

2830

SRES

SB

138

-

SB

140

2830

A M E N D M E N T

Offered in the ~~HOUSE~~ *Senate*

TO: ~~HB-273~~ *SB 138*

By ~~Fuller~~
Ferguson

Page 1, after line 16, insert:

"* Sec. 3. AS 16.05.408(a) is amended to read:

(a) It is a class A misdemeanor for a nonresident alien to hunt, pursue, or take walrus unless personally accompanied by a licensed marine mammal guide, or a big game animal as defined by the Board of Game unless personally accompanied by a [PERSON WHO IS] licensed [AS A] master guide, registered guide, or class-A assistant guide under AS 08.54."

Renumber remaining section.



Official Business

Alaska State Legislature

Senate

Pouch V
State Capitol
Juneau, Alaska 99811

March 16, 1983

Memo

To: Bettye

From: Pat

Subject: Hearing on SB 101 (Fish and Game Citations), SB 138 (Guide Board Extension), SB 139 (Delete "Transporter" Licensing), and CSHB 118 (Bear tag fees), March 16, 3:00pm, Beltz Rm.

General

This is going to be a fairly big hearing and involve several different agencies and interest groups. We should probably think about order of presentation. I would suggest that we take the Members (Shultz will there at 3 pm) first, then all the Administration witnesses first regardless of bill because some like ADF&G will offering testimony of several bills. Then we might want to bunch up the interest groups by bill, namely have all the guides testify together on SB 138.

The Administration has indicated support for all of the four bills. Two of the bills, SB 101 and CSHB 118 are their bills.

I think it would be possible to move out all the bills today if no serious or complicated issues or amendments are raised beyond what we know now. However, I see no problem at all in moving out CSHB 118 or SB 139. If the guides can live with a stripped down simple extension of SB 138, I think we should move it also, but there is considerable controversy and possible add-ons, we shouldn't rush it. The non-guide and would-be guides out there are very paranoid about the Board perpetuating its own nest-feathering.

The only amendments we have received are from the Court system on SB 101. I have reviewed all of them and found all but one very logical and do-able. I have attached a possible CS for the bill incorporating these changes. The one change which I didn't make there was no language submitted for and substituting a petitioning process with a "point" system for revoking licenses after several "minor" offenses as suggested would require more work and review and is not critical to the purpose of the bill.

SPECIFIC QUESTIONS

CSHB 118--Gives authority to Game Board to reduce or delete bear tag fee to help increase bear harvests in overpopulated areas incidental to other hunting.

- 1) I understand that this fee removal would only be implemented in certain select areas with large bear populations, not statewide. Is this correct?

- 2) Do the words in the bill, "for a game management unit", require the Board to take actions on tags for an entire unit or could actions be taken on portions of large units? (possible amendment might read: "for a game management unit or portion thereof".)

SB 138, Extend the Guide Board three years and authorize regulation of marine mammals.

- 1) Criticism has been made of the Board in the past for not allowing sufficient opportunities for new or young guides through the assignment of exclusive areas to "old-time" established guides. What has the Board been doing to provide increased opportunities for more guides?

---"taking back" areas no longer used. How are they being reassigned?

---study of guide areas to see if portions unused and could be used by others?

- 2) There have been questions raised as to the transfer policies by the Board. Specifically, complaints have been raised about selling guide areas like limited entry fishing permits. What is the Board's policies regarding guide area transfers and its thoughts on the selling of areas?
- 3) Problems have also apparently occurred in the Board's procedural actions resulting in court cases and overturning of Board decisions based on failures to follow the administrative procedure code. What technical assistance or staff support does the Board currently receive and what changes might be necessary to improve the decision processes?

(The Budget and Audit Committee recommended that the Board be transferred from under the Occupational Licensing Div. of Dept. of Commerce to the Div. of Fish and Wildlife Protection, within Dept. of Public Safety to improve staff support and efficiency)

SB 139, Repeal licensing provisions for "transporters" of hunters

- 1) If this provision is repealed will there be any increased danger to wildlife resources or hunter safety? (Budget and Audit found no)

SB 101, Authorizing the issuance of citations not requiring court appearance for "minor" fish and game violations, like traffic tickets.

- 1) I understand that this would relieve a considerable number of court appearances yearly (1,000 estimated) and state manhours spent in court (6,000 manhours) as well as a benefit to offenders in not taking time off from work, etc; would this in anyway adversely affect management and enforcement of our fish and wildlife resources or laws?
- 2) The court system has recommended that the word "minor" be removed from the bill as not being clear in intent, but we obviously are thinking about certain kinds of misdemeanor offenses for the setting of a bail program. What specific kinds of offenses would be envisioned as covered by a bail program? What specific kinds of offenses would most likely not be covered (court appearances would still be required)?

I would suggest that we take this partial list of offenses and put them into the attached Letter of Intent to guide the courts in setting the offenses for which bail could be paid and forfeited rather than using the word "minor".

3) A question for the Courts woman: What specific statute should be added to Section 1 in line 11 in the "notwithstanding" clause? (They recommended a range of statute parts: AS 12.25.180-230) We can, however, correct this "technical" citation when it goes to Legal.

SENATE RESOURCES COMMITTEE

LETTER OF INTENT

CSS3 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 and expenditures 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:

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

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

PUBLIC NOTICE
NOTICE OF PROPOSED CHANGES IN THE REGULATIONS OF
THE DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
GUIDE LICENSING AND CONTROL BOARD

Notice is hereby given that the Department of Commerce and Economic Development, Guide Licensing and Control Board, under authority vested by AS 08.54.040 and AS 08.54.050, proposes to amend, adopt, or repeal regulations in Title 12 of the Alaska Administrative Code, Chapter 38, dealing with application for examination, state-wide licenses, restriction to districts, use of guiding area assigned to another guide, application and qualification for guiding area permit, reassignment of guiding area permit, changes to guiding area permit, minimum use of guiding area, and confidentiality of statements of financial remuneration, to implement AS 08.54.040 and AS 08.54.050 as follows:

1. 12 AAC 38.010(a) is amended to specify a date that applications for examinations must be made in order to clarify the regulations and eliminate confusion for applicants.
2. 12 AAC 38.040(a) is amended to reflect a change in the licensing of guides to a state-wide license instead of districts for which certified.
3. 12 AAC 38.040(b) is amended to reflect the deletion of the subdistricts which would no longer be valid if the proposal for a state-wide license is adopted.
4. 12 AAC 38.040(c), (d), (e) and (f) are being opened for comment and possible amendment and/or repeal, which would be necessary to clarify regulations if the proposal for the state-wide license is adopted.
5. 12 AAC 38.052(c) is amended to add the requirement for a unique identification code number assigned for the area to be included on the written permission required for use of guiding area assigned to another guide.
6. 12 AAC 38.052(d) is amended to reflect the mandatory requirement that the written permission required for use of guiding area assigned to another guide be on the person of the registered or master guide conducting the hunt or be in the base camp from which the hunt is conducted, and must be produced for inspection on request by the Department of Public Safety.
7. 12 AAC 38.052(e) is amended to clarify the board's intent with regard to monetary and/or material gain, i.e., prevent the renting or leasing of exclusive guide areas for monetary or material gain, and to clearly establish acceptable conditions for granting permission for a guide to use an area assigned to another guide.
8. 12 AAC 38.052(g) is a new subsection which places the responsibility of the guides involved in an agreement for the use of an area assigned to another guide to provide documentation to the board, upon request, to substantiate the need to use another's area.
9. 12 AAC 38.053(c) is amended to require the applicant to show satisfactory documentation of occupancy when applying for a guiding area permit.
10. 12 AAC 38.053(d) is amended to reflect the deletion of wording such as Temporary Guiding, Unit, and In the Guiding Area, and the insertion of the wording, "guide district," to clarify the regulation in relation to guiding area permits.
11. 12 AAC 38.053(e) is opened for comment and possible amendment and/or repeal to be consistent with other proposed amendments to regulations relating to temporary guiding area permits.
12. 12 AAC 38.053(f) is amended to delete the wording, "Either on a temporary or permanent basis," in relation to the board issuance of exclusive or joint-use guide area permits.
13. 12 AAC 38.053^h(g) is a new subsection relevant to the application which involves a previously designated joint-use area and specifying conditions to be met before the board will issue a joint-use permit to the applicant for a portion of the joint-use area.
14. 12 AAC 38.054(d) is amended to delete wording relating to certification in the district or districts in which the guiding area is located to be consistent with the proposed change to state-wide licenses.

Received 2-22-83

15. 12 AAC 38.054(e) is amended to reflect changes and board requirements when a transfer application for a joint-use guiding area permit is involved in the board's reassignment of a guiding area permit.
16. 12 AAC 38.054(f) is being opened for comment and possible amendment, as the regulation as presently written closes an area to all guided hunting until it is reassigned. The board solicits comment as to how this regulation may be worded to allow the board flexibility in the implementation of the regulation.
17. 12 AAC 38.056(a)(1) is repealed.
18. 12 AAC 38.056(d) is opened for comment and possible amendment and/or repeal to be consistent with other proposed amendments to regulations relating to changes to guiding area permits.
19. 12 AAC 38.057 is amended to reflect that statements of financial remuneration submitted for photography hunts or fishing will not be counted as use of guide area in relation to minimum use of guide area requirements.
20. 12 AAC 38.060(e) is a new subsection which would classify all statements of financial remuneration as well as other supporting documentation regarding guide/client contractual agreements, which are maintained on file by the Department of Public Safety, as confidential information and would require a court order for production.

Notice is also given that any person interested may present written or oral statements or arguments relevant to the action proposed at a public hearing to be held at the Alaska Room, Fairbanks Inn, 1521 Cushman Street, Fairbanks, Alaska, starting at 8:30 a.m., Monday, March 28, 1983.

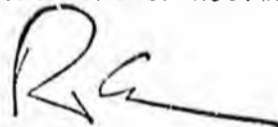
Notice is also given that any person interested may present written or oral statements or arguments relevant to the action proposed by mailing them or delivering them so that they are received by 5:30 p.m., March 25, 1983, to:

Department of Commerce and Economic Development
Guide Licensing and Control Board - Regulations
Pouch D
Juneau, Alaska 99811

This action is not expected to require an increased appropriation.

Copies of the proposed regulations may be obtained by writing to the above address or telephoning (907)465-2535.

The Department of Commerce and Economic Development, Guide Licensing and Control Board, upon its own motion or at the instance of any interested person, may thereafter adopt the proposals substantially as described above without further notice or may decide to take no action on them.



Richard A. Lyon, Commissioner

Feb. 18, 1983

Date

GUIDE LICENSING AND CONTROL BOARD
PROPOSED REGULATIONS

12 AAC 38.010(a) is amended to read:

(a) The application for a guide examination must be made by July 1 of each year [AT LEAST FIVE MONTHS BEFORE THE EXAMINATION DATE] on a form provided by the board. The application for examination shall include a listing of all hunters the applicant has guided or assisted in guiding during his apprenticeship and a letter of recommendation from any registered or master guide for whom he has worked. (Eff. 6/28/74, Reg. 50; am 6/18/80, Reg. 74; am 3/23/82, Reg. 81; am / / , Reg.)

Authority: AS 08.54.040(1) and (2)
AS 08.54.050
AS 08.54.110(5)

12 AAC 38.040(a) and (b) are amended to read:

12 AAC 38.040(a). GUIDE DISTRICTS. [RESTRICTION TO]
(a) A guide who receives a passing score on examinations conducted under 12 AAC 38.010(c) will be licensed to conduct guiding activities in all districts in the state. [MAY CONDUCT GUIDING ACTIVITIES ONLY IN DISTRICTS FOR WHICH HE IS CERTIFIED.]

(b) Twenty-six guide districts are established and defined as being identical to those areas described as game management units by the Board of Fish and Game in 5 AAC 90.010. [AS OF JANUARY 1, 1974 WITH THE ADDITION OF THE FOLLOWING SUBDISTRICT]: and;

12 AAC 38.040(c), (d), (e) and (f) presently reads as follows:

12 AAC 38.040(c). A guide licensed under AS 08.54 as of June 28, 1974 is restricted to certification to guide in those districts for which he was certified on that date. A guide licensed or entitled to renewal under AS 08.54 as of April 11, 1980 and certified in Districts 18, 18A, 22, 23, or 26 is hereby certified for Unit 27.

(d) Except as provided in (c) above, no guide may be certified for more than three districts; in addition to District 27.

(e) A master guide or registered guide may serve as a class A assistant guide in districts for which he is not certified.

(f) Notwithstanding any provision of this section, a guide may petition the board for a transfer of certification to another district if he demonstrates to the satisfaction of the board

(1) that he will incur substantial hardship if a transfer is not permitted as evidenced by

(A) substantial land withdrawals from hunting within his district;

(B) significant reclassifications of land within his district;

(C) depletion of game as evidenced by actions of the Department of Fish and Game; or

(D) other demonstration of hardship; and

(2) that he is qualified to guide in the district to which he wishes to be transferred. (Eff. 6/28/74, Reg. 50; am 2/25/77, Reg. 61; am 6/6/79, Reg. 70; am 6/15/80, Reg. 74; am 3/28/82, Reg. 81; am / / , Reg.)

Authority: AS 08.54.040(a)(3)

and (5)

AS 08.54.050

(It is the intent of the board to open these regulations, 12 AAC 38.040(c), (d), (e) and (f), for discussion and possible amendment or repeal.)

12 AAC 38.052(c) is amended by adding a paragraph to read:

(3) date permission is signed and signature of each person holding a permit for the area; and

(4) a unique identification code number assigned to the area to be used.

12 AAC 38.052(d) and (e) are amended to read:

(d) The written permission required in (a) and (b) of this section must be on the person of the registered or master guide conducting the big game hunt or in the base camp from which the hunt is conducted and will be produced for inspection upon request by an authorized representative of the Department of Public Safety.

[APPROVED - PROVIDED IN (d) OF THIS SECTION AND AT ALL TIMES DURING THE HUNT, A COPY MUST BE ON THE PERSON OF THE GUIDE CONDUCTING THE BIG GAME HUNT OR IN THE BASE CAMP FROM WHICH THE HUNT IS CONDUCTED, AND BE ON THE PERSON OF EACH EMPLOYEE OF EACH MASTER OR REGISTERED GUIDE OPERATING IN THE GUIDE AREA.]

(e) It is the intent of this regulation to prevent the leasing or renting of exclusive guide areas for monetary or material gain. The reasons for allowing a guide to use an area assigned to another guide shall be confined to; [NO GUIDE MAY LEASE OR RENT A GUIDE AREA TO ANOTHER GUIDE FOR MONETARY OR MATERIAL GAIN. THE ONLY LAWFUL REASONS FOR ALLOWING USE OF ANOTHER'S AREA ARE THE FOLLOWING.]

(1) the guide seeking to grant permission to another is unable to conduct a contracted hunt due to physical or mental incapacity;

(2) a state or federal law [OR REGULATION ADOPTED NOT MORE THAN NINE MONTHS BEFORE THE DATE OF PROPOSED USE HAS CLOSED OR OTHERWISE RESTRICTED HUNTING IN THE GUIDING AREA OF THE GUIDE SEEKING USE OF ANOTHER'S AREA, MAKING GUIDING IN HIS OWN AREA UNFEASIBLE OR]

(3) the guide seeking to use another's area does not have an exclusive guide area assigned to him in that guide district, and he is unable to conduct a given species hunt in an open area in that guide district. [MIGRATION OR MOVEMENT OF CARIBOU OUT OF A GUIDE'S OWN AREA NECESSITATES GUIDING IN ANOTHER'S AREA.]

12 AAC 38.052 is amended by adding a new subsection to read:

(g) It is the responsibility of the guides involved in the agreement to provide documentation to the board upon request to substantiate the need to use another's area.

(Eff. 5/12/78, Reg. 66; am 10/11/81, Reg. 80; am 10/15/82, Reg. 84; am / / , Reg.)

Authority: AS 08.54.040

12 AAC 38.053(c) and (d) are amended to read:

(c) Each application must include satisfactory documentation of the applicant's past use, as defined in subparagraph (g) of this section, occupancy, or financial investment in the guiding area applied for. The applicant must show satisfactory documentation of occupancy (recorded deeds, titles to property held, voter registration), or any other documentation that the board may require. [THE APPLICATION MAY INCLUDE OTHER RELEVANT INFORMATION IF IT IS SUBSTANTIATED BY SATISFACTORY DOCUMENTATION.]

(d) The board will, in its discretion, issue a permanent guiding area permit to a qualified applicant who can substantiate his use, occupancy, or financial investment in the guiding area for at least three of the five years immediately preceding the published deadline for filing the application for that particular unit. The board will, in its discretion, issue a guide [TEMPORARY GUIDING] area permit to a qualified applicant who can substantiate his use, or occupancy and [OR] financial investment [IN THE GUIDING AREA] for at least two of the five years immediately preceding the published deadline for filing the application

for that particular guide district [UNIT]. In determining whether to issue a guiding area permit, the board will give preference to qualifying guides whose permanent residence is within the district in which the area is located and will consider criteria including the following:

(1) ability of the area to sustain an additional guided hunting operation, in terms of game populations, terrain, methods of hunting, and use by other guides or hunters; and

(2) amount of investments in the applied for area and length of use in the district.

12 AAC 38.053(e) presently reads as follows:

(e) The holder of a temporary guiding area permit may apply for a permanent permit after one additional year of use, in the temporary guiding area.

(It is the intent of the board to open this regulation, 12 AAC 38.053(e), for discussion and possible amendment or repeal.)

12 AAC 38.053(f) is amended to read:

(f) The board will not issue to a master or registered guide more than three exclusive or joint use guide area permits. [EITHER ON A TEMPORARY OR PERMANENT BASIS]

12 AAC 38.053 is amended by adding a new subsection to read:

(h) If an application involves a guide district which has been previously designated for joint usage among a specific number of registered or master guides, the board will issue a joint use permit to the applicant for a portion of the guide district only upon a finding that:

(1) all other affected guides in joint use agree to the change, or

(2) creation of a joint usage area is required by changes in game populations, hunting regulations, weather patterns, or land use laws or regulations, and other guides in joint use of the area will not be detrimentally affected by the change. In determining whether other guides may be detrimentally affected, the board will consider projected loss of hunting clients, revenue, investments, access and other similar concerns. (Eff. 5/12/78, Reg. 66; am 10/15/82, Reg. 64; am / / , Reg.)

Authority: AS 08.54.040(a,
AS 08.54.050

12 AAC 38.054(d) is amended to read:

(d) If an applicant cannot establish past use of the guiding area to be transferred [OR IS NOT CERTIFIED IN THE DISTRICT OR DISTRICTS IN WHICH THE GUIDING AREA IS LOCATED] the board will consider experience and current use in another area of similar terrain if the applicant can establish to the satisfaction of the board that he or she is competent because of other relevant factors to conduct guiding activities in the guiding area.

12 AAC 38.054(e) is amended to read:

(e) The board may [WILL] consider the recommendations of the prior holder of the guiding area permit to be re-assigned and may [WILL], in areas of joint use, consider the recommendations of the other holders of permits for the guiding area. When a transfer application concerns a joint use guiding area permit, the board will send each joint use permit holder a copy of the application and reasonable notice of the date and place of the meeting at which the application is scheduled to be heard. Each joint use permit holder may appear before the board and present testimony relevant to the application.

12 AAC 38.054(f) presently reads as follows:

(F) When an area has been revoked or suspended under (a)(2) of this section the area is closed to all guided hunting until it is reassigned. (Eff. 5/12/78, Reg. 66; am 10/15/82, Reg. 84; am / / , Reg.)

(It is the intent of the board to open this regulation for discussion and possible amendment at the public hearing.)

Authority: AS 08.54.040(a)

AS 08.54.050

12 AAC 38.056(a)(1) is repealed.

12 AAC 38.056(a)(2) is amended to read:

(2) changes within the boundaries of a guide area assigned to the petitioner including reducing permit area

size, clarifying boundaries, [AND CREATING EXCLUSIVE GUIDING AREAS IN AREAS ALREADY ASSIGNED IN JOINT USE, AS PROVIDED IN (d) OF THIS SECTION] however, no petitions will be accepted seeking expansion of a guiding permit area size.

12 AAC 38.056(d) presently reads as follows:

(d) The board will, in its discretion, issue an exclusive guiding area permit for an area or portion of an area already granted in joint use only upon a finding that

(1) all other affected guides in joint-use agree to the change; or

(2) creation of an exclusive guiding area is required by changes in game populations, hunting regulations, weather patterns, or land use laws or regulations, and other guides in joint use of the area will not be detrimentally affected by the change in determining whether other guides may be detrimentally affected, the board will consider projected loss of hunting clients, revenue, investments, access and other similar concerns. (Eff. 5/12/78, Reg. 66; am 6/16/80, Reg. 74; am 6/27/81, Reg. 78; am / / , Reg.)

Authority: AS 08.54.040(a)(3),
(6) and (8)
AS 08.54.050

(It is the intent of the board to open this regulation, 12 AAC 38.056(d), for discussion and possible amendment or repeal at the public hearing.)

12 AAC 38.057 is amended to read:

12 AAC 38.057. MINIMUM USE OF GUIDING AREA. Each holder of a guiding area permit must conduct at least two contracted big game hunts within two consecutive calendar years within the guiding area as evidenced by statements of financial remuneration filed in accordance with 12 AAC 38.060. Statements of financial remuneration submitted for photography hunts or fishing will not be counted as use of guiding area. If, in any calendar year, the holder of a guiding area permit fails to conduct a guided hunt in that guiding area, he must submit to the Department of Public Safety, Fish and Wildlife Protection Division, Records Section, P. O. Box 6188 Annex, Anchorage, Alaska 99502, by January 31 of the following calendar year, a written statement explaining his failure to use the area. Failure to conduct at least two guided hunts within two consecutive calendar years in the guiding area as required by this section constitutes grounds for revocation of the guiding area permit unless the permit holder can demonstrate to the satisfaction of the board that circumstances beyond his control precluded conducting the required hunts. (Eff. 5/12/78, Reg. 66; am 6/27/81, Reg. 78; am / / , Reg.)

Authority: AS 08.54.040(a)(3),
(6) and (8)
AS 08.54.050

12 AAC 38.060 is amended by adding a new subsection to read:

(e) Statements of financial remuneration as well as other supporting documentation regarding guide/client contractual agreements which are maintained on file by the

Department of Public Safety will be considered confidential information requiring a court order for production.

(Eff. 6/28/74, Reg. 50; am 5/12/78, Reg. 56; am / / ,
Reg.)

Authority: AS 08.54.050

ROUGH DRAFT/cw

-11-

February 17, 1983

Diskette #6 Job BB

STATE OF ALASKA
FISCAL NOTE

Revision Date March , 1983

I. REQUEST

Bill/Resolution No.: SB 138
 Title: An Act continuing the Guide Licensing
 Sponsor: Resources Committee & Control Bd.
 Requestor: _____

II. FISCAL DETAIL

Agency Affected: Commerce & Econ. Development
 Program Category Affected: Public Protection
 BRU, Program or Subprogram(s) Affected: Licensing Boards

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING	18.0	19.0				
CAPITAL						
REVENUE	* 38.8					

FUNDING: (Thousands of Dollars) *7/1/82 to 3/1/83

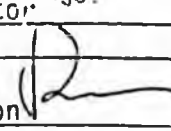
	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
GENERAL FUND	18.0	19.0				
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

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

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

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Harry D. Treager, Director ^{HT} Phone: 465-2534
 Division: Occupational Licensing Date: March 14 1983
 Approved by Commissioner: Richard A. Lyon  Date: 3/16/83
 Department: Commerce & Economic Development

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

SB 138: FISCAL NOTE ANALYSIS

Expenditures are those funds allocated for board per diem and travel only, under the division's budget - Licensing Boards component.

Additional expenditures in support of the board are allocated through the Administrative component of the division's budget. The licensing examiner assigned to the Guide Board serves two other licensing boards in addition to the Guide Licensing and Control Board.

The legislation, as written, will not add a fiscal impact.

Funding for the board has been included in the FY '84 request.

GUIDE LICENSING & CONTROL BOARD

CURRENT NUMBER OF LICENSEES:

FY '82 - Allocated 15.5 (Board Travel and Per Diem)

Revenues	-	44.7
Expenditures	-	48.3

Expenditures:

Board Travel and Per Diem	17.8
**Personal Services	8.9
*Contractual	3.6
Marine Mammal Contract	18.0

FY '83 - Allocated 18.0 (Board Travel and Per Diem)

Revenues (7/1/82 to 3/1/83)	38.8
Expenditures (7/1/82 to 3/1/83)	12.9

Expenditures:

Board Travel and Per Diem	5.6
**Personal Services (7/1/82 to 3/1/83)	5.9
*Contractual	1.4

TOTAL	12.9
-------	------

FY '84 - Board Component - Division Budget - 201.5

Guide Licensing and Control Board allocation - 19.0

Alaska State Legislature

BETTYE FAHRENKAMP
CHAIRMAN
ROBERT H. ZIEGLER, SR.
VICE-CHAIRMAN
DICK ELIASON - PAUL FISCHER
VIC FISCHER - BOB MULCAHY
ARLISS STURGULEWSKI



POUCH V
STATE CAPITOL
JUNEAU, ALASKA 99811
(907) 465-3834
(907) 465-3835

Senate

Committee on Resources

TO: Senate Resources Committee
FROM: Senate Resources Committee Staff
RE: March 16, 1983 Committee Hearing
DATE: March 14, 1983

On Wednesday, March 16 at 3:00 p.m. in the Beltz Room the Resources Committee will hear the following four bills:

SB 101 RELATING TO THE ISSUANCE OF CITATIONS FOR FISH AND GAME VIOLATIONS.

Sec. 1 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 supreme court is to identify the minor misdemeanors that are appropriate for disposition without court appearance and establish a schedule of bail amounts.

Sec. 2 generally exempts persons who have been convicted of two or more fish and game misdemeanors from the mandatory license forfeiture required by current statute. However, it allows a peace officer to petition the district court to seek an offender's license revocation.

The intent of SB 101 is to expedite the enforcement procedure by reducing court loads. Among the attachments is a list of recommended changes to SB 101 given to us by the Alaska Court System. These recommendations will be discussed at the hearing.

SB 133 CONTINUING THE GUIDE LICENSING AND CONTROL BOARD, AND AUTHORIZING THE BOARD TO LICENSE MARINE MAMMAL GUIDES.

Sec. 1 would extend the life of the Guide Licensing and Control Board through FY 86. The Guide Board is currently scheduled to sunset June 30, 1983. An extension was recommended by the Budget

and Audit Committee in their December 1981 review of the Board.

Sec. 2 authorizes the Board to establish qualifications, set license fees, and issue licenses for marine mammal guides. While most agree that the Board probably already has the authority to regulate marine mammal guides, there have been some questions raised, and the amendment is designed to clarify this authority. The amendment might also assist the State in the return of management to the State from the federal government of some marine mammal species by clarifying and emphasizing its management authorities for marine mammals.

A similar bill passed the Resources Committee and both the Senate and the House last session, but was vetoed by the Governor because of a section relating to Board regulations (see attachments). This section is not in the current bill.

SB 139 REPEALING THE LICENSING OF BIG GAME TRANSPORTERS

This bill would repeal the licensing of big game transporters. The Budget and Audit Committee recommended the repeal after finding that the transporter laws are not needed to protect the safety of the public or manage the game resources.

CSHB 118 RELATING TO A BROWN AND GRIZZLY BEAR TAG FOR A RESIDENT.

This bill would allow the Board of Game to reduce or eliminate the \$25 fee for a resident brown or grizzly bear big game tag for a game management unit for a period of up to one year. This would provide the Board with a management tool for controlling the bear population in certain areas by encouraging the taking of bear incidental to hunting of other animals.

It is hoped that, after hearing testimony, action could be taken by the Committee on one or more of these bills.

Alaska State Legislature

BETTYE FAHRENKAMP, CHAIRMAN
VIC FISCHER, VICE-CHAIRMAN
BRAD BRADLEY
DICK ELIASON
DON GILMAN
BOB MULCAHY
ARLISS STURGULEWSKI



POUCH V
STATE CAPITOL
JUNEAU, ALASKA 99811
(907) 465-3834
(907) 465-3835

Senate Committee on Resources

April 18, 1983

Memo

To: Bettye

From: Pat

Subject: Guide License Board bill on floor Tues. April 19, (SB 138)

History

In Senate Resources we passed out the bill to provide for a 3-year extension of the Board beyond ~~the~~ July of this year and a provision to enable the Board to license marine mammal guides. In the Senate Rules Committee Jack Fuller requested an amendment to require non-resident aliens to be accompanied by a marine mammal guide on walrus hunts. In the House Resources Committee this amendment was further modified to include all marine mammals, not just walrus.

As the Marine Mammal Act amendments which passed the Congress last year require maximum participation by local people in such activities as guiding for marine mammals which may be returned to the state for management, and as polar bear and walrus are probably the only two marine mammal species which may be returned to the state in the near future, and as all non-residents (alien and otherwise) are required under current law to be accompanied by licensed guides for polar bear, this amendment in the House changes the bill little and probably further helps compliance with the Marine Mammals Act and the return of marine mammals for management by the state.

Recommendation

Accept the House-passed CS on the floor.

The FUTURE

This issue on marine mammals is not over. The state will have many hoops to jump through on the return of management of certain marine mammal species. Some of the hoops may require additional legislative and administrative changes, some of which may raise eventual objection from many guides, sport hunters and state managers. This marine mammal provision is just a little first step in the process. You should also be aware that some guides are going to grumble when they find they may not be able to qualify for or be licensed as a "marine mammal guide" and hunt walrus or polar bear, even though they may be a licensed guide.

SENATE BILL 138 EXTENDS THE GUIDE LICENSING & CONTROL BOARD FOR ANOTHER" FOUR YEARS. I WOULD URGE ITS PASSAGE FOR THE FOLLOWING REASONS: TESTIMONY BEFORE OUR SENATE COMMITTEE SHOWED THE PROFESSION IS A VERY VIABLE INDUSTRY GENERATING \$20 MILLION INTO THE ECONOMY. IN MANY RESPECTS, IT IS A FACTOR OF THE TOURIST TRADE. THE HUNTER CLIENT SPENDS MONEY FOR TRAVEL, HOTEL, SPECIAL GIFTS, AND STATE LICENSES AND GAME TAGS. THE NON-RESIDENT LICENSE MONEY IS USED ON A 4 TO 1 MATCHING PROGRAM UNDER THE FEDERAL PITTMAN-ROBINSON ACT. THE MONEY HAS FUNDED 80 TO 90% OF STATE PROGRAMS.

THE GUIDE BOARD HAS BEEN INEXISTENCE FOR TEN YEARS. IT HAS ACCOMPLISHED MANY THINGS. IT HAS DEVELOPED A HIGH STANDARD OF PERFORMANCE. IN DOING SO IT HAS REVOKED OVER 25 GUIDE LICENSES. MANY OF THESE WERE SOME OF THE BIG OPERATORS IN THE STATE. THE INDUSTRY HAS BECOME VERY CONSERVATION MINDED AND HAS WORKED CLOSELY WITH BOTH THE DEPARTMENT OF GAME AND THE FISH AND WILDLIFE PROTECTION.

THE BOARD HAS ESTABLISHED ORDER BY HAVING BOUNDARIES IN WHICH THE GUIDE MUST WORK. THIS HAS ELIMINATED CONFLICT IN THE FIELD.

THE BOARD HAS HELD HEARINGS AND WORKED CLOSELY WITH THE WALRUS COMMISSION TO DEVELOP REGULATIONS FOR LICENSING MARINE MAMMAL GUIDES. THE STATE IS IN THE PROCSSE OF TAKING OVER MANAGEMENT AND WHEN THIS HAPPENS IT WILL BE A BIG HELP IN SUPPLEMENTING THE ARCTIC ECONOMY.

TESTIMONY WAS RECEIVED FROM NEW AND YOUNG GUIDES, THAT THE PROGRAM IS WORKING AND THEY HAVE AN OPPORTUNITY TO WORK INTO THE SYSTEM.

I URGE THE PASSAGE OF S.B. 138.

Mark Jensen
3-21-83

STATE OF ALASKA

THE LEGISLATURE BUDGET AND AUDIT COMMITTEE

FEB 1 1983


ROOM 508
CAPITOL BUILDING
POUCH V
JUNEAU, ALASKA 99811

907-465-3818
907-465-3810

MEMORANDUM

January 27, 1983

TO: Senator Bettye Fahrenkamp, Chair
Senate Resources Committee

FROM: Senator Arliss Sturgulewski, Chairman 
Legislative Budget and Audit Committee

RE: Guide Licensing Board

During the Twelfth Legislature, the Legislative Budget and Audit Committee submitted a sunset review of the Guide Licensing Board. The Senate and House passed SB 834. This bill was vetoed by Governor Hammond. Therefore, the Guide Licensing Board is in its "wind-down" period and will expire on June 30, 1983, unless legislative action is taken to extend the board.

cc: Senator Jalmar Kerttula
Peggy Mulligan

SB 138 CONTINUING THE GUIDE LICENSING AND CONTROL BOARD, AND
AUTHORIZING THE BOARD TO LICENSE MARINE MAMMAL GUIDES.
SPONSOR: RESOURCES COMMITTEE

Sec. 1 Extends the life of the Guide Licensing and Control Board to June 30, 1986.

Sec. 2 Authorizes the Board to establish qualifications, set license fees, and issue licenses for marine mammal guides.

Sec 3 Immediate effective date.

The Division of Legislative Audit did a follow-up review of the Guide Licensing and Control Board dated 12/21/81 and recommended that the Board be continued in the interest of "protecting the public's health, safety and welfare."

However, they recommended that, for the Board to more effectively serve the public, the licensing function should be transferred from the Department of Commerce to the Department of Public Safety, and that "transporter laws" be repealed. (See SB 139)

(See attached comments on the Federal Marine Mammal Protection Act.)

Guy Oliver, Marine Mammal Coordinator, NOAA

586-7441

Is possible for State to request return of management of some species but at this point decision to do so has not been made. Possible species: stellar sea lions, ring seals, bearded seals, polar bear, walrus, belugas.

Mike Stanley, NOAA General Counsel (or Pat Travers)

586-7414

The 1981 amendments to the Federal Marine Mammal Protection Act changed the procedures for transferring management of marine mammals back to the State; may be too many strings attached. The State is questioning whether it wants to pursue the return of management under the conditions laid out in the legislation. (The history of the legislation refers to a preference for guiding rural residents.) At present, State is not even preparing an application for return of management. May be a change because of the new Sheffield administration. Is up to ADF&G and the Game Board.

Feels SB 138 (Sec. 2) is "the cart before the horse". Currently seal hunting is prohibited except for subsistence; process to return management began in 1973 and could drag on a lot longer.

Bob Hinman, Acting Director, Game Division, ADF&G

4190

Are proceeding towards application for control. The federal regulations will be out shortly, several major study reports are in the final printing stages, and hearings are being scheduled for this spring on Optimum Sustained Populations. Hope to be able to apply for state control this summer.

All this presupposes that ADF&G will get State funding. The Administration has yet to make a policy decision on the proposed take-over of control.

sandra

2/24/83

HB 889

CS FOR HOUSE BILL NO. 889 (Finance)
Relating to the sale of royalty oil by
the State of Alaska to Doyon, Ltd; and
providing for an effective date.

Chapter 131, SIA 1982

SB 834

VETO

SENATE BILL NO. 834 am House
Relating to the Guide Licensing and
Control Board; and providing for an
effective date.

June 24, 1982

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

Dear Mr. President:

Under art. 11, sec. 15, of the Alaska Constitution, I have vetoed SB 834 am H, relating to the Guide Licensing and Control Board. By doing so, I have avoided the serious constitutional and practical problems which would be caused by sec. 2 of the bill which would require that there be a "clearly demonstrated need" for all board regulations and would declare all regulations "contrary" to that requirement "void." This language violates the constitutional separation-of-powers doctrine and art. III, secs. 1, 16, and 24 of the Alaska Constitution by infringing upon the inherent authority of the guide board to adopt "interpretative" regulations to execute AS 08.54. The language is also factually deficient from a practical perspective because it is literally impossible to divine its real meaning and application. It is unclear and confusing as to who would demonstrate that sort of need to whom, when, and how. In fact, sec. 2 of the bill seems to contradict sec. 3 which mandates board adoption of "specific regulations".

I want to make clear that by this veto I do not intend to "annet" the guide board. Rather, I am confident that the next Legislature will continue the board's existence before it reaches its June 30, 1983 termination.

Sincerely,

/s/ Jay S. Hammond
Jay S. Hammond
Governor

SB 835

VETO

Received June 28, 1982

CS FOR SENATE BILL NO. 835 (F)
An Act establishing a National
Reserve, Alaska, special reven
providing for an effective date

June

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

Dear Mr. President:

Under art. 11, sec. 15, of the Alaska Constitution, I have vetoed CS SB 835 (Fin) am H which would be National Petroleum Reserve, Alaska, Special Revenue Account, and would also be Inc of money to be received by the State from ment under Public Law 96-514. This veto the account only and not the amounts to be actual amounts to be received and the date as yet undetermined.

The dedication of such federal monies to appears to be inconsistent with the general dedication of funds and would also be Inc dedication of revenues to the Alaska Petroleum Reserve. Possible defects in the legislation could appropriating monies to the fund rather than of the amounts to it.

Further detailed research is also necessary that committes that most need these implemen for planning, construction, maintenance of essential public facilities, and other services in conjunction with the development of the Petroleum Reserve in Alaska, and competition for gas from that reserve.

Sir

/s/

Jay

Gov

Message of June 24 were received June 28 and signed the following bills and transmitted copies to the Lieutenant Governor permanent filing:

CS 817

CS FOR SENATE BILL NO. 817
relating to medical assistance
persons; and providing for an
effective date.

Chapter 137, SIA 1982

Audit Control # 08-012-0023-R 12-21-81

0 fiscal note

rec 3-10

STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

**DEPARTMENT OF PUBLIC SAFETY
OFFICE OF THE COMMISSIONER**

POUCH N
JUNEAU, ALAS. A 99811
PHONE:

March 4, 1983

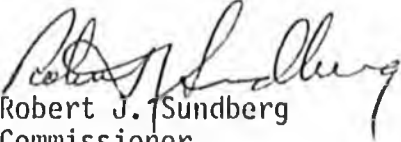
465-4322

Senator Bettye Fahrenkamp
Chairman, Senate Resources Committee
State Capitol
Pouch V
Juneau, Alaska 99811

Dear Senator Fahrenkamp:

The Division of Fish and Wildlife Protection, Department of Public Safety, supports SB 138. The Guide Board has been instrumental in decreasing guide violations by disciplining those who have violated and has fairly dealt with the industry in other areas. We concur with your recognized need for this Board and will support your efforts to see passage of this piece of legislation.

Sincerely,


Robert J. Sundberg
Commissioner

cc: Colonel Robert J. Stickles, Director, Fish and Wildlife Protection

S

B

1

3

9

SENATE RESOURCES COMMITTEE
LEGISLATION CHECKLIST

IDENTIFICATION:

BILL NUMBER: SB 139

BILL NAME: Repealing the licensing of big game transporters.

SPONSOR(S): Resources Comm.

RELATED BILLS PENDING: SB 138

DATE INTRODUCED: 2/23/83

REFERRALS: Resources
Judiciary

INITIAL RESEARCH:

BILL SUMMARY COMPLETED:

SUMMARY BY LEGAL DIVISION:

SPONSOR CONTACTED FOR
BACKUP MATERIALS:

DEPT. OF LAW SUMMARY:

FISCAL NOTE:

AGENCY RESPONSE:

OTHER INTERESTED SENATORS OR
REPS. NOTIFIED:

BACKGROUND RESEARCH:

SIMILAR BILLS INTRODUCED IN PREVIOUS LEGISLATURES:

RESPONSES FROM INTERESTED PERSONS/GROUPS:

OTHER STATE OR FEDERAL PRECEDENTS, REGULATIONS, LAWS:

HEARING PREPARATION:

CHAIRMAN BRIEFED:

DATE AND PLACE SET:

STAFF MEMO TO COMMITTEE:

TELECONFERENCE:

BACKGROUND MATERIAL DISTRIBUTED:

PSA/PRESS RELEASE:

LIST OF WITNESSES:

SUGGESTED AMENDMENTS/COMMITTEE
SUBSTITUTES DRAFTED:

see SB 138

Interested: Andrew ^{Klein} ~~Klein~~, 919 Ocean Place, Anchorage 99501 (guided since

Alaska State Legislature

BETTYE FAHRENKAMP
CHAIRMAN
ROBERT H. ZIEGLER, SR.
VICE-CHAIRMAN
DICK ELIASON - PAUL FISCHER
VIC FISCHER - BOB MULCAHY
ARLISS STURGULEWSKI



POUCH V
STATE CAPITOL
JUNEAU, ALASKA 99811
(907) 465-3834
(907) 465-3835

Senate

Committee on Resources

TO: Senate Resources Committee
FROM: Senate Resources Committee Staff
RE: March 16, 1983 Committee Hearing
DATE: March 14, 1983

On Wednesday, March 16 at 3:00 p.m. in the Beltz Room the Resources Committee will hear the following four bills:

SB 101 RELATING TO THE ISSUANCE OF CITATIONS FOR FISH AND GAME VIOLATIONS.

Sec. 1 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 supreme court is to identify the minor misdemeanors that are appropriate for disposition without court appearance and establish a schedule of bail amounts.

Sec. 2 generally exempts persons who have been convicted of two or more fish and game misdemeanors from the mandatory license forfeiture required by current statute. However, it allows a peace officer to petition the district court to seek an offender's license revocation.

The intent of SB 101 is to expedite the enforcement procedure by reducing court loads. Among the attachments is a list of recommended changes to SB 101 given to us by the Alaska Court System. These recommendations will be discussed at the hearing.

SB 138 CONTINUING THE GUIDE LICENSING AND CONTROL BOARD, AND AUTHORIZING THE BOARD TO LICENSE MARINE MAMMAL GUIDES.

Sec. 1 would extend the life of the Guide Licensing and Control Board through FY 86. The Guide Board is currently scheduled to sunset June 30, 1983. An extension was recommended by the Budget

and Audit Committee in their December 1981 review of the Board.

Sec. 2 authorizes the Board to establish qualifications, set license fees, and issue licenses for marine mammal guides. While most agree that the Board probably already has the authority to regulate marine mammal guides, there have been some questions raised, and the amendment is designed to clarify this authority. The amendment might also assist the State in the return of management to the State from the federal government of some marine mammal species by clarifying and emphasizing its management authorities for marine mammals.

A similar bill passed the Resources Committee and both the Senate and the House last session, but was vetoed by the Governor because of a section relating to Board regulations (see attachments). This section is not in the current bill.

SB 139 REPEALING THE LICENSING OF BIG GAME TRANSPORTERS

This bill would repeal the licensing of big game transporters. The Budget and Audit Committee recommended the repeal after finding that the transporter laws are not needed to protect the safety of the public or manage the game resources.

CSHB 118 RELATING TO A BROWN AND GRIZZLY BEAR TAG FOR A RESIDENT.

This bill would allow the Board of Game to reduce or eliminate the \$25 fee for a resident brown or grizzly bear big game tag for a game management unit for a period of up to one year. This would provide the Board with a management tool for controlling the bear population in certain areas by encouraging the taking of bear incidental to hunting of other animals.

It is hoped that, after hearing testimony, action could be taken by the Committee on one or more of these bills.

STATE OF ALASKA
FISCAL NOTE

Revision Date March , 1983

I. REQUEST

Bill/Resolution No.: SB 139
 Title: An Act repealing the Licensing of Big Game Transport
 Sponsor: Resources Committee
 Requestor: Resource Committee

II. FISCAL DETAIL

Agency Affected: Commerce & Econ. Development
 Program Category Affected: Consumer Protection
 BRU, Program of Subprogram(s) Affected: Licensing Boards

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING						
CAPITAL						
REVENUE	1.0	1.0	1.0			

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

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

IV. ANALYSIS: Attach a separate page for any Analysis:

Prepared By: Harry D. Treador, Director *HT* Phone: 465-2534
 Division: Occupational Licensing Date: March 14, 1983
 Approved by Commissioner: Richard A. Lvon *Rlvon* Date: 3/16/83
 Department: Commerce & Economic Development

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
SB 139

ASSUMPTIONS: Since the inception of licensing of big game transporters in 1977, a total of 161 transporters have been licensed by the Division of Occupational Licensing. This bill would eliminate revenue as follows:

Transporter licenses are \$10.00 and must be renewed annually.

During calendar year 1982, 75 big game transporters were licensed.

Since the beginning of FY '83, 75 transporters have been licensed. It is anticipated that this figure will remain constant through FY '84 and FY '85.

One-third of one licensing examiner position is allotted to the Guide Licensing and Control Board; transporter licensing is only a portion of the Guide Licensing and Control Board's function and repeal will not appreciably alter staff duties.

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: November 30, 1983

I. REQUEST

Bill/Resolution No.: SB 139
 Title: Repeal Licensing Big Game Transporters
 Sponsor: Senate Resources Committee
 Requestor: _____
 Date of Request: _____

II. FISCAL DETAIL

Agency Affected: Fish and Game
 Program Category Affected: NRMEC
 BRU, Program of Subprogram(s) Affected: _____

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 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						
TOTAL						

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

OFFICE OF
MANAGEMENT & BUDGET
NOV 30 1983

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Beverly Reaume Phone: 465-4130
 Division: Administration Date: _____
 Approved by Commissioner: *Dennis J. Lelso* Date: 11/29/83
 Department: Fish and Game

BUDGET REVIEW

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)

9/14/83

STATE OF ALASKA
PRELIMINARY STATEMENT OF FISCAL IMPACT

Bill No: SB 139 Date on Bill: 2/23/83
 Title: repealing the licensing of big game transporters.
 Sponsor: Resources Committee
 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			0	0	0	0		
---------	--	--	---	---	---	---	--	--

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

Source of funds not identified by sponsor

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: Col. Robert J. Stickles *RJS* Phone: 269-5532
 Division: Fish & Wildlife Protection *()* Date: 3/2/83

Approved by Commissioner: *[Signature]* Date: 3/4/83
 Department: Public Safety *[Signature]*

5. Distribution:

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

2/15/83

SB 139 AN ACT REPEALING THE LICENSING OF BIG GAME TRANSPORTERS.

SPONSOR: RESOURCES COMMITTEE

Removes reference to "transporters" and "transporting activity" from the statute on guides.

Repeals the following sections:

Qualification for transporter license.

Restriction to transportation.

Transporter report.

License fee for a transporter.

Definition of "transporting".

(Transporting is defined as conveying a person by any lawful means to an area for remuneration or material benefit in excess of normal operating costs, when the primary purpose of the person being conveyed is the taking of big game and the associated removing of big game meat after big game has been taken.)

Currently, a transporter is required to submit a notarized application with a \$10 fee to the Department of Commerce. (The Department has issued 161 licenses since the program began in 1977.) Under current statute, Master, Registered, Class A Assistant, and Assistant Guides are exempt from the license requirements for transporters, but must comply with the reporting provisions. There is no limit on the number of transporter licenses that can be issued, nor are transporters restricted to certain geographic areas.

The Division of Legislative Audit did a follow-up review of the Guide Licensing and Control Board dated 12-21-81, and recommended the repeal of the "transporter laws", as they are not needed to protect the safety of the public or manage the game resources. In addition, air transporters' flying safety qualifications and aircraft safety are regulated by the FAA.

rec 5-1
STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF PUBLIC SAFETY
OFFICE OF THE COMMISSIONER

POUCH N
JUNEAU, ALASKA 99811
PHONE:

March 8, 1983

465-4322

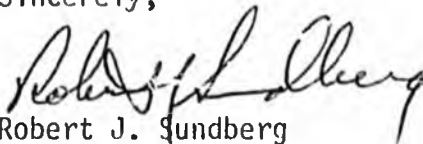
Senator Bettye Fahrenkamp
Chairman, Senate Resources Committee
State Capital
Pouch V
Juneau, Alaska 99811

Dear Senator Fahrenkamp:

Re: SB 139

We support your intent to remove transporters from Title 8.

Sincerely,



Robert J. Sundberg
Commissioner

SB834

A FOLLOW-UP REVIEW OF THE
GUIDE LICENSING AND CONTROL BOARD
(Originally Released July 17, 1979)

December 21, 1981

Audit Control Number
08-012-0023-R

Commissioner, Department of
Commerce and Economic Development

Charles R. Webber

Commissioner, Department of
Public Safety

William R. Nix

Commissioner, Department of
Revenue

Thomas K. Williams

Members of the
Guide Licensing and Control Board

Chairman
Member
Member
Member
Member
Member
Member

Marcus F. Jensen
Clark Engle
H. Glen Glenzer
Norman G. Sutcliff
Donald Harris
William G. Stroecker
Herbert C. Wiese

ORGANIZATION AND FUNCTION

The Guide Licensing and Control Board was established by the 1973 Session Laws of Alaska and succeeds the Board of Fish and Game, Department of Fish and Game, which previously regulated the guiding industry. The seven member Board is appointed by the Governor with confirmation by the Legislature and is restricted to having no more than three members as licensed guides. Board members serve staggered terms of three years or until their successors are appointed.

The Board is organized under the Department of Commerce and Economic Development, Division of Occupational Licensing. Two budgeted positions, a Guide Investigator and Administrative Assistant, in the Department of Public Safety, Division of Fish and Wildlife Protection, have been provided to assist in the licensure and investigations of guides.

The function of the Board is primarily regulatory, mandated by AS 08.54.040. Accordingly, the Board has the capacity to administer examinations; determine qualifications of guides; establish performance standards and regulate activities; maintain guide registers; prohibit harmful guiding activities; conduct hearings regarding licensure; and establish quotas of guides for specified geographical areas (exclusive guiding areas). The Board, through the assignment of exclusive guiding areas, limits hunting pressure by guides within a specific geographical area.

In addition, the Board licenses "transporters". A licensed "transporter" is a person who transports hunters for hire.

REPORT CONCLUSION

Policy Issues

This review contains policy issues raised as a result of our evaluation of various Board practices. The final policy decisions affecting these practices are not within the scope of this review but require legislative consideration. In debating these issues, the legislative oversight committees should consider the findings and alternatives presented in this report in reaching their decision.

Report Conclusion

In our opinion, the Guide Licensing and Control Board should be continued. For the following reasons, we believe the regulation and licensing of guides is needed to protect the public's health, safety and welfare:

- A. This profession involves contracting for hunting game that could result in severe physical harm if practiced by incompetent persons. Potential harmful results include injury or death to the hunter due to neglect or carelessness on the part of the guide.
- B. Other users of game resources, such as the general public and subsistence hunter, can be directly or indirectly affected by guiding activities. For example, overhunting by guides in an area not only depletes the game resources available to the general public but also adversely affects the subsistence hunters in that area.
- C. In order to protect the public without unduly restricting individual rights, AS 16.05.407(a) exempts Alaskan residents from requiring the services of a guide.

While the reasons above indicate that the Board should continue to license and regulate guides, certain changes need to be implemented in order for the Board to more effectively serve the public.

The Board agrees that the transfer of the guides licensing function to the Department of Public Safety would enhance public convenience and be cost efficient. The Board believes legislation should be submitted seeking such a transfer (see Prior Audit Recommendation No. 1).

The Board has proposed changes to the statutes in response to two of our prior audit recommendations. However, the statute changes have not passed and a continued effort will be necessary to provide clear, relevant and workable statutes (see Prior Audit Recommendations No. 2 and No. 3).

ates
red
of to
1968

The Department of Revenue has developed forms and procedures to collect and account for revenues from guides as required by statute. However, a continued effort will be required to improve the efficiency and accuracy of the reporting system (see Prior Audit Recommendation No. 4).

The Board is in the process of establishing a formal set of specific objectives and related measurement criteria so that its performance can be evaluated (see Prior Audit Recommendation No. 5).

Legislative Audit's Current Position

The Board agrees that the transfer of the guide licensing function to the Department of Public Safety would enhance public convenience and be cost efficient. The Board believes that legislation will soon be submitted seeking such a transfer.

Prior Audit Recommendation No. 2

The Guide Licensing and Control Board should seek legislation to have the "transporter laws" repealed.

The purpose of the "transporter laws" [Alaska Statutes 08.54.142, 08.54.144, 08.54.146 and 08.54.170(c)] is to protect the safety of the citizens of the State and better manage and protect the State's resources by licensing persons who transport hunters for hire so that reasonable standards and guidelines would be met and activities affecting the State's game resources would be more accurately monitored and assessed.

In our opinion, the "transporter laws" are not needed to protect the safety of the public or manage the game resources.

Personnel in the Department of Public Safety, Division of Fish and Wildlife Protection, consider the "transporter laws" confusing and difficult to enforce. In addition, we found the information and reports that transporters are required to file are not being used and are not needed to manage the game resources of the State. Furthermore, air transporters' flying safety qualifications and aircraft safety are regulated by the Federal Aviation Administration.

Legislative Audit's Current Position

The Board has submitted legislation providing that the transporter laws be repealed. The above mentioned statutes are addressed in House Bill 199.

Prior Audit Recommendation No. 3

The Board should continue its efforts to make the statutes more clear, relevant and workable.

Over the past several years the Board has been adopting regulations to make the statutes more clear, relevant and workable. However, we noted several statutes which need further consideration. For example:

ON THE SENATE CALENDAR:

SB 99 MAKING A SUPPLEMENTAL APPROPRIATION TO THE OFFICE OF THE GOVERNOR, DIVISION OF ELECTIONS.

SPONSOR: KERTTULA BY REQUEST

Appropriates \$274,000 from the general fund to the Office of the Governor to pay for increased FY 83 operating costs in the division of elections.

SB 139 REPEALING THE LICENSING OF BIG GAME TRANSPORTERS.

SPONSOR: RESOURCES COMMITTEE

Passed out of Resources March 17, 1983 - you were a Do Pass. There is NOT a Committee Substitute.

THIS BILL WOULD REPEAL THE LICENSING OF BIG GAME TRANSPORTERS. THE BUDGET AND AUDIT COMMITTEE RECOMMENDED THE REPEAL AFTER FINDING THAT THE TRANSPORTER LAWS ARE NOT NEEDED TO PROTECT THE SAFETY OF THE PUBLIC OR MANAGE THE GAME RESOURCES. THIS BILL DOES HAVE THE SUPPORT OF THE DEPARTMENT OF PUBLIC SAFETY.

BILLS OF INTEREST TO BE READ ACROSS:

SB 281 Relating to energy development and conservation functions of the Dept. of Commerce and Economic Development and the Department of Community and Regional Affairs.

CITATIONS ENCLOSED.

HEARING SCHEDULE ENCLOSED.

S

B

140

SENATE RESOURCES COMMITTEE
LEGISLATION CHECKLIST

IDENTIFICATION:

BILL NUMBER: SB 140

BILL NAME: Establishing the electric cooperative revolving loan fund

SPONSOR(S): Fabenkamp, Ferguson,
Eliason, Bennett, MOSS

RELATED BILLS PENDING: SB 141

DATE INTRODUCED:

2/23/83

REFERRALS:

Resources
Finance

INITIAL RESEARCH:

BILL SUMMARY COMPLETED:

SUMMARY BY LEGAL DIVISION:

SPONSOR CONTACTED FOR
BACKUP MATERIALS:

DEPT. OF LAW SUMMARY:

FISCAL NOTE: requested 2-24-83,
Katy Waller, Dept Commerce

OTHER INTERESTED SENATORS OR
REPS. NOTIFIED: .

AGENCY RESPONSE:

BACKGROUND RESEARCH:

SIMILAR BILLS INTRODUCED IN PREVIOUS LEGISLATURES:

RESPONSES FROM INTERESTED PERSONS/GROUPS:

OTHER STATE OR FEDERAL PRECEDENTS, REGULATIONS, LAWS:

HEARING PREPARATION:

CHAIRMAN BRIEFED:

DATE AND PLACE SET:

STAFF MEMO TO COMMITTEE:

TELECONFERENCE:

BACKGROUND MATERIAL DISTRIBUTED:

PSA/PRESS RELEASE:

LIST OF WITNESSES:

SUGGESTED AMENDMENTS/COMMITTEE
SUBSTITUTES DRAFTED:

Dept Commerce - Energy & Power - Ed Elbach
- Loans Don Hostalk Katy 2/24 says "still working on"

Dave Hutchens/Bill Blessington - OK Rural Electrification Assoc.

Chapter 57. Regional Electrical Authorities.

Section

- 10. Finding and purpose
- 20. Creation of authorities
- 30. Tax exemption
- 40. Powers of the authority
- 50. Bonds and notes
- 60. Validity of pledge

Section

- 70. Remedies
- 80. Negotiable instruments
- 90. Obligations eligible for investment
- 100. Refunding obligations
- 110. Credit of state not pledged

Opinions of attorney general. — The legislature, in creating regional electrical authorities under this chapter, anticipated that they might supplant the function of municipal and cooperative utilities in many areas of the state. June 7, 1976, Op. Att'y Gen.

An electrical utility owned and operated by a regional electrical authority would continue to qualify for the broad exemption from the Alaska Public Utilities Commission Act, AS 42.05.010 — 42.05.721,

available to political subdivisions under AS 42.05.711(b) once the regional electrical authority had completed its proposed organization as a nonprofit corporation pursuant to AS 10.20.005 et seq. June 7, 1976, Op. Att'y Gen.

Collateral references. — 26 Am. Jur. 2d. Electricity, Gas and Steam, §§ 10-13, 18-23.

29 C.J.S., Electricity, §§ 6-10(2); 94 C.J.S., Waters, § 319(7).

Sec. 18.57.010. Finding and purpose. The legislature finds that an acute shortage of adequate, safe, reliable electrical facilities exists in the rural areas of the state and that adequate electrical systems cannot be provided by the private sector due to inadequate projected system revenues and economic depression in certain areas or by local governments of the state since the boundaries required for boroughs under art. X, § 3, of the Alaska Constitution and the boundaries of cities necessary to effectively operate as cities would, in many cases, not be adequate to provide economic, adequate, safe and reliable electrical service. The legislature further finds that adequate housing, public facilities and economic development are heavily dependent upon adequate, safe and reliable electrical facilities. These conditions are inimical to the safety, health, welfare and prosperity of the residents of the state and to the sound growth of rural communities. The legislature further finds that a reasonable means of accomplishing the purpose of providing adequate, safe and reliable systems is the creation of regional electrical authorities which are not local governments. It is the purpose and intent of the legislature to provide a means whereby public corporations to serve as regional electrical authorities may be formed. (§ 1 ch 142 SLA 1975; am § 2 ch 274 SLA 1976)

Sec. 18.57.020. Creation of authorities. (a) An association authorized by AS 18.55.996(a) to form a regional housing authority is given the authority to form a regional electrical authority. There is created with respect to each of the associations named in AS 18.55.996(a) a

public body corporate and politic as a political subdivision of the state to function in the operating areas of the individual associations. Each authority may exercise all powers conferred by this chapter.

(b) A regional electrical authority may not transact business or exercise powers granted to it until the governing body of the association has, by resolution, declared there is a need for the authority to function, given it the authority to function and appointed persons to serve as the board of commissioners of the authority. The number of members of the board of commissioners, their terms of office and the filling of vacancies in office shall be determined by resolution of the governing body of the association.

(c) The regional electrical authority has jurisdiction to operate in all or part of the operating area of the individual association as determined by resolution of the governing body of the association. The governing body may, by resolution, add to or subtract from the area served. The authority may operate within the service area of a certificated rural electrical cooperative or within the corporate limits of a municipality only with consent, by resolution, of the governing body of the municipality or cooperative; however, if an authority is operating within an area which becomes part of a municipality or has a certificate of convenience and necessity from the Alaska Public Utility Commission to operate in an area which becomes part of a municipality, no consent is necessary.

(d) A municipality, electrical cooperative or other provider of electrical service may transfer all or part of its electrical system including, without limitation, lands and rights in land, equipment and certificates or franchises, to a regional electrical authority by resolution of the governing board upon terms agreed upon with the authority; however, approval by resolution, of the board of commissioners of the authority shall be obtained. Unless otherwise provided by law no other approvals to transfers are required. (§ 1 ch 142 SLA 1975)

Sec. 18.57.030. Tax exemption. (a) A regional electrical authority is exempt from payment of taxes or assessments on property owned by the authority which is used for generation and transportation of electricity for a period of 20 years from the effective date of this Act.

(b) All obligations issued under this chapter are issued by a body corporate and public which is a political subdivision of the state and for an essential public and governmental purpose, and the obligations, and the interest and income on and from the obligations, and all fees, charges, funds, revenues, income and other money pledged or available to pay or secure the payment of the obligations or interest are exempt from taxation for a period of 20 years from the effective date of this Act, except for transfer, inheritance and estate taxes.

(c) All obligations or liabilities of a regional electrical authority remain its own and are not obligations or liabilities of the state. (§ 1 ch 142 SLA 1975)

Sec. 18.57.040. authority has

- (1) adopt, al
 - (2) prescribe
 - (3) sue and
 - (4) appoint powers and du services as the
 - (5) borrow m of indebtednes to secure paym lien on all or a
 - (6) make an purchasing, pe obligations issu or interest of v
 - (7) make an necessary or c including cont agency or othe
 - (8) receive, a ments of an app
 - (9) invest or gations or othe companies in t sinking funds o in certificates o
 - (10) acquire, any kind, real,
 - (11) acquire, ute, supply, exc other supplies proper, inciden
 - (12) determi other charges f service, electri furnished by it
 - (13) plan, de facility necessa
 - (14) enter on surveys, sound
 - (15) exercise
- 09.55.250 — 09
- (16) do all a carry out the p

Sec. 18.57.040. Powers of the authority. A regional electrical authority has the general power to

- (1) adopt, alter and use a corporate seal;
- (2) prescribe, adopt, amend and repeal bylaws;
- (3) sue and be sued in its own name;
- (4) appoint officers, agents and employees and vest them with powers and duties and to fix, change and pay compensation for their services as the authority may determine;
- (5) borrow money, make and issue bonds, notes and other evidences of indebtedness of the authority for any of its corporate purposes and to secure payment of its bonds and of other obligations by pledge of or lien on all or any of its assets, contracts, revenue and income;
- (6) make and issue bonds for the purpose of funding, refunding, purchasing, paying or discharging any of the outstanding bonds or obligations issued or assumed by it or bonds or obligations the principal or interest of which is payable in whole or in part from its revenue;
- (7) make and execute agreements, contracts and other instruments necessary or convenient in the exercise of its powers and functions, including contracts with any person, firm, corporation, government agency or other entity;
- (8) receive, administer and comply with the conditions and requirements of an appropriation, gift, grant or donation of property or money;
- (9) invest or reinvest money or funds held by the authority in obligations or other securities or investments in which banks or trust companies in the state may legally invest funds held in reserves or sinking funds or funds not required for immediate disbursement, and in certificates of deposits or time deposits;
- (10) acquire, hold, use, lease, sell or otherwise dispose of property of any kind, real, personal or mixed or any interest in it;
- (11) acquire, produce, develop, manufacture, use, transmit, distribute, supply, exchange, sell or otherwise dispose of electric energy and other supplies and services as the authority determines necessary, proper, incidental or convenient in connection with its activities;
- (12) determine, fix, alter, charge and collect rates, fees, rentals and other charges for the use of the facilities of the authority or for the service, electric energy or other commodities sold, rendered, or furnished by it;
- (13) plan, design, construct, reconstruct, extend or improve any facility necessary or convenient in connection with its activities;
- (14) enter on any land, water or premises for the purpose of making surveys, soundings or examinations;
- (15) exercise the powers of eminent domain in accordance with AS 09.55.250 — 09.55.460;
- (16) do all acts and things necessary, convenient or desirable to carry out the powers granted or implied in this chapter;

(17) adopt, amend and repeal regulations necessary for the exercise and performance of its powers and duties or to govern the rendering of service, sale or exchange of electrical energy. (§ 1 ch 142 SLA 1975)

Sec. 18.57.050. Bonds and notes. (a) The authority, by board resolution, may issue bonds and bond anticipation notes in order to provide funds to carry out and effectuate its purposes.

(b) The principal and interest on these bonds or notes is payable from authority funds. Bond anticipation notes may be payable from the proceeds of the sale of bonds or from the proceeds of sale of other bond anticipation notes or, if bond or bond anticipation note proceeds are not available, such notes may be paid from other funds or assets of the authority. Bonds or notes may be additionally secured by a pledge of a grant or contribution from the federal or state government, a corporation, association, institution or person, or a pledge of money, income, or revenues of the authority from any source.

(c) Bonds or bond anticipation notes may be issued as provided by board resolution, in one or more series and shall (1) be dated; (2) bear interest at the prescribed rate per year or within the maximum rate; (3) be in a certain denomination or form, either coupon or registered; (4) carry the conversion or registration provisions; (5) have rank or priority; (6) be executed in a certain manner and form; (7) be payable from the sources in the medium of payment and place or places inside or outside the state; (8) be subject to authentication by a trustee or fiscal agent; and (9) be subject to terms of redemption, with or without premium. Bond anticipation notes mature at a time determined by the authority. Bonds mature at a time, not exceeding 50 years from the date of their issuance, as determined by the authority. Before the preparation of definitive bonds or bond anticipation notes, the authority may issue interim receipts or temporary bonds or bond anticipation notes, with or without coupons, exchangeable for bonds or bond anticipation notes when the definitive bonds or bond anticipation notes have been executed and are available for delivery.

(d) Bond or bond anticipation notes may be sold in the manner, on the terms, and at the price the authority determines.

(e) If an officer whose actual or facsimile signature appears on any bonds or notes or coupons attached to them ceases to be an officer before the delivery of the bond, note or coupon, his signature is valid as if he had remained in office until delivery.

(f) In a resolution of the authority authorizing or relating to the issuance of bonds or bond anticipation notes, the authority may, with holders of the bonds or bond anticipation notes,

(1) pledge to any payment or purpose all or any part of revenues to which it is or will be entitled to and similarly pledge the money derived from the revenues, and the proceeds of any bonds or notes;

(2) covenant against pledging all or any part of its revenues or against permitting or suffering a lien on the revenues or its property;

(3) covenant of principal or construction loan;

(4) covenant making of pro reserves or sinking fund;

(5) covenant or otherwise defining the terms and conditions of the proceeds;

(6) covenant limitations on incurring of the bonds or notes;

(7) covenant rank or priority or as to the amount of the bonds or notes;

(8) provide for the bonds or notes or notes or interest;

(9) covenant of their exchange money to be payment or redemption and as to use of the money;

(10) establish contract or conditions notes may be held by holders of which manner in which the bonds or notes, their securities, insurance monies, and other matters;

(11) covenant from enforcement or with respect to loans or construction loans or construction bonds;

(12) provide upon the breach of the events of all of the bonds or notes may be declared conditions upon which waived;

(13) provide upon the breach of the events of all of the bonds or notes may be declared conditions upon which waived;

(14) provide upon the breach of the events of all of the bonds or notes may be declared conditions upon which waived;

(15) provide upon the breach of the events of all of the bonds or notes may be declared conditions upon which waived;

(16) provide upon the breach of the events of all of the bonds or notes may be declared conditions upon which waived;

(17) provide upon the breach of the events of all of the bonds or notes may be declared conditions upon which waived;

(18) provide upon the breach of the events of all of the bonds or notes may be declared conditions upon which waived;

(19) provide upon the breach of the events of all of the bonds or notes may be declared conditions upon which waived;

(3) covenant as to the use and disposition of any and all payments of principal or interest received by the authority on mortgage loans, construction loans or other investments held by the authority;

(4) covenant as to establishment of reserves or sinking funds and the making of provision for and the regulation and disposition of the reserves or sinking funds;

(5) covenant with respect to or against limitations on a right to sell or otherwise dispose of property of any kind;

(6) covenant as to bonds and notes to be issued, and their limitations, terms and conditions, and as to the custody, application and disposition of the proceeds of the bonds and notes;

(7) covenant as to the issuance of additional bonds or notes, or as to limitations on the issuance of additional bonds or notes and the incurring of the other debts;

(8) covenant as to the payment of the principal of or interest on the bonds or notes, as to the sources and methods of the payment, as to the rank or priority of the bonds or notes with respect to a lien or security, or as to the acceleration of the maturity of the bonds or notes;

(9) provide for the replacement of lost, stolen, destroyed or mutilated bonds or notes;

(10) covenant against extending the time for the payment of bonds or notes or interest on the bonds or notes;

(11) covenant as to the redemption of bonds or notes and privileges of their exchange for other bonds or notes of the authority;

(12) covenant to create or authorize the creation of special funds of money to be held in pledge or otherwise for operation expenses, payment or redemption of bonds or notes, reserves or other purposes, and as to use and disposition of the money held in the funds;

(13) establish the procedure, if any, by which the terms of any contract or covenant with or for the benefit of the holders of bonds or notes may be amended or abrogated, the amount of bonds or notes the holders of which must consent to amendment or abrogation, and the manner in which the consent may be given;

(14) covenant as to the custody of any of its properties or investments, their safekeeping and insurance, and the use and disposition of insurance money;

(15) covenant as to the time or manner of enforcement or restraint from enforcement of any rights of the corporation arising by reason of or with respect to nonpayment of principal or interest of any mortgage loans or construction loans;

(16) provide for the rights and liabilities, powers and duties arising upon the breach of a covenant, condition or obligation, and to prescribe the events of default and the terms and conditions upon which any or all of the bonds, notes or other obligations of the authority become or may be declared due and payable before maturity and the terms and conditions upon which such a declaration and its consequences may be waived;

(17) vest in a trustee or trustees inside or outside the state property, rights, powers and duties in trust as the authority may determine, which may include any or all of the rights, powers and duties of a trustee appointed by the holders of bonds or notes, and to limit or abrogate the right of the holders of bonds or notes of the authority to appoint a trustee under this chapter or limit the rights, powers and duties of the trustee;

(18) pay the costs or expenses incident to the enforcement of the bonds or notes or of the provisions of the resolution or of a covenant or agreement of the authority with the holders of its bonds or notes;

(19) agree with a corporate trustee which may be a trust company or bank having the powers of a trust company inside or outside the state as to the pledging or assigning of revenues or funds to which or in which the authority has any rights or interest; and further provide for other rights and remedies exercisable by the trustee as may be proper for the protection of the holders of any bonds or notes of the authority and not otherwise in violation of law and may provide for the restriction of the rights of an individual holder of bonds or notes of the authority;

(20) appoint and provide for the duties and obligations of a paying agent or other fiduciary, by resolution, inside or outside the state;

(21) limit the rights of the holders of bonds or notes to enforce a pledge or covenant securing bonds or notes;

(22) make covenants other than expressly authorized in this section, of like or different character, and to make covenants as may be necessary or desirable, to better secure bonds or notes or which, in the discretion of the authority, will tend to make bonds or notes more marketable, notwithstanding the fact that the covenants are not enumerated in this section. (§ 1 ch 142 SLA 1975)

Sec. 18.57.060. Validity of pledge. The pledge of assets or revenues of the authority to the payment of the principal or interest of obligations of the authority is valid and binding from the time the pledge is made and assets or revenues pledged are immediately subject to the lien of the pledge without physical delivery or further action. The lien of a pledge is valid and binding against all parties having claims of any kind in tort, contract or otherwise against the authority, irrespective of whether those parties have notice of the lien of the pledge. Nothing prohibits the authority from selling assets subject to a pledge, except that a sale may be restricted by the trust agreement or resolution providing for the issuance of the obligations. (§ 1 ch 142 SLA 1975)

Sec. 18.57.070. Remedies. A holder of obligations or coupons attached to them issued under the provisions of this chapter, and a trustee under a trust agreement or resolution authorizing the issuance of the obligations, if not restricted by the trust agreement or resolution, either at law or in equity, may enforce all rights granted under the

coupons or under contract executed and compel the trustee to agree by an officer of

Sec. 18.57.070. interest coupons under the law provisions. (§ 1 ch 142 SLA 1975)

Sec. 18.57.070. issued under the provisions of this chapter, all institutions, investments, other fiduciary interests, and other property deposited with the authority or subdivision of the authority. (1975)

Sec. 18.57.070. provide for the refunding obligations of the authority, the provisions of this chapter, premium on the redemption of the obligations and the right to issue them are governed by the provisions of this chapter. (1975)

(b) Refunding obligations of the authority are applied, in a redemption of the obligations, other available funds, and any redemption if so provided for in the resolution to the payment of the expenses incurred in the investment in the obligations of the United States of America with the option of the

coupons or under the trust agreement or resolution, or under any other contract executed by the authority under this chapter, and may enforce and compel the performance of all duties required by this chapter or by the trust agreement or resolution to be performed by the authority or by an officer of it. (§ 1 ch 142 SLA 1975)

Sec. 18.57.080. Negotiable instruments. All obligations and interest coupons attached to the obligations are negotiable instruments under the laws of this state, subject only to applicable registration provisions. (§ 1 ch 142 SLA 1975)

Sec. 18.57.090. Obligations eligible for investment. Obligations issued under the provisions of this chapter are securities in which all public officers and public bodies of the state and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. These obligations may be deposited with the state or municipal officer of an agency or political subdivision of the state for any purpose for which the deposit of bonds, notes or obligations of the state is authorized by law. (§ 1 ch 142 SLA 1975)

Sec. 18.57.100. Refunding obligations. (a) The authority may provide for the issuance of refunding obligations for the purpose of refunding obligations then outstanding which have been issued under the provisions of this chapter, including the payment of redemption premium on them and interest accrued or to accrue to the date of redemption of the obligations. The issuance of the obligations, the maturities and other details of them, the rights of the holders of them, and the rights, duties and obligations of the authority in respect of them are governed by the provisions of this chapter which relate to the issuance of appropriate obligations.

(b) Refunding obligations may be sold or exchanged for outstanding obligations issued under this chapter. If sold, the proceeds may be applied, in addition to other authorized purposes, to the purchase, redemption or payment of the outstanding obligations. Pending the application of the proceeds of any such refunding obligations, with any other available funds, to the payment of the principal (accrued interest and any redemption premium on the obligations being refunded, and if so provided or permitted in the resolution authorizing the issuance of the refunding obligations or in the trust agreement securing them, to the payment of any interest on the refunding obligations and any expenses in connection with the refunding), the proceeds may be invested in direct obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by, the United States of America which mature or which will be subject to redemption, at the option of the holders of them, not later than the respective dates when

the proceeds, together with the interest accruing on them, will be required for the purposes intended. (§ 1 ch 142 SLA 1975)

Sec. 18.57.110. Credit of state not pledged. Obligations issued under the provisions of this chapter do not constitute a debt, liability or obligation of the state or of any other political subdivision of the state or a pledge of the faith and credit of the state or a political subdivision of the state but are payable solely from the revenues or assets of the authority. Each obligation issued under this chapter shall contain on its face a statement that the authority is not obligated to pay it nor the interest on it except from the revenues or assets pledged for it and that neither the faith and credit nor the taxing power of the state or of a political subdivision of the state is pledged to the payment of the principal of or interest on the obligation. (§ 1 ch 142 SLA 1975)

Chapter 60. Safety.

Article

- 1. Prevention of Accident and Health Hazards (§§ 18.60.010 — 18.60.105)
- 2. Search and Rescue (§§ 18.60.110 — 18.60.175)
- 3. Boilers (§§ 18.60.180 — 18.60.395)
- 4. Refrigerators and Similar Equipment (§§ 18.60.400 — 18.60.460)
- 5. Radiation Protection (§§ 18.60.475 — 18.60.545)
- 6. Electrical Safety (§§ 18.60.580 — 18.60.660)
- 7. High Voltage Lines (§§ 18.60.670 — 18.60.695)
- 8. Plumbing Code (§§ 18.60.705 — 18.60.740)
- 9. Safety Glazing (§§ 18.60.750 — 18.60.780)
- 10. Elevators (§§ 18.60.800 — 18.60.820)
- 11. Snow Safety (§ 18.60.822)

Article 1. Prevention of Accident and Health Hazards.

Section

- 10. Legislative intent
- 20. Regulations
- 30. Duties of Department of Labor
- 40. Report to legislature
- 50. [Repealed]
- 55. Division of occupational safety and health
- 57. Occupational Safety and Health Review Board
- 58. Reporting of injuries and illnesses
- 59. Legal counsel
- 60. Cooperation by other state agencies
- 70. Control of funds
- 75. Safe employment
- 77. Variance of a standard
- 80. Contributions
- 81. Temporary variance
- 83. Right of entry and inspection
- 85. Prohibition of unauthorized notice of inspection

Section

- 87. Employer and employee participation
- 88. Employee requests for special inspection
- 89. Prohibition against retribution
- 90. [Repealed]
- 91. Citations
- 93. Enforcement procedures
- 95. Penalties
- 96. Imminent dangers
- 97. Judicial review
- 98. Employee compensation for appearances
- 99. Confidentiality of trade secrets
- 100. Nonabrogation of powers of Department of Health and Social Services
- 105. Definitions

Collateral r
2d, Plant and
State Laws, §
56 C.J.S..
§§ 171-481;
Servant. §§ 48
Availability
damages again
visions in con
cised or pre
protection of
Validity of
ALR 1328.
Constitution
protection aga
trial diseases
definiteness
613.

Sec. 18.
personal in
substantial
in terms of
ity comper
(b) For t
a program
hazards in

Cross refe
in undergrou

Duty to en
Due to the
now impose
enforce the
tions have
State, Sup.
2683), 557 P

The state
enforce saf
undertaker
discovered s
of that inve
Sup. Ct. Op.
P.2d 1120 (1

The state
ducting saf
installation
duty, owed
attempting

Article 10. General Provisions.

Section

701. Definitions

711. Exemptions

Section

721. Short title

✓ Sec. 42.05.701. Definitions. In this chapter

(1) "commission" means the Alaska Public Utilities Commission;

(2) "public utility" or "utility" includes every corporation (whether public, cooperative, or otherwise), company, individual, or association of individuals, their lessees, trustees, or receivers appointed by a court, that owns, operates, manages or controls any plant, pipeline or system for

(A) furnishing, by generation, transmission or distribution, electrical service to the public for compensation;

(B) furnishing telecommunications service to the public for compensation;

(C) furnishing water, steam or sewer service to the public for compensation;

(D) furnishing by transmission or distribution of natural or manufactured gas to the Alaska public for compensation;

(E) furnishing for distribution or by distribution petroleum or petroleum products to the Alaska public for compensation when the consumer has no alternative in his choice of supplier of a comparable product and service at an equal or lesser price;

(F) furnishing collection and disposal service of garbage, refuse, trash or other waste material.

(3) "service" means (unless the context indicates otherwise) every commodity, product, use, facility, convenience or other form of service which is offered for and provided by a public utility for the convenience and necessity of the public;

(4) "rate" includes each rate, toll, fare, rental, charge, or other form of compensation demanded, observed, charged or collected by a public utility for its services;

(5) "public" or "general public" means

(A) any group of 10 or more customers that purchase the service or commodity furnished by a public utility as defined in (2) of this section; and

(B) any utility purchasing the product or service or paying for the transmission of electric energy, natural or manufactured gas, or petroleum products which are re-sold to a group included in (A) of this paragraph or which are used to produce the service or commodity sold to the public by the utility.

(6) "affiliated interest" includes:

(A) a person owning or holding directly or indirectly five per cent or more of the voting securities of a public utility engaged in intrastate business in this state;



Official Business

Alaska State Legislature

Senate

Resources Committee

Pouch V
State Capitol
Juneau, Alaska 99811

RESOURCES COMMITTEE

Bettye Fahrenkamp
Chairman

March 28, 1983
3:10 p.m.

Beltz Room
Room 211, Capitol

MEMBERS PRESENT

Senator Fahrenkamp, Chair
Senator Ziegler, Vice Chair
Senator Paul Fischer

Senator Vic Fischer
Senator Mulcahy
Senator Sturgulewski

CALENDAR

- SB 32 Relating to rural electrification loans
- SB 128 Establishing certain areas as marine park units of the Alaska state park system
- SB 136 Relating to the operation of stationary fishing gear
- SB 140 Establishing the electric cooperative revolving loan fund
- SB 141 Making a special appropriation to the electric cooperative revolving loan fund

SB 32, SB 140, SB 141

Don Hostak, Department of Commerce & Economic Development, said the department opposes SB 140, because they don't know where the \$20-million needed to fund the bill will come from in light of declining revenues. They would also prefer an interest rate tied to the municipal bond rate or some other market, rather than setting it at 5% by statute. The committee expressed concern that the department had not prepared a more in-depth analysis of the legislation.

Ed Eboch, Director, Division of Energy and Power Development, opposed SB 32 because Alaska Power Authority can now develop regulations to accomplish what the bill would do, so they feel it is unnecessary.

Regarding SB 140 and SB 141, Eboch said the department had discussed the possibility of whether utilities would qualify for other funding, such as AIDA, but had not considered this in depth. Eboch said they had not discussed the bill with the administration for the purpose of taking a position on the bills. Senator Fahrenkamp asked that this be given more priority. Eboch said the department is also concerned about the impact on federal funds available and the possible effect on other programs. Senator Fahrenkamp asked that sewer and water problems be looked at when utility issues were being considered.

Dave Hutchens, Alaska Rural Electrical Cooperative Association (ARECA), said there are two financing programs available to REEA cooperatives: 1) insured loan program, in which each cooperative qualifies for a percentage of its distribution loans from the federal Rural Electrification Association. The percentage varies depending on the financial condition of the cooperative. 2) guaranteed loan program, in which REA guarantees loans for cooperatives if they determine the loan is feasible; the cooperative then goes wherever it can to get the funds, but generally obtains the funds from the Federal Financing Bank, which raises money on the bond market to loan to cooperatives. Hutchens said that the current federal administration is cutting back both loan programs. There was discussion. Hutchens suggested that the interest rate be tied to that of the REA insured loans.

No action was taken on these bills this date.

SB 128

Senator Fahrenkamp referred the committee to a memo dated 3/28/83 from Senate Resources staff to the committee, recommending additional amendments to the Resources committee substitute for SB 128. Senator Vic Fischer offered amendments on page 2, lines 16-19, and on page 9, lines 8-10, to clarify the intent of the legislation that lawful hunting, trapping, fishing, and recreation in marine park units in the state, and reasonable access to these areas, shall not be restricted by the state. These amendments were adopted without objection. Bill was reported out of committee.

SB 136

Senator Mulcahy offered a committee substitute for SB 136. He said the bill addresses a problem in areas of the state where

a unit of fishing gear can be broken into more than one piece, and explained how the bill would correct the problem. He requested a further amendment to line 20 of his proposed committee substitute, adding the word "shelter", which had been recommended by the Department of Public Safety. There being no objection, the amendment was adopted. Senator Mulcahy moved that the committee substitute be reported out of committee with individual recommendations. There was no objection.

The meeting was adjourned at 3:50 p.m.

K

TO: Senate Resources Committee Members
FROM: Senate Resources Committee Staff
RE: March 23th hearing
DATE: March 25, 1983

On Monday, March 26 at 3:00 pm in the Lertz Room, the following bills will be heard:

SB 32 AN ACT RELATING TO RURAL ELECTRIFICATION LOANS.

SB 32 extends the repayment period for rural electrification loans from 10 to 30 years.

SB 140 AN ACT ESTABLISHING THE ELECTRIC COOPERATIVE REVOLVING LOAN FUND.

SB 140 establishes the Electric Cooperative Revolving Loan Fund within the Department of Commerce and Economic Development, and authorizes the Department to make loans to electric utilities to finance a capital improvement, plant, or facility; to improve and expand services; or to meet short-term needs while awaiting long-term financing. It outlines limitations on, qualification for, and terms of loans to be compatible with current federal Rural Electrification Administration (REA) loans.

SB 141 AN ACT MAKING A SPECIAL APPROPRIATION TO THE ELECTRIC COOPERATIVE REVOLVING LOAN FUND.

SB 141 appropriates \$20,000,000 from the general fund to the electric cooperative revolving loan fund.

Copies of the above bills are attached; background information will be distributed as soon as it is received.

Also attached is a copy of CSSI 121, the Marine parks bill, which was adopted by the Committee on 2/13/82. It is hoped that final Committee action could be taken on this bill.

March 31, 1983

Eric Yould
Executive Director
Alaska Power Authority
334 West Fifth Avenue, 2nd Floor
Anchorage, Alaska 99501

Dear Mr. Yould:

I have enclosed copies of two bills that are currently in the Senator Resources Committee. SB 140 would establish an electric cooperative revolving loan fund within the Department of Commerce. Funds, to be loaned at 5% interest for a maximum of 35 years, would be used to improve and expand services, finance capital improvements, and meet short term or interim capital needs. SB 32 would amend the existing rural electrification revolving loan fund by extending the repayment period of loans from 10 to 30 years.

The Resources Committee took testimony March 28 on these bills, and many questions were left unanswered. I would like input from your agency on the following:

Why has the existing rural electrification loan fund not been favorably accepted by the utilities?

What regulatory and statutory changes would be necessary to make this loan program usable and productive?

I understand that the APA, at its recent board meeting, voted to hold public hearings on the current regulations governing the rural electrification loan fund. Have these public hearings been scheduled?

The program proposed in SB 140 has been structured to match the terms of the federal REA program which is facing reductions. Has the APA considered other approaches to meeting the needs currently provided by the REA?

Eric, I would appreciate any other comments or ideas you may be willing to offer on the above-mentioned bills and procedures for financing electrical services throughout the state. Please let me hear from you soon, as I would like to schedule a second hearing on these bills.

Sincerely,



Senator Bettye Fahrenkamp

Alaska State Legislature

BETTYE FAHRENKAMP, Chairman
ROBERT H. ZIEGLER, SR., Vice Chairman
DICK ELIASON
PAUL FISCHER
VIC FISCHER
BOB MULCAHY
ARLISS STURGULEWSKI

POUCH V
STATE CAPITAL
JUNEAU, ALASKA 99811
(907) 465-3834
(907) 465-3835



Senate Committee on Resources

March 31, 1983

David M. Gross, Chairman
Alaska Public Utilities Commission
210 S. Street, Suite 100
Anchorage, Alaska 99501

Dear Mr. Gross:

I have returned a copy of SB 140, which is currently in the Senate Resources Committee. This bill would establish a public utility corporation to be owned and operated by the State of Alaska. Funds to be loaned at 5% interest for a period of 20 years, would be used to improve and expand power lines, transmission, distribution, and most importantly, to provide service to rural areas. This proposed program has been structured to mirror the existing 10% Federal PIA program which is under budget review.

We have also had Committee staff meetings on SB 140, and our staffs have been conducting research into legislative alternatives to your current rate structure, and whether it would be a state disbursement for cooperatives over individual owned utilities. I would appreciate your comments on this issue when you have a chance to review SB 140 and associated financing alternatives available throughout the state.

I would like to schedule a meeting sometime in May and would appreciate hearing from you soon.

Very sincerely,

Sincerely,

Senator Robert Mulcahy

Alaska State Legislature

BETTYE FAHRENKAMP, Chairman
ROBERT H. ZIEGLER, SR., Vice Chairman
DICK ELIASON
PAUL FISCHER
VIC FISCHER
BOB MULCAHY
ARLISS STURGULEWSKI

POUCH V
STATE CAPITAL
JUNEAU, ALASKA 99811
(907) 465-3834
(907) 465-3835



Senate Committee on Resources

April 4, 1983

William E. Davis, Director
Distribution System Division
Rural Electrification Administration
U.S. Department of Agriculture
Washington, D.C. 20250

Dear Mr. Davis:

I have enclosed a copy of SB 140, which would establish an electric cooperative revolving loan fund within the State Department of Commerce. This proposed program has been structured to match the terms of the federal Rural Electrification Administration program, which I understand is facing reductions at the federal level.

Would you please provide me with information on the current status of the REA program, funding reductions that have occurred or are proposed, and also current information as to interest rate, length of term, and purpose of loans.

I would appreciate hearing from you as soon as possible, as I do want to schedule a second hearing on SB 140.

Best regards,

Sincerely,

Bettye Fahrenkamp
Chairman

BW:bs

ENCLOSURE

STATE OF ALASKA
FISCAL NOTE

Revision Date March , 1983

I. REQUEST

Bill/Resolution No.: SR 140
Title: Electric Loan Fund
Sponsor: Fahrenkamp, Ferguson, Eliason
Requestor: _____

II. FISCAL DETAIL

Agency Affected: Commerce & Econ. Development
Program Category Affected: Development
BRU, Program of Subprogram(s) Affected: Loans & Veterans' Affairs

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES		77.7				
200 TRAVEL		4.2				
300 CONTRACTUAL		3.1				
400 COMMODITIES		1.0				
500 EQUIPMENT		10.4				
600 LAND & STRUCTURES		5.4				
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING		101.8				
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		101.8				
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

FULL-TIME		2				
PART-TIME						
TEMPORARY						

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

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: D. A. Hostak *D.A. Hostak* Phone: 465-2510
Division: Loans & Veterans' Affairs Date: 3/25/83
Approved by Commissioner: Richard A. Ivon Date: 3/25/83
Department: Commerce & Economic Development

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)

SB 140 FISCAL NOTE ANALYSIS

Provides for a Loan Examiner III position and an Accounting Tech. I position. This is based on the assumption that the division will be processing approximately 35 to 40 loans per year and that the Division of Energy and Power will be handling the feasibility studies. That fiscal impact is reflected in a separate fiscal note prepared by the Division of Energy and Power.

1.	POSITION TITLE Loan Examiner III				RANGE/STEP 19A	BARG. UNIT G	FORM 12 PAGE/LINE	GOV.	APERDV.	DISAPP.	
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Juneau	ELECTION DISTRICT 4	LEC.			
3.	CONTINUATION LEVEL		ADDITION		JUSTIFICATION						
4.	TYPE OF EXPENDITURE			AMOUNT							
	1		2		3						
	PERSONAL SERVICES										
5.	Salary	3,041 P/M		36.5							
6.	Benefits			5.7							
7.	Supplemental Benefits			2.2							
8.	Fixed Benefits			2.9							
9.	TOTAL PERSONAL SERVICES		01		47.3						
10.	Travel		02		4.2						
11.	Contractual		03		3.1						
12.	Commodities		04		.5						
13.	Equipment		05		5.3						
14.	Other				2.7						
15.	TOTAL COST				63.1						
RECEIPT CODE FUNDING SOURCE											
16.			Federal Receipts	1002							
17.			G.F. Match	1003							
18.			General Funds	1004	63.1						
19.			I-A Receipts	1005							
20.			Program Receipts	1028							
21.			Other								
FOR B&M USE ONLY 4A KEY NUMBER _____											

13 REQUEST FOR
NEW POSITION

AGENCY COMMERCE & ECONOMIC DEVELOPMENT

PROGRAM ECONOMIC DEVELOPMENT

BRU LOANS & VETERANS' AFFAIRS

COMPONENT _____

FY 84

Page 1 of 2

Revised Date _____

1.	POSITION TITLE Accounting Technician I			RANGE/STEP 12A	BARG. UNIT G	FORM 12 PAGE/LINE	GOV.	APPRDV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Juneau	ELECTION DISTRICT 4	LEG.	
3.	CONTINUATION LEVEL		ADDITION		JUSTIFICATION				
4.	TYPE OF EXPENDITURE		AMOUNT						
	1		2	3					
	PERSONAL SERVICES								
5.	Salary		22.7						
6.	Benefits		1.4						
7.	Supplemental Benefits		3.5						
8.	Fixed Benefits		2.9						
9.	TOTAL PERSONAL SERVICES	01		30.5					
10.	Travel	02							
11.	Contractual	03							
12.	Commodities	04		.5					
13.	Equipment	05		5.1					
14.	Other			2.7					
15.	TOTAL COST			38.8					
	RECEIPT CODE	FUNDING SOURCE							
16.		Federal Receipts 1002							
17.		G.F. Match 1003							
18.		General Funds 1004		38.8					
19.		I-A Receipts 1005							
20.		Program Receipts 1028							
21.		Other							
FOR B&M USE ONLY 4A KEY NUMBER _____									

13 REQUEST FOR
NEW POSITION

AGENCY DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

PROGRAM ECONOMIC DEVELOPMENT

BRU DIVISION OF LOANS & VETERANS' AFFAIRS

COMPONENT _____

Page 2 of 2

Revised Date _____

FY 84

STATE OF ALASKA
FISCAL NOTE

Revision Date _____, 1983

I. REQUEST

Bill/Resolution No.: SB 140
 Title: Establishing electric coop revolving
 Sponsor: Fahrenkamp
 Requestor: Senate Resources

II. FISCAL DETAIL

Agency Affected: Commerce and Econ. Dev.
 Program Category Affected: Development
 BRU, Program of Subprogram(s) Affected: Energy and Power Development

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES	83.6	87.6	93.9	99.2	105.4	111.9
200 TRAVEL	16.0	15.9	17.9	18.2	19.0	20.1
300 CONTRACTUAL	110.0	116.6	117.6	124.6	132.0	139.9
400 COMMODITIES	.5	.3	.3	.3	.4	.4
500 EQUIPMENT	1.0	.4	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING	211.1	221.8	229.7	242.3	256.8	272.3

CAPITAL (see SB 141)						
----------------------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	211.1	221.8	229.7	242.3	256.8	272.3
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

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

Source of funds not identified by sponsor.

IV. ANALYSIS: Attach a separate page for any analysis

Prepared By: Steve Baden
 Division: Energy and Power Development

Phone: 561-4201
 Date: 3/18/83

Approved by Commissioner: Richard A. Lyon
 Department: Commerce and Economic Development

Date: 3/26/83

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)

SB 140

Fiscal Note Analysis/Energy and Power Development

The Electric Cooperative Revolving Loan Fund would be administered jointly by the Division of Energy and Power Development and the Division of Loans and Veterans' Affairs of the Department of Commerce and Economic Development.

Utilities would first apply to the Division of Energy and Power Development. The Division would review the application, system studies, economic forecasts, financial data and complete the feasibility study. The Division would work with the Alaska Public Utilities Commission to verify that the utility would be financially self-sustaining.

Once the Division signed off on the application, it would be sent to the Division of Loans and Veterans' Affairs. The Division would determine if the loan would be fully amortized under the conditions of the loan, process the loans and handle the transfer of notes, mortgages and collateral.

It is assumed that between 20 and 35 loans will be processed ranging from \$50,000 to \$2,500,000. For the application review and conduction of the feasibility study, two positions would be needed for the Division of Energy and Power Development: a range 22 engineer, and a range 8 clerk typist III.

The personal services line includes only a .06 increase per year which will absorb potential step increases. The travel line assumes 25 trips to in-state sites and associated per diem annually. The contractual line includes office expenses, equipment rental, and professional services required to assist in feasibility studies at the same level annually. The equipment line includes the cost of office furniture and equipment for one position anticipated only the first year.

1.	POSITION TITLE Power Development Engineer				RANGE/STEP 22A	BARG. UNIT G	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER Pending	PCN NUMBER Pending	BRU PRIORITY 1	LOCATION Anchorage	ELECTION DISTRICT 7	LEG.		
3.	CONTINUATION LEVEL				JUSTIFICATION					
4.	TYPE OF EXPENDITURE				AMOUNT					
	1		2		3					
	PERSONAL SERVICES									
5.	Salary	3,779	45,348							
6.	Benefits		7,029							
7.	Supplemental Benefits		2,240							
8.	Fixed Benefits		2,880							
9.	TOTAL PERSONAL SERVICES		01	67,497						
10.	Travel		02	6,000						
11.	Contractual		03	107,000						
12.	Commodities		04	500						
13.	Equipment		05	1,000						
14.	Other									
15.	TOTAL COST			181,997						
	RECEIPT CODE	FUNDING SOURCE								
16.		Federal Receipts 1002								
17.		G.F. Match 1003								
18.		General Funds 1004			181,997					
19.		I-A Receipts 1005								
20.		Program Receipts 1028								
21.		Other								
FOR B&M USE ONLY 4A KEY NUMBER _____										

SB 140 - Electric Cooperative Revolving Fund to be administered properly requires that there be a technical review, inspection of site and facilities, proposal review and feasibility study completion before a loan can be approved.

This position will be responsible for ensuring that a proposed project meets established criteria before recommending approval. This individual must be a graduate/registered professional engineer, preferably of the electric power development field. Must be knowledgeable in power utility construction specification and practices, in particular REA requirements. He must have proven knowledge of the principles and practices of engineering relating to development of power generation, distribution, transmittal and control systems, including power utility economics, codes and standards.

The anticipated workload of this program cannot be handled by the existing DEPD staff. This Division has the technical expertise on board but current workload does not permit the allocation of sufficient manhours to this program for satisfactory results. The estimated workload is for 35 projects requiring a minimum of 2 evaluation or inspection trips away from the office per project.

13 REQUEST FOR
NEW POSITION

AGENCY COMMERCE & ECONOMIC DEVELOPMENT

PROGRAM ENERGY DEVELOPMENT

BRU ENERGY & POWER

COMPONENT ENGINEERING

FY 84

Page 1 of 1

Revised Date _____

1.	POSITION TITLE Clerk Typist III			RANGE/STEP 8A	BARG. UNIT G	FORM 12 PAGE/LINE	GOV.	APPRDV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER Pending	PCN. NUMBER Pending	BRU PRIORITY 2	LOCATION Anchorage	ELECTION DISTRICT 7	LEG.	
3.	CONTINUATION LEVEL			ADDITION		JUSTIFICATION			
4.	TYPE OF EXPENDITURE			AMOUNT		SB 140 - Electric Cooperative Revolving Fund to be administered properly will require considerable correspondence, feasibility reports preparation and review, records management and filing. It is estimated that there will be approximately 35 projects annually, all of which will require clerical support beyond the existing DEPD capability. The degree of expertise dictated by the technical aspects of these projects demands Clerk Typist III level of experience.			
	1	2	3						
	PERSONAL SERVICES								
5.	Salary	1,553	18,636						
6.	Benefits		2,888						
7.	Supplemental Benefits		1,142						
8.	Fixed Benefits		2,880						
9.	TOTAL PERSONAL SERVICES	01	25,546						
10.	Travel	02							
11.	Contractual	03	3,000						
12.	Commodities	04							
13.	Equipment	05							
14.	Other								
15.	TOTAL COST		28,546						
	RECEIPT CODE	FUNDING SOURCE							
16.		Federal Receipts 1002							
17.		G.F. Match 1003							
18.		General Funds 1004		28,546					
19.		I-A Receipts 1005							
20.		Program Receipts 1028							
21.		Other							
FOR B&M USE ONLY									
4A KEY NUMBER _____									

13 REQUEST FOR
NEW POSITION

AGENCY COMMERCIAL & ECONOMIC DEVELOPMENT

PROGRAM ENERGY DEVELOPMENT

BRU ENERGY & POWER

COMPONENT ENGINEERING

FY 84

Page 1 of 1
Revised Date _____



Official Business

Alaska State Legislature

Senate

Office of the President

Pouch V
State Capitol
Juneau, Alaska 99811

MEMORANDUM

DATE: April 5, 1983

TO: Senator Bettye Fahrenkamp
Chairperson, Resources Committee

FROM: Senator Jay Kerttula
Senate President

RE: Rural Electrification of the Copper Valley.

The attached material was recently received in my office. I am forwarding it to you for your information and the perusal of your committee.



Copper River Native Association
ATNA' TAENE NENE'

Drawer H • Copper Center, Alaska 99573 • Phone (907) 822-5241

March 23, 1983

Mr. Donald Johns, Member
Alaska Regional Energy Association
P.O. Box 3-3908
Anchorage, AK 99501

Dear Mr. Johns:

Here in the Copper Valley area we have three (3) electrical service areas which do not now have local REA service. These areas are:

Old Edgerton Cutoff	8 miles
Extension to Chitina	18 miles
Extension of Tok Cutoff	80 miles

The three service areas listed above have insufficient patron users to warrant establishment of effective electrical service extensions. Example: the Edgerton cutoff has approximately 18 families. The Tok cutoff from Mile 11 to Mentasta Village 70 to 80 miles, has less than 100 electrical service users.

The Copper Valley Electric Association currently estimates Line Extension Service cost to be approximately \$40,000 per extension mile. As a result, it is not financially feasible to construct the extension service, due to excessive line cost and lack of consumer revenue to justify such extensions. We recognize low interest loans from State or Federal sources would not necessarily have a great benefit for the local REA, unless it was in the form of a grant rather than in a loan.

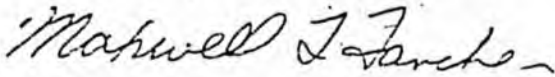
We request your assistance to provide both potential consumers and the Copper Valley Electric Association with information which will yield satisfactory electrification to these areas. We recognize the information contained within this letter is very sketchy but would hope with the assistance of our Alaskan Legislators, communities listed above, Copper Valley Electrical Association, and the Alaska Regional Energy Association, that this central area of our state would be able to move ahead and receive electrical service. At the present time many of the

Mr. Donald Johns
March 23, 1983
Page 2

potential users have their own electrical generators. Unfortunately, not all potential users are even this fortunate to have any electrical service. With our modern technology of industrial computerization this central part of Alaska is denied electrical service. To us, this is a great injustice to our citizens. We solicit your looking at our concerns and trust that together a solution may be found.

Sincerely,

COPPER RIVER NATIVE ASSOCIATION



Maxwell L. Fancher
Program Analyst

MLF:pb

cc: ^{James F} Senator ~~James~~ Fillingame, CVEA
Senator Jalmar Kerttula
Senator Pappy Moss
Representative Dick Schultz
Representative Al Adams

(7) "reconnaissance study" means a study conducted for the purpose of assessing the present and future electrical and thermal energy needs of an area under AS 44.83.177;

(8) "feasibility study"

(A) means a study conducted for the purpose of establishing the economic and environmental practicality of completing a proposed power project under AS 44.83.181;

(B) includes engineering and design work to meet the requirements for submission of a license application for a proposed new project to the Federal Energy Regulatory Commission;

(9) "small-scale power production facility" means a facility which, by design, is to produce less than 25 megawatts of power. (§ 1 ch 278 SLA 1976; am §§ 21, 22, ch 156 SLA 1978; am §§ 26, 27 ch 83 SLA 1980; am §§ 10, 11 ch 133 SLA 1982)

Effect of amendments. — The 1982 amendment, effective June 25, 1982, substituted the present definition for "power project" or "project" in paragraph (4) for

the definition set out in the main pamphlet and substituted "electrical and thermal energy needs" for "power needs" in paragraph (7).

Article 7. Susitna River Hydroelectric Project

Sec. 44.83.325. Restrictions on contracting.

Editor's note. — Section 21, ch. 133, SLA 1982, provides: "Notwithstanding the provisions of AS 44.83.325, the Alaska Power Authority may enter into contracts under AS 44.83.500 — 44.83.360 for preliminary work without the approval required by AS 44.83.325. In this section, 'preliminary work' means the preparation of plans and studies and the preparation and submission of license applications, as well as other types of work, that must be

completed before actual construction of the Susitna River hydroelectric project, described in AS 44.83.300, may begin. This section does not authorize the Alaska Power authority to enter into contracts for the actual construction of the Susitna River hydroelectric project or for the preparation of the site of the Susitna River hydroelectric project without the approval required by AS 44.83.325."

Article 8 Rural Electrification Revolving Loan Fund.

Section

361. Rural electrification revolving loan fund

363. Loan advisory committee

Sec. 44.83.361. Rural electrification revolving loan fund. (a) The rural electrification revolving loan fund is established in the Alaska Power Authority. The fund consists of

- (1) appropriations made to the fund; and
(2) principal and interest payments on loans made under this section.

(b) The authority may make loans from the rural electrification revolving loan fund to electric utilities certified by the Alaska Public

Utilities Commission for the purpose of extending an electric utility and necessity may be made the money necessary to purchase a transformer, a rate service work ever, a loan m

(1) the loan under AS 44.8

(2) the extent to at least thr

(c) A loan f bear an annua the loan.

(d) When a electric utility

(1) shall, in charge the con loan proceeds

(2) shall pay (A) interest

(B) payment each new cons year for which the principal o between the a sumers and th utility before

(e) The auth (1) adopt re section;

(2) adminis

(3) submit to legislative sess section and ar fund. (§ 1 ch

Sec. 44.83. for a rural ele 44.83.361, the persons resid serve. The loa and shall recor disapproved. A mittee shall be

Utilities Commission. A loan from the fund may be made only for the purpose of extending new electric service into an area of the state that an electric utility may serve under a certificate of public convenience and necessity issued by the Alaska Public Utilities Commission. A loan may be made from the fund to an electric utility if the utility invests the money necessary to provide one pole, one span of line, one transformer, and one service drop for each consumer for whom immediate service would be provided by the extension of electric service. However, a loan may not be made from the fund unless

(1) the loan is recommended by a loan advisory committee appointed under AS 44.83.363; and

(2) the extension of electric service would provide immediate service to at least three consumers.

(c) A loan from the rural electrification revolving loan fund shall bear an annual rate of interest of two percent of the unpaid balance of the loan.

(d) When a loan is made by the authority under this section, the electric utility receiving the loan

(1) shall, in addition to the rates that it is authorized to charge, charge the consumers served by the electric service extended with the loan proceeds an amount sufficient to pay the interest costs of the loan;

(2) shall pay to the authority annually an amount equal to

(A) interest of two percent on the unpaid balance of the loan; and

(B) payments on the unpaid balance of the principal of the loan for each new consumer served by the electric service during the preceding year for which the loan was made; payments on the unpaid balance of the principal of the loan shall be made at a rate equal to the difference between the actual cost of making the service connection to the consumers and the minimum investment per consumer required of the utility before a loan is made under (b) of this section.

(e) The authority shall

(1) adopt regulations necessary to carry out the provisions of this section;

(2) administer the rural electrification revolving loan fund; and

(3) submit to the legislature within the first 10 days of each regular legislative session a report of actions taken by the authority under this section and an accounting of the rural electrification revolving loan fund. (§ 1 ch 118 SLA 1981)

Sec. 44.83.363. Loan advisory committee. When an application for a rural electrification loan is submitted to the authority under AS 44.83.361, the authority shall appoint a local advisory committee from persons residing in the area that the applicant utility is certified to serve. The loan advisory committee shall consider the loan application, and shall recommend whether the loan application is to be approved or disapproved. A favorable recommendation from the loan advisory committee shall be based on a determination that development in the area

of the proposed extension of electric service is likely to provide for full repayment of the loan under AS 44.83.361(d) within 10 years. In making that determination the committee shall consider

- (1) permanence of the premises to be served by the extension;
- (2) land use patterns in the area;
- (3) access for the line that would be installed with loan proceeds;
- (4) availability of other utility service in the area; and
- (5) the economic feasibility of the extension of electric service with the proceeds of the loan. (§ 1 ch 118 SLA 1981)

Article 9. Energy Program for Alaska.

<p>Section</p> <p>380. Program established</p> <p>382. Power development fund established</p> <p>384. Use of fund balance</p> <p>386. Investment of fund</p> <p>388. Allotment to projects</p> <p>390. Reappropriation of fund balance</p>	<p>Section</p> <p>392. Lapse of excess appropriations</p> <p>394. Revenue requirements</p> <p>396. Operation of power project</p> <p>398. Sale of power from power project</p> <p>400. Energy conservation</p> <p>425. Definitions</p>
--	--

Sec. 44.83.380. Program established. (a) The energy program for Alaska is established. The program shall be administered by the Alaska Power Authority.

(b) The energy program for Alaska is a program by which the authority may acquire or construct power projects with money appropriated by the legislature to the power development fund established in AS 44.83.382. A power project may be acquired or constructed as part of the energy program for Alaska only if the project is submitted to and approved by the legislature in accordance with procedures set out in AS 44.83.177 — 44.83.187.

(c) The provisions of AS 36.10.010 — 36.10.125 apply to power projects constructed by the authority under AS 44.83.380 — 44.83.425. (AS 44.83.400; § 1 ch 118 SLA 1981)

Revisor's notes. — A reference to AS 44.83.400 — 44.83.510 was changed to AS 44.83.380 — 44.83.425 by the revisor of statutes pursuant to AS 01.05.031 to conform to the renumbering of this article.

Editor's notes. — As enacted, this section was designated AS 44.83.400 and was renumbered by the revisor of statutes under AS 01.05.031.

Sec. 44.83.382. Power development fund established. (a) A power development fund is established in the Alaska Power Authority to carry out the purposes of the energy program for Alaska (AS 44.83.380 — 44.83.425).

- (b) The fund includes
- (1) money appropriated to it by the legislature; and
 - (2) revenues collected from the sale of power that are not required by law to be deposited into the general fund. (AS 44.83.410; § 1 ch 118 SLA 1981)

Revisor's notes. — 44.83.400 — 44.83.510 was changed to AS 44.83.380 — 44.83.425 by the revisor of statutes pursuant to AS 01.05.031 to conform to the renumbering of this article.

Sec. 44.83.384. Authority to acquire land.

(1) reconnaissance plans prepared under AS 44.83.382

(2) the cost of acquiring necessary land, and construction

(3) the defeasance of bonds issued for or on an issue

(4) the cost of debt service

(5) debt service on a power project

(1) meets the needs of the market area

(2) provides for the market area, and

operated by itself in the market area, and following:

(A) renewable hydroelectric power or a method that takes advantage of the properties of the

(B) coal or petroleum

(C) energy derived from fossil fuel

(D) fossil fuel (AS 44.83.380 — 44.83.425; § 1 ch 118 SLA 1981)

(c) Notwithstanding AS 44.83.398, the cost of a power project financed under the provisions of AS 44.83.380 — 44.83.425 shall be a fund for the cost of the project

(1) the legislature shall determine the plan of financing for the project

(2) the division of energy resources shall review the plan and determine whether the plan is feasible

(3) the plan of financing shall be submitted and approved by the legislature

(4) the plan of financing shall be submitted and approved by the legislature

(5) the plan of financing shall be submitted and approved by the legislature

(6) the plan of financing shall be submitted and approved by the legislature



ALASKA RURAL ELECTRIC COOPERATIVE ASSOCIATION, INC.

237 E. FIREWEED LANE • SUITE 301
ANCHORAGE, ALASKA 99503 • (907) 276-3235

Sen. Bettye Fahrenkamp
Alaska State Senate
Pouch V
Juneau, AK 99811

Mar 23, 1983

Dear Senator Fahrenkamp,

Your office has requested a report on the impact of passage of SB 140, the bill to create a state-supported loan bank for electrical cooperatives.

In order to provide this information, we've contacted each of the members of ARECA and asked them to project their financing needs for the next five years and outline major projects that these funds would be used for.

In short, the bulk of the loans needed by electrical cooperatives in Alaska for the foreseeable future are directly attributable to growth and the need of the individual coops to expand into new areas or provide additional generating capacity to cover the power needs of new members.

The creation of a state-supported loan fund to provide supplemental loans to the coops at interest rates of 5% would have varying effects on their rates, depending on the size of the coop and the purpose of the loan. No coops, like Glacier Highway near Juneau, can finance new generation equipment with 5% REA loans. For Glacier Highway to seek what are essentially commercial rates for a \$3 million generator would require power rates for their members to be increased 50%. With 5% money available from the state instead of 11.5% from Cooperative Financing Corporation, this rate increase would be reduced significantly since Glacier Highway would save \$18.5 million in interest over a 20-year period. Since Glacier Highway's membership and revenues are small, it's fairly safe to say that without access to 5% money, this generator won't be built.

At the other extreme, a large coop such as Matanuska or Golden Valley would experience a nominal effect on rates in the short term with the availability of 5% money. This is because of the size of their current indebtedness and the percentages they are already paying on outstanding loans. Compared to their present debt, the percentage savings would be small.

DEMOCRACY IN ACTION

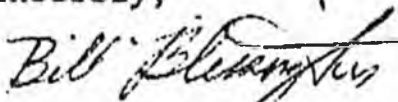
One of the greatest benefits to the coops that would accrue from having 5% state loans available would be in their overall financial health and their ability to borrow money from REA. Coops qualify for loans from REA based on a financial formula that compares their cash flow with their interest expenses (TIER or Times Interest Earned Ratio). Even though a coop might be able to pay all of its debts on high interest rates with few problems, if it is unable to meet this financial reserve requirement, it may be cut off from the loan sources needed to take care of future growth. Every percentage point of interest that a coop can save is therefore reflected in two ways, a lowering of actual cash interest payments and a lowering of on-hand cash reserves so that the coop can meet the requirements of lenders.

The present financial problems being experienced by Chugach Electric are not the result of the coop's inability to pay its bills, rather, it is the coop's financial condition relative to the TIER formula which is the accepted expression of a coop's financial "health".

As to the inherent question regarding immediate reductions in electrical rates given the availability of 5% state loans, the answer is no. Any or all of the loans would be used to finance new construction which represents new expenses for the coops. That's the very reason why Congress created the REA system and provided 2% federal loans to provide electrical service to rural areas throughout the United States. In most cases, these expansion projects would not generate enough new members to offset the cost of the projects - at least for the first few years. What these loans would do is reduce the amount of increase attributable to interest expenses.

Here's a list of the major projects currently being planned by Alaska's electrical coops. I've also attached a schedule of each coop's loan requirements and the percentages of REA financing they have available versus the percentages of "commercial" money they would have to seek from the Cooperative Finance Corporation.

Sincerely,



William K. Blessington
Director of Information

WB:ra

UTILITY

Alaska Village Electric Coop

All funds needed are to provide additional generation, transmission and distribution to service villages served by their system. Major expenses include building and installing generators, building and installing power lines and substations and wiring the village power plants to consumer's homes and businesses.

Chugach Electric

Major expenditures for Chugach include construction of new transmission and distribution systems to connect planned new generation plants with their existing power grid. Chugach also needs to continue to expand their distribution system to handle the normal growth in membership. Within the next five years, Chugach is planning to build or start building three new generation plants and hooking up to the Bradley Lake Project on the Kenai Peninsula. All of these new facilities will require major expenditures for power lines and distribution systems.

Copper Valley Electric

Copper Valley's expansion plans include construction of transmission and distribution systems to connect several areas with the Copper Valley generation and transmission system. These construction programs will bring "power house" electricity to Chistochina and the Tok Cut-Off area, Chitina and the Lower Tonsina area on the Richardson Highway and Edgerton Cut-Off - homes and small businesses that do not now have access to power except from their own generators. The bulk of the funds will be used to build new power lines to these areas and install the distribution system necessary to take power from the high voltage power lines to residences and businesses.

Cordova Electric

Cordova's plans include renovation of the equipment purchased from the old city-operated utility, expansion of service and hardware needed to connect

Cordova with the planned Silver Lake hydro project. Because of Cordova's unique financial situation, they are only able to borrow 25% of their needs from REA at 5%, the rest will have to come from commercial sources.

Glacier Highway

A new generator to serve as a back up unit is planned by Glacier Highway if financing can be obtained. Because of the utility's location in relation to Snettisham and heavy snow loads and high winds common to Southeastern, power outages are frequent. The new back up generator would eliminate that problem. A small portion of the projected loan would also be used to purchase land for the generator plant.

Golden Valley Electric

Loans projected by Golden Valley would be used to expand their present transmission and distribution system to handle the demands of growth in the Interior. Like Chugach and Matanuska Electric, the demands of growth require coops to build new high tension lines, substations, smaller distribution lines and other facilities necessary to connect these areas with the source of power. Golden Valley will also experience costs directly associated with completion of the Anchorage-Fairbanks intertie.

Homer Electric

When the Bradley Lake Hydro Project is completed, Homer Electric will have to build a \$20 Million power line in order to buy power from the dam. They are also planning a major expenditure in five years to construct new transmission and distribution lines in other areas of the Kenai Peninsula to accommodate a growing population and the demand for more power.

Kodiak Electric

Hooking up to the Terror Lake Hydro Project will be the source of most of the loan demand from Kodiak Electric over the next five years. KEA is also planning to expand its services to several smaller villages on Kodiak.

Matanuska Electric

The Matanuska Valley area is one of the fastest growing areas in the state and the demand on MEA to provide electrical services has been great. New areas,

such as the Point MacKenzie Agricultural Project, will need power and to do this major new transmission lines and distribution systems must be built. The growth of new subdivisions in the Susitna Valley has created a similar demand for new transmission and distribution systems, sometimes over long distances.

Kotzebue, Nushagak, Tlingit-Haida and Unalakleet

These coops are anticipating loans to cover construction of new transmission and distribution systems to accommodate growth, replacement of older equipment and expansion of their physical plants. Some of the growth demands are directly associated with state expenditures in these areas such as new schools, airport improvements and other facilities.