

ALABAMA LEGISLATIVE COUNCIL FILED 303 304

2964

HSA

HB 456

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HB 480

2964

The governor, as the state's principal executive officer, needs to have a responsive and reliable Department of Law. I think good management requires an appointed attorney general, but more importantly common sense suggests that the attorney general selection be made by appointment. The delegates to our Constitutional Convention recognized a quarter century ago that, in our vast state with its disparate interests and citizens, the administration of state government requires a strong governor. This still holds true today. The last thing our state needs is an elected attorney general who may have a personal or political agenda which varies from the position of the governor. The friction between the two elected administrative officials can lead to a less responsive state bureaucracy and an unclear accountability of the executive branch to the electorate.

I could relate anecdotes which illustrate this from other jurisdictions having elected attorneys general. Instead, I would rather provide a quotation from the National Municipal League:

All authorities on executive organization agree with the position embraced by the Model State Constitution for more than 40 years that administrative power and responsibility should be concentrated in a single popularly elected chief executive. There is growing recognition that the governor, as the representative of all the people, should be equipped with the constitutional status necessary to exercise constructive leadership as the chief lawmaker and political head of his state. 2/

Studies on administrative reorganization usually argue that fragmentation leads to irresponsibility, but that a single chief executive can be held accountable through the electoral system and, as a consequence, can make the administration more responsive. In my opinion, the Governor of Alaska needs the flexibility and discretion that is implied in an appointed attorney general. Anything less will inevitably drive a wedge between the Governor and the Department of Law to the detriment of the citizens of our state.

2/ National Municipal Leagues, MODEL STATE CONSTITUTION (6th ed.) 65-66 (1963).

In addition to the practical problems caused by an elected attorney general, experience in other states with an elected attorney general suggests that the Governor's office will incur substantial costs with respect to the use of separate and additional counsel for the Governor. I am of the opinion that this use (and cost) depends on the relationship between the Governor and the elected Attorney General. In a situation where an elected Attorney General and Governor are cooperative, cordial and share a similar political philosophy, the need for additional Governor's counsel will be reduced. Regrettably, this is not always the situation. A 1976 study by the National Governors' Conference explored the role of Governors' legal advisors. The study, which was based primarily on a questionnaire to these counsel, found problems in this relationship:

In many states, the relationship between the Governor and the Attorney General is not a smooth one. In addition to whatever political differences there may be between them, there are several operational areas of potential conflict. These include conflicts over the extent to which the legal talent employed by state agencies should report to the Attorney General or to the agencies; concern that the Governor cannot easily deal with the Attorney General because the Attorney General normally provides "yes-no" answers rather than discussions of the legal risk of various options; and the possible frictions that may normally occur in an attorney-client situation. 3/

While I cannot estimate the actual use and cost of additional counsel to oversee the elected Attorney General on behalf of the Governor, I am convinced there will be some extra cost incurred by the Governor's office to hire and use legal counsel even in the best of times. I sadly regret that the citizens of our state will be required to pay for this additional layer of legal bureaucracy.

In addition, in states where the attorney general is elected, the heads of executive departments often hire their own attorneys. In jurisdictions with elected attorneys general, there is often a proliferation of house counsel on the staff of major departments. Historically, such counsel have been employed

3/ National Governors' Conference, Center for Policy Research and Analysis, LEGAL ADVICE FOR THE GOVERNOR, 7 (November, 1976).

Representative Mitchell Abood
Chairman, House State Affairs Committee

January 19, 1984
Page 4

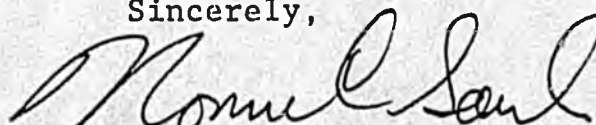
by executive branch agencies to give department heads "second" opinion in controversial matters in states having an elected attorney general. Such counsel usually do not have the authority to litigate, but they do provide legal advice to department heads. Without centralized legal service and advice, each agency will rely on advice from its own lawyers. Therefore, agencies will receive differing interpretations as they raise legal issues. This in turn will make consensus among different agencies on issues more difficult to achieve. The result is that public policy decisions in the executive branch will be delayed to the detriment of the public and the legislature. In addition, these house counsel frequently submit amicus briefs in litigation affecting their department's programs. It is not unusual in states with an elected attorney general to see four or five separate briefs filed in a single matter, representing the varying viewpoints of different agencies, in addition to the attorney general's brief. If nothing else, this needless duplication insures that the courts and the public will be confused about state policy on many issues.

In my estimation, the cost for such additional counsel in Alaska could easily exceed \$1.0 million annually, within a few years. This cost is simply not warranted by any rational criteria and should be further questioned in light of diminishing revenues. We have many more basic needs in Alaska which command the state government's immediate attention. Surely we do not want a needless layer of extra lawyers embedded in state agencies.

In summary, it is my opinion that electing the Attorney General will split administrative responsibility and executive authority, diffuse the political accountability of the executive branch to the public, add more attorneys to state government, contribute to more intense bureaucratic infighting among agencies, delay the resolution of executive branch policy decisions, and create a higher rate of growth in the state operating budget.

Please call upon me at your earliest convenience if I can provide additional information on this matter.

Sincerely,



Norman C. Gorsuch
Attorney General

NCG:vrb

H B

4559

STATE OF ALASKA
THE LEGISLATURE

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

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

January 16, 1984

SUBJECT: Presidential party primary election (HB 460) ^{H 13459} ~~430~~

TO: Representative Mitch Abood
Chairman, House State Affairs Committee

FROM: Richard A. Bradley
Legislative Counsel

I have been asked to comment on the significance of sec. 2 of the bill.

The section provides that if "the effective date of the Act occurs before March 13, 1984, it is the intent of the legislature that the presidential party primary election scheduled for March 13, 1984 be cancelled and not be held in 1984."

The section, as suggested in its language, is an "intent" section. As with almost all intent sections, it is unnecessary to the effectiveness of the law and, if it were deleted from the bill, the bill would have an identical effect.

Since March 13 is the date on which the election is scheduled to occur, a repeal after that date has the effect of repealing the provisions of law stated in section 1 of the bill.

Note however, that if the Act does not have an effective date before March 13, 1984, there is not need to enact the bill to avoid a presidential party primary election in 1988 because present law (sec. 4, ch. 20, SLA 1980) provides for a repeal of the provisions of the law on July 1, 1985.

If I may be of further assistance, please advise.

RAB:ojb
J2/037

House Bills 430, 459, 460 - Repeal of March 13 Presidential Primary Election.

A timely repeal of this primary could save considerable monies. The dates and activities noted in each block are deadlines for the fraction of monies committed. By February 12, approximately $\frac{1}{2}$ of the funds to be expended will be committed. Any bill to repeal must have an immediate effective date incorporated. February 20th, when ballots have been shipped by certified mail and final notices are committed to advertising seems to be a date, admittedly arbitrary, when the election should proceed.

JANUARY 9 1/8 funds
Travel/Training election board wkrs (ongoing)
initial ordering of: -special forms -posters, other materials -voter ID cards -voter register- ation forms
program costs for party affiliation & precinct regist- ration changes
temporary staff hired

JANUARY 24 1/4 funds
Travel/Training election board wkrs
order all ballots
sign program contract
initial advertising (print & video contracted)
purchase supplies & postage to all precincts
40 day notices sent out mass mailings

FEBRUARY 12 1/2 funds
Travel/Training election board wkrs
airmail all remaining material
contract for com- munications (election returns cable hoodups, sites)
ballots separated & shipped from printer

FEBRUARY 20 3/4 funds
Travel/Training election board wkrs
10 day notices sent out
secondary advert's- ing contracted (princ, radio, video)
certify-mail all ballots to precincts

MARCH 13 Total funds
payment of all election workers, including: tally teams counting teams canvass boards
rents for halls
transportation of ballots, troopers
polling place set- ups by contractors

HOUSE BILL NO. 459

To vote in the Presidential Primary, a voter must be registered as a Democrat or Republican. According to a recent poll, Independents make up approximately 60% of registered voters in the State.

As well as compelling Alaskan citizens to register with an official party in order to vote, the primary will cost in excess of \$1 million in public funds to finance what is essentially a political party function.

Alaskans obviously value the ability to remain independent of party affiliation and using \$1 million in State funds to force them to register with a Party is a misuse of public funds

For these reasons, I have introduced HB 459, proposing a repeal of the provisions of law relating to the Presidential Primary in the State of Alaska.

Submitted by Rep. Ward's office.

H B

4 7 1

Alaska State Legislature

Representative Milo Fritz
District 5
P.O. Box 158
Anchor Point, Alaska 99556
(907) 235-8366



White in Juneau
Pouch V
Juneau, Alaska 99811
(907) 465-4833

House of Representatives MILO FRITZ

MEMORANDUM

DATE: February 17, 1984

TO: Representative Mitch Abood
Chairman, House State Affairs

FROM: Representative Milo H. Fritz, M.D. *MHF*

SUBJECT: Changing HB 471 to SSHB 471 as follows:

I would like to change section 1. to read The Department of Administration instead of The Department of Transportation and Public Facilities. On line #12 it should read West Kenai Peninsula instead of Kenai Peninsula because the need and requests are from the people in West Kenai.

Mr. Lou Keller of the Department of Administration suggested the first change for two reasons: first, if the project went through DOT/PF there would be 30 to 40 percent taken off our funds for administrative costs. Secondly, the DOA has a Division of Pioneer Benefits existing which means our monies would go further.

jh



PROTECTION AND ADVOCACY FOR THE DEVELOPMENTALLY DISABLED

David Maltman-Director
Jeff Jessee-Staff Attorney
Annely Germaine-Coordinator
325 East 3rd, 2nd Floor
Anchorage, AK 99501
(907) 274-3658

Jan Maas-Advocate
419 6th St., Rm. 232
Juneau, AK 99801
(907) 586-1627

Patricia Pennelle-Advocate
763 7th Ave.
Fairbanks, AK 99701
(907) 456-1070

January 18, 1984

Representative Milo H. Fritz
Pouch V
Mail Stop 3100
Juneau, Alaska 99811

Important

Dear Representative Fritz:

This letter is to ask you to consider amending HB471 to reflect the need to provide a pioneers' home on the Kenai Peninsula.

Please consider the following amendment:

SECTION - The appropriations made by Section of this act are subject to the Architectural Barriers Act (AS 35.10.015 17 ACC 50.010) and the States Public Accommodation Law (AS 18.06.010 et seq.).

Thank you for your concern to provide a pioneer home which will be accessible to people with handicaps.

Sincerely,

David F. Maltman
Executive Director

DFM:bk

HB 421

CITY OF KENAI

P.O. BOX 580 - KENAI, ALASKA - PHONE 283-7535
361 SENIOR COURT 283-4156

TO: Representative Milo Fritz

FROM: Pat Porter

DATE 2/24/84

REFERENCE Pioneer Home Information



MESSAGE

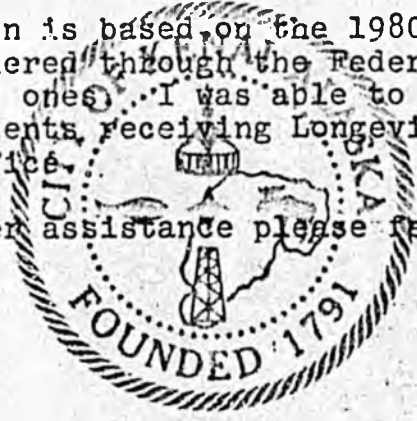
Dear Representative Fritz;

The enclosed information is based on the 1980 Peninsula Borough Census information gathered through the Federal Census. These figures are not current ones. I was able to obtain some information about the number of clients receiving Longevity Bonus checks through the Longevity Bonus office.

If I can be of any other assistance please feel free to call on my.

Pat Porter

Pat



REPLY

SIGNED _____

DATE _____

CITY OF KENAI

KENAI PIONEER HOME REQUEST

Size of facility	50-60 beds
Skilled Nursing	30-40 beds
Resident Care	20 beds
Cost of facility *	50 beds (\$8,500,000) 60 beds (\$10,200,000)
Yearly operating budget *	50 beds (\$1,400,000) 60 beds (\$1,680,000)

* These costs figured with cost of construction of the new Juneau Pioneer Home and the Palmer Pioneer Home operation budget for 1982-83. They are estimates only.

PIONEER HOMES

Anchorage

resident; 138
nursing : 95
waiting : 119

Palmer

resident: 40
nursing : 55
waiting : 90

Sika

resident: 100
nursing : 50
waiting : 5

Ketchikan

resident: 17
nursing : 30
waiting : 51

Fairbanks

resident: 78
nursing : 30
waiting : 43

AREA SENIOR CITIZENS LOCATED OUTSIDE OUR PENINSULA

Nakoyia Nursing Home	15
Palmer Pioneer Home	5
Anchorage Pioneer Home	10
Seward Nursing Home	4 (from Kenai-Soldotna)
Detente	2

LONGEVITY BONUS PROGRAM RECIPIENT'S (65 years old, 25 years here)

Kenai	158
Soldotna	109
Sterling	14
Kasilof	16
Coopers Landing	15
Ninilchick	22

POPULATION COUNT OF ELDERLY IN KENAI SENIOR CENTER SERVICE AREA

Kenai, Nikishka	537
Soldotna, Ridgeway, Coho	240
Sterling	83
Kasilof	33
Clam Gulch	29
Coopers Landing	<u>23</u>
Total	945

LETTERS OF SUPPORT

Kenai Chamber of Commerce
Byron McCord, M.D.
Joseph A. Sangster, M.D.
Elmer E. Gaede, M.D.
Marcus C. Deede, M.D.
George F. Garnett, M.D.
Paul G. Isaak, M.D.
Kenai Native Association, Inc.
Central Peninsula Mental Health Center

NUMBER OF CLIENTS RECOMMENDED BY PHYSICIAN FOR NURSING CARE (30)

HB

473

1/18/84

Permanent Fund Bills Background

HB 473 by Martin
&
HB 478 by Adams

These two Bills are identical-- but just in case Mr. Miller wants to give you a hard time by arguing in favor of the lowest bill number; please note that Rep. Adams has worked closely during the interim with the Department of Revenue on this legislation. (for your personal info: Bob Heath is supposed to testify in favor of Adams' bill.)

HB 478 also has a companion appropriation bill which is HB 516 (the one you tried to waive the 5-day rule on). HB 516 is scheduled for a hearing on Monday the 23rd.

Both Reps. Adams and Martin are expected to testify at today's hearing. Commissioner Heath will then give an overview of the extended filing situation. The Department of Revenue's bill analysis which is behind the fiscal note, is extremely well done and worthy of a stroke or two.

As of yesterday (1/17), neither the Department nor the sponsor anticipated any amendments.

Committee Action: Hold the bills over to Friday so that the committee may hear additional testimony from the sponsors of two other permanent fund extension bills: HB 483, by Mr. Miller (Juneau) and HB 490, by Rep. McBride (this is your 'early in the session olive branch.')

Alaska State Legislature

REPRESENTATIVE
TERRY MARTIN

DISTRICT 8
CHAIRMAN—LABOR AND COMMERCE COMMITTEE
PHONE 465-2873



3960 REKA DRIVE—36
ANCHORAGE, AK 99504
PHONE 333-6990

DURING LEGISLATURE
POUCH V
STATE CAPITOL
JUNEAU, AK 99801
PHONE 465-3764

To: House State Affairs Committee

From: Representative Terry Martin *T.M.*

Date: January 16, 1984

Re: HB 473
"An Act relating to the permanent fund dividend distribution program; and providing for an effective date."

Because of the short period for filing this year, there seems to be legitimate concern on the part of constituents supporting extension of the filing deadline.

The most often expressed concern was on behalf of children, especially children born after the deadline. In one instance, a woman did not file on behalf of her unborn child, who was not due to be born until after the deadline. However, the child was born earlier than expected, but not early enough for the parents to file on its behalf. Because of these concerns, I feel justified in attempting to extend the deadline.

It is my understanding that another bill may be used as the vehicle by which to accomplish this extension. I have no objection to another bill being used. If the committee is interested, my preference would be to move Representative Adams's bill, HB 478, which may be more appropriate.

If you have any further questions or concerns, please contact me.

488
Position 988
435
53000

Revision Date _____

REQUEST
Bill/Resolution No: HB 473
Title: An act relating to the
Permanent Fund Dividend program
Sponsor: Martin
Requestor: State Affairs
Date of Request: 1/9/84

FISCAL DETAIL
Agency Affected: Revenue
Program Category Affected: General Government
BRU, Program of Subprogram(s) Affected: Permanent Fund Dividend

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

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

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: See attached.

Prepared By: Ervin B. Jones
 Division: Administrative Services Division

Phone: 465-2313
 Date: 1/16/84

Approved by Commissioner: [Signature]
 Agency: Revenue

Date: 1/16/84

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

Analysis

Since the majority of the expenditures for the reopening of the filing period would be in FY 84, a fiscal note which would be effective July 1, 1984 would be inappropriate. Rather, a special appropriation with a June 30, 1985 lapse date would allow the funds to be expended in FY 84 and early FY 85 as the legislation would require.

The following schedule presents the total special appropriation required, with an allocation for dividends and a second allocation to cover the administrative expense of the Department of Revenue for administering the reopening. This summary schedule and the detailed schedules presented for each of the three specified divisions involved in the PFD program, are based on the following key assumptions:

- 1) The legislation and the special appropriation is signed into law by the end of February, 1984.
- 2) The Department of Revenue is to pay or deny all applicants filing during the extended period by November 30, 1984. The expanded filing period specified overlaps the 1984 PFD filing period (June 1 - September 30, 1984). The resultant confusion to the public and increased difficulties for the Department of Revenue in keeping the separation of programs will unfortunately result in additional administrative costs and perhaps more importantly, delays in payment and greater frustration among the very public which the bill is designed to help.
- 3) It is assumed that the Legislature would wish to maintain the same eligibility period for those applicants filing in the extended 1983 filing period as applied for the majority of Alaska residents who filed within the original filing period. The original eligibility period for the 1983 PFD program was October 3, 1982 through March 31, 1983. If, in fact, the Legislature wishes to change the eligibility period to the six month period ending October 15, 1983, the Department would request additional time in which to estimate the number of new-comers to the state who would qualify under the later eligibility period.
- 4) All estimates are based on a conservative estimate of the potential late filers of 30,000, roughly the difference between the number of 1982 applicants and the number of timely-filed 1983 applicants. If, in fact the total applicants turns out to be less, some costs, such as personal services in Administrative Services and Enforcement and data processing will be less. Other expenditures, such as forms cost, rural assistance and advertising will have already been made. It is the intention of the Department that all administrative costs appropriated be separately accounted for and any balances lapsed when the program is completed.

HB 473
Extension of 1983 PFD Filing Period
PFD BRU
Summary of estimated additional cost
January 16, 1984

Direct costs of additional dividends (Estimated 30,000 applicants X \$386.15)	=	\$11,584,500
Administrative costs of reopening and expedited processing:		
Administrative Services Division (Application processing, data processing)	\$209,610	
Public Services Division (Rural assistance outreach program, statewide advertising, Service Center assistance, telephone assistance)	\$231,700	
Enforcement Division (Review and investi- gation of potential fraudulent/erroneously filed applications)	\$243,635	
 TOTAL administrative costs		 <u>\$684,945</u>
 TOTAL estimated additional cost of reopening 1983 filing period		 <u>\$12,269,445</u>

HB 473
Extension of 1983 PFD Filing Period
PFD BRU Estimated Additional Cost
Administrative Services Division
January 16, 1984

The Administrative Services Division is responsible for the physical processing of PFD applications, from opening the incoming mail to releasing the actual checks. This includes batching, microfilming, date-stamping, affixing a document locator number for later retrieval, reviewing for errors and completeness and coding for data capture. The division is also responsible for forms production and management, designing, creating, modifying and maintaining the myriad data processing programs that make up the PFD data processing system and for processing, balancing and certifying the actual check runs, including all accounting functions, and cancellation and subsequent reissue of returned warrants.

Although the majority of the extra processing effort would be absorbed by existing staff, there are certain direct costs that are unavoidable such as forms cost and postage. Also, since this represents an additional demand on the Department of Administration's mainframe computer, the Department of Revenue would be billed for the additional CPU run time. This amount of \$141,264 would be transferred to the Department of Administration by a reimbursable services agreement based on actual use.

To expedite the processing, so that all applications would be on file, reviewed, and either paid or denied by November 30, 1984, three part-time employees are needed from approximately March 1 through November 30, 1984 at a total cost of \$48,046.

The schedule below details the estimated costs.

Personal Services

3 Revenue Scanners, R9, @ \$1,649/Month plus \$130.50/Month in benefits for 9 months	\$48,046
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For mail opening, distribution, affixing document locator number, batching, scanning for errors, missing information, correspondence with applicants for missing information, identifying potential Enforcement investigation cases based on predetermined criteria, data-capture, verification of data captured, maintaining accounting controls on payment runs, balancing runs, retrieval and filing of applications.

Travel	1,000
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Arranging for expedited printing of various forms, coordination of processing new applications with Anchorage field office.

Contractual

Data Processing (Interagency transfer to Department of Administration):

Estimated additional CPU run time for update and payment runs, as well as special runs to assist Enforcement Investigations review these late-filed applications, 1,800 CPU sec/Week @ \$2.18/CPU sec. for additional 36 weeks.

\$141,264

Forms Printing

30,000 Application Booklets	\$4,000	
15,000 Receipts @ \$20/M	300	
2,000 Scan letters @ \$30/M	<u>60</u>	
TOTAL Printing		4,500

Postage

30,000 checks @ 18¢/ea.	\$5,400	
15,000 Receipts @ 20¢/ea.	3,000	
2,000 Scan letters @ 20¢/ea.	400	
5,000 General correspondence @ 20¢/ea.	<u>1,000</u>	
TOTAL Postage		9,800

Telephone (LD.)		<u>4,000</u>
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TOTAL Contractual		159,564
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Supplies		<u>1,000</u>
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TOTAL Administrative Services cost		<u>\$209,610</u>
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HB 473
 Extension of 1983 PFD Filing Period
 PFD BRU
 Estimated Additional Cost
 Public Services Division Component

The Public Services Division is charged with assisting the public in meeting the application requirements of the PFD program. This assistance comes in several forms; a) walk-in assistance at three service centers in the state, b) toll free telephone service, c) assistance provided at selected shopping malls on weekends, and d) scheduled assistance in selected rural communities throughout the state.

This Division will conduct an advertising campaign aimed at reaching those eligible individuals that were unable to file during the original filing period. It is anticipated that this campaign will rely heavily on public service announcements coupled with eye-catching posters throughout the state. Approximately half of the advertising exposure will be used for local advertising just prior to the scheduled visits to the rural communities.

During the filing period and prior to payment this Division attempts to resolve any problems the applicants may encounter with the program including a change of address.

Below please find a breakdown of the estimated costs:

Personal Services

3 Tax Examiners I/II (Range 10/12) for 8 months		
2 Tax Examiners I/II (Range 10/12) for 3 months		
This staff will be used for augmenting the service centers (30 months @ \$2,400)	\$72,000	
4 Tax Examiner I/II (Range 10/12) for 2 months		
This staff will be used for the rural assistance program (8 months @ \$2,400)	<u>19,200</u>	\$ 91,200

Travel

Transportation	\$26,000	
Per Diem	<u>6,500</u>	32,500

Contractual Services

Advertising - additional advertising is needed to dispel confusion with overlapping filing periods. (Radio, T.V., Newspaper and Posters)	\$28,000	
Telephone (Toll Free Zenith Numbers - approximately \$10,000 a month)	<u>80,000</u>	<u>108,000</u>

Total Public Services Division Costs	<u>\$231,700</u>
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HB 473
Extension of the 1983 PFD Filing Period
PFD BRU
Estimated Additional Cost for the Enforcement Division
January 13, 1984

Program Analysis

The impact of this bill on the Enforcement Division is strictly dependent on the number of applications filed under the extended deadline and the corresponding number of investigations which are likely to be necessary. If, as a matter of policy, we choose not to investigate any of the applications filed under the extended deadline, we could probably absorb the incidental increased workload in stop payment requests and garnishments with current staff. However, this policy would likely result in a substantial number of fraudulent or erroneous filings being paid. Therefore, for the overall integrity of the program it is essential some investigative effort be focused on applications filed under the extended deadline.

The most positions we would likely be able to efficiently absorb would be five Investigators, one in Anchorage and four in Juneau. With the supplemental clerical support, one Clerk Typist each in Anchorage and Juneau, we would likely be able to have our investigators complete 20 investigations per week.

Clerical staff is needed to answer incoming telephone calls, requisition supplies, enter updated information on PFD files, file cases, type correspondence, including denial letters and inquiries for information, provide general support for our investigative staff.

Assuming we can hire personnel and have equipment installed by the second week of March, 1984, this leaves a little over 35 weeks of review time prior to the November 21 data entry deadline required by the payment deadline of November 30, 1984. If each of the five investigators can complete investigations on 20 applications per week for 35 weeks, 3500 applications would be reviewed. Our denial rate is estimated to be 30% of those selected for review. If 3500 were reviewed, then approximately 1,050 would be denied. We would estimate a 10-11% appeal rate, resulting in 105-115 appeals.

Once the investigations are complete, we would keep the two PFD Investigator II positions for up to four months each, with the clerical support, in order to help resolve appeals at the informal conference level.

The Enforcement Division review process is the only part of the current program which generates actual overall cost savings to the PFD program. The monies saved by identifying invalid or fraudulent applications have historically exceeded the cost of the reviews. In this case, given the scenario described above, the potential savings to the PFD program would be $\$336.15 \times 1,050 = \$405,458$ or 166% of the following budget of \$243,635.

Computations

Personal Services (100)

PFD Investigator II (R13)	2 for 13 months @ \$2,800/mo.	\$ 72,800
PFD Investigator I (R12)	3 for 9 months @ \$2,645/mo.	71,415
Clerk Typist III (R08)	2 for 13 months @ \$2,130/mo.	55,380

Total Personal Services (100) 199,595

Contractual Service (300)

Telephone

Telephone purchase	4 phones @ \$ 60	240
Installation - Juneau	4 phones @ \$ 90	360
Local Centrex - Juneau	4 for 9 months @ \$ 46/mo.	1,656
Juneau	1 for 4 months @ \$ 46/mo.	184
Long Distance - Anchorage	13 months @ \$1,000/mo.	13,000
Long Distance - Juneau	9 months @ \$2,000/mo.	18,000
Long Distance - Juneau	4 months @ \$1,000/mo.	4,000

Computer Terminals

Installation	1 terminal @ \$2,000	2,000
Rental	1 terminal for 13 months @ \$ 200/mo.	2,600

Total Contractual Services (300) 42,040

Supplies (400)

Stationery, envelopes, and office supplies		<u>2,000</u>
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Total Enforcement Division \$243,635

HB

478

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date

REQUEST

Bill/Resolution No: HB 478
 Title: An act relating to the
Permanent Fund Dividend program
 Sponsor: Ariams/MM.Miller/Duncan/Grussendorf
 Requestor: State Affairs and Finance
 Date of Request: 1/9/84

FISCAL DETAIL

Agency Affected: Revenue
 Program Category Affected: General Government
 BRU, Program of Subprogram(s) Affected: Permanent Fund Dividend

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

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

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: See attached

Prepared By: Ervin B. Jones
 Division: Administrative Services Division

Phone: 465-2313
 Date: 1/16/84

Approved by Commissioner: [Signature]
 Agency: Revenue

Date: 2/16/84

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

1/16/84
PFD
HB 478

Analysis

Since the majority of the expenditures for the reopening of the filing period would be in FY 84, a fiscal note which would be effective July 1, 1984 would be inappropriate. Rather, a special appropriation with a June 30, 1985 lapse date would allow the funds to be expended in FY 84 and early FY 85 as the legislation would require.

The attached schedule presents the total special appropriation required, with an allocation for dividends and a second allocation to cover the administrative expense of the Department of Revenue for administering the reopening. This summary schedule and the detailed schedules presented for each of the three operational divisions involved in the PFD program are based on the following key assumptions:

- 1) The legislation and the special appropriation is signed into law by the end of February, 1984.
- 2) The Department of Revenue is to pay or deny all applicants filing during the extended period by June 30, 1984. This expedited processing minimizes the possibility of public confusion between the 1983 reopening and the 1984 PFD filing requirement. The 1984 filing period is from June 1 through September 30, 1984. Any overlap of these two periods is going to create a great deal of unnecessary confusion and resultant additional costs to the program.
- 3) All estimates are based on a conservative estimate of the potential late filers of 30,000, roughly the difference between the number of 1982 applicants and the number of timely-filed 1983 applicants. If, in fact, the total applicants turns out to be less, some costs, such as personal services in Administrative Services and Enforcement and data processing will be less. Other expenditures, such as forms cost, rural assistance and advertising will have already been made. It is the intention of the Department that all administrative costs appropriated be separately accounted for and any balances lapsed when the program is completed.

HB 478
Extension of 1983 PFD Filing Period
PFD BRU
Summary of estimated additional cost
January 16, 1984

Direct costs of additional dividends (Estimated 30,000 applicants X \$386.15)	=	\$11,584,500
Administrative costs of reopening and expedited processing:		
Administrative Services Division (Application processing, data processing)		\$102,438
Public Services Division (Rural assistance outreach program, statewide advertising, Service Center assistance, telephone assistance)		\$132,300
Enforcement Division (Review and investi- gation of potential fraudulent/erroneously filed applications)		\$112,896
TOTAL administrative costs		<u>\$347,634</u>
TOTAL estimated additional cost of reopening 1983 filing period		<u>\$11,932,134</u>

HB 478
Extension of 1983 PFD Filing Period
PFD BRU Estimated Additional Cost
Administrative Services Division
January 16, 1984

The Administrative Services Division is responsible for the physical processing of PFD applications, from opening the incoming mail to releasing the actual checks. This includes batching, microfilming, date-stamping, affixing a document locator number for later retrieval, reviewing for errors and completeness and coding for data capture. The division is also responsible for forms production and management, designing, creating, modifying and maintaining the myriad data processing programs that make up the PFD data processing system and for processing, balancing and certifying the actual check runs, including all accounting functions, and cancellation and subsequent reissue of returned warrants.

Although the majority of the extra processing effort would be absorbed by existing staff, there are certain direct costs that are unavoidable such as forms cost and postage. Also, since this represents an additional demand on the Department of Administration's mainframe computer, the Department of Revenue would be billed for the additional CPU run time. This amount of \$62,784 would be transferred to the Department of Administration by a reimbursable services agreement based on actual use.

To expedite the processing, so that all applications would be on file, reviewed, and either paid or denied by June 30, 1984, three part-time employees are needed from approximately March 1 through June 30, 1984 at a total cost of \$21,354.

The schedule below details the estimated costs.

Personal Services

3 Revenue Scanners, R9, @ \$1,649/Month plus \$130.50/Month in benefits for 4 months	\$21,354
---	----------

For mail opening, distribution, affixing document locator number, batching, scanning for errors, missing information, correspondence with applicants for missing information, identifying potential Enforcement investigation cases based on predetermined criteria, data-capture, verification of data capture, maintaining accounting controls on payment runs, balancing runs, retrieval and filing of applications.

Travel	1,000
--------	-------

Arranging for expedited printing of various forms, coordination of processing new applications with Anchorage field office.

Contractual

Data Processing (Interagency transfer to Department of Administration):

Estimated additional CPU run time for update and payment runs, as well as special runs to assist Enforcement Investigations review these late-filed applications, 1,800 CPU sec/Week @ \$2.18/CPU sec. for additional 16 weeks.

\$62,784

Forms Printing

30,000 Application Booklets	\$4,000	
15,000 Receipts @ \$20/M	300	
2,000 Scan letters @ \$30/M	<u>60</u>	
TOTAL Printing		4,500

Postage

30,000 checks @ 18¢/ea.	\$5,400	
15,000 Receipts @ 20¢/ea.	3,000	
2,000 Scan letters @ 20¢/ea.	400	
5,000 General correspondence @ 20¢/ea.	<u>1,000</u>	
TOTAL Postage		9,800

Telephone (LD.) 2,000

TOTAL Contractual 79,084

Supplies 1,000

TOTAL Administrative Services cost \$102,438

HB 478
 Extension of 1983 PFD Filing Period
 PFD BRU
 Estimated Additional Cost
 Public Services Division Component

The Public Services Division is charged with assisting the public in meeting the application requirements of the PFD program. This assistance comes in several forms; a) walk-in assistance at three service centers in the state, b) toll free telephone service, c) assistance provided at selected shopping malls on weekends, and d) scheduled assistance in selected rural communities throughout the state.

This Division will conduct an advertising campaign aimed at reaching those eligible individuals that were unable to file during the original filing period. It is anticipated that this campaign will rely heavily on public service announcements coupled with eye-catching posters throughout the state. Approximately half of the advertising exposure will be used for local advertising just prior to the scheduled visits to the rural communities.

During the filing period and prior to payment this Division attempts to resolve any problems the applicants may encounter with the program including a change of address.

Below please find a breakdown of the estimated costs:

Personal Services

5 Tax Examiners I/II (Range 10/12) for 3 months This staff will be used for augmenting the service centers (15 months @ \$2,400)	\$36,000	
4 Tax Examiner I/II (Range 10/12) for 2 months This staff will be used for the rural assistance program (8 months @ \$2,400)	<u>19,200</u>	\$ 55,200

Travel

Transportation	\$26,000	
Per Diem	<u>6,500</u>	32,500

Contractual Services

Advertising (Radio, T.V., Newspaper and Posters)	\$14,600	
Telephone (Toll Free Zenith Numbers - approximately \$10,000 a month)	<u>30,000</u>	<u>44,600</u>

Total Public Services Division Costs	<u>\$132,300</u>
--------------------------------------	------------------

HB 478
Extension of the 1983 PFD Filing Period
PFD BRU
Estimated Additional Cost for the Enforcement Division
January 13, 1984

Program Analysis

The impact of this bill on the Enforcement Division is strictly dependent on the number of applications filed under the extended deadline and the corresponding number of investigations which are likely to be necessary. If, as a matter of policy, we choose not to investigate any of the applications filed under the extended deadline, we could probably absorb the incidental increased workload in stop payment requests and garnishments with current staff. However, this policy would likely result in a substantial number of fraudulent or erroneous filings being paid. Therefore, for the overall integrity of the program it is essential some investigative effort be focused on applications filed under the extended deadline.

The most positions we would likely be able to efficiently absorb would be five Investigators, one in Anchorage and four in Juneau. With the supplemental clerical support, one Clerk Typist each in Anchorage and Juneau, we would likely be able to have our investigators complete 20 investigations per week.

Clerical staff is needed to answer incoming telephone calls, requisition supplies, enter updated information on PFD files, file cases, type correspondence, including denial letters and inquiries for information, provide general support for our investigative staff.

Assuming we can hire personnel and have equipment installed by the second week of March, 1984, this leaves a little over 14 weeks of review time prior to the June 21 data entry deadline required by the payment deadline of June 30, 1984. If each of the five investigators can complete investigations on 20 applications per week for 14 weeks, 1400 applications would be reviewed. Our denial rate is estimated to be 40% of those selected for review. If 1400 were reviewed, then approximately 560 would be denied. We would estimate a 10-11% appeal rate, resulting in 55-60 appeals.

Once the investigations are complete, we would keep the two PFD Investigator II positions for up to two months each, with the clerical support, in order to help resolve appeals at the informal conference level.

The Enforcement Division review process is the only part of the current program which generates actual overall cost savings to the PFD program. The monies saved by identifying invalid or fraudulent applications have historically exceeded the cost of the reviews. In this case, given the scenario described above, the potential savings to the PFD program would be $\$386.15 \times 560 = \$216,244$ or 192% of the requested budget of \$112,896.

Computations

Personal Services (100)

PFD Investigator II (R13)	2 for 5 months @ \$2,800/mo.	\$ 33,600
PFD Investigator I (R12)	3 for 4 months @ \$2,645/mo.	31,740
Clerk Typist III (R08)	2 for 6 months @ \$2,130/mo.	<u>25,560</u>

Total Personal Services (100) 90,900

Contractual Service (300)

Telephone

Telephone purchase	4 phones @ \$ 60	240
Installation - Juneau	4 phones @ \$ 90	360
Local Centrex - Juneau	4 for 6 months @ \$ 46/mo.	1,104
Juneau	1 for 2 months @ \$ 46/mo.	92
Long Distance - Anchorage	6 months @ \$1,000/mo.	6,000
Long Distance - Juneau	4 months @ \$2,000/mo.	8,000
Long Distance - Juneau	2 months @ \$1,000/mo.	<u>2,000</u>

Computer Terminals

Installation	1 terminal @ \$2,000	2,000
Rental	1 terminal for 6 months @ \$ 200/mo.	<u>1,200</u>

Total Contractual Services (300) 20,996

Supplies (400)

Stationery, envelopes, and office supplies 1,000

Total Enforcement Division \$112,896



Official Business

Alaska State Legislature

House of Representatives

Al Adams
Chairman
Committee on Finance

January 16, 1984

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

OUT OF SESSION
P.O. Box 333
Kotzebue, Alaska 99752
(907) 442-3320
1024 W. 6th
Anchorage, Alaska 99501
(907) 274-0615

MEMORANDUM

TO: Members of the House State Affairs Committee

FROM: Representative Al Adams *AAA*

SUBJ: HBs 478 and 516: Extension of application period for 1983 permanent fund dividends

I have introduced the above captioned bills because many of my constituents contacted me during the interim to let me know that they were unable to file for their 1983 dividend checks because of the nature of their seasonal employment. Because the original deadline was June 30th, many of my constituents were out fishing or otherwise involved with activities away from home in isolated areas, and therefore they were not aware of the deadline.

Since I have worked closely with the Department of Revenue in the development of this legislation, I do not anticipate that this problem will occur every year, necessitating similar legislation each session. I am confident that the Department will make every effort to insure that Alaskans who leave home for work for part or all of the summer will have adequate opportunity to file for their yearly dividend check.

HB 478

HB 478 is the bill that actually changes the language of the statute to extend the deadline to May 15, 1984. However, an applicant must have been a resident of the state for six months before March 31, 1983, the date that establishes residency for those who have already received a 1983 dividend. Thus, the application period is extended but not the period for establishing residency in 1983.

The bill also provides that only funding appropriated or allocated for 1983 dividends can be used to pay the

dividend checks of new applicants. Further, it states that dividends will not be paid out until after March 1, 1984 (so as not to conflict with the schedule for paying dividends for other years) and gives the Department the authority to promulgate regulations to implement the bill. The bill has an immediate effective date.

HB 516

HB 516 makes the necessary appropriations to pay 1983 dividends to late filers. The funding provided comes from interest earned on the permanent fund principal during FY 83. This is the source of funding established in statute for payment of permanent fund dividends (see AS 43.23.045(b)). As you know, 50% of the interest earned on the permanent fund each year is earmarked for payment of permanent fund dividends. This past year, the Department of Revenue underestimated how much the interest earnings would be. Therefore, the legislature appropriated approximately \$19 million less for dividends than what has actually turned out to be 50% of interest earnings. The funding provided in this bill comes from that \$19 million.

\$11,584,500 is the amount estimated as necessary to pay the dividends of late filers. Obviously, it is difficult for the Department to estimate exactly how many people will file during the extended deadline period. This represents their best guess at this time. Any funding not used for this purpose would lapse at the end of FY 85.

\$347,600 is appropriated for processing the dividend applications. I have instructed the Division of Legislative Finance to review the Department's cost estimates for processing and plan to look very carefully at this figure if the bill passes from your committee to the House Finance Committee. Again, the caveat regarding estimating the number of late filers applies here. And again, any funding not used would lapse at the end of FY 85.

The bill would become effective on the same date that a bill extending the deadline becomes effective.



Official Business

Alaska State Legislature

House of Representatives

Al Adams

Chairman

Committee on Finance

January 16, 1984

WHILE IN SESSION

Pouch V

State Capitol

Juneau, Alaska 99811

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OUT OF SESSION

P.O. Box 333

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1024 W. 6th

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The bill would become effective on the same date that a bill extending the deadline becomes effective.

H B

480

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: HB 480
 Title: Relating to adoption & ex-
 piration of regulations
 Sponsor: Bettisworth & Liska
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Natural Resources
 Program Category Affected: Management
 and Administration
 BRU, Program or Subprogram(s) Affected: Management

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		42.8	44.4	45.7	47.0	48.5
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES		.3	.3	.3	.3	.3
500 EQUIPMENT		1.6				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		44.7	44.7	46.0	47.3	48.8
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		44.7	44.7	46.0	47.3	48.8
FEDERAL FUNDS						
OTHER						
TOTAL		44.7	44.7	46.0	47.3	48.8

POSITIONS:

FULL-TIME		1	1	1	1	1
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: David Creekman

Phone: 265-4135

Division: Office of the Commissioner

Date: February 8, 1984

Approved by Commissioner: _____

Date: _____

Agency: _____

Distribution (by Agency preparing fiscal note):

Legislative Finance

Legislative Sponsor

Requestor

Office of Management and Budget

Impacted Agency(ies)

12/1/83

This fiscal note assumes one full time employee at salary range 16. The new employee will be needed beginning in FY 85. The FY 85 costs include not only personal services for the new employee but also supply costs and the one time cost of a desk and chair for the new employee. Costs in subsequent fiscal years are for personal services and supplies only.

All funding would come from the general fund. The position is not one which will generate additional revenue to the state.

DAVID CNEERMAN
DEPT. NAT. RES.
- WORKSHEET
REQUESTED BY
REP. WARD DURN

PRIORITY

TASKS UNDERWAY

HBO 480
TESTIMONY

- 2
- 1
- 3
- 4

- Delegations of Authority
- Pipeline right-of-way fees, eggs, UCC and Office of the Recorder, Forest Practices
- Seed regulations (adopted but still with AG's office)
- Instream flow (adopted but still with AG's office)

PENDING TASKS AFFECTING MORE THAN ONE DIVISION

- 3
- 2
- 1
- 4
- 5

- Uniform procedural regulations affecting OMB, OCM, ADF&G, DEC, and DNR (to be drafted by AG's Office)
- DNR's permit regulations (11 AAC 65)
- Land Exchange regulations
- Record-keeping, reconsiderations, appeals (in first draft as a result of Permit Reform contract, Hawley Resource Group, Inc.)
- Possible amendments to land planning and classification regulations

user fees

PENDING TASKS AFFECTING ONE DIVISION

DLWM

- 3
- 2
- 5

- Homestead Bill
- Remote Cabin amendments
- Shore fisheries

AGRICULTURE

- 6
- 8

- Bee disease
- Fertilizer quality

ARLF (Agricultural Revolving Loan Fund)

PARKS

- 1

All regulations of the Division of Parks and Outdoor Recreation

FORESTRY

- 4

Regulations establishing DNP's firefighting obligations/responsibilities

DMEM

- 7

Minor amendments to mining regulations to assure their compatibility with land planning and classification regulations.

OIG
MAR. > Handled separately in Oil & Gas & Mining

Alaska State Legislature



POUCH V
JUNEAU, ALASKA 99811

REPRESENTATIVE
ROBERT H. "BOB" BETTISWORTH

211 CUSHMAN STREET
FARBANKS, ALASKA 99701

M E M O R A N D U M

To: Representative Mitch Abood, Chairman, House State Affairs Committee

From: Representative Bob Bettisworth

Subject: House Bill 480, "An Act relating to adoption and expiration of a regulation.....".

There has been an ongoing conflict, in Alaska and the U.S. as a whole, between legislative entities and executive branches over legislative powers to annul regulations. While this bill does not specifically address legislative annulment, it does provide for expiration of a regulation should certain proposed requirements not be met. Alaska has a statutory provision AS 44.62.320 (a), contained below, that provides for annulment by concurrent resolution adopted by both bodies of the legislature. This statute has been held to be constitutionally invalid by the courts.*

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

(b) At the same time a regulation is filed by the lieutenant governor, the lieutenant governor shall submit the regulation to the chairman and all members of the Administrative Regulation Review Committee for review under AS 24.20.400 — 24.20.460 together with the fiscal information required to be prepared under AS 44.62.195. (§ 1 art VII (ch 1) ch 143 SLA 1959; am § 3 ch 149 SLA 1962; am § 2 ch 72 SLA 1963; am § 2 ch 27 SLA 1975; am § 5 ch 64 SLA 1978; am § 3 ch 16 SLA 1980)

Effect of amendments. — The 1978 amendment substituted "At the same time" for "Within 45 days after" at the beginning of subsection (b).

The 1980 amendment inserted "and all members" following "chairman" near the middle of subsection (b), and added "together with the fiscal information required to be prepared under AS 44.62.195" at the end of subsection (b).

Constitutionality of legislative veto. — The legislative veto contained in subsection (a), which provides that the "legislature, by a concurrent resolution adopted by a vote of both houses, may

annul a regulation of an agency or department," violates art. II of the state constitution. *State v. A.L.I.V.E. Voluntary*, Sup. Ct. Op. No. 2022 (File No. 3670), 606 P.2d 769 (1980). But see Alaska Const., art. II, § 22, which was proposed by the 11th legislature's Legislative Resolve No. 5 and will be voted on at the next general election in November, 1980.

No implied general power to veto agency regulations by informal legislative action exists. *State v. A.L.I.V.E. Voluntary*, Sup. Ct. Op. No. 2022 (File No. 3670), 606 P.2d 769 (1980).

Section 1 seeks to improve this situation by imposing two new informational requirements on administrative rules makers when proposing

adoption, amendment, or repeal of regulations. These two new requirements which would be added to those already contained in AS 44.62.200(a) (1) through (5) are the reasons for the proposed regulation and a general statement of anticipated impacts in cost terms on those to be affected. The statement of cost impacts would not impose a strict quantification standard as a fiscal note does and would be much easier to generate.

Section 2 provides for the expiration of regulations not proposed for amendment, continuance or administrative repeal every three years or earlier if so specified in the regulation. Section 2 also provides for the continuance of existing regulations with no changes if a supporting reason is filed for public inspection including:

- a. reasoned justification,
- b. summary of comments received from interested parties,
- c. statement of factual bases,
- d. reasons for disagreement with opposing comments,
- e. statement of statutory basis for adoption and reasons statutory provisions authorize the regulation.

The requirements for continuing a regulation are less stringent than those imposed for amending, adopting or repealing a regulation. It should be noted that the requirements of this legislation are certainly more substantive than those currently imposed.

In summary this bill would impose two new requirement for adoption of a new regulation and provide for administrative repeal of regulations that are not reviewed every three years according to statutory provisions contained in Section 2. Legislative legal counsel anticipates no constitutional problems with this draft legislation. Section 3 provides for an immediate effective date.

* It has been opined by various attorneys working for the AG's office and the Legislature that the legislative branch can annul regulations through passage of a law rather than a resolution based on the decision in State v. A.L.I.V.E. Voluntary, 606 P.2d 769 (Alaska 1980).

Bill No. House Bill 480

Date March 1, 1984

Title "An Act relating to adoption and expiration of a regulation; and providing for an effective date." Contact: Eileen Plate, 465-2700
Robert Landau, 465-2700

House Bill No. 480 contains a number of provisions which are of considerable concern to the Department of Labor, as follows:

1. Section 1 requires that a notice of proposed adoption, amendment, or repeal of a regulation must include a statement concerning the costs of compliance by the persons, industries, and businesses affected by the regulation. The Department presently does not have the expertise to develop sound cost proposals in this regard. The public hearing process used when a regulation is promulgated is viewed by the department as an information/data gathering forum; and historically, we have looked to the public, industry and business to use this forum to relate to the department their concerns with respect to a specific proposal - whether the concern is from a financial, procedural or other aspect. In fact, the department feels that the persons actually affected by a regulation are the best sources of information in this regard.
2. Section 2 prescribes that a regulation automatically expires after three years if the adopting agency does not review the regulation and either amend, repeal or continue it.

In addition to increasing the Department's regulation workload by one-third each year, there are other factors which must be considered with respect to this requirement. First of all, while the bill does anticipate repeal of a regulation only in accordance with the Administrative Procedure Act, the provisions for automatic expiration of a regulation after three years conflict with this by providing opportunity for an agency to let a regulation simply expire instead of formally proposing it for repeal and otherwise adhering to the statutory promulgation procedure. Although it is true that the expiration of a given regulation may relieve affected parties of certain responsibilities, it cannot be overlooked that there are also regulations which serve to exempt certain parties, industries, etc. from certain responsibilities. The automatic expiration provisions of House Bill No. 480 wherein such a regulation could be permitted to "die" by an agency without public notice certainly would not be in the best interest of anyone.

Also to be considered are the consequences of a regulation expiring because an agency, through oversight or other inadvertence, failed to timely review and continue it. The Department of Labor operates under a number of statutes which are fairly broad and which specifically contemplate the promulgation of regulations for program implementation/operation. For example, under AS 18.60.030(6), the department is required to "establish and enforce occupational safety and health standards..." for the protection of Alaska's workers. Our implementation of the state occupational safety and health program has involved the adoption of 15 separate safety and health codes, ranging from general type standards to industry specific standards (logging, sawmills, explosives, etc.). An oversight by the department in properly reviewing and continuing a regulation could, therefore, cause a needed regulation to expire and leave a large segment of Alaska's workers unprotected. No doubt there are literally hundreds of examples of this type which could be cited by state agencies.

POSITION PAPER/Department of Labor

Further, there are presently a number of "safeguards" already in place with respect to the promulgation of administrative regulations, as follows:

- The notification and hearing process required under AS 44.62.190, as well as the publication of all notices of proposed changes in regulations in the Administrative Journal.
- The provisions of AS 44.62.220 and AS 44.62.300 which provide for interested persons to petition an agency for the adoption or repeal of a regulation, or to petition the Superior Court for a determination on the validity of a regulation.
- The provisions of AS 44.62.125(b)(3) which require the Department of Law to "continually review administrative regulations, make recommendations to the respective agencies concerning deficiencies, conflicts and obsolete provisions..."

Perhaps a campaign to educate the public on these existing safeguards would be more appropriate and more effective in protecting the public interest.

3. Section 2 also provides for the Department to include in the supporting reason for continuation of a regulation a summary of comments received on the regulation since it was adopted. This requirement raises a question with respect to what constitutes a "comment" on a specific regulation. Would this be only when someone writes in and specifically complains about or praises a regulation? When a comment is made about a procedure or requirement in the course of an appeal hearing? Or a comment made as an aside in the course of a telephone conversation? Maintenance of a system to track and report on such "comments" over a period of three years would be a tremendous job. This particular provision is not sufficiently clear to make a determination on its impact.

While the Department of Labor certainly takes the promulgation of regulations very seriously and feels the intent of House Bill No. 480 is commendable, the above-described problems, as well as the costs associated with implementation, are of concern to the department.

APPROVED:



Jim Robison
Commissioner

STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF LAW

POUCH K - STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3600

OFFICE OF THE ATTORNEY GENERAL

March 1, 1984

The Honorable Mitch Abood, Chairman
State Affairs Committee
Alaska House of Representatives
Pouch V
Juneau, AK 99811

Re: HB 480 (adoption and
expiration of
regulations)

Dear Representative Abood:

The Department of Law would like to offer some comments on this bill, which you have scheduled for hearing before your committee today. Essentially, we oppose the bill.

In a bill such as this, one can detect a general dissatisfaction with government regulation. However, it is difficult to pinpoint the precise problem that this bill is tailored to address.

The basic idea of providing information on proposed regulations is good, as is the basic idea of continual agency review of regulations. Most agencies work with their regulations on a daily basis and do a good job in these respects. The consequences or negative aspects of this bill outweigh any benefits.

SECTION 1.

Section 1 requires two additional elements in the public notices for regulations: a statement of reasons and a statement of costs. In most instances, the reason for an agency to adopt regulations is a statutory or judicial requirement that the agency do so. The reason that a particular regulation is adopted is that the agency believes that it will best serve the purposes of the program that the agency is charged with administering.

For example, a particular commercial fish regulation setting a particular opening date is adopted because the agency

believes that that will best protect the resource and the economics of the fishery; a regulation requiring a fire escape on a day-care center is for the purpose of protecting the children and adults using the center. It seems unlikely that the public is unaware of these basic reasons for the regulations being adopted. It simply is not feasible for an agency to include in its public notice a detailed explanation of each provision of every regulation. Publication costs would be prohibitive.

Certainly, an agency should carefully consider the reasons for adoption of any regulation. But a requirement that the public notice include a statement of the reasons does not appear to accomplish anything.

As to the statement of anticipated costs, again, the agency certainly should be thinking about costs when it adopts a regulation. But it is unlikely that the agency will be able to predict with any accuracy what the costs on a particular person or industry would be. In fact, it is often the testimony at a public hearing held after notice is published that produces cost information. Also, it is obvious that the efficiency of any person or group covered by a regulation will vary. For example, cost overruns in the construction business are a common experience. It is not evident that this requirement in the bill would produce information of much value to the public generally.

SECTION 2.

Section 2, providing for the automatic expiration of regulations every three years, will require a tremendous amount of work on the part of all agencies, including the Department of Law. The benefit that it will produce for the public is not readily apparent. Additional staff will clearly be required for many agencies. This has been set out in fiscal notes by the Department of Law and several other departments, copies of which, I understand, have been furnished to your committee.

The consequence of an inadvertent failure to go through the steps of filing a continuation statement for a regulation and of stating the "adequate supporting reason" for its continuation could be substantial -- the shutdown of a worthwhile program. This affects not only the agency involved (which might thus have less work to do), but also the members of the public who have been relying on that regulation.

The surest way to avoid this sort of consequence would be for each agency to take a "boilerplate" approach to this requirement. However, if a thoughtful analysis of an agency's

entire set of regulations every three years, or one-third of its regulations every year, is undertaken, a great amount of staff time would be required. Obviously, the amount of time will vary with the complexity and quantity of an agency's regulations.

In addition, the requirement for stating an "adequate reason" appears certain to inspire litigation. This will further increase costs and give the courts an even greater role in the implementation of statutory programs.

One further point: the bill does not provide for public participation, as the current statutes on regulation adoption and repeal do. Thus, a provision could be "continued" without publication of notice or opportunity for public comment, and it could be allowed to "expire" without publication of notice or opportunity for public comment.

It must be remembered that regulations are not all "bad" or burdensome. Although many of them impose obligations on individuals, there are usually other individuals who benefit from those provisions. Many regulations govern the relationship between competing interests and between different segments of the public. And, of course, many regulations specify the procedures for getting some benefit from the state. The automatic and silent expiration of such regulations cannot be said to be for the public good.

Section 2 leaves other questions unanswered and results unclear. For example, if one part of a regulation is amended, is the three-year life of the whole regulation renewed? What are the consequences of filing a notice of continuation but having an inadequate statement of supporting reasons. To what sort of "comments" -- written or oral, developed or off-the-cuff -- does proposed AS 44.62.025(b)(2) refer? Why is a regulation "sunset" system necessary when it would duplicate much of the work undertaken in the sunset review of certain agencies (e.g., occupational licensing boards) under existing statutes?

CONCLUSION.

While we agree that it is a good idea to provide information on regulations and to review them regularly, we believe that the present statutes set out adequate procedures and requirements to achieve those purposes. For that reason, and because of the costs and potential litigation and other consequences that HB 480 would entail, we must oppose it.

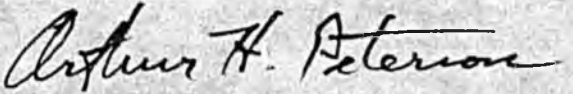
The Honorable Mitch Abood
HB 480

March 1, 1984
Page 4

Thank you for this opportunity to comment.

Yours truly,

NORMAN C. GORSUCH
ATTORNEY GENERAL

By: 
Arthur H. Peterson
Assistant Attorney General

AHP/jb

cc: Hon. Bob Bettisworth
Alaska House of Representatives

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: HB480
Title: ...adoption and expiration
of regulation...

Sponsor: Bettisworth and Liska
Requestor: Governor's Office
Date of Request: _____

FISCAL DETAIL

Agency Affected: Fish and Game
Program Category Affected: NRMEC

BRU, Program or Subprogram(s) Affected:
Boards of Fisheries and Game

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		54.0	56.7	59.5	62.5	65.6
200 TRAVEL		341.4	358.5	376.4	395.2	415.0
300 CONTRACTUAL		20.0	21.0	22.1	23.2	24.3
400 SUPPLIES		5.0	5.3	5.5	5.8	6.1
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		420.0	441.5	463.5	486.7	511.0
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		420.0	441.5	463.5	486.7	511.0
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME		1	1	1	1	1
PART-TIME		1	1	1	1	1
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Not specified by sponsor of bill

ANALYSIS: Attach a separate page for analysis

Prepared By: Kristin Wright Phone: 465-4110
Division: Boards of Fisheries and Game Date: 2/29/84

Approved by Commissioner: Oliver Callenburgh Date: 2-29-84
Agency: _____

Distribution (by Agency preparing fiscal note):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

12/1/83

Fiscal Impact Statement for Implementing
House Bill No. 480: Expiration of Regulations

Board of Fisheries Meeting

Assume:

- 7 Board members with travel and per diem
- 1 meeting per year, 30 days
- travel at \$400 per ticket, average
- per diem at the rate of \$150 per day

Calculation:

- travel: 7 x \$400 = \$ 2,800
- per diem: 7 x 30 x \$150 = 31,500

\$ 34,300

Board of Game Meeting

Assume:

- 7 Board members with travel and per diem
- 1 meeting per year, 30 days
- travel at \$400 per ticket, average
- per diem at the rate of \$150 per day

Calculation:

- travel: 7 x \$400 = \$ 2,800
- per diem: 7 x 30 x \$150 = 31,500

34,300

Advisory Committees

Assume:

- 72 Advisory Committee chairmen
- 2 meetings (Board of Fisheries, Board of Game)
- 15 day duration including travel days
- travel at \$500 per ticket, average
- per diem at \$80 per day

Calculation:

- travel: 72 x 2 x \$500 = \$ 72,000
- per diem: 72 x 2 x 15 x \$80 = 172,800

244,800

Board Staff

Assume:

- 5 staff with travel and per diem
- 2 meetings (Board of Fisheries, Board of Game),
30 days each
- travel at \$400 per ticket, average
- per diem at the rate of \$80 per day
- an additional Regulations Specialist II, Range 16 A
- an additional part-time Clerk Typist III, Range 8 A

Calculation:

- travel: 5 x 2 x \$400 = \$ 4,000
- per diem: 5 x 60 x \$80 = 24,000
- Salary and Benefits of
Regulations Specialist II = 34,000
- Salary and Benefits of
Clerk Typist III = 20,000

82,000

Commodity Expenditures

Assume and Calculation:

- \$25,000 for printing,
advertising and supply costs = \$25,000 25,000

TOTAL

\$420,400

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: 2/28/84

REQUEST

Bill/Resolution No.: HB 480
Title: "An Act relating to regulations"
Sponsor: Reps. Bettisworth & Liska
Requestor: State Affairs Comm.
Date of Request: 1/9/84

FISCAL DETAIL

Agency Affected: Commerce & Economic Dev.
Program Category Affected: Public Protection
BRU, Program or Subprogram(s) Affected: Occupational Licensing

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		40.5	43.3	46.4	49.7	53.2
200 TRAVEL		10.1	10.8	11.5	12.3	13.2
300 CONTRACTUAL		27.1	29.0	43.5	46.6	49.8
400 SUPPLIES		0.4	0.4	0.5	0.5	0.5
500 EQUIPMENT		3.5	0.0	0.0	0.0	0.0
600 LAND & STRUCTURES		0.0	0.0	0.0	0.0	0.0
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	0	81.6	83.5	101.9	109.1	116.7
CAPITAL						
REVENUE	0	0.0	0.0	0.0	0.0	0.0

FUNDING: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
GENERAL FUND	0	81.6	83.5	101.9	109.1	116.7
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
FULL-TIME	0	1	1	1	1	1
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Not identified by the sponsors

ANALYSIS: Attach a separate page for analysis (see attached)

Prepared By: Darrell Miller Phone: 465-2535

Division: Occupational Licensing Date: 2/28/84

Approved by Commissioner: Richard A. Lyon Date: 2/29/84

Agency: Commerce & Economic Development

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

12/1/83

FISCAL ANALYSIS:

Assumptions: This bill impacts the Division of Occupational Licensing regulatory process for 17 State licensing boards and four individual State licensing functions, as provided for under the Centralized Licensing Act, AS 08.01. The division also has been assigned the licensing function for the State Athletic Commission (AS 05) by the Governor's Office and the division has regulations in place governing prorating of licensing fees, as provided for under AS 08.01.

Section 1 of this bill provides for the immediate expansion of public notices issued for any regulation being proposed for amendment, repeal or adoption. Section 2 of the bill mandates full review of all regulations in effect as of the effective date of the bill within a three year period and subsequent action to amend, repeal or retention of those regulations, and for any regulation adopted after the effective date of the bill.

This places an additional burden on the division staff that would require additional personnel to implement the requirements of the bill. The scope of activity required by this bill would necessitate that the additional personnel be an experienced Regulations Specialist, not one at the entry level.

In order to meet the three year mandatory review of existing regulations, it would be necessary to undertake the review commencing in FY '85 to ensure compliance with the provisions of this bill. The scope of this activity would require the full time services of one REgulations Specialist as the various boards and licensing functions currently have in excess of 2,200 regulations, including subdivisions, in effect. An estimated 300 regulations are currently in the process of amendment or repeal, or adoption as new regulations.

HOUSE BILL NO. 480

FISCAL IMPACT:

100 PERSONAL SERVICES

1 Regulation Specialist II, Range 16A, General Government, 12 months, to be located in Juneau. \$40,538.95

200 TRAVEL (based on current per-diem allowances with a 7% inflation factor projected for transportation costs)

1 person, 18 meetings annually, to meet and consult with individual boards and commissions for review of all regulations with possible repeal, amendment or retention of those regulations to meet the three year mandatory review provision of section 2 of this bill.

18 meetings annually (2 days each @ \$80.00 per day per diem = \$160.00 X 18) \$ 2,880.00

Transportation costs, including miscellaneous items such as taxi fares, baggage handling, etc. 18 meetings annually: Estimated (\$400.00 X 18) \$ 7,200.00

Total \$10,080.00

300 CONTRACTUAL

Section I of this bill would require immediate expansion of public notices. It is estimated that the expanded public notices would increase advertising costs approximately 50% in FY '85, and it is estimated that the mandated three year review would escalate advertising costs an additional 50% with the potential for all existing regulations to be public noticed for amendment or repeal. The mandatory three year review would become a continuous operation.

Postage, telephone, printing, advertising and general operating costs: (Estimated) \$27,100.00

400 COMMODITIES

Stationery, typewriter ribbons, pens, pencils, and other miscellaneous desk top supplies. \$ 400.00

500 EQUIPMENT (One time cost FY '85 only - based
on estimated 1985 costs)

1 Desk, double pedestal, 60" x 30"	\$ 568.22
1 Chair, Executive Swivel, woth arms	313.50
1 Typewriter, Correcting Selectric, with dual pitch, 15.5 inch paper capacity	1,369.36
1 Typewriter table	135.65
1 Chair, side, without arms (Contour Style)	126.66
1 Calculator, desk, printing & display, 12 digit	364.66
1 Bookcase, with 3 adjustable shelves	164.69
1 File Cabinet, 5 drawer legal, with lock	406.91
	<hr/>
	\$ 3,449.65
 One position total:	 \$81,568.60

1.	POSITION TITLE Regulations Specialist II				RANGE/STEP 16 A	BARG. UNIT GGU	FORM 12 PAGE/LINE	GOV.	APPRDV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION AWA	ELECTION DISTRICT	LEG.		
3.	CONTINUATION LEVEL				JUSTIFICATION					
4.	TYPE OF EXPENDITURE			AMOUNT						
	1	2	3							
	PERSONAL SERVICES									
5.	Salary	30,876.00								
6.	Benefits	5,042.05								
7.	Supplemental Benefits	1,892.70								
8.	Fixed Benefits	2,728.20								
9.	TOTAL PERSONAL SERVICES	01	40,538.95							
10.	Travel	02	10,080.00							
11.	Contractual	03	27,100.00							
12.	Commodities	04	400.00							
13.	Equipment	05	3,449.65							
14.	Other		0							
15.	TOTAL COST		81,568.60							
16.	RECEIPT CODE	FUNDING SOURCE								
17.		Federal Receipts 1002								
18.		G.F. Match 1003								
19.		General Funds 1004		81,568.60						
20.		I-A Receipts 1005								
21.		Program Receipts 1028								
		Other								
FOR B&M USE ONLY										
4A KEY NUMBER										

This position would be required in FY '85 for the immediate implementation of the provisions of Sections 1 and 2 of HB No. 480, which mandates a complete review within three years, and subsequent action to amend, repeal or retention, of all regulations in effect as of the effective date of the bill and for any regulation adopted after the effective date of the bill.

The scope of activity required would be of such nature as to require an experienced person in the regulatory process to effectively implement the provisions of HB No. 480.

13 REQUEST FOR
NEW POSITION

AGENCY Commerce & Economic Development
PROGRAM Public Protection
BRU Occupational Licensing
COMPONENT Administration

FY 84

Page 1 of 1
Revised Date

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: HB 480
 Title: Adoption and expiration of regulations
 Sponsor: Rep. Bettisworth
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Commerce & Economic Development
 Program Category Affected: _____
Economic Development
 BRU, Program or Subprogram(s) Affected: _____
Investments

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	-0-	5.0	5.0	5.0	5.0	5.0
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	5.0	5.0	5.0	5.0	5.0
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	5.0	5.0	5.0	5.0	5.0
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY		1-mo.	1-mo.	1-mo.	1-mo.	1-mo.

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Due to the intermittent and short duration that would be required to implement HB 480, the division would probably contract for these services on an "as-needed" basis.

ANALYSIS: Attach a separate page for analysis

Prepared By: Paul B. Arnoldt, Director Phone: 465-2510

Division: Investments & Veterans' Affairs Date: _____

Approved by Commissioner: Richard A. Lyon Date: 2/29/84

Agency: Commerce and Economic Development

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

12/1/83

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: February 29, 1984

REQUEST

Bill/Resolution No.: HB 480
Title: An act relating to adoption and expiration of regulations.
Sponsor: Bettisworth and Liska
Requestor: _____
Date of Request: 1/9/84

FISCAL DETAIL

Agency Affected: Commerce and Economic Dev.
Program Category Affected: Consumer Protection
BRU, Program or Subprogram(s) Affected: Banking, Securities and Corporations

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES	- 0 -	56.1	58.2	61.1	64.2	67.4
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
* TOTAL OPERATING	- 0 -	56.1	58.2	61.1	64.2	67.4
CAPITAL	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -
REVENUE	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -

FUNDING: (Thousands of Dollars)

GENERAL FUND	- 0 -	56.1	58.2	61.1	64.2	67.4
FEDERAL FUNDS						
OTHER						
* TOTAL	- 0 -	56.1	58.2	61.1	64.2	67.4

POSITIONS:

FULL-TIME	- 0 -	1	1	1	1	1
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

* - See attached Fiscal Note Analysis

ANALYSIS: Attach a separate page for analysis

Prepared By: Willis F. Kirkpatrick, Director
Division: Banking, Securities and Corporations

Phone: 465-2521

Date: 2/29/84

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

Date: 3/1/84

Distribution (by Agency preparing fiscal note):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

12/1/83

Fiscal Note Analysis
HB 480

Most of our regulations are required by statute and deal with public protection and to provide rules to obtain safety and soundness in financial institutions. In this recent period of deregulation, our agency has spent a great deal of time reducing regulatory limits by promulgating more liberal regulations. To increase this activity by Sunset provisions, would require much more manpower than our agency has.

To reduce the cost of our financial institution budget, the Bank Examiner II position was dropped from the FY '85 budget. The responsibility of this position was, in part, to develop new financial institution regulations. To accomplish the provisions of this bill, it will be necessary to reestablish the Bank Examiner II position.

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: HB480
Title: "...adoption & expiration
of a regulation."
Sponsor: Rep. Bettisworth
Requestor: Off. of the Gov.-OMB
Date of Request: _____

FISCAL DETAIL

Agency Affected: Department of Health & Social Serv
Program Category Affected: _____
Administration & Support
BRU, Program or Subprogram(s) Affected: _____
NHSS- Administration

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		33.6	35.6	37.8	40.0	42.4
200 TRAVEL						
300 CONTRACTUAL		4.5	4.7	5.1	5.4	5.7
400 SUPPLIES		2.6	1.4	1.5	1.6	1.7
500 EQUIPMENT		6.5				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		47.2	41.7	44.4	47.0	49.8
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		47.2	41.7	44.4	47.0	49.8
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME 6 mon.						
PART-TIME	0	2	2	2	2	2
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Not specified by sponsor.

ANALYSIS: Attach a separate page for analysis

Prepared By: Danny W. Burton
Division: Office of the Commissioner

Phone: 465-3030
Date: _____

Approved by Commissioner: [Signature]
Agency: Department of Health & Social Services

Date: 3/1/84

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

12/1/83

Fiscal Analysis - HB 480

The positions required for the Department of Health and Social Services to review one-third of the Health and Social Services regulations contained in the state's administrative code each year are one half of one Administrative Assistant III position and one-half of one Clerk Typist III. All of the positions will be located in Juneau. The first year of the fiscal analysis is FY 85. The costs beyond FY 85 include a 6% inflation factor.

1st Year (FY 850)

	<u>Admin. Assist. III</u>	<u>Clerk Typist III</u>	<u>Total</u>
Personal Services	20.3	13.4	33.7
Contractual Communications & Copying WP/Document Product	1.5	1.5 1.5	3.0 1.5
Commodities - Ongoing Office Expendables	.9	.9	1.8
Commodities - single time New Position Supplies	.8	.8	1.6
Equipment - single time Word Processor	.8	.8 5.0	1.6 5.0
	<hr/>	<hr/>	<hr/>
	29.3	23.9	48.2

The new Act would create additional administrative burdens, and the new requirements will require specialized knowledge and training. This increased burden and need for specialized knowledge could be met at the division level through training of staff, and expansion of staff at that level, or it could be met by supplementation of staff at the division level by assistance at the central offices. Existing staff could not carry out the new duties without giving up some present duties.

For the sake of simplicity, this fiscal note treats the burden as being met by positions in the central office, which would provide expertise, and would coordinate and systematize periodic reviews of regulations.

Because of the relatively technical nature of the work, the position would need to be at least an Administrative Assistant III. This position would need fairly intensive secretarial support. The department presently is directed by statute to maintain regulations in about 45 different areas. Some of these requirements are presently met by a single section in the Administrative Code. Others such as Medicaid, or licensing of medical facilities require extensive blocks of regulations. On average, each would require between 1 1/2 and 2 weeks of work to meet requirements for continuation. This would mean that the position would have about 30 weeks of work a year, plus the continuing collection and collation of comments on regulations and continuing monitoring of division staff to ensure that regulations would not be allowed to lapse.

The above assumes that the Department of Law would have more professional staff to provide closer support and supervision than is currently available for regulations.

POSITION PAPER

HOUSE BILL NO. 480

PAGE 1

" An Act relating to adoption and expiration of regulations; and providing for an effective date."

House Bill 480 amends the Administrative Procedures Act and particularly those portions relating to adoption, amendment and repeal of administrative regulations. Section one of the bill has the effect of expanding the kinds of information presently required in a public notice of proposed adoption, amendment or repeal of a regulation. The new notice would include a statement of reasons for the proposed regulation and a statement of "anticipated impact regarding costs of compliance by the persons, industries and businesses directly affected by the proposed regulation." Section two of the bill would create a new section to the Alaska statutes. This new section would require a review of all state agency regulations at least once every three years. At least once every three years each state agency would be required to amend, repeal or continue each regulation it has adopted. Procedures for amendment or repeal of regulations would not change. If agency continued a regulation, the agency would be required to file a notice with Lieutenant Governor which would include; (1) justification; (2) a summary of comments received after the adoption of the regulation; (3) a statement of the regulations factual basis; (4) a statement of reasons for the agency's disagreement with comments that oppose the regulation; (5) a statement explaining the statutory authorization for the regulation. Regulations not continued or awarded would lapse.

The Alaska statutes direct the Department of Health and Social Services to adopt regulations in over forty different places. The Department has adopted regulations dealing with approximately forty separate and distinct areas of concern. (See attached exhibit one.)

At present, the Department of Law is assisting the Department of Health and Social Services with approximately twenty projects related to the adoption or amendment of regulations (see attached exhibit two). The process of adopting regulations is somewhat time consuming. It is not unusual for a period of more than a year to elapse between the first proposal of regulations and the final adoption of regulations. The procedural regularity of the adoption of regulations has been the grounds for challenge of regulations in the public assistance area several times. Note for example ACM v. Smith case number 3-AN-83-8115 presently pending in the Superior Court in Anchorage. The proposed additions to a AS 44.62.200(a) are worded very generally. The Department would, until the Alaska Supreme Court had determined the extent of those new requirements, be concerned about disruptive and costly litigation which would cast into doubt properly adopted regulations. Similarly, under the new

POSITION PAPER

HOUSE BILL NO.480

PAGE 2

AS 44.62.025, the Department might be subject to challenges of continued regulations, based on the efficacy of it's compliance with subsections (b)(1),(b)(2),(b)(3),(b)(4) and (b)(5), of that section. The new sections do not establish a procedure for soliciting comments about adopting regulations. Thus the Department would need to establish internal systems of control to make sure that all such comments, whenever received and from whatever source, were collected and collated. The new section also requires a demonstration of factual bases of the regulation being continued and the agencies reasons for disagreeing with adverse public comments. The nature and extent of evidence required is unclear. Until the courts have ruled upon challenges to continued regulations based on the lack of sufficient evidence as to the factual bases of regulations, or the lack of rational basis for disagreement with comments, the department will be unsure of the sufficiency of its compliance. The new statute would add considerable administrative delay and uncertainty, to the state's public assistance and public health programs.

A review of the subject matter of the Department of Health and Social Services regulations demonstrates that they are primarily concerned with public assistance programs, and public health programs. Very few of DHSS's regulations directly affect a wide spectrum of industries and businesses. Instead, the Department of Health and Social Services regulations mainly affect indigent, ill and disabled persons. The Department works closely on a day to day basis with those affected by its regulations. The three year review process would add little that is new in making the department aware of the burdens which its regulations may place on the public. Further, many of the department's programs, particularly public assistance programs, are joint programs of the state and of the federal government. The Department often has no choice but to accept federal requirements for those programs. The Department must, as a condition of federal funding meet all federal requirements. Again, the three year review process would be superfluous.

Last, though the Department does not anticipate that such a situation would be allowed to arise in Health and Social Services, if public assistance or public health regulations were allowed to lapse, and the

POSITION PAPER

HOUSE BILL NO.480

PAGE 3

department lost its authority to run a program such as Medicaid, the affects on the indigent and on public health might be devastating. For all the above reasons, the Department of Health and Social Services opposes this bill.

RECOMMENDED:

Dan Burton
Dan Burton, Special Assistant

DATE:

3/1/84

APPROVED BY:

Robert London Smith
ROBERT LONDON SMITH, Ph.D.
COMMISSIONER

DATE:

3/1/84

<u>SUBJECT</u>	<u>STATUTE</u>	<u>REGULATIONS</u>
Vital Statistics		7AAC Ch. 5
(Birth/Death Certificates)	AS 18.50.020	
Certificate of Need	AS 18.07.101	7AAC Ch. 7
Design & Construction		7AAC Ch. 9
of Medical Facilities	AS 18.20.080	
Licensing, Maintenance &		7AAC Ch. 12
Operation of Medical Facilities	AS 18.20.060	
Occupational Health	AS 18.05.040(1)	7AAC Ch. 20
Infant Learning Programs	AS 47.20.010(b)	7AAC Ch. 23
Compressed Oxygen	AS 18.05.040(18)	7AAC Ch. 25
Emergency Medical Services	AS 18.08.080	7AAC Ch. 26
Control of Diseases of		7AAC 27.005-
Public Significance	AS 18.15.040(1)	7AAC 27.080
Tuberculous Control	AS 18.05.120	no regs
Venereal Disease Control	AS 18.05.040	7AAC 27.111
Physical Examination of Children	AS 14.30.065	7AAC 27.213
Prenatal Blood Tests	AS 18.15.160	7AAC 27.360
Premarital Testing	AS 25.05.105	7AAC 27.360
Screening for Metabolic Diseases	AS 18.15.200	7AAC 27.510.560
Designation of Isolated Areas for		
Dentistry Licensing	AS 08.36.271	7AAC 27.370
Assistance to Hospital & Health		
Facilities	AS 18.25.100	
Advertising of Drugs	AS 17.20.170	
Adulterated & Mishandled Drugs	AS 17.20.180	
Radiation Protection	AS 18.60.475	18 AAC Ch.85
Community Alcoholism Grants	AS 47.30.477	7AAC Ch.28
(Alcohol) Breath Analysis &		
Blood Analysis	AS 28.35.033(d)	7AAC Ch.30
Methadone Programs	AS 18.05.040	7AAC Ch.33
Embalming	AS 18.05.040(7)	7AAC Ch.35
Confidentiality of Client Records	AS 47.10.250	
(Children)	AS 47.05.020	
	AS 47.17.040	7AAC Ch.36
Confidentiality of Client Records	AS 47.05.020	
(Public Assistance)	AS 47.05.010	7AAC 37.010-140
DHSS Personnel Systems	AS 47.05.010(3)	7AAC 37.170
Appointment of DHSS Agents	AS 47.05.010(13)	7AAC 37.180
Effects of Permanent Fund on		
Public Assistance	AS 43.23.075	7AAC Ch.38
Adult Public Assistance	AS 47.05.010(1)	
	AS 47.25.430	7AAC Ch.40
Medicaid Assistance	AS 47.05.010(1)	
	AS 47.07.010	7AAC Ch.43

*Requires concurrence of
Department of Public Assistance

<u>SUBJECT</u>	<u>STATUTE</u>	<u>REGULATIONS</u>	
Energy Assistance	AS 47.05.010	7AAC	Ch.44
Aid to Families with Dependent Children	AS 47.25.330	7AAC	Ch.45
Food Stamps	AS 47.25.980	7AAC	Ch.46
General Relief Assistance	AS 47.25.120	7AAC	Ch.47
Catastrophic Illness Assistance	AS 47.08.130	7AAC	Ch.48
Public Assistance Fair Hearings	AS 47.05.010(10)	7AAC	Ch.49
Residential Child Care Facilities (Day Care, & Foster Care, Standards & Licensing)	AS 47.35.030	7AAC	50.001-620
Foster Home Care Payments	AS 47.10.150(8) *AS 47.10.250 AS 47.40.010	7AAC	50.119
Design, Construction, Repair, Maintenance, & Operation Juvenile Correctional Facilities & Juvenile Detention Facilities	AS 47.10.150(3)	7AAC	50.710-850 Ch.52
Adult Residential Care Facilities	AS 47.80.130 AS 47.35.030	7AAC	Ch.55
Community Mental Health Services	AS 47.30.540(a)	7AAC	Ch.71

*Section 2, Chapter 138 SLA 1982
Suspended the effects of this section until 6/30/84

STATE OF ALASKA - DEPARTMENT OF LAW

CASE MANAGEMENT / TIME REPORTING SYSTEM

REPORT: CASES FOR H&SS/OTHER BY WORK TYPE BY WORK MANAGEMENT NUMBER FROM TO

HAPPY NEW YEAR

ATTORNEY	WORK TYPE	WMNO	R	CASE TITLE
MUNSON, MYRA	AID TO AGENCY	566-183-83		CONFIDENTIALITY OF H&SS RECORDS SEX ABUSE CASES
SNOW, REBECCA	AID TO AGENCY	566-056-84		SEC 109 AGREEMENT/CROW BAND
SNOW, REBECCA	AID TO AGENCY	566-057-84		TRANSP EXP FOR WITNESSES
SNOW, REBECCA	AID TO AGENCY	566-071-84		DAY CARE LICENSING--MILITARY BASES
SNOW, REBECCA	AID TO AGENCY	566-072-84		BARROW-ICWA & TEXAS HOMESTUDY
MUNSON, MYRA	AID TO AGENCY	566-125-84		PL 96-272 HEARING REQUIREMENTS & FORMS REVISION
CERRO, LINDA	AID TO AGENCY	366-399-83		AUTHORITY FOR JOB PROGRAMS UNDER AFDC
SCOCCIA, LINDA	AID TO AGENCY	366-022-84		KETCHIKAN YOUTH FACILITY LEASE REVIEW
SHAW, ELIZABETH	AID TO AGENCY	366-023-84		RVH OF COMMUNITY MENTAL HEALTH CLINIC GRANT PROCESS--SEARCH
FROELICH, PETE	AID TO AGENCY	366-082-84		FEDERAL OFFER TO FUND NEW MEDICAID FRAUD UNIT IN AGO
CERRO, LINDA	AID TO AGENCY	366-197-84		MEDICAID UPPER LIMITS AND RESTRICTED GRANTS
SHAW, ELIZABETH	AID TO AGENCY	366-216-84		ALCOHOL COMMITMENT PROCEDURES (JUNEAU)
CERRO, LINDA	AID TO AGENCY	366-235-84		RVH PUBLIC ASSISTANCE APPLICATION FORM
SHAW, ELIZABETH	AID TO AGENCY	366-302-84		SLIDING SCALE FEE SYSTEM HOME HEALTH NURSING
ROBERTSON, RICK	AID TO AGENCY	366-304-84		CTI LIBRARY SYSTEMS INC--SECURITY INTEREST
SHAW, ELIZABETH	AID TO AGENCY	366-324-84		AAFS--ENDALMING REGS

TALLY WORK TYPE: 24

ROBERTSON, RICK	LEGISLATIVE DRAFTING	377-077-84		CONTRACTING W/SOC SERV ADMIN TO ADMINISTER ADULT PUB ASSIST
RORETSKI GAYLE	LEGISLATIVE DRAFTING	377-083-84		FOOD STAMP FRAUD

TALLY WORK TYPE: 2

SCOCCIA, LINDA	REGULATION REVIEW	199-041-81		PLACEMENT AGENCY
ROBERTSON, RICK	REGULATION REVIEW	199-099-82		(7 AAC 43, 47 & 48)G.R., G.R./MED, MEDICAID, CATAS
CERRO, LINDA	REGULATION REVIEW	199-108-82		(7 AAC 45) AFDC REGS
SHAW, ELIZABETH	REGULATION REVIEW	399-001-83		DAY CARE (7 AAC 50.120--275)
SHAW, ELIZABETH	REGULATION REVIEW	399-077-83		MEDICAID "S17" (7 AAC 43.005,020,035,090,770,780)
CERRO, LINDA	REGULATION REVIEW	399-105-83		AFDC/INCOME ELIGIBLTY STANDRDS & MAXIMUM PNTS (7 AAC 45.140)
SHAW, ELIZABETH	REGULATION REVIEW	399-123-83		MEDICAID (7AAC 43.115--7 AAC 43.730)
SHAW, ELIZABETH	REGULATION REVIEW	399-137-83		RESIDENT CHILD CARE FACILITY (7 AAC 50.001--114)
ROBERTSON, RICK	REGULATION REVIEW	399-139-83		DISEASE REPORTING REGS (7 AAC 20.340--410 & 27.005--020)
CERRO, LINDA	REGULATION REVIEW	399-145-83		MED ASSIST: PROSPECTIVE PAYMENTS (7 AAC 43.710, 715 & 720)
SCOCCIA, LINDA	REGULATION REVIEW	399-003-84		CERT OF NEED AMS (7 AAC 07)
SHAW, ELIZABETH	REGULATION REVIEW	399-004-84		ADULT PA CFEC PERMITS (7 AAC 40.230)
SHAW, ELIZABETH	REGULATION REVIEW	399-018-84		AMS TO ENT REGS (7 AAC 26.010--130)
SCOCCIA, LINDA	REGULATION REVIEW	399-023-84		AMS DESIGN/CONSTR HOSP FACIL (7 AAC 9)
SCOCCIA, LINDA	REGULATION REVIEW	399-028-84		TIME OF USE GRANT INCOME (7 AAC 78.210)
SHAW, ELIZABETH	REGULATION REVIEW	399-032-84		CURRENT H&SS ORGANIZATION IN AAC
ROBERTSON, RICK	REGULATION REVIEW	399-034-84		ENERGY ASST PROG--7 AAC 44.040 ETC.
SHAW, ELIZABETH	REGULATION REVIEW	399-057-84		ASSISTANCE FOR COMMUNITY HEALTH FACILITY
ROBERTSON, RICK	REGULATION REVIEW	399-062-84		AMOUNT OF ENERGY ASSISTANCE (7 AAC 44.030)
SHAW, ELIZABETH	REGULATION REVIEW	399-073-84		ENT CERTIFICATION--7 AAC 26.100

TALLY WORK TYPE: 20

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: HB 480
 Title: "An act relating to adoption and expiration of a regulation..."
 Sponsor: Bettisworth and Liska
 Requestor: State Affairs
 Date of Request: 2-21-84

FISCAL DETAIL

Agency Affected: Labor
 Program Category Affected: Public Protection
 BRU, Program or Subprogram(s) Affected: Occupational Safety and Health BRU, Occupational Safety and Health Program

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		131.6	139.5	147.9	156.8	166.2
200 TRAVEL		7.4	7.9	8.3	8.8	9.4
300 CONTRACTUAL		38.9	41.2	43.7	46.3	49.1
400 SUPPLIES		2.0	2.1	2.2	2.4	2.5
500 EQUIPMENT		14.8				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		194.7	190.7	202.1	214.3	227.2
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
GENERAL FUND		194.7	190.7	202.1	214.3	227.2
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
FULL-TIME		3	3	3	3	3
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

N/A

ANALYSIS: Attach a separate page for analysis

Prepared By: Robert J. Bacolas Phone: 465-4870
 Division: Labor Standards and Safety Date: _____
 Approved by Commissioner: Jim Robison Date: 2/28/84
 Agency: Labor

LEG:8:8

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

12/1/83

FISCAL NOTE

THE LEGISLATURE OF THE STATE OF ALASKA

THIRTEENTH LEGISLATURE

BILL/RESOLUTION NO: HB 480

TITLE: "An act relating to adoption and expiration of a regulation..."

AGENCY AFFECTED: Department of Labor

Page 2

Reviewing and revising regulations on a three-year cycle will be a large task for the Occupational Safety and Health BRU. There are thousands of regulations which currently impact Occupational Safety and Health. To accomplish this will require the following three new positions plus a micro-computer:

An Administrative Officer II will supervise and coordinate the Occupational Safety and Health regulations development and review program. The incumbent will develop a system to keep track of the thousands of standards and regulations currently enforced by the Occupational Safety and Health Section to assure that these regulations and standards are reviewed every three years. The tracking of these regulations will require a person who is familiar with data processing as it will take an automated tracking system to accomplish this task. The incumbent will also assure that comments received on various regulations are kept so that a summary of such comments as required under AS 44.62.025(b)(2) can be prepared and will prepare the cost estimates for proposed regulations.

An Occupational Safety Compliance Officer will provide the technical expertise necessary to determine if an Occupational Safety and Health regulation is still necessary or should be revised or revoked. The incumbent will also do technical research necessary to come up with meaningful cost estimates of compliance of proposed standards by persons, industries, and businesses directly affected by the proposed regulation.

A Clerk Typist III is necessary to provide clerical support for the administrative officer and compliance officer. The incumbent will provide clerical support for the tracking system that will be used to review regulations on a three-year cycle and to keep track of the comments received on various regulations. The incumbent will also provide the clerical support that will be required to prepare fiscal impact statements and supporting statements for retention of regulations.

A special cost will be the purchase of a personal computer to track the regulations. Purchase of the computer, software, and necessary accessories will require a one-time expense of approximately \$10,000. Another cost of \$5,000 per year will be for printing regulations.

The following assumptions were made in preparing this fiscal note:

1. An effective date of July 1, 1984.
2. Each provision contained in the 15 OSHA codes currently in effect is considered as a separate regulation. This assumption is being used as it is now necessary to go through the entire promulgation process to change each provision.
3. An inflation rate of 6% for FY's 1986-1989.

Title Occupational Safety Compliance Officer				Range/Step 50B	Barg. Unit LTC	Form 12 Page/Line	GOV.	APPROV.	DISAPP.
Position	Staff Months 12	RP Number	PCN Number	BRU Priority	Location Anch.	Election District	LEG.		

CONTINUATION LEVEL Code of Expenditure	ADDITION	
	Amount	
1	2	3
PERSONAL SERVICES		
3492	41,904	
	6,998	
Total Benefits	2,550	
Benefits	2,724	
PERSONAL SERVICES	01	54,176
	02	3,471
Total	03	10,628
es	04	500
	05	1,600
OST		70,375

CODE	FUNDING SOURCE	
	Federal Receipts 1002	
	G.F. Match 1003	
	General Funds 1004	70,375
	I-A Receipts 1005	
	Program Receipts 1028	
	Other	

Only

JUSTIFICATION This position will provide the technical expertise necessary to determine if an occupational safety and health regulation is still necessary or should be revised or revoked. The incumbent will do technical research necessary to come up with meaningful cost estimates of compliance of proposed standards by persons, industries, and businesses directly affected by the proposed regulation. Also, this position will respond to technical questions about the regulations from the public.

Other costs associated with this position are as follows:
Travel consists of three trips to Anchorage and two to Fairbanks (three days each).

Contractual: Rent \$3,600, Indirect \$5,028 and basic operating costs of \$2,000.

Commodities: Basic operating supplies.

Equipment: Desk, chair and filing cabinet (one-time cost)

FOR NEW POSITION

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

FY 85

Page 1 of 3
Revised Date

LEG:F:26

Position title 1 Administrtrive Officer II				Range/Step 19B	Barg. Unit GGU	Form 12 Page/Line	GOV.	APPROV.	DISAPP.
Type of Position 2 PFT	Staff Months 12	RP Number	PCN Number	BRU Priority	Location Juneau	Election District	LEG.		
3 CONTINUATION LEVEL		ADDITION			JUSTIFICATION This position will supervise and coordinate the Occupational Safety and Health regulations development and review program. The incumbent will develop a system to keep track of the thousands of standards and regulations currently enforced by the Occupational Safety and Health Section to assure that these regulations and standards are reviewed every three years. The tracking of these regulations will require a person who is familiar with data processing as it will take an automated tracking system to accomplish this task. The incumbent will also assure that comments received on various regulations are kept so that a summary of such comments as required under AS 44.62.-025(b)(2) can be prepared. The Administrative Officer will assure that meaningful supportive reasons are given for the continuation or the revocation of existing standards. Other costs associated with this position are as follows: Travel consisting of five trips to Anchorage (3 days each). Contractual: Rent at \$3,600, Indirect costs \$4,733, and basic operating costs of \$2,000. Commodities: Basic operating supplies. Equipment: Desk, chair and filing cabinet (one-time cost).				
4 Type of Expenditure		Amount							
1		2		3					
PERSONAL SERVICES									
5 Salary	3287	39,444							
6 Benefits		6,587							
7 Supplemental Benefits		2,418							
8 Fixed Benefits		2,724							
9 TOTAL PERSONAL SERVICES		01	51,173						
10 Travel		02	3,953						
11 Contractual		03	10,333						
12 Commodities		04	500						
13 Equipment		05	1,600						
14 Other									
15 TOTAL COST			67,559						
RECEIPT CODE		FUNDING SOURCE							
16		Federal Receipts	1002						
17		G.F. Match	1003						
18		General Funds	1004	67,559					
19		I-A Receipts	1005						
20		Program Receipts	1028						
21		Other							
For M&B Use Only 4A Key Number _____									

13 REQUEST FOR NEW POSITION

AGENCY Labor

PROGRAM Worker Protection

BRU Occupational Safety & Health

COMPONENT Occupational Safety & Health

FY 85

Page 2 of 3
Revised Date

LEG:F:27

Position Title:				Range/Step	Barg. Unit	Form 12 Page/Line	GOV.	APPROV.	DISAPP.
1 Clerk Typist III				8B	GGU				
Type of Position	Staff Months	RP Number	PCN Number	BRU Priority	Location	Election District	LEG.		
2 PFT	12				Juneau				
CONTINUATION LEVEL			ADDITION		JUSTIFICATION This position is necessary to provide clerical support for the administrative officer and consultant. The incumbent will provide clerical support for the tracking system that will be used to review regulations on a three-year cycle and to keep track of the comments received on various regulations. The incumbent will also provide the clerical support that will be required to prepare fiscal impact statements and supporting statements for retention of regulations. Other costs associated with this position are as follows: Contractual: Rent \$3,600, Indirect cost \$2,301, and basic operating costs \$7,000. Commodities: Basic operating supplies. Equipment: Desk, chair, and filing cabinet (one-time cost).				
Type of Expenditure			Amount						
1			3						
PERSONAL SERVICES									
5 Salary	1598		19,176						
6 Benefits			3,202						
7 Supplemental Benefits			1,175						
8 Fixed Benefits			2,724						
9 TOTAL PERSONAL SERVICES		01	26,277						
10 Travel		02	-0-						
11 Contractual		03	12,901						
12 Commodities		04	1,000						
13 Equipment		05	1,600						
14 Other									
15 TOTAL COST			41,778						
RECEIPT CODE	FUNDING SOURCE								
16	Federal Receipts 1002								
17	G.F. Match 1003								
18	General Funds 1004		41,778						
19	I-A Receipts 1005								
20	Program Receipts 1028								
21	Other								
For M&B Use Only									
4A Key Number _____									

13 REQUEST FOR NEW POSITION

AGENCY Labor

PROGRAM Worker Protection

BRU Occupational Safety & Health

COMPONENT Occupational Safety & Health

FY 85

Page 3 of 3

Revised Date

LEG:F:28

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: HB 480
 Title: "An act relating to adoption and expiration of a regulation"
 Sponsor: Bettisworth and Liska
 Requestor: State Affairs
 Date of Request: 2-21-84

FISCAL DETAIL

Agency Affected: Labor
 Program Category Affected: Public Protection
 BRU, Program or Subprogram(s) Affected: Labor Standards and Safety
Wage and Hour and Mechanical Inspection

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		60.9	64.6	68.5	72.6	76.9
200 TRAVEL		3.5	3.7	3.9	4.1	4.4
300 CONTRACTUAL		26.9	28.5	30.2	32.1	34.0
400 SUPPLIES		1.5	1.6	1.7	1.8	1.9
500 EQUIPMENT		3.2				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	96.0	98.4	104.3	110.6	117.2
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	96.0	98.4	104.3	110.6	117.2
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

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

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: Robert J. Bacolas Phone: 465-4870
 Division: Labor Standards and Safety Date: 2-22-84
 Approved by Commissioner: Jim Robison Date: 2-22-84
 Agency: Labor

LEG:B:7
 Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

12/1/83

FISCAL NOTE

THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE
BILL/RESOLUTION NO: HB 480
TITLE: "An Act relating to adoption and expiration of a regulation"
AGENCY AFFECTED: Department of Labor
Page 2

Reviewing and revising regulations on a three year basis would require an increase of the following two new positions:

Regulations Specialist I -

This position will assure that the three year review of Labor Standards & Safety regulations is properly conducted and that comments received on these regulations are tracked and compiled. The incumbent will work with the Administrative Officer and Compliance Officer in the Occupational Safety & Health BRU and prepare the required fiscal impact statements when a new or revised Wage and Hour or Mechanical Inspection regulation is proposed. The Labor Standards & Safety BRU administers 11 separate sets of regulations within the Administrative Code. These regulations cover subjects ranging from union election processes to public employment agency licensing to public safety inspections of boilers and electrical systems.

Clerk Typist III -

This position will provide the clerical support required to keep track of regulations and comments, and provide the usual typing support that will be required to prepare the fiscal impact statements and justification for retaining a regulation.

One-time item of \$3,200 is for equipment.

1	Position Title Regulation Specialist I			Range/Step 13	Barg. Unit GGU	Form 12 Page/Line	GOV.	APPROV.	DISAPP.
2	Type of Position PFT	Staff Months 12	RP Number	PCN Number	BRU Priority	Location Anchorage	Election District	LEG.	
3	CONTINUATION LEVEL		ADDITION		JUSTIFICATION The Regulation Specialist will assure that the three year review of LS&S regulations is properly conducted and that comments received on these regulations are tracked and compiled. The incumbent will work with the Administrative Officer and Compliance Officer in the OSH BRU to prepare the required fiscal impact statements when a new or revised Wage and Hour or Mechanical Inspection regulation is proposed. The LS&S BRU administers 11 separate sets of regulations within the Administrative Code. These regulations cover subjects ranging from union election processes to public employment agency licensing to public safety inspections of boilers and electrical systems. Other costs associated with this position: Travel: Travel consists of three trips to Juneau and three trips to Fairbanks. Contractual: Rent \$3,600, Indirect cost \$3,421 and \$2,000 basic operating costs. Commodities: Basic operating supplies. Equipment: Desk, chair, and filing cabinet are one-time costs.				
4	Type of Expenditure		Amount						
	1		3						
	PERSONAL SERVICES								
5	Salary	2166	25,992						
6	Benefits		4,508						
7	Supplemental Benefits		1,593						
8	Fixed Benefits		2,724						
9	TOTAL PERSONAL SERVICES	01	34,817						
10	Travel	02	3,458						
11	Contractual	03	9,021						
12	Commodities	04	500						
13	Equipment	05	1,600						
14	Other								
15	TOTAL COST		49,396						
	RECEIPT CODE	FUNDING SOURCE							
16		Federal Receipts	1002						
17		G.F. Match	1003						
18	100	General Funds	1004	49,396					
19		I-A Receipts	1005						
20		Program Receipts	1028						
21		Other							
For M&B Use Only 4A Key Number _____									

13 REQUEST FOR NEW POSITION

AGENCY Labor
PROGRAM Public Protection
BRU Labor Standards and Safety
COMPONENT Wage and Hour

FY 85

Page 1 of 2
Revised Date _____

LEG:F:24

1	Position Title Clerk Typist III				Range/Step 8B	Barg. Unit GGU	Form 12 Page/Line	GOV.	APPROV.	DISAPP.
2	Type of Position PFT	Staff Months 12	RP Number	PCN Number	BRU Priority	Location Anchorage	Election District	LEG.		
3	CONTINUATION LEVEL		ADDITION			JUSTIFICATION The Clerk Typist III will provide the clerical support required to keep track of regulations and comments, and provide the usual typing support that will be required to prepare the fiscal impact statements and justification for retaining a regulation. Contractual: Rent 3,600, indirect 2,301 and 7,000 basic operating cost. Commodities: Basic operating supplies. Equipment: Desk, chair, and filing cabinet.				
4	Type of Expenditure		Amount							
	1	2	3							
	PERSONAL SERVICES									
5	Salary	1598	19,176							
6	Benefits		3,202							
7	Supplemental Benefits		1,175							
8	Fixed Benefits		2,724							
9	TOTAL PERSONAL SERVICES		01	26,277						
10	Travel		02	-0-						
11	Contractual		03	12,901						
12	Commodities		04	1,000						
13	Equipment		05	1,600						
14	Other									
15	TOTAL COST		41,778							
	RECEIPT CODE	FUNDING SOURCE								
16		Federal Receipts	1002							
17		G.F. Match	1003							
18	100	General Funds	1004	41,778						
19		I-A Receipts	1005							
20		Program Receipts	1028							
21		Other								
For M&B Use Only 4A Key Number _____										

13 REQUEST FOR NEW POSITION

AGENCY Labor
PROGRAM Public Protection
BRU Labor Standards and Safety
COMPONENT Wage and Hour

FY 85

Page 2 of 2
Revised Date _____

LEG:F:25

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: HB 480
Title: "An act relating to adoption and expiration of a regulation"
Sponsor: Bettisworth and Liska
Requestor: State Affairs
Date of Request: 2-21-84

FISCAL DETAIL

Agency Affected: Labor
Program Category Affected: Public Protection
BRU, Program or Subprogram(s) Affected: Workers' Compensation
Second Injury

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		12.8	13.6	14.4	15.3	16.2
200 TRAVEL		6.4	6.8	7.2	7.6	8.1
300 CONTRACTUAL		73.2	77.6	82.3	87.2	92.4
400 SUPPLIES		1.0	1.1	1.1	1.2	1.3
500 EQUIPMENT		1.6	-0-			
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0	95.0	99.1	105.0	111.3	118.0
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	95.0	99.1	105.0	111.3	118.0
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME		1	1	1	1	1
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: ^{MB} Jacquelyn McClintock *Jacquelyn McClintock* Phone: 465-2790
Division: Workers' Compensation Date: 2-23-84
Approved by Commissioner: ^{MB} Jim Robinson *Jim Robinson* Date: 2-22-84
Agency: Department of Labor

LEG:B:9

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

12/1/83

FISCAL NOTE

THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE

BILL/RESOLUTION NO: HB 480

TITLE: "An Act relating to adoption and expiration of a regulation..."

AGENCY AFFECTED: Department of Labor

Page 2

The reviewing and revising of regulations on a three-year cycle would require contracting an attorney and one part-time clerk typist.

A professional attorney's services would be needed for approximately 640 hours a year to maintain an on-going annual review of regulations affecting the Workers' Compensation Board. The Workers' Compensation Board is a quasi-judicial body and, as such, its regulations on Workers' Compensation administration, self-insurance, Second Injury Fund and Vocational Rehabilitation involve highly complex and technical legal processes and procedures similar to those in the Administrative Procedures Act. Therefore, the services of an attorney are required to perform the legal research and writing that is necessary in the regulation review process proposed under HB 480. The estimated cost is \$48,000 for the attorney's fees.

One part-time clerk typist would be required to type the regulations, distribute draft regulations to various parties for their review, maintain a comprehensive file of the regulations, and handle correspondence concerning the review process.

Other special costs associated with this bill would be \$12,000 for printing and mailing costs. Revised Workers' Compensation regulations will need to be reviewed by labor and employer representation groups, insurers, medical and vocational rehabilitation providers, and various attorneys. This wide distribution warrants this extra printing and mailing expense.

Also, one additional board session would be required annually to review and approve the proposed changes of regulations. Estimated cost is \$6,400.

Assumptions: A 6% inflation rate is used from 1985 thru 1989.

One-time cost includes equipment of desk, chair, and file cabinet.

Position Title 1 Clerk Typist III				Range/Step 8A	Barg. Unit GGU	Form 12 Page/Line	GOV.	APPROV.	DISAPP.
Type of Position 2 PPT	Staff Months 6	RP Number	PCN Number	BRU Priority	Location Juneau	Election District	LEG.		
3 CONTINUATION LEVEL		4 ADDITION			JUSTIFICATION This position located in Juneau would type the revised regulations, distribute draft regulations to various parties for their review, maintain a comprehensive file of the regulations, and handle correspondence concerning the review process. Other costs associated with this position would include: Contractual: Rent \$3,600, basic operating costs \$7,000, indirect \$1,118. Commodities: Basic operating supplies. Equipment: Desk, chair, filing cabinet (one-time items).				
4 Type of Expenditure		Amount							
1		2		3					
PERSONAL SERVICES									
5 Salary	1553	9,318							
6 Benefits		1,556							
7 Supplemental Benefits		571							
8 Fixed Benefits		1,362							
9 TOTAL PERSONAL SERVICES		01	12,807						
10 Travel		02	-0-						
11 Contractual		03	13,218						
12 Commodities		04	1,000						
13 Equipment		05	1,600						
14 Other									
15 TOTAL COST			28,625						
RECEIPT CODE		FUNDING SOURCE							
16		Federal Receipts	1002						
17		G.F. Match	1003						
18		General Funds	1004	28,625					
19		I-A Receipts	1005						
20		Program Receipts	1028						
21		Other							
For M&B Use Only 4A Key Number _____									

13 REQUEST FOR NEW POSITION

AGENCY Department of Labor
PROGRAM Public Protection
BRU Workers' Compensation
COMPONENT Workers' Compensation

FY 85

Page 1 of 1
Revised Date _____

LEG:F:30

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: HB 480
Title: "An act relating to adoption and expiration of a regulation..."
Sponsor: Bettisworth and Liska
Requestor: State Affairs
Date of Request: 2-21-84

FISCAL DETAIL

Agency Affected: Labor
Program Category Affected: Social Services
BRU, Program or Subprogram(s) Affected: Commissioner's Office
Commissioner's Office

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		40.6	43.1	45.7	48.4	51.3
200 TRAVEL						
300 CONTRACTUAL		9.3	9.9	10.5	11.1	11.7
400 SUPPLIES		.5	.5	.6	.6	.6
500 EQUIPMENT		1.6	--	--	--	--
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		52.0	53.5	56.8	60.1	63.6
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		52.0	53.5	56.8	60.1	63.6
FEDERAL FUNDS						
OTHER						
TOTAL		52.0	53.5	56.8	60.1	63.6

POSITIONS:

FULL-TIME		1	1	1	1	1
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

N/A

ANALYSIS: Attach a separate page for analysis

Prepared By: ^{NR} Jim Robison
Division: Commissioner's Office
Approved by Commissioner: ^{NR} Jim Robison
Agency: Department of Labor
Phone: 465-2700
Date: _____
Date: 2/29/84

LEG:8:10

Distribution (by Agency preparing fiscal note):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

12/1/83