennicott #38	3,769	
McCarthy Powerhouse	11,385	
Knik Bar	37,657	
Kennicott #79	9,897	

Motion was seconded by Richard Engen, whose proxy vote was cast by Ed Crittenden. Committee approved the motion unanimously. Marian Johnson moved an amendment to delete Fairbanks F.O.B. because it had already been awarded a planning grant. Seconded by Richard Engen, Ed Crittenden casting the proxy vote. The amendment was approved unanimously.

Break for dinner: 4:45 p.m.

Reconvene: 7:30 p.m.

Committee members in attendance for the evening session were: Chairman William Hanable, Marian Johnson, Ed Crittenden, Renee Blahuta, Anne Shinkwin, Richard Engen, and Chris D'Arcy. Also present were Jan Wrentmore, Gerald Clark, Michael Kennedy, and Bob Mitchell.

AMERICAN CEMETERY, KODIAK

Marian Johnson moved that the American Cemetery, Kodiak be determined to meet the criteria of eligibility under A.

Richard Engen seconded with criteria A qualified by D. Motion passed unanimously.

HULL AK7256-BRISTOL BAY DOUBLE ENDER

Ed Crittenden moved that Hull AK7258 be determined to meet the criteria of eligibility under C. Seconded by Marian Johnson. Discussion followed. Voting on motion was: Ed Crittenden, Marian Johnson, Anne Shinkwin, in favor; Renee Blahuta, opposed. Richard Engen abstained. Richard Engen moved that nomination be tabled pending introduction of further information. Renee Blahuta seconded. Motion passed unanimously.

*from minutes of January, 1980
meeting of Dist. Sites Adv. Committee*

STATE OF ALASKA
THE LEGISLATURE

FOUCH V. STATE CAPITOL
JUNEAU ALASKA 99801
907 465 1800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 18, 1980

SUBJECT: Appropriation for a loan for the White Pass
and Yukon Corporation (Work Order No. 8476)

TO: Representative Mike Miller
Chairman, House State Affairs Committee

FROM: Tamara Brandt Cook *TBC*
Legislative Counsel

Enclosed please find the appropriation you requested. I wish to point out that this appropriation raises a serious constitutional problem. Article IX, sec. 6 of the Alaska Constitution provides:

No tax shall be levied, or appropriation of public money made, or public property transferred, nor shall the public credit be used, except for a public purpose. (Emphasis added).

While it is true that "public purpose" is a term of great imprecision (DeArmond v. Alaska State Development Corporation, 376 P.2d 717 (Alaska 1962)), I feel that a good argument could be made that this appropriation does not serve a public purpose since it is for a loan to a private corporation, a foreign corporation at that.

Possible constitutional problems aside, this appropriation also seems to violate the provisions of AS 37.10.085:

FINANCIAL AID TO CORPORATIONS BY STATE OR POLITICAL SUBDIVISION. Neither the state or a political subdivision of the state may

(1) make a subscription to the capital stock of a corporation;

(2) lend its credit for the use of a corporation;
or

(3) borrow money for the use of a corporation.

Representative Mike Miller
Page 2
April 18, 1980

The Supreme Court of Alaska has suggested that if significant controls and restrictions are imposed upon a corporation to insure the effectuation of the public purpose, a state or political subdivision may be able to provide financial aid to a corporation without violating AS 37.10.085. Wright v. City of Palmer, 468 P.2d 326 (Alaska 1970). However, it remains unclear what type of controls would have to be imposed before financial aid could be provided to a corporation without violating AS 37.10.085. It should be realized that the case cited above did not involve a direct loan to a private corporation, and maybe, a direct loan to a private corporation would never be found to be consistent with AS 37.10.085.

If I can be of any further assistance, please contact me.

TBC:ljb

Enclosure

Mike for what it's worth, here's an expanded version of the one I'm airing today... though it's more comprehensive (and will be published in the All-Alaska Weekly), there are, needless to say, huge gaps, and only a full reading of the entire report will truly suffice. This may be of some help in the meantime.


jon la rocca

White Pass - one

la rocca

] by JOE LA ROCCA [

[JUNEAU - Both Gov. Jay Hammond and U.S. Sen. Mike Gravel have turned down the Canadian government's request for state or federal aid to the financially-troubled White Pass and Yukon Railway. But U.S. Sen. Ted Stevens is seeking a low or no-interest loan from the federal government to help keep the railroad, which employs most of Skagway's labor force, in ~~operation~~ operation.

[That's according to ~~the~~ the "Report of the Inquiry into the White Pass and Yukon Railway and other Surface ~~Transportation~~ Transportation into and out of the Yukon" recently completed by the ~~the~~ Canadian Transport Commission ^(CTC). It has concluded, among other things, that for the first time in its 80-year history, the ~~the~~ historic 110-mile railroad connecting Skagway and Whitehorse must immediately secure ~~up~~ up to \$15 million in government subsidies in the form of loans, or shut down its operations.

[A copy of the two-volume report has just been received by Rep. Mike Miller, D-Juneau and chairman of the ~~the~~ House State Affairs Committee. Miller has scheduled a meeting for Thursday to consider ~~the~~ further a resolution co-sponsored by him and Rep. Jim Duncan, D-Juneau, proposing assistance to the railroad, in light of the CTC report's findings.

[In a letter ^e to the CTC last December, Gov. Hammond said the state "does not feel it ~~appropriate~~ appropriate to participate with the Canadian government" in any plan to subsidize a foreign corporation. Sen. Gravel echoed ~~the~~ the governor's refusal, while Sen. Stevens has introduced special legislation in Congress seeking a \$5 million interest-free loan.

[While the White Pass and Yukon Railway is a privately-owned Canadian company based in Whitehorse ^{and} only 21 miles of its 110 miles of tracks ^{lie} within Alaska, three-fourths, or 169, of its 213 employees are residents of Skagway. Mayor Bob Messinger told the State Affairs Committee recently that closure of the railroad would destroy Skagway, because virtually all of its 800 residents are directly or indirectly dependent ~~upon~~ for their livelihood ~~upon~~ upon the half million dollar monthly payroll it provides.

According to the report, the Yukon territorial government has pledged a \$15 million ~~loan~~ conditional loan to the railroad, and is willing to advance whatever loan funds Sen. Stevens is eventually able to secure from Congress. ~~xxx~~

The report ~~also~~ says Gov. Hammond also ~~rejected~~ rejected the Canadian government's request to seek repeal of ~~the~~ Alaska's "five-man crew law," which requires five crew members to be aboard the train while it's ~~operating~~ operating within Alaska's borders.

Typically, ~~the~~ the five-man American crews run the train between Skagway and the Alaska-Canada border, where a three-man Canadian crew takes over for the stretch in Canada between Lake Bennett and Whitehorse.

The report says that Alaska is the only state in the nation with a five-man crew law. White Pass ~~and~~ officials claim that the requirement to maintain the two extra crew members costs them about half a million dollars per year.

The main purpose of the CTC report was to determine the current financial conditions of the White Pass railroad and its parent Co., Federal Industries, Ltd. of Winnipeg, and to recommend whether, and if so, what kind of ~~financial~~ government assistance should be provided.

In 1978, the railroad owners informed the Canadian federal government that, without financial assistance, the railway would be closed, but their appeal was rebuffed. Railroad officials later appealed to the Yukon territorial government for help, which has ~~recently~~ recently expressed fears that the system might indeed collapse and terminate the existence of the Yukon Territory's most vital ~~transportation~~ transportation link, unless government aid ~~is~~ ^{were} rendered.

That led to the Canadian Transport Commission's inquiry by two government railroad experts, Keith Thompson and Edward Weinberg, which was completed last month.

They reported, among other things, that while the White Pass has never received "a single penny of subsidy from any level of government" in its 80-years of existence, other ~~Canadian~~ Canadian railroads ~~were~~ were bestowed more than \$3 ^b billion in ~~xxx~~ government subsidies during the past 20 years.

Moreover, the report says, the railroad's financial difficulties were exacerbated by heavy government subsidies to the ^{competing} trucking industry in the form of ^{massive} road system improvements costing hundreds of millions of dollars which enabled truckers to take over some of the railway's most lucrative markets.

The report cites other factors which have brought the White Pass railway to the brink of ~~bankruptcy~~ bankruptcy, including "colossal ~~mismanagement~~ mismanagement" (which has recently been remedied), declining mineral production in the Yukon, frequent and prolonged miners' strikes, rising energy costs and decline of ~~the~~ Canadian currency against the U.S. dollar.

The biggest and most crippling blow came in 1978, when Cassiar ~~mining~~ Corp., a major customer of the White Pass for more than 20 years, closed its Clinton Creek mine near Dawson.

The loss of the southbound asbestos haul forced the White Pass to raise its freight rates by 2 30 percent, thus rendering it more vulnerable to competition from trucks, and reducing its revenues below operational ~~and~~ costs.

The CTC report says ~~that~~ "there are only two alternatives open to the White Pass Railway. Either it receives government assistance, or it will go bankrupt." Moreover, the report says, "the decline of the railway would bring about a concurrent, and probably irre^eversible demise of the community of Skagway."

Said the report: "The subsidy-free performance to date of the White Pass Railway is nothing short of ~~amazing~~ ^(essential) astounding." It points out that continued operation of the railway is ~~essential~~ ^{essential} to the economic ~~development~~ ^{development} of the ^{of} Yukon Territory, and its potential as a ~~subsidy-free~~ free world supplier of ~~various~~ vital industrial metals and other minerals.

Another ~~is~~ debilitating influence in recent years has been the foreign exchange factor favoring U.S. currency, currently around 17 percent. The White Pass ^P paid more than \$5½ million in wages to U.S. citizens in 1978 in U.S. dollars, ~~the~~

while the railway receives its revenues in Canadian dollars, thus suffering a monetary penalty of more than \$1 million annually. Some of the things ^(parent) the firm ~~it~~ did to reduce its expenses was to dismiss nine senior executives, abandon their "palatial" offices in Vancouver, relocate its main offices in Whitehorse, and lay off 350 of its 1,000 employees.

The CTC report found no evidence to suggest that funds were bled from the White Pass to sustain other ~~its~~ subsidiaries, and determined that an interest-free loan of nearly \$150,000 to the ^(parent) company's president to purchase a home did not come from railway operations.

Contrary to public opinion in the Yukon, the report says, railway ~~it~~ rates for the movement of general cargo have been "extremely reasonable." Rate increases leading up to its present difficulties, the report said, have been significantly less than the increased costs of running the railway. According to the report, the railway geared its pricing policy to ~~a~~ securing freight, rather than to operating costs.

Increased competition, heavily subsidized by both the Canadian and Alaska governments, came from three directions. One was the establishment, ^{an} maintenance and continual upgrading of the Stewart-Cassiar Highway, which enabled a competing ~~trucking~~ trucking firm to snatch away from White Pass an important contract for hauling asbestos for Cassiar Mines; an increase in gross vehicle ~~weight~~ weights on both the Alaska and British Columbia highways which made trucking much more competitive by doubling payloads into the Yukon; and completion of the Skagway to Whitehorse Highway in 1978 by both ^(the) Alaska ~~and~~ and Canadian governments, which ~~lost~~ away an estimated 28,000 railroad passengers in ~~the~~ the summer of 1979.

One of the reasons the federal Canadian government reject ^{ed} the White Pass plea for assistance in 1978 was because it was generally believed then that a major source of potential new revenues ^{would soon} come from the ~~the~~ construction of the Yukon portions of the Alaska ~~the~~ Highway Gas ~~the~~ Pipeline ~~and~~ and the Dempster Highway lateral by Foothills Pipeline.

White pass - five

According to the CTC report, Foothills is planning to ship 415,000 tons of pipe and 40,000 tons of construction equipment and other materials to 38 stockpile and staging sites in the Yukon between 1981 and 1984, utilizing ~~various~~ five routes, including the White Pass. However, Foothills does not expect any substantial pipe ~~or other~~ or other tonnage to be moved by the White Pass for logistical ~~and~~ reasons. Truck movements are believed to be "considerably cheaper" than rail. Moreover, curves on the railroad route (as well as docking facilities at Skagway) are too restrictive to ~~be able to~~ accommodate pipe lengths. Foothills ~~also~~ also said Alaska's five-crew law is a contributing factor in making the White Pass route ~~un~~competitive with trucking.

The report ~~concludes~~ found that the White Pass will ~~not~~ not only enjoy very little benefit from pipeline construction, but will at the same time suffer as a result of the overall increase in ~~the~~ wages and inflation resulting ~~from it~~ from it.

On assumption underlying the report's recommendation for government aid for the White Pass ~~is~~ is that the new Skagway-Whitehorse Highway will continue to be closed year-round to truck traffic. ~~Should~~ Should the Alaska and Canadian governments permit the road to be open year-round, the report says, "this would be tantamount to their having made a decision that the railway was no longer necessary for the Yukon, because it is clear that the opening of the road (year-round to truck traffic) ~~will~~ would most certainly bring about the extremely hurried demise of the railway." ~~The~~ Said the report, ~~"The opening of the road on a year-round basis would be synonymous with the economic destruction of the railway."~~ "The opening of the road on a year-round basis would be synonymous with the economic destruction of the railway." According to the report, the various levels of government have given assurances that the "Canadian portion of the road would not be opened to year-round traffic," ~~and~~ adding that "It is extremely difficult for a railway to ~~successfully~~ compete successfully with trucking operations when the trucks are able to travel on a road paid for out of public funds." The White Pass has suffered from competition from other modes whose own existence and continuing viability are assured only because of huge contributions from the public treasury," the report said.

HCR

2

COMMITTEE REPORT

HOUSE

FURTHER:

February 7, 1979

Date: 12 Feb 79

Mr. Speaker:

The Committee on STATE AFFAIRS has had HCR 2

Approving certain recommendations of the Salary Commission.

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 HCR 2 same title
 new title
- and recommends HCR 2 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]
[Signature]

**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

[Signature]
[Signature]

[Signature]

 CHAIRMAN

MEMORANDUM

TO: The Honorable Mike Miller
Chairman
House State Affairs Committee
Alaska State Legislature

DATE: February 9, 1979

FILE NO:

TELEPHONE NO:

FROM: Commissioner B. B. Allen *BA*
Department of Administration

SUBJECT: HCR 2

Comparison of subject resolution with the text of the Salary Commission's final report to the Legislature shows some substantive differences in language. Although these changes may have been intentional, I am calling them to your attention on the chance they were not.

Language in HCR 2:

"Whereas Recommendation Number (5)(A) proposes that there be no change in the salary level of division directors; the Salary Commission recognizes that promotions from deputy director of a division may sometimes necessitate that those receiving a promotion move into a step other than 'A' in order to be assured a salary increase; in such cases, that person receiving the promotion should enter at the lowest step necessary to receive a salary increase;"

Language in Salary Commission Recommendation (5)(A):

"Directors remain on state pay plan (AS 39.27.011). We continue to recommend entry level of new Directors be in the 'A' step of the salary range at which they are hired. We recognize that promotions to Director may sometimes necessitate that those receiving the promotion move into a step other than 'A' in order to be assured a salary increase. In such cases, that person receiving the promotion should enter at the lowest step necessary to insure a salary increase."

It looks as if some lines may have been omitted when the Resolution was typed. Also, in the era of magnetic card typing capability it appears some language from the 1977 Resolution was used in preparing HCR 2. For example, the 1977 Resolution listed promotions from "deputy director." After hearing about our problems in promoting anyone else to division director, the Salary Commission removed all reference to class titles in preparing its recommendations to the Legislature.

Language in HCR 2:

"Whereas Recommendation Number (5)(C) proposes that directors who, as of December 31, 1978, have their salaries frozen [emphasis added] shall, as of January 1, 1979, be placed within the state salary schedule in AS 39.27.011 at the range

The Honorable Mike Miller
Page 2
February 9, 1979

closest to, but not less than, their current salary and their salary progression shall follow the steps outlined in the salary schedule to a maximum of \$50,000 annually;"

Language in Salary Commission Recommendation (5)(C):

"All Division Directors who, as of December 31, 1978, are on frozen salary [emphasis added] shall, as of January 1, 1979, be placed within the salary schedule at the appropriate range closest to but not less than their current salary and shall progress in step according to the schedule within that salary range, provided that their salary shall not exceed a maximum of \$50,000/year."

This recommendation was designed to correct situations whereby non deputy directors who are promoted to director had their salaries frozen rather than cut to achieve step 'A' of the higher salary range. Recommendation (5)(B) provides that director salaries above \$50,000 will be frozen without further increase. To substitute the words "have their salaries frozen" for "are on frozen salary" for Recommendation (5)(C) would contradict Recommendation (5)(B).

I am available at your convenience to discuss these topics.

BBA/bc
P2-N

February 5, 1979

Mr. Myrton R. Charney
Executive Director
Legislative Affairs Agency
Pouch Y
Juneau, Alaska 99811

Dear Mr. Charney:

I understand there are interpretive problems with Item 12C of the Salary Commission's 1979 Final Report:

"Legislators receive an annual allowance to a maximum of \$4,320."

Please be assured that it was not the intent of the Salary Commission to imply a requirement to voucher expenses. The words ". . . to a maximum . . ." only allow a Legislator to accept an amount less than \$4,320 for expenses if that is his/her desire.

Sincerely,



Kathleen (Kay) Diebels, Chairman
Alaska Salary Commission

KD/bc
cc: Salary Commission Members
Pl-K

Embargoed for 12:00 Noon Release

WAGE AND PRICE STANDARDS

Revised
Council on Wage and Price Stability
December 13, 1978

INTRODUCTION

These standards amend the regulations of the Council on Wage and Price Stability to implement the President's anti-inflation program by adding a new part 705 to title 6 and an appendix to that part specifying voluntary standards for noninflationary wage and price behavior. These standards supersede those released by the Council on October 31, 1978, published in the Federal Register November 7, 1978.

§705.1 Authority. The provisions of this part are promulgated under the Council on Wage and Price Stability Act, P.L. 93-387, as amended by P.L. 94-78, and P.L. 95-121 (12 U.S.C. 1904 note), and particularly in furtherance of §2(c), §3(a)(4), and §3(a)(5) of that Act.

705A Price Standard

705A-1 General Applicability of the Price Standard. The price standard applies to all goods and services (products) sold in the United States and its territories and possessions, including goods and services sold by Federal, State, and local government entities.

705A-2 Price Deceleration Standard. A company complies with the general price deceleration standard if its program-year rate of price change is no greater than (1) the base-period rate of price change minus the deceleration percentage or (2) 9.5 percent, whichever is less. However, a company with a program-year rate of price change of 1.5 percent or less will be considered to be in compliance with the price deceleration standard regardless of its base-period rate of price change. For purposes of this standard:

- (a) The program-year rate of price change is the sales-weighted average of the percentage changes of a company's product prices measured from the last calendar or fiscal quarter completed prior to October 2, 1978, through the same quarter of 1979.
- (b) The base-period rate of price change is the sales-weighted average of the percentage changes of a company's product prices from the last calendar or complete fiscal quarter of 1975 to the corresponding quarter of 1977, expressed at annual rates.
- (c) The deceleration percentage is 0.5 percentage points unless a company experiences pay deceleration that is greater than 0.5 percentage points, in which case full passthrough of the additional pay deceleration is required for compliance with the general price deceleration standard. In such instances, the total price deceleration percentage is 0.5 percentage points plus the multiple of the company pay share and the rate of pay deceleration that is in excess of 0.5 percentage points.