

ALASKA LEGISLATURE COMMITTEE FILES

1903-1904

0012

2770

HRES

SB 52

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SB 105

2770

STATE OF ALASKA
FISCAL NOTE

Revision Date March 15, 1983

I. REQUEST

Bill/Resolution No.: SB 52
 Title: Licensing of Commercial Fishing
 Sponsor: Mulcahy
 Requestor: Resources & Finance

II. FISCAL DETAIL

Agency Affected: Revenue
 Program Category Affected: Coll. & Mat. BRU, Program of Subprogram(s) Affected: Administration & Support

EXPENDITURES/REVENUES: (Thousands of Dollars)

	83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES		5.5	11.2	11.7		
200 TRAVEL						
300 CONTRACTUAL		1.3	2.5	2.5		
400 COMMODITIES		2.5	0	0		
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING		9.3	13.7	14.2		
CAPITAL						
REVENUE-sick & disabled fishermen fund		(5.5)	(11.8)	(12.5)		
REVENUE-General Fund		(2.3)	(4.9)	(5.2)		

FUNDING: (Thousands of Dollars)

GENERAL FUND	9.3	13.7	14.2		
FEDERAL FUNDS					
OTHER (Specify Source)					

POSITIONS:

FULL-TIME					
PART-TIME	.5	.5	.5		
TEMPORARY					

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Linda Gene Lockridge Phone: 465-2376
 Division: Public Services Date: March 15, 1983
 Approved by Commissioner: Joseph D. Donohue Date: 3/15/83
 Department: Revenue

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor

Section IV. Analysis

Implementation of program creates a loss of revenue as 7% of Resident Crewmembers would qualify for \$ 15.00 Crewmember license

It will take 1/2 of a position at the Accounting Clerk III level (range 10) to implement and administer this program. Since the bill will not take effect until 1/1/84, there will be no cost in FY83 and only a six month cost in FY84. A 4.5% increase has been figured for each year for negotiated contract increases.

Contractual costs are for requesting copies of income tax records from the Internal Revenue Service in order to establish eligibility. Again, there will be no cost in FY83 and only a six month cost in FY84.

The license itself can be incorporated into our present license but we will need to design a new affidavit and a release for tax record form and have a supply printed and distributed. This should be a one time cost in FY84 only.

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: November 30, 1983

REQUEST

Bill/Resolution No.: SB 52
 Title: "...licensing of commercial fishing..."
 Sponsor: Senator Mulcahy
 Requestor: Resources and Finance
 Date of Request: March 9, 1983

FISCAL DETAIL

Agency Affected: Labor
 Program Category Affected: Worker Protection
 BRU, Program or Subprogram(s) Affected: Fishermen's Fund

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER *		<5.8>	<11.5>	<11.5>	<11.5>	<11.5>
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

The impact is on the Fishermen's Fund.

ANALYSIS: Attach a separate page for analysis

Prepared By: Jacquelyn McClintock Phone: 465-2790
 Division: Workers Compensation Date: _____

Approved by Commissioner: Jim Robison Date: 12/11/83
 Agency: Labor

LEG:A:13
 Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

12/1/83

FISCAL NOTE

THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE

BILL/RESOLUTION NO: SB 52

TITLE: "An Act relating to licensing of commercial fishing"

AGENCY AFFECTED: Department of Labor

Page 2

This bill would revise the cost for resident crewmember commercial fishing licenses for approximately 1,282 individuals in Calendar Year 1985. The cost will be reduced from \$30.00 to \$15.00 for all residents who have a net family income falling within the poverty guidelines established by the Federal Community Services Administration and the Department of Revenue.

In preparing this fiscal note the following assumptions have been made:

1. Effective date of January 1, 1985.
2. No significant increase in the number of licenses sold from Calendar Year 1982 is anticipated.
3. Seven percent of resident crewmembers would qualify.
4. Loss of General Funds (40 percent of fee) will be reflected in the Department of Revenue's fiscal note.

The projected loss in revenue to the Fishermen's Fund will therefore be as follows:

Number of licenses sold in Calendar Year 1982	18,309
Number of low-income Crew Members	$\frac{x .07}{1,282}$
Total Loss in Revenue	$\frac{x \$15}{\$19,230}$
Total Loss to Fund	$\frac{x .60}{\$11,538}$

The same loss would be projected for Fiscal Year 1986 through Fiscal Year 1989. The impact on Fiscal Year 1985 would be only \$5,769, as the law would take effect January 1, 1985.

LEG:A:13

CITATION Sec. 16.05.450.
CATCH LINE

ISSUANCE OF LICENSES.

*Sec 1
amends
this*

TEXT

(a) The commissioner of revenue or his authorized agent shall issue a crewmember fishing license under AS 16.05.480 to each qualified person who files a written application at a place in the state designated by the commissioner, containing the reasonable information required by the commissioner together with the required fee. The application shall be simple in form and shall be executed by the applicant under the penalty of perjury.

(b) The Commercial Fisheries Entry Commission shall issue a vessel license under AS 16.05.490 to each qualified vessel for which a written application has been filed at a place in the state designated by the commission, containing the reasonable information required by the commission together with the required fee. The application shall be simple in form and shall be executed by the applicant under the penalty of perjury.

(c) Repealed by sec. 19 ch 105 SLA 1977.

HISTORY (Sec. 3 art III ch 94 SLA 1959; am sec. 1 ch 163 SLA 1962; am sec. 7 ch 31 SLA 1963; am secs. 1, 2 ch 92 SLA 1971; am sec. 1 ch 145 SLA 1972; am secs. 2, 3, 19 ch 105 SLA 1977)

CITATION Sec. 16.05.460.
CATCH LINE

*Sec 2
amends
this*

TEXT

COMMISSIONER OF REVENUE MAY APPOINT AGENTS.

The commissioner of revenue may appoint qualified persons as his agents to receive applications, issue licenses, and collect license fees under AS 16.05.440 - 16.05.480, and to assist in the completion of annual application or renewal forms for interim-use permits and entry permits issued under AS 16.43.010 16.43.380.

HISTORY (Sec. 4 art III ch 94 SLA 1959; am sec. 8 ch 31 SLA 1963; am sec. 4 ch 105 SLA 1977)

CITATION Sec. 16.05.470.
CATCH LINE

*Sec 3
amends
this*

TEXT

FEE FOR ISSUANCE OF LICENSES AND INTERIM-USE OR ENTRY PERMITS.

(a) A person appointed and authorized by the commissioner of revenue to sell licenses under AS 16.05.440 - 16.05.480, except salaried employees of the state, shall retain the sum of 15 per cent of the fee for the issuance of a license. An agent shall transmit monthly to the commissioner all license fees collected by him, less the authorized commission, together with a full accounting of the fees. The commissioner shall make monthly remittances of the fees collected to the proper state official. The commissioner is not liable for defalcation or failure to account for the fees collected by an agent, but he shall require a bond in the sum he considers adequate, conditioned upon the faithful accounting of money collected.

(b) A person appointed by the commissioner of revenue under AS 16.05.460 to issue licenses under AS 16.05.440 - 16.05.480, except salaried employees of the state, shall retain the sum of 15 per cent of the interim-use or entry permit fee for assisting

See 3
amends
this

in completion of the annual application or renewal form for the interim-use or entry permit. An agent shall transmit promptly to the Commercial Fisheries Entry Commission all application or renewal forms and fees collected by him, less the authorized commission, together with a full accounting of the fees. The commissioner and the Commercial Fisheries Entry Commission are not liable for defalcation or failure to account for the fees collected by an agent, but the commissioner shall require a bond in the sum he considers adequate, conditioned upon the faithful accounting of money collected.

HISTORY (Sec. 5 art III ch 94 SLA 1959; am sec. 9 ch 31 SLA 1963; am sec. 1 ch 8 SLA 1977; am secs. 5, 6 ch 105 SLA 1977)

See 4
repeals
&
re-enacts
this

CITATION Sec. 16.05.480.
CATCH LINE

COMMERCIAL FISHING LICENSE.
LIMITED EFFECTIVE DATE

TEXT

(a) -EFFECTIVE UNTIL JANUARY 1, 1982- A person engaged in commercial fishing shall obtain a commercial fishing license. The fee for the license is \$10 for residents, and \$30 for nonresidents. Except for those which are also entry or interim-use permits, all commercial fishing licenses are nontransferable. The commercial fishing license shall be retained in the possession of the licensee, readily accessible for inspection at all times. No more than one fee may be charged annually against a person. For the purposes of this section, "commercial fishing license" includes entry permits and interim-use permits issued under ch. 43 of this title and crewmember fishing licenses.

POSTPONED EFFECTIVE DATE

-EFFECTIVE JANUARY 1, 1983- A person engaged in commercial fishing shall obtain a commercial fishing license. The fee for the license is \$30 for residents, and \$90 for nonresidents. Except for those which are also entry or interim-use permits, all commercial fishing licenses are nontransferable. The commercial fishing license shall be retained in the possession of the licensee, readily accessible for inspection at all times. No more than one fee may be charged annually against a person. For the purposes of this section, "commercial fishing license" includes entry permits and interim-use permits issued under AS 16.43 and crewmember fishing licenses.

(b) A person applying for a resident commercial license under this section shall provide the proof of residence which the department requires by regulation.

(c) Repealed by sec. 12 ch 123 SLA 1978.

HISTORY (Sec. 6 art III ch 94 SLA 1959; am sec. 19 ch 131 SLA 1960; am sec. 1 ch 93 SLA 1966; am sec. 2 ch 42 SLA 1968; am sec. 8 ch 105 SLA 1977; am secs. 1, 2, 12 ch 123 SLA 1978; am sec. 1 ch 79 SLA 1982)

Sec 5 →
adds a
new section
here

CITATION Sec. 16.05.680.
CATCH LINE

Sec 6
amends
this

UNLAWFUL PURCHASES.

TEXT It is unlawful for a person, his agent, or his representative
 (1) to have in his employ, in the harvesting,
 transporting or purchasing of fish, a fisherman who neither
 is licensed under AS 16.05.480 nor is the holder of a permit
 issued under AS 16.43.010 16.43.380,
 (2) to purchase fish from a fisherman who neither is
 the holder of a permit issued under AS 16.43.010 15.43.250,
 nor is exempt under AS 16.05.660, or
 (3) to purchase fish from an association other than one
 to which a permit has been issued under AS 16.05.662.

HISTORY (Sec. 10 art III ch 94 SLA 1950, am sec. 2 ch 96 SLA 1963; am
 sec. 2 ch 73 SLA 1970; am sec. 11 ch 105 SLA 1977)

~~Sec 5~~
~~adds to~~
~~the law~~
~~in here~~
Sec 7
repeals
&
re-enacts
this

CITATION Sec. 16.05.710.
 CATCH LINE

LICENSE FORFEITURE.

TEXT Upon a first or second conviction of a person for a violation of
 secs. 440 - 720 of this chapter or a federal or state law or
 regulation for the protection of the commercial fish of the
 state, the court may, in addition to the penalty imposed by law,
 forfeit the commercial fishing license of the person for a period
 of one year. Upon a third conviction, the court may, in addition
 to the penalty imposed by law, forfeit the commercial fishing
 license for a period not to exceed three years.

HISTORY (Sec. 11 art III ch 94 SLA 1959; am sec. 1 ch 112 SLA 1961; am
 sec. 1 ch 75 SLA 1966)

CITATION Sec. 16.10.310.
 CATCH LINE

POWERS OF THE DEPARTMENT.

TEXT (a) The department may
 (1) make loans to
 (A) individual commercial fishermen who have been
 state residents for a continuous period of five years
 immediately preceding the date of application for a loan
 under AS 16.10.300 - 16.10.370 and have had a crewmember
 or commercial fishing license under AS 16.05.480 or a
 permit under AS 16.43 for any one of the past five
 years, and who actively participated in the fishery
 during that period, for the purchase of entry permits;
 (B) an individual who has been a state resident
 for a continuous period of five years immediately
 preceding the date of application for a loan under AS
 16.10.300 - 16.10.370, who (i) because of lack of
 training or lack of employment opportunities in the area
 of residence does not have occupational opportunities
 available other than commercial fishing; or (ii) is
 economically dependent on commercial fishing for a
 livelihood and commercial fishing has been a traditional
 way of life for the individual in Alaska, for the
 repair, restoration or upgrading of existing vessels and

Sec 8
amends
this

gear, for the purchase of entry permits and gear, and for the construction and purchase of vessels;

Sec 9 amends this

(C) corporations, partnerships, or joint ventures, 100 percent of which are owned by individual commercial fishermen who have been state residents for a continuous period of five years immediately preceding the date of application for a loan under AS 16.10.310(a)(1)(B) and have had a crewmember or commercial fishing license under AS 16.05.480 or a permit under AS 16.43 for any one of the past five years, and who actively participated in the fishery during that period, for the repair, restoration or upgrading of existing vessels and gear, for the purchase of gear, and for the construction and purchase of vessels;

(2) designate agents and delegate its powers to them as necessary;

(3) adopt regulations necessary to carry out its functions;

(4) establish amortization plans for repayment of loans, which may include extensions for poor fishing seasons or for adverse market conditions for Alaskan products;

(5) enter into agreements with private lending institutions, other state agencies, or agencies of the federal government, to carry out the purposes of AS 16.10.300 - 16.10.370;

(6) enter into agreements with other agencies or organizations to create an outreach program to make loans under AS 16.10.300 - 16.10.370 in rural areas of the state.

(b) The department shall consult with the Department of Fish and Game on regulations and procedures established under this chapter.

HISTORY (Sec. 1 ch 134 SLA 1972; am sec. 3 ch 54 SLA 1973; am sec. 3 ch 128 SLA 1975; am sec. 1 ch 154 SLA 1977; am sec. 3 ch 83 SLA 1978; am secs. 2 - 7 ch 72 SLA 1979; am sec. 7 ch 113 SLA 1982)

CITATION Sec. 16.43.160.

CATCH LINE

FEES.

TEXT

(a) The commission shall establish annual fees for the issuance and annual renewal of entry permits or interim-use permits. The amount paid by a permit holder under the provisions of AS 16.05.480 shall be credited by the commission toward payment of the fee charged under this section. No more than one credit may be obtained annually by a person. LIMITED EFFECTIVE DATE

(b) -EFFECTIVE UNTIL JANUARY 1, 1983- Annual fees established under this section shall be no less than \$10 and no more than \$750 and shall reasonably reflect the different rates of economic return for different fisheries.

POSTPONED EFFECTIVE DATE

-EFFECTIVE JANUARY 1, 1983- Annual fees established under this section shall be no less than \$10 and no more than \$750 and shall

Sec 10 amends this

Sec 11 amends this

reasonably reflect the different rates of economic return for different fisheries. The amount of an annual fee for a nonresident shall be three times the amount of the annual fee for a resident.

(c) The resident holder of an entry permit or interim-use permit who has a net family income falling within the Federal Community Services Administration poverty guidelines, adjusted by the commission to reflect appropriate cost-of-living differentials, is subject to a maximum annual fee of \$15.

HISTORY (Sec. 1 ch 79 SLA 1973; am sec. 15 ch 105 SLA 1977; am sec. 4 ch 123 SLA 1978; am sec. 2 ch 79 SLA 1982)

CITATION Sec. 23.35.060.

CATCH LINE

CREATION AND ADMINISTRATION OF FISHERMEN'S FUND.

TEXT There is created a fund, designated as the "fishermen's fund." The Department of Revenue is the custodian of the fund and the Department of Labor shall administer it. The fund shall be composed of 60 per cent of the money derived by the state from all commercial fishermen's licenses and money appropriated to carry out the purpose of AS 23.35.010 - 23.35.150.

HISTORY (Sec. 4 ch 100 SLA 1951; am sec. 1 ch 99 SLA 1955; am sec. 16 ch 105 SLA 1977; am sec. 11 ch 123 SLA 1978)

CITATION Sec. 23.35.150.

CATCH LINE

DEFINITIONS.

TEXT In this chapter

- (1) "commissioner" means the commissioner of labor;
- (2) "council" means the Fishermen's Fund Advisory and Appeals Council;

- (3) "department" means the Department of Labor;

- (4) "fisherman" means a person who is licensed by the state to engage in commercial fishing under AS 16.05.480 or who is the holder of a permit issued under AS 16.43 and who, at the time injury is sustained or illness is contracted, is actually so engaged or is occupied in Alaska in preparing or dismantling boats or gear used in commercial fishing;

- (5) "fund" means the Fishermen's Fund;

- (6) "occupational disease" means hernia; varicose veins of the leg; the respiratory diseases, bronchitis, pleurisy, and pneumonia caused by or aggravated by the fishing endeavor, but excluding the common cold and influenza; rheumatism, arthritis and those musculoskeletal diseases (such as bursitis, traumatic sciatica, and tenosynovitis) directly caused by or aggravated by the fishing endeavor; and does not include a disease not common to both sexes, venereal disease, or a condition arising out of an attempt of a fisherman to injure himself or another.

- (7) "approved medical facilities" and "medical care" include the facilities of, or the care and treatment prescribed or performed by, a practitioner or chiropractic

Sec 12
amends
this

Sec 13
amends
this

licensed by the state under AS 08.20.
HISTORY (Sec. 13 ch 64 SLA 1959; am sec. 1 ch 93 SLA 1960: sec. 4 ch 100
SLA 1951; am sec. 1 ch 99 SLA 1955: sec. 5 ch 100 SLA 1951; am
sec. 2 ch 99 SLA 1955; am sec. 1 ch 59 SLA 1957: sec. 8 ch 100
SLA 1951; am sec. 1 ch 77 SLA 1962; am sec. 1 ch 51 SLA 1972; am
sec. 17 ch 105 SLA 1977)

CITATION Sec. 43.75.017.

CATCH LINE

EXCLUSION FROM FISHERIES BUSINESS TAX.

TEXT A person is not liable for the fisheries business tax under AS
43.75.015 when the fishery resource is frozen aboard a fishing
vessel if

*Sec 14
amends
this*

- (1) the vessel is operated as a commercial fishing vessel under a valid commercial fishing license;
- (2) the fishery resource is not processed beyond heading, gutting or cleaning, freezing and glazing;
- (3) the fishery resource was caught by the vessel; and
- (4) the fishery resource is sold by the person claiming an exclusion from the tax to a fisheries business licensed under AS 43.75.011 - 43.75.140.

HISTORY (Sec. 7 ch 117 SLA 1981)

CITATION Sec. 44.81.210.

CATCH LINE

POWERS OF THE BANK.

TEXT

(a) The bank may

- (1) make variable rate or fixed rate loans to individuals who are residents and who are engaged in commercial agriculture or fishing, including harvesters, processors, suppliers and marketers, or to corporations, partnerships or joint ventures engaged in commercial agriculture or fishing, the majority interest of which is beneficially owned by residents of the state and a majority of the owners of which are residents of the state, if the recipient of the loan is a member of the bank; however, the bank may make a loan under this paragraph to a corporation, partnership, or joint venture for the purchase of a new or existing fishing vessel or for the repair or renovation of an existing fishing vessel, the primary purpose of which is to commercially harvest fishery resources, only if the corporation, partnership, or joint venture is wholly owned and controlled by residents of the state and if the recipient of the loan is a member of the bank.
- (2) make and alter bylaws necessary or desirable to carry out its corporate functions;
- (3) establish amortization plans for repayment of loans, which may include extensions for poor fishing or farming seasons, or for adverse market conditions for Alaskan products;
- (4) enter into agreements with regional institutions of

the federal financial credit system, private lending institutions, and other agencies or agencies of the federal government, except for the purposes of AS 44.81.010 - 44.81.350;

- (5) ... and use a corporate seal;
- (6) ... sued in the name of the bank;
- (7) issue bonds to carry out any of its corporate purposes and powers;
- (8) sell, lease as lessor or lessee, exchange, donate, convey or encumber in any manner by mortgage or by creation of any other security interest, real or personal property owned by it, or in which it has an interest, when, in the judgment of the board of directors, the action is in furtherance of its corporate purposes;
- (9) incur secondary liability by guaranty or endorsement of the obligations of another corporation or legal entity when, in the judgment of the board of directors, the action is in furtherance of its corporate purposes;
- (10) make loans as provided in (1) of this section in participation with financial institutions, and establish and regulate the terms of the loans;
- (11) make contracts and execute instruments necessary or convenient in the exercise of its corporate powers;
- (12) acquire by purchase, lease, bequest, devise, gift, the satisfaction of debts, or the foreclosure of mortgages, and hold, maintain, use, operate, and convey real or personal property;
- (13) borrow money and issue secured and unsecured evidence of indebtedness for a corporate purpose or to fund, refund, pay, or discharge outstanding obligations, and enter agreements and contracts concerning these obligations;
- (14) secure the payment of its obligations by pledge or mortgage or other lien on its contracts, revenues, income, or property;
- (15) appoint officers, employees, trustees for certificate holders, and agents, and prescribe their powers and duties;
- (16) provide technical services to members of the bank; for the purpose of this paragraph, "technical services" includes services that will enhance the ability of the member to obtain financial assistance from the bank;
- (17) make loans, as provided in (1) of this section, secured by liens subordinate to valid first liens and security agreements granted to a private lending institution;
- (18) participate with state departments and agencies in formulating policy and in planning for the development of commercial fishing and agriculture in the state;
- (19) do what is necessary or desirable to carry out the corporate purposes and powers expressed or implied in AS 44.81.010 - 44.81.350;
- (20) make loans to individual commercial fishermen for limited entry permits; a loan under this paragraph may be made only to an individual commercial fisherman who has been a state resident for a continuous period of five years

Sec 15
amends
this

immediately preceding the date of application for the loan and who has had a crewmember or commercial fishing license under AS 16.05.480 or a permit under AS 16.43.010 - 16.43.380 for any one of the past five years, and who has actively participated in the fishery during that period; loans made under this paragraph are subject to the provisions of AS 44.81.230;

(21) indemnify a director, officer or employee of the bank and his heirs, executors and administrators against all liabilities and related expenses including, but not limited to, court costs and attorney fees, judgments, and the cost of reasonable settlements, incurred by him in connection with or arising out of an action or proceeding brought against him because of an act or omission in the performance of his official duties as director, officer or employee of the bank regardless of whether he is a director, officer or employee at the time the expenses or liabilities are incurred;

(22) accept the pledge of a limited entry permit as security for a loan made under AS 44.81.010 44.81.350 for the repair, restoration, or improvement of a commercial fishing vessel or commercial fishing gear, or for the construction or purchase of a commercial fishing vessel, subject to the conditions set out in AS 44.81.230 - 44.81.250 on pledges of limited entry permits.

(b) The provisions of (a)(21) of this section do not authorize the bank to indemnify a director, officer or employee of the bank who is adjudged liable for negligence or misconduct in the performance of his official duties.

HISTORY

(Sec. 3 ch 159 SLA 1978; am sec. 4 ch 53 SLA 1979; am secs. 7-10 ch 51 SLA 1980; am sec. 6 ch 109 SLA 1981; am sec. 52 ch 113 SLA 1982)

Effect of amendments. — The 1961 amendment added "or interim-use permit" preceding "if a person knowingly" in the introductory language of subsection (a). Also in subsection (a), the amendment

deleted "or" from the end of paragraph (1), added "or" at the end of paragraph (2) and added paragraph (3). The amendment also added subsection (i).

Sec. 16.43.360. Penalties. (a) A person who violates a provision of this chapter or a regulation promulgated under this chapter is, upon conviction, guilty of a class B misdemeanor and is punishable by a fine of not more than \$5,000 for a first conviction, and a fine of not more than \$10,000 for a second or third conviction. Upon a third conviction, the person forfeits all interim-use and entry permits held by the person and loses eligibility for future issuance or transfer of interim-use or entry permits for a period of three years. Upon a first or second conviction under this section, the court may in its discretion order a forfeiture of interim-use or entry permits held by the person, as well as a loss of eligibility for future issuance or transfer of interim-use or entry permits, or order a suspension of fishing rights under interim-use or entry permits held or to be held by the person for a period of not more than three years. This subsection does not apply to violations of AS 16.43.140(a).

(b) A person who knowingly makes a false statement of fact in the application for or renewal of an interim-use permit or an entry permit or vessel license application or renewal or in the application for a transfer under AS 16.43.170 — 16.43.180, or a person who assists another by knowingly making a false statement of fact in support of the other person's application for issuance or renewal of an interim-use permit or an entry permit or vessel license is guilty of a misdemeanor and shall forfeit all interim-use permits and entry permits held by him and shall lose eligibility for interim-use permits and for entry permits for a period of three years and is punishable by a fine of not more than \$5,000.

(c) Repealed by § 12 ch 47 SLA 1981.

(d) If a permit holder is charged by the state with violating a provision of AS 16.43.010 — 16.43.380 or a regulation adopted under AS 16.43.010 — 16.43.380, he may not transfer, under AS 16.43.170, any interim-use or entry permit he may hold, until after the final adjudication or dismissal of the charges.

(e) Notwithstanding any other provision of this section, no interim-use or entry permit may be transferred while under suspension, without the consent of the commission.

(f) An entry permit forfeited under this section that is taken as security for a loan under AS 16.10.333 or AS 44.81.230 shall be reassigned as provided in AS 16.10.337 or AS 44.81.250.

(g) A person who violates the provisions of AS 16.43.140(a) is

(1) upon a first conviction, guilty of a class B misdemeanor and may be sentenced to a definite term of imprisonment of not more than 90

days, or forfeiture of the person's fishing vessel, or both, and shall be sentenced to a fine of not less than \$5,000 nor more than \$10,000 and loss of commercial fishing privileges for a period of one year after the date of conviction;

(2) upon a second conviction, guilty of a class A misdemeanor and may be sentenced to a definite term of imprisonment of not more than one year, and shall be sentenced to a fine of not less than \$10,000 nor more than \$20,000, forfeiture of the person's fishing vessel, and loss of commercial fishing privileges for a period of two years after the date of conviction;

(3) upon a third or subsequent conviction, guilty of a class A misdemeanor and may be sentenced to a definite term of imprisonment of not more than one year, and shall be sentenced to a fine of not less than \$20,000 nor more than \$50,000, forfeiture of the person's fishing vessel, and loss of commercial fishing privileges for a period of five years after the date of conviction.

(h) A person convicted of violating the provisions of AS 16.43.140(a) forfeits the value of the fishery resources found on board the person's vessel at the time of the violation. (§ 1 ch 79 SLA 1973; am § 7 ch 73 SLA 1977; am §§ 7—9 ch 123 SLA 1978; am §§ 10, 12 ch 47 SLA 1981; am §§ 4, 5 ch 94 SLA 1982)

Cross references. — As to sentences for misdemeanors, see AS 12.55.135.

Effect of amendments. — The 1978 amendment, in the first sentence of subsection (a), inserted "or assists in the violation of," "is" preceding "upon conviction," and "or third," substituted "and" for a semicolon following "for a first conviction" and deleted the language providing a penalty for a third conviction from the end of that sentence. The amendment also added the second and third sentences of subsection (a), and in subsection (b), inserted "knowingly" near the beginning and near the middle, "or renewal of" near the beginning, "or vessel license application or renewal" near the beginning, and "or renewal" near the middle, deleted "a material" preceding "fact" near the beginning and near the middle, and substituted "vessel license" for "transfer of an entry permit, upon conviction" near the middle and "three years and is punishable by a fine of not more than \$5,000" for "five years" at the end. Moreover, the amendment added subsection (e).

The 1981 amendment repealed subsection (c) which read "If a permit holder is convicted of a violation of AS 43.20.335 and the violation relates to income derived from commercial fishing under this title, he shall forfeit all interim-use permits and entry permits held by him and shall lose eligibility for interim-use permits and for entry permits for a period of five years" and added subsection (f).

The 1982 amendment, effective June 16, 1982, in subsection (a), deleted "or assists in the violation of" following "violates" and inserted "class B" preceding "misdemeanor" in the first sentence, substituted "forfeits" for "shall forfeit" in the second sentence, substituted "by the person" for "by him" in two places in the next-to-last sentence, and added the present last sentence. The amendment also added subsections (g) and (h).

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 0.05.031(c) and § 4, Chapter 58, SLA 1982.

Sec. 16.43.380. Definitions. In this chapter

(1) "commission" means the Alaska Commercial Fisheries Entry Commission;

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Alaska State Legislature
House of Representatives

Special Committee on Fisheries

Room V
Juneau, Alaska 99801
(907) 465-4924

CHAIRMAN
ADELHEID HERRMANN
VICE CHAIRMAN
JACK O'ULLER
MEMBERS
CHARLES BUSTELL
BEN GRUBENBORG
PETER HOLL
JACK MCBRIDE
FRED THAROFF

MEMORANDUM

TO: Special Committee on Fisheries Members
FROM: Mel Morsen
DATE: March 8, 1984
SUBJECT: SB 52, Section 7 (License Forfeiture)

The current license forfeiture statute (AS 16.05.710) allows the forfeiture of commercial fishing licenses for violations of AS 16.05.440 - 16.05.720 (Attachment 1). Included in the definition of commercial fishing licenses are interim-use and entry permits.

In SB 52, Section 7, the license forfeiture statute is rewritten and during the Fisheries Committee discussion of this bill, concern was raised that forfeiture of an entry permit may be overly harsh (Attachment 2). To address this problem, the Committee amended the bill so that first and second conviction forfeitures can be for only one year and third conviction forfeitures can be for only three years (Attachment 3).

After researching this statute and discussing it with Legal Services (Ed Hein) several interesting points have been raised. First, forfeiture is not for a time period and should not have a time limit attached. If the Committee wants to limit the time period, a suspension should be used. Second, the license forfeiture language was enacted before limited entry and at that time forfeiture only meant giving up an annual and inexpensive license, not an expensive fishing privilege.

In order to address the Committee concerns with the section, I have drafted two options for the license forfeiture section. Under the first option, the court would have the option of suspension of permits for one year for first or second offenses and for three years for the third offense (attachment 4). Of course, the crewmember license could still be forfeited, but no forfeiture of permits for violation of 16.05 would be allowed.

Policy Decision on Sec 7,
Forfeiture of License & Permint

Committee Members

March 8, 1964

Page Two

The second option is more strict and still allows for forfeiture of permits (attachment 5). Under first and second offenses, the available penalties are the same as the first option, but upon a third conviction, the courts have the option of forfeiting the permit permanently.

SB 52 is in the House Resources Committee at the present time and is on hold while the license forfeiture questions are answered. Once a decision is reached, a committee substitute can be drafted which includes both the Fisheries Committee amendments and any changes to Section 7. I will contact your offices shortly after you receive this memo to get direction on this issue.

ATTACHMENT #1

Sec. 16.05.710. License forfeiture. Upon a first or second conviction of a person for a violation of AS 16.05.440 — 16.05.720 or a federal or state law or regulation for the protection of the commercial fish of the state, the court may, in addition to the penalty imposed by law, forfeit the commercial fishing license of the person for a period of one year. Upon a third conviction, the court may, in addition to the penalty imposed by law, forfeit the commercial fishing license for a period not to exceed three years. (§ 11 art III ch 1 SLA 1959; am § 1 ch 112 SLA 1961; am § 1 ch 75 SLA 1966)

ATTACHMENT #2

Sec. 7. AS 16.05.710 is repealed and reenacted to read:

Sec. 16.05.710. LICENSE FORFEITURE. (a) Upon a first or second conviction of a person for a violation of AS 16.05.440 - 16.05.720 or a federal or state law or regulation for the protection of the commercial fish of the state, the court may, in addition to the penalty imposed by law, order

(1) a forfeiture of a crewmember fishing license, interim-use permit, or entry permit held by the person;

(2) a loss of eligibility to hold a crewmember fishing license, interim-use permit, or entry permit for a period of not more than one year; and

(3) a suspension of fishing rights under a crewmember fishing license, interim-use permit, or entry permit for a period of not more than one year.

(b) Upon a third conviction, the court may, in addition to the penalty imposed by law, order

(1) a forfeiture of the crewmember fishing license, interim-use permit, or entry permit held by the person;

(2) a loss of eligibility to hold a crewmember fishing license, interim-use permit, or entry permit for a period of not more than three years; and

(3) a suspension of fishing rights under a crewmember fishing license, interim-use permit, or entry permit for a period of not more than three years.

ATTACHMENT #3

Sec. 16.05.710. LICENSE FORFEITURE. (a) Upon a first or second conviction of a person for a violation of AS 16.05.440 - 16.05.720 or a federal or state law or regulation for the protection of the commercial fish of the state, the court may, in addition to the penalty imposed by law, order

(1) a forfeiture of a crewmember fishing license, interim-use permit, or entry permit held by the person for a period of not more than one year;

(2) a loss of eligibility to hold a crewmember fishing license, interim-use permit, or entry permit for a period of not more than one year; and

(3) a suspension of fishing rights under a crewmember fishing license, interim-use permit, or entry permit for a period of not more than one year.

(b) Upon a third conviction, the court may, in addition to the penalty imposed by law, order

(1) a forfeiture of a crewmember fishing license, interim-use permit, or entry permit held by the person for a period of not more than three years;

(2) a loss of eligibility to hold a crewmember fishing license, interim-use permit, or entry permit for a period of not more than three years; and

(3) a suspension of fishing rights under a crewmember fishing license, interim-use permit, or entry permit for a period of not more than three years.

ATTACHMENT #4

* Sec. 7. AS 16.05.710 is repealed and reenacted to read:

Sec. 16.05.710. LICENSE FORFEITURE. (a) Upon a first or second conviction of a person for a violation of AS 16.05.440 - 16.05.720 or a federal or state law or regulation for the protection of the commercial fish of the state, the court may, in addition to the penalty imposed by law, order

(1) a forfeiture of a crewmember fishing license held by the person;

(2) a loss of eligibility to hold a crewmember fishing license, interim-use permit, or entry permit for a period of not more than one year; and

(3) a suspension of an interim-use permit or entry permit for a period of not more than one year.

(b) Upon a third conviction, the court may, in addition to the penalty imposed by law, order

(1) a forfeiture of a crewmember fishing license held by the person;

(2) a loss of eligibility to hold a crewmember fishing license, interim-use permit, or entry permit for a period of not more than three years; and

(3) a suspension of an interim-use permit or entry permit for a period of not more than three years.

ATTACHMENT #5

* Sec. 7. AS 16.05.710 is repealed and reenacted to read:

Sec. 16.05.710. LICENSE FORFEITURE. (a) Upon a first or second conviction of a person for a violation of AS 16.05.440 - 16.05.720 or a federal or state law or regulation for the protection of the commercial fish of the state, the court may, in addition to the penalty imposed by law, order

(1) a forfeiture of a crewmember fishing license held by the person;

(2) a loss of eligibility to hold a crewmember fishing license, interim-use permit, or entry permit for a period of not more than one year; and

(3) a suspension of an interim-use permit or entry permit for a period of not more than one year.

(b) Upon a third conviction, the court may, in addition to the penalty imposed by law, order

(1) a forfeiture of the crewmember fishing license, interim-use permit, or entry permit held by the person;

(2) a loss of eligibility to hold a crewmember fishing license, interim-use permit, or entry permit for a period of not more than three years; and

COMMITTEE REPORT

HOUSE

Wanted
HOUSE SPECIAL
COMMITTEE
STATE LOG
FURTHER
RESOURCES

(7)

6/1/83

Date: February 27 1984

Mr. Speaker:

HOUSE SPECIAL COMMITTEE
ON FISHERIES

The Committee on _____ has had CSSB 52 (Res) on

"An Act relating to the licensing of commercial fishing; 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 Zero Fiscal Note Attached
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

John D. Full
Walter R. Schuler
Ben Sumner
John D. Full
Victor J. ...

John D. Full

CHAIRMAN

S

B

79

SENATE LETTER OF INTENT CSSE 79(Res)

The purpose of this legislation is to inform employees of the identity of and the health hazards and proper handling procedures for hazardous and toxic substances in their workplace through a communication and safety education program adopted by employers. While this legislation is designed to cover most employers in the state utilizing substances defined in the bill, it is not the intent to require employers to be responsible for the generation or creation of the information required to be posted or communicated to employees. Rather, the bill is designed under the assumption that federal regulations will be promulgated in the near future by the Occupational Safety and Health Administration (OSHA) which will require manufacturers to develop and distribute information for all the substances covered by the bill. The provision requiring that such information accompany substances imported into the state and the provision requiring the State Department of Labor to keep information on file for all substances covered by the bill are designed to aid employers in readily obtaining the required information.

It is the intent of the Committee that the Department of Labor play an active role in informing employers of the requirements of this bill and aiding them in meeting the requirements. Among the tasks required of and intended that the Department undertake are: the development of a poster outlining the provisions and employee rights under the bill and the printing of sufficient copies for all applicable employers; the compilation of all relevant information on the various substances covered by the bill and formulation of an information retrieval system capable of answering telephone inquiries by employers and employees on various substances and products; the compilation and printing of a list of the various substances identified in the bill as hazardous and toxic for use by employers; the provision of assistance to employers upon request in developing safety education programs; and the surveying of various employers or industries to identify the types of substances used and problems being encountered. In this last task it is intended that such surveys be made in cooperation with business and industry groups or associations.

It is the intent of the Committee that the Department complete the specific tasks identified in section 1 of the bill at least several months in advance of the July 1, 1984 effective date for section 2 of the bill requiring posting and training by employers.

The bill authorizes the Department to identify substances to be covered by the bill. It is the intent of the Committee that this authority be used only on a case-by-case basis pursuant to the Administrative Procedure Act to cover a very few substances which might be of specific concern in the

state but for some reason, such as bureaucratic delay, have not yet been identified on the federal level pursuant to OSHA regulation. It is not the intent of the Committee to direct the Department to engage in a major identification, testing or research program which would result in large numbers of additional substances or additional lists of substances beyond those identified in the bill.

By The Resources Committee

Adopted in the Senate, May 31, 1983.

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. CS for SB 79 (Res)
 Title Toxic waste and hazardous substances in the workplace
 Requested by Senate Finance Committee Date May 19, 1983

II. FISCAL DETAIL
 Agency Affected Department of Environmental Conservation
 Program Category Affected Hazardous Waste
 BRU, Program, or Subprogram(s) Affected Laboratory Monitoring Support
 (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 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES	0	0				
200 TRAVEL	0	0				
300 CONTRACTUAL	0	0				
400 COMMODITIES	0	0				
500 EQUIPMENT	0	0				
600 LAND & STRUCTURES	0	0				
700 GRANTS, CLAIMS, ETC	0	0				
TOTAL	0	0				

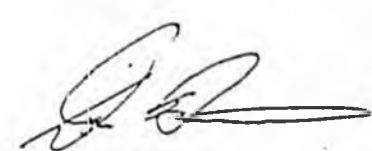
FUNDING (Thousands of Dollars)

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

POSITIONS

FULL TIME	0	0				
PART TIME	0	0				
TEMPORARY	0	0				

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

IV. DATE May 19, 1983 PREPARED BY 
 AGENCY Don Bennett, Co-chairman
 Original: Legislative Finance PHONE Senate Finance Committee
 cc: Budget and Management 3714
 Prime Sponsor (First Legislator Named)

ALASKA STATE SENATE

JOE P. JOSEPHSON

DISTRICT 8 REPRESENTATIVE
1500 W. STREET
FAIRBANKS, ALASKA 99701



OFFICE IN JUNEAU
PO BOX 1
JUNEAU ALASKA 99801
907-465-4907
907-465-4525

June 11, 1983

Honorable John Ringstad
Chairman
House Resources Committee
Alaska State Legislature
Juneau

Dear John:

Re: SB 79, "Right to Know"

SB 79 passed the Senate by an overwhelming vote.

The Senate-passed committee substitute had support from business, labor, and health groups. I am enclosing some background papers and correspondence which describe the bill and reflect its broad support.

I would be prepared to testify on this measure before the Resources Committee at your convenience.

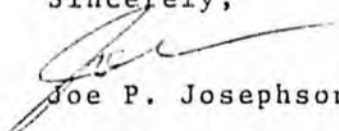
Your Fairbanks colleague, Senator Fahrenkamp, worked diligently with all parties to develop the committee substitute.

I also understand that SB 79 is a priority bill of the administration's, and the committee substitute has the administration's full support.

I'd be grateful if the Committee could consider this measure at its earliest opportunity. Should your staff desire further information, Mr. Henry Lancaster of my office is available for that purpose.

With best regards,

Sincerely,


Joe P. Josephson

Enclosures

STATE OF ALASKA
FISCAL NOTE

Revision Date May 10 1983

I. REQUEST

Bill/Resolution No.: CS for SB 79 (Res)
Title: "...hazardous & toxic substances"
Sponsor: Senate Labor & Commerce
Requestor: Senate Labor & Commerce

II. FISCAL DETAIL

Agency Affected: Labor
Program Category Affected: Worker Protection
BRU, Program of Subprogram(s) Affected:
Labor Standards & Safety, Occupational
Safety & Health

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES		75.0	79.5	84.3	89.4	94.8
200 TRAVEL		17.5	10.6	11.2	11.9	12.6
300 CONTRACTUAL		37.5	39.8	42.2	44.7	47.4
400 COMMODITIES		2.5	1.6	1.7	1.8	1.9
500 EQUIPMENT		12.7	0	0	0	0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING		145.2	131.5	139.4	147.8	156.7
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		145.2	131.5	139.4	147.8	156.7
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

FULL-TIME		2	2	2	2	2
PART-TIME						
TEMPORARY						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

N/A

RECEIVED

MAY 1 1983

Josephson,

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: ^{pkc} Robert J. Bacolas, Jr.
Division: Labor Standards and Safety

Phone: 465-4870
Date: May 10, 1983

Approved by Commissioner: Jim Robison
Department: Labor

Date: May 10, 1983

LEG:B:9

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
- Copy to Requestor (if different from Sponsor)

3/3/23

FISCAL NOTE

THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE

TITLE: "An Act relating to hazardous and toxic substances."

AGENCY AFFECTED: Department of Labor

Page 2

Under this bill the Department of Labor will be responsible for collecting and disseminating information regarding hazardous chemicals and/or substances at work or storage sites in Alaska.

An Industrial Hygienist position in Anchorage will be required to review and respond to requests about the effects of hazardous chemicals or substances, recommend remedial action if required, and communicate this information to the requestor. In addition, one clerical position will be required to provide support for the hygienist.

In addition to the personal services cost associated with the Industrial Hygienist and clerical position, the Department will need to increase the current contract for laboratory services (\$5,000), the indirect support services and rent allocations (\$7,479 and \$6,800 respectively), and its printing and postage allocations, distribution of posters, and safety data sheets. All other costs in Contractual Services are normal operating costs (\$7,200). Additionally, the Industrial Hygienist position will require various scientific measuring and sampling equipment (\$7,600), as well as basic office equipment. The Travel budget for FY 1984 includes \$2,500 for recruiting and relocation expenses for the hygienist position and \$15,000 for extensive in-state travel to conduct training sessions and hazardous substance seminars throughout the State for the first year.

Assumptions :

The Department will collect and disseminate information regarding hazardous chemicals and/or substances to the general public, and as a result will also be making increased work-site inspections.

Inflation rate of 6 percent per annum.

The equipment costs of \$12,700 are one-time items.

\$5,000 of the in state travel is a one time item (informational visits) and \$2,500 of the travel for relocation/recruiting expenses is a one-time item.

Effective date of July 1, 1983.

\$1,000 of the first year's supply costs is a one-time item.

LEG:8:5

1.	POSITION TITLE Industrial Hygienist I			RANGE/STEP 19A	BARG. UNIT GGU	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER CS for SB 79	PCN NUMBER	BRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT	LEC.	

3.	CONTINUATION LEVEL	ADDITION	XX	
4.	TYPE OF EXPENDITURE			AMOUNT
	1	2		3
	PERSONAL SERVICES			
5.	Salary			38,135
6.	Benefits			6,053
7.	Supplemental Benefits			2,338
8.	Fixed Benefits			2,880
9.	TOTAL PERSONAL SERVICES	01		49,406
10.	Travel	02		17,500
11.	Contractual	03		25,622
12.	Commodities	04		1,500
13.	Equipment	05		10,200
14.	Other			
15.	TOTAL COST			104,228

JUSTIFICATION

The hygienist will ascertain the effects a chemical/substance will produce, recommend remedial action if required and communicate this information to requestor in understandable terminology. As the populace becomes better informed, there will undoubtedly be more requests for this agency to visit work/storage sites to monitor them for potentially hazardous conditions.

Personal services calculations are based on the salary schedule that is currently awaiting approval for FY '84.

Travel funds include \$2,500 in relocation and recruiting expense and \$15,000 for in-state travel because this position will be conducting training sessions and other workshops throughout the State.

Contractual services consist of \$3,400 for rent, \$5,022 for indirect support services, 5,000 for increased laboratory costs, \$7,200 for printing and postage for hazardous information, and \$5,000 for basic operating expenses.

The equipment costs are comprised of various scientific equipment (\$7,700), office equipment (\$1,500), and protective equipment (\$1,000).

	RECEIPT CODE	FUNDING SOURCE	
16.		Federal Receipts 1002	
17.		G.F. Match 1003	
18.	100	General Funds 1004	104,228
19.		I-A Receipts 1005	
20.		Program Receipts 1028	
21.		Other	

FOR B&M USE ONLY
4A KEY NUMBER _____

AGENCY Labor

PROGRAM Workers' Protection

BRU Labor Standards and Safety

COMPONENT Occupational Safety and Health

13 REQUEST FOR
NEW POSITION

FY 84

Page 1 of 2
Revised Date _____

1.	POSITION TITLE Clerk Typist III			RANGE/STEP RA	BARG. UNIT GGII	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER CS FOR SB 79	PEN NUMBER	BRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT	LEG.	
3.	CONTINUATION LEVEL			ADDITION	YX	JUSTIFICATION			
4.	TYPE OF EXPENDITURE			AMOUNT					
	1			2		3			
PERSONAL SERVICES									
5.	Salary			18,647					
6.	Benefits			2,960					
7.	Supplemental Benefits			1,143					
8.	Flood Benefits			2,880					
9.	TOTAL PERSONAL SERVICES			01	25,630				
10.	Travel			02	0				
11.	Contractual			03	11,856				
12.	Commodities			04	1,000				
13.	Equipment			05	2,500				
14.	Other								
15.	TOTAL COST				40,986				
RECEIPT CODE FUNDING SOURCE									
16.		Federal Receipts			1002				
17.		G.F. Match			1003				
18.	100	General Funds			1004	40,986			
19.		I-A Receipts			1005				
20.		Program Receipts			1028				
21.		Other							
FOR I&M USE ONLY									
4A KEY NUMBER									

This position is necessary to provide support to the Industrial Hygienist to handle the increased activity that will occur as a result of implementing the provisions of Committee Substitute for Senate Bill 79.

This position will type and file information under direction of the Industrial Hygienist.

Personal services calculations are based on the salary schedule that is currently awaiting approval for FY 1984.

Contractual services costs consist of equipment rent, management services support of \$2,456, and space rent of \$3,400. Additionally, \$1,000 for a word processing data management package will be required to collate, and facilitate the disseminating of hazardous substance information. All other costs are normal operating costs.

13 REQUEST FOR
NEW POSITION

AGENCY Labor
PROGRAM Worker Protection
BRU Labor Standards and Safety
COMPONENT Occupational Safety and Health

FY 84

Page 2 of 2

Revised Date



Alaska State Legislature

Pouch V
State Capitol
Juneau, Alaska 99811

Official Business

MEMORANDUM

May 12, 1983

TO: Senator Bettye Fahrenkamp
Chair, Senate Resources Committee

FROM: Senator Joe P. Josephson *JPJ*

SUBJECT: Senate Bill 79, "An Act relating to toxic and hazardous substances in the workplace; and providing for an effective date."

Chair Fahrenkamp and members of the Senate Resources Committee:

I would like to express my sincere appreciation for this opportunity to once again address the issue of improved worker safety in Alaska. Since the introduction of SB 79 on January 27, I have been deluged with information, PCMs and news articles applauding and criticizing the need for such legislation. I would like to commend you and your staff for enduring the long hours of testimony, negotiations and renegotiations needed to produce the committee substitute under consideration today.

CSSB 79 is a compromise bill without undue restrictions on red tape that affords Alaska workers the opportunity to make reasonable choices. The class of workers affected by this bill will be educated in the use and disposal of toxic and hazardous substances in their work environment. They will be able to ascertain accurate and up-to-date information about substances in their work environment without undue burdens or obstacles. And, probably the most significant aspect of the bill rests in the fact that the Alaska worker will know that the state is enhancing its commitment to worker safety. The role of the Department of Labor will be responsible for accumulating valuable information for worker inquiry. The Department will develop monitoring procedures to insure that the education programs provided by employers are adequate. The Department will be available to answer questions about particular occupations with respect to toxic or hazardous substances.

Madame Chair, the bill has come a long way this session and has seen quite a facelift, but I think that the major premise of "worker right to know" has been preserved and has been presented in a reasonable manner. I support the bill and encourage the committee to vote in favor of it.

JPJ/tl



Alaska Environmental Lobby, Inc.

419 6th Street, Suite 328 Juneau, Alaska 99801

907-586-2345

To: Lavastu

April 21, 1983

To: Members of the Alaska Senate.

From: Jay Nelson, Executive Director
David Wigglesworth, Issues Specialist

Subject: Senate Bill 79, an act relating to hazardous substances in the workplace.

Enclosed are two articles concerning SB 79. SB 79 requires that the use and composition of certain hazardous and toxic materials found in the workplace are made known to the workers exposed to them, so that preventive health measures can be taken.

To date, nine (9) states and several major cities have passed right-to-know laws similar to SB 79. Right-to-know legislation has been introduced into thirteen other states this year. Public officials are taking action on worker safety because of their lack of confidence in the federal government's ability to protect the health of workers.

Some of you may know that the US Occupational Safety and Health Administration (OSHA) is just now preparing to reintroduce health and safety standards for workers. While a step in the right direction, the proposed federal legislation would cover only 5% of Alaskan workplaces disregarding the workers in transportation, agriculture, construction, and other non-manufacturing occupations. Furthermore, the proposed federal regulations would not make it mandatory that employers obtain and maintain information on the toxic and hazardous materials used by their businesses.

Support for SB 79 covers a wide range of the Alaska public including the Department of Labor, the Alaska Jaycees, the Sheffield Administration, the Alaska Public Employees Assoc., the Alaska Health Project, the Alaska League of Women Voters, the Asbestos Workers Union, the Inland Boatmen's Union, the Anchorage Municipal Health Commission, the Alaska Environmental Lobby, the Anchorage Environmental Health Advisory Committee, the Alaska Public Health Association.

It is the fundamental right of workers to know about the types

(over)

ment by the Field brothers has altered nor diminished our long-term plans for continued improvements in the newspaper and we remain as steadfast as ever in providing our readers with the best newspaper that talent and en-

ents." Marshall Field noted that the family has owned newspapers in Chicago since 1911. The statement said the company "anticipates that The Chicago Sun-Times will be one of the assets offered for

ment Press Service.

The syndicate, headquartered in Irvine, Calif., distributes columns, cartoons and features worldwide to more than 2,000 dailies and weeklies.

The news service was

Time.

Field Electronic Publishing, established in 1981 to develop and test the first commercial teletext experiment approved by the Federal Communications Commission.

Daily News April 16, 1983 - SATURDAY

Bill asks employer's danger advice

By ROBERTA GRAHAM
Daily News business reporter

Gov. Bill Sheffield has said he strongly favors a bill that would require employers to advise workers of the presence of cancer-causing chemicals in the workplace and to label hazardous substance containers, according to Department of Labor Commissioner Jim Robinson.

Robinson, attending a forum Friday on safety and health in the workplace, announced Sheffield's endorsement of the Senate amended version the bill nicknamed the right-to-know legislation.

Robinson said the governor asked the labor department to take the lead in ensuring the bill is passed.

"He's asked us to lobby Anchorage and Kenai and Fairbanks legislators. He's asked us to push for the bill," Robinson said.

The legislation is currently being opposed by business, which prefers more lenient, proposed federal standards, and supported by labor and consumer groups.

It calls for a manufacturer or a wholesaler, when selling a hazardous or toxic substance, to provide the purchaser a list of those chemicals.

Under the bill, that information must then be posted in the workplace, such as the lunchroom or on an employee billboard. Additionally, it would require the employer, within 30 days, to provide the information to any worker.

Federal agencies have identified some 65,000 cancer-causing agents. But the bill would require the state labor department to draw up a list of only those chemicals used in Alaska. It specifically exempts foods, cosmetics, drugs, tobacco or substances used for personal consumption because most of these items already are regulated by federal statutes.

The employer would be required to train all employees as to the hazards of the chemicals, the potential long-term affects and how to properly handle them.

And, it would give an em-

ployee, who believes he has been exposed to toxic chemicals, access to corporate records.

The Senate Resources Committee has held several hearings on S.79 and recently has drafted a substitute bill — the version which the governor likes.

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Saturday, April 16, 1983

Speaker calls for healthy workplace

By ROBERTA GRAHAM
Daily News business reporter

Local and state governments need to become more active in promoting health and safety in the workplace and not rely on the federal government to do the work, said Eula Bingham, keynote speaker at a safety forum sponsored Friday by the Alaska Health Project.

Bingham, administrator of the Occupational Safety and Health Administration under former President Jimmy Carter and now professor of environmental health, University of Cincinnati, said she was pessimistic about future involvement of federal agencies in promoting healthy workers and a safe working environment.

But she stressed that consumer and activist groups can push for a stronger federal involvement by pressing political candidates for their views before election day.

"We're just not getting the strong federal support we need," she said.

Citing drastic budget cuts of federal enforcement agencies and cutbacks of public health officials, Bingham said workplace accidents are occurring at increasing levels.

"It has been estimated that there are approximately 12,000 deaths associated with occupational exposure. There have been 5,000 respiratory cancer deaths — including leuke-

□ Gov. Sheffield favors an Alaska bill that would require employers to advise workers of cancer-causing agents they may be handling. See B11, Page B-6

mia, colon and bladder cancer, and 16,000 heart attacks all associated with occupational exposure," she said.

"And these numbers don't include early retirements, belated cancer deaths, skeletal diseases or reproductive failures," she said.

"The government is acting as if there are no diseases and if we look at what's happened over the past two years, it's apparent we're turning our backs on workers — on diseased workers. And we may be ignoring future generations," she said.

Specifically, Bingham criticized the Reagan Administration for its lax attitude toward implementing standards that would govern a worker's right to know what cancer-causing substances are present in the workplace — standards which she worked for two years to develop.

"Delay is the name of the game," she said.

Bingham proposed that state or local governments adopt generic standards to protect workers including:

- A regular medical inspection of the workplace;

- Medical removal protection standards allowing a worker overexposed to chemicals to take another job in the same business;
- Building codes that require health and safety plans, and
- A generic monitoring standard for chemicals in the workplace.

The seminar, sponsored by the Alaska Health Project and the Alaska Humanities Forum, drew more than 100 representatives of business, labor and consumer organizations.

"Environmental questions of the workplace has become as important as those environmental issues involving land and water resources," said Steven Deutsch, University of Oregon professor and specialist in the field of worker health and safety.

"We're at a point now in our society where most people suffer anxiety over whether they're going to keep their jobs," he said. "And problems with stress in the workplace is heightened when a community goes through rapid growth as Anchorage is doing now."

Competition for jobs will increase at the same time technology is replacing 2 percent of all office workers per year, he said.

"You think that you can get a jump on solving these problems by looking at what other communities have done. But to date, Alaska has done nothing and the time is upon you," he said.

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The right to know

Industry presses for a national standard

When Congress set up the Occupational Safety and Health Administration early in the 1970s, labor groups expected the federal agency to do a job that they felt states could not—and industry would not—do: police the workplace to ensure worker safety. Now, OSHA is tackling the controversial right-to-know issue, the outcome of which will determine how much information companies must give their employees about the sub-

stances used in the workplace. And it looks as though the usual OSHA-labor alliance has been turned on its ear. In fact, the unions are downright hostile toward OSHA's attempts to set up a national right-to-know standard. Whereas labor had for more than a decade pushed for a strong, federal right-to-know rule instead of separate state standards, labor leaders are now dismayed by the most recent OSHA proposal. "It's a right-to-conceal standard," claims Sylvia Krekel, occupational health specialist for the Oil, Chemical and Atomic Workers (OCAW). In general, chemical industry groups, which usually oppose across-the-board regulations, are virtually unanimous in backing federal preemption of state and local right-to-know statutes.

Both camps are now getting a chance to voice their views publicly. On June 15, OSHA began hearings in Washington to discuss its proposed rules (*CW*, June 21, 1982, p. 52). Under the agency's suggested standard for "hazard communication"—the nomenclature that OSHA chose for right-to-know and other labeling rules—chemical manufacturers would have to provide information about hazardous substances to their

Horace A. Thompson, management chairman of the American Bar Assn.'s section on occupational safety and health laws: "It's not a burning issue in terms of the need for information; it's a burning issue in terms of the inconsistent state regulations." **Grudging support.** But there is another, more important, item involved in industry's rather grudging support of the OSHA standard: Within its framework, chemical manufacturers would wield considerable power. The proposed standard covers only "hazardous" substances—and the manufacturer determines what is hazardous. This is in marked contrast to most state right-to-know laws, which spell out which chemicals must be tagged and described.

That difference appeals to many executives in the chemical industry. "The responsibility falls on the manufacturer, and we believe that's where it belongs," says Patrick C. Joyce, until recently an attorney for the Chemical Manufacturers Assn. (CMA).

Unions and their allies, however, cite figures on occupational disease—25 million workers are exposed to circumstances identified as hazards by the National Institute of Occupational Safety and Health (NIOSH)—as evidence that employers may be unreliable sources of information on dangerous substances. And the unions cite recent "horror" stories to bolster their position.

Manufacturer's burden. In fact, the well-publicized occupational health disaster at Occidental Chemical's pesticide-formulation operation in Lathrop, Calif., where workers became sterile after years of exposure to dibromochloropropane (DBCP), is often credited with launching labor's campaign for the right to know. According to Roberta Lynch, research director of the Chicago Area Committee on Occupational Safety and Health, workers learned that the company had not disclosed the full results of animal studies that showed that DBCP caused health problems. "That's what really started this whole movement," Lynch recalls.

Labor's collective memory also still



Hearings in Cincinnati led to a local right-to-know law, which was passed this month.

Manufacturers, though arguing that no new regulation is needed, find it more palatable to deal with a single "unnecessary" rule than to deal with 50—thus their stated reasons for backing OSHA. For example, the Chemical Specialties Manufacturers Assn. (CSMA) is actively supporting the proposed federal regulation, even though the association's view, according to its counsel, Lawrence A. Levin, is "that workers are adequately protected now by common practice in the industry." Adds



**It's a
right-to-conceal
standard.**

Sylvia Krekel, Oil, Chemical
and Atomic Workers

rankles over asbestos, the grisliest of stories in the safety-and-health chronicle. Asbestos, once a common substance in U.S. Navy shipyards and other workplaces, causes mesothelioma, a rare and terminal cancer, and asbestosis, which thousands of workers have contracted. Lawsuits are still being filed, charging both the federal government and industry with failure to warn about hazards that, the suits contend, were first noted more than 40 years ago.

The crux of the matter. Thus, the manufacturer's responsibility clause of the federal proposal remains the crux of labor's break with OSHA on the right-to-know issue. "We've consistently wanted a federal approach, but industry is going after federal standards that are unacceptable," says Sheldon Samuels, safety-and-health director for the AFL-CIO's Industrial Union Dept. "If the chemical industry doesn't want a fair, thorough remedy, it's going to have to pay through the nose." Says Rafael Moure, an OCAW industrial hygienist: "I would welcome a good federal standard, but in its absence I have to go

with the logistical nightmare of different requirements."

Labor groups have all but given up hope on a compromise standard. They are still disgruntled over the fate of the health agency's first proposal, which unions found acceptable. Eula Bingham, OSHA's administrator in the Carter Administration, issued that proposal in January 1981, seven years after an OSHA advisory committee had recommended a standard. But the Reagan Administration has held back from implementing that proposal, calling it part of a deliberate "midnight" rule-making blitz by outgoing administrators.

OSHA's new head, Thome G. Auchter, ran into trouble with the Office of Management and Budget when he tried to issue a modified proposal. But industry's heavy lobbying led Vice-President George Bush, chairman of Reagan's Regulatory Relief Task Force, to rally around the new proposal in March 1982. The current thinking in Washington is that the issue would never have made its way to public debate had industry not feared a proliferation of state laws.

Labor and its supporters, viewing reliance on the federal government as futile, have been rigorously lobbying in state capitals and in cities across the country for state and local right-to-know legislation. Already, 10 states have passed right-to-know statutes, and bills are likely to be introduced in about 13 more states during the coming legislative session.

OSHA's authority. OSHA's legal authority to preempt state laws has not been established. The Occupational Safety and Health Act guarantees states the right to set up their own, separate OSHA programs. Although about half the states currently have their own OSHA programs, few have issued standards that differ from the federal agency's. Therefore, there have been no precedent-setting court cases.

"I'm concerned that there's no explicit federal preemption in the proposal," says ABA's Thompson. Without preemption, he fears, "federal regulations may only add to the confusion rather than resolve it."

A look at some of the state bills goes a long way to explain industry's adamant support of preemption. California recently concluded hearings on a list of more than 700 substances that employers are required to list and label. West Virginia, Wisconsin and Connecticut use the OSHA subpart Z list, which itemizes about 400 toxic substances or physical agents and their permissible-exposure limits. Michigan, Oregon and Washing-

ton leave the job of defining hazardous substances to the employer.

New York outdoes all of those states, and requires manufacturers to identify for workers the entire NIOSH list of 40,000 substances commonly used in industry. New York's statute is particularly infuriating to industry. "Common table salt is treated the same way as benzene," says Brian T. McMahon, government affairs manager for the New York Business Council.

While McMahon and other industry spokesmen complain bitterly about the intrinsic burden of classifying a myriad of substances, others suggest that perhaps industry should not have full responsibility for identifying hazardous chemicals. "This is normally the function of OSHA, to determine what is hazardous and what is not," notes John W. Whittlesey, chief labor counsel for Union Carbide. "A real question is whether OSHA can delegate its standard-setting to a manufacturer."

Other chemical executives are leery



**The need
for information is
not the burning
issue.**

Horace A. Thompson,
American Bar Assn.

of OSHA's vague definition of a health hazard, which includes any chemical that "may result in the occurrence of acute or chronic health effects in employees." Even CMA's Joyce concedes that the proposed standard is not foolproof—it allows industry to keep a substance unlabeled until scientific conflicts over its potential danger are resolved. "There is no simple answer as to what industry will do if there is contradictory evidence," Joyce says. "It's going to be the proverbial case-by-case decision." **Nagging questions.** Legal and philosophical questions of just where responsibility belongs are at the heart of the controversy over right-to-know rules. But there are also nagging procedural questions about how any standard should be implemented. OSHA's proposal calls for labeling of all containers found in the workplace, but its requirements are "performance-oriented." This means that the employer can decide how to label the container—by chemical name, generic name or trade name; what kind of hazard warning is included; and whether the label will be on the container or posted alongside.

Union industrial hygienists fear that the use of generic names will foil their efforts to assess the risks at hand and will fail to alert workers to substances better known by other names. If generic classifications are used, they explain, DBCP or vinyl chloride—which many workers recognize as toxic—could be listed as "halogenated hydrocarbons," a meaningless designation to all but the most sophisticated workers.

The standard is more explicit when it comes to supporting documentation. It would require manufacturers to make a material-safety data sheet (MSDS) available to all employees, explaining in detail various potential hazards of the chemicals. The MSDS, which is already used by many firms, would include data on the effects of long-term exposure and describe health conditions that exposure may aggravate.

User community. Manufacturers are also expected to distribute data sheets to their customers, who must then make them available to their own employees. Although several industry groups question OSHA's legal power to force manufacturers to give an MSDS to any downstream user of chemicals, most acknowledge the rule's wisdom: Manufacturers are more experienced in dealing with the questions of what is or is not hazardous and in training employees to deal with dangerous substances. "You're talking about the transfer of knowledge to the user community," ex-

plains McMahon of the New York Business Council. After New York passed its right-to-know law, he recalls, "the first question I was getting was, 'What's a NIOSH directory?'"

From the viewpoint of both workers and health officials, it is essential that hazard warnings accompany every step of a chemical's journey to end-product.

The chemical industry backs federal preemption of states' and cities' right to know

Dr. Stephen M. Hessel, chairman of Chicago's Cook County Hospital's division of occupational medicine, recounts the case of an 18-year-old worker at a metal-coating operation who was suffering a severe respiratory infection that eventually landed him in intensive care.

Hessel asked his patient to describe substances he worked with at the plant. Ignorant of the chemical composition of the specific powder he used on the job and afraid to ask his employer about it, the worker instead brought a sample. Hessel analyzed the powder and found traces of arsenic.

The original supplier, Amoco, was well aware of the powder's problem but informed Hessel that trimellitic anhydride, which was also present in the substance, was actually to blame for the worker's ailment. "They were very cooperative," Hessel recalls. "They confirmed that the patient had had a reaction to the material." As for the worker's boss, Hessel says, "I don't think [the employer] knew himself" that the powder contained either substance.

Such stories lend weight to labor's insistence on the need for precise labels.

Communities want to know, too

Labor groups are not alone in clamoring for strong right-to-know laws. Now, local communities are also demanding more comprehensive information about substances used within their geographic limits. Some require industry to tell officials not only what chemical substances are used, but how much of the material is present and what the firm does with it. And a few even tell local businesses to disclose the exact location of hazardous substances within a plant.

Many of the existing and proposed rulings are designed to enable localities to plan better the most effective response to an emergency—say, a fire or an explosion. The need for this information has been well documented. A recent study by Ohio State University's Disaster Research Center finds that most U.S. communities are ill prepared for chemical emergencies. While many private firms are equipped to cope with in-plant accidents, the study suggests that towns and cities are particularly deficient in contingency plans for crises related to the transportation of toxics.

Several localities are not willing to settle for rules that just help them handle emergencies. They want regulations to provide health officials and citizens with general information on public exposure to toxic or potentially toxic substances. For example, California's public right-to-know drive is

"largely a public-health program," says Kenneth Finney, Governor Edmund G. Brown, Jr.'s assistant for the control of toxic substances. "The need for information hasn't been met at the local level," Finney says. "It is local officials and residents who face the reality of toxic hazards in their communities."

Understandably, the idea of yet another set of regulations mandating the disclosure of data perturbs industry groups. "We're just now realizing that public right to know may override worker right to know in terms of the problems it may present," says Robert E. Belliveau, associate manager of technical government relations for Procter & Gamble. Belliveau, who has worked extensively with the Chemical Specialties Manufacturers Assn. on the right-to-know issue, explains that companies are alarmed at the demand for quantitative information that industry views as confidential.

The California ordinance. California's model ordinance, which requires detailed information from companies about chemicals and their uses, epitomizes the type of law that industry fears. The state took the lead in passing a statewide statute for workplace labeling in 1980 and is now encouraging cities and counties to adopt its proposed community rules. Moreover, Governor Brown is requesting an allocation of \$428,000 in the state's 1982-

ing of chemicals. Indeed, the OSHA proposal describes the exact chemical identity as "the passkey to the scientific literature" concerning a substance's toxic effects. But industry is equally adamant in saying that an employer should not be forced to reveal the chemical name for a substance as long as the company provides detailed information on the hazards of exposure.

Herein, for labor and industry alike, lies the thorny question of trade secrets. And the OSHA standard as it now reads satisfies neither camp. Labor is angered that the agency would allow employers to withhold the chemical identity of a substance—except from a treating physician—if employers can prove that disclosure would jeopardize the product's competitiveness and if a full description of the hazards of exposure is made in the material-safety data

1983 budget for educational programs and local hearings on the matter.

Brown's program has broad backing—from environmentalists to labor groups to firefighters. "We feel it is a good idea that firemen have a clear understanding of hazardous substances they face in the event of a fire emergency," says Robert Griffith, director of safety and health for the Federated Firefighters of California.

San Diego County and three California cities—Vallejo, Santa Monica and Union City—have passed their own measures. Vallejo's version is limited to keeping the local fire department informed about local industry's use of toxics. Santa Monica, on the other hand, requires local companies to report by Sept. 1 on three types of material: hazardous wastes, as defined by the state's administrative codes; priority pollutants, as listed by the Environmental Protection Agency; and radioactive materials, as defined by the Nuclear Regulatory Commission.

To many minds, it may seem that the right-to-know concept was born in Jerry Brown's state, but in actuality the first such ordinance was passed by Philadelphia. Since then, at least one other East Coast city has followed suit: Danbury, Conn., passed a public right-to-know ordinance in 1981. "The objective was to provide emergency-response officials with information," says Jack S. Kozuchowski, coordinator of the city's Environmental and Occupational Health Services Dept. Kozuchowski, describing Danbury's ordinance as "really keyed to emergency

sheet. That rule "is full of loopholes an unscrupulous company can drive trucks through," charges Michael Wright, United Steelworkers of America's industrial hygienist. Franklin Mirer, occupational health and safety director for the United Auto Workers, says, "OSHA's standard gives employers a free opportunity to call anything a trade secret."

The traditional alliance between labor and OSHA is being turned on its ear

Industry, meanwhile, is irate that OSHA has exempted from trade-secret protection any suspected carcinogens, teratogens, mutagens, or any other substances known to cause severe, irreversible damage to humans. "There is no protection for the chemical which may

response," explains that the rules were established after an employee of a local firm died fighting a chemical fire in a storage shed.

The ordinance "has not been vigorously enforced," says a spokesman for Danbury-headquartered Union Carbide. Nonetheless, local industry has lobbied hard against it. And it looks as though the provision will soon be substantially revised. The original ordinance required companies to report to local officials on any of more than 1,000 substances, but the city council will consider altering this to allow companies to submit emergency-response plans instead of a list of substances. The revision would also pare the hazard list to only those substances targeted as hazardous by the U.S. Transportation Dept.

Philadelphia, having passed the first municipal right-to-know law in 1980, now has the longest-running experience in implementing such requirements. The city's law spans the dual health and safety concerns of local requirements: The fire department monitors the storage, handling and transportation of dangerous materials; and the Air Management Services Dept. monitors toxic emissions. So far, the Air Management Service Dept. has found toxic emissions at 135 of the 650 enterprises that returned the department's questionnaire. Air Management Services Commissioner William Reilly is now looking into the emissions at those plants. So far, he says, "we have not uncovered anything alarming."

be carcinogenic, even though there is differing opinion on what is carcinogenic," says Robert P. Vogel, regulatory counsel at Rohm and Haas, who feels industry would like to see more protection for trade secrets involving suspected carcinogens.

Both industry and labor spokesmen have offered to compromise on the trade-secret issue. An OCAW official suggests that NIOSH should determine which formulations are eligible for trade-secret protection. And some unions and companies have suggested that manufacturers provide unions with complete information about proprietary products—as long as the unions sign nondisclosure agreements. But that method could also make unions vulnerable to law suits from ailing workers.

The Steelworkers and the International Chemical Workers Union say they would sign nondisclosure agreements to gain access to substance lists, while UAW's Mirer says his union would not. "If the information is a secret, then I don't want it," he says. Meanwhile, industry and labor are miles apart in their definition of "secret." Says the Steelworkers' Wright: "We are willing to recognize trade secrets, [but] anything a competitor can analyze in a lab shouldn't be included."

Duplication. Thayer Talcott, Dow Chemical's manager of product-safety compliance, concedes that process is the key to duplicating his company's products, which he says could not be easily duplicated working from a substance list. "I have heard manufacturers of disinfectants and the like say that the whole secret of their business is in the particular combination," Talcott notes. But while many such customers claim their products are more easily duplicated—and therefore in greater need of protection—these are the very products that can be most easily analyzed.

Talcott maintains that competitors would learn the workings of process-oriented products like Dow's if they got their hands on a complete list of chemical components. "If you're talking with analytical chemists, they'll say, 'We can find anything if you give us enough time and equipment,'" Talcott explains. "But that might mean six to nine months and hundreds of thousands of dollars worth of equipment." With an ingredient list in hand, says Talcott, breaking down a competitor's process would be far less costly.

What purpose the listing of exact chemical compositions would serve for workers—confusion or help—also stirs disagreement. Talcott, for one, insists

that chemical names do not convey much information to people who are not schooled in chemistry. But health professionals dispute this view. "Workers can't pronounce them and can't spell them," counters Susan M. Daum, a physician specializing in occupational disease, "but they can copy them down and bring them to me."

Daum is one of a growing cadre of physicians who want right-to-know laws that will both mandate generic chemical names and force companies to keep records in perpetuity of what chemicals were used at what time. They note that many forms of cancer and other diseases have incubation periods measurable in decades, and that it can be essential to know what a patient was exposed to in the past to make an accurate diagnosis today. "If you don't know what you're exposed to, now and 20 years ago, you don't have a chance in the world of figuring out whether [a workplace substance] played a role" in the onset of disease, Daum insists.

'State legislatures have been more eager to put new laws on the books than enforce them'

Some state laws mandate long-term record-keeping, but OSHA's proposals ask only for current lists. To labor, this is unacceptable. "Our union is the last one to want to rely on epidemiological studies," says an OCAW official, "but if some things occur only in human populations and we don't keep the records, we're never going to see the connection" between disease and exposure.

Some right-to-know advocates suggest that manufacturers are wary of keeping records for the long term, fearing better-documented linkage between disease and occupational exposure. But industry disputes this view. "If you have claims being filed, you want to have those records to support your side," says Union Carbide's Whittlesey. "The real problem with keeping records is the expense and the nuisance of keeping a lot of paper. You can proliferate records until they're coming out of your ears, but eventually the space they take up will cost you money."

By requiring only current listings of chemical hazards, OSHA claims it has kept the cost of setting up record-keeping systems down to an estimated \$14.7 million for all companies combined. The agency estimates the total cost for implementing its proposals at \$581.9 million initially—and \$227.9 million each year thereafter. OSHA predicts that ini-

tial hazard evaluation would be the most expensive component, accounting for \$230 million of industry's costs. Labeling would cost industry an additional \$177.8 million to start, OSHA reckons, followed by annual expenditures of \$69.8 million. Startup educational programs would require about \$125 million.

"We think the proposal overstates the benefits and underestimates the cost," says CSMA attorney Levin. He notes that OSHA puts the cost of educational programs at an estimated \$41 per employee during the first year of compliance and \$16/year thereafter. But he says that OSHA did not include in its figures either the cost of employee time spent in training or the cost of bringing in an industrial hygienist to conduct the

scope of the final standard has yet to be decided. So far, the preliminary standard exempts new chemicals in development and all imported substances from hazard communication procedures. Neither of the two exemptions is exhilarating to industry or overly bothersome to labor. Of far more concern to industry is that OSHA has to date refused to exempt laboratories from the rules. And labor is unhappy that the agency has excluded service workers and other non-manufacturing employees.

There is also considerable dissidence—and no little confusion—about requirements for the pipes and reactor vessels used in chemical processes. As OSHA now stands, pipes are exempt from regulations but reactor vessels



Dr. Stephen M. Hessel (left) wants hazard data to follow substances downstream.

training sessions. Thus, CSMA estimates that the same programs will cost \$160 per employee during the first year.

The cost of it. Levin and others also argue with OSHA's overall estimates for record-keeping costs. According to Levin, costs will be particularly high for smaller companies producing a variety of formulations. He points to one CSMA member company that must fill in MSDS forms on 2,000 different substances. But even giant Du Pont considers the costs unwieldy. Ned K. Walters, Du Pont's chief of safety and fire protection, estimates that the cost of compliance for one of his company's departments will be twice OSHA figures.

Cost figures from both sides are ballpark estimates at best, for the full

must be labeled. "Two-thirds of our membership is working with piping systems," says OCAW's Kregel. "We've had a lot of fatalities due to lack of labels in piping."

Kregel cites an accident last year at a Port Arthur, Tex., refinery, where a brick mason died from lack of oxygen when an air hose was mistakenly connected to an unmarked nitrogen flue-gas line. "I'm not saying label the entire piping system," Kregel says. "Label the line ends and label the valves—it would be cost effective."

No simple matter. Industry is no less troubled by OSHA's insistence that it should label reactor vessels. Du Pont's Walters notes that in one of its departments the company uses the same ves-

sels to create 50 different products based on 25 ingredients. Because the chemical composition of the contents of a vessel is constantly being changed, he says, "it is not always a simple matter to label a container."

As a result of all this dissatisfaction, OSHA's standard will undoubtedly be hamstrung by court battles for years before it can be implemented. And that is another reason why labor is lobbying so strongly for state rules. Says AFL-CIO industrial hygienist Margaret Seminario: "There will be a real need, practically speaking, to protect people during the next five years."

Even so, unions doubt that the states will vigorously enforce their own statutes. "The state legislatures have been more eager to put laws on the books than to enforce them," notes the Steelworkers' Wright. "You have to push very aggressively to get much action." Lesser evil. But unions and their allies will press for state rules as the lesser of two evils, simply because they perceive OSHA under Administrator Aucter as an empty shell. "There's really a deep concern on the part of working people about the decimation of OSHA," says Harriet S. Applegate, associate director of the Ohio Public Interest Group. "There's a sense that there's nothing to protect people unless they protect themselves."

Applegate was part of a Cincinnati group that drafted a citywide ordinance for workers' right to know after a joint study by Johns Hopkins and Howard universities, released in 1980, showed that the city led the nation in the incidence of several types of cancer. Despite fierce opposition from the business community, the city council passed a compromise version of the ordinance on June 3.

The bill mandates that employers use National Fire Protection Assn. labels on containers for substances defined as hazardous on OSHA's subpart Z list—a list far shorter than the NIOSH list first proposed. The chemical's name is to be available on the MSDS, except in the case of trade secrets, with the city managers to act as referees if trade secrecy conflicts arise.

Unless OSHA moves far more quickly than most observers expect, what happened in Cincinnati seems likely to be repeated. "We've targeted the right to know as one of the most critical issues for the 1980s," says Warren Stickle, CSMA's director of legislative affairs. "It's going to be an issue that will arise in state after state, community after community." □

Now the generic drugs can be look-alikes, too

When the U.S. patent held by Hoffmann-La Roche for its tranquilizer Valium expires in 1985, more than a dozen makers of generic drugs are expected to seek the Food and Drug Administration's approval to market diazepam, the generic name for the chemical on which Valium is based. And once such approval is granted, each of these companies will likely bring out a pill resembling the size, shape, and color of the little yellow tablets that bring La Roche more than \$200 million/year. Companies in the generic market predict that their less-expensive copies could cut Valium sales in the U.S. by 20-30%.

Like any big producer confronted by the expiration of its patent on a big

Court rulings allow makers of generics to carbon-copy name brands as patents expire

seller, La Roche would be happy to throw a legal monkey wrench into the plans of the generic marketers. "These companies should not be permitted to use the reputation of a brand product," says a La Roche spokesman. "We strongly feel that copying a branded product in any way is a false and deceptive marketing practice."

Unfortunately for La Roche, that point of view has few friends in court. In the case of *Inwood Laboratories et al. vs. Ives Laboratories*, the Supreme Court early this month set a precedent likely to render futile any legal maneuvering that La Roche, or any other name-brand company, has in mind to disrupt competitors' plans to market less expensive, generic look-alikes. And the name-brand manufacturers are uneasily awaiting a ruling by the U.S. Court of Appeals for the Second Circuit (New York City) on another aspect of the same case. Here the industry fears the court will uphold a lower-court decision squarely in favor of the rights that generic manufacturers have to emulate formerly patented products.

The Supreme Court handed down its *Inwood vs. Ives* decision on June 1. The court said that neither Inwood, a small generic drug producer based in New York City, nor a number of other small companies that had joined in the case, should be prevented from marketing

drugs identical in composition and appearance to Cyclospasmol. The patent on Cyclospasmol, a circulatory drug developed by the Ives Laboratories division of American Home Products, expired in 1972.

At issue was the validity of an FDA regulation allowing a generic marketer such as Inwood to duplicate the blue-and-red Cyclospasmol capsules. Marketers of generics insist they copy the appearance of a name-brand drug such as Cyclospasmol in order to avoid confusion at wholesale and consumer levels.

Ives argued unsuccessfully in a federal district court that the practice opens the door to mislabeling by pharmacists, whether intentionally or accidentally, and consequently in lost sales for Ives. However, the Second Circuit Appeals Court, on its first hearing of the case, decided that branded drugs deserve protection, reversed the lower court ruling, and enjoined the generic makers from selling copies. The Supreme Court then overturned the appeals court ruling, agreeing with the district court that generic drug companies cannot be held responsible for the possible action of a pharmacist.

A broader claim. However, the Supreme Court did not rule on Ives' broader claim—that the marketing of a look-alike generic constitutes an infringement against the trademark of a name-brand drug. And sources in the pharmaceuticals industry predict that, from their point of view, this claim will fare no better since it, too, was denied by the federal district court and was not ruled on by the appeals court.

The Supreme Court has remanded Ives' broad infringement claim to the appeals court for final disposition, with instructions that the appeals court not overturn the district court ruling unless Ives can unequivocally invalidate the generic drug manufacturers' argument that look-alike drugs are necessary to prevent harmful mixups of dissimilar drugs by consumers. This appeals court ruling is expected later this year.

Buoyed by victory in the Cyclospasmol case, the generic drug industry is now looking ahead with gleeful anticipation. Over the next three years, more than 40 major name-brand drugs will lose their patent protection. Among them is Inderal, a cardiovascular drug

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. CS for SB 79 (Res)
 Title Toxic waste and hazardous substances in the workplace
 Requested by Senate Finance Committee Date May 19, 1983

II. FISCAL DETAIL
 Agency Affected Department of Environmental Conservation
 Program Category Affected Hazardous Waste
 BRU, Program, or Subprogram(s) Affected Laboratory Monitoring Support
 (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 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES	0	0				
200 TRAVEL	0	0				
300 CONTRACTUAL	0	0				
400 COMMODITIES	0	0				
500 EQUIPMENT	0	0				
600 LAND & STRUCTURES	0	0				
700 GRANTS, CLAIMS, ETC.	0	0				
TOTAL	0	0				


FUNDING (Thousands of Dollars)

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

POSITIONS

FULL TIME	0	0				
PART TIME	0	0				
TEMPORARY	0	0				

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

IV. DATE May 19, 1983 PREPARED BY 
 AGENCY Don Bennett, Co-chairman
 PHONE Senate Finance Committee
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

1.	POSITION TITLE Industrial Hygienist I				RANGE/STEP 19A	BARG. UNIT GGU	FORM 12	PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER CS for HB 197	PCN NUMBER	BRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT		LEG.		
3.	CONTINUATION LEVEL				JUSTIFICATION						
4.	TYPE OF EXPENDITURE			PERSONAL SERVICES							
5.	Salary		39,135								
6.	Benefits		6,053								
7.	Supplemental Benefits		2,338								
8.	Fixed Benefits		2,880								
9.	TOTAL PERSONAL SERVICES	01	49,406								
10.	Travel	02	17,500								
11.	Contractual	03	25,622								
12.	Commodities	04	1,500								
13.	Equipment	05	10,200								
14.	Other										
15.	TOTAL COST		104,228								
16.	RECEIPT CODE		FUNDING SOURCE								
17.			Federal Receipts 1002								
18.	100		G.F. Match 1003								
19.			General Funds 1004								
20.			I-A Receipts 1005								
21.			Program Receipts 1028								
				104,228							
				Other							

The hygienist will ascertain the effects a chemical/substance will produce, recommend remedial action if required and communicate this information to requestor in understandable terminology. As the populace becomes better informed, there will undoubtedly be more requests for this agency to visit work/storage sites to monitor them for potentially hazardous conditions.

Personal services calculations are based on the salary schedule that is currently awaiting approval for FY '84.

Travel funds include \$2,500 in relocation and recruiting expense and \$15,000 for in-state travel because this position will be conducting training sessions and other workshops throughout the State.

Contractual services consist of \$3,400 for rent, \$5,022 for indirect support services, 5,000 for increased laboratory costs, \$7,200 for printing and postage for hazardous information, and \$5,000 for basic operating expenses.

The equipment costs are comprised of various scientific equipment (\$7,700), office equipment (\$1,500), and protective equipment (\$1,000).

13 REQUEST FOR
NEW POSITION

AGENCY Labor
PROGRAM Workers' Protection
APU Labor Standards and Safety
COMPONENT Occupational Safety and Health
Administration

CSHB 197(L&C)
Page 3 of 4
Revised Date _____

FY 84

LEG:H:6

1.	POSITION TITLE Clerk Typist III				RANGE/STEP RA	BARG. UNIT GGU	FORM 12	PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER CS FOR HB 197	PCN NUMBER	BRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT		LEG.		
3.	CONTINUATION LEVEL				JUSTIFICATION						
4.	TYPE OF EXPENDITURE			PERSONAL SERVICES							
5.	Salary		18,647								
6.	Benefits		2,960								
7.	Supplemental Benefits		1,143								
8.	Fixed Benefits		2,880								
9.	TOTAL PERSONAL SERVICES	01	25,630								
10.	Travel	02	0								
11.	Contractual	03	11,856								
12.	Commodities	04	1,000								
13.	Equipment	05	2,500								
14.	Other										
15.	TOTAL COST		40,986								
16.	RECEIPT CODE		FUNDING SOURCE								
17.			Federal Receipts 1002								
18.	100		G.F. Match 1003								
19.			General Funds 1004								
20.			I-A Receipts 1005								
21.			Program Receipts 1028								
				40,986							
				Other							

This position is necessary to provide support to the Industrial Hygienist to handle the increased activity that will occur as a result of implementing the provisions of Committee Substitute for House Bill 197.

This position will type and file information under direction of the Industrial Hygienist.

Personal services calculations are based on the salary schedule that is currently awaiting approval for FY 1984.

Contractual services costs consist of equipment rent, management services support of \$2,456, and space rent of \$3,400. Additionally, \$1,000 for a word processing data management package will be required to collate, and facilitate the disseminating of hazardous substance information. All other costs are normal operating costs.

13 REQUEST FOR
NEW POSITION

AGENCY Labor
PROGRAM Worker Protection
APU Labor Standards and Safety
COMPONENT Occupational Safety and Health
Administration

CSHB 197(L&C)
Page 4 of 4
Revised Date _____

FY 84

LEG:H:7

FISCAL NOTE Revision Date May 19, 1983

- I. REQUEST (Page 1 of 4)
 B1117 Resolution No.: CS for HB 197(LSC)
 Title: "hazardous & toxic substances"
 Sponsor: Labor & Commerce Committee
 Requestor: House Labor & Commerce Comm.
- II. FISCAL DETAIL
 Agency Affected: Labor
 Program Category Affected: Worker Protection
 BRU, Program of Subprogram(s) Affected:
 Labor Standards & Safety, Occupational
 Safety & Health

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES		75.0	79.5	84.3	89.4	94.8
200 TRAVEL		17.5	10.6	11.2	11.9	12.6
300 CONTRACTUAL		37.5	39.8	42.2	44.7	47.4
400 COMMODITIES		2.5	1.6	1.7	1.8	1.9
500 EQUIPMENT		12.7	0	0	0	0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING		145.2	131.5	139.4	147.9	156.7

CAPITAL	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88

FUNDING: (Thousands of Dollars)	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
GENERAL FUND		145.2	131.5	139.4	147.9	156.7
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
FULL-TIME		2	2	2	2	2
PART-TIME						
TEMPORARY						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

N/A

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Robert J. Nicolas, Sr. Phone: 465-4470
 Division: Labor Standards & Safety Date: May 19, 1983
 Approved by Commissioner: Jim Robison Date: May 19, 1983
 Department: Labor
 LEG:B:10

- Distribution:
 Original to Legislative Finance
 Copy to Office of Management and Budget (for Legislature introduced bills)
 Copy to Department (for Governor introduced bills)
 Copy to Sponsor
 Copy to Requestor (if different from Sponsor)

3/8/83

FISCAL NOTE

THE LEGISLATURE OF THE STATE OF ALASKA
 THIRTEENTH LEGISLATURE
 TITLE: "An Act relating to hazardous and toxic substances."
 AGENCY AFFECTED: Department of Labor
 Page 2 of 4

Under this bill the Department of Labor will be responsible for collecting and disseminating information regarding hazardous chemicals and/or substances at work or storage sites in Alaska.

An Industrial Hygienist position in Anchorage will be required to review and respond to requests about the effects of hazardous chemicals or substances, recommend remedial action if required, and communicate this information to the requestor. In addition, one clerical position will be required to provide support for the hygienist.

In addition to the personal services cost associated with the Industrial Hygienist and clerical position, the Department will need to increase the current contract for laboratory services (\$5,000), the indirect support services and rent allocations (\$7,479 and \$6,800 respectively), and its printing and postage allocations, distribution of posters, and safety data sheets. All other costs in Contractual Services are normal operating costs (\$7,200). Additionally, the Industrial Hygienist position will require various scientific measuring and sampling equipment (\$7,600), as well as basic office equipment. The Travel Budget for FY 1984 includes \$2,500 for recruiting and relocation expenses for the hygienist position and \$15,000 for extensive in-state travel to conduct training sessions and hazardous substance seminars throughout the State for the first year.

Assumptions:

The Department will collect and disseminate information regarding hazardous chemicals and/or substances to the general public, and as a result will also be making increased work-site inspections.

Inflation rate of 6 percent per annum.

The equipment costs of \$12,700 are one-time items.

\$5,000 of the in state travel is a one time item (informational visits) and \$2,500 of the travel for relocation/recruiting expenses is a one-time item.

Effective date of July 1, 1983.

\$1,000 of the first year's supply costs is a one-time item.

LEG:B:5

1320 K Street Apt. 8
Anchorage, Alaska 99501

Senator Joe Josephson
Pouch V
Juneau Alaska 99811

Dear Senator Joe Josephson,

I am writing to you in support of the Alaska Worker Right to Know Bill, SB 79. There is no question that workers health should be protected no matter what the cost may be.

A worker should be warned about the dangerous substances in the workplace before exposure causes infertility, disease, sickness, cancer or injury. Their families also need to be protected before problems such as birth defects and sickness occur within the family.

Why wait on a bill which is so instrumental in ensuring worker health. The Federal Occupational Safety and Health Act obviously is not presently protecting the worker to the necessary extent it should. The SB79 in its most recent form more closely deals with the hazards of the workplace and protection of the worker.

If we do not pass the Worker Right to Know Bill this year, we will be losing many lives in the year to come. How much are these lives worth? How much will the days lost due to sickness be worth? These costs must be considered if we are to give this bill a fair chance. Thank you very much for taking the time to read this letter.

Sincerely,

Marilyn Heiman
Marilyn Heiman

RECEIVED

MAY 11 1983

Josephson,

Sea-Land Service, Inc.

100 WEST HARRISON STREET, SUITE 622
SEATTLE, WASHINGTON 98119

June 7, 1983

H. L. SCHUYLER
Director Public Affairs
Alaska Division

TELEPHONE:
(206) 938-6349

Honorable J. P. Josephson
Senator, State of Alaska
Pouch V
Juneau, Alaska 99811

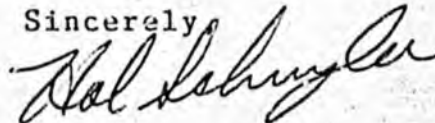
Dear Senator:

We, in the Transportation Industry, certainly appreciate your efforts in relieving our Industry of the increased workload on reporting the handling of materials described in S.B. 79. As we pointed out, we do report or record all movements of these materials with the Department of Transportation.

Hopefully, you in Juneau will be able to see the light at the end of the tunnel in the near future. Will try to visit with you in Anchorage later on.

Thanks again.

Sincerely,



HLS:kt

The concern in Juneau is that the workload might be too high. I do hope that you will be able to see the light at the end of the tunnel in the near future. Will try to visit with you in Anchorage later on.

S B

101

CSSB 101 (Res) RELATING TO THE ISSUANCE OF CITATIONS FOR FISH
AND GAME VIOLATIONS.

ASK FOR UNANIMOUS CONSENT FOR ADOPTION OF THE RESOURCES COMMITTEE
SUBSTITUTE.

(SMALL CHANGES WERE MADE IN THE C.S : (ALL RECOMMENDED BY THE COURT SYSTEM)

.. REMOVED REFERENCES TO "MINOR MISDEMEANOR" AS IT HAS NO
LEGAL DEFINITION

.. ALLOWS THE DEFENDANT TO PAY BAIL IN THE COURT WHERE THE
OFFICER FILES THE CITATION RATHER THAN IN THE COURT OF
JURISDICTION

... MAKES AN ALLOWANCE FOR A PERSON WHO FORGETS TO SIGN HIS/HER
CITATION

.. AND SOME TECHNICAL CHANGES IN LINE WITH RECOMMENDATIONS FROM
THE ATTORNEY GENERAL'S OFFICE

LETTER OF INTENT

IN THIRD READING, PRIOR TO PASSAGE, ASK FOR UNANIMOUS CONSENT FOR
ADOPTION OF THE LETTER OF INTENT.

.. ASSURES THAT ONLY MINOR OFFENSES WOULD BE COVERED BY THIS
BILL

IN GENERAL

THIS BILL WOULD GIVE PEACE OFFICERS THE AUTHORITY TO ISSUE CITATIONS
FOR FISH AND GAME MISDEMEANORS UNDER A PROCEDURE SIMILAR TO THE ISSUANCE
OF TRAFFIC CITATIONS. THE INTENT IS TO EXPEDITE THE ENFORCEMENT
PROCEDURE BY REDUCING COURT LOADS. THE SUPREME COURT IS TO IDENTIFY
THE MISDEMEANORS APPROPRIATE FOR DISPOSITION WITHOUT COURT APPEARANCE -
CONSIDERABLE WORK WAS DONE IN COMMITTEE TO ASSURE THAT ONLY MINOR
OFFENSES WOULD BE COVERED BY THE TRAFFIC TICKETING SYSTEM. WE
ANTICIPATE A REDUCTION OF ABOUT 1,000 CASES A YEAR THAT WOULD NORMALLY
GO BEFORE THE COURTS.

FISCAL NOTE IS ZERO.

SENATE RESOURCES COMMITTEE

LETTER OF INTENT

CSSB 101

It is the intent of the Resources Committee in passing out this bill that the Supreme Court shall specify certain fish and game violations for which bail amounts can be set and for which citations could be issued which would not require court appearances. It is intended that this procedure be similar to that currently employed under the motor vehicle code for traffic citations. Through implementation of this procedure it is intended that savings to the court system, enforcement agencies and violators in time would be realized.

However, the Committee recognizes that only some fish and game misdemeanors would be identified under this new statute because of their "minor" nature. Other misdemeanors would continue to require court appearances by the cited violators. In testimony before the Committee and in statements to the Committee the following misdemeanors were mentioned as examples of those violations for which the provisions of this bill might in all likelihood apply:

- 1) snagging or attempting to snag fish
- 2) failure to punch harvest tickets
- 3) failure to submit hunting permit reports
- 4) license not in possession

The following misdemeanors were mentioned as examples of those violations for which the provisions of this bill should probably not apply:

- 1) commercial fish
- 2) limited entry
- 3) guide related
- 4) closed season
- 5) same-day airborne
- 6) waste

It is the intention of the Committee that the Supreme Court, in consultation with the Department of Public Safety, would identify misdemeanors under this bill consistent with the above lists.



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 1, 1983

The Honorable Jalmar Kerttula
President of the Senate
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Mr. President:

Under authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that will establish an expeditious procedure to dispose of minor uncontested misdemeanor fish and game violations.

Under existing law (AS 12.25.180), peace officers have the authority to issue citations for misdemeanors instead of arresting the offender. Once a citation is issued, however, the offender must ordinarily appear in court, even if he does not wish to contest the charge. Section 1 of the attached bill adopts a procedure similar to that found in the motor vehicle code (AS 28.05.151) which allows the offender to post and forfeit bail if he does not wish to contest the charge. The bill also authorizes the supreme court to establish a bail schedule for those minor misdemeanor offenses which are appropriate for disposition without court appearance.

As in the comparable motor vehicle code provision, this bill provides that when a person is convicted of a minor misdemeanor which is included in the bail schedule, the fine imposed may not exceed the bail amount, even though statutes or regulations may allow a higher maximum penalty level. This bail amount "ceiling" on fines is necessary to ensure that a person who contests a citation and goes to trial will not receive a more severe penalty upon conviction than the person who enters a no contest plea and forfeits the bail amount without appearance. To expose the person who contests a citation to a higher maximum possible sentence would penalize the exercise of the right to a trial, constituting a denial of equal protection of the law.

Section 2 of this bill generally exempts persons who have been convicted of two or more minor fish and game violations from the mandatory license forfeiture required by AS

16.05.410(a) -- (c). However, the bill also provides that, in specific appropriate situations the hunting or fishing licenses of frequent repeat minor offenders may be revoked following a district court hearing.

Passage of this bill will benefit law enforcement, the person cited for a relatively minor offense, and the judicial system. The person will avoid the time and expense associated with a court appearance, while law enforcement will be able to concentrate its resources on more serious offenses. We anticipate a reduction of approximately 1,000 cases per year that would normally go before the courts.

Sincerely,



Bill Sheffield
Governor

STATE OF ALASKA
PRELIMINARY STATEMENT OF FISCAL IMPACT

Bill No: SB 101 Date on Bill: 2/1/83
 Title: An Act relating to issuance of citations for fish & game violations
 Sponsor: Rules Committee by Request of the Governor
 Requestor: Senate Resources

1. Estimated fiscal impacts on:

a. Expenditures:

(Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86
Capital				
Operating				
Total	-0-	-0-	-0-	-0-

b. Revenues:

Revenue				
---------	--	--	--	--

2. Source of funds to offset fiscal impact of bill:

3. Assumptions:

No fiscal impact.

4. Disclaimer:

This statement has not been reviewed by the OMB in the Office of the Governor. It therefore does not represent the final estimate of fiscal impact.

Prepared By: Paul Conder Phone: 465-4338
 Division: Administrative Services Date: 2/16/83

Approved by Commissioner: *Robert J. ...* Date: 2-22-83
 Department: Public Safety

5. Distribution:

- Original to Legislative Finance
- Copy to OMB
- Copy to Sponsor
- Copy to Requestor

2/15/83

STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

ROBERT J. SUNDBERG
COMMISSIONER

DEPARTMENT OF PUBLIC SAFETY

DIVISION OF FISH & WILDLIFE PROTECTION

P. O. BOX 6188, ANNEX
ANCHORAGE, ALASKA 99502

awn
March 9, 1983

Representative Mitch Abood
Pouch V
Juneau, Alaska - 99801

Dear Representative Abood:

During the budget hearings on March 7th involving the Division of Fish and Wildlife Protection we discussed Senate Bill 101 and it's potential impact on the Division. Senate Bill 101 was introduced on February 1st, 1983 and is a bill entitled "An Act Relating to the Issuance of Citations for Fish and Game Violations."

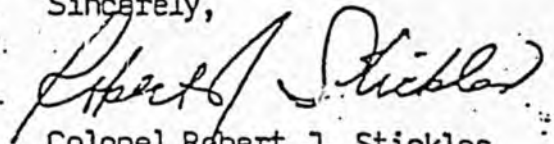
Should this Bill pass it will allow the Alaska Supreme Court to establish a bail system for minor fish and wildlife offenses. If that occurs we anticipate approximately twenty (20) of the most common and minor violations being placed on this bail system. A fine will be established by the Court System for the offenses and if an individual is caught in a violation he will have the option of mailing in a fine or appearing in court. We anticipate that this will have a significant impact on the Court System, the Division of Fish and Wildlife Protection and the District Attorneys Office and it will be a positive impact because we feel an overwhelming majority of people will elect to use the bail system.

In an era when the State's treasury is going down and operating funds for the Division are not going to be as great as they have been in the past this type of legislation will assist the Division in maintaining it's current posture while decreasing expenditures at the same time. Last year the Division spent nearly 6,000 hours in court in the prosecution of the violations that we apprehended in the field. We believe that at a minimum, one half of this time can be eliminated if this particular piece of legislation passes. I would like to note also that we believe this will be of tremendous benefit to the sportsmen of the State of Alaska. I say sportsmen because right now we do not envision commercial type violations being placed on the bail system. In many cases persons are traveling, for example from Anchorage to Kenai to participate in the sport fishery and are cited for a violation. In order to go to court the individual has to take at least one day off from work, go to court, plead guilty or innocent, pay his fine, and it's an inconvenience to the general public as well as a burden on the court system, my officer's time, and the District Attorney's time. We feel the passage of this Bill will help not only us, but also the citizen.

MARCH 9, 1983

Should this Bill come before the House State Affairs Committee of which you are the Chairman, I urge your support for this piece of legislation. If we can be of further assistance in explaining the benefits of this legislation or in answering any questions, please feel free to contact us.

Sincerely,



Colonel Robert J. Stickles
Director

RJS/rt

cc: Commissioner Robert J. Sundberg, Department of Public Safety.

S

B

105

April 15, 1983

Bob Cross
Alaska Power Admin.

These are informal observations on the House Resources staff analysis on SB 105 (copy attached).

The first three paragraphs provide an accurate assessment of the situation. Six problem areas are listed in the fourth. These are repeated below, along with my notes.

1. Who will own the project?

The current proposal involves State financial participation in a Federally-owned project under the existing Snettisham Project Authorization. The plan is contingent upon action in the U.S. Congress to permit the Corps of Engineers to accept State funds and instructions to the Corps to start construction (no State money would be channeled to the Corps and expended unless the Congress makes these provisions).

The proposal has thus far been treated separately from the idea of the State acquiring ownership of Snettisham Project. Most people who have looked at this idea believe it makes sense, but that because of timing and other factors, it would be best to get started on Crater construction under the present Federal authorization before tackling the larger question.

2. Who will operate the project?

Until the existing authorization is changed, the Alaska Power Administration would continue to operate Snettisham, including the Crater Lake unit.

3. Who will buy the power.

We propose to market Snettisham, including Crater Lake, as a single project; the primary market area would be Juneau; and the customers would be the Alaska Electric Light & Power Company and Glacier Highway Electric Association.

4. Should the state fund the entire project (est. \$60 million)?

I do not see any advantage to the State to assume 100 percent of the funding responsibility if some Federal funds are available.

5. Should the state try to get Crater Lake into the statewide power plan? In this regard, Crater Lake is the best project in the state, in that it is relatively inexpensive to bring on line, and its capacity would be absorbed within only a couple of years after its completion. If it was brought into the statewide system, its efficiency would economically bolster the less efficient projects now being constructed by the APA.

The State would have several options in setting the criteria for any financial participation in Crater Lake. One obvious alternative would be to require a return equivalent to that on State investment in the Energy Program for Alaska. However, as long as the Crater Lake unit is in Federal ownership, it would probably not be appropriate to include any part of Snettisham in the Energy Program.

6. What will the state realize for its \$4.5 million? If the State gives the \$4.5 million to the Federal government, essentially as seed money, it takes the chance that it will never see any of it back, in the form of a part ownership of the project. On the other hand, there is some speculation that the APA may eventually assume control and ownership of Federal power projects in Alaska, in which case the money would not be lost.

The main objective of the \$4.5 million appropriation is assistance to the Congressional delegation in getting construction started on Crater Lake.

The \$4.5 million would not "buy" a piece of a project, but the State has full authority to set whatever criteria it determines are appropriate for return on the State investment.

It would seem logical that any State investment would facilitate future acquisition.

DRAFT

CRAFTER LAKE

FINANCIAL ANALYSIS
(Melted Route)

STATE OF ALASKA
DEPT. OF COMMERCE & ECONOMIC DEVELOPMENT
ALASKA POWER AUTHORITY
334 West Fifth Ave.
Anchorage, Alaska 99501

March, 1983

DRAFT

CRATER LAKE FINANCIAL ANALYSIS

The attached analysis shows the ordinal ranking of the analyzed alternative financing schemes - from lowest to highest cost of power on annual basis.

(1) 50% Federal Financing 3% - 50 yrs.
50% State Grant

(2) 100% Federal Financing 3% - 50 yrs.

(3) 33.3% State Grant
33.3% Federal Financing 3% - 50 yrs.
33.3% Revenue Bonds 10% - 35 yrs

(4) 100% State Loan 5% - 35 yrs

(5) 33.3% Revenue Bonds - (10% - 35 yrs)
33.3% State Loan - 5% - 35 yrs
33.3% Federal Financing 3% - 50 yrs

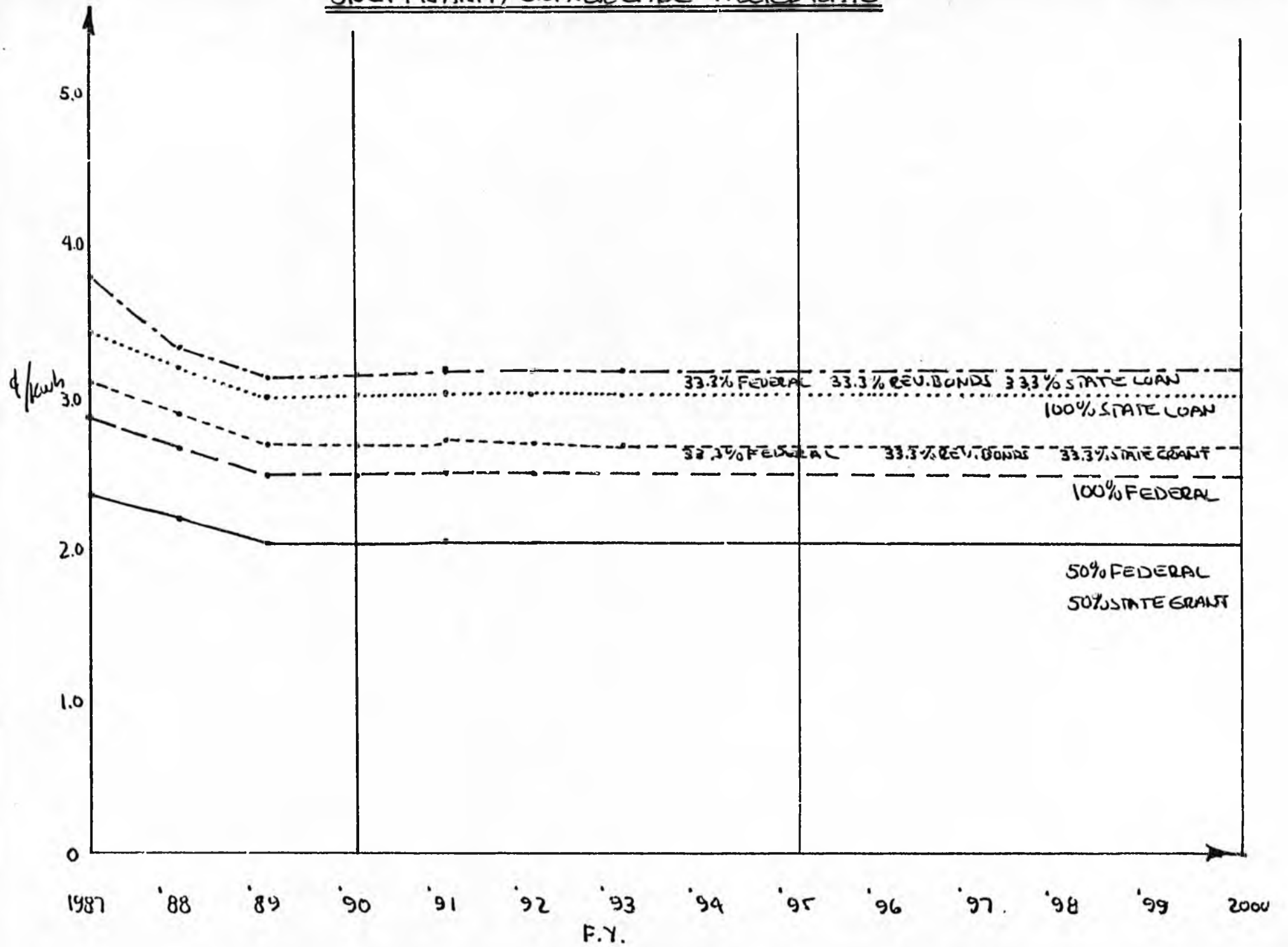
CRATER LAKE

- (1) Nov. 1982 Project Cost - \$51,617,000
- (2) Project Cost inflated to mid-pt. of Construction
- (3) Inflation Schedule - Data Resources Institute
- (4) Assumes no Interest During Construction
- (5) O&M for Crater Lake assumed to be zero
- (6) O&M schedule for Snettisham
 - 1987 - \$1,000,000
 - 1988 - 1,062,000
 - 1989 - 1,127,844
 - 1990 - 1,200,026
 - 1991 - 1,279,228
- (7) Assumes 5 year Construction Schedule
- (8) Last Year of Construction becomes operational
- (9) O&M after 1991 assumed to be constant at \$1,279,000/yr.
- (10) Debt/Service Coverage assumed to be at 1:10
- (11) Snettisham Debt Service
 - \$ 3.87 Mill./yr. - 1987
 - 3.89 Mill./yr. - 1988
 - 3.94 Mill./yr. - 1989
 - 3.95 Mill./yr. - 1990
 - 3.97 Mill./yr. - 1991
 - 3.99 Mill./yr. - 1992
 - ? ? ?
- (12) Mtd. Rate = Proportionate Debt share of Snettisham and Crater Lake

Components

- (a) Sales = Given (GWH) - Alaska Power Administration
- (b) Debt Service = $\$/kwh \times$ Sales (GWH) - Alaska Power Admin
- (c) O&M = Given / $\$/kwh \times$ Sales (GWH) - Alaska Power Admin.
- (d) Total = D/S + O&M
- (e) Computed separately for Snettisham & Crater Lake
- (f) Merged Rate = D/S (Snettisham + Crater Lake) + O&M (Snettisham + Crater Lake) \div Total Sales of Snettisham & Crater Lake
= $\$/kwh$

SNETTISHAM / CRATER LAKE METERED RATE



CRATER LAKE STAND ALONE : P/C = \$59.66; No IDC; No O&M; D/S = 1.10; 50% FED (3%-SUI); 50% State Grant

SNETTISHAM					CRATER LAKE				TOTAL (Merged Rate)			
YEAR	SALES (GWH)	D/S \$/M.IH	O&M \$/M.IH	Total \$/M.IH	Sales (GWH)	D/S \$/M.IH	O&M \$/M.IH	Total \$/M.IH	Sales (GWH)	D/S \$/M.IH	O&M \$/M.IH	Total (\$/GWH)
1987	194	3.87	1.00	4.87	63.6	1.26	-	1.26	257.6	5.13	1.00	2.58
1988	195	3.89	1.062	4.95	84.8	1.27	-	1.27	279.8	5.16	1.06	2.22
1989	196	3.94	1.12	5.06	106	1.27	-	1.27	302.0	5.21	1.12	2.09
1990	197	3.97	1.20	5.17	106	1.27	-	1.27	303.0	5.24	1.20	2.12
1991	198	3.99	1.28	5.27	106	1.27	-	1.27	304.0	5.26	1.28	2.15
1992	199	3.99	1.28	5.27	106	1.27	-	1.27	305.0	5.26	1.28	2.14
1993	200	3.99	1.28	5.27	106	1.27	-	1.27	306.0	5.26	1.28	2.14
1994	200	3.99	1.28	5.27	106	1.27	-	1.27	306.0	5.26	1.28	2.14
1995	200	3.99	1.28	5.27	106	1.27	-	1.27	306.0	5.26	1.28	2.14
1996	200	3.99	1.28	5.27	106	1.27	-	1.27	306.0	5.26	1.28	2.14
1997	200	3.99	1.28	5.27	106	1.27	-	1.27	306.0	5.26	1.28	2.14
1998	200	3.99	1.28	5.27	106	1.27	-	1.27	306.0	5.26	1.28	2.14
1999	200	3.99	1.28	5.27	106	1.27	-	1.27	306.0	5.26	1.28	2.14
2000	200	3.94	1.28	5.27	106	1.27	-	1.27	306.0	5.26	1.28	2.14

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CRATER LAKE STAND ALONE : P/C = \$59.66 MIL., NO IDC, NO O&M OR REAL O&M ESCALATION, D/S = 1.10, 50% FEDERAL FINANCING (32-50 YRS.), 50% STATE GRANT.

POWER RATE BASED ON THE INCLUSION OF: CRATER LAKE

PROJECT POWER RATE SUMMARY FOR : CRATER LAKE
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YEAR	PROJ COST INCL IDC DEBT DRAG \$MILLIONS	PROJ \$MILLIONS	SALES GMH	W/O CAP D/S RATE C/KWH	W/S CAP ADJUST. \$MILLIONS	WITH CAP D/S RATE C/KWH	O/M RATE C/KWH	TOTAL RATE C/KWH
1982	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1983	12.84	6.42	0.00	0.00	0.00	0.00	0.00	0.00
1984	43.75	21.87	0.00	0.00	0.00	0.00	0.00	0.00
1985	53.55	26.78	0.00	0.00	0.00	0.00	0.00	0.00
1986	58.79	29.40	0.00	0.00	0.00	0.00	0.00	0.00
1987	59.66	29.83	63.60	1.98	0.00	1.98	0.00	1.98
1988	59.66	29.83	84.80	1.50	0.00	1.50	0.00	1.50
1989	59.66	29.83	106.00	1.20	0.00	1.20	0.00	1.20
1990	59.66	29.83	106.00	1.20	0.00	1.20	0.00	1.20
1991	59.66	29.83	106.00	1.20	0.00	1.20	0.00	1.20
1992	59.66	29.83	106.00	1.20	0.00	1.20	0.00	1.20
1993	59.66	29.83	106.00	1.20	0.00	1.20	0.00	1.20
1994	59.66	29.83	106.00	1.20	0.00	1.20	0.00	1.20
1995	59.66	29.83	106.00	1.20	0.00	1.20	0.00	1.20
1996	59.66	29.83	106.00	1.20	0.00	1.20	0.00	1.20
1997	59.66	29.83	106.00	1.20	0.00	1.20	0.00	1.20
1998	59.66	29.83	106.00	1.20	0.00	1.20	0.00	1.20
1999	59.66	29.83	106.00	1.20	0.00	1.20	0.00	1.20
2000	59.66	29.83	106.00	1.20	0.00	1.20	0.00	1.20
2001	59.66	29.83	106.00	1.20	0.00	1.20	0.00	1.20

CRATER LAKE: STANDALONE · P/C = \$59.66 Mill; No IDC; D/S = 1.10; 100% Fed. Financing (3%-50yrs)

SNETTISHAM					CRATER LAKE				TOTAL			
YEAR	SALES (GWH)	D/S \$/M.Mill	O&M \$/M.Mill	Total \$(Mill)	Sales (GWH)	D/S \$/M.Mill	O&M \$/M.Mill	Total \$(Mill)	Sales	D/S \$/M.Mill	O&M \$/M.Mill	Total (\$/GWH)
1987	185	3.87	1.00	4.87	63.6	2.51	-	2.51	257.6	6.38	1.00	2.87
1988	195	3.89	1.062	4.95	84.8	2.55	-	2.55	279.8	6.44	1.06	2.68
1989	196	3.94	1.12	5.06	106	2.55	-	2.55	302.0	6.44	1.12	2.52
1990	197	3.97	1.20	5.17	106	2.55	-	2.55	303.0	6.52	1.20	2.55
1991	198	3.99	1.23	5.27	106	2.55	-	2.55	304.0	6.54	1.23	2.57
1992	199	3.99	1.24	5.27	106	2.55	-	2.55	305.0	6.54	1.23	2.56
1993	200	3.99	1.28	5.27	106	2.55	-	2.55	306.0	6.54	1.28	2.56
1994	200	3.99	1.28	5.27	106	2.55	-	2.55	306.0	6.54	1.28	2.56
1995	200	3.99	1.28	5.27	106	2.55	-	2.55	306.0	6.54	1.28	2.56
1996	200	3.99	1.28	5.27	106	2.55	-	2.55	306.0	6.54	1.28	2.56
1997	200	3.99	1.28	5.27	106	2.55	-	2.55	306.0	6.54	1.28	2.56
1998	200	3.99	1.28	5.27	106	2.55	-	2.55	306.0	6.54	1.28	2.56
1999	200	3.99	1.28	5.27	106	2.55	-	2.55	306.0	6.54	1.28	2.56
2000	200	3.99	1.28	5.27	106	2.55	-	2.55	306.0	6.54	1.28	2.56

Crater Lake Stands Alone; P/C = 54.16 mill; No IDC; No O&M; D/S = 110; 33.9% State Grant; 33.3% Fed (3% Sugar) 3d 3% Revenue bonds 10% 35yr

SNETTISHAM					CRATER LAKE				TOTAL MILLIK PALE			
YEAR	SALES (GWH)	D/S \$/MILL	O&M \$/MILL	Total \$/MILL	Sales (GWH)	D/S \$/MILL	O&M \$/MILL	Total \$/MILL	Sales (GWH)	D/S \$/MILL	O&M \$/MILL	Total (\$/MILL)
1987	194	3.87	1.00	4.87	63.6	3.05	-	3.05	257.6	6.92	1.00	3.10
1988	195	3.89	1.062	4.95	84.8	3.12	-	3.12	279.8	7.01	1.06	2.88
1989	196	3.94	1.12	5.06	106	3.12	-	3.12	302.0	7.06	1.12	2.71
1990	197	3.97	1.20	5.17	106	3.12	-	3.12	303.0	7.04	1.20	2.74
1991	198	3.99	1.28	5.27	106	3.12	-	3.12	304.0	7.11	1.28	2.76
1992	199	3.99	1.28	5.27	106	3.12	-	3.12	305.0	7.11	1.28	2.75
1993	200	3.99	1.28	5.27	106	3.12	-	3.12	306.0	7.11	1.28	2.74
1994	200	3.99	1.28	5.27	106	3.12	-	3.12	306.0	7.11	1.28	2.74
1995	200	3.99	1.28	5.27	106	3.12	-	3.12	306.0	7.11	1.28	2.74
1996	200	3.99	1.28	5.27	106	3.12	-	3.12	306.0	7.11	1.28	2.74
1997	200	3.99	1.28	5.27	106	3.12	-	3.12	306.0	7.11	1.28	2.74
1998	200	3.99	1.28	5.27	106	3.12	-	3.12	306.0	7.11	1.28	2.74
1999	200	3.99	1.28	5.27	106	3.12	-	3.12	306.0	7.11	1.28	2.74
2000	200	3.99	1.28	5.27	106	3.12	-	3.12	306.0	7.11	1.28	2.74

1983 3 18

CRATER LAKE STAND ALONE : P/C = \$59.66 MIL., NO IDC, NO O&M OR REAR. (O&M ESCALATION, D/S = 1.10, 33.3% FETI FINANCING (33%-50 YRS.),
33.3% STATE GRANT, 33.3% REVENUE BONDS (10%-35 YRS.).

POWER RATE BASED ON THE INCLUSION OF: CRATER LAKE

PROJECT POWER RATE SUMMARY FOR : CRATER LAKE

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YEAR	PROJ COST		SALES GMH	W/O CAP	D/S CAP	WITH CAP	O/M	TOTAL
	INCL IDC \$MILLIONS	DEBT DRAW \$MILLIONS		D/S RATE C/KWH	ADJUST. \$MILLIONS	D/S RATE C/KWH	RATE C/KWH	RATE C/KWH
1982	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1983	12.84	8.56	0.00	0.00	0.00	0.00	0.00	0.00
1984	43.75	29.17	0.00	0.00	0.00	0.00	0.00	0.00
1985	53.55	35.70	0.00	0.00	0.00	0.00	0.00	0.00
1986	58.79	39.20	0.00	0.00	0.00	0.00	0.00	0.00
1987	59.66	39.77	63.60	4.83	0.00	4.83	0.00	4.83
1988	59.66	39.77	84.80	3.68	0.00	3.68	0.00	3.68
1989	59.66	39.77	106.00	2.94	0.00	2.94	0.00	2.94
1990	59.66	39.77	106.00	2.94	0.00	2.94	0.00	2.94
1991	59.66	39.77	106.00	2.94	0.00	2.94	0.00	2.94
1992	59.66	39.77	106.00	2.94	0.00	2.94	0.00	2.94
1993	59.66	39.77	106.00	2.94	0.00	2.94	0.00	2.94
1994	59.66	39.77	106.00	2.94	0.00	2.94	0.00	2.94
1995	59.66	39.77	106.00	2.94	0.00	2.94	0.00	2.94
1996	59.66	39.77	106.00	2.94	0.00	2.94	0.00	2.94
1997	59.66	39.77	106.00	2.94	0.00	2.94	0.00	2.94
1998	59.66	39.77	106.00	2.94	0.00	2.94	0.00	2.94
1999	59.66	39.77	106.00	2.94	0.00	2.94	0.00	2.94
2000	59.66	39.77	106.00	2.94	0.00	2.94	0.00	2.94
2001	59.66	39.77	106.00	2.94	0.00	2.94	0.00	2.94

Crater Lake Storage Allocation; P/c = \$59.66 mill; No IDC; No O&M; D/S = 1.10; 100% State Loan 5% - 35 yrs

SNETTISHAM					CRATER LAKE				TOTAL Allocation Rate			
YEAR	SALES (GWH)	D/S \$/MILL	O&M \$/MILL	Total \$(MILL)	Sales (GWH)	D/S \$/MILL	O&M \$/MILL	Total	Sales	D/S \$/MILL	O&M \$/MILL	Total (\$/KWH)
1987	194	3.87	1.00	4.87	63.6	3.94	-	3.94	257.6	7.81	1.00	3.72
1988	195	3.89	1.062	4.95	84.8	4.01	-	4.01	279.8	7.90	1.06	3.20
1989	196	3.94	1.12	5.06	106	4.01	-	4.01	302.0	7.95	1.12	3.00
1990	197	3.97	1.20	5.17	106	4.01	-	4.01	303.0	7.98	1.20	3.03
1991	198	3.99	1.28	5.27	106	4.01	-	4.01	304.0	8.00	1.28	3.05
1992	199	3.99	1.28	5.27	106	4.01	-	4.01	305.0	8.00	1.28	3.04
1993	200	3.99	1.28	5.27	106	4.01	-	4.01	306.0	8.00	1.28	3.03
1994	200	3.99	1.28	5.27	106	4.01	-	4.01	306.0	8.00	1.28	3.03
1995	200	3.99	1.28	5.27	106	4.01	-	4.01	306.0	8.00	1.28	3.03
1996	200	3.99	1.28	5.27	106	4.01	-	4.01	306.0	8.00	1.28	3.03
1997	200	3.99	1.28	5.27	106	4.01	-	4.01	306.0	8.00	1.28	3.03
1998	200	3.99	1.28	5.27	106	4.01	-	4.01	306.0	8.00	1.28	3.03
1999	200	3.99	1.28	5.27	106	4.01	-	4.01	306.0	8.00	1.28	3.03
2000	200	3.99	1.28	5.27	106	4.01	-	4.01	306.0	8.00	1.28	3.03

CRATER LAKE STAND ALONE : P/C = \$59.66 MIL., NO IDC, NO O/M OR REAL O/M ESCALATION, D/S = 1.10, 100% STATE LOAN (57-35 YRS.).

POWER RATE BASED ON THE INCLUSION OF: CRATER LAKE

PROJECT POWER RATE SUMMARY FOR : CRATER LAKE:

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YEAR	PROJ COST INCL. IDC \$MILLIONS	PROJ DEBT DRAW \$MILLIONS	SALES GWH	W/O CAP D/S RATE C/KWH	D/S CAP ADJUST. \$MILLIONS	WITH CAP D/S RATE C/KWH	O/M RATE C/KWH	TOTAL RATE C/KWH
1982	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1983	12.84	12.84	0.00	0.00	0.00	0.00	0.00	0.00
1984	43.75	43.75	0.00	0.00	0.00	0.00	0.00	0.00
1985	53.55	53.55	0.00	0.00	0.00	0.00	0.00	0.00
1986	58.79	58.79	0.00	0.00	0.00	0.00	0.00	0.00
1987	59.66	59.66	63.60	6.21	0.00	6.21	0.00	6.21
1988	59.66	59.66	84.80	4.73	0.00	4.73	0.00	4.73
1989	59.66	59.66	106.00	3.78	0.00	3.78	0.00	3.78
1990	59.66	59.66	106.00	3.78	0.00	3.78	0.00	3.78
1991	59.66	59.66	106.00	3.78	0.00	3.78	0.00	3.78
1992	59.66	59.66	106.00	3.78	0.00	3.78	0.00	3.78
1993	59.66	59.66	106.00	3.78	0.00	3.78	0.00	3.78
1994	59.66	59.66	106.00	3.78	0.00	3.78	0.00	3.78
1995	59.66	59.66	106.00	3.78	0.00	3.78	0.00	3.78
1996	59.66	59.66	106.00	3.78	0.00	3.78	0.00	3.78
1997	59.66	59.66	106.00	3.78	0.00	3.78	0.00	3.78
1998	59.66	59.66	106.00	3.78	0.00	3.78	0.00	3.78
1999	59.66	59.66	106.00	3.78	0.00	3.78	0.00	3.78
2000	59.66	59.66	106.00	3.78	0.00	3.78	0.00	3.78
2001	59.66	59.66	106.00	3.78	0.00	3.78	0.00	3.78

Crater Lake Stands Alone; P/C = #59 LE MILL; NO IDC; NO O&M; D/S = 1.10; 33.3% Fed (3% - 50 yrs); 33.3% State Loan (5% - 35 yrs); 33.3% Revenue Bonds 10% - 35

SNETTISHAM					CRATER LAKE				TOTAL Merged Rate			
YEAR	SALES (GWH)	D/S \$/h.mil	O&M \$/m.mil	Total \$/m.mil	Sales (GWH)	D/S \$/m.mil	O&M \$/m.mil	Total	Sales	D/S \$/m.mil	O&M \$/m.mil	Total (\$/m.mil)
1987	194	3.87	1.00	4.87	63.6	4.39	-	4.39	257.6	8.28	1.00	3.60
1988	195	3.89	1.062	4.95	84.8	4.45	-	4.45	279.8	8.34	1.06	3.36
1989	196	3.94	1.12	5.06	106	4.45	-	4.45	302.0	8.39	1.12	3.15
1990	197	3.97	1.20	5.17	106	4.45	-	4.45	303.0	8.42	1.20	3.17
1991	198	3.99	1.28	5.27	106	4.45	-	4.45	304.0	8.44	1.28	3.20
1992	199	3.99	1.28	5.27	106	4.45	-	4.45	305.0	8.44	1.28	3.19
1993	200	3.99	1.28	5.27	106	4.45	-	4.45	306.0	8.44	1.28	3.18
1994	200	3.99	1.28	5.27	106	4.45	-	4.45	306.0	8.44	1.28	3.18
1995	200	3.99	1.28	5.27	106	4.45	-	4.45	306.0	8.44	1.28	3.18
1996	200	3.99	1.28	5.27	106	4.45	-	4.45	306.0	8.44	1.28	3.18
1997	200	3.99	1.28	5.27	106	4.45	-	4.45	306.0	8.44	1.28	3.18
1998	200	3.99	1.28	5.27	106	4.45	-	4.45	306.0	8.44	1.28	3.18
1999	200	3.99	1.28	5.27	106	4.45	-	4.45	306.0	8.44	1.28	3.18
2000	200	3.94	1.28	5.27	106	4.45	-	4.45	306.0	8.44	1.28	3.18

35yrs)

CRATER LAKE STAND ALONE : P/C = \$59.66 MIL., NO IDC, NO O&M OR REAL O&M ESCALATION, D/S = 1.10, 33.3% FED FINANCING (3%-50 YRS.), 33.3% STATE LOAN (5%-35 YRS.), 33.3% REVENUE BONDS (10%-35 YRS.).

POWER RATE BASED ON THE INCLUSION OF: CRATER LAKE

PROJECT POWER RATE SUMMARY FOR : CRATER LAKE

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YFAR	PROJ COST INCL IDC DEBT DRAW \$MILLIONS	PROJ DEBT DRAW \$MILLIONS	SALES GMH	W/O CAP D/S RATE C/KWH	D/S CAP ADJUST. \$MILLIONS	WITH CAP D/S RATE C/KWH	O/M RATE C/KWH	TOTAL RATE C/KWH
1982	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1983	12.84	12.84	0.00	0.00	0.00	0.00	0.00	0.00
1984	43.75	43.75	0.00	0.00	0.00	0.00	0.00	0.00
1985	53.55	53.55	0.00	0.00	0.00	0.00	0.00	0.00
1986	58.79	58.79	0.00	0.00	0.00	0.00	0.00	0.00
1987	59.66	59.66	63.60	6.90	0.00	6.90	0.00	6.90
1988	59.66	59.66	84.80	5.25	0.00	5.25	0.00	5.25
1989	59.66	59.66	106.00	4.20	0.00	4.20	0.00	4.20
1990	59.66	59.66	106.00	4.20	0.00	4.20	0.00	4.20
1991	59.66	59.66	106.00	4.20	0.00	4.20	0.00	4.20
1992	59.66	59.66	106.00	4.20	0.00	4.20	0.00	4.20
1993	59.66	59.66	106.00	4.20	0.00	4.20	0.00	4.20
1994	59.66	59.66	106.00	4.20	0.00	4.20	0.00	4.20
1995	59.66	59.66	106.00	4.20	0.00	4.20	0.00	4.20
1996	59.66	59.66	106.00	4.20	0.00	4.20	0.00	4.20
1997	59.66	59.66	106.00	4.20	0.00	4.20	0.00	4.20
1998	59.66	59.66	106.00	4.20	0.00	4.20	0.00	4.20
1999	59.66	59.66	106.00	4.20	0.00	4.20	0.00	4.20
2000	59.66	59.66	106.00	4.20	0.00	4.20	0.00	4.20
2001	59.66	59.66	106.00	4.20	0.00	4.20	0.00	4.20

Introduced: 2/2/83
Referred: Finance

Funding Information
General Fund \$4,500,000
Other Funds -0-
\$4,500,000

1 IN THE SENATE

BY RAY

2

SENATE BILL NO. 105

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act amending an appropriation made in ch. 90, SLA

7

1981, making an appropriation to the Alaska Power

8

Authority for the Snettisham power project; and pro-

9

viding for an effective date."

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

11 * Section 1. Section 6(7); ch. 90, SLA 1981, page 2, line 22 (Snetti-
12 sham power project) is repealed.

13 * Sec. 2. The sum of \$4,500,000 is appropriated from the general fund
14 to the Alaska Power Authority for feasibility studies, preconstruction
15 design, engineering, and construction at the Snettisham (Crater Lakes)
16 power project.

17 * Sec. 3. The appropriation made by this Act is for a capital project
18 and is subject to AS 37.25.020.

19 * Sec. 4. This Act takes effect immediately in accordance with AS 01.-
20 10.070(c).

Chapter 90

of a right-of-way for and design and construction of an electrical transmission system connecting Craig and Klawock.

* Sec. 4. The sum of \$200,000 and the interest earned on the investment of that sum are appropriated from the general fund to the power development fund of the Alaska Power Authority (AS 44.83.400 - 44.83.510) for construction of a single wire ground return transmission line between Kobuk and Shungnak.

~~* Sec. 5. The sum of \$3,250,000 and the interest earned on the investment of that sum are appropriated from the general fund to the power development fund of the Alaska Power Authority (AS 44.83.400 - 44.83.510) for phase I of a transmission line between Barrow and Atkasook.~~

* Sec. 6. The sum of \$37,500,000 is appropriated from the general fund to the Alaska Power Authority for feasibility studies, preconstruction design, and engineering, to be allocated to the following proposed power projects:

(1) Black Bear Lake	1,400,000 2,000,000
(2) Chester Lake	1,000,000
(3) Chakachamma Lake	1,000,000
(4) Grant Lake	1,000,000
(5) Bethel regional study/Kisaralik	1,000,000
(6) Power Creek	700,000
(7) Snettisham (Crater Lakes)	4,500,000
(8) Susitna	18,100,000
(9) Tazimina Lake	2,000,000
(10) West Creek	1,000,000
(11) Rural community feasibility studies:	
Akhiok, Ambler, Angoon, Atka, Chignik,	
Chignik Lagoon, Chignik Lake, Chuachbaluk,	
Cold Bay, Elim, False Pass, Goodnews Bay,	

and (2) the original obligation date is not more than two years from the requested date of disbursement. (§ 1 ch 113 SLA 1962)

Sec. 37.25.020. Unexpended balances of appropriation for capital projects. An appropriation made for a capital project is valid for the life of the project and the unexpended balance shall be carried forward to subsequent fiscal years. Between July 1 and August 31 of each fiscal year, a statement supporting the amount of the unexpended balance required to complete the projects for which the initial appropriation was made and the amount that may be lapsed shall be recorded with the Department of Administration. (§ 2 ch 113 SLA 1962)

Chapter 30. Local Government Bonding.

Article

1. Anticipatory Borrowing (Repealed)
2. Restrictions on Sale of Bonds and Bond Anticipation Notes (§ 37.30.100)

Article 1. Anticipatory Borrowing.

Section

10—90. [Repealed]

Secs. 37.30.010 — 37.30.090.

Repealed by § 1 ch 118 SLA 1972.

Editor's note. — The repealed article derived from § 1, ch. 117, SLA 1964; § 1, ch. 189, SLA 1970.

Article 2. Restrictions on Sale of Bonds and Bond Anticipation Notes.

Section

100. Prohibited bidding on bonds

Sec. 37.30.100. Prohibited bidding on bonds. (a) No person who provides financial programming or marketing assistance to a political subdivision of the state, whether home rule or otherwise, in connection with the issuance or sale of general obligation bonds, revenue bonds or bond anticipation notes of the political subdivision may bid on the bonds or notes if offered at public sale, or negotiate for their purchase if sold at private sale.

(b) The sale of general obligation, revenue bonds or bond anticipation notes of a political subdivision to a person prohibited from bidding on, or negotiating for the sale of bonds or notes under (a) of this section is against public policy and the sale is void.

(c) In this section "person" means an individual, firm, agent, factor, intermediary, partnership, corporation, association, bond house, stockbroker or bond broker. (§ 2 ch 102 SLA 1974)

Senate Finance Committee
Letter of Intent on SB 105

It is the intent of the Legislature that the Alaska Power Authority expend funds appropriated to it for the purpose of expediting the completion of the Snettisham Hydroelectric Project (addition of third power unit, Crater Lake) by the Corps of Engineers, if the Federal appropriations are insufficient to accomplish the job. It is the desire of the Legislature to see the construction started in 1983 and completed by 1987 at the latest, in order to minimize the economic hardships to the community.

Senator Don Bennett
Co-Chairman, Sen. Fin. Cmte.

Senator John Sackett
Co-Chairman, Sen. Fin. Cmte.

Need signature

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 17, 1983

SUBJECT: Constitutionality of SB 105 -- Snettisham
 appropriation

TO: Senator Bill Ray

FROM: Billy G. Berrier *BGB*
 Director
 Division of Legal Services

You have asked whether in our opinion there are constitutional problems with the appropriation made in SB 105.

In Chapter 90, SLA 1981, a substantial number of appropriations were made for energy related programs and projects. Each of the appropriations contained the necessary description of the purpose for which the appropriation was made.

The amendment made in SB 105 does not change the amount appropriated but it does extend the purposes for which the appropriation may be used to include construction.

The appropriation is made to the Alaska Power Authority. The authority has power under law (AS 44.83.080) to perform the functions necessary for each of the purposes set out including, under AS 44.83.080(5), the power to construct power projects.

Within certain limits not applicable here the legislature has plenary power of appropriation which includes determining the amount to be appropriated and the purposes of the appropriation.

This bill is a normal exercise of the power of the legislature to amend appropriations. In my opinion the power extends equally to the amount and the purpose since both are necessary parts of the appropriation.

I see no constitutional problems with the bill.

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU ALASKA 99811
707 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 11, 1983

SUBJECT: Appropriation in HB 134
TO: Representative Jim Duncan
FROM: Billy G. Berrier *BGB*
Director
Division of Legal Services

You have asked whether in our opinion the appropriation made in HB 134 could be spent entirely for construction.

The appropriation sets out feasibility studies, preconstruction design, engineering and construction as permitted purposes for which the appropriation may be spent. No allocation between these purposes is made in the bill. This therefore leaves the discretion as to how the appropriation will be apportioned to the agency to whom the appropriation is made, the Alaska Power Authority.

In my opinion as long as the apportionment is reasonable in the situation the authority has discretion. This discretion would include a determination that the purposes of the appropriation would be served best by spending all the money for construction.

If certain purposes had been fulfilled through other sources, it would be unreasonable to apportion money to those purposes. For example, if a feasibility study had been completed which the authority considered adequate for the purpose it would, in my opinion, be an unreasonable use of the money appropriated for another feasibility study to be paid for from the appropriation.

If there is factual support for a determination by the authority that the total purpose of the appropriation would be best served by allocating all the money for construction, in my opinion, a decision by the authority to do that would be legally proper.

BGB:ljb