

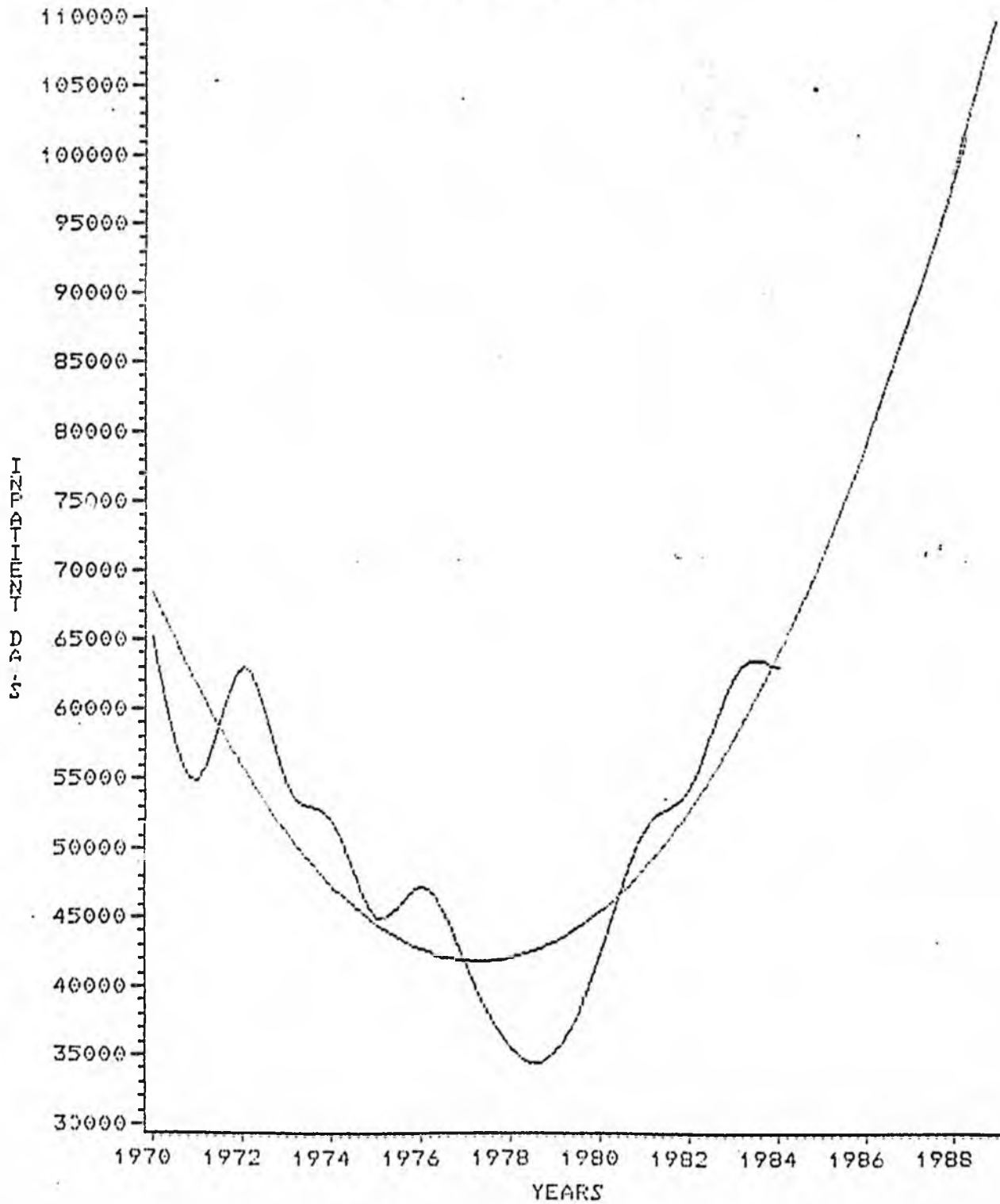
ALASKA LEGISLATURE COMMITTEE FILES 1985-1986 86/2

3292 HJUD HB 128 - HB 140

.The Alaska Psychiatric Institute has one restriction that the community mental health center outpatient system does not face, and that is the limitation of the number of beds available for patients. Currently the hospital is an accredited 176 bed facility. In terms of inpatient days this means a maximum of 365×176 or 64,240 inpatient days are available for service delivery. In fiscal year 1984, 62,904 inpatient days were delivered, or 98% of the total available. This is an increase from the previous years 95%, and represents an ever thinner operating margin.

Given the maximum use of available bedspace that these figures represent, the ceiling on the number of beds available, and the population growth which pushes the number of potential admissions higher each year, the only systems constraint which can change is that of length-of-stay in the facility. Essentially, it becomes necessary to shorten the period of treatment at the hospital, on the average, in order to make beds available for further admissions. This is, of course, the solution of last resort, and the hospital, whenever possible, attempts to increase the efficient utilization of existing resources rather than decrease treatment time.

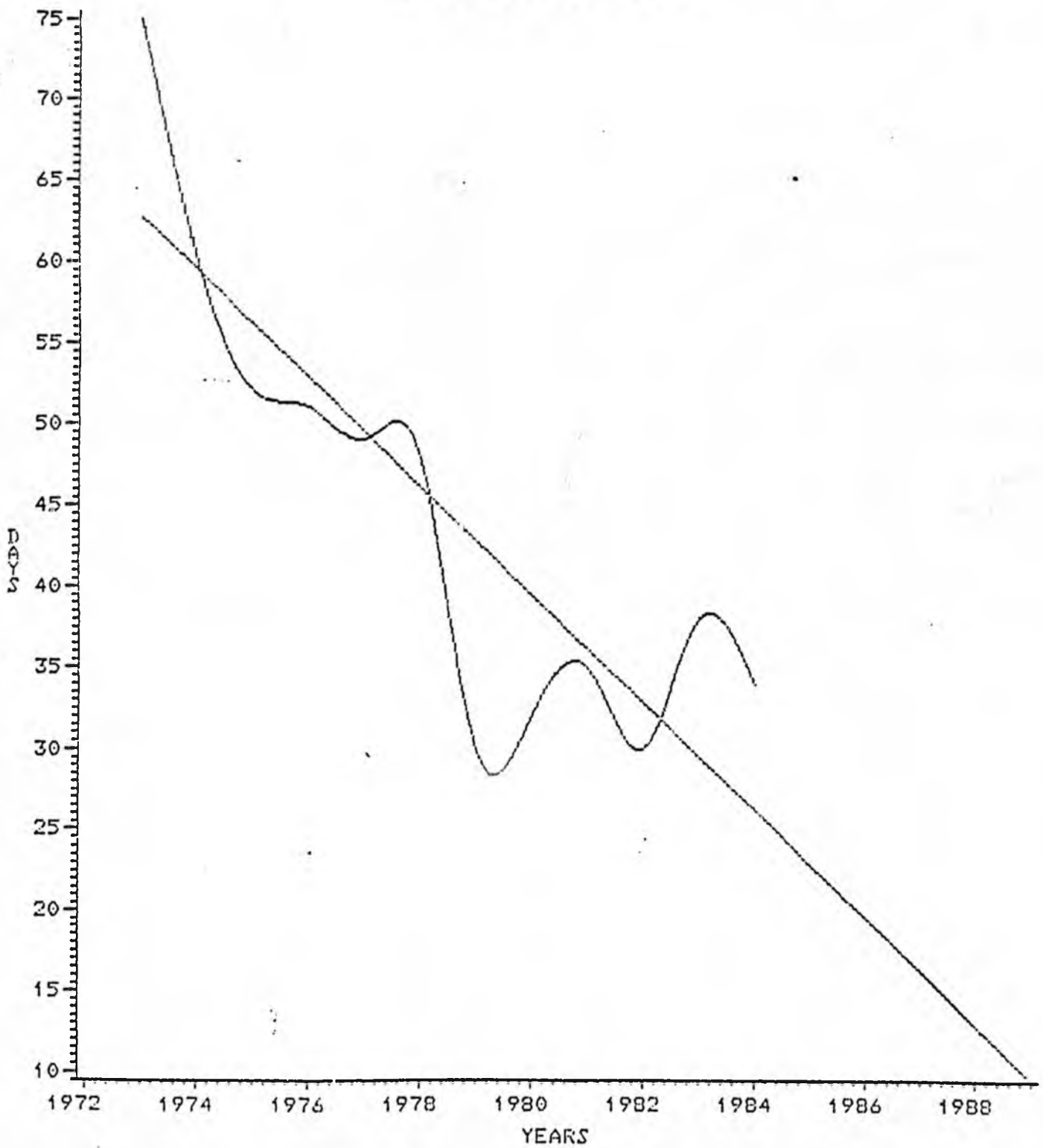
ALASKA PSYCHIATRIC INSTITUTE INPATIENT DAYS



INPATIENT DAYS WITH FIVE YEAR PROJECTIONS

Graph 7 on the following page presents data on the length-of-stay at the Alaska Psychiatric Institute. In 1983 when admissions decreased slightly the length-of-stay increased; in 1984 when admissions increased the length-of-stay decreased. This relationship between length-of-stay and admissions is a reflection of the fact that the resources of the API, as shown by the 98% utilization of inpatient days, is at its maximum effective limit. The basic problem for the facility is to balance pressures from further admissions with the need for completion of a course of treatment for patients. If population pressures continue to mount and no alternative to admission to the hospital is found, length-of-stay is predicted to further fall as patients are released with fewer days under treatment.

ALASKA PSYCHIATRIC INSTITUTE LENGTH-OF-STAY

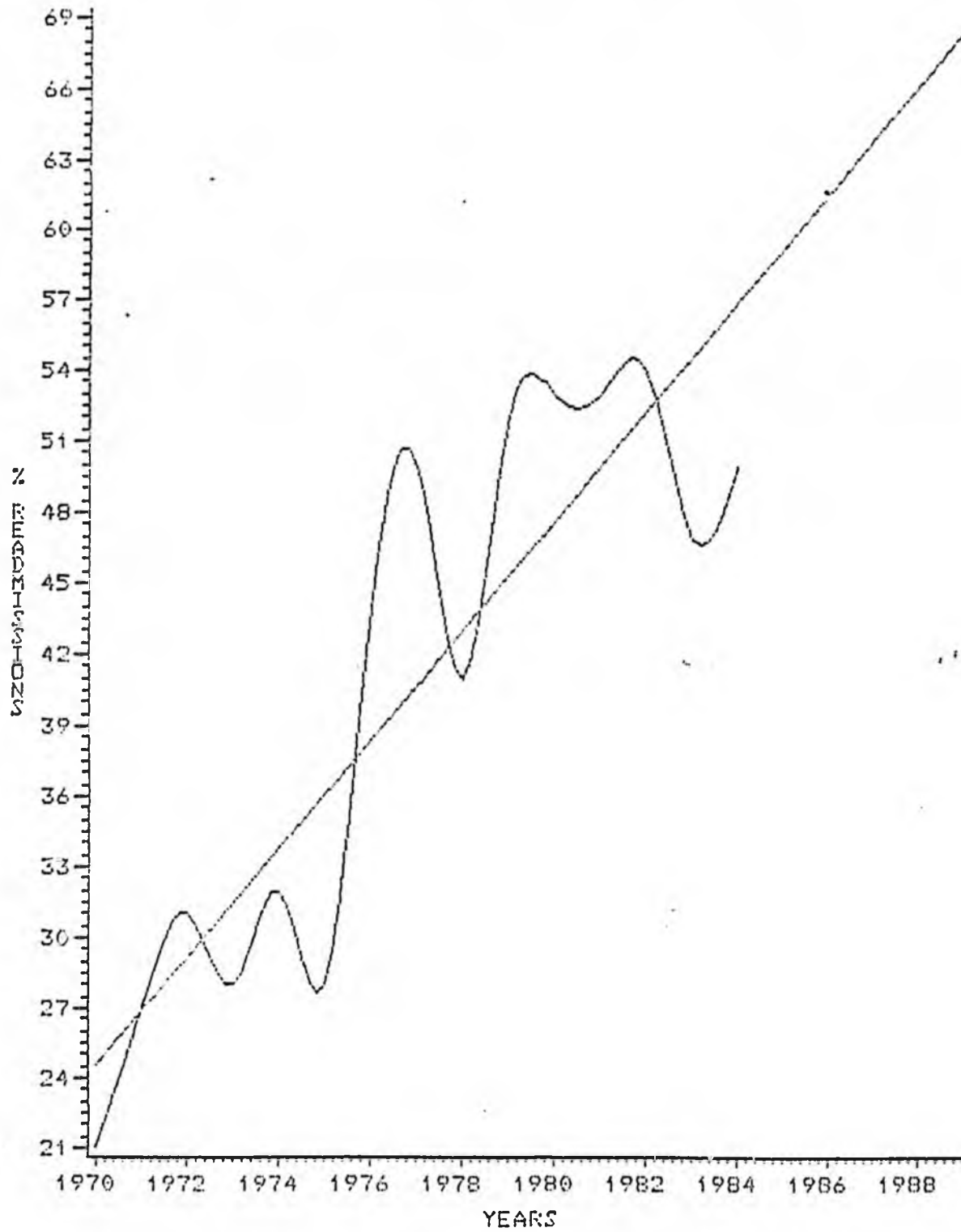


LENGTH-OF-STAY WITH FIVE YEAR PROJECTIONS

Graph B, on the percent readmissions to the Alaska Psychiatric Institute, shows the results of decreasing length-of-stay on readmission rates. As length-of-stay decreases the readmission rate for former hospital patients tends to increase. There are thus two driving forces at work to raise the number of admissions to the hospital; the growing Alaska state population and the revolving door of readmissions.

The data represented in these graphs depicts a mental health delivery system under considerable stress and likely very near to operating at the extremes of its capacity. If the predicted trends continue over the next very few years some hard choices are going to have to be faced. Expansion of costly services, new construction, expanded community support systems, alternative hospital and community placements, the prioritization of service delivery, the designation of target populations, and the reduction in the overall availability of services are all possible outcomes.

ALASKA PSYCHIATRIC INSTITUTE PERCENT READMISSIONS



PERCENT READMISSIONS WITH FIVE YEAR PROJECTIONS

EXCERPTS
of
TWO DECADES OF UNANIMOUS STATE LEGAL OPINION
SUPPORTING
THE POSITION OF
THE ALASKA MENTAL HEALTH ASSOCIATION
REGARDING THE ADMINISTRATION OF MENTAL HEALTH LANDS

In 1964 Opinions of the Attorney General No. 7, September 14, 1964, Re: Selection of Mental Health [.] School and University Lands by Boroughs Attorney General Warren C. Colver wrote in part:

Mental Health lands in Alaska were established under a Federal grant which directed that the lands be administered as a public trust and the income therefrom "be applied to meet the necessary expenses of the mental Health program of Alaska." . . .

The grants by the Federal Government of School and University lands and Mental Health lands were confirmed and transferred to the State of Alaska upon its admission to the Union under Section 6K of the Alaska Statehood Act (72 Stat. 339), with the express proviso that they be used for the purposes for which they were reserved. (emphasis added)

Since Statehood, the State of Alaska has continued to use these lands and the proceeds derived therefrom for the special purposes for which the Federal Government originally granted these lands to the Territory of Alaska. The Director of the Division of Lands is authorized by As. 38.05.035 to select, administer and dispose of Mental Health lands for the support of the Mental Health program. As 38.05.035(a)(13) provides as follows:

"select, administer, and dispose of mental health lands for the support of the mental health program (emphasis added in Colver letter)

The Legislature has clearly established a policy that the Mental Health lands continue to be dedicated for the support of the Mental Health program.

In conclusion, it is our opinion that the Mental Health School and University lands of the State are not unappropriated, unreserved State lands within the meaning of As 07.10.150 and are not subject to selection by a borough under that Act.

However, in the actual administration of Mental Health Lands the State:

-- Transferred Mental Health Lands to various State of Alaska agencies with no or inadequate compensation and/or accounting to the Mental Health Lands Trust;

— Transferred Mental Health Lands into State Parks or

other non-revenue producing categories with no or inadequate compensation and/or accounting to the Mental Health Lands Trust;

-- Took public rights-of-ways from Mental Health Lands with no or inadequate compensation and/or accounting to the Mental Health Lands Trust;

___ Took gravel and other valuable materials from Mental Health Lands with no or inadequate compensation and/or accounting to the Mental Health Lands Trust;

-- Purportedly sold, leased, exchanged, or otherwise purported to convey Mental Health Lands or interests therein to third parties with no or inadequate compensation and/or accounting to the Mental Health Lands Trust;

___ Otherwise violated its trust responsibilities in the management of Mental Health Lands;

all in violation of clearly established legal requirements for the administration of federal trust lands.

By 1975 there had been enough questions raised with regard to the administration of Mental Health Lands and other trust lands by the State of Alaska (University and School) that a paper on the subject was written by a State of Alaska, Division of Lands Summer Law Clerk, Ronald L. McGowan entitled A Report On Alaska's School, University And Mental Health Lands (The McGowan Report). See Exhibit A.

Among other things the McGowan Report states:

... Some State of Alaska agencies are currently using these lands without making any compensation.

This practice appears to be in violation of law. (p.12)

...the Attorney General held that such [Mental Health] lands could be exchanged for general grant lands under certain contingencies; specifically: 1. such exchange will further a legitimate state purpose; 2. the integrity of the mental health trust be preserved; and, 3. the exchange, at least in part, supports the mental health program. (p.8)

... In the final analysis Alaska must see to it that its school, university and mental health lands continue to be in support of the purposes for which they were granted. (p.14)

... To assure that these lands continue to support the purposes for which they were granted, any proceeds, income, or other funds derived from them must go to the support of the appropriate program. (p.15)

(Emphasis Added)

By 1976 there had been general recognition within the State of Alaska's Division of Lands, that the Alaska Mental Health Enabling Act was being violated by the State of Alaska in its administration of Mental Health Lands.

On January 28, 1976 Dale P. Tubbs, Deputy Director, Division of Lands, Department of Natural Resources, State of Alaska wrote to George E. Utermohle, Legislative Intern, Legislative Affairs Agency in response to a series of written questions in part:

The criteria used in selecting mental health grant lands was to create money for the fund from the management and disposal of the lands and resources involved. Lands were picked adjacent to communities knowing that the expansion would involve the land and be needed for economic reasons. Also large blocks of land were picked where known resources were involved that would create revenue.

. . . In many instances recommendation by any of these agencies [various State agencies] may have an adverse impact on the production of revenue.

. . . It can be estimated however that not more than 5000 acres of mental health lands have been sold.

. . . Also past legislation and state use has appropriated some of the lands without generating revenue.

. . . It would be recommended that any legislation that tends to appropriate mental health lands require a fiscal note determining the land value that is being taken from the mental health grant to the benefit of the legislation. To compensate the loss by putting the lands into a non-revenue producing category it could be suggested that the Legislature be required to put into the mental health fund account the market value of the lands appropriated.

On April 27, 1976 Michael C. T. Smith, Director, Division of Lands, Department of Natural Resources, State of Alaska wrote to Guy R. Martin, Commissioner, Department of Natural Resources on School, University, and Mental Health Grant Lands - Lack of Effective Programs in part:

The primary purpose for the existence of these lands is to generate revenues from their lease or sale, the revenues then to be used in furtherance of the respective program.

At this time there is no trust fund for the Mental Health Land revenues, although a strict accounting of revenues received from Mental Health Lands is kept as these monies enter the General Fund.

. . . However, it is unfair to the university program, as well as technically flaunting the purposes for which lands were given to University, for these lands to be permanently tied up in a nonrevenue producing classification. Other examples include considerable acreages of Mental Health, School and University lands presently withdrawn within Chugach State Park and Palmer Hay Flats Wildlife Refuge.

On February 8, 1977, Assistant Attorney General Thomas E. Meacham, wrote a "Brief Synopsis of School, University and Mental Health Land Statutes" (Meacham Synopsis). Portions of the Meacham Synopsis are:

State courts in other states have discussed the trust responsibilities of states regarding lands granted them under the terms of a particular federal act, and have generally held that the administration of the lands must

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : 4/7/86

REQUEST

Bill/Resolution No. : CSSSHB 128
 Title : Interim Mental Health Land Management Commission
 Sponsor : Pignalberi
 Requestor : House Judiciary
 Date of Request : 3/24/86

FISCAL DETAIL

Agency Affected : Natural Resources
 BRU : Land & Water Management
 Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		308.5	270.7			
TRAVEL		33.0	32.0			
CONTRACTUAL		333.9	37.8			
SUPPLIES		9.6	9.1			
EQUIPMENT		3.0				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		688.0	349.6			

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND		688.0	349.6			
FEDERAL FUNDS						
OTHER						
TOTAL		688.0	349.6			

POSITIONS :

FULL-TIME		7	6			
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

SEE ATTACHED

Prepared by : Mike Vediner Phone : 465-2400
 Division : Commissioner's Office Date : 4/7/86
 Approved by Commissioner : *James D. Amodeo* Date : 4/7/86
 Agency : Department of Natural Resources

Distribution (by Agency preparing fiscal note):

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

Department of Natural Resources
4-7-86
CSSSHB 128
Revised Fiscal Note Addendum

Analysis

Several detailed reports, audits, and appraisals would be required under this bill, and indeed are required under the Supreme Court decision in Weiss v. Alaska, as interpreted by the Attorney General's Office. No funding is included for contracting with the plaintiffs and intervenors in the case.

FY 87

1. Account for all funds or land received from conveyances and exchanges made between July 19, 1978 and October 4, 1985. Estimated costs: \$40,800

We estimate that 4,650 cases (2,370 land conveyances, 1,370 mining claims, 390 rights-of-way, 275 land leases, 25 timber or material sales, 110 oil and gas or coal leases, and 110 miscellaneous cases) will have to be audited to determine the amount received and/or appraised. Land discounts will have to be accounted for during this process. This process will take a Natural Resource Officer I approximately one year (37.8 personal services; 1.0 travel; 1.5 contractual; 0.5 commodities).

2. Identify and appraise all less than fair market value conveyances and encumbrances. Estimated costs: \$304,800.

These appraisals will be performed contractually. However, the department must prepare reports and maps containing information about each parcel before the contract can be let. We also note that these appraisals cover only those mental health parcels that are no longer in trust status. The approximately 700,000 acres in trust status are not to be appraised. If section 3(b) of the bill intends that all mental health land be appraised, then the cost will be \$1,206,100.

The reports and maps must take approximately 1,100 parcels into consideration. We expect this project to take a single Natural Resource Officer I three months to complete. Additionally, the project will need funding for supplies and contractual clerical services (9.5 personal services; .5 contractual; .2 commodities).

The appraisals are expected to cost \$294,600. We project that approximately 820 parcels totalling 268,000 acres will need appraisals at an estimated cost of \$215,000. This figure could be reduced to \$28,000 if the department uses

the Opinion of Value panel method similar to that used in meeting the court stipulated appraisal for mental health land values as of July 19, 1978. The Opinion of Value method has been criticized by the plaintiffs and intervenors.

In addition, approximately 276 leases must be reappraised at five-year intervals. Currently these leases may not be reappraised for twenty-five years which will create a discrepancy with fair market value rental. The approximate cost of these lease reappraisals is \$79,600.

3. Provide management oversight of all transactions and account for funds received from mental health lands.
Estimated costs: \$142,700.

Statewide trust management oversight can be provided by a Natural Resource Manager II with support from a Natural Resource Officer I. That manager would be expected to review a large number of transactions, with research assistance from a subordinate, to ensure that the trust is not breached. It is expected that the manager will also provide the necessary coordination between the department and the plaintiffs, and will be required to travel.

Accounting functions can be broken into two parts: ongoing accounting services, and an independent audit. An accounting Technician I will be needed to receive and separately process that portion of the approximately \$1.5 billion taken in by DNR annually that should be assigned to the mental health accounts.

Line items in this total are: 124.0 personal services; 6.0 travel; 11.3 contractual; and, 1.4 commodities.

4. Provide administrative support to the commission.
Estimated costs: \$53,600.

The department would need to provide administrative support to the commission which includes arranging meetings, preparing briefing packets, documenting meeting results, and clerical support. The Natural Resource Officer I listed in item 3 above could assist with the details of action review and a Clerk Typist III would be needed to assist with typing and organization of meetings. Contractual monies would cover duplication costs, phone charges, postage, etc. Travel and per diem funding is for meetings of the commission. Commodities money is to cover routine supplies and maps (27.1 personal services; 18.0 travel; 6.0 contractual; 2.5 commodities).

5. Executive Director and secretary for Commission.
Estimated costs: \$146,100.

The executive director receives a monthly salary at the division director level (range 26). Office support is provided by a secretary (range 10). Both persons serve in the exempt service. Travel funding enables the director to meet regularly with the diverse mental health constituent groups. Contractual funding provides office space and overhead. Equipment funding is for a one time purchase of office equipment. Line item totals are: 110.1 personal services; 8.0 travel; 20.0 contractual; 5.0 commodities, and, 3.0 equipment.

FY 88

All anticipated court ordered reports will be completed in FY 87. Therefore, FY 88 costs will be substantially reduced. Support for the commission will include 3 months of an NRO I, the clerk typist III, and similar support costs (36.6 personal services; 18.0 travel; 6.5 contractual; 2.7 commodities).

The department would continue to provide the oversight function described in item 3 for FY 87 with costs of 124.0 personal services, 6.0 travel, 11.3 contractual, and 1.4 commodities.

The executive director, staff, and support costs, minus equipment, continue in FY 88: 110.1 personal services; 8.0 travel; 20.0 contractual; and, 5.0 commodities.

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : 4/3/86

REQUEST

Bill/Resolution No. : CSSSHB 128
 Title : Interim Mental Health Land Management Commission
 Sponsor : Pignalberi
 Requestor : House Judiciary
 Date of Request : 3/24/86

FISCAL DETAIL

Agency Affected : Natural Resources
 BRU : Land & Water Management
 Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		308.5	270.7			
TRAVEL		33.0	32.0			
CONTRACTUAL		323.9	37.8			
SUPPLIES		9.6	6.4			
EQUIPMENT		3.0				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		678.0	346.9			

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND		678.0	346.9			
FEDERAL FUNDS						
OTHER						
TOTAL		678.0	346.9			

POSITIONS :

FULL TIME		7	6			
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

see attached

Prepared by : Mike Vediner
 Division : Commissioner's Office

Phone : 465-2400
 Date : 4/3/86

Approved by Commissioner : *Mike D. Jensen*
 Agency : Department of Natural Resources

Date : 4/3/86

Distribution (by Agency preparing fiscal note) :

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

Department of Natural Resources
4-3-86
CSSSHB 128
Revised Fiscal Note Addendum

Analysis

Several detailed reports, audits, and appraisals would be required under this bill, and indeed are required under the Supreme Court decision in Weiss v. Alaska, as interpreted by the Attorney General's Office. No funding is included for contracting with the plaintiffs and intervenors in the case.

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STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : CSSSHB 128
Title : Interim Mental Health Land Management Commission

Sponsor : Pignalberi
Requestor House Resources
Date of Request : 3-24-86

FISCAL DETAIL

Agency Affected : DNR
BRU : Land/Water Mgmt.

Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		198.4	160.6			
TRAVEL		25.0	24			
CONTRACTUAL		303.0	17.8			
SUPPLIES		4.6	1.4			
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		531.9	203.8			

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL		531.9	203.8			

POSITIONS :

FULL-TIME		5	4			
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

See Attached

Prepared by : Mike Vediner Phone : 465-2400
Division : Commissioner's Office Date : _____

Approved by Commissioner : Wm D. Spore Date : 3/24/86
Agency : Department of Natural Resources

Distribution (by Agency preparing fiscal note):

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

Department of Natural Resources
3-24-86
CSSSHB 128
Fiscal Note Addendum

Analysis

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The appraisals are expected to cost \$294,600. We project that approximately 820 parcels totalling 268,000 acres will need appraisals at an estimated cost of \$215,000. In

addition, approximately 276 leases must be reappraised at five-year intervals (the Legislature created a first term of 25 years during which time rents cannot be raised). The approximate cost of these lease reappraisals is \$79,600.

In meeting the court stipulated appraisal for mental health land values as of July 19, 1978, the department used an Opinion of Value Panel approach which has subsequently caused the plaintiffs and intervenors much concern. Using this approach here, the estimate for appraisals reduces to \$28,000.

3. Provide management oversight of all transactions and account for funds received from mental health lands.
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The department would continue to provide the oversight function described in item 3 for FY 87 with costs of 124.0 personal services, 6.0 travel, 11.3 contractual, and 1.4 commodities .

**STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: _____

REQUEST

Bill/Resolution No.: HB 128
 Title: Mental Health Trust Lands
 Sponsor: Signalberi, et al.
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

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

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING						
CAPITAL						
REVENUE		(1,500)	(1,500)	(1,500)	(1,500)	(1,500)

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Projected lost revenue is based on an average income from state land sales of \$15,000,000 annually, 10 percent of which is from mental health land.

Prepared By: Michael E. Vediner Phone: 465-2400
 Division: Land and Water Management Date: March 20, 1985
 Approved by Commissioner: Thomas D. Arnold, Deputy Date: March 20, 1985
 Agency: Dept. Natural Resources

Distribution (by Agency preparing fiscal note):

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

7/1/84

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

POUCH M
JUNEAU, ALASKA 99811
PHONE: 907-485-2400

April 25, 1985

Mr. Michael Penfold
State Director
Bureau of Land Management
701 C Street, Box 13
Anchorage, AK 99513


Dear ^{Mike} Mr. Penfold:

Thank you for your comments regarding HB 128 (mental health lands).

As you know from my past actions on allotment reconveyances, I agree with you that the State should reconvey valid Native allotments whether or not they are on mental health lands. This is a concern that we have raised with the bill's sponsors and with each member of the House of Representatives (see attachment).

I hope that BLM will not permit the consideration of this bill by the Legislature to impede expeditious action on valid allotments. As I have stated before in writing and in person, the State remains committed to timely federal, review, survey, and conveyance of valid allotments. This is a high priority for the State and we will continue to do everything we can to cooperate.

Sincerely,



Esther C. Wunnicke

Attachment: March 8 letter to all legislators

cc: w/incoming -

Rep. M. M. Miller, Chair, House Judiciary
Rep. Marco Pignalbert, Sponsor, HB 128
Rep. Ben Grussendorf, Speaker of the House
Rep. Al Adams, Chair, House Finance
Rep. Peter Goll
Senator Richard Eliason

*If was a great day
Tuesday. The next
morning it
snowed!
E.*

March 8, 1985

The Honorable Mitchell Abood, Jr.
Alaska State Senate
Pouch V
Juneau, AK 99811

Dear Senator Abood:

I am writing each member of the Legislature to provide current information on two issues of rising concern to Alaskans: the management of the state's mental health lands and progress in negotiations between the state and Seldovia Native Association, Inc. (SNA) regarding a possible land exchange in Kachemak Bay State Park. These two issues are largely unrelated, but they are summarized in this letter owing to the broad interest that has been exhibited in them.

Mental Health Lands Status

I am enclosing a briefing packet on the mental health lands issue, but let me also provide a summary progress report.

The current issue regarding mental health land management arises from a class action lawsuit that has reached the Alaska Supreme Court, in which plaintiffs contest 1978 legislation that redesignated mental health lands for general use and provided for a mental health trust fund to which appropriations have not been made (AS 37.14.010-.050).

The mental health lands include valuable acreage in the Swanson River oil and gas field, Beluga coal field, Trans Alaska Gasline System project, and Eklutna water project. Pursuant to the 1978 legislation, other mental health lands have been conveyed to municipalities in fulfillment of their entitlements and to individuals under land disposal programs. At the Court's direction we are conducting an audit and inventory of mental health lands that will produce preliminary results in mid-March and will be complete in mid-May. The audit will indicate more clearly what is at stake, but we are already aware that the mental health lands could be very valuable

March 8, 1985

because of their location and resources. I will keep you informed as this information becomes available.

The state has expressed to the sponsors of HB 128 (providing for a moratorium on conveyances of mental health lands) its interest in discussing settlement of the litigation that is pending in the State Supreme Court or of possible litigation in federal court (as threatened by the Alaska Mental Health Association). Our attorney, Tom Koester of the Department of Law, has been designated by the administration to serve as the point of contact in these negotiations. Either Tom or members of my staff remain available to brief you further.

I believe that passage of legislation such as HB 128 could have an adverse effect on the state's management of these lands without corresponding benefits for the plaintiffs in the suit. I want to be sure that you are aware of our interest in constructive resolution of the litigation.

Kachemak Park Land Exchange

A 1978 agreement between the state and the Seldovia Native Association, Inc., (SNA) provides for a full trade-out of the corporation's land within Kachemak Bay State Park for an equal-value amount of state land outside the park. This exchange has been under way for several years, during which time the state has exchanged for about 3,500 acres of SNA land within the park. At present, there are another 23,000 acres of SNA land within the park.

To the frustration of both parties, completion of the trade has been delayed by several factors. Foremost is the difficulty of identifying a sufficient amount of state land of interest to SNA which can be made available for the trade. Our experience indicates that Seldovia is primarily interested in developable state land with road access or water frontage. Obviously, this type of state land is in short supply and in high demand from other competing interests (particularly on the Kenai Peninsula).

In an attempt to complete this trade as soon as possible in a single action (rather than in phases), I have instructed my staff to identify a large inventory of potential trade land, including land outside the Kenai Peninsula area. We will identify a pool of land well in excess of that needed to complete an equal value exchange, so as to afford Seldovia and the state the flexibility to refine the land pool as needed. Mr. Fred Elvsaas,

March 8, 1985

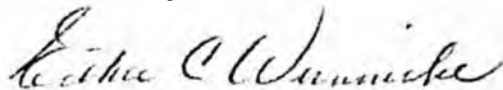
President of the SNA, has received a preliminary list of some available state land, and I've explained to him that our statutes require our preliminary agreement to undergo public and legislative review. The department cannot unilaterally commit state land to the trade without this review.

In recent correspondence copied to members of the Legislature, the president of SNA signalled a lack of confidence in the department's approach to the exchange. I have met with Mr. Elvsaaas on numerous occasions and each time I have reiterated my interest in and commitment to the trade -- but I also have tried to clarify that land exchanges are subject to a public process and that no agreement can be considered final unless it passes through the required process. I want you also to be aware of this process and my interest in the trade.

As you will see in the enclosed briefing paper on land exchanges, an exchange of such magnitude is subject to legislative approval. AS 38.05.020(a) requires legislative approval if an exchange involves state land having an appraised or estimated fair market value of more than \$5,000,000, or is for other than equal appraised fair market value. The department will continue attempts to negotiate the trade this spring and summer with SNA. Assuming we reach an agreement, I expect to hold public hearings on the trade this fall and submit the exchange for legislative review under AS 38.50.140 at the beginning of the 1986 session.

I will do my best to keep you advised as we continue to negotiate with SNA. I would be pleased to arrange a briefing on the trade for you if you are interested.

Sincerely,



Esther C. Wunnicke
Commissioner

Enclosures

cc: Governor Bill Sheffield
John Shively, Office of the Governor
Attorney General Norm Gorsuch
Tom Koester, Department of Law
Tom Hawkins, Division of Land
and Water Management
Fred Elvsaaas, Seldovia Native Association, Inc.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

(965)

Alaska State Office
701 C Street, Box 13
Anchorage, Alaska 99513

April 12, 1985

Mrs. Esther C. Wunnicke
Commissioner
Department of Natural Resources
Pouch M
Juneau, Alaska 99811

DEPARTMENT OF
NATURAL RESOURCES

APR 15 1985

COMMISSIONER'S OFFICE
JUNEAU

Dear Mrs. Wunnicke:

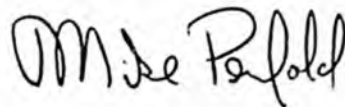
We, at the Bureau of Land Management, were dismayed to learn recently of the introduction of House Bill No. 128 in the present legislative session. Its intent is to prohibit the State of Alaska from conveying or disposing of Mental Health Trust lands received from the Federal government. We would like to share our concern with your office because this proposed legislation is in partial contradiction to legislation passed last year permitting such reconveyance.

Senate Bill No. 375 was passed in the 1984 session as enabling legislation to permit the State of Alaska to quitclaim lands wrongfully or erroneously conveyed by the Federal government. Both the State of Alaska and the Bureau of Land Management are presently in the process of preparing reconveyance procedures to implement last year's legislation, an action necessitated by the issuance of Stipulated Procedures by the United States District Court which resulted from the Ethel Aguilar, et al, class action lawsuit. These procedures direct the return of valid claims under the Native Allotment Act of 1906 where land had inadvertently been patented to the State of Alaska.

House Bill No. 128, presently in the Judiciary Committee, is not only contradictory in part to the enabling legislation passed last year, it is in opposition to work already accomplished in the Haines area, an area of priority by request of the State of Alaska. Specifically, there are 19 Native allotments in the Haines vicinity which involve Mental Health Trust lands. The Haines locality is not an isolated situation; there are other areas throughout the State involving Native allotments and Mental Health Trust lands.

It is hoped your office will bring House Bill No. 128 to the attention of the Chief Executive or mediate its outcome in committee to the satisfaction of all concerned.

Sincerely yours,

A handwritten signature in cursive script that reads "Mike Penfold". The signature is written in dark ink and is positioned above the typed name.

Michael J. Penfold
State Director

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

April 10, 1985

BILL SHEFFIELD, GOVERNOR

REPLY TO:

1031 W 4th AVENUE
SUITE 200
ANCHORAGE, ALASKA 99501
PHONE: (907) 276-3550

1st NATIONAL CENTER
100 CUSHMAN ST.
SUITE 400
FAIRBANKS, ALASKA 99701
PHONE: (907) 452-1568

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

The Honorable Peter Goll
Alaska State House of Representatives
Pouch V
Juneau, AK 99811

Re: HB 128 (mental health trust land)

Dear Representative Goll:

You asked "[h]ow will HB 128, relating to mental health trust lands, affect any wrongfully conveyed Mental Health lands?" The thrust of your inquiry appears to be whether HB 128, which would preclude the state from conveying or otherwise disposing of any land owned in fee, which the state received from the federal government under section 202 of the Alaska Mental Health Enabling Act of 1956, P.L. 84-830, would preclude the state from implementing ch. 152, SLA 1984. That statute authorized the state to transfer land back to the federal government if the land was wrongfully or erroneously conveyed by the federal government to the state in the first place. It was designed particularly to facilitate the granting of certain Native allotments.

The short answer to your question is that HB 128, if enacted, probably would preclude the state from transferring the land back to the federal government. The general rule is that a subsequently passed law takes precedence over a previously passed law to the extent of any inconsistency. However, if there was sufficient legislative history indicating that the legislature did not intend HB 128 to prevent the state from implementing ch. 152, SLA 1984, it is possible that HB 128 would not preclude the transfer back to the federal government which that earlier statute authorized. In other words, there is no clear answer to your question, although (in the absence of rather clear evidence of legislative intent to the contrary) it is likely that HB 128 would preclude a transfer back to the federal government.

To ensure that HB 128 does not have that effect, you suggest that an amendment to HB 128 might solve the problem. You propose that the word "properly" be inserted on line 12 after the word "was." We would suggest, as a possible alternative, that

The Honorable Peter Goll

April 10, 1985
Page 2

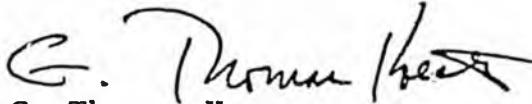
the following phrase be inserted at the end of line 13 after the reference to "(P.L. 84-830):" ", except as authorized by AS 38.-05.035(b)(9)." This would make it abundantly clear that HB 128 was not intended to preclude the state from implementing the 1984 statute which added paragraph (9) to AS 38.05.035(b).

As you may know, the Administration has not yet had an opportunity to comment in detail on HB 128. We believe that there are a number of considerations that have not yet been brought to the legislature's attention regarding this bill, and look forward to an opportunity to make our concerns known. As a result, our suggestion of the foregoing amendment to take care of the problem you raise should not be considered as Administration approval or agreement with the bill as a whole.

If we can provide further information or answer any additional questions, please contact us at your convenience.

Sincerely,

NORMAN C. GORSUCH
ATTORNEY GENERAL

By: 
G. Thomas Koester
Assistant Attorney General

GTK:dln

cc: Honorable Esther C. Wunnicke
Commissioner
Department of Natural Resources



ALASKA STATE LEGISLATURE
Katie Hurley, House of Representatives

Pouch V
Juneau, Alaska 99811
Ph: (907) 465-4763
Box 870157
Wasilla, Alaska 99687

Chair, State Affairs Committee
Member, Health Education & Social Services
Member, Alaska Legislative Council
Member, House Special Committee on Fisheries

April 4, 1985

Representative Mike M. Miller
Chair, House Judiciary Committee
Pouch V
Juneau, Alaska 99811

Re: House Bill No. 128 -
No Conveyance of Mental
Health Lands

Dear Mike:

A constituent of mine, Dallas Nichols, P. O. Box 520111, Big Lake, Alaska 99652, has called to seek assistance in protecting his application to purchase a piece of mental health land. He has built a home on leased mental health land and has an application in to purchase the land. Is it possible to amend the bill to insert language that would include any applications for purchase that are currently pending?

You will receive a letter from Mr. Nichols this week detailing his problem. I will appreciate your consideration of this request.

Sincerely,

A handwritten signature in cursive script that reads "Katie".

Katie Hurley
Representative

cc: Dallas Nichols
Representative Pignalberi



CITY/BOROUGH OF JUNEAU

★ ALASKA'S CAPITAL CITY

April 4, 1985

House Judiciary Committee
Pouch V
Juneau, AK 99811

Re: HB 128 (Mental Health Lands)

Gentlemen:

The City and Borough of Juneau is acutely aware of the inadequacy of the state revenues available for the support of mental health and is certainly in sympathy with the ultimate goals of those who support HB 128. However, we believe there are problems with the approach taken in HB 128 that dictate a different or modified course of action.

When the legislature adopted 182 SLA 1978, it not only released the mental health lands from the mental health trust, it also established a money trust as a substitute for the land trust. See AS 37.14.010 through 050. As provided in AS 37.14.050, the Commissioner of the Department of Revenue was to transfer to this trust fund an amount equal to one and one-half percent of the total revenue derived from the management of state land, including rents and royalties. Of course, the transfer was subject to legislative appropriation of sufficient funds. The legislation also established a Mental Health Fund Advisory Board consisting of the Director of the Division of Mental Health, the Chairman of the Mental Health Advisory Council and the Commissioner of the Department of Revenue.

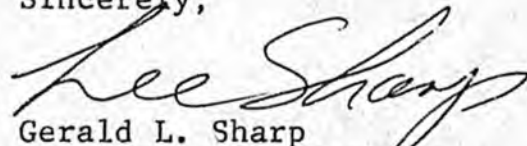
When the redesignation concepts found in 182 SLA 1978 were being discussed in the legislature, there were two clearly identified goals the legislature sought to accomplish. First, it was perceived that the mental health trust lands had not been put to productive use and were not producing income to be used for mental health programs. The trustees for the mental health land trust fund did not appear to be making any effort to make the land either productive or available for use by the citizens of the state. Because the land was unproductive, there was no income to be used for mental health purposes. Changing the trust from a land trust to a money trust would create a trust with a much higher probability of having income that could be devoted to mental health programs in the state.

April 4, 1985

In addition, in the mid and late 1970's, there was a vocal and widespread outcry for the state to make available large quantities of land for private ownership and development. This Act was one of several adopted by the legislature in response to that outcry. By redesignating the mental health land as general grant land, land became available for conveyance by the state to private individuals under the various land disposal programs established by the legislature. In addition, it made the land available for selection by municipalities to meet the land entitlements they had received under 180 SLA 1978.

The City and Borough of Juneau is one of several Alaskan municipalities that has selected former mental health lands as a part of its entitlement. Currently over 3,800 acres of former mental health lands within the City and Borough of Juneau have been selected as a part of our land entitlement, but have not yet been conveyed to us. We made our selections in reliance on the statute and do not believe it would be either fair or equitable for the legislature to now renege on its prior action, at least as to the lands selected and tentatively approved under the Municipal Land Entitlement Act. The state is already involved in enough litigation in this matter without putting municipalities in the position of having to consider litigation to protect their selections. We all have better things to do with our time than to spend it in court. We urge you either to appropriate to the mental health fund the monies promised by the legislature or, if you believe the mental health lands still held by the state should be restored to the trust, then you should except from this bill those lands that have been selected by a municipality and tentatively approved for conveyance by the state.

Sincerely,



Gerald L. Sharp
City-Borough Attorney

GLS:jr

*
* DELIVER TO: JFOM *
*
* ORIGINAL *
* SENT: 04/02/85 TIME: 12:58 *
* FROM: ANNIE NEUBAUER *
* SUBJECT: FOM/FAIRBANKS *
* PRINT DATE: 04/02/85 TIME: 12:58 *
*

16

TO: HOUSE JUDICIAL COMMITTEE

REPS: M.M. MILLER, SUND, GRUENBERG, TAYLOR, CLOCKSIN,
PETTYJOHN, PHILLIPS

INTERIOR DELEGATION
REPS: FRANK, RINGSTAD, M.W. MILLER, KOPONEN, DAVIS
SENS: FAHRENKAMP, BENNETT, COGHILL

FROM: ANDREA BRICE, 611 BONNIFIELD, FAIRBANKS 99701

PHONE: 456-8698

R E: HB128 STOP SALE OF LAND ALLOCATED FOR MENTAL
HEALTH

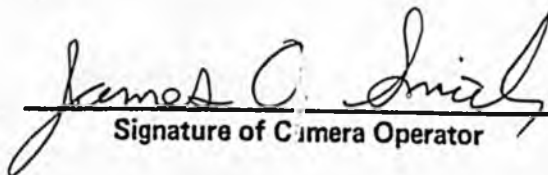
I'D LIKE THIS BILL PASSED. IT WOULD HELP PAY FOR PROJECTS THAT
WE'RE TRYING TO PROMOTE.

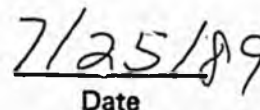


RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.


Signature of Camera Operator


Date

H B

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STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

POUCHY - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House Judiciary

2-19-85

3:00 pm

COMMITTEE REPORT
HOUSE

(7)

FURTHER: FINANCE

1/25/85

Date: _____

The Committee on STATE AFFAIRS has had HB 133

"An Act establishing a salary limit for certain public employees."

under consideration and recommends:

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

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: February 15, 1985

Page 1 of 1

REQUEST

Bill/Resolution No.: HB132

Title: Prohibiting salaries from exceeding Governor's salary.

Sponsor: _____

Requestor: State Affairs

Date of Request: _____

FISCAL DETAIL

Agency Affected: Administration

Program Category Affected: Centralized

Administrative Services

BRU, Program or Subprogram(s) Affected:

Personnel

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL	0	0	0	0	0	0
300 CONTRACTUAL	0	0	0	0	0	0
400 SUPPLIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS	0	0	0	0	0	0
800 MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

There are no positions in this division that would be subject to this bill.

Prepared By: Frank Raye
Division: Personnel

Richard P. R. Thullen

Phone: 465-4430

Date: 2/18/85

Approved by Commissioner: Lisa Rudd
Agency: Department of Administration

A. Strum

Date: 2-18-85

Distribution (by Agency preparing fiscal note):

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



ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

Pouch Y, State Capitol
Juneau, Alaska 99811
(907) 465-3991

March 4, 1985

MEMORANDUM

TO: Representative Mike Szymanski

FROM: Jeanne Fortier, Legislative Analyst *JF*

RE: Administrators' Salaries: University of Alaska versus the
National Median
Research Request 85-212

This memorandum addresses your request for a comparison of University of Alaska administrators' salaries with the median salaries for similar positions in other states. After adjusting for the higher cost of living in Alaska, University of Alaska administrators' salaries averaged 40 percent above national media.

The national median salary of presidents of university systems is 11 percent greater than the median salary of governors. The president of the University of Alaska earns 18 percent more than the \$81,648 earned by Governor Sheffield. However, the Alaska governor's salary is also above the median. The median governor's salary is \$60,862. After adjusting for the cost-of-living differential, the governor of Alaska earns 15 percent more than the median governors' salary.

Table 1 provides information regarding the salaries of University of Alaska administrators, corresponding national median salaries, the national salaries adjusted for Alaska cost-of-living differentials, and the percentage difference between those salaries and the actual salaries earned by UA administrators. Salary figures are based on 1983-84 earnings; higher education administrators received an average pay increase of 3.7 percent in 1984.² Information regarding professors' median salaries in the UA system is being researched by the University payroll office, and should be available early next week. An addendum will be provided regarding that information.

¹All salary figures are for 1984, which is the latest year for which comprehensive data are available. All salaries are base pay; they do not include housing, transportation and expense allowances. Allowances are commonly provided to these officials in all states. The cost of living differential was calculated using a formula provided by Ron Phipps, Director of Academic Planning and Research at the Postsecondary Education Commission. The formula adds 9.7 percent of base salary plus \$3,983 to determine an equivalent Alaska salary.

²"Administrative Salaries Rise, But Increase is Smaller than Before," Higher Education Daily, April 4, 1984, page 3.

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: February 15, 1985

Page 1 of 1

REQUEST

Bill/Resolution No.: HB132
 Title: Prohibiting salaries from exceeding Governor's salary.
 Sponsor: _____
 Requestor: State Affairs
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Administration
 Program Category Affected: Centralized Administrative Services
 BRU, Program or Subprogram(s) Affected: Personnel

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL	0	0	0	0	0	0
300 CONTRACTUAL	0	0	0	0	0	0
400 SUPPLIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS	0	0	0	0	0	0
800 MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

There are no positions in this division that would be subject to this bill.

Prepared By: Frank Raye
 Division: Personnel

Michael P. ...

Phone: 465-4430

Date: 2/18/85

Approved by Commissioner: Lisa Rudd
 Agency: Department of Administration

A. ...

Date: 2-18-85

Distribution (by Agency preparing fiscal note):

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

Position Paper
HB 132

House Bill 132 would limit basic monthly salaries to not more than the salary of the Governor. The limit would apply to all employees of the State including the University of Alaska; all school boards; State boards, commissions, and authorities; and the Alaska Railroad Corporation. Current collective bargaining agreements are not affected. The bill also exempts current employees who exceed the limit while they remain in their current position.

HB 132 seeks to limit only basic monthly salaries, and does not include geographic differentials (AS 39.27.020), longevity increments (AS 39.27.022), or the various forms of "premium" pay (overtime, shift differential, standby, hazard duty, etc.). Therefore, this bill will have no effect on any classified or partially exempt employee. Specific Legislative action to reduce the Governor's salary below Step F, Range 30 (AS 39.20.010), or extending the salary schedule above Step F, Range 30 (AS 39.27.011(a)) would be required before HB 132 would ever affect a classified employee not covered by collective bargaining or a partially exempt employee. HB 132 would have a potential impact on only two current exempt positions in the Executive Branch. This would effect only future employees because of the "grandparent" clause in the bill (see Section 3).

The Governor's salary is set on a different basis than those subject to the State's classification and pay plans created under AS 39.25.150(a) and (b). Setting of the Governor's salary is essentially a political decision for political office. In addition to the salary, the Governor receives housing through the budget for the Executive Mansion. The salary of jobs subject to the classification plan are based on a "fair and reasonable compensation for services rendered, and reflect the principle of like pay for like work" (AS 39.25.150(b)). This difference makes use of the Governor's salary as a cap for other employees a questionable practice.

Richard P. Raye
for Frank Raye, Director
Division of Personnel

2/15/85
Date

Lisa Rudd
Commissioner Lisa Rudd
Department of Administration

2-18-85
Date



ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

Pouch Y, State Capitol
Juneau, Alaska 99811
(907) 465-3991

March 4, 1985

MEMORANDUM

TO: Representative Mike Szymanski

FROM: Jeanne Fortier, Legislative Analyst *JF*

RE: Administrators' Salaries: University of Alaska versus the
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This memorandum addresses your request for a comparison of University of Alaska administrators' salaries with the median salaries for similar positions in other states. After adjusting for the higher cost of living in Alaska, University of Alaska administrators' salaries averaged 40 percent above national median.¹

The national median salary of presidents of university systems is 11 percent greater than the median salary of governors. The president of the University of Alaska earns 18 percent more than the \$81,648 earned by Governor Sheffield. However, the Alaska governor's salary is also above the median. The median governor's salary is \$60,862. After adjusting for the cost-of-living differential, the governor of Alaska earns 15 percent more than the median governors' salary.

Table 1 provides information regarding the salaries of University of Alaska administrators, corresponding national median salaries, the national salaries adjusted for Alaska cost-of-living differentials, and the percentage difference between those salaries and the actual salaries earned by UA administrators. Salary figures are based on 1983-84 earnings; higher education administrators received an average pay increase of 3.7 percent in 1984.² Information regarding professors' median salaries in the UA system is being researched by the University payroll office, and should be available early next week. An addendum will be provided regarding that information.

¹All salary figures are for 1984, which is the latest year for which comprehensive data are available. All salaries are base pay; they do not include housing, transportation and expense allowances. Allowances are commonly provided to these officials in all states. The cost of living differential was calculated using a formula provided by Ron Phipps, Director of Academic Planning and Research at the Postsecondary Education Commission. The formula adds 9.7 percent of base salary plus \$3,983 to determine an equivalent Alaska salary.

²"Administrative Salaries Rise, But Increase is Smaller than Before," Higher Education Daily, April 4, 1984, page 3.

Table 1
 A Comparison of UA Salaries with the National Median
 Selected Administrative Positions 1983-1984

Title	UA Salary	National Median Salary	Median Salary Adjusted for Alaska COLA	UA Salary Percentage Above Adjusted National Median
Statewide				
President	\$96,737	\$67,675	\$78,222	24
Executive VP	94,398	50,184	59,035	60
UAF				
Chancellor	94,037	58,101	67,720	39
Vice Chancellor	86,903	46,600	55,103	58
UAA				
Chancellor	85,816	58,101	67,720	27
Vice Chancellor Academic Affairs	79,636	46,600	55,103	45
Vice Chancellor Campus Affairs	74,917	38,340	46,042	63
Vice Chancellor Business Affairs	78,091	43,500	51,702	51
UAJ				
Chancellor	87,050	58,101	67,720	29
Vice Chancellor	71,495	43,500	51,702	38
Vice Chancellor	76,715	46,600	55,103	39
ACC				
Chancellor	85,817	58,101	67,719	27
Vice Chancellor	66,398	46,600	55,103	20
Vice Chancellor	71,827	38,340	46,042	55
CCREE				
Chancellor	83,353	58,101	67,720	23
Vice Chancellor	75,252	43,500	51,702	46

Source: Alaska Postsecondary Education Commission.

Prepared by the House Research Agency, March 1985.

* * * * *

We hope that this information has been useful to you. Should you have questions or need additional information, please contact our agency.

JF



Alaska State Legislature

House of Representatives

Representative Mike Szymanski

February 12, 1985

TO: Representative Katie Hurley
FROM: Representative *Mike Szymanski*
RE: HB 132 Position *ve Mike*

HB 132 proposes to limit all State employees' base salaries to a level equivalent to the Governor's (Range 30, Step 4 or approx. \$81,600 annually). The definition of "base salary" contained in the bill excludes consideration of adjustments for cost-of-living, overtime compensation, geographical differentials, length-of-service increases, hazardous duty pay, travel per diem, and travel expenses.

A similar measure, SB 100 sponsored by P. Fischer, is currently being heard in Senate State Affairs. However, to avoid confusion, I would point out that the Senate version of the bill is much more comprehensive and takes most of the above mentioned variables into consideration when computing base salary.

The intent behind HB 132 is simple - to curb escalating state salaries by establishing the office of our state's chief executive, the Governor, as the pinnacle of our salary system. Still, given logistical realities in Alaska, my bill does not regulate total compensation, but only limits the base salary of state employees. Thus, even with passage of this measure there would be a number of state employees who would make greater annual salaries than the Governor.

Nonetheless, HB 132 is an important measure which will establish a precedent for curbing runaway state salaries. For once base salary is fixed, the process of determining and controlling salary variables becomes much easier.

Thank you for your consideration.

FACT SHEET: HB 132 (SALARY CAP BILL)

- * APPLIES TO ALL STATE EMPLOYEES - EXEMPT AND CLASSIFIED
- * DOES NOT APPLY TO GRANTS (SENATE BILL DOES)
- * LIMITS BASE SALARIES TO LEVEL OF GOVERNOR (\$81,600)
 - but excludes consideration of:
 - a) cost of living adjustments;
 - b) overtime compensation;
 - c) geographic differentials;
 - d) merit/length of service increases;
 - e) travel allowances and travel per diem; and
 - f) hazardous duty pay.
- * DOES HAVE "GRANDFATHER" CLAUSE (SEC. 3.) which states:
"An officer or employee who is receiving a basic monthly salary higher than the limit set out in AS 39.20.095 (GOV's) on the effective date of this act is entitled to continue receiving the higher salary while employed in that position."
- * A COMPUTER RUN DONE BY PAYROLL (ADMIN) SHOWED THAT OF ALL CLASSIFIED AND EXEMPT STATE EMPLOYEES, ONLY 15 POSITIONS WILL BE AFFECTED (ALL IN THE UNIVERSITY SYSTEM). THAT DOES NOT INCLUDE THE RAILROAD, WHICH HAS NOT BEEN CONFIRMED YET.
- * NO POSITIONS WITHIN THE FERRY SYSTEM, AHFC OR THE PERMANENT FUND WOULD BE AFFECTED.
- * SEE ATTACHEMENT FOR UNIVERSITY EMPLOYEES AFFECTED.

UNIVERSITY OF ALASKA

EMPLOYEES ANNUAL BASE SALARY OVER \$81,648
(Excluding Geographical Differential)

	<u>PCN</u>	<u>CAMPUS</u>	<u>TITLE</u>	<u>NAME</u>	<u>LOCATION</u>	<u>AMOUNT</u>
1.	10000	Statewide	President	O'Dowd	Fairbanks	\$90,938
2.	4000	UAF	Chancellor	O'Rourke	Fairbanks	88,060
3.	29678	Org. Research	Professor-Research	Akasofu	Fairbanks	88,020
4.	29689/52546	Org. Research	Professor-Research	Westcott	Fairbanks	88,174
5.	79200	Kodiak CC	Campus President	Flood	Kodiak	87,648
6.	10300	Statewide	Executive Vice President	Carter	Fairbanks	87,185
7.	05615	CCREE	Chancellor	Okeson	Anchorage	86,448
8.	60000	UAA	Chancellor	Outcalt	Anchorage	85,487
9.	80500	UAJ	Chancellor	Paradise	Juneau	85,487
10.	29652/52550	Org. Research	Professor-Research	Shapiro	Fairbanks	84,945
11.	72561	ACC	Chancellor	Lyon	Anchorage	83,203
12.	29675	Org. Research	Director	Roderer	Fairbanks	82,952
13.	40019	UAF	Vice Chancellor	Phillips	Fairbanks	82,745
14.	40461	UAF	Vice Chancellor	Mather	Fairbanks	82,613
15.	51530/32106	Org. Research	Professor-Research	Neland	Fairbanks	82,568
16.	33000	Org. Research	Director	Bligh	Fairbanks	82,153
17.	32200	Org. Research	Director	Drew	Fairbanks	81,742

nmb/2656

Rep Szymanski 1 of 1
Anchorage Daily News 1/8/85 edition

Railroad salaries way out of line

Here's a couple of budget-busting wage settlements: The Alaska Railroad will pay its new general manager about \$337,000 plus benefits for two years, and a new assistant general manager \$93,000 per year. Those salaries are not *really* way out of line for comparable public officials, but also a poor precedent for running the railroad.

Some reports say the pay-and-benefits package for new general manager Frank Turpin will be more than double that of the governor himself. The contract includes a \$125,000 annual salary and a 35 percent incentive bonus to complete the two years. The total — \$337,000 plus benefits over two years — would put Mr. Turpin in the same league, financially, with most professional athletes and corporate chief executives. New assistant general manager Marvin Yetter, at \$93,000 per year, would earn more than the governor.

No doubt, both the genial Mr. Turpin and his new assistant bring years of high-quality management experience to the "new" Alaska Railroad. But whether Alaskans want, need or should pay so much for competent railroad management is another matter. James Campbell, chairman of the board of the new Alaska Railroad Corp., said last week that Mr. Turpin was paid "a hell of a lot" more as head of Alyeska Pipeline Service Co. until he retired recently. The implication, of course, is that in the private sector an executive of Mr. Turpin's experience and demonstrated ability would command even more.

That may be true, but it's irrelevant. The \$337,000 is quite a bit more than what Alaskans pay the governor, the chief justice of the Alaska Supreme Court, the Commissioner of Transportation, the Commissioner of Natural Resources, or anyone else in state government.

Do those jobs go unfilled because they don't pay enough? Hardly. Will top railroad managers have bigger duties and challenges than top executives elsewhere in government? Not particularly. Should the couple dozen other public officials who ordinarily would be thought to outrank the railroad chief in state government be offered similar or better two-year packages? Not at all.

Private- and public-sector management are not the same, and should not be. Private executive management is essentially entrepreneurial activity; public service is public service, with considerable public power involved. The railroad salaries are too high, not because the new executives wouldn't be worth them in the private sector — undoubtedly they are — but because they are unnecessary and inappropriate in the public sector.

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EMPLOYEES ANNUAL BASE SALARY OVER \$81,648
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Alaska State Legislature

House of Representatives

Representative Mike Szymanski

Finance Committee
Oil and Gas Committee

11920 Johns Road
Anchorage, Alaska 99515
Phone (907) 349-3373

While in Session:
Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4978/4979

May 1, 1985

TO: Representative Mike Miller
Chair, House Judiciary Committee

FROM: Representative Mike Szymanski *Mike*

RE: Scheduling of HB 132

This memo intended to serve as a follow up to my verbal request to your staff this week, that HB 132, Salary Limit for Certain State Employees, be scheduled for a hearing before the Judiciary Committee.

I certainly appreciate your committee's workload and the time constraints under which we are all laboring, but would hope that this bill, one of my two priority pieces of legislation, could be given the opportunity for a hearing before session's end.

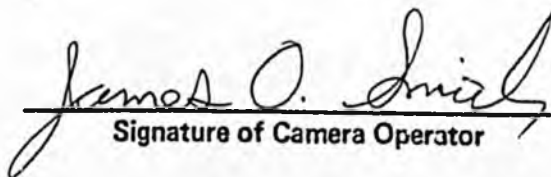
Thank you for your consideration of this matter.

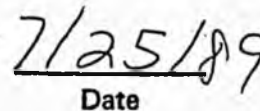


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Signature of Camera Operator


Date

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May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House judiciary	3/21/85	1:30 pm
"	3/22/85	1:30 pm

Original sponsor: Rules/Governor

m Miller

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IN THE JUDICIARY

BY THE JUDICIARY COMMITTEE

CS FOR HOUSE BILL NO. 140 (Judiciary)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to the use of teleconferencing under the Administrative Procedure Act."

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

* Section 1. AS 44.62.210(a) is amended to read:

(a) On the date and at the time and place designated in the notice the agency shall give each interested person or the person's authorized representative, or both, the opportunity to present statements, arguments, or contentions in writing, with or without opportunity to present them orally. The state agency may accept material presented by any form of communication authorized by this chapter and shall consider all relevant matter presented to it before adopting, amending or repealing a regulation.

* Sec. 2. AS 44.62.310(a) is amended to read:

(a) All meetings of a legislative body, of a board of regents, or of an administrative body, board, commission, committee, subcommittee, authority, council, agency, or other organization, including subordinate units of the above groups, of the state or any of its political subdivisions, including but not limited to municipalities, boroughs, school boards, and all other boards, agencies, assemblies, councils, departments, divisions, bureaus, commissions or organizations, advisory or otherwise, of the state or local government supported in whole or in part by public money or authorized to spend public money, are open to the public except as otherwise provided by this section. Except for meetings of a house of the legislature,

1
2 attendance and participation at meetings by members of the public or
3 by members of a body may be by teleconferencing. Agency materials that
4 are to be considered at the meeting shall be made available at tele-
5 conference locations. Except when voice votes are authorized or when
6 the meeting is being held by teleconference, the vote shall be con-
7 ducted in such a manner that the public may know the vote of each
8 person entitled to vote. This section does not apply to any votes
9 required to be taken to organize a public body described [THE BODIES
10 SPECIFIED] in the subsection.

11 * Sec. 3. AS 44.62.310(e) is amended to read:

12 (e) Reasonable public notice shall be given for all meetings
13 required to be open under this section. The notice must include the
14 date, time, and place of the meeting, and if the meeting is by tele-
15 conference the location of any teleconferencing facilities that will
16 be used.

17 * Sec. 4. AS 44.62.312(a) is amended to read:

18 (a) It is the policy of the state that

19 (1) the governmental units mentioned in AS 44.62.310(a)
20 exist to aid in the conduct of the people's business;

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

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

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

28 (5) the people's right to remain informed shall be protect-
29 ed so that they may retain control over the instruments they have
created;

1 (6) the use of teleconferencing under this chapter is for
2 the convenience of the parties, the public, and the governmental units
3 conducting the meetings.

4 * Sec. 5. AS 44.62.410 is amended by adding a new subsection to read:

5 (b) Upon the mutual agreement of the parties, the agency may use
6 teleconferencing in the conduct of a hearing under this section.

7 * Sec. 6. AS 44.62.600 is amended to read:

8 Sec. 44.62.600. VOTING PROCEDURE [MAIL VOTE]. A member of an
9 agency qualified to vote on a question may vote by mail or by telecon-
10 ferencing. A vote by teleconferencing shall be recorded in a manner
11 that identifies each person who has voted and how the person voted.

12 * Sec. 7. AS 44.62 is amended by adding a new section to article 9 to
13 read:

14 Sec. 44.62.635. TELECONFERENCING. (a) An agency may use tele-
15 conferencing for the benefit or convenience of the parties, the pub-
16 lic, or the agency, in connection with a proceeding or act authorized
17 under this chapter if all statutory and constitutional rights of the
18 parties are waived or adequately protected.

19 (b) Teleconferencing may be used to establish quorums, receive
20 public input, and, if all voting individuals have an opportunity to
21 evaluate all testimony and evidence, to vote on actions.

22 * Sec. 8. AS 44.62.640 is amended by adding a new subsection to read:

23 (c) In this chapter "teleconferencing" means information ex-
24 change by audio or video medium.
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MEMORANDUM

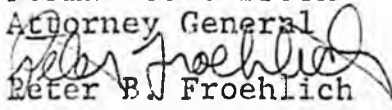
State of Alaska

TO: Jeannie Smith
Professional Assistant
House Rules Committee

DATE: April 18, 1985

FILE NO:

TELEPHONE NO: 465-3600

FROM: Norman C. Gorsuch
Attorney General
By: 
Peter B. Froehlich
Assistant Attorney General
Legislation/Regulations Section

SUBJECT: Differences between
CSHB 140(Fin) and
CSHB 140(Rls)

There are five differences between CSHB 140(Fin) and CSHB 140(Rls). Four of them involve the bill's amendments to our open meeting statutes, AS 44.62.310 and 44.62.312. The differences were suggested on April 13th by Director of Legal Services Bill Berrier and concurred in by Chairman Boucher of the Special Committee on Telecommunications; Chairman Miller, Representative Gruenberg, and Counsel Kaden of the House Judiciary Committee; and Director of Telecommunications Services of the Department of Administration; as well as by myself.

All five differences are listed as follows with page and line references to the Rules version:

- 1) Page 1, line 29, after "section." -- the phrase "except for meetings of a house of the legislature" is added. This eliminates the option of teleconferencing for meetings of a house of the legislature.
- 2) Page 2, line 2, after "teleconferencing." -- the language "according to regulations adopted by the commissioner of administration. The regulations must include a provision that" is deleted. This eliminates any possibility that the commissioner of administration would adopt regulations that could affect the use of teleconferencing by legislative committees. It also enhances flexibility in the use of teleconferencing by all agencies but preserves the commissioner's option under other authority to adopt general regulations on the use of teleconferencing by executive branch agencies only.
- 3) Page 3, line 13, after "meeting." -- the phrase "general topics to be discussed or considered" is deleted and the phrase "if the meeting is by teleconference" is added. This eliminates the burden on agencies of giving advance notice of every

possible topic to be discussed or considered at a public meeting whether it is teleconferenced or not. It also eliminates a possible technical grounds for challenge of action taken on topics not included in a notice. This change was suggested by the Senate State Affairs Committee in response to a concern raised by the City and Borough of Juneau.

- 4) Page 3, line 3, after "meetings." -- the phrase "and is to provide the broadest input and dissemination of information practicable" is deleted. This eliminates unnecessary and possibly problematic policy statement language.
- 5) Page 3, line 8, after "[MAIL VOTE]." -- the phrase "if voting in person is not reasonably possible" is deleted. This encourages use of teleconference voting as an option to in person voting by executive branch agencies in administrative adjudication.

Everyone at the April 13 meeting expressed the desire that the Rules Committee substitute of this bill reach the floor of the House as soon as possible. If I can provide any further information or assistance towards that end, please let me know.

PEF:md

cc: Rep. Red Boucher, Chair
House Special Committee on Teleconferencing

Rep. Mike M. Miller, Chair
House Judiciary Committee

Sen. Mitchell Abood, Chair
Senate State Affairs Committee

Bill Berrier, Esq.
Director of Legal Services
LAA

Hayden Kaden, Esq.
Counsel to House Judiciary Committee

Sioux Plummer, Director
Division of Telecommunications Services
Dept. of Administration

Original sponsor: Rules/Governor

1 IN THE HOUSE

BY THE RULES COMMITTEE

2 CS FOR HOUSE BILL NO. 140 (Rules)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

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12 authorized representative, or both, the opportunity to present state-
13 ments, arguments, or contentions in writing, with or without oppor-
14 tunity to present them orally. The state agency may accept material
15 presented by any form of communication authorized by this chapter and
16 shall consider all relevant matter presented to it before adopting,
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20 or of an administrative body, board, commission, committee, subcommit-
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23 political subdivisions, including but not limited to municipalities,
24 boroughs, school boards, and all other boards, agencies, assemblies,
25 councils, departments, divisions, bureaus, commissions or organiza-
26 tions, advisory or otherwise, of the state or local government sup-
27 ported in whole or in part by public money or authorized to spend
28 public money, are open to the public except as otherwise provided by
29 this section. Except for meetings of a house of the legislature,

1 attendance and participation at meetings by members of the public or
2 by members of a body may be by teleconferencing. Agency materials that
3 are to be considered at the meeting shall be made available at tele-
4 conference locations. Except when voice votes are authorized, the
5 vote shall be conducted in such a manner that the public may know the
6 vote of each person entitled to vote. The vote at a meeting held by
7 teleconference shall be taken by roll call. This section does not
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20 (2) it is the intent of the law that actions of those units
21 be taken openly and that their deliberations be conducted openly;

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

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

27 (5) the people's right to remain informed shall be protect-
28 ed so that they may retain control over the instruments they have
29 created;

1 (6) the use of teleconferencing under this chapter is for
2 the convenience of the parties, the public, and the governmental units
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6 teleconferencing in the conduct of a hearing under this section.

7 * Sec. 6. AS 44.62.600 is amended to read:

8 Sec. 44.62.600. VOTING PROCEDURE [MAIL VOTE]. A member of an
9 agency qualified to vote on a question may vote by mail or by telecon-
10 ferencing. A vote by teleconferencing shall be recorded in a manner
11 that identifies each person who has voted and how the person voted.

12 * Sec. 7. AS 44.6? is amended by adding a new section to article 9 to
13 read:

14 Sec. 44.62.635. TELECONFERENCING. (a) An agency may use tele-
15 conferencing for the benefit or convenience of the parties, the pub-
16 lic, or the agency, in connection with a proceeding or act authorized
17 under this chapter if all statutory and constitutional rights of the
18 parties are waived or adequately protected.

19 (b) Teleconferencing may be used to establish quorums, receive
20 public input, and, if all voting individuals have an opportunity to
21 evaluate all testimony and evidence, to vote on actions.

22 * Sec. 8. AS 44.62.640 is amended by adding a new subsection to read:

23 (c) In this chapter "teleconferencing" means information ex-
24 change by audio or video medium.

COMMITTEE REPORT
HOUSE

3/25

(7)

FURTHER: FINANCE

3/11/85

Date: _____

The Committee on JUDICIARY has had HB 140

"An Act relating to the use of teleconferencing under the Administrative Procedure Act."

under consideration and recommends:

[] do pass [] do not pass

[] do pass with attached amendments(s)

[X] replace with CS for HB 140 (JUD) [X] same title
[] new title
and recommends it do pass

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

[] reports it back without recommendation [] Zero Fiscal Note Attached

[] referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

Page 1 of 2

REQUEST

Bill/Resolution No.: CSHB 140 (Jud)
 Title: Relating to use of teleconferencing under Administrative Procedures Act
 Sponsor: Governor
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Administration
 Program Category Affected: _____
General Government
 BRU, Program or Subprogram(s) Affected: Telecommunications Services

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
----------------	----------	----------	----------	----------	----------	----------

FUNDING: (Thousands of Dollars)

<u>GENERAL FUND</u>						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

TELETYPE	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

See Attached

Prepared By: *SLP* Sioux Plummer, Director Phone: 465-2041
 Division: Telecommunications Services Date: April 1, 1985

Approved by Commissioner: *LR* Lisa Rudd Date: 4/1/85
 Agency: Department of Administration

Distribution (by Agency preparing fiscal note):

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

CSHB 140 (Jud)
Fiscal Note Analysis
Prepared by Division of Telecommunications Services
Department of Administration
April 1, 1985

This bill will clarify the legitimate use of teleconferencing for meetings and hearings held under the Administrative Procedures Act (AS 44.62). Specifically it will permit teleconference use by publically funded bodies for presentations, discussions and testimony at public hearings, and for counting quorum and voting.

The legal clarification of teleconference use will have no direct fiscal impact. Indirectly, however, some fiscal impact may be felt as increased use of teleconferencing could save money currently expended for travel. Costs associated with the process of adopting regulations will be less than \$1,000.00 and can be covered by existing operating funds.

Clarification and the resulting increase in use of teleconferencing will allow for greater participation in public policy making. It will also encourage broader circulation of information to and from governmental bodies and the public.

Position Paper

CSHB 140 (Jud)

The Department of Administration supports the passage of CSHB 140 (Jud) (An Act relating to the use of teleconferencing under the Administrative Procedures Act) because it will clarify past and present ambiguities relating to the use of teleconferencing for the conduct of State business. The legality of taking public testimony, establishing quorums and voting will be clarified specifically.

Teleconferencing has proven to be an effective communications medium when used to disseminate or gather information. Legal considerations for meetings have arisen when teleconferencing has been used for decision making requiring quorums for voting.

Passage of this bill will have no direct fiscal impact on State agencies other than the Department of Administration in that regulations regarding teleconferences use must be adopted by this Commissioner. The costs incurred to promulgate these regulations will be less than \$1,000.00 and can be covered by existing operating funds.

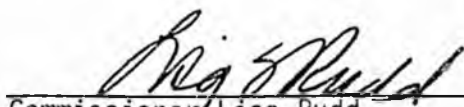
The potential for cost savings exists because teleconferencing provides a less expensive way for agencies to do business. Although telephone costs would increase, it could still be cheaper to meet by teleconference than to travel to meetings.

Use of teleconferencing will also enable more people to participate in the decision making process. The public and State agencies will have increased participatory opportunities without associated high travel costs as well as the ability to conduct business more quickly and efficiently.



Sioux Plummer, Director
Division of Telecommunications Services
Department of Administration

April 1, 1985
Date



Commissioner Lisa Rudd
Department of Administration

4/1/85
Date

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

Page 1 of 2

REQUEST

Bill/Resolution No.: _____
 Title: Relating to use of telecon-
ferencing
 Sponsor: Governor
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Administration
 Program Category Affected: _____
General Government
 BRU, Program or Subprogram(s) Affected: _____
Telecommunications

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

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

POSITIONS:

POSITIONS:	0	0	0	0	0	0
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

See Attached

Prepared By: *[Signature]* Phone: 465-2041
 Division: Telecommunications Services Date: 12/5/84

Approved by Commissioner: Lisa Rudd *[Signature]* Date: 1/11/85
 Agency: Department of Administration

Distribution (by Agency preparing fiscal note):

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

House Bill
Fiscal Note Analysis
Prepared by Division of Telecommunications Services
Department of Administration
December 5, 1984

This bill will clarify the legitimate use of teleconferencing for meetings and hearings held under the Administrative Procedures Act (AS 44 52). Specifically it will permit teleconference use by publically funded bodies for presentations, discussions and testimony at public hearings, and for counting quorum and voting.

The legal clarification of teleconference use will have no direct fiscal impact. Indirectly, however, some fiscal impact may be felt as increased use of teleconferencing could save money currently expended for travel.

Clarification and the resulting increase in use will allow for greater participation in public policy making as well as broader dissemination of information to and from governmental entities and the public.

HB 140

(Teleconferencing under the Administrative Procedure Act)

SECTION-BY-SECTION ANALYSIS

* Section 1 is a general statement of the intent of the bill to allow state agencies to use teleconferencing technology for increased efficiency and convenience but without diminishing any rights of parties. The bill amends sections in four articles within the Administrative Procedure Act.

Article 4. PROCEDURE FOR ADOPTING REGULATIONS

* Section 2 amends AS 44.62.210 which is entitled "Public Proceedings" to clarify that agencies proposing to adopt administrative regulations may accept comments from the public by any form of communication unless the notice of the proposed regulation specifically limits the acceptable form of comments. This amendment would affirm a growing current practice.

Article 6. AGENCY MEETINGS PUBLIC

* Sections 3 -- 5 amend AS 44.62.310 -- 312, commonly referred to as our "Open Meeting Law". Only these sections of the bill apply to the legislative branch and that is only because the statutes amended already apply to that branch.

* Section 3 amends AS 44.62.310(a) to permit teleconference participation at public meetings of a public body (except for house and senate sessions) by both members of the body and members of the public, according to rules established by the body.

* Section 4 amends AS 44.62.310(a) to add a requirement that the notices already required for public meetings must include specific information about the meeting and about any teleconferencing that will be used.

* Section 5 adds a new paragraph to AS 44.62.312(a) stating the policy that the use of teleconferencing is for the convenience of parties, the public, and the bodies conducting meetings.

Article 8. ADMINISTRATIVE ADJUDICATION

* Section 6 adds a new subsection to AS 44.62.410 which is entitled "Time and Place of Hearing". The new subsection

authorizes the parties to an administrative adjudication to agree to use teleconferencing in conducting a hearing.

* Section 7 amends AS 44.62.600 and changes its title to "Voting Procedure". The amended section permits voting by members of an agency in an adjudication by means of teleconferencing, in addition to the currently authorized mail method. If votes are by teleconference they must be recorded to identify the way each member voted.

Article 9. GENERAL PROVISIONS

* Section 8 adds a new general section to AS 44.62 to broadly authorize the use of teleconferencing for any proceeding or act under the Administrative Procedure Act and specifically for establishing quorums, taking public input, and for voting when all voters have had a substantially equal chance to review testimony and evidence. This section, which is really the most important single section of the bill, includes a proviso similar to that in the intent statement in section 1 of the bill, that the use of teleconferencing may not violate statutory or constitutional rights of parties.

* Section 9 adds a paragraph to AS 44.62.640 to define "teleconferencing" as information exchange by audio or video electronic media.



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

The Honorable Ben Grussendorf
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill clarifying and codifying fiscal procedures for the University of Alaska.

This bill will settle three university fiscal issues:

- 1) administration of university receipts;
- 2) university authority to invest money and spend the interest earned on it; and
- 3) reallocation of state appropriations to the university.

1. Administration of university receipts:

Because it is a public, higher-education corporation established under the state constitution, the University of Alaska has several unique sources of revenue. Unlike the heads of other state agencies, members of the Board of Regents are trustees; they administer university money and property, and, while serving in that capacity, are accountable for all university receipts.

The university receives money from a variety of sources. In addition to state general fund appropriations, the university generates income from student tuition and fees; auxiliary enterprises; gifts, grants, and contracts; federal educational and research projects; sales and rentals of university educational properties; sales, rentals, and services of educational activities; and recovery of indirect costs of university activities.

Section 1 of the bill clarifies the Board of Regents' ability to receive and spend these sources of income. Section 2 requires the university president to establish procedures for receipt, expenditure, and reporting of university

receipts. Section 5 defines "university receipts." Section 8 allows the university to carry forward unexpended balances of these university receipts.

2. Investment of university money:

Unlike other state agencies, the university maintains a separate treasury, drawing cash from the state treasury in monthly installments. The university deposits money in interest-bearing accounts pending payment of payrolls and other obligations. While the university has received annual budget authority to receive and spend the interest earned, the attorney general has opined that the university has no statutory authority to do so.

The university and my administration agreed to clarify this statutory authority, using four fundamental principles:

- 1) the university should be encouraged to prudently manage its resources;
- 2) university cash balances should not sit idle, but should be temporarily deposited in interest-bearing accounts;
- 3) the university should be strictly accountable for money entrusted to it; and
- 4) there should be clear statutory rules for university investment.

Section 3 of the bill authorizes the university to invest money it receives, regardless of the source. Section 4 of the bill requires the university to invest certain surplus money, and restricts that investment to the same instruments provided for state general fund surplus under AS 37.10.070. If appropriated by the legislature, or approved under the revised program procedures of AS 37.07.080(h), the university may spend earnings from these investments.

Last year the legislature attempted to appropriate prior years' interest income to the University of Alaska working capital reserve fund (AS 14.40.296). I vetoed that appropriation because the statutory authority for both the receipt of interest income and its deposit to the working capital reserve fund were unclear. Amendments to the working capital reserve fund contained in sec. 6 of this bill would take care of last year's problem.

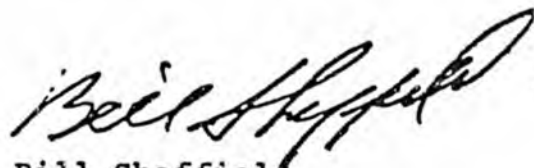
3. Reallocation of state appropriations:

AS 37.07.080(e) establishes procedures for the division of budget review, in the Office of the Governor, to reallocate

money authorized by legislative appropriations. In past years, the legislature has authorized the Office of the Governor to establish procedures for reallocations within university appropriations. Section 7 of this bill gives the division of budget review and the Board of Regents the authority to establish procedures for reallocation within appropriations. Transfers between appropriations would continue to require authorization by law.

The University of Alaska is working closely with my administration on budget and financial matters. This bill settles several issues that have damaged university-state relations in past years. Therefore, I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bill Sheffield".

Bill Sheffield
Governor

**STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: _____

REQUEST

Bill/Resolution No.: AB 241
 Title: "An Act relating to the fiscal procedures ..."
 Sponsor: Rules/Governor
 Requestor: _____
 Date of Request: 2/22/85

pg 1 of 2

FISCAL DETAIL

Agency Affected: University of Alaska
 Program Category Affected: _____
 BRU, Program _____
 Program(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES		0				
200 TRAVEL		0				
300 CONTRACTUAL		0				
400 SUPPLIES		0				
500 EQUIPMENT		0				
600 LAND & STRUCTURES		0				
700 GRANTS, CLAIMS		0				
800 MISCELLANEOUS		0				
TOTAL OPERATING		0				

CAPITAL						
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REVENUE		0				
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FUNDING: (Thousands of Dollars)

GENERAL FUND		0				
FEDERAL FUNDS		0				
OTHER		0				
TOTAL		0				

POSITIONS:

FULL-TIME		N/A				
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary See Attached

Prepared By: Sherman Carter, Executive Vice President Phone: 474-7593
 Division: University of Alaska Date: _____

Approved by Commissioner: Sherman Carter Date: 2/21/85
 Agency: _____

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

STATEMENT OF FISCAL IMPACT

AS 262

Agency Comments

No additional funding will be required as a result of this legislation. This bill codifies present investment and operating procedures and provides additional flexibility in fiscal planning which will allow the University of Alaska to better cope with adverse financial conditions during periods of revenue instability.

It will permit increased efficiency; and, by providing full disclosure will not decrease the governor's or legislature's control over the university. The Board of Regents endorsed this legislation as indicated in the following resolution: "The Board of Regents reaffirms its endorsement of the legislation to clarify fiscal procedures of the University of Alaska and urges adoption of a bill to do this to be introduced by the governor."