

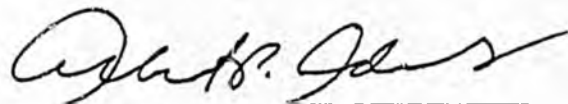
ALASKA LEGISLATURE COMMITTEE FILES 1961-1982 8072

1974 HRLS HB 709 - HB 889

1974

LETTER OF INTENT
TO
CS SSHB 709 (Finance)

It is the intent of the Legislature that there will be no supplemental funding appropriated to the Student Scholarship Loan Program for FY 83. It is also the Legislature's intent that the Postsecondary Education Commission make every effort to fund as many loan applications as possible. Given this task, we would instruct the Commission to lower to loan maximums if necessary, to ensure that the greater number of Alaskan students can participate in the program.



Al Adams, Chairman
House Finance Committee

TWELFTH LEGISLATURE
FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSSSHB 709
 Title Act Relating to Scholarship Loans
 Requested by House HESS Date 3/31/82

II. FISCAL DETAIL

Agency Affected Education
 Program Category Affected Commission on Postsecondary Education
 BRU, Program, Or Subprogram(s) Affected Student Loan Program
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	N.A.	0.0	0.0	(135.0)	(395.0)	(759.0)
TOTAL	N.A.	0.0	0.0	(135.0)	(395.0)	(759.0)

FUNDING (Thousands of Dollars)

GENERAL FUND	N.A.	(3,180.0)	(3,561.5)	(4,052.5)	(4,704.5)	(5,507.5)
FEDERAL FUNDS						
OTHER (Specify Source)						
additional interest				135.0	395.0	759.0

POSITIONS

FULL TIME	N.A.	0.0	0.0	0.0	0.0	0.0
PART TIME						
TEMPORARY						

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

1. Interest accrual at the new rate of 6% will result in addition revenue to the student loan revolving fund:

FY 83	-0-	FY 86	\$ 395.0
FY 84	-0-	FY 87	\$ 759.0
FY 85	\$135.0	FY 88	\$1,388.3

2. 53% of undergraduates will attend outside of Alaska.
 80% of those students will borrow over \$5000 @ an average of \$500 per student.

IV. DATE March 31, 1982

PREPARED BY Kerry D. Romesburg

AGENCY Commission on Postsecondary Education

Original: Legislative Finance

PHONE 465-2854

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/81)

H B

756

COMMITTEE REPORT

HOUSE

3/10 Rules

(11)

FURTHER:

2/11/82

Date: 3/9/82

Mr. Speaker:

The Committee on FINANCE has had HB 756

"An Act relating to the amount of money available for fire suppression; and providing for an effective date."

under consideration and reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for 756 (FIN) same title
 new title
- and recommends do pass
- Also 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:

Robert P. Adams
Haugen Haugen
Robert Betlicworth Betlicworth
Hurlbert Hurlbert
Carney Carney
Cotton Cotton
Chuckwick Chuckwick
Fuller Fuller

Cuddy Cuddy
Montgomery Montgomery

Robert P. Adams
 CHAIRMAN



United States
Department of
Agriculture

Forest
Service

265-4389 call when
calendared
State & Private Forestry
2221 E. Northern Lights, Suite 107
Anchorage, Alaska 99504

Reply to: 3210

Date: March 2, 1982
DIV. OF FORESTRY

MAR 4 1982
DIRECTORS OFFICE

Ted Smith, State Forester
Dept. of Natural Resources
Division of Forestry
Pouch 7-005
Anchorage, Alaska 99510

Dear Ted:

With the unusual weather Alaska has received so far this winter and if this pattern continues as such, an early fire season can be expected. In case this develops, I have directed the Alaska Avalanche and Fire Weather Forecast Center to plan on April 15th to start providing a fire weather forecast to all agencies for the Glennallen - Mat-Su - Kenai Peninsula - Iliamna Areas. April 15th is not a magic number and may vary depending upon the weather and the agencies needs. May 15th is still the target date for the normal state-wide fire weather forecast start up unless the weather dictates an earlier time.

The fire weather forecast will be through the AFFIRMS. In addition, a written forecast will be provided which we hope will be available for accessing through AFFIRMS. The AA/FWFC and the National Weather Service is in the process of booking up software that will allow for transferring the written forecast straight from the NWS Prime Computer to AFFIRMS. If this doesn't work out then the written forecast will be available for accessing only from the Prime Computer. No standup briefings or lightning detection information will be available for this early start up.

In order to get the system on line by April 15th, the effected agencies will have to start inputting their weather observations into AFFIRMS at least 7-14 days prior to this time. Otherwise for the first three - six days, the AFFIRMS output will not be accurate and probably misleading.

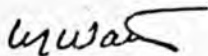
For the initial planning, the Center's Fire Weather Forecasting operations schedule will be five days on and two days on call basis. If the fire weather dictates as such, the center will be manned on a seven day basis.

Ops to John
3-8



If you have any questions, please call Bob Thompson, AA/FWFC Lead Meteorologist or myself.

Sincerely,



WALLACE J. WATTS
Program Director, Alaska Avalanche &
Fire Weather Forecast System

cc: Bob Thompson, AA/FWFC
Bob Janes, FS
Richard Hanas, NWS
Skip Scott

JAY S. HAMMOND
GOVERNOR



HB 756

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 11, 1982

The Honorable Joe L. Hayes
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18 of the Alaska Constitution, I am transmitting a bill raising from five million to ten million dollars the ceiling on the amount of money that I may transfer from the reserve for emergency operating expenses account to the fire suppression fund.

The state does not presently have the full capacity to provide logistical support for a fire organization of the magnitude expected to be necessary by 1985. The land protected by the state, now and in the near future, is that which is of highest value and population density. In the event of a major wildfire (at a cost of over \$200,000 a day to fight), the current five million dollar limit would be exhausted in a matter of weeks, leaving the state critically vulnerable during a very dry fire season.

Alaska's wildfire prevention responsibility is growing at a very rapid rate because of two major factors: (1) the state is assuming protection responsibility on more state and privately owned land which was formerly protected by the federal Bureau of Land Management under an agreement with the state; and (2) the federal government is conveying land to the state under the statehood general grant selection process at a rate greater than what has been anticipated.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Jay S. Hammond".

Jay S. Hammond
Governor

HA B

257

COMMITTEE REPORT

HOUSE

4/16
Miles

(11)

FURTHER:

4/5/82

Date: 4/16/82

Mr. Speaker:

The Committee on FINANCE has had HB 757

"An Act relating to unemployment insurance; and providing for an effective date."

under consideration and reports it back as follows:

do pass do not pass

do pass with attached amendments(s)

replace with CS for HB 757 (L+C) same title
 new title

and recommends without recommendation

AND attaches a "Letter of Intent" New Fiscal Note

reports it back individually without recommendation

referred to the _____ Committee

MEMBERS SIGNING
DO PASS

Robert H. Miles
BB
Carly
Montgomery

MEMBERS HAVING
OTHER RECOMMENDATIONS:

San G. ...
Mr. ...
NO Rec
rec

Robert H. Miles
CHAIRMAN

COMMITTEE REPORT

4/5

HOUSE

(5)

FURTHER: FINANCE

2/11/82

Date:

4-5-82

Mr. Speaker:

The Committee on LABOR & COMMERCE has had HB 757

"An Act relating to unemployment insurance; 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)

[X] replace with CS for HB 757 (L&C) [X] same title [] new title

and recommends _____

[] AND attaches a "Letter of Intent" [X] New Fiscal Note Suppl 36

[X] reports it back with ^{individual} ~~the~~ recommendations

[] referred to the _____ Committee

MEMBERS SIGNING DO PASS

[Signature]
Terry Martin

MEMBERS HAVING OTHER RECOMMENDATIONS:

[Signature] NO Rec.
[Signature] Do Pass if amended.

Terry Martin
CHAIRMAN

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF LABOR

OFFICE OF THE COMMISSIONER

P. O. BOX 1149
JUNEAU, ALASKA 99811

Phone: (907)465-2700

April 22, 1982

The Honorable Jack Fuller
Chairman, Rules Committee
Alaska State Legislature
Pouch V
Juneau, AK 99811

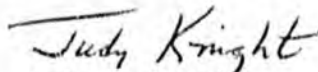
Dear Representative Fuller:

Recently, Committee Substitute for House Bill No. 757 (L&C) was received by the House Rules Committee. Numerous sections included in this bill are conformity requirements. That is, Alaska's Employment Security Act (Title 23, Chapter 20) must be amended to include federal law requirements passed by the U.S. Congress since Alaska's Legislature adjourned last year.

Failure to enact these provisions could result in the Secretary of Labor finding Alaska's law out of conformity. The effect of this finding would mean the loss of approximately \$20 million in federal administrative funds and reimbursements for extended benefit payments. Of greater significance is the 2.7% increase employers would pay in FUTA taxes (approximately \$27 million).

Your prompt consideration of House Bill 757 would be appreciated. A section-by-section analysis is enclosed, and I would be happy to discuss the bill with you.

Sincerely,



Judy G. Knight
Special Assistant

Enclosure

MEMORANDUM

State of Alaska

RECEIVED

TO: Keith Specking
Legislative Assistant
Office of the Governor

DATE: April 21, 1982

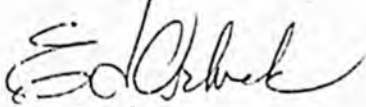
APR 22 1982

FILE NO: 10b-3

HAND DELIVERED
GOVERNOR'S OFFICE

TELEPHONE NO: 465-2700

SUBJECT: house Bill 757

FROM: 
Edmund N. Orbeck
Commissioner
Department of Labor

Per our conversation today, I would like to reiterate the importance of House Bill 757, "An Act relating to unemployment insurance." Several provisions in that bill are conformity requirements passed by Congress last year. Alaska's Employment Security Act must be in conformance by September 26, 1982.

If the Secretary of Labor finds Alaska not in conformity, the State would lose its administrative funds and reimbursement for extended benefits (approximately \$20 million). Of greater significance, employers in the State would pay an additional 2. % in FUTA taxes (an increase of approximately \$27 million).

Thank you for your assistance.

ENO:kmb
k:63

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES
OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH H 01
JUNEAU, ALASKA 99811
PHONE:

Document# 153-82

The Honorable John G. Fuller
Representative
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Representative Fuller:

This is to request your prompt consideration of the Committee Substitute for HB 757 which was recently received by House Rules Committee.


This bill contains a section which, through a carefully controlled information exchange, will result in reductions in Food Stamp program abuse and error rates.

Alaska's error rate is so great now, that a federal sanction of \$3 million is pending and will be levied against Alaska if error rates are not reduced in the next few months.

Passage of HB 757 will give this agency a long - awaited tool for tighter administration of the Food Stamp program, by providing access to applicant's income history, which directly impacts eligibility for benefits.

Thank you for your attention to this matter.

Sincerely,



Helen D. Beirne
Commissioner

Bill No. Committee Substitute for House Bill
No. 757 (L & C)
Title "An Act relating to Unemployment Insurance;
and providing for an effective date."

Date April 16, 1982

Contact: Judy Knight
465-2700

A. G. Zillig
465-2712

Sections 1, 2, 13, and 17 through 24, are required to bring Alaska's unemployment insurance law into conformity with federal law. Passage of these provisions will assure that Alaska's employers continue to receive the 2.7% FUTA tax credit, which represents a tax savings to employers of \$162.00 per employee. Lack of conformity may also result in the loss of approximately \$17 million in funds provided for administering employment security.

Section 8 provides that individuals who have been disqualified under AS 23.20.406(L) for extended benefits, which are 50% federal reimbursed, are eligible to be paid wholly from UI Trust Funds. This would increase expenditures from the UI Trust fund, and an increase in employer taxes would be required to offset the cost. The Department of Labor is opposed to this section of the bill because it discriminates against claimants who have been disqualified for reasons other than as provided in AS 23.20.406(L).

Section 7 provides for a slight increase in the amount of benefits raising the maximum from \$150.00 to \$156.00. Inflation since 1980 when benefits were last revised would justify a larger increase. Other sections of the bill provide clarification to existing statutes, recodify sections and make technical changes to sections included in the rewrite of AS 23.20 in Chapter 9, SLA 1980.

SB 552 TITLE & SPONSOR SUMMARY
 AMENDED TITLE: CSSB 552(FIN)
 AN ACT EXEMPTING CERTAIN CHILD CARE WORKERS FROM THE ALASKA
 WAGE AND HOUR ACT

17:13 5/06/82 PAGE 1 OF 3

PRIME SPONSOR: MULCAHY.

GENERAL DOLLARS: \$0 (F. NOTE)

OTHER DOLLARS: \$0

CO-SPONSORS:

CURRENT STATUS: 4/18/82 IN (H) RULES

SB 552 SENATE ACTION 17:13 5/06/82 PAGE 2 OF 3
 DATE SEQ PAGE LEGISLATIVE ACTION

05/06/81	01	0978	FIRST READING -- COMMITTEE REPORTS
05/28/81	02	1237	L&C -- CS03
03/18/82	03	0603	FIN -- CS04
03/18/82	04	0603	F/NOTE EQUALS ZERO
03/22/82	05	0638	RLS -- OTHER03 TAKEN UP IMMEDIATELY
03/22/82	06	0641	SECOND READING
03/22/82	07	0641	FIN CS ADOPTED BY UNAN CONSENT
03/22/82	08	0641	ADVANCED TO 3RD READING BY UNAN CONSENT
03/22/82	09	0641	THIRD READING
03/22/82	10	0642	PASSED BY DIV 16-00-04

**** ** ** *** ** *

SB 552 HOUSE ACTION 17:13 5/06/82 PAGE 3 OF 3
 DATE SEQ PAGE LEGISLATIVE ACTION

03/22/82	11	0885	FIRST READING -- COMMITTEE REPORTS
04/07/82	12	1173	L&C -- DF01, NR02
04/18/82	13	1363	FIN -- DP08
04/18/82	14	1363	FISCAL NOTE EQUALS ZERO RULES RULES

**** ** ** *** ** *

HB 757 TITLE & SPONSOR SUMMARY

12:23 4/17/82 PAGE 1 OF 2

AMENDED TITLE:
 AN ACT RELATING TO UNEMPLOYMENT INSURANCE, AND PROVIDING
 FOR AN EFFECTIVE DATE

PRIME SPONSOR: HOUSE RULES COMMITTEE.

CO-SPONSORS:

CURRENT STATUS: 4/16/82 IN (H) RULES

HB 757 HOUSE ACTION 12:23 4/17/82 PAGE 2 OF 2
 DATE SEQ PAGE LEGISLATIVE ACTION

02/11/82	01	0402	FIRST READING -- COMMITTEE REPORTS
02/11/82	02	0402	GOV TRANSMITTAL LETTER
02/11/82	03	0402	FISCAL NOTE HSE SUPPL #13
04/05/82	04	1072	L&C -- CS01, NR01, OTHER01
04/05/82	05	1072	FISCAL NOTE HSE SUPPL #36
04/16/82	06	339	FIN -- L&C CS04, NR04 RULES RULES

**** ** ** *** ** *

BILL ANALYSIS

Section 1. Federal conformity requirement of P.L. 96-249. Must be effective in state laws by January 1, 1983. Amends AS 23.20.110 as follows:

1. Adds subsection (f) to require the sharing of unemployment insurance claims information with a state or federal agency which administers the Food Stamp program under the Food Stamp Act of 1977.
2. Adds subsection (g) to extend the requirements of AS 23.20.110 to any officer or employee of a state or federal agency which is provided information by the department.

Section 2. Federal conformity requirement (P.L. 96-249). Amends AS 23.20.115 to conform with AS 23.20.110(g) by adding state or federal employees to the list of those subject to prosecution for unauthorized disclosure of information.

Section 3. Housekeeping. Amends AS 23.20.165(e) as follows:

1. Excludes, from refunds of excess employee contributions, any interest paid by the employer on those contributions. Since only the employer pays interest on past due contributions (including the contributions he has deducted from his employee's wages), it is not equitable to make interest refundable to the employee.
2. Makes clear that employee deductions in excess of those required by AS 23.20.-005 through 23.20.535 will be refunded. AS 23.20.165(e) currently specifies that only deductions in excess of the wages subject to contributions will be refunded.

Section 4. Housekeeping. Corrects the table under AS 23.20.290(c) by deleting the figure "100" on the last line of the table. To constitute a full one-twentieth of the total ratable payroll, rate class 20 under column A must include the remaining 5% of ratable payroll over 95%.

Section 5. Housekeeping. Amends AS 23.20.340(d) to complete the list of statutes under which a claimant may be disqualified.

Section 6. Housekeeping. Amends AS 23.20.340(f) to complete the list of statutes under which a claimant may be disqualified and specifies that all interested parties are entitled to appeal nonmonetary determinations.

Section 7. The committee substitute provision would amend AS 23.20.350(d) to increase the weekly benefit schedule to a maximum of \$156. The proposed weekly benefit schedule would increase benefit outlay from the trust fund in calendar year 1983 by \$1.5 million or 1.9 percent.

Section 8. The committee substitute provision adds Sec. 353 to provide supplemental state benefits for claimants who are ineligible for extended benefits because their base period wages are less than 40 times their weekly benefit amount. The "40 X WBA" requirement for receipt of extended benefits is mandated by P.L. 87-35 and is included as an amendment to AS 23.20.406 in Section 18 of the bill. Payment of supplemental state benefits is expected to result in an increased benefit outlay from the trust fund in CY 1983 of approximately \$1.1 million or 1.4%.

The net effect of the benefit amount increase, the payment of supplemental state benefits and the savings caused by the extended benefit restrictions under Sections 18, 21, and 22 of the bill will be an increase of \$.7 million (.9%) in CY 1983 benefit payments from the fund. (The extended benefit restrictions would save about \$1.9 million in CY 1983.)

Section 9. Housekeeping. Redrafts AS 23.20.360 to make the provision clearer. The current provision reads that the allowance for dependents is excluded from the amount paid to the claimant, and that is clearly not intended, in view of the requirements of AS 23.20.350. The revised provision correctly excludes dependents allowance only from the amount of benefits subject to reduction.

Section 10. Housekeeping. Amends AS 23.20.375(a) to complete the list of "disqualification" statutes.

Section 11. Housekeeping. Clarifies AS 23.20.378(a) by combining paragraphs (1) through (4) under a single new paragraph and designating paragraph (5) as paragraph (2). The context of the current provision implies that paragraph (5) was intended to be a necessary condition of paragraphs (1) through (3), but that is not how the provision reads.

Section 12. Housekeeping. Recodifies the current AS 23.20.350(b) as AS 23.20.381(g). This requalifying requirement is mandated by Sec. 3304(a)(7) of the Internal Revenue Code, but it is not a monetary requirement and should not appear under AS 23.20.350. A benefit year is established for any claimant who meets the qualifying requirements of AS 23.20.350(a) (at least \$1000 in earnings in the base period, with at least \$100 outside the quarter of highest earnings), and an eligible monetary determination is issued, whether or not the claimant has actually worked since last establishing a benefit year. A claimant who has not had work and earnings since last establishing a benefit year is simply not payable on his current benefit year until the requalifying requirement is met.

Section 13. Federal conformity requirement. Required in all state laws by Section 236(a)(2) of the Trade Act, as amended by P.L. 97-35, and must be effective by October 31, 1982. Amends AS 23.20.382 by adding subsections (b) and (c) to prohibit disqualification of an individual attending training approved under the Trade Act of 1974. A housekeeping change was made to the current Sec. 382 and it was designated as subsection (a).

Section 14. Housekeeping. Clarifies AS 23.20.383(b) by restoring it to its original meaning prior to the 1980 amendments. Before the 1980 amendments an individual who was unemployed because of a labor dispute could escape disqualification if he was not involved in the dispute and was not a member of the grade or class of workers who were involved. However, if the labor dispute was caused by his employer's failure to comply with a working agreement or applicable law, the employee escaped disqualification regardless of his involvement. The 1980 amendments recodified the old AS 23.20.380(9) as AS 23.20.383 with minor changes. However, at that time the three "exception" provisions were made conjunctive, so that (as the provision currently reads) a claimant is disqualified unless (1) he is not involved in the dispute and (2) the dispute was caused by the employer's failure to comply with the law or a working agreement. These two circumstances would occur together so seldom that the "exception" provisions are virtually meaningless at-present.

Section 15. Housekeeping. Amends AS 23.20.390(e) to provide a 15-day period for appeal from notices of liability. This same 15-day period applies to all other determinations under the Act and we see no reason to restrict liability appeals to 10 days.

Section 16. Departmental recommendation. Adds Sec. 392 to provide authority to collect from an employer the amount he deducts from a backpay award to an employee. This provision would apply only when the deduction is made because the employee has already received unemployment insurance benefits during the period covered by the award and has been found ineligible for those benefits because of the back pay

award. We do not advise subsidizing the back pay award with benefits paid from the trust fund, especially since the employee is going to be held liable for repaying the benefits.

Section 17. Federal conformity requirement of P.L. 97-35. Must be included in state laws not later than October 31, 1982. Adds Sec. 401 to provide for interception of benefits due a claimant who owes child support obligations.

Section 18. Federal conformity requirement of P.L. 97-35 which must apply to weeks of unemployment which begin after September 25, 1982 and must be included in state laws by October 31, 1982. Adds subsection (j) to AS 23.20.406 to require wages of at least 40 times the weekly benefit amount during the base period of the benefit year in order to qualify for extended benefits. The federal amendment requires at least 20 weeks of full-time insured employment, or the equivalent of insured wages. The "equivalent in insured wages" specified by the federal law is earnings of 40 times weekly benefit amount or 1-1/2 times highest quarter earnings in the base period. The 40 x WBA option is recommended as the most liberal qualifying requirement.

Section 19. Federal conformity requirement (P.L. 97-35). Must be included in state laws by October 31, 1982. Adds subsection (c) to AS 23.20.407 to reduce weeks of extended benefits by any weeks of trade readjustment allowance received during the applicable benefit year.

Section 20. Federal conformity requirement (P.L. 97-35). Must be included in state laws by October 31, 1982. Amends AS 23.20.408(a) to remove the reference to national "on" and "off" indicators for the purpose of establishing an extended benefit period. The national trigger was repealed by P.L. 97-35, and extended benefits will be payable only when an extended benefit period is triggered on by a state indicator.

Sections 21-22. Federal conformity requirements (P.L. 97-35). Must apply to weeks beginning after September 25, 1982. Amend AS 23.20.408(f) and (g) by adding one percent to the insured unemployment rate necessary to trigger an extended benefit period on or off.

Section 23. Federal conformity requirement (P.L. 97-35). Must apply to weeks beginning after September 25, 1982. Amends AS 23.20.408(h) to exclude extended benefit payments from the calculation of the insured unemployment rate.

Section 24. Federal conformity requirement (P.L. 97-35). Must be included in state laws by October 31, 1982. Amends AS 23.20.409(1) to exclude the national EB-trigger from the definition of "extended benefit period".

Section 25. Departmental recommendation. Defines "applicable benefit year" in accordance with the definition contained in 20 CFR 615.(c)(2). The term is used in various places in the extended benefit provisions.

Section 26. Housekeeping. Amends AS 23.20.505(a) as follows:

1. Makes AS 23.20.505(a) consistent with AS 23.20.530 by substituting the term "wages" for "remuneration". "Wages" is already defined in Sec. 530 as remuneration for services. The use of the term "remuneration" in Sec. 505(a) is therefore redundant.
2. Corrects the "excess earnings" computation in AS 23.20.505(a) to specify that an individual's wages for a week must be less than 1 1/3 times the weekly benefit amount plus \$50, in order to qualify for benefits for that week. The current provision is inconsistent with AS 23.20.360.

Section 27. Housekeeping. Amends the definition of "training or retraining course" in AS 23.20.520(26) as follows:

1. Changes the term defined in the provision to read "vocational training or retraining course", for consistency with AS 23.20.382.

2. Deletes the term "entry level" from the definition. We do not recommend restricting approvable training to entry level training only. For example, some union-sponsored training is not "entry level" but is nevertheless required for continued employment in the occupation.

Section 28. Housekeeping. Amends the definition of "institution of higher education" in AS 23.20.520(24) to include institutions in other states. The definition of "training or retraining course" in AS 23.20.520(26) excludes instruction intended for a degree from an institution of higher education. It is therefore not recommended that the definition of "institution of higher education" be limited to Alaska schools.

Section 29. Housekeeping. Amends AS 23.20.526(a) to exclude service as a juror from the definition of "employment." It is assumed that this was the intent of the Legislature when it excluded compensation received for jury duty from the definition of "wages" under AS 23.20.530(b)(12). However, if "wages" means all remuneration from whatever source, excluding jury pay from "wages" means it is not deductible from benefits. We recommend excluding jury duty from the definition of "employment", but do not recommend excluding jury pay from "wages". AS 23.20.530(b)(12), which excludes jury pay from "wages", is repealed in Section 32 of the bill.

Section 30. Housekeeping. Clarifies the definition of "wages" in AS 23.20.530(a) as follows:

1. Makes clear that "wages" means remuneration from any source. It is recommended that the definition of "wages" refer to remuneration received from any employment, whether or not insured. The definition would then clearly apply both to determinations of insured status (initial determinations) under AS 23.20.350(a), and to the deduction of earnings from the weekly benefit amount, under AS 23.20.360, for a week in which a claimant is employed. Applying the definition of "wages" in this way would simplify the administration of these provisions and agrees with the way the definition is used in the federal draft provision upon which AS 23.20.530(a) is based.
2. Includes back pay as wages, regardless of whether the back pay was "awarded under a statute of this State or the United States." We do not recommend language which requires back pay awards to be compelled by force of law in order to be considered wages. This would exclude many back pay awards which are clearly intended as wages, for example where an employer freely negotiates a back pay award to an employee as the result of a wage dispute.
3. Requires allocation of back pay and irregular wage payments to the week in which the pay was earned, regardless of the purpose for the allocation. We recommend that these payments be allocated both for initial determinations under AS 23.20.350(a) and for deductions from benefits under AS 23.20.360.

Section 31. Housekeeping. Adds paragraph (13) to AS 23.20.530(b) to exclude, from the definition of "wages", any compensation received for inactive National Guard duty. This provision was simply transferred from AS 23.20.505(c).

Section 32. Repeals the following provisions:

1. AS 23.20.350(b). Housekeeping. This provision was recodified as AS 23.20.381(g) under Section 12 of the bill.
2. AS 23.20.408(d) through (e). Repeal of these provisions is a requirement for conformity with P.L. 97-35. The definition of national "on" and "off" indicators is unnecessary because the national indicators were repealed by P.L. 97-35.
3. AS 23.20.505(b). Housekeeping. This definition of "remuneration" is not necessary, since Section 26 of the bill substitutes the term "wages" for the term "remuneration" in AS 23.20.505(a), and "wages" is already defined in AS 23.20.530(a).

4. AS 23.20.505(c). Housekeeping. This provision was recodified as AS 23.20.530(b)(13) in Section 31 of the bill.
5. AS 23.20.530(b)(11). Housekeeping. Repeal of this provision would allow remuneration received from fishing to be treated as wages. Section 3121(b)(20) of the Internal Revenue Code excludes service by individuals engaged in certain fishing operations from the definition of "employment", and AS 23.20.526(20) already excludes this service from coverage, in conformity with the federal law. However, excluding fishing earnings from the term "wages" goes further than required by the federal provision and prohibits deduction of this remuneration from benefits during a week in which a claimant is fishing.
6. AS 23.20.530(b)(12). Housekeeping. Repeal of this provision would include jury pay as wages and permit deduction of jury pay from benefits otherwise due for a week. Jury duty would be excluded from insured coverage by excluding it from the definition of "employment" under AS 23.20.526(a)(21), as proposed in Section 29 of the bill.



14B757

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 11, 1982

The Honorable Joe L. Hayes
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to unemployment insurance. This bill makes several significant changes to unemployment insurance law, as well as making numerous less significant changes which are considered necessary to effectuate legislative intent.

Congress' passage of the Omnibus Budget Reconciliation Act of 1981 and the Economic Recovery Tax Act of 1981 requires several changes in state law in order for the state to remain in conformity with federal requirements and to continue to receive federal money.

The bill requires the employment security division to share information regarding unemployment insurance claims with state or federal agencies which administer the food stamp program and requires those agencies to keep the information confidential.

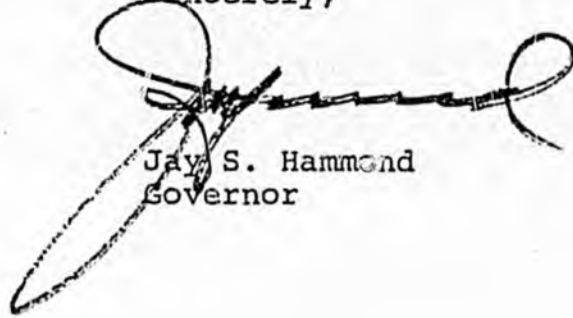
The bill requires the employment security division to withhold from payments of a claimant's benefits the amount the claimant owes for child support obligations and to pay that money to the child support enforcement agency.

The bill makes several changes regarding extended benefits which have the effect of both restricting the conditions generally under which extended benefits are payable and making more stringent the eligibility requirements for individuals wishing to receive extended benefits.

The bill prohibits disqualification of an individual while he or she attends training courses approved under the Trade Act of 1964. It also includes an increase in the unemployment insurance weekly benefit amount and changes in the duration of benefits.

In addition to the above amendments necessitated by recent federal enactments, the bill also makes other changes which the department considers necessary, including changes which correct some provisions, clarify provisions which are ambiguous, and make the statutes more uniform.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jay S. Hammond". The signature is highly stylized, with a large, looping initial "J" and a long, sweeping horizontal stroke that ends in a small loop.

Jay S. Hammond
Governor

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS for House Bill 757 (L & C)

Title "An Act relating to Unemployment Insurance and providing for an ..."

Requested by House Labor and Commerce Committee

Date 4/2/82

II. FISCAL DETAIL

Agency Affected All agencies

Program Category Affected All, indirectly decreases General Fund reimb. to UI Trust Fund

BRU, Program, or Subprogram(s) Affected All indirectly

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

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	0	(105.0)	(71.0)	(73.0)	(75.0)	(76.0)
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0	(105.0)	(71.0)	(73.0)	(75.0)	(76.0)

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	0	(105.0)	(71.0)	(73.0)	(75.0)	(76.0)
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME						
PART TIME						
TEMPORARY						

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

Assumptions:

1. Alaska will trigger off EB 5 months each year beginning Sept. 1982.
2. 30% of remaining EB weeks claimed after 1981 conforming legislation will be saved by triggering off.
3. Remaining EB payments plus all regular payments will increase by 1.9% because of increase in maximum WBA to \$156.
4. New WBA schedule effective 1/1/83. Only half of effect felt in FY 1983.
5. Approximately 26 former state employees will be covered by the new Section 8 Alaska Additional benefits for claimants denied EB because of the new 40XWBA conformity rule. 4/2/82

IV. DATE

4/2/82

PREPARED BY Nicolas W. Bus

AGENCY Department of Labor

Original: Legislative Finance

PHONE 465-2720

cc: Budget and Management

Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA

TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Committee Substitute for House Bill #757 (L & C)

Title "An Act relating to unemployment insurance and providing for an . . ."

Requested by Labor and Commerce

Date 4/2/82

II. FISCAL DETAIL

Agency Affected Labor

Program Category Affected Social Services

BRU, Program, or Subprogram(s) Affected Employment Security

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

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	0	94.1	103.5	113.6	125.2	137.8
200 TRAVEL		-	-	-	-	-
300 CONTRACTUAL	10.0	63.3	24.3	26.7	29.4	32.3
400 COMMODITIES		3.0	3.3	3.6	4.0	4.4
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
TOTAL	10.0	160.4	131.1	143.9	158.6	174.5

FUNDING (Thousands of Dollars)

GENERAL FUND	5.0	25.0	0	0	0	0
FEDERAL FUNDS	5.0	135.4	131.1	143.9	158.6	174.5
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0	0	0	0	0	0
PART TIME						
TEMPORARY						

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

The proposed amendments to AS 23.20.350, to increase benefit amount, will require additional programming services. Proposed AS 23.20.401, dealing with interception of UI benefits to pay child support obligations, will require expenditures for programming and forms, and one-half of a position state-wide, explaining program to claimants and dealing procedures with child support enforcement staff.

Contractual programming expenditures for the State Supplemental Benefit system, child support interception and the increase in UI benefit amount are based on an estimated 1,280 man-hours of programming time at \$40 per hour. (\$10 - FY '82, \$41.2 - FY '83)

The proposed amendment to AS 23.20.353, to implement a Supplemental State Benefit system will require state funds for data processing development costs and two and a half existing positions statewide for processing SSB claims.

Assumes that the three position. ill be existing positions

IV. DATE 4/1/82

PREPARED BY Nico Buis

AGENCY Labor

PHONE 465-2720

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

cc

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE
FISCAL NOTE

I. REQUEST

Bill/Resolution No. _____ House Bill No. 757 #1
Title "An Act relating to unemployment insurance and providing for an"
Requested by Rules Committee/Governor Date 1/20/82

II. FISCAL DETAIL

Agency Affected All agencies
Program Category Affected All, indirectly increases General Fund reimb. to UI trust fund
BRU, Program, or Subprogram(s) Affected All indirectly
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	0	20.0	211.0	216.0	221.0	228.0
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0	20.0	211.0	216.0	221.0	228.0

FUNDING (Thousands of Dollars)

GENERAL FUND	0	20.0	211.0	216.0	221.0	228.0
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0	0	0	0	0	0
PART TIME						
TEMPORARY						

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

Assumptions:

- As a result of federal law changing trigger rate calculation, Alaska will trigger off 5 months every year beginning September 1982.
- 30% of remaining EB weeks claimed (after 1981 conforming legislation) will be saved from payment by triggering off. The savings is included in the net cost above.
- Remaining EB payments plus all regular payments will be increased by a net effect of 10% for increased WBA and duration.
- New WBA and duration schedule effective 1/1/83.

IV. DATE 2/3/82 PREPARED BY Mico Bus Finance Officer

AGENCY Labor

PHONE 465-2720

Original: Legislative Finance
cc: Budget and Management

THE LEGISLATURE OF THE STATE OF ALASKA

TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. _____ House Bill No. 757 #2
 Title "An Act relating to Unemployment Insurance and providing for an "
 Requested by Rules Committee/Governor Date 1/20/82

II. FISCAL DETAIL

Agency Affected Labor
 Program Category Affected Social Services
 BRU, Program, or Subprogram(s) Affected Employment Security

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

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	0	19.0	0	0	0	0
200 TRAVEL						
300 CONTRACTUAL	10.0	41.2				
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	10.0	60.2	0	0	0	0

FUNDING (Thousands of Dollars)

GENERAL FUND	10.0	60.2	0	0	0	0
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0	0	0	0	0	0
PART TIME						
TEMPORARY						

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

The proposed amendments to AS 23.20.350, to increase UI duration and benefit amount, will require additional programming services. Proposed AS 20.401, dealing with interception of UI benefits to pay child support obligations, will require expenditures for programming and forms, and an additional one-half positions state-wide, explaining program to claimants and detailing procedures with child support enforcement staff.

Contractual programming expenditures for both child support interception and the increase in UI duration and benefit amount are based on an estimated 1,280 man-hours of programming time at \$40 per hour. (\$10. - FY '82, \$41.2)

Assumes that the one-half position will be an existing position. Assumes immediate effective date.

IV. DATE 2/3/82 PREPARED BY Nico Bus, Finance Officer

AGENCY Labor
 PHONE 465-2720

Original: Legislative Finance
 cc: Budget and Management

H P
8 11

re preferences to occupants of land
under USFS timber contract

HB 811
Gardiner, Hansen,
Freeman

fiscal note 3 -ok

notification ok

passed unanimously out of Resources

COMMITTEE REPORT

HOUSE

3/25

Rules

(7)

FURTHER:

2/16/82

Date: March 25, 1982

Mr. Speaker:

The Committee on Resources has had HB 811

"An Act relating to preferences to occupants of land under a United States Forest Service timber contract."

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)

[x] replace with CS for HB 811 (Resources) [] same title [x] new title

and recommends DO PASS

[] AND attaches a "Letter of Intent" [x] New Fiscal Note

[] reports it back without recommendation zero for Bill

[] referred to the _____ Committee

MEMBERS SIGNING

DO PASS

[Signature]
[Signature]
[Signature]
[Signature]
[Signature]

MEMBERS HAVING

OTHER RECOMMENDATIONS:

[Signature]
CHAIRMAN

COMMITTEE REPORT

3/22

HOUSE

Ruler

FURTHER:

(7)

Date: March 18, 1982

2/16/82
Mr. Speaker:

The Committee on RESOURCES has had HB 811

"An Act relating to preferences to occupants of land under a United States Forest Service timber contract."

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HB 811 (Resources) same title
 new title
- and recommends 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:

Rub Halbrook Halbrook
Anthony Vasquez Vasquez
James Foyne Foyne
John Carney Carney
Ken Fanning Fanning
Er Suleff Suleff

Ken Fanning
 Vice-CHAIRMAN

HB 811 TITLE & SPONSOR SUMMARY

10:23 3/29/82 PAGE 1 OF 2

AMENDED TITLE:

AN ACT RELATING TO PREFERENCES TO OCCUPANTS OF LAND UNDER
A UNITED STATES FOREST SERVICE TIMBER CONTRACT

PRIME SPONSOR: GARDINER,

CO-SPONSORS: HAUGEN, FREEMAN.

CURRENT STATUS: 3/26/82 IN (H) RULES

HB 811 HOUSE ACTION

10:24 3/29/82 PAGE 2 OF 2

DATE SEQ PAGE

LEGISLATIVE ACTION

DATE	SEQ	PAGE	LEGISLATIVE ACTION
02/16/82	01	0518	FIRST READING -- COMMITTEE REPORTS
03/22/82	02	0878	RES -- CS06
03/22/82	03	0890	RESOURCE REPORT WITHDRAWN
03/22/82	04	0890	RECOMMITTED TO RES BY UNAN CONSENT
03/26/82	05	0933	RES -- CS05
03/26/82	06	0933	F/NOTE EQUALS ZERO RULES RULES

***A ** ** *** ** *

Terry Gardiner

Box 6092, Ketchikan, Alaska 99901 Pouch V, Juneau, Alaska 99811

TO: Rep. Jack Fuller
FROM: Rep. Terry Gardiner *T.G.*
DATE: March 28, 1982
RE: HB 811

HB 811 is back in your committee again with a zero fiscal note. The bill is a minor one on a statewide basis but very vital to the people of Thorne Bay.

Without this bill they cannot own the houses they have built which were on Forest Service land. This bill will allow the state to sell Thorne Bay residents the land they already have a home on.

FISCAL NOTE

I. REQUEST HB 811
 Bill/Resolution No. HB 811
 Title An act relating to preferences to occupants of land under
 Requested by House REsources Ct. Date USFS Timber contrac

II. FISCAL DETAIL Department of Natural Resources
 Agency Affected Department of Natural Resources
 Program Category Affected NRMTC
 BRU, Program, Or Subprogram(s) Affected Land Management
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		-0-	-0-			

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME		0	0			
TEMPORARY						

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

Departmental responsibilities under this bill can be accomplished with funding for the land disposal program in the Governor's FY 83 budget submission.

IV. DATE March 22, 1982 PREPARED BY Mark Wittow
 AGENCY Dept of Natural Resources
 Original: Legislative Finance PHONE 465-2400
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

Mark Wittow

H

B

8

/

2

MEMBER FILE
ON GET MAKING A SPECIAL APPROPRIATION TO THE DEPARTMENT
OF EDUCATION FOR STATE MATCH OF FEDERAL MONEY FOR THE
OPERATION OF SCHOOLS
FOR AN EFFECTIVE DATE

PRIME SPONSOR: ADAMS.

GENERAL DOLLARS: \$2,800,000 (APPROX)

OTHER DOLLARS: \$0

MEMBERS: BETTS, SMITH, FULLER, CRUSSENDORF, HAUGEN, MARTIN.
FINANCE

15-00 1/10/97 PAGE 2 OF 2

LEGISLATIVE ACTION

07/17/97	01	0040	FIRST READING -- COMMITTEE REPORTS
07/22/97	02	0070	HESS -- DR03, NR04
			FINANCE
			TITLE

Mt. Edgecumbe \$1 million

HB 812

notification ok

finance: 7 do pass
1 no rec (Cuddy)
HESS: 3 do pass
1 no rec (Malone)

COMMITTEE REPORT

HOUSE

4/2

Rules

FURTHER:

(11)

3/22/82

Date:

4/1/82

Mr. Speaker:

The Committee on FINANCE has had HB 812

"An Act making a special appropriation to the Department of Education for state match of federal money for the operation of Mount Edgecumbe High School; 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 812 (fin) same title
 new title
- and recommends 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:

Robert A. Jones, Ch
Kavanaugh
R. B. Bennett
Huber
Sam R. G.
Joseph C. ...
Montgomery

David ...

Robert A. Jones
 CHAIRMAN

COMMITTEE REPORT

3/22

HOUSE

FURTHER: FINANCE

(5)

2/16/82

Date:

3/19/82

Mr. Speaker:

The Committee on HEALTH, EDUCATION & SOCIAL SERVICES has had HB 812

"An Act making a special appropriation to the Department of Education for state match of federal money for the operation of Mount Edgecumbe High School; and providing for an effective date."

under consideration and reports it back as follows:

- 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 Maston

Bette Cate

Archie Benson

MEMBERS HAVING

OTHER RECOMMENDATIONS:

H. Malow - No Rec.

Archie Benson

CHAIRMAN

Rep. Chuck Wink

Alaska State Legislature

House of Representatives



Official Business

Albert P. Adams
Chairman
Committee on Finance

WHILE IN SESSION
Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-3705

ANCHORAGE OFFICE
1024 W. 6th Avenue
Anchorage, Alaska 99501
(907) 274-0615

HOME - DISTRICT 21
P.O. Box 271
Kotzebue, Alaska 99752
(907) 442-3320

MEMORANDUM

TO : House Finance Committee Members

FROM: Albert P. Adams, Chairman
House Finance Committee *APA*

DATE: March 26, 1982

SUBJ: HB 812 Mt. Edgecumbe High School

Attached is a copy of a letter to the administration, faculty, staff, and students of Mt. Edgecumbe High School.

We have received eighty-five letters and five POM's in support of HB 812, which is currently in the House Finance Committee. These letters and POM's are available in my office.

This demonstrates the strong statewide support for Mt. Edgecumbe High School.

ATTACHMENT

cc: Senator Ferguson
Senator Parr
Representative Bettisworth
Representative Fuller
Representative Grussendorf
Representative Haugen
Representative Hurlbert
Representative Martin

APA/dlk

Alaska State Legislature
House of Representatives



Albert P. Adams
Chairman
Committee on Finance

WHILE IN SESSION
Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-3706

ANCHORAGE OFFICE
1024 W. 6th Avenue
Anchorage, Alaska 99501
(907) 274-0615

HOME - DISTRICT 21
P.O. Box 271
Kotzebue, Alaska 99752
(907) 442-3320

Official Business March 24, 1982

TO: The Administration, Faculty, Staff, and Students
of Mt. Edgecumbe High School

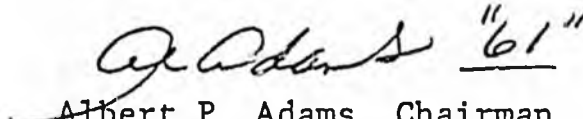
I have received the letters and petition from students and Mr. Gale Fechik, asking for my support in keeping Mt. Edgecumbe High School from being closed and allowing a freshman class next year.

We are working through legislation to ensure that there will be a freshman class next year, 1982-83. I fully agree that Mt. Edgecumbe is a valuable alternative to the village high school, especially beneficial for villages which don't have a high school.

Thank you for sending me the letters and petition. It will help me convince other legislators of the strong statewide support for Mt. Edgecumbe. I would suggest that you also contact the state representative and senator from your area, to urge them to support Mt. Edgecumbe as well.

Thanks again for your concern.

Sincerely,


Albert P. Adams, Chairman
House Finance Committee

P.S. Special thanks to the following people who wrote letters:

Olive Ahmaogak
Vera Aiken
Luki Akelkok
Cecelia Alexie
Cris Alexie
Alice Allmond
Paul Andrews
Beady Barr
Daniel Bergman
Bertha Billy
Blunka Blunka
Barrow Brower

Rosemary Charles
Charlie Charlie
Harry Cheemuk
Richard Cheemuk
Olga Coffee
Joe Coolidge
Eleanor Custer
Mary Lou Custer
Josephine Davison
Roseann Evan
Jim George
Jesse Gologergen

Paul Guy
Cindy Hamilton
Steven Hjelm
Rudy Hootch
Daniel Hotch
Joanne Hotch
Caroline Ivanoff
Varlaam Jackson
Billy Joe
Jacob Johnson
Joe Johnson
Vivian Johnson
Herman Joseph
Leroy Kanayurak
Anna Kinagak
June Koonaloak
Tomi Lord
Evan McCarr
Sandra Mercurief
Kathy Miller
Darlene Milligrock
Brent Nelson
Mike Nicolai
Jackie Nothstine
Martha Numnik
William Okback
Deborah Okitkon
Sophie Olick
Michele Oxereok

Evan Paul Jr.
John Penetac Jr.
Daniel Peters
Larry Philemonof
Richard Pitka
Michele Oxereok
James Sabor
Joel Saccheus
Palassa Simeon
Cynthia Sipary
Gary Sipory
Mike Slats
Herman Solomon
David Soolook Jr.
Henry Soolook
Larissa Spein
Charlie Spud Jr.
Cheryl Stine
Leah Thompson
Sharon Vent
brenda Walunga
Janice Walunga
Eleanor Weedman
Natalia Weedman
Frances Whalin
Sandra Williams
Martha Wood
Sherri Yates
Juliana Zacharof

Mr. Gale Fechik
(Math Teacher)

APA/dlk

H

B

8

3

5

AMENDED TITLE:
AN ACT ESTABLISHING THE ALASKA SAFETY ADVISORY COUNCIL

PRIME SPONSOR: HAYES.
CO-SPONSORS: HALFORD.
CURRENT STATUS: 3/10/82 IN (H) FINANCE

DATE	SEQ	PAGE
02/16/82	01	0524
03/10/82	02	0735

LEGISLATIVE ACTION

FIRST READING -- COMMITTEE REPORTS
L&C -- DP(AM)04
FINANCE
RULES

**** ** ** *** ** *

stab. Ak. Safety Advisory Council

*HB 835
Hayes+Halford*

L&C notification - not 5 days (Monday hearing)
finance notification okay
fiscal note 19.7 ok
finance 1 do pass
1 not rec Cotten
1 do not pass Cuddy
L+C 4 do pass

COMMITTEE REPORT

HOUSE

4/2 Rules

FURTHER:

(11)

3/10/82

Date: 4/1/82

Mr. Speaker:

The Committee on FINANCE has had HB 835

"An Act establishing the Alaska Safety Advisory Council."

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 835 (Fin) same title
 new title
- and recommends do pass
- AND attaches a "Letter of Intent" New Fiscal Note Suppl 3.5
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING DO PASS

Robert Adams, ch
Hansen
W. Bettisworth
Thurber
Paul Chamberlain
John Fisher
Montgomery

MEMBERS HAVING OTHER RECOMMENDATIONS:

John Gate Nover
David [unclear] do not pass

Robert Adams
 CHAIRMAN

COMMITTEE REPORT

3/10

HOUSE

FURTHER: FINANCE

(5)

Date:

3-8-82

2/16/82

Mr. Speaker:

The Committee on LABOR & COMMERCE has had HB 835

"An Act establishing the Alaska Safety Advisory Council."

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

[Handwritten Signature]

[Handwritten Signature]

[Handwritten Signature]

MEMBERS HAVING OTHER RECOMMENDATIONS:

VICE CHAIRMAN

AMENDED TITLE:

AN ACT ESTABLISHING THE ALASKA SAFETY ADVISORY COUNCIL

PRIME SPONSOR: HAYES.

CO-SPONSORS: HALFORD.

CURRENT STATUS: 4/02/82 IN (H) RULES

HB 835 HOUSE ACTION

DATE SEQ PAGE

LEGISLATIVE ACTION

02/16/82	01	0524	FIRST READING -- COMMITTEE REPORTS
03/10/82	02	0735	L&C -- DP(AM)04
04/02/82	03	1028	FIN --- DNF01, CS07, NR01
04/02/82	04	1028	F/NOTE HSE SUPPL #35
			RULES
			RULES

*** ** ** *** ** *

SB 57 TITLE & SPONSOR SUMMARY

AMENDED TITLE: CSSB 57(TRSP)

AN ACT RELATING TO TRANSPORTATION SAFETY; AND PROVIDING FOR AN EFFECTIVE DATE

PRIME SPONSOR: RAY.

GENERAL DOLLARS: \$21,300 (F. NOTE)

OTHER DOLLARS: \$0

CO-SPONSORS: FERGUSON.

CURRENT STATUS: 1/20/82 CHAPTER 0003 SLA 82

SB 57 SENATE ACTION

DATE SEQ PAGE

LEGISLATIVE ACTION

01/13/81	01	0046	FIRST READING -- COMMITTEE REPORTS
04/06/81	02	0650	JUD -- DP03, NR01
04/14/81	03	0734	TRAN -- CS04
04/20/81	04	0800	RLS -- OTHER04
			TAKEN UP IMMEDIATELY
04/27/81	08	0874	FIN -- TRAN CS02, NR05
04/27/81	09	0876	RLS -- OTHER03
			TAKEN UP IMMEDIATELY
04/27/81	10	0874	FIN F/NOTE SEN SUPPL #35
04/20/81	05	0808	SECOND READING
04/20/81	06	0809	POSTPONED UNTIL 04/21/81 BY UNAN CONSENT
04/21/81	07	0827	RECOMMITTED TO FIN BY UNAN CONSENT
04/27/81	11	0879	READ AGAIN SECOND TIME
04/27/81	12	0879	TRAN CS ADOPTED BY UNAN CONSENT
04/27/81	13	0879	ADVANCED TO 3RD READING BY UNAN CONSENT
04/27/81	14	0879	THIRD READING
04/27/81	15	0880	PASSED BY DIV 19-01-00
04/27/81	16	0880	EFFECTIVE DATE VOTE SAME AS PASSAGE
06/23/81	28	1698	TRANSMITTED TO GOVERNOR
08/07/81	29	1811	VETOED BY GOVERNOR

SB 57 SENATE ACTION

DATE SEQ PAGE

LEGISLATIVE ACTION

01/15/82	30	0063	VETO OVERRIDDEN BY DIV 50-07-03 -- <i>JOINT SESSION</i>
01/18/82	32	0077	TRANSMITTED TO GOVERNOR
01/20/82	33	0098	CH 0003, EFF 01/16/82

*** ** ** *** ** *

SB 57 HOUSE ACTION

DATE SEQ PAGE

LEGISLATIVE ACTION

04/28/81	17	1104	FIRST READING -- COMMITTEE REPORTS
05/18/81	18	1463	TRAN -- DP04, DNF01, NR01
06/01/81	19	1848	FIN COMM REFERRAL ADDED BY UNAN CONSENT
06/01/81	20	1848	MOVED FROM RLS TO FIN BY UNAN CONSENT
06/11/81	21	2093	FIN -- DP06
06/11/81	22	2093	FIN F/NOTES HSE SUPPL #56
06/19/81	23	2262	SECOND READING
06/19/81	24	2262	ADVANCED TO 3RD READING BY UNAN CONSENT
06/19/81	25	2262	THIRD READING
06/19/81	26	2262	PASSED BY DIV 31-06-03
06/19/81	27	2262	EFFECTIVE DATE VOTE SAME AS PASSAGE
01/15/82	31	0073	VETO OVERRIDDEN BY <u>DIV 50-07-03</u>

*** ** ** *** ** *

Alaska State Legislature



MEMBERS:
TERRY MARTIN, CHAIRMAN
BERNARD BYLSMA, VICE CHAIRMAN
RICHARD RANDOLPH
TERRY GARDINER
BRIAN ROGERS

POUCH V
STATE CAPITOL
JUNEAU, AK 99811
PHCNE (907) 465-3783
OFFICIAL BUSINESS

House of Representatives LABOR AND COMMERCE COMMITTEE

AMENDMENTS TO HB 835

Passed by the House Labor & Commerce Committee on 3/8/82.

House Bill 835

Page 2, after line 26, add new ^{Paragraph} subsection:

- (5) make recommendations on methods to reduce Alaska's high rate of aircraft accidents.

Page 2, line 3, delete word "his" and insert "the commissioner's".

FISCAL NOTE

835

I. REQUEST

Bill/Resolution No. House Bill No. 835 Page 1 of 4

Title "An Act Creating the Alaska Safety Advisory Council."

Requested by Representative Halford

Date 1/25/82

II. FISCAL DETAIL

Agency Affected Labor

Program Category Affected Worker Protection

BRU, Program, or Subprogram(s) Affected Commissioner's Office

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

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL	0	14.2	15.3	16.5	17.8	19.2
300 CONTRACTUAL	0	16.4	17.7	19.1	20.6	22.2
400 COMMODITIES	0	.4	.4	.5	.5	.6
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
TOTAL	0	31.0	33.4	36.1	38.9	42.0

FUNDING (Thousands of Dollars)

GENERAL FUND	0	19.7	20.3	21.1	23.9	25.1
FEDERAL FUNDS	0	0	0	0	0	0
OTHER (Specify Fund Source)	0	11.3	13.1	15.0	15.0	16.9
Program Receipts						
(Conference Fees)						

POSITIONS

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

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

This fiscal note is based on the following assumptions:

- Contractual Costs: Administrative Costs 3.0 (note 2)
Conference Costs 13.4 (note 5)
- The Department of Labor will provide clerical/administrative support through its word processing center and its clerical staff.

Cost 300: \$1,500 Reimbursable service agreement with Department of Labor, Word Processing Center
Code 300: \$1,500 Telephone/mailing costs
Code 400: \$ 400 Office Supplies

Total Administrative Costs \$3,400

IV. DATE February 4, 1982

PREPARED BY *Nico Bus*
AGENCY Department of Labor
PHONE (907) 465-2720

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

3. There should not be much need for the Council to request legal advice as it will not be involved, as the bill is presently drafted, in any adjudication.
4. Travel: It is anticipated that the Council will meet three times during the year. One of these meetings will be in conjunction with the annual safety conference. It is assumed that at least five of the ten members representing industry and labor will be from Anchorage and, therefore, for purpose of this fiscal note, we are assuming that five members will require transportation.

Three meetings x \$350.00/trip x five members = \$5,250.00

As far as the three members representing government agencies, we are assuming that two will be stationed in Anchorage, and, therefore, only one of these members will require transportation.

Three meetings x \$350.00/trip x one member = \$1,050.00

Industry and labor members will receive the current per diem rate. This per diem is paid all members regardless of whether travel is required to attend the meeting.

Per diem \$80.00/day x three days x three meetings x ten members = \$7,200.00

Government employees are paid per diem when on travel status.

\$80.00/day x three days x three meetings x one member = \$720.00

Travel: Transportation	\$ 6,300
Per Diem	<u>7,920</u>
Total	\$ 14,220

5. Cost of annual Governor's Safety Conference.

The cost of holding an annual Governor's Safety Conference can vary depending on how many topics will be included, the quality of conference speakers, the length of the conference, and the facilities provided for the conference.

In order to come up with a realistic estimate, the following assumptions are made:

- A. The conference will be held in one of the major hotels in Anchorage.
- B. It will be two days in length.
- C. Only the keynote speaker will be paid - all other speakers and trainers will volunteer their services.
- D. A banquet and two luncheons will be included in the registration fee.
- E. A reasonable registration fee will be assessed in order to encourage maximum participation.

Hotel facilities (main room and 3 training rooms)	2,400
Banquet	3,000
Luncheons (two)	2,000
Cost of keynote speaker	1,000
Printing of agenda & other conference materials	3,000
Miscellaneous costs such as coffee service, etc.	2,000
Total Cost for Conference	<u>\$13,400</u>
Registration Fee \$75.00	
Anticipated participation (150 x \$75.00)	<u>(11,250)</u>
Cost to Council	2,150

6. We are assuming an inflation rate of eight percent in estimating costs after FY '83. In FY '84 we are assuming 175 conference participants, in FY '85 and FY '86, 200 participants and in FY '87, 225 participants.
7. Assumes an effective date of July 1, 1982.

ALASKA SAFETY ADVISORY COUNCIL

History:

In 1977 Commissioner Edmund Orbeck asked a group of industry leaders to organize a Governor's Safety Conference. Mr. Vern Smith of 3M Company and Mr. Richard Pittenger of the Alaska Associated General Contractors were instrumental in organizing a committee of industry and labor leaders to work with the departments of Labor and Transportation and Public Facilities to hold the first conference in 1977. Conferences were also held in 1978 and 1979.

Legislation to form an Alaska Safety Advisory Council was first introduced in 1978.

OSHA - Savings and Federal Relations:

The formation of an Alaska State Advisory Council will not replace the need for a state occupational safety and health program and, therefore, no direct money savings will occur. However, such a council will do much in assisting the Department of Labor in assuring more and better public participation in the development of regulations, policies, and procedures of its occupational safety and health program. It will also assist in helping the department to make employers and employees more cognizant of the importance for safety and health on the job. This will help in improving the voluntary consultative and training services that the Department provides.

This council will not change the state-federal relationship of the occupational safety and health program. This relationship is set out in Section 23 of the Federal Occupational Safety and Health Administration (OSHA) when the latter agency recommends changes that affect the operations of the state programs.

H

B

8

3

8

COMMITTEE REPORT

HOUSE

3/29
Ruler

(11)

FURTHER:

3/22/82

Date: 3-25-82

Mr. Speaker:

The Committee on FINANCE has had HB 838

"An Act increasing the liquor tax; 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)

[X] replace with CS for HB 838 (FINANCE) [~~X~~] same title
and ^{may} recommends ~~with attached amendments~~ [X] new title
do pass

[] AND attaches a "Letter of Intent" [X] New Fiscal Note #32 HJS = 32

[] reports it back without recommendation 7.500
-0-

[] referred to the _____ Committer 1 zero note attached to Bill

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Donald [Signature] Cuddy
Jack [Signature] Chubbuck
Jack [Signature] Fuller
Wynn [Signature] Hurlbut
[Signature] Loring
Russ [Signature] Mickins
Albert S. Adams, Ch Adams

San Costa no rec
Do NOT Pass - Montgomery
R. Bettinmont no rec

Albert S. Adams
CHAIRMAN

COMMITTEE REPORT
HOUSE

3/22

FURTHER:

FINANCE

(7)

2/16/82

Date: Apr. 22, 82

Mr. Speaker:

The Committee on JUDICIARY has had HB 838

"An Act increasing the liquor tax; 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" [3] *New Fiscal Note*
- reports it back without recommendation { 23 ero notes
- referred to the Finance *already referred to Finance* Committee *Supp 29*

MEMBERS SIGNING
DO PASS

Charles Anderson

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Patrick D. O'Sullivan No Rec.
Robert F. Pell No Rec.
R. Barnes Ch No Rec

Lenora Barnes
CHAIRMAN

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH 5
JUNEAU, ALASKA 99811
PHONE: (907) 465-2300

April 1, 1982

The Honorable John G. Fuller
Chairman
House Rules Committee
Room 204 - Capitol Building
Juneau, Alaska

Re: CS for House Bill No. 838 (Judiciary)

Dear Mr. Fuller:

CS for House Bill No. 838 (Judiciary), an Act relating to the tax on alcoholic beverages, was referred on March 29, 1982 by the House Finance Committee to the House Rules Committee.

For the consideration of the House Rules Committee, I am enclosing copies of Fiscal Notes prepared by Mr. Robert R. Kessel, Director, Audit Division and Mr. Vincent Wright, Chief, Research Section of the Department of Revenue concerning the Committee Substitute.

Sincerely,



R. D. Stevenson
Special Assistant

Enclosures

cc: Joseph K. Donohue
Deputy Commissioner
Department of Revenue

Robert R. Kessel, Director
Audit Division
Department of Revenue

Vincent Wright, Chief
Research Section
Department of Revenue

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution Number: CS for HB 838
Title: An Act increasing the liquor tax
Requested by: House Finance

Date: March 31, 1982

II. FISCAL DETAIL

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

EXPENDITURES (Thousands of Dollars)	None			FY 85	FY 86	FY 87
	FY 82	FY 83	FY 84			
100 PERSONAL SERVICES	-	-	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	-	-	-	-	-
400 COMMODITIES	-	-	-	-	-	-
500 EQUIPMENT	-	-	-	-	-	-
600 LAND & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS, ETC	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

FUNDING (Thousands of Dollars)	None			FY 85	FY 86	FY 87
	FY 82	FY 83	FY 84			
GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER (Specify Source)	-	-	-	-	-	-

POSITIONS	None			FY 85	FY 86	FY 87
	FY 82	FY 83	FY 84			
FULL TIME	-	-	-	-	-	-
PART TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

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

See attached memo to R. D. Stevenson dated March 31, 1982.

IV. DATE: March 31, 1982

PREPARED BY: Robert R. Kessel
AGENCY: Audit Division
PHONE: 465-2320

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)
33-001 (Rev. 12/81)

Robert R. Kessel

M E M O R A N D U M

TO: R. D. Stevenson
Special Assistant

FRGM: Robert R. Kessel
Director, Audit Division

DATE: March 31, 1982

RE: CS for HB 838 (Finance)

In addition to increasing the taxes on alcoholic beverages, CS for HB 838, in general, updates the statute to conform with terminology which is currently in vogue. Alcoholic beverages is substituted for the current terminology of intoxicating liquor.

It would appear that two other considerations should be given to the writing of this bill:

- 1) The title for Chapter 60 be changed to "Excise Tax on Intoxicating Liquor";
- 2) All sections of Chapter 60 in addition to those now specifically covered by the proposed bill should be modified for language conformance.

Section 2 of the bill provides for an annual adjustment of the rate of tax based on changes in the cost of living as reflected in the consumer price index for Anchorage, Alaska. There apparently has not been an increase in the rate of tax per gallon for many years. Therefore, the continuous increase in sales prices of liquor over the years has not directly resulted in additional revenue for Alaska. The only increase in liquor tax collections for Alaska resulted from more consumption per capita and a population increase.

Many taxes, including sales and income, produce more tax revenue as inflation occurs. This happens because of the progressive rates for income taxes and the increased sales prices of products for sales tax. Section 2 of this bill provides the opportunity for Liquor Excise Tax collections to grow right along with inflation.

RRK/gb

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution Number: CS HB 838
 Title: An act increasing the liquor tax.
 Requested by: House Finance Date: 03/26/82

II. FISCAL DETAIL

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

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	-	-	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	-	-	-	-	-
400 COMMODITIES	-	-	-	-	-	-
500 EQUIPMENT	-	-	-	-	-	-
600 LAND & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS, ETC	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	0	7,500	8,100	9,900	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER (Specify Source)	-	-	-	-	-	-

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME	-	-	-	-	-	-
PART TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

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

The above General Fund amounts are in addition to receipts estimated for existing law of about (in thousands of dollars) 9,000 per fiscal year from 1983-1985, bringing total liquor tax receipts under this proposal to the following:

FY	Tax (\$ thous.)
83	16,500
84	17,100
85	18,900

IV. DATE: 03/26/82 PREPARED BY: Vincent D. Wright
 AGENCY: Revenue
 PHONE: 465-2174
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution Number: CS HB 838
 Title: An act increasing the liquor tax.
 Requested by: House Finance Date: 03/26/82

II. FISCAL DETAIL

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

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	-	-	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	-	-	-	-	-
400 COMMODITIES	-	-	-	-	-	-
500 EQUIPMENT	-	-	-	-	-	-
600 LAND & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS, ETC	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	0	7,500	8,100	9,900	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER (Specify Source)	-	-	-	-	-	-

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME	-	-	-	-	-	-
PART TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

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

The above General Fund amounts are in addition to receipts estimated for existing law of about (in thousands of dollars) 9,000 per fiscal year from 1983-1985, bringing total liquor tax receipts under this proposal to the following:

FY	Tax (\$ thous.)
83	16,500
84	17,100
85	18,900

IV. DATE: 03/26/82

PREPARED BY: Vincent D. Wright
 AGENCY: Revenue
 PHONE: 465-2174

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. HOUSE BILL NO. 838
 Title "An Act increasing the liquor tax; and providing for an effective date"
 Requested by _____ Date 3/15/82

II. FISCAL DETAIL
 Agency Affected Department of Health & Social Services
 Program Category Affected Office of Alcoholism/Drug Abuse
 BRU, Program, Or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						
POSITIONS	-0-	-0-	-0-	-0-	-0-	-0-
FULL TIME						
PART TIME						
TEMPORARY						
	-0-	-0-	-0-	-0-	-0-	-0-

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

IV. DATE March 15, 1982 PREPARED BY Robert L. Cole *R.L.C. by Gary Hummel*
 AGENCY Office of Alcoholism/Drug Abuse
 Original: Legislative Finance PHONE 586-6201
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution Number: HB 838
 Title: An Act increasing the liquor tax.
 Requested by: House Judiciary & Finance Committees Date: 03/19/82

II. FISCAL DETAIL

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

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	-	-	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	-	-	-	-	-
400 COMMODITIES	-	-	-	-	-	-
500 EQUIPMENT	-	-	-	-	-	-
600 LAND & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS, ETC	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	0	3,101	3,117	3,232	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER (Specify Source)	-	-	-	-	-	-

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME	-	-	-	-	-	-
PART TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

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

The above General Fund amounts are in addition to receipts estimated for existing law of about (in thousands of dollars) 9,000 per fiscal year from 1983-1985, bringing the total liquor tax under this proposal to the following:

FY	Tax (\$ thous.)
83	12,101
84	12,117
85	12,232

IV. DATE: 03/19/82

PREPARED BY: Vincent D. Wright *VW*
 AGENCY: Research
 PHONE: 455-2174

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. HOUSE BILL NO. 838
 Title "An Act increasing the liquor tax; and providing for an effective date".
 Requested by _____ Date 3/15/82

II. FISCAL DETAIL
 Agency Affected Department of Health & Social Services
 Program Category Affected Office of Alcoholism/Drug Abuse
 BRU, Program, Or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

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

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

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

IV. DATE March 15, 1982 PREPARED BY Robert L. Cole *R.L.C. by George Hendley*
 AGENCY Office of Alcoholism/Drug Abuse
 Original: Legislative Finance PHONE 586-6201
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 838
 Title An Act increasing the liquor tax.
 Requested by Adams Date February 23, 1982

II. FISCAL DETAIL

Agency Affected Department of Revenue
 Program Category Affected Revenue Collection and Management
 BRU, Program, Or Subprogram(s) Affected Audit Division
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars) None.

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars) None

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS None

FULL TIME						
PART TIME						
TEMPORARY						

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

See attached memo to R. D. Stevenson dated February 23, 1982.

IV. DATE February 23, 1982 PREPARED BY Robert R. Kessel
 AGENCY Audit Division
 Original: Legislative Finance PHONE 465-2320
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH 5
JUNEAU, ALASKA 99811
PHONE: (907) 465-2300

February 25, 1982

The Honorable Ramona L. Barnes
Chairwoman
House Judiciary Committee
Room 122 - Capitol Building
Juneau, Alaska

Dear Ms. Barnes:

Re: House Bill No. 838

House Bill No. 838, an Act increasing the liquor tax, was introduced in the House on February 16, 1982 and was referred to the House Judiciary and Finance Committees.

For the consideration of the House Judiciary Committee, I am enclosing copies of Fiscal Notes prepared by Mr. Robert R. Kessel, Director, Audit Division and Ms. Mary Ellen Frank, Economist, Research Section of the Department of Revenue concerning the proposed legislation.

Sincerely,



R. D. Stevenson
Special Assistant

Enclosures

cc: The Honorable Albert P. Adams
Chairman
House Finance Committee

Joseph K. Donohue
Deputy Commissioner
Department of Revenue

Robert R. Kessel, Director
Audit Division
Department of Revenue

Vincent Wright, Chief
Research Section
Department of Revenue

increasing liquor tax

110858
Adams

notification ok Judiciary + finance

~~for~~
fiscal notes ok

Doubles the taxes collected on
alcoholic beverages, and ties
future increases into inflation

H B

866

COMMITTEE REPORT

HOUSE

4/7
Rules

(11)

FURTHER:

3/29/82

Date:

4/7/82

Mr. Speaker:

The Committee on FINANCE has had HB 866

"An Act establishing a special investment tax credit; 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 ^{individual} ~~any~~ recommendation
- referred to the _____ Committee

MEMBERS SIGNING

DO PASS

Robert P. Adams, ch

W. B. Bristow

Shurba

James Campbell

Jack Fuller

MEMBERS HAVING

OTHER RECOMMENDATIONS:

Patricia K. ...

Self ...

... do not pass.

Montgomery 'No Rec'

Robert P. Adams

CHAIRMAN

HOUSE

FURTHER

FINANCE

(5)

2/16/82

Date:

3-29-82

Mr. Speaker:

The Committee on LABOR & COMMERCE has had HB 866

"An Act establishing a special investment tax credit; 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 - (2)
- reports it back with ^{individual} recommendations 2 fiscal notes in suppl 32
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

[Signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Terry Masten - No Pass

AC Bylomas - No Pass

Terry Masten
CHAIRMAN

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 866 No. 1
 Title An Act establishing a special investment tax credit.
 Requested by HOUSE LABOR & COMMERCE Date 03/09/82
and Finance Committees

II. FISCAL DETAIL

Agency Affected Department of Revenue
 Program Category Affected _____
 BRU, Program, Or Subprogram(s) Affected _____

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

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Millions of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	(2.5)	(11.5)	(13.0)			
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME						
PART TIME						
TEMPORARY						

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

If it is assumed that the investment tax credit cannot exceed net income tax payable, then the maximum possible loss in revenue to the state would approximate 33 percent of the Department's revenue projections. The amounts would approximate \$2.5 million in FY 82, \$11.5 million in FY 83, and \$13 million in FY 84. The FY 82 figure incorporates the retroactive provision of the proposed tax legislation which applies to only part of that year.

IV. DATE 03/08/82 PREPARED BY Vince Wright
 AGENCY Department of Revenue
 Original: Legislative Finance PHONE 465-2173
 cc: Budget and Management
Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

*For Timber, Farming,
mining and Fisheries*

I. REQUEST
Bill/Resolution No. HB 866 No. 2 (Page 1 of 3)
Title An Act establishing a special investment tax credit
Requested by Hayes Date February 24, 1982

II. FISCAL DETAIL
Agency Affected Department of Revenue
Program Category Affected Revenue Collection and Management
BRU, Program, Or Subprogram(s) Affected Audit Division
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars) None

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars) None

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS None

FULL TIME						
PART TIME						
TEMPORARY						

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

See memo to R. D. Stevenson dated February 24, 1982.

IV. DATE February 24, 1982 PREPARED BY Robert R. Kessel
AGENCY Audit Division
Original: Legislative Finance PHONE 465-2320
cc: Budget and Management
Prime Sponsor (First Legislator Named)
33-001 (Rev. 12/81)

Robert R. Kessel

MEMORANDUM

State of Alaska

Department of Revenue

TO: R. D. Stevenson
Special Assistant

DATE: February 24, 1982

FILE NO:

TELEPHONE NO:

FROM: Robert R. Kessel *RR*
Director, Audit Division

SUBJECT: HB 866 No. 2
Page 2 of 3

The bill would substantially expand the Investment Tax Credit for certain corporations. However, the bill falls short of its intended purpose to promote the development of farming, fishing, timber and mining and, in addition, is potentially very expensive.

There are many more qualified farmers than there is farmland available. The additional investment tax credit would give the existing farmers additional tax benefits but would do little to expand ownership to a new influx of farmers.

Most timber related companies already have more tax credits and carry-over losses than they can utilize. It is markets, not tax credits, that are needed.

For fisheries, all except bottom fishing appears overly crowded. That fact is witnessed by the limited entry system controlling the harvest of fishery resources. Tax credits would not expand the market nor provide higher prices.

Mining, in general, is a highly capital intensive industry. The expanded investment tax credit would serve the purpose of providing almost permanent assurance that no tax would be due because of the fifteen year carry-over provision available for the investment tax credit.

Finally, the expanded credit could be very costly particularly in one instance. If U. S. Borax develops its Ketchikan Molybdenum mine to the extent publicly indicated, the investment tax credit to that corporation would be \$100,000,000 (based on investment cost of \$1 billion). With the fifteen year carry-over provision for the investment tax credit, the investment tax credit of \$100,000,000 could equate to the following revenue loss to Alaska:

Investment Credit applied against tax liability - per current law

\$1,000,000,000	
x 10% Investment Credit amount	
x 18% currently allowed for Alaska corporations	\$ 18,000,000

Investment Credit applied against tax liability per this bill

\$1,000,000,000	
x 10%	<u>100,000,000</u>

Net Loss in revenue	<u>\$ 82,000,000</u>
---------------------	----------------------

RRK/gb

RECOMMENDED TITLE:

AN ACT ESTABLISHING A SPECIAL INVESTMENT TAX CREDIT; AND PROVIDING FOR AN EFFECTIVE DATE

PRIME SPONSOR: HAYES.

CO-SPONSORS:

CURRENT STATUS: 4/07/82 IN (H) RULES

HB 866 HOUSE ACTION 11:12 4/08/82 PAGE 2 OF 2
DATE SEQ PAGE LEGISLATIVE ACTION

DATE	SEQ	PAGE	ACTION
2/16/82	01	0533	FIRST READING -- COMMITTEE REPORTS
3/29/82	02	0960	L&C -- DP01, NR02
3/29/82	03	0960	F/NOTES HSE SUPPL #32
4/07/82	04	1174	FIN -- DP05, DNF01, NR03
			RULES
			RULES

**** ** ** *** ** *

special investment tax credit HB 866
Hayes

L&C held hearing on Monday - not 5 days
notification ok

passed out of L&C + finance of ind. recs.

fiscal notes ok

unless the mining industries must
help bear a lot - means not
loss of revenue to the state
of \$ 82 million over 15 years

H B

8 8 8

COMMITTEE REPORT

HOUSE

4/7

(7)

FURTHER: FINANCE

3/29/82

Date: 4-7-82

Mr. Speaker:

The Committee on SPECIAL GAS PIPELINE COMMITTEE has had HB 888

"An Act relating to the sale of royalty oil by the State of Alaska to the Tesoro Alaska Petroleum Company; 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 _____ [X] same title

and recommends _____ [] new title

[] AND attaches a "Letter of Intent" [✓] New Fiscal Note

[] reports it back without recommendation

20% cost analysis, Supp. # 38 + memo

[] referred to the _____ Committee

MEMBERS SIGNING DO PASS

MEMBERS HAVING OTHER RECOMMENDATIONS:

Rick Halford
John Lundquist
Don Roy
Bobby Lamm
Anthony Vaccaro

Rick Halford
CHAIRMAN



HB 888
f
HB 889

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

March 29, 1982

The Honorable Joe L. Hayes
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18 of the Alaska Constitution, I am transmitting two bills which provide legislative approval of royalty oil contracts. One bill covers the contract between the state and Tesoro Alaska Petroleum Company, and the other bill covers the contract between the state and Doyon, Ltd.

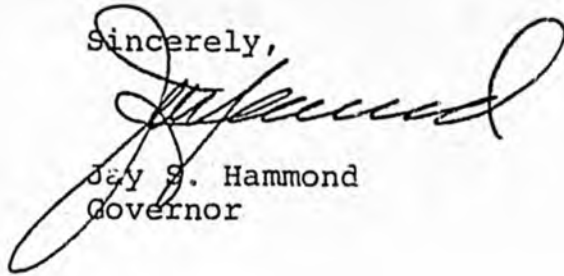
These contracts are described in great detail in the 238-page "Review of Alaska Royalty Oil Policy and Findings for Proposed Disposition of Royalty Oil," issued by the Department of Natural Resources on February 26, 1982. Copies of these findings and a 14-page summary of these findings have previously been made available to the legislature and individual legislators for review. The Doyon contract submitted for approval is a contract referred to in the findings as "Doyon I."

These contracts are being submitted for legislative approval for two reasons. First, although this administration has always taken the position that the statutory requirement of legislative approval of royalty oil contracts is unconstitutional (AS 38.06.055), as a matter of comity I have always respected the legislature's desire to have a direct voice in major disposals of royalty oil. Therefore, these contracts contain provisions requiring approval by the legislature before they become effective. Second, these bills would ratify the agreements for the sale of oil. This ratification would cure any procedural defect that may have occurred in the process of entering into these contracts.

Although we believe that all necessary steps have been taken, the statutes and regulations governing the disposal of royalty oil represent often conflicting desires and goals, both procedural and substantive. For example, even

if statutorily requiring legislative approval were constitutional, the present statutes provide, on the one hand, that the legislature is to approve the contract by enacting legislation (AS 38.06.055(a)), but, on the other hand, they also provide that a report of the Royalty Board "shall be submitted for legislative review at the time of (sic) resolution for legislative approval of a proposed disposition of royalty oil and gas is introduced in the legislature" (AS 38.06.070(c)). Since legislative approval is required anyway as a matter of contract, I believe it only prudent to present these contracts for legislative approval and ratification at this time.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jay S. Hammond". The signature is written in dark ink and is positioned above the typed name and title.

Jay S. Hammond
Governor



Official Business

Alaska State Legislature

House of Representatives

Office of The Majority Leader

Pouch V
State Capitol
Juneau, Alaska 99811

April 7, 1982

MEMORANDUM

TO: Al Adams
Finance Committee Chairman

FROM: Rick Halford
House Special Gas Pipeline Committee Chairman

SUBJECT: 0 Fiscal Note for HB 888

A handwritten signature in cursive script that reads "Rick Halford".

The House Special Gas Pipeline Committee has moved HB 888 "An Act relating to the sale of royalty oil by the state of Alaska to the Tesoro Alaska Petroleum Company: and providing for an effective date." - with a 0 Fiscal Note.

However, the Commissioner of Natural Resources has assured this Committee that he will forward to your Committee, an extensive detailed fiscal analysis to accompany the 0 Fiscal Note, for your review and consideration.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. HB 888
 Title Act relating to sale of royalty oil to Tesoro Alaska Petroleum
 Requested by House Resources Date 4/7/82

II. FISCAL DETAIL
 Agency Affected Natural Resources/Revenue
 Program Category Affected Royalty Payments/Severance Tax Payments
 BRU, Program, Or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87 - FY 95
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
Revenues Lost	0	0	0	0	0	0
TOTAL						

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

[See Attachment]

IV. DATE April 7, 1982 PREPARED BY Jeff Haynes, Deputy Commissioner
 AGENCY DNR
 Original: Legislative Finance PHONE 465-2400
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

An assessment of the fiscal impacts of consummation of the royalty oil contract with Tesoro Alaska Petroleum is necessarily speculative for the following reasons:

1. The potential losses to the State in royalty and severance tax payments because of existing characteristics of the West Coast and Gulf Coast crude oil markets may approach \$4 million annually for the reasons stated in the Commissioner's Findings. However, such losses are contingent on the persistence of those characteristics and the degree to which they remain in effect, which requires predicting the behavior of the domestic and foreign crude oil and products markets over the next 12 years. Moreover, there are conceivable conditions in which the reverse would be true, and the State would actually gain in royalty and severance tax payments through an in-kind taking and sale to Tesoro.
2. Any losses incurred by the State in royalty and severance tax payments from a sale to Tesoro must be weighed against the quantifiable and intangible benefits provided by the existing Tesoro refinery as well as possible expansions thereof. Current revenues provided to the State and its political subdivisions by the Tesoro operation through taxes amount to over \$8 million annually. Direct economic benefits total \$25 million per year. There are also secondary and intangible benefits, including security of supply and competition, which cannot be accurately calculated. Against these benefits must be considered the extent to which a State royalty contract will be likely to contribute to their continuation over the next 12 years.

Again, the actual effect on State revenues and interests is highly speculative and cannot be predicted with much accuracy. Nevertheless, given the comparable magnitude of the potential positive and negative effects, a zero fiscal note is reasonable.

PROPOSED TITLE:
AN ACT RELATING TO THE SALE OF ROYALTY OIL BY THE STATE
OF ALASKA TO THE TESORO ALASKA PETROLEUM COMPANY;
AND PROVIDING FOR AN EFFECTIVE DATE

PRIME SPONSOR: HOUSE RULES COMMITTEE.

CO-SPONSORS:

CURRENT STATUS: 4/07/82 IN (H) FINANCE

DATE	SEQ	PAGE	LEGISLATIVE ACTION
3/29/82	01	0954	FIRST READING -- COMMITTEE REPORTS
3/29/82	02	0954	GOV TRANSMITTAL LETTER
3/29/82	03	0954	CONTRACT JOINT SUPPL #7
4/07/82	04	1177	GAS -- DPGE
4/07/82	05	1177	ZERG F/NOTE W/ANALYSIS HSE SUPPL #38
			FINANCE
			RULES

**** ** ** ** **

H

B

8

8

9

COMMITTEE REPORT

4/15

HOUSE

(11)

FURTHER:

Ruler

4/7/82

Date: 4/14/82

Mr. Speaker:

The Committee on FINANCE has had HB 889

"An Act relating to the sale of royalty oil by the State of Alaska to Doyon, Ltd.; and providing for an effective date."

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HB 889 (Fin.) same title
- new title
- and recommends do pass
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

Robert H. Adams

Franklin

R. B. ...

...

...

...

...

...

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Sam ...

Robert H. Adams
CHAIRMAN

COMMITTEE REPORT

HOUSE

4/7

(7)

FURTHER: FINANCE

3/29/82

Date: 4-7-82

Mr. Speaker:

The Committee on SPECIAL GAS PIPELINE COMMITTEE has had HB 889

"An Act relating to the sale of royalty oil by the State of Alaska to Doyon, Ltd.; 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 HF 889 (GP) same title
 new title
- and recommends it to pass

- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation *zero fiscal note with analysis*
- referred to the _____ Committee *Supp #38 + memo*

MEMBERS SIGNING DO PASS

Rick Halford

Don Rogers

[Signature]

Christy [Signature]

MEMBERS HAVING OTHER RECOMMENDATIONS:

[Signature] No Rec

Rick Halford
CHAIRMAN