

ALASKA LEGISLATURE COMMITTEE FILES 1900-1900 00/2

3780 HTRA HB 160 - HB 181 (FILE 1)

Introduced: 2/1/85
Referred: Community & Regional
Affairs, Transportation and
Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

Bill clarifies who
is responsible for
payment of
relocation or
removal costs when
a utility facility
is required to be
changed, removed,
or relocated as a
result of highway
construction.

(1) State pays
for costs of
change, removal,
relocation of
any utility
installed by city
regardless of
whether facility
authorized by
utility permit.

utility
pays if
installed after
7/1/60

utility pay
if not
installed in
location
provided by
permit

utility pay
if not
installed in
location
provided by
permit

1 IN THE HOUSE

2 HOUSE BILL NO. 160

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to relocation of utilities incident
7 to highway projects; and providing for an effective
8 date."

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

10 * Section 1. AS 19.25.020(c) is amended to read:

11 (c) The cost of change, relocation, or removal necessitated by
12 highway construction is [A COST OF HIGHWAY CONSTRUCTION] to be paid
13 [BY THE STATE] in accordance with AS 19.45.001(4) as follows:

14 (1) by the department as a cost of highway construction if
15 the facility was installed before July 1, 1960, regardless of whether
16 the facility is authorized by a permit at the time the change, relo-
17 cation, or removal of the facility is required;

18 (2) by either the department as a cost of highway con-
19 struction or by the utility, depending on the terms of the utility
20 permit if the facility was installed or authorized under the authority
21 of a utility permit issued after July 1, 1960;

22 (3) by the utility if the facility was installed after July
23 1, 1960, and there is no utility permit for the facility;

24 (4) by the utility if the facility is not installed in the
25 location provided for in the utility permit, regardless of whether the
26 utility permit requires payment by the department [, NOTWITHSTANDING
27 THE TERMS OR PROVISIONS OF ANY EXISTING PERMIT, AGREEMENT, REGULATION
28 OR STATUTE TO THE CONTRARY].

29 * Sec. 2. This Act takes effect July 1, 1985.

Addresses
an ambiguity
in AS 19.25.020(c) which leaves open
the question of whether the state must pay
for these costs over the utility's
ability to pay for them. Facility was not
installed by utility permit.

utility pay
if not
authorized
by permit

(2) State or
utility pays
depending
on terms
of permit
after July
1, 1960

utility pay
if not
installed in
location
provided by
permit



HE 160

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 1, 1985

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 that clarifies who is responsible for the payment of relocation or removal costs when a utility facility is required to be changed, removed, or relocated as a result of highway construction. The bill addresses an ambiguity in AS 19.25.020(c) which presently leaves open the question of whether the state must pay for these costs even though a utility facility was not installed or authorized under the authority of a utility permit or, if a permit exists, even though the facility is not installed in the location provided for in the permit.

Some utility companies have expressed a concern over that part of paragraph (2) of sec. 1 of the bill which says that, for utility permits issued after July 1, 1960, the question of who is to pay for relocation costs is to be determined by the terms of the permit. These utility companies point out that utility permits issued between July 1, 1960 and July 1, 1977 require the utility to pick up these costs. (All permits issued after July 1, 1977 require the state to pay for relocation costs.) The utilities' concern is a legitimate one and, if this bill passes, DOT/PF is prepared to amend all those permits issued between July 1, 1960 and July 1, 1977 so that it is clear that the state will bear the costs of relocation. There is no need to amend these permits now because AS 19.25.020(c) presently requires the state to pay for these costs notwithstanding the terms of any existing permit. A draft copy of this proposed amendment is attached.

The bill also makes clear that the question of who pays for future relocation costs is to be a matter of negotiation between the state and the utility to be reflected in the language of the permit.

Section 1 amends AS 19.25.020(c) by creating four new paragraphs:

Paragraph (1) requires the state to pay for the costs of the change, removal, or relocation of any utility facility installed before July 1, 1960 regardless of whether the facility is authorized by a utility permit at the time the change, relocation, or removal of the facility is required. This is a matter of equity and fairness since there was no real uniform utility permit system in place before July 1, 1960.

Paragraph (2) requires either the state or the utility to pay for the costs of the change, removal, or relocation of the utility facility depending on the terms of the permit, provided the permit was issued after July 1, 1960. The effect of this paragraph is to make it clear that the question of who is to pay for relocation costs is a matter to be negotiated between the state and the utility. Presently, the state is required to pay for all relocation costs regardless of any agreement with the utility to the contrary.

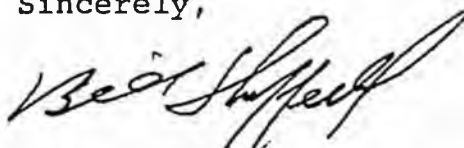
Paragraph (3) requires the utility to pay for relocation costs if their facility was installed after July 1, 1960 and is not under permit. Under existing law, it is ambiguous whether a utility has to pay relocation costs if it does not have a utility permit.

Paragraph (4) requires the utility to pay for relocation costs if their facility is not installed in the location provided for in a permit. Currently, it is unclear whether a utility must pay relocation costs even if its facility is not installed in the location set out in the utility permit.

Section 2 of the bill sets an effective date of July 1, 1985 for this bill.

I urge your favorable action on this measure so that the question of who pays for utility relocation costs under the various circumstances described in the bill is answered in clear statutory language.

Sincerely,



Bill Sheffield
Governor

January 31, 1983

REPORT NO. 2

INTRODUCTION OF BILLS (Senate)

Workers'
Compensation
(municipal
self
insurance)

SENATE BILL NC 66, by the Rules Committee by request of the Governor. Would allow two or more municipalities to enter into an agreement to organize a self-insurance group in order to cover their liability for Workers' Compensation insurance under AS 23.30.

Sec. 1 amends AS 23.30.075, "Employer's Liability to Pay," by adding new (b) which authorizes municipalities to organize into self-insurance groups. Also amends confusing language in subsequent paragraph of 23.30.075 (see Governor's letter, below). Sec. 2 amends the definition of "self-insurer" contained in AS 23.30.265(19) to include members of municipal self-insurance groups.

Introduced January 24 and referred to Labor & Commerce and Finance.

In his message transmitting the bill to the Senate for consideration, Governor Sheffield stated:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to workers' compensation. This bill authorizes municipalities to establish self-insurance groups, under Workers' Compensation Board regulations, in order to cover their liability for workers' compensation insurance under AS 23.30.

The essence of this bill is in the new AS 23.30.075(b) in sec. 1. It would give municipalities an alternative form of insuring their workers' compensation liabilities. Instead of purchasing insurance policies to cover their workers' compensation liabilities, two or more municipalities will be able to pool their resources and become self-insurers.

Other states which have enacted similar legislation have found that group self-insurance funds are able to provide at least equal benefits and service to its injured workers and usually more efficiently and at less cost to the employer.

The amendment to newly designated AS 23.30.075(c) is intended to clear up some awkward and confusing language. In doing so, one of the changes removes the reference to "the person actively in charge of the business of said corporation." If that person has authority to insure the corporation, he is already covered by the preceding clause of that sentence. If he does not, he should not be subjected to this kind of personal liability. Section 2's amendment of AS 23.30.265(19) merely recognizes the new AS 23.30.075(b).

Utility
Facilities
(relocation of
by munic.)

SENATE BILL NO. 67, by the Labor & Commerce Committee. Would grant municipalities the authority to order a utility to relocate its facility if necessary for construction of a highway project. Would allow a municipality to order reloca-

INTRODUCTION OF BILLS (Senate)(cont'd)

SB 67 (cont'd)

tion of utility facilities that are located "across, along, over, under, or within a right-of-way under its jurisdiction." The order must provide a reasonable time for compliance. Costs of relocation would be considered a cost of highway construction to be paid by the municipality.

The state is granted the power to relocate utility facilities under AS 19.25.020 (Relocation of utilities incident to highway projects). That section is amended by the bill to include municipalities.

Also amends AS 19.25.240 (Summary Removal) to allow municipalities to remove at any time from a highway or road under its jurisdiction an encroachment that obstructs or prevents the use of the highway or road by the public. Currently the section only grants that power to the state.

Sec. 5 of the bill states that a municipality is not obligated for utility facility relocation costs associated with a highway project for which general obligation bonds have been approved or for which state general fund appropriations have been received before the effective date of the bill.

Effective July 1, 1983.

Introduced January 25 and referred to Labor & Commerce and Community & Regional Affairs.

Susitna Hydro
(advisory vote
on financing)

SENATE BILL NO. 68, by Senator Kerttula. Would authorize an advisory vote on a method of financing the Susitna River Hydroelectric Project. The question, to be placed on the ballot for a special statewide election in October 1983, would be in substantially the following form: "Shall the Legislature . . . adopt a resolution placing an amendment to the constitution of the state before the qualified voters of the state providing for annual dedications of state revenue for 10 years beginning in the state fiscal year that commences on July 1, 1984, in an amount that totals \$2,300,000,000 to a fund established for the construction of the Susitna River Hydroelectric Project and providing for increases in the total amount for inflation and providing for interim investment of the dedicated amounts?" Provides for an immediate effective date. Identical to HB 121.

Introduced January 25 and referred to State Affairs, Resources and Finance.

Susitna Hydro
(authorizing &
approving)

SENATE BILL NO. 69, by Senator Kerttula. Would approve and authorize construction of the Susitna River Hydroelectric Project. Approves the feasibility study and finance plan submitted by law, and approves construction costs of \$5.4 billion, adjusted for inflation from January, 1983. Also approves, for the purposes of AS 44.83.325, the preliminary report for the project that was required to be prepared and submitted under AS 44.83.320(b).

COMMITTEE REPORTS (Senate)(cont'd)

Collective
Bargaining
(submission to
Legislature)

SENATE BILL NO. 55. (see pages 20;147). Reported back to the Senate on March 3 by Judiciary with a majority of the committee recommending it be replaced with a Judiciary Committee Substitute and that it do pass with a letter of intent. Concurring: Ray (Chmn.), Josephson, Pettyjohn and Eliason. Senator Ziegler signed "no recommendation." To Finance.

The Judiciary CS would require submission of collective bargaining agreements before the agreement is entered into: "Before entering into an agreement between an organization and the state a proposed agreement approved by the organization and the state shall be submitted to the legislature for consideration of the monetary terms of the agreement." Original bill required submission to the Legislature "when an agreement is entered into . . ." by a labor organization and the state.

Proposed agreement must be submitted within 10 days after the agreement has been reached, or 10 days after the convening of the next regular session. Original bill required submission 10 days after signing or 10 days after convening of session.

Provides agreement "may take effect if the monetary terms . . . are not rejected by the legislature by concurrent resolution within 30 days after the agreement is submitted . . ." Original bill read: "The monetary terms of an agreement take effect if they are not rejected by the legislature by concurrent resolution . . ."

The letter of intent reads:

Before an organization and the state may enter into an agreement, the agreement proposed to be entered into shall be submitted to the legislature for consideration of the monetary terms of the agreement. Submittal of the proposed agreement to the legislature shall occur within ten (10) days after the proposed agreement of the parties has been reached, or ten (10) days after the convening of the next regular session. The monetary terms of the proposed agreement take effect if they are not rejected by the legislature by concurrent resolution within thirty (30) days after the agreement is submitted to the legislature.

Utility
Facilities
(relocation of
by munic.)

SENATE BILL NO. 67, (page 73). Reported back to the Senate on March 4 by La. Commerce with a majority of the committee recommending it be replaced with Labor & Commerce Committee Substitute and that it do pass. Concurring: Eliason (Chmn.), Mulcahy, Sackett and Rodey. To Community & Regional Affairs.

Labor & Commerce CS further amends AS 19.25.020(c) by adding the following language: "except that a municipality is not obligated to pay the cost of relocation of utility facilities that are not located in a municipal right-of-way under the conditions of a valid easement or permit." Remainder identical to original bill.

COMMITTEE REPORTS (Senate)(cont'd)

S 66 (cont'd)

Amends AS 21.75.060(a) (organization of reciprocal insurers) to allow two or more persons domiciled in Alaska to organize a domestic reciprocal insurer. Currently the law requires a minimum of twenty-five people.

Adds definition of "municipality" to AS 21.75 to mean "a political subdivision incorporated under the laws of the state that is a home rule or general law city, a home rule or general law borough, or a unified municipality."

Removes assessable reciprocal insurers formed by municipalities or public utilities from the Alaska Insurance Guaranty Association Act (AS 21.80). Assessable reciprocal insurers are those who have agreed to assess themselves for mutual protection against losses. Amends AS 21.80.180(5) & (6).

Amends AS 21.39.155(a) (Rates and Rating Organizations) to read: "The director [of Insurance] may require carriers, except a reciprocal insurer formed under AS 21.75, as a condition of writing a line of insurance dealing with workers' compensation, to participate in an assigned risk pool if the director finds that mandatory carrier participation is in the public interest." Underlined material added to law.

Utility
Facilities
(reloc. by
munic.)

SENATE BILL NO. 67, (see pages 73;243). Reported back to the Senate on March 30 by Community & Regional Affairs with the committee recommending as follows: Ferguson (Chmn.) and Sackett signed "no recommendation"; Halford signed "do pass." To Rules.

Commercial
Fishing Loans
(residency
requirement)

SENATE BILL NO. 73, (see page 76). Reported back to the Senate on March 28 by Resources with the committee recommending it be replaced with a Resources Committee Substitute and that it do pass. Concurring: Fahrenkamp (Chmn.), Eliason, Mulcahy and Ziegler. To Labor & Commerce.

The Resources CS would require that a fisherman have been a resident of Alaska "for a continuous period of two years immediately preceding the date of application" in order to qualify for a state commercial fishing loan. The original bill sought to change the current five year residency requirement to one year. Also requires that the applicant have had a crewmember or commercial fishing license or a limited entry permit "for the year immediately preceding the date of application and any other two of the past five years."

Alaska Marine
Parks

SENATE BILL NO. 128, (see page 169). Reported back to the Senate on March 30 by Resources with a majority of the committee recommending it be replaced with a Resources CS and that it do pass.

BILLS PASSED IN THE SENATE (cont'd)

Shuyak Island State Park
(establishing) SENATE BILL NO. 51, (see pages 18;207;407;460;538). Passed the Senate April 11, 17-1-2. Nays: Kelly. Absent: Josephson, Rodey. The effective date was adopted.

Utility Facilities
(reloc. by munic.) CS FOR SENATE BILL NO. 67 (L&C)(AMENDED), (see pages 73;243;408;538). On April 11 the Labor & Commerce CS was adopted. Am. No. 1 by Gilman was adopted, 17-1-2. Nays: Ray. The amendment adds new Sec. 5 to the bill:

* Sec. 5. A.S. 19.45.001(4) is amended to read:
(4) "cost of change, relocation, or removal" means the entire cost incurred by the utility properly attributed to the change, relocation, or removal of a facility, less any costs for improvements or upgrading over and above the cost of a functionally equal facility; if a facility is to be relocated and replaced with new equipment, there shall also be subtracted from the entire cost any salvage value derived from the old facility; if a facility's service life is extended by the work done to change or relocate it, a percentage equal to the percentage of extension of the facility's service life shall be subtracted from the cost:

Renumber the following sections accordingly.

The bill then passed, 17-1-2. Nays: Gilman. Absent: Josephson, Rodey. The effective date was adopted.

Alaska Marine Parks CS FOR SENATE BILL NO. 128 (RESOURCES)(AMENDED), (see pages 169;408;458;538). Before the Senate April 11 on reconsideration. At the request of Senator Vic Fischer, the bill was returned to second reading for specific amendment (Am. No. 2).

Am. No. 2 makes the following changes to the Resources CS:

Changes language in section on "DESIGNATION OF MANAGEMENT RESPONSIBILITY" to read: "In the granting of such access [to private land, mineral claims and leases] the commissioner of natural resources may adopt reasonable regulations to protect the natural and other values of the marine park unit and water." Resources CS language allowed commissioner to grant such access "if [he] . . . determines that the access is reasonably necessary to the development of the private land."

Changes the term "areas" in reference to the new marine parks to read "state-owned land and water."

Tightens up statutory authority granted to the Commissioner of Natural Resources to close marine parks by regulation. Original bill allowed Commissioner to close a marine park by regulation "for public safety and other management purposes." Amendment deletes "other management purposes" so that the Commissioner could only close marine parks for public safety purposes. (In section which permits discharge of a firearm within a marine park unless Commissioner has by regulation closed the park.)

Stationary Fishing Gear
(operation of) CS FOR SENATE BILL NO. 136 (RESOURCES)(E.D. ADDED), (see pp. 194;410;538). Before the Senate on April 13. The Resources CS was adopted. Advanced to third reading, then returned to second for adoption of Am. No. 1 by Gilman, adding an immediate effective date to the bill. The amendment was adopted by unanimous

INTRODUCTION OF RESOLUTIONS (House)

Student Hire HOUSE RESOLUTION NO. 8, by Reps. Hurlbert, Flood, M. W. Miller, M. M. Miller, Fuller, Uehling, Barnes, Shultz, Liska, Cato, Lacher, Bettisworth, Adams, Grussendorf, Cowdery, McBride, Ward, Goll, Pestinger, Hayes, Phillips, Fritz, Herrmann, Koponen, Lindauer, Furnace, Martin, Vaska, Zharoff, Abood, Ringstad, Bussell, Wendte, Davis, Szymanski, Duncan, Clocksin and Malone.

Encourages employers to identify job opportunities for Alaska students and directs the Employment Security Division in the Dept. of Labor, through its job service offices, to identify jobs and assist Alaskan employers and students in student hire.

Introduced April 14 and referred to Labor & Commerce.

SENATE BILLS RECEIVED IN THE HOUSE

Shuyak Is. State Park (establishing) SENATE BILL NO. 51, (see pages 18;207;407;460;519). Received in the House on April 12 and referred to Resources and Finance.

Business Inventory Exemption (municipal) SENATE BILL NO. 53, (see pages 19;207;364;458). Received in the House on April 11 and referred to Community & Regional Affairs and Finance.

Utility Facilities (reloc. by munic.) CS FOR SENATE BILL NO. 67 (L&C)(AMENDED), (see pages 73;243;408;519). Received in the House on April 12 and referred to Community & Regional Affairs and Labor & Commerce.

Alaska Marine Parks CS FOR SENATE BILL NO. 128 (RESOURCES)(AMENDED), (see pages 169;408;458;519). Received in the House on April 12 and referred to Resources and Finance.

Stationary Fishing Gear (operation of) CS FOR SENATE BILL NO. 136 (RES)(E.D. ADDED), (see pages 194;410;519). Received in the House April 14 and referred to Resources.

Appropriations (special) (water, sewer & solid waste) CS FOR SENATE BILL NO. 150 (FINANCE), (see pages 200;370;459). Received in the House on April 11 and referred to Community & Regional Affairs and Finance.

Appropriation (U of A/salmon quality control educ.) CS FOR SENATE BILL NO. 161 (FINANCE), (see pages 240;371;459;539). Received in the House on April 11 and referred to the House Special Committee on Fisheries and Finance. See Committee Reports, page 539, for action this week.

Elevator Safety Standards SENATE BILL NO. 182, (see pages 306;454;520). Received in the House on April 13 and referred to Labor & Commerce.

AK Police Stand. Counc. (invest. by) SENATE BILL NO. 187, (see pages 309;372;520). Received in the House April 15 and referred to Judiciary.

COMMITTEE REPORTS (House)(cont'd)

Assault
(police, fire
fighters &
emergency
responders)

CS FOR SENATE BILL NO. 24 (JUDICIARY)(AMENDED), (see pages 8;88;242;318;385). Reported back to the House on May 11 by Judiciary recommending it do pass. Concurring: Bussell, Chairman, Liska, Hayes, Wendte and Barnes. To Rules.

Business
Inventory
Exemption
(municipal)

SENATE BILL NO. 53, (see pages 19;207;407;460;519;538). Reported back to the House on May 14 by Community & Regional Affairs with the committee recommending as follows: Lacher (Chmn.), Tischer, Szymanski and McBride recommended do pass; Clocksin had no recommendation. To Finance. The Committee attached the following letter of intent:

While the bill broadens discretion and requires no change in municipal taxation, it is not the intention of the House to replace revenues which may be lost by the exemption by increased municipal assistance or state aid. Local officials exercising the authority to exempt business inventories from taxation under this bill would be well advised not to anticipate compensating revenues from the state to replace such lost local tax receipts.

Utility
Facilities
(reloc. by
munic.)

CS FOR SENATE BILL NO. 67 (L&C)(AMENDED), (see pages 73;243;408;519;538). Reported back to the House on May 11 by Community & Regional Affairs recommending it be replaced with House Committee Substitute (C&RA) and reported back as follows: Lacher, Chairman, recommended "do not pass, see letter"; Fritz and McBride recommended do not pass; Clocksin recommended do pass; Phillips and Tischer had no recommendation. To Labor & Commerce. The Chairman's report is as follows:

A majority of the House Committee on Community and Regional Affairs oppose HCSCSSB 67 (C&RA). The provisions of HCSCSSB 67 (C&RA) changes the historical relationship between utility companies and municipalities in matters pertaining to the use of public rights-of-way and streets by various utility companies. Present Alaska Statutes require municipalities to allow utility companies to use the public right-of-way and thereby avoid the expense of securing easements from private property owners. The proposed legislation is designed to further benefit the utilities by requiring municipalities to pay the costs of relocating the utilities when the relocation is incident to a municipal street project. The requirement for municipalities to bear the burden of the relocation costs is contrary to practices established in common law and contrary to procedures used throughout the United States. Imposition of such costs would amount to a public subsidy of private profit-making ventures as well as for private non-profit utility companies.

Enactment of any legislation that would require municipalities to pay utility relocation costs will not, in the long run, reduce operating costs for utilities but in all probability will increase costs to the utilities. Municipalities will undoubtedly be highly restrictive in the conditions of future permits for the installation of utilities and will begin to charge maximum fees for the use of the public right-of-way as opposed to the general practice of providing use at no charge.

The Committee has found that municipalities are fair and reasonable in their relationships with utilities, and that the particular needs of each type of utility is considered when negotiations for the use of a public right-of-way are conducted. The continuation of reasonable fees, permit conditions, and equitable allocation of utility relocation

COMMITTEE REPORTS (House)(cont'd)

CSSB 67 (L&C)am (cont'd)

costs is insured by the availability of arbitration and redress provided by the Alaska Public Utilities Commission. The considerable diversity of types and purposes of profitable private and of non-profit utility companies further reinforces the Committee's belief that the allocation of utility relocation costs can best be negotiated on the local governmental level, on a case by case basis.

In summary, the Committee believes that the proposed legislation is an unnecessary and unwarranted usurption of local governmental authority which may have an adverse monetary effect on the utility consumer and the municipal tax payer. Therefore any attempt to legislatively interfere with the existing relationships between municipalities and utility companies should not be favorably considered.

The House C&RA CS makes the following changes:

--Instead of amending portions of AS 19.25 to provide for assumption by municipalities of costs of moving utility facilities, the House C&RA version adds new sections to the Municipal Code (AS 29) which accomplish the same result.

--Changes effective date from July 1, 1983 to January 1, 1984.

--Changes wording of section on payment of the cost of moving utility facilities: "The cost of change, relocation, or removal . . . is a cost of road or highway construction to be paid by the (1) municipality or the utility according to the terms of a franchise, permit, or agreement in effect on January 1, 1984, if the facility is located under the conditions stated in the franchise permit or agreement; (2) municipality or the utility according to the terms of a permit issued by the municipality after January 1, 1984, for a new or existing facility if the facility is located under the conditions stated in the permit; or (3) utility if the facility is located without a permit or under a permit that does not provide for allocation of relocation costs, or if the location is not in accordance with the conditions stated in an applicable permit."

--Adds to definition of "cost of change, relocation, or removal": "the service life of a facility may be determined by the municipality and may be based on the utility depreciation schedule for taxation or rate-setting purposes." (If service life of facility is extended by relocation, a percentage equal to the percentage of extension of the facility's service life is subtracted from the cost payable by the municipality to move the facility.)

--Adds definition of "encroachment" (if utility not changed, relocated or removed in accordance with a municipal order, the facility becomes an unauthorized encroachment and may be disposed of by the municipality). States that encroachment means and includes "a tower, pole, pole line, pipe, pipeline, driveway, private road, fence, billboard, stand or building, or a structure or object of any kind that is or has been placed in, on, under or over a portion of a road or highway."

COMMITTEE REPORTS (House)(cont'd)

CSSB 67 (L&C)am (cont'd)

--Adds definition of "utility" to include: "railroads and all publicly, privately, or cooperatively owned lines, facilities and systems for producing, transmitting or distributing communications, telecommunications, power, electricity, light, heat, gas, oil, crude products, water, steam, waste, storm water not connected with highway drainage, and other similar commodities, including publicly owned fire and police signal systems and street lighting systems."

Violent Crimes
Compensation

CS FOR SENATE BILL NO. 86 (FINANCE), (see pages 82;178;207; 279;318;335). Reported back to the House on May 13 by Judiciary with the committee recommending it be replaced with a Judiciary HCS and as follows: Bussell (Chairman), Liska, Hayes and Barnes recommended do pass; Clocksin recommended "do pass if amended." To Finance.

The Judiciary HCS proposes slightly different amendments to laws governing the payment of violent crimes compensation (AS 18.67), but accomplishes basically the same changes. Would prohibit payment of compensation unless "in the discretion of the board, the applicant has cooperated with law enforcement and prosecution officials to further prosecution of the offender if appropriate and to avoid further injury by the offender to the applicant and injury to persons in the care of the applicant who are exposed to possible injury by the offender." The Senate version would have prohibited payment of compensation if the victim "refuses to give reasonable cooperation to state or local law-enforcement agencies in their efforts to apprehend and convict the offender for the crime resulting in the personal injury, unless good cause for the refusal is shown the board."

Also adds new section which eliminates requirement that all payments be made in a lump sum (amends AS 18.67.130(c)).

Alaska Marine
Parks

CS FOR SENATE BILL NO. 128 (RESOURCES)(AMENDED), (see pages 169;408;458;519;538). Reported back to the House on May 12 by Resources recommending it be replaced with House Committee Substitute (Resources) with a letter of intent and that it do pass. Concurring: Ringstad, Co-Chairman, Goll, Larson, Vaska, Liska, Cowdery and Uehling. Representative Shultz had no recommendation. To Finance.

The letter of intent reads:

Although access to mineral deposits is not expected to require construction of facilities within marine parks, we acknowledge that such construction may be required in park units adjacent to mineral development which could not otherwise take place. In such cases, it is the intent of the Legislature that the access language within the Act be interpreted to allow development of docking facilities under terms prescribed by the Commissioner of Natural Resources.

Two units of the original marine park proposal - Decision Point and Entry Cove - have been removed from designation at this time, in order to allow a more vigorous analysis of other possible higher and better uses for these areas. Such possible alternative uses could include exchange with

COMMITTEE REPORTS (House)

CSSB 52 (RES)(AM), (cont'd)

continuous period of five years immediately preceding the date of application for a loan and have had a crewmember fishing license or a permit for "the year immediately preceding the date of application and any other two" of the past five years (currently who have had a crewmember fishing license or a permit for any one of the past five years).

--would allow loans for limited entry permits to individual commercial fishermen who have been state residents for a continuous period of two years immediately preceding the date of application (currently for five years immediately preceding date of application), and who has had a crewmember license or a permit for the year immediately preceding the date of application and any other two of the past five years (instead of "for any one of the past five years").

--would allow the Limited Entry Commission to charge the legal rate of interest on any unpaid fees due on entry permits or interim-use permits from the date of permit renewal.

--upon a first or second conviction of a person for a violation of licensing provisions or a federal or state law or regulation for the protection of the commercial fish of the state, the court may, in addition to the penalty imposed by law, order a forfeiture of a crewmember license, interim-use permit or entry permit "for a period of not more than one year" (not currently specified), and upon a third conviction, the court may, in addition to the penalty imposed by law, order a forfeiture of the crewmember fishing license, interim-use permit or entry permit "for a period of not more than one year".

--changes effective date to January 1, 1985.

History: introduced 1/18/83 by Senator Mulcahy and referred to Resources and Finance, making changes to commercial fishing licensing laws and cleaning up ambiguous language in current law relating to licensing requirements. Reported out of Resources 4/15/83 with several technical corrections and a do pass recommendation. Reported out of Finance 5/19/83 recommending the Resources CS and that it do pass. The Resources CS was adopted 5/26 and then held until 5/31 when amendment 1 by Eliason was adopted, eliminating provision that would have allowed the Commercial Fisheries Entry Commission to charge up to the legal rate of interest on a fee not paid during the calendar year in which it was due. Passed the Senate 5/31, 18-0. Exc: P. Fisher. Absent: Ferguson. The effective date clause was adopted. Received in the House 6/1 and referred to the House Special Committees on Fisheries, Loans and Resources.

1984
Utility
Facilities
(relocation by
municipality)

CS FOR SENATE BILL NO. 67 (L&C)(AM), (see pages 73;243;408; 519;538;754, 1983 report). Reported back to the House February 22 by Labor & Commerce recommending it be replaced with a House L&C substitute and that it do pass. Concurring: Cowdery

COMMITTEE REPORTS (House)

CSSB 67 (L&C)(AM), (cont'd)

(Chair), Ringstad, Furnace and Pestinger. Not concurring: Uehling had no recommendation. To Rules.

Labor & Commerce completely rewrites the bill, and their version would:

--amends state statutes relating to the protection and use of state highways and roads, relocation of utilities incident to highway projects (AS 19.25.020) to allow a municipality to order a utility facility that is located across, along, over, under, or within a right-of-way under its jurisdiction to be changed, relocated or removed (currently only the state is allowed to relocate utility facilities under this section). The municipality would have the authority to dispose of the utility facility if it is not changed, relocated or removed in accordance with the order, and the owner of the facility would be responsible for indemnifying the municipality for any amount the municipality may be liable to a contractor by reason of the encroachment. The cost of the change, etc., necessitated by highway construction, is a cost to be paid by the municipality, except that it would not be obligated to pay the cost of relocation of utility facilities that are located in a municipal right-of-way unless ". . . (1) the facilities have been placed in the municipal right-of-way under a valid easement or permit; or (2) the facilities were placed in the municipal right-of-way before the municipality had a system for granting easements or permits for utility facilities."

--Amends section of AS 19.25 relating to summary removal (sec. 240) to include municipalities: "The department or a municipality may at any time remove from a [state] highway or road under its jurisdiction an encroachment that [which] obstructs or prevents the use of the highway or road by the public."

--amends definition section of AS 19.45 (Highways and Ferries. Miscellaneous Provisions), definition of "cost of change, relocation, or removal" by adding language that states: ". . . if a facility's service life is extended by the work done to change or relocate it, a percentage equal to the percentage of extension of the facility's service life shall be subtracted from the cost."

--section 6 of the bill states "A municipality is not obligated for utility facility relocation costs associated with a highway project for which general obligation bonds have been approved or for which state general fund appropriations have been received before the effective date of this Act."

--provides Act takes effect July 1, 1984.

History: the bill was originally introduced January 25 by the Senate Labor & Commerce Committee, and was referred to Labor & Commerce and Community & Regional Affairs. Reported out of Senate L&C on 3/4/83 with a CS and a do pass recommendation. Reported out of Senate C&RA 3/30/83 with Senators Ferguson and Sackett having no recommendation, and Senator Halford signing "do pass". On 4/19/83

COMMITTEE REPORTS (House)

CSSB 67 (L&C)(AM), (cont'd)

the L&C substitute was adopted and amendment 1 by Gilman adopted (added language relating to service life of utility), and the bill passed the Senate, 17-1. Nay: Gilman. Absent: Josephson, Rodey. The effective date clause was adopted. Except for changes in section 3 of the House L&C version of the bill (relating to facilities being placed in a municipal right-of-way before the municipality had a system for granting easements or permits for utility facilities), the Senate-passed version is identical to the House L&C version.

Received in the House 4/12/84 and referred to C&RA and Labor & Commerce. Reported out of House C&RA with a substitute, changing sections of the Municipal Code to achieve the same result, and making other changes that outlined more clearly who would pay for the relocation of utility facilities, according to terms of the permit. A letter accompanied the House C&RA substitute, and it stated:

A majority of the House Committee on Community and Regional Affairs oppose HCS CSSB 67 (C&RA). The provisions of HCS-CSSB 67 (C&RA) changes the historical relationship between utility companies and municipalities in matters pertaining to the use of public rights-of-way and streets by various utility companies. Present Alaska Statutes require municipalities to allow utility companies to use the public right-of-way and thereby avoid the expense of securing easements from private property owners. The proposed legislation is designed to further benefit the utilities by requiring municipalities to pay the costs of relocating the utilities when the relocation is incident to a municipal street project. The requirement for municipalities to bear the burden of the relocation costs is contrary to practices established in common law and contrary to procedures used throughout the United States. Imposition of such costs would amount to a public subsidy of private profit-making ventures as well as for private non-profit utility companies.

Enactment of any legislation that would require municipalities to pay utility relocation costs will not, in the long run, reduce operating costs for utilities but in all probability will increase costs to the utilities. Municipalities will undoubtedly be highly restrictive in the conditions of future permits for the installation of utilities and will begin to charge maximum fees for the use of the public right-of-way as opposed to the general practice of providing use at no charge.

The Committee has found that municipalities are fair and reasonable in their relationships with utilities, and that the particular needs of each type of utility is considered when negotiations for the use of a public right-of-way are conducted. The continuation of reasonable fees, permit conditions, and equitable allocation of utility relocation costs is insured by the availability of arbitration and redress provided by the Alaska Public Utilities Commission. The considerable diversity of types and purposes of profitable private and of non-profit utility companies further reinforces the Committee's belief that the allocation of utility relocation costs can best be negotiated on the local governmental level, on a case by case basis.

In summary, the Committee believes that the proposed legislation is an unnecessary and unwarranted usurpation of local governmental authority which may have an adverse monetary effect on the utility consumer and the municipal tax payer. Therefore, any attempt to legislatively interfere with the existing relationships between municipalities and utility companies should not be favorably considered.

SENATE BILLS RECEIVED IN THE HOUSE (cont'd)

Road Improvem't CS FOR SENATE BILL NO. 315 (FIN)(AM), (see pages 73;549;658)
Districts Received in the House March 28 and referred to Transportation
and Finance.

Appropriations CS FOR SENATE BILL NO. 319 (RULES), (see pages 1;415;504;
(special) 658). Received in the House March 30 and referred to Community
(Fbks/Mat-Su & Regional Affairs, then to Finance.
activity
centers)

Appropriation CS FOR SENATE BILL NO. 389 (FIN), (see pages 154;412;659).
(special) Received in the House March 30 and referred to Transportation,
(Kenai River then to Finance.
bridge)

Governor's CS FOR SENATE BILL NO. 419 (SA), (see pages 210;555;659).
Mansion Received in the House March 29 and referred to State Affairs.
(historical
preservation)

Personal CS FOR SENATE BILL NO. 446 (RULES)AM, (see pages 227;464;
Safety 659). Received in the House March 28 and referred to Health,
Curriculum Education & Social Services, then to Finance.
(public schools)

Litter Reduct. CS FOR SENATE BILL NO. 500 (SA)(AM), (see pp. 328;557;660).
& Recycling Received in the House March 28 and referred to Resources.
(extending laws)

Uniform Rules CS FOR SENATE CONCURRENT RESOLUTION NO. 22 (RLS)(AM), (see
(amending) page 660, this report). Received in the House March 30 and
referred to Rules.

COMMITTEE REPORTS (House)

Utility CS FOR SENATE BILL NO. 67 (L&C), (see page 421). Reported
Facilities back to the House March 28 by Rules recommending it be re-
(relocation by placed with a House Rules substitute and that it do pass. Con-
municipality) curring: Fuller (Chair), Barnes, Hayes, Tischer and Liska.
984 Not concurring: M. M. Miller and Phillips recommend do not pass.
To Rules.

The House Rules substitute changes subsection (c) which is added to AS 29.48 (Powers Applicable to All Municipalities) to read: "(c) The cost of change, relocation, or removal necessitated by municipal road or highway construction is a cost of road or highway construction to be paid by the municipality, notwithstanding the terms or provisions of any existing permit, agreement, regulation, or statute to the contrary if (1) the facilities have been placed in the municipal right-of-way under a valid easement or permit; or (2) the facilities were placed in the municipal right-of-way before the municipality had a system for granting easements or permits for utility facilities."

COMMITTEE REPORTS (House)(cont'd)

CSSB 67 (L&C) (cont'd)

Note: subsection (c) in the former version by House C&RA stated:
"(c) The cost of change, relocation, or removal, necessitated by municipal road or highway construction is a cost of road or highway construction to be paid by the (1) municipality or the utility according to the terms of a franchise, permit, or agreement in effect on January 1, 1984, if the facility is located under the conditions stated in the franchise permit or agreement; (2) municipality or the utility according to the terms of a permit issued by the municipality after January 1, 1984, for a new or existing facility if the facility is located under the conditions stated in the permit; or (3) utility if the facility is located without a permit or under a permit that does not provide for allocation of relocation costs, or if the location is not in accordance with the conditions stated in an applicable permit."

The definition of "cost of change, relocation, or removal" is also changed in the Rules substitute deleting language that states:
"... the service life of a facility may be determined by the municipality and may be based on the utility depreciation schedule for taxation or rate-setting purposes;"

Changes effective date to July 1, 1984 (was January 1, 1984).

The bill was calendared March 29 but was held until March 30. On March 30 it was again held until April 3.

Permits,
Licenses &
Registrations
(periods of
validity/fees)

CS FOR SENATE BILL NO. 296 (L&C), (see pages 407;513;519).
Reported back to the House March 26 by Labor & Commerce recommending it be replaced with a substitute and that it do pass.
Concurring: Cowdery (Chair), Furnace, Pestinger, Uehling and Koponen. To Finance.

The Labor & Commerce substitute adds a new section that amends AS 18.62.020 (Health & Safety. Certificates of Fitness. Application for and Issuance of Certificate) to allow for issuance of certificates of fitness for plumbers and electricians valid for one or three years. The applicant would pay a fee of \$40 for a one year certificate, and \$75 for a three year certificate (currently the initial fee is \$15 with the application, and are renewable annually upon payment of an annual fee of \$5).

Labor & Commerce adds a new repealer--repeals AS 18.62.050(b) (allows an applicant who engaged in a trade subject to certificate requirements who has been engaged in that trade in the state for one year or more before 1/1/73, upon making a satisfactory showing of qualifications, to be issued a certificate without examination).

Under the substitute the sections relating to certificates of fitness would take effect July 1, 1985. All other sections of the bill would take effect January 1, 1985.

BILLS PASSED IN THE HOUSE

CSHB 650 (LOANS), (cont'd)

* Sec. 16. The sum of \$600,000 is appropriated from the general fund to the Department of Transportation and Public Facilities for payment as a grant to the Municipality of Anchorage for Point Campbell hazardous waste removal."

The bill passed, 40-0. The effective date was adopted, and an amended Finance Committee letter of intent (see below) was adopted, 27-12-0-1. Nays: Clocksin, Davis, Flood, Koponen, Lacher, Larson, Malone, McBride, M. M. Miller, Szymanski, Vaska, Wendte. Absent: Ward. The amended letter reads:

It is the intent of the Legislature that the Department give priority consideration under the Alternative Technology and Energy Loan Program to loan requests that evidence the greatest potential for energy savings to the applicant and the State. In general, loan requests shall be approved based on the following priority list:

1. Solar electric generation equipment, including photoelectric cells systems;
2. Wind systems;
3. Hydroelectric systems;
4. Woodstoves with catalytic converters and catalytic converters for woodstoves;
5. Multifuel systems;
6. Passive solar systems, including solar heating units and sun spaces; and
7. Active solar systems, including solar collectors."

Bd. of Public
Accountancy
(extending)

HOUSE BILL NO. 711, (see page 668). Reported back to the House on April 4 by Labor & Commerce with the committee recommending it do pass. Concurring: Cowdery (Chairman), Pestinger, Uehling, Furnace and Ringstad. To Rules.

Passed the House on April 5, 36-0-4-0. Excused: Cowdery, Shultz, Uehling, Pestinger. The effective date was adopted.

OTHER ACTION IN THE HOUSE

Utility
Facilities
(relocation by
municipali-
ties)

1984
HOUSE CS FOR CS FOR SENATE BILL NO. 67 (RULES)(AM. HOUSE)
(FLD. HOUSE), (see pages 421;670). Before the House on April 3. The Rules CS was adopted, 24-16, after objection was heard from Rep. M. M. Miller. Held in second reading until April 4.

Before the House on April 4. Am. No. 1 by Cowdery was adopted by unanimous consent. It deletes "railroads" from the definition of "utility" for purposes of the bill.

Am. 2 by Clocksin failed, 14-23. It would have deleted the bracketed language from new AS 29.48.052(c): "The cost of change,

OTHER ACTION IN THE HOUSE

HCS CS SB 67 (RLS)(AM), (cont'd)

relocation, or removal necessitated by municipal road or highway construction is a cost of road or highway construction to be paid by the municipality [, NOTWITHSTANDING THE TERMS OR PROVISIONS OF ANY EXISTING PERMIT, AGREEMENT, REGULATION, OR STATUTE TO THE CONTRARY] if (1) the facilities have been placed in the municipal right-of-way under a valid easement or permit; or (2) the facilities were placed in the municipal right-of-way before the municipality had a system for granting easements or permits for utility facilities."

The bill then failed to passed the House, 11-17-1-1. Yeas: Barnes, Bettisworth, Clocksin, Furnace, Hayes, Hurlbert, Martin, M. W. Miller, Ringstad, Tischer, Zharoff. Excused: Shultz. Absent: Cowdery. Larson and Flood changed from "yea" to "nay." Furnace gave notice of reconsideration.

On April 5 Rep. Barnes brought up the reconsideration, and the bill was returned to Rules by a vote of 21-15. Nays: Clocksin, Davis, Duncan, Goll, Koponen, Lacher, Larson, Malone, McBride, M. M. Miller, Phillips, Szymanski, Vaska, Wendte. Zharoff.

Appropriation
(special)
(Fairbanks
schools)

HOUSE BILL NO. 622, (see page 358). Rep. Davis moved that the bill be advanced from Transportation to Finance. Barnes objected, and Davis withdrew his motion. The bill remains in Transportation.

Oil & Natural
Gas
(recovery &
production)

CS FOR HOUSE BILL NO. 680 (LABOR & COMMERCE), (see pages 383;526;578;634;689;707). On April 2, at the request of Rep. M. M. Miller, the reconsideration was held one day, but it was not taken up on the 3rd, so the bill was sent to the Senate.

Legislative
Reapportionm't

CS FOR HOUSE JOINT RESOLUTION NO. 53 (FIN), (see pages 55; 281;432;579). On April 2 the Finance substitute was adopted (see page 579) and the resolution failed to pass the House, 16-20-3-1. Yeas: Abood, Adams, Barnes, Bettisworth, Bussell, Furnace, Lacher, Lindauer, Martin, Pestinger, Phillips, Ringstad, Shultz, Tischer, Uehling, Ward. Excused: Cowdery, Hayes, McBride. Absent: Hurlbert. Rep. Shultz changed his vote from nay to yea. Rep. Martin gave notice of reconsideration.

On April 3 the reconsideration was held one day. Failed on reconsideration April 4, 19-20-1-0. Yeas: Abood, Adams, Barnes, Bettisworth, Bussell, Cowdery, Furnace, Hayes, Hurlbert, Lacher, Lindauer, Liska, Martin, Pestinger, Phillips, Ringstad, Tischer, Uehling, Ward. Excused: Shultz.

Introduced: 1/31/84
Referred: Labor and Commerce,
Transportation and
Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE SENATE

2 SENATE BILL NO. 396

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to relocation of utilities incident
7 to highway projects; and providing for an effective
8 date."

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

10 * Section 1. AS 19.25.020(c) is amended to read:

11 (c) The cost of change, relocation, or removal necessitated by
12 highway construction is [A COST OF HIGHWAY CONSTRUCTION] to be paid
13 [BY THE STATE] in accordance with AS 19.45.001(4) as follows:

14 (1) by the department as a cost of highway construction if
15 the facility was installed before July 1, 1960, regardless of whether
16 the facility is authorized by a permit at the time the change, relo-
17 cation, or removal of the facility is required;

18 (2) by either the department as a cost of highway con-
19 struction or by the utility, depending on the terms of the utility
20 permit if the facility was installed or authorized under the authority
21 of a utility permit issued after July 1, 1960;

22 (3) by the utility if the facility was installed after July
23 1, 1960, and there is no utility permit for the facility;

24 (4) by the utility if the facility is not installed in the
25 location provided for in the utility permit, regardless of whether the
26 utility permit requires payment by the department [, NOTWITHSTANDING
27 THE TERMS OR PROVISIONS OF ANY EXISTING PERMIT, AGREEMENT, REGULATION
28 OR STATUTE TO THE CONTRARY].

29 * Sec. 2. This Act takes effect July 1, 1984.

① page, line	HB 160	ANALYSIS OR Comment	CS HB 160 (CARRA)	Analysis OR Comment
p. line 12	Delete [A COST OF HIGHWAY CONSTRUCTION]		p. 1 line 12 at retain "a cost of highway construction" as it reads in statute	edit , delete
p. 1 lines 14-26 p. 14-17	Delete: (1) by the department as a cost of heavy construction if the facility was installed before July 1, 1960, regardless of whether the facility is authorized by a permit at the time the change, relocation, or removal of the facility is required.	According to the Gov's transmittal letter of 7/21, "this is a matter of equity and fairness since there was no real uniform utility permit system in place before July 1, 1960"	Insert: (1) by the dept. as a cost of heavy construction, provided that the utility facility is properly installed w/ a permit, or in the absence of a permit, was installed before the effective date of this paragraph in the proper location in accordance w/ dept regulations	According to CARRA 2/20/85 minutes, these amendments are a result from meetings w/ representatives of utility companies, DOT & committee staff. The utility companies want to be protected against having to pay the cost of utility relocation in cases where they have a bona fide permit for utility placement w/ DOT for reasons of heavy relocation, required the utility to move. DOT considers if the utility facility is properly permitted & is moved at the discretion of the state, then the state should bear the cost of relocation.
p. 18-21	Add (2) by either the dept. as a cost of heavy construction or by the utility depending on the terms of the utility permit if the facility was installed or authorized under the authority of a utility permit issued before July 1, 1960;	According to the 7/1 transmittal letter, "The effect of this paragraph is to make it clear that the question of who is to pay for relocation costs is a matter to be negotiated between the state and the utility. Presently the state is required to pay for all relocation costs regardless of any agreement w/ the utility to the contrary"	(2) by the utility in all other cases	However, where there are questions of who bears the cost for relocation (no permit, not in accordance w/ regs) then cost must be borne by the utility.
p. 22-23	Add (3) by the utility if the facility was installed after July 1, 1960, and there is no utility permit for the facility;	"Under existing law, it is ambiguous whether a utility has to pay relocation costs if it does not have a utility permit."	(2) by the utility in all other cases	

page - line	HB 160	analysis/comment (CSHB 160 (CARR))	CSHB 160 (CARR)	Analysis/Comment
p. 1 line 24-26	Delete: (4) by the utility of the facility, is not installed in the location provided for in the utility permit regardless of whether the utility permit requires payment by the department	"Currently, it is unclear whether the utility must pay relocation costs even if its facility is not installed in the location set out in the utility permit." This paragraph states ^{explains} that matter		
p. 1 line 29	Delete: July 1, 1985		p. 1 line 22-23 insert: immediately in accordance w/As is (01.10.070(c))	2/21/85 CARR Minutes - Method made by Rep. Furman; no objection

hcra 0221851 DOCUMENT= 3 OF 3 PAGE = 1 OF 4
COMM = HCRA
DATE = 022185
TIME = 1500
YEAR = 85

DOC ID hcra 0221851500
HEADING

HOUSE COMMUNITY & REGIONAL AFFAIRS
STANDING COMMITTEE
February 21, 1985

3 p.m.

Members Present: Representative Peter Goll, Chair
Representative Randy Phillips
Representative Andre Marrou
Representative Walt Furnace

Members Absent: Representative Kay Wallis
Representative Max Gruenberg
Representative Niilo Koponen

CALENDAR HB 160

An Act relating to relocation of utilities incident to highway projects; and providing for an effective date.

HB 159

An Act relating to utilities and encroachments

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in state airports, public facilities, and highways; and providing for an effective date.

WITNESS REGISTER

No witnesses.

PREVIOUS ACTION

HB 160: Read first time 02/01/85 and referred to C&RA, Transportation, Fin, and Rules. Two fiscal notes in Supplement #12; See HC&RA committee minutes dated 02/20/85; HB 159: Read first time 02/01/85 and referred to C&RA, Transportation, Fin and Rules; zero fiscal note with analysis in Supplement #12; See HC&RA committee minutes dated 02/18/85 and 02/20/85.

ACTION NARRATIVE

TAPE #15, SIDE ONE
Recording
Number 001

Chairman Goll called the special committee meeting to order at 3:10 p.m. He stated that CSHB 160 had passed out of committee the prior day (Wednesday, February 20, 1985) and was

hcra 0220851 DOCUMENT= 2 OF 3 PAGE = 1 OF 13
COMM = HCRA
DATE = 022085
TIME = 1500
YEAR = 85

DOC ID hcra 0220851500
HEADING

HOUSE COMMUNITY & REGIONAL AFFAIRS
STANDING COMMITTEE
February 20, 1985

3 p.m.

Members Present: Representative Peter Goll, Chair
Representative Kay Wallis, Vice Chair
Representative Andre Marrou
Representative Walt Furnace
Representative Randy Phillips
Representative Max Gruenberg
Representative Niilo Koponen

Members Absent:
HB 160 An Act relating to relocation of utilities
incident to highway projects; and providing for
an effective date.
HB 159 An Act relating to utilities and encroachments

CALENDAR

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in state airports, public facilities, and
highways; and providing for an effective date.

WITNESS REGISTER

WITNESS:
Bruce Freitag
Department of Transportation and
Public Facilities
Pouch Z
Juneau, Alaska 99811
Telephone: 465-2957
Position Statement: Supports HB 160 and HB 159

WITNESS:
Susan Fleischhauer
Commissioner's Office
Department of Transportation and
Public Facilities
Pouch Z
Juneau, Alaska 99811
Telephone: 465-3900
Position Statement: Supports HB 160 and HB 159

WITNESS:
Sharon Macklin
Matanuska Telephone Association
315 Fifth Street
Juneau, Alaska 99801
Telephone: 586-9518
Position Statement: Observer

WITNESS:
Dave Hutchins
Alaska Rural Electric Cooperative Association
Anchorage, Alaska 99501
Telephone: 276-3235
Position Statement: Opposed to HB 160 and HB 159 as written;
proposed substitute language.

PREVIOUS ACTION

HB 160: Read first time 02/01/85 and referred to C&RA, Transportation, Fin, and Rules. Two fiscal notes in Supplement #12. No previous action in House C&RA. HB 159: Read first time 02/01/85 and referred to C&RA, Transportation,

Fin and Rules; zero fiscal note with analysis in Supplement #12; See C&RA committee minutes 02/18/85.

ACTION NARRATIVE

TAPE #14, SIDE ONE
Recording
Number 004

The meeting was called to order at 3:10 p.m. Chairman Goll stated that the committee would continue to hear HB 159 and HB 160 would be heard for the first time.

Number 040

Susan Fleischhauer, Legislative Liaison, Department of Transportation and Public Facilities briefly discussed the concepts and similarities of both bills. Both bills, she continued, deal with utility relocation: HB 159 pertains to airports and public facility right of ways and HB 160 pertains only to highways. Representative Phillips asked if there had been hearings of a similar bill last session.

Number 095

Number 110

Representative Goll responded that there had

Number 130

been similar bills heard last year, but the bills before committee were not to be confused with last year's Senate Bill which addressed the specific question of municipal utilities. Chairman Goll discussed two letters of intent drafted for HB 159 and HB 160. He stated that the intent language was derived through discussions with utility representatives, the Department of Transportation and the Attorney General's Office.

Number 160

Amendments resulting from meetings with representatives of utility companies, Department of Transportation and committee staff were discussed by the chairman. He stated that the utility companies wanted to be protected against having to pay the cost of utility relocation in cases where they have a bonafide permit for utility placement if the department, for reasons of highway relocation, required the utility to move. The department concedes if the utility

Number 225

facility is properly permitted and is moved at the discretion of the state, then the state should bear the cost of relocation.

The committee heard that there are other cases, however, where there are questions of who bears the cost for relocation. If a utility facility is not permitted; and is not in accordance with regulation and must be moved, then the cost must be borne by the utility. Language resulting from the meetings with staff resulted in yielding in two cases:

- (1) when a facility is placed by permit or in compliance with regulation, then the department would bear the cost;
- (2) the utility will bear the cost in all other cases.

Number 267

Representative Furnace asked that the regulation inquisition be identified.

Number 270

Chairman Goll replied that 17 A.A.C. 10 and 15 cited the regulations and the questions of

Number 306

permitting and encroachment were addressed there.

The chairman suggested language for a new second case which would require payment: (1) by the department in the first case already discussed and there is no change; (2) by the department on the utility where the installation was made with a permit, but under departmental authorization under regulation; and (3) by the department in all other cases.

The second case would allocate responsibility where there is temporary placement when both the department and the utility understand the temporary nature of the placement.

Number 315

Dave Hutchins, Executive Director, Alaska Rural Electric Cooperative Association, testified to the new language developed by himself and department representatives.

Number 340

Chairman Goll asked about the case of temporary placement when a utility facility would be

Number 350

located in a right of way and both parties know it would have to move soon. The chairman asked what kind of permitting would apply and where in the statute does it occur.

Mr. Hutchins replied that temporary placement was not addressed in either bill. He remarked that the utilities have a good working relationship with the department, but that the utility companies would like to see this matter ratified in statute. Responding to a question from the chairman, Mr. Hutchins replied that the language before the committee as proposed amendments from both the utilities and the department had satisfactorily addressed his concerns. He suggested the committee consider the following additional language: (1) the department bears the cost when a facility is installed with a valid permit or, under regulation by the department, removed the protection the utilities sought.

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Number 420

2 OF 3 PAGE = 9 OF 13
The panel deliberated with Mr. Hutchins regarding exact language that would correct problems in both bills.

Number 442

Following the discussion, Representative Gruenberg made three suggestions: (1) continue meeting time to prepare language; (2) pass the bill out to the next committee of referral and make adjustments there, or (3) delay consideration and determine suitable language during a work session.

Number 498

The chairman said he hoped with the committee's agreement the interested parties could find acceptable language before adjournment of the hearing. Representatives of the Department of Transportation, Mr. Hutchins and committee staff were excused to work on satisfactory language. Representative Gruenberg brought up a new matter and discussed the concept of allowing the state to give a credit to air carriers who offer the lowest per-mile rates. He suggested to the

Number 521

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2 OF 3 PAGE = 10 OF 13
members that the Community and Regional Affairs Committee introduce such a bill.

CHANGE TAPE #14 TO SIDE TWO
Number 003

Representative Furnace discussed proposed amendments for HB 159 regarding notice as it applies to summary removal. In case of airports, when utilities are required to move, there should be a time certain for notice.

Number 150

The members debated the proposed amendment language and an appropriate effective date at length.

Number 217

Representative Goll proposed new language to the panel on HB 160 for Sectio.. 1. AS 19.25.020(c): DELETE all language lines 14-28, INSERT: (1) by the department as a cost of highway construction, provided that the utility facility is properly installed in accordance with a permit, or in the absence of a permit, was installed in a proper location before the effective date of this Act in the proper

Number 300

location in accordance with departmental regulations:

Representative Gruenberg made a motion to adopt the proposed amendment. The amendment was adopted.

Number 316

Representative Gruenberg made a motion to adopt a CS for the bill and move the bill out of committee with individual recommendations. There were no objections, CSHB 160 as amended passed out of the Community and Regional Affairs Committee.

Number 349

Chairman Goll brought HB 159 before the committee and asked for a motion to adopt the following language. Page 2, DELETE lines 3-9, INSERT (1) by the department as a cost of airport construction, provided that the utility facility is properly installed in accordance with a permit, or in the absence of permit, was installed before the effective date of this Act in the proper location in accordance with

Number 382

departmental regulations; (2) by the utility in all other cases.

Representative Gruenberg moved that the committee adopt amendment number one.

Number 408

Amendment number one was adopted by unanimous consent.

Number 412

Representative Marrou made a motion to adopt a similar amendment on page 7, DELETE lines 8-15 and INSERT same language of amendment 1.

Number 428

Representative Marrou's amendment was adopted by unanimous consent. Number 455

Representative Gruenberg moved to delete the following language, Section 02.15.116. SUMMARY REMOVAL. page 3, lines 23-26 and Section 35.10.280. SUMMARY REMOVAL. page 9, lines 1-5.

Number 458

The amendment was adopted by unanimous consent. Representative Gruenberg made a motion to adopt CS for HB 159 and to move CSHB 159 out of committee with individual recommendations.

Number 462

Representative Marrou objected. He argued that

Number 466

HB 159 was being moved from committee without consideration of all suggested changes.

Representative Gruenberg asked for a special meeting of the committee to consider other suggested changes and to review drafting of committee substitutes.

Number 480

Chairman Goll announced a 3:00 p.m. special meeting of the Community and Regional Affairs Committee to hear other suggested amendments and to adopt appropriate language for a new effective date for CSHB 159 and CSHB 160 the following day, Thursday, February 21, 1985.

Number 490

The meeting was adjourned at 4:32 p.m.

END OF DOCUMENT

INTRODUCTION OF BILLS (House)(cont'd)

HB 159 (cont'd)

ment," "public facility" or "public work," "utility," and "utility facility" are added. Five of the existing definitions are retained.

Section 8 of the bill establishes an effective date of July 1, 1985.

Utilities
Incident to
Highway Proj.
(relocation)

HOUSE BILL NO. 160, by the Rules Committee by Request of the Governor. Relates to relocation of utilities incident to highway projects (see Governor's letter). Provides Act takes effect July 1, 1985.

Introduced February 1 and referred to Community & Regional Affairs, Transportation, then Finance.

In his message transmitting the bill, Governor Sheffield stated:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that clarifies who is responsible for the payment of relocation or removal costs when a utility facility is required to be changed, removed, or relocated as a result of highway construction. The bill addresses an ambiguity in AS 19.25.020(c) which presently leaves open the question of whether the state must pay for these costs even though a utility facility was not installed or authorized under the authority of a utility permit or, if a permit exists, even though the facility is not installed in the location provided for in the permit.

Some utility companies have expressed a concern over that part of paragraph (2) of sec. 1 of the bill which says that, for utility permits issued after July 1, 1960, the question of who is to pay for relocation costs is to be determined by the terms of the permit. These utility companies point out that utility permits issued between July 1, 1960 and July 1, 1977 require the utility to pick up these costs. (All permits issued after July 1, 1977 require the state to pay for relocation costs.) The utilities' concern is a legitimate one and, if this bill passes, DOT/PF is prepared to amend all those permits issued between July 1, 1960 and July 1, 1977 so that it is clear that the state will bear the costs of relocation. There is no need to amend these permits now because AS 19.25.020(c) presently requires the state to pay for these costs notwithstanding the terms of any existing permit. A draft copy of this proposed amendment is attached.

The bill also makes clear that the question of who pays for future relocation costs is to be a matter of negotiation between the state and the utility to be reflected in the language of the permit.

Section 1 amends AS 19.25.020(c) by creating four new paragraphs:

Paragraph (1) requires the state to pay for the costs of the change, removal, or relocation of any utility facility installed before July 1, 1960 regardless of whether the facility is authorized by a utility permit at the time the change, relocation, or removal of the facility is required. This is a matter of equity and fairness since there was no real uniform utility permit system in place before July 1, 1960.

Paragraph (2) requires either the state or the utility to pay for the costs of the change, removal, or relocation of the utility facility depending on the terms of the permit, provided the permit was issued after July 1, 1960. The effect of this paragraph is to make it clear that the question of who is to pay for relocation costs is a matter to be negotiated between the state and the utility. Presently, the state is required to pay for all relocation costs regardless of any agreement with the utility to the contrary.

INTRODUCTION OF BILLS (House)(cont'd)

HB 160 (cont'd)

Paragraph (3) requires the utility to pay for relocation costs if their facility was installed after July 1, 1960 and is not under permit. Under existing law, it is ambiguous whether a utility has to pay relocation costs if it does not have a utility permit.

Paragraph (4) requires the utility to pay for relocation costs if their facility is not installed in the location provided for in a permit. Currently, it is unclear whether a utility must pay relocation costs even if its facility is not installed in the location set out in the utility permit.

Section 2 of the bill sets an effective date of July 1, 1985 for this bill.

I urge your favorable action on this measure so that the question of who pays for utility relocation costs under the various circumstances described in the bill is answered in clear statutory language.

Student Loans
(changes to
program)

HOUSE BILL NO. 161, by R.p. Binkley. Makes the following changes to the student loan program:

--would raise the interest rate on loans to eight percent a year (currently five percent);

--in order to be eligible for a loan the applicant must have graduated within one year preceding the date of application or be scheduled to graduate within six months, or applicant must establish financial need (current law states applicant must be enrolled in college or be a high school grad or scheduled for graduation within six months);

--loan recipient may continue to apply and receive loans during each year he remains enrolled, but if study is interrupted for more than two years, a new loan could be obtained only if financial need is shown;

--sets interest rate on teacher scholarship loans at 5 percent a year unless the loan is in default, at which time interest is 10 percent.

--adds language to section of teacher scholarship loan program providing the borrower must be employed in a rural elementary or secondary school in the state before a portion of the loan will be repaid by the state;

Repeals subsections (j), (o) and (p) of AS 14.43.120 (Scholarship Loan Program. Condition of Loans). Subsection (j) states that a portion of a loan will be repaid by the state if the borrower remains a resident of the state for at least two years. Percentages are on a sliding scale, depending on how many years the student remains in the state after graduation. Subsection (o) states repayment provisions do not apply to a loan in default. Subsection (p) outlines residential requirements loan applicant must meet.

Adds language stating that a student who received a loan before the new provisions go in effect may receive a new loan only if the

COMMITTEE REPORTS (House)

NB 159. (cont'd)

a permit, or in the absence of a permit, was installed before the effective date of this bill in the proper location in accordance with department regulations, and by the utility in all other cases.

C&RA does not include sections of original bill that relate to summary removal ("The department may at any time and without notice remove from a state airport an encroachment or utility facility which obstructs or prevents the use of the airport by the public, or interferes with the safe operation of the airport.")

Does not include definition of "excess lands", as did original, and changes effective date to immediately (was 7/1/85). Other technical changes do not make substantive changes.

Utilities
Incident to
Highway Proj.
(relocation)

HOUSE BILL NO. 160, (see page 206). Reported back to the House February 22 by Community & Regional Affairs recommending it be replaced with a substitute and recommending as follows: Goll (Chair), Gruenberg, Wallis, and Koponen recommend do pass. Phillips, Furnace and Marrou have no recommendation. To Transportation.

The C&RA substitute is completely different. It provides that the cost of change, relocation or removal of utilities incident to highway projects necessitated by highway construction is a cost of highway construction to be paid by the department, provided the facility is properly installed in accordance with the permit, or in the absence of a permit, was installed before the effective date of this law, in the proper location in accordance with department regulations. In all other cases the utility must pay. Provides Act takes effect immediately.

Avalanche &
Fire Weather
Forecasting

HOUSE BILL NO. 169, (see page 210). Reported back to the House February 18 by State Affairs recommending it do pass. Concurring: Hurley (Chair), Navarre, M. M. Miller, Collins, and Boucher. Not concurring: Jenkins had no recommendation. To Resources.

Air Service
(essential)

HOUSE JOINT RESOLUTION NO. 16, (see page 244). Reported back to the House February 20 by Transportation recommending it be replaced with a substitute and that it do pass. Concurring: Cato (Chair), Shultz, Herrmann, Davis and Pignalberi. Not concurring: Marrou recommends do not pass. Furnace has no recommendation. To Rules.

The Transportation substitute states that the elimination of the Essential Air Service is due to the President's proposed fy '86 budget (former version blamed elimination on the Department of Transportation), and adds a clause stating that under the Airline Deregulation Act of 1978 Congress provided that the program would continue until 1988. Requests that Congress "fully fund" the program. Copies of the resolution would also be sent to President Reagan, the Vice President, and Speaker of the House.

Original sponsor: Rules/Governor

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 160 (C&RA)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to relocation of utilities incident
7 to highway projects; and providing for an effective
8 date."

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

10 * Section 1. AS 19.25.020(c) is amended to read:

11 (c) The cost of change, relocation, or removal necessitated by
12 highway construction is a cost of highway construction to be paid [BY
13 THE STATE] in accordance with AS 19.45.001(4) as follows:

14 (1) by the department as a cost of highway construction,
15 provided that the utility facility is properly installed in accordance
16 with a permit, or in the absence of a permit, was installed before the
17 effective date of this paragraph in the proper location in accordance
18 with department regulations;

19 (2) by the utility in all other cases [, NOTWITHSTANDING THE
20 TERMS OR PROVISIONS OF ANY EXISTING PERMIT, AGREEMENT, REGULATION OR
21 STATUTE TO THE CONTRARY].

22 * Sec. 2. This Act takes effect immediately in accordance with AS 01.-
23 10.070(c).

Offered: 2/22/85
Referred: Transportation
and Finance

Original sponsor: Rules/Governor

1 IN THE HOUSE
2
3 CS FOR HOUSE BILL NO. 160 (C&RA)
4 IN THE LEGISLATURE OF THE STATE OF ALASKA
5 FOURTEENTH LEGISLATURE - FIRST SESSION
6 A BILL
7 For an Act entitled: "An Act relating to relocation of utilities incident
8 to highway projects; and providing for an effective
9 date."
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
11 * Section 1. AS 19.25.020(c) is amended to read:
12 (c) The cost of change, relocation, or removal necessitated by
13 highway construction is a cost of highway construction to be paid [BY
14 THE STATE] ⁽¹⁾ in accordance with AS 19.45.001(4) as follows:
15 ⁽²⁾ by the department as a cost of highway construction,
16 provided that the utility facility is properly installed in accordance
17 with a permit, or in the absence of a permit, was installed before the
18 effective date of this paragraph in the proper location in accordance
19 with department regulations;
20 ⁽³⁾ by the utility in all other cases [, NOTWITHSTANDING THE
21 TERMS OR PROVISIONS OF ANY EXISTING PERMIT, AGREEMENT, REGULATION OR
22 STATUTE TO THE CONTRARY].
23 * Sec. 2. This Act takes effect immediately in accordance with AS 01.-
10.070(c).

Introduced: 2/1/85
Referred: Community & Regional
Affairs, Transportation and
Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE BILL NO. 160

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to relocation of utilities incident
7 to highway projects; and providing for an effective
8 date."

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

10 * Section 1. AS 19.25.020(c) is amended to read:

11 (c) The cost of change, relocation, or removal necessitated by
12 highway construction is [A COST OF HIGHWAY CONSTRUCTION] to be paid
13 [BY THE STATE] in accordance with AS 19.45.001(4) as follows:

14 (1) by the department as a cost of highway construction if
15 the facility was installed before July 1, 1960, regardless of whether
16 the facility is authorized by a permit at the time the change, relo-
17 cation, or removal of the facility is required;

18 ~~(2) by either the department as a cost of highway con-~~
19 ~~struction or by the utility, depending on the terms of the utility~~
20 ~~permit if the facility was installed or authorized under the authority~~
21 ~~of a utility permit issued after July 1, 1960;~~

22 ~~(3) by the utility if the facility was installed after July~~
23 ~~1, 1960, and there is no utility permit for the facility;~~

24 ~~(4) by the utility if the facility is not installed in the~~
25 ~~location provided for in the utility permit, regardless of whether the~~
26 ~~utility permit requires payment by the department [, NOTWITHSTANDING~~
27 ~~THE TERMS OR PROVISIONS OF ANY EXISTING PERMIT, AGREEMENT, REGULATION~~
28 ~~OR STATUTE TO THE CONTRARY].~~

29 * Sec. 2. This Act takes effect July 1, 1985.

HB 159

airports, public facilities, and highways; effective date), recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 159 (Transportation) (same title) and reports it back as follows: Cato (Chairman), Pignalberi, Furnace, Davis and Shultz recommend do pass; Marrou has no recommendation.

HB 159 was referred to the Finance Committee.

HB 160

The Transportation Committee has considered HOUSE BILL NO. 160 (relating to relocation of utilities incident to highway projects; effective date), recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 160 (Transportation):

"An Act relating to relocation of utilities; and providing for an effective date."

and reports it back as follows: Cato (Chairman), Pignalberi, Furnace, Davis and Shultz recommend do pass; Marrou has no recommendation.

HB 160 was referred to the Finance Committee.

HB 190

The Community & Regional Affairs Committee has considered HOUSE BILL NO. 190 (relating to senior citizen housing; effective date), recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 190 (Community & Regional Affairs) (same title), and reports it back as follows: Goll (Chairman) and Koponen recommend do pass; Gruenberg, Wallis, Phillips and Furnace have no recommendation. A fiscal note was attached.

HB 190 was referred to the Finance Committee.

The fiscal note appears in House Journal Supplement No. 46.

HB 237

The Judiciary Committee has considered HOUSE BILL NO. 237 (relating to pension reform; effective date) and reports it back as follows: M.M. Miller (Chairman), Sund, Gruenberg and Clocksin recommend do pass; Taylor, Pettyjohn and Phillips have no recommendation.

HB 237 was referred to the Finance Committee.

HB 243

The State Affairs Committee has considered HOUSE BILL NO. 243 (compensation of state officers and employees not covered by collective bargaining; effective date), attaches the following amendments:

Amendment No. 1 by Hurley and Boucher:

Page 1, after line 9, insert new bill sections to read:

"* Section 1. AS 24.15 is amended by adding a new section to read:

Sec. 24.15.011. LEGISLATIVE PER DIEM. (a) A member of the legislature is entitled to receive per diem at the same rate allowed for a state employee under AS 39.20.110 and 39.20.160, including regional variations in the rate where applicable.

(b) A legislator is entitled to receive per diem at the short-term rate

(1) during a legislative session if the legislator is not living in the legislator's place of permanent residence during the session; and

(2) while on committee business for an interim committee of the legislature in a place that is not the legislator's place of permanent residence.

(c) A legislator is entitled to receive per diem at the long-term rate

(1) during a legislative session if the legislator is living in the legislator's place of permanent residence during the session; and

(2) while engaged in committee business for an interim committee of the legislature at the legislator's place of permanent residence.

(d) In this section

(1) "long-term rate" means the long-term per diem rate for a state employee established in regulations adopted by the commissioner of administration under AS 39.20.160;

(2) "short-term rate" means the short-term per diem rate for a state employee established in regulations adopted by the commissioner of administration under AS 39.20.160.

* Sec. 2. AS 24.15.020 is amended to read:

Sec. 24.15.020. SALARY OF LEGISLATORS. The monthly salary for each member of the legislature



Alaska State Legislature

House of Representatives

Committee on
Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

MEMORANDUM

TO: Richard Knapp
Commissioner
Department of Transportation

FROM: Peter Goll
Chairman

A handwritten signature in cursive script, appearing to read "Peter Goll".

SUBJECT: HB160 AMENDMENTS

ON PAGE 1, DELETE From Beginning of Line 14 through "Department"
on Line 26.

ON PAGE 1, INSERT

(1) by the Department as a cost of highway construction, provided that the utility facility is properly installed in accordance with a permit, or in the absence of a permit, was installed prior to the effective date of this act in the proper location in accordance with department regulations;

(2) by the utility in all other cases.

Alaska State Legislature

House of Representatives

Committee on Transportation



Rep. Bette Cato, Chairman

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4858

*file
staff*

M E M O R A N D U M

Date: 13 March 1985

To: Randall Moen, Legislative Counsel
Legal Services

From: Rhonda Cargill, Professional Assistant *RC*
House Transportation Committee

Re: CSHB 160 (C&RA)

Please provide us with a work draft for a CSHB 160 (TRSP) with the following changes:

- " Change the title to read "An Act relating to relocation of utilities."
- ° Insert on page 1, line 14, section 1(c)(1) from the original bill and renumber accordingly. In other words, on line 14 insert:

(1) by the department as a cost of highway construction if the facility was installed before July 1, 1960, regardless of whether the facility is authorized by a permit at the time the change, relocation, or removal of the facility is required;

As you know, we meet at 7:00 a.m., so we would appreciate a work draft before the end of the day.

Thanks so much.

Attachment

Offered: 2/22/85
Referred: Transportation
and Finance

Original sponsor: Rules/Governor

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

1 IN THE HOUSE

2

CS FOR HOUSE BILL NO. 160 (C&RA)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to relocation of utilities." ^{incident}
7 ~~to highway projects, and providing for an effective~~
8 ~~date."~~

9

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

10

* Section 1. AS 19.25.020(c) is amended to read:

11

(c) The cost of change, relocation, or removal necessitated by

12

highway construction is a cost of highway construction to be paid [BY

13

THE STATE] in accordance with AS 19.45.001(4) as follows:

14

Insert Section 1 of HB 160 introduced 2-1-85 and renumber
2(1) by the department as a cost of highway construction,

15

provided that the utility facility is properly installed in accordance

16

with a permit, or in the absence of a permit, was installed before the

17

effective date of this paragraph in the proper location in accordance

18

with department regulations;

19

3(2) by the utility in all other cases [, NOTWITHSTANDING THE

20

TERMS OR PROVISIONS OF ANY EXISTING PERMIT, AGREEMENT, REGULATION OR

21

STATUTE TO THE CONTRARY].

22

* Sec. 2. This Act takes effect immediately in accordance with AS 01.-

23

10.070(c).

Insert on page 1, line 14:

(1) by the department as a cost of highway construction if the facility was installed before July 1, 1963, regardless of whether the facility is authorized by a permit at the time the change, relocation, or removal of the facility is required;

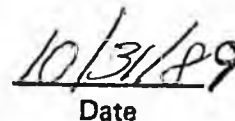


RECORDS CERTIFICATION



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

181

2 Files (142)

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: _____
 Title: Relocation to Ketchikan of
certain offices, functions and employees of AHS.
 Sponsor: Robin Taylor
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: DOT & PF
 Program Category Affected: _____
Marine Transportation
 BRU, Program or Subprogram(s) Affected: _____
Alaska Marine Highway System

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
OPERATING						
100 PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
200 TRAVEL	1,157.9	53.0	56.2	59.6	63.1	66.9
300 CONTRACTUAL	1,576.0	345.0	366.3	388.3	411.6	436.3
400 SUPPLIES	15.0	15.9	16.9	17.9	19.0	20.1
500 EQUIPMENT	10.0	10.6	11.2	11.9	12.5	13.4
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	2,758.9	425.1	425.1	477.7	506.3	536.7
CAPITAL						
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND	1508.9	425.1	450.6	477.7	506.3	536.7
FEDERAL FUNDS						
OTHER	1250.0					
TOTAL	2758.9	425.1	450.6	477.7	506.3	536.7

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

See Attached Analysis.

Prepared By: Joe D. Camp, Deputy Commissioner Phone: 465-3950
 Division: Alaska Marine Highway System Date: 3/25/85
 Approved by Commissioner: [Signature] Date: 3/25/85
 Agency: _____

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget

ANALYSIS

HB - "An Act relating to the relocation to Ketchikan of certain offices, functions and employees of the Alaska Marine Highway System."

In the FY 85 Budget Authorization, the four divisions of the Alaska Marine Highway System (AMHS) had 34 permanent full-time positions and 8 permanent part-time positions located at the headquarters building, 1591 Glacier Avenue, Juneau, and at the AMHS warehouse facility. In the FY 86 Budget Request there are 7 new full-time positions identified.

For the purposes of this analysis it is assumed the number of positions being relocated to Ketchikan is 0. Current employees were polled as to whether or not they would move to Ketchikan if this bill becomes law, resulting in approximately two thirds saying they would not move. Realistically, however, circumstances could change and some would reverse their position. Short of an actual move, the number of personnel requiring moving is speculative. In this analysis it is assumed that 50% of the present personnel would move and that AMHS would have to recruit the other 50% through regular State procedures.

The following assumptions were made:

A. The Cost of Moving Personnel

1. Employees moved had families, average size - four.
2. Employees moved had household goods to be moved, average three bedroom, 8,000 pounds. The average cost per move including straight transportation, cartons, packing, 30 days storage, warehouse handling, insurance and redelivery would be \$6,418.00, per employee.
3. As per collective bargaining agreements, employees would incur 15 days straight per diem at \$80.00 per day and dependents \$40.00. Each family - \$3,000.00. The expense related to relocation for employees would be \$470,900.00 one time costs.

B. The cost of recruitment and relocation of new employees would also average \$3,000.00 based on the same formula for per diem as employees choosing to move.

The State recruitment system requires new hires to be picked from registers of eligibles. This would result in about 66% of these employees would be hired

outside of Ketchikan. Moving expenses would average \$10,000.00 per employee.

The expense related to new employees would be \$147,000.000 per diem and \$490,000.00 in moving for one time costs of \$637,000.00.

- C. There is neither State-owned nor lease available space in Ketchikan of the size necessary to meet AMHS requirements. It is assumed a new Admin/warehouse building would be constructed on the present State-owned Ketchikan Maintenance Facility site.

The capital costs for these new buildings would be \$2,750,000.00. AMHS presently has a capital appropriation, Chapter 138/78 for \$1,500,000.00 to build a Juneau Admin/warehouse facility. If these funds were reappropriated to the Ketchikan facility, the additional capital costs would then be reduced to \$1,250,000.00.

AMHS now occupies State-owned facilities and all costs are budgeted in DOT&PF S.E. Region. It is assumed annual maintenance and utility costs not now an expense to AMHS would have to be budgeted for and that annual cost would be \$65,000.00.

- D. AMHS is tied to the State mainframe for computer services for the reservation syst and Administrative Support i.e., Accounting (SAS), payroll, personnel, etc. At Ketchikan there are not dedicated communication links of the speed and quality necessary to operate between Ketchikan and Juneau for computer services. It is assumed AMHS would have to contract for three micro communication links at an estimated monthly cost of \$12,000.00 and install and lease a long-line consolidator at a monthly cost of \$3,500.00.

The expense related to communication links would be \$186,000.00 annually over and above present costs.

- E. Moving office equipment, etc., from Juneau to Ketchikan would result in a one time cost of \$65,000.00.
- F. There would be ongoing contingent expenses that can be identified but not costed for lack of an experience base. Some are travel and per diem for the Deputy Commissioner for regular DOT&PF conferences and meetings with the Commissioner, and

legislative hearings; Directors and staff travel for business that by necessity can only be done in Juneau such as budgeting, planning, meetings with other Departments, etc; Increased costs for equipment and system repair and maintenance from sources not available in Ketchikan.

The expense related to these contingent items would approximate \$150,000.00 on an annual basis.

- G. Inflation factor is 6% per year.



Alaska State Legislature

February 8, 1985

Official Business

Pouch V
State Capitol
Juneau, Alaska 99811

Richard Knapp, Commissioner
Department of Transportation
Pouch Z
Juneau, Alaska 99811

Dear Commissioner Knapp:

I wanted to follow-up on our conversation yesterday concerning a fiscal note for my bill on relocating the headquarters of the Marine Highway System to Ketchikan. You informed me that the fiscal note would be completed and forthcoming within the next couple of days and I appreciate your promptness in this matter.

I would also like to get the cost estimates of transferring an existing warehouse proposed for Auke Bay to Ketchikan. Please note my letter to you on January 29, when I originally requested this information and summarized my conversation with Mr. Joe Camp. Mr. Camp was very accomodating and I'd like to compliment him on a job well done.

I would appreciate this information at your earliest convenience, Commissioner. If there are any other questions you may have regarding this matter, please don't hesitate to give me a call at 465-4905.

Sincerely,

A handwritten signature in cursive script that reads "Robin L. Taylor".

Robin L. Taylor
Representative



ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

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

February 1, 1985

MEMORANDUM

TO: Representative Robin Taylor
FROM: ^{ESL} Eric Laschever, Legislative Analyst
RE: Ferry Maintenance in Ketchikan
Research Request 85-146

Rena Bukovich of your staff asked if there are any State laws, regulations or Department of Transportation and Public Facilities (DOT/PF) policies which require DOT/PF to temporarily store their ferries in Ketchikan.

According to Joe Camp, Deputy Commissioner of the DOT/PF Marine Highway System there are no laws, regulations or policies which require DOT/PF to store their ferries in Ketchikan. Pier 48, in Seattle, is the only facility used regularly by the department for storing the ferries which serve Southeast Alaska. Storage is usually in conjunction with the vessels' annual maintenance. State regulations regarding competitive bidding currently apply to the department's maintenance contracts.

Mr. Camp noted that last year the Ketchikan delegation invited the State to dock two of the State ferries, which were returning from their scheduled maintenance in Seattle, at Ketchikan while the crew performed additional maintenance. The State moored three vessels at the Ketchikan City dock for a total of six to eight weeks.

Mr. Camp added that at least one member of the city assembly protested the mooring of the third vessel and the State eventually payed a moorage fee for this vessel. This cost would not have been incurred had the vessel remained in Seattle while the work was performed. Ketchikan officials did not repeat their invitation this year so DOT/PF did not schedule any maintenance time for Ketchikan. Department of Transportation and Public Facilities has completed most of its winter maintenance and it is not likely that any maintenance will occur this winter in Ketchikan.

The State is constructing a pier and dry dock facility in Ketchikan. The Governor's capital budget request includes \$8.5 million for completing this facility. According to Joe Camp, DOT/PF plans to use the completed portions of this facility in December and January for three

Representative Taylor
February 1, 1985
Page Two

or four vessels. The length of time which these vessels stay in Ketchikan will be determined to a large extent by their operating schedules. The department will store their vessels in Ketchikan instead of Seattle when the facility is completed. The department will apply for a waiver to the competitive bidding requirements so that a sole-source maintenance contract may be entered into with the Ketchikan facility.

Please let us know if we can be of further assistance.

EL

MEMORANDUM

State of Alaska Department of Transportation & Public Facilities

TO: R. J. Knapp
Commissioner

DATE: November 15, 1984

FILE NO: 140-3710 (35)

TELEPHONE NO: 465-3955

FROM: Joe D. Camp
Deputy Commissioner
Alaska Marine Highway System

SUBJECT: Task Force Recommendations

As you will recall, the Governor's Task Force made 139 recommendations for improvements in the Alaska Marine Highway. There were fourteen recommendations or 10% that we did not concur with. These ranged from removing Alaska Marine Highway System (AMHS) from DOT&PF to changing the location of "Lils Room" on the M/V MALASPINA. Seventy-two of the recommendations have been satisfactorily acted upon.

This memorandum will summarize some of the more visible or significant actions completed, group uncompleted recommendations by category and finally list some of the more significant uncompleted recommendations with the actions pending. They are presented generally in the order in which they appear in the report.

Completed or Ongoing

- ° Dining room service is available at the evening meal on M/V COLUMBIA.
- ° Year around senior citizen passes are available on all vessels except S. E. mainliners.
- ° Video games are in place on most vessels.
- ° Amtrack style sleeper lounges have been installed on M/V LeCONTE with installation on M/V AURORA, M/V BARTLETT and M/V COLUMBIA to follow during overhauls this season.
- ° Public transportation is now available between downtown Juneau and Auke Bay to meet all ferry arrivals and departures.
- ° Fresh Alaska seafood is now available on our vessels.
- ° Reballasting and inclining tests were completed on M/V TAKU on November 15, 1984.

- Steps have been taken to ensure cabin and vehicle space is available for Aleutian Chain passengers on M/V TUSTUMENA.
- M/V TUSTUMENA completed one cross-Gulf trip between Juneau and Seward in November with two trips scheduled about the first of the year.
- A P&P was promulgated, Administrative Code changes made, and a Terminal Tariff published which set forth provisions for private sector vessels' usage of AMHS docks and transfer bridges.
- A centralized reservation system in Juneau with toll-free WATTS lines and expanded hours will become operational in December.
- Budget documents were prepared for FY-86 providing for AMHS to utilize revenues as Program Receipts.
- Hollis terminal upgrade is in progress.
- Hoonah terminal upgrade is programmed for FY-86.
- Whittier terminal upgrade is programmed for FY-86.
- Preliminary negotiations are underway with the Port of Seattle that will lead to upgrading our Pier 48 facilities as well as establish other businesses on the pier.
- The new Metlakatla terminal is nearing the construction stage.
- As maintenance schedules permit, two vessels per week are scheduled out of Seattle during the shoulder and winter seasons.
- M/V MALASPINA cocktail lounge will be upgraded during the forthcoming overhaul period.
- M/V TUSTUMENA's public areas will be upgraded during the forthcoming overhaul period.
- Terminal and ticket office personnel are now in new uniforms.
- A professional negotiator with maritime experience heads our team in negotiations with maritime unions.

Groupings of Recommendations still Pending

- ° Master Plan - Sixteen recommendations referred in some way to development of a "Master Plan". This plan is under development and is scheduled for completion by the first of the year.
- ° Computer Support - Nine recommendations related to computer support throughout AMHS. The reservation computer system is under development and is scheduled for implementation in December 1985. FY-86 budget request has been submitted for other computer support.
- ° Union Negotiations - Eleven recommendations related to ongoing union negotiations.

Specific Pending Items

- ° The issue of programmed receipts has not been resolved.
- ° Full implementation of the marketing effort referred to in nine recommendations is in jeopardy because of FY-86 operating budget restraints.
- ° Duty free shops are on the back burner and will await decisions on terminal modifications in Prince Rupert and Ketchikan.
- ° Contracting for a catering consultant to evaluate our food service is on the back burner at this time.
- ° Terminal operating hours depends on FY-86 operating budget actions.
- ° Travel passes for all AMHS employees are on hold.
- ° Scheduling ship maintenance in days vice months (shortening the period out of service) is being attempted through budget actions.
- ° A decision on service to Hyder awaits completion of the Master Plan and probably procurement of high speed ferries.
- ° Negotiations are ongoing with Transport Canada on a new twenty year lease and improvements to the terminal building.
- ° Relocation of the Ketchikan Airport Ferry Terminal and expansion of the Ketchikan AMHS terminal is pending.

February 8, 1985

The Honorable Robin Taylor
Alaska State House of Representatives
Pouch V
Juneau, AK 99811

Dear Representative Taylor:

This is in reference to our discussion yesterday concerning your proposal to relocate the Alaska Marine Highway System (AMHS) to Ketchikan. Based on my review of your draft bill, the following are preliminary estimates of associated costs.

First, a new administrative/warehouse facility would need to be constructed in Ketchikan for approximately \$2.7 million. Maintenance costs, currently budgeted for under the DOT&PF Southeast Region, would be assumed by AMHS in Ketchikan for an estimated \$65,000 per year.

Next, the assumption was made that fifty percent, or about 100, of the AMHS employees would relocate to Ketchikan. Relocation costs, which include transportation of employees and their families, moving of household goods, and fifteen days straight per diem (as per collective bargaining agreements) would be a one time cost of about \$480,000.

The Marine Highway System is tied to the State mainframe for computer services for the reservation system and administrative support such as payroll and personnel. Because there are no dedicated communication links of the speed and quality necessary to operate between Ketchikan and Juneau for computer services, AMHS would need to contract for three micro communication links at an estimated cost of \$12,000. Additionally, an installation and lease of a long-line consolidator would be necessary at a cost of about \$3,500.

Finally, office equipment would have to be moved from Juneau to Ketchikan. We have estimated the one time cost at \$65,000.

As we discussed, I am providing only estimated costs associated with relocation of the AMHS to Ketchikan. We will be happy to provide you with a formal fiscal note upon introduction of the bill.

Representative Taylor

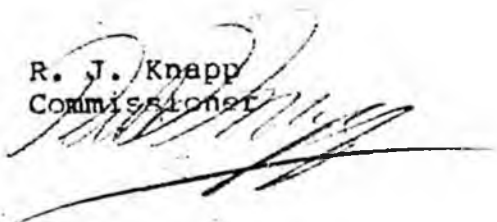
-2-

February 8, 1985

if you have further questions, please feel free to contact me.

Sincerely,

R. J. Knapp
Commissioner



Susan K. Fleischhauer/tde



Alaska State Legislature

January 29, 1985

Official Business

Pouch V
State Capitol
Juneau, Alaska 99811

Richard Knapp, Commissioner
Department of Transportation
Pouch Z
Juneau, Alaska 99811

Dear Commissioner Knapp:

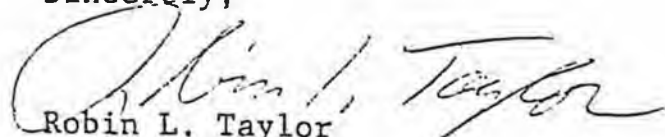
This morning I met with Mr. Jon Scribner and Mr. Joe Camp of your office to discuss matters pertaining to southeast Alaska and District 1. I'd like to compliment them both on a nice job of bringing me up-to-date and wanted to follow-up on a couple suggestions from Joe Camp.

First of all, I am requesting a fiscal note to be prepared for the enclosed copy of a draft bill. This bill would relocate the administrative offices of the Marine Highway System to Ketchikan I feel very strongly that it is important to locate the headquarters of the Marine Highway System near the site of operations, and that Ketchikan is the appropriate location. I understand that the general feeling of the Department is supportive of relocating certain functions of the Marine Highway System to Ketchikan and I am recommending that all administrative offices as well as existing and future warehousing be relocated. Your assistance in preparing a fiscal note will be appreciated.

Also, I discussed with Mr. Camp the possibility of transferring an existing warehouse proposed for Auke Bay to Ketchikan. Mr. Camp was very supportive of this suggestion and said the Department had pretty much decided that it didn't really make sense to have it in Juneau and that the design plans were being changed to build the warehouse in Ketchikan. He also felt that it might be cheaper to build in Ketchikan. I would like to get some cost estimates on what it would cost to build the proposed warehouse in Juneau vs. Ketchikan.

Again, I would like to compliment both Mr. Scribner and Mr. Camp on two very informative meetings. I'll look forward to working with your Department in the future.

Sincerely,


Robin L. Taylor
Representative

Enclosure

ALASKA MARINE HIGHWAY SYSTEM
1984 ACCOMPLISHMENTS

1. Management is making significant gains in providing more service at less cost and in gaining control in some areas where it has been lacking in the past.
 - A. For the first time ever there was a reduction in the actual amount of subsidy over the previous year.
(1983 \$30,232,383 - 1984 \$29,752,062) ~~480K~~
 - B. There were more vessel months of operation in 1984 than ever before, including 1.5 more than was programmed in the budget, yet the subsidy shrank and over \$1 million was lapsed.
 - C. Total costs per week of vessel operation was reduced 3.4% in 1984 over 1983 (1984 \$186,413 vs 1983 \$192,811)
 - D. Overhaul costs are coming down - abuses are being found and stopped - some "Seattle rice bowls" are being broken - some retirements are forthcoming, two Seattle based Masters, one Chief Engineer.
 - E. Long overdue decisions are being made.
 - Vessel radars upgraded ARPAs
 - COLUMBIA Bow Thruster is in Capital Budget
 - Mooring winches installed on vessels aft
 - Public showers installed on 235' vessels
 - AMTRACK style seats are being installed in a phased program
 - Alcohol Rehab for 1 one Master - 2 crew
 - Masters Selection Boards established
 - 100% compliance with Lifeboatman Certificate requirements on vessels
 - Eliminated unnecessary radio officers from TUSTUMENA - cost savings of \$150,000 annually.
 - F. Tightened Administrative Procedures
 - Financial report monthly - vice annual
 - Over 30 day accounts receivable have been reduced greatly
 - Reduced refund response time by 50%
 - Strengthened and now enforce controls over travel agencies in reporting sales and forwarding receipts
 - Travel agency bonding requirements now in line with industry standard
 - Realigned vessel personnel dispatch function
 - Terminal and ticket office personnel in uniform

- G. Ketchikan Vessel Repair Facility is on track and moving.
2. Established Centralized Reservation System in Juneau.
- A. Toll free phone lines - acceptance overwhelming
 - B. Extended hours 6:00 a.m. - 9:00 p.m. daily
 - C. Plan to better serve Alaskans next year
 - D. Credit Card Sales - mail tickets
 - E. Computer upgrade December 1985
 - F. Standby procedures updated and standardized
 - G. Manifest purging
3. We have acted promptly on the Task Force recommendations
- A. Report contained 139 recommendations
 - B. Did not concur with 10% (14)
 - C. Action was completed (or begun and now ongoing) on 61% by early fall (85)
 - D. Capital or Operating Budget action is required on 12% (16).
 - E. Eight percent (11) recommendations referred to Union contracts
 - F. Nine percent (13) recommendations relate to development of long range plans

CSSB 53(L&C)(title-am)

it back as follows: M.M. Miller (Chairman), Gruenberg, Taylor, Pettyjohn and Phillips recommend do pass; Clocksin has no recommendation.

CSSB 53(L&C)(title am) was referred to the Finance Committee.

SB 106

The Finance Committee has considered SENATE BILL NO. 106 (relating to Alaska bidder preference) and reports it back as follows: Cotten (Acting Chairman), Szymanski, Larson, Pourchot, Frank and Binkley recommend do pass; Uehling and Rieger have no recommendation.

SB 106 was referred to the Rules Committee for placement on the calendar.

CSSB 169(Jud)

The Judiciary Committee has considered COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 169 (Judiciary) (limiting the exemption of permanent fund dividends from orders for the collection of debt) and reports it back as follows: M.M. Miller (Chairman), Gruenberg, Taylor, Pettyjohn, Phillips and Clocksin recommend do pass.

CSSB 169(Jud) was referred to the Finance Committee.

HB 15

The Finance Committee has considered HOUSE BILL NO. 15 (requiring an advisory election before an annexation may be proposed to the legislature), recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 15 (Community & Regional Affairs) (page 881) and reports it back as follows: Szymanski, Rieger and Cotten recommend do pass; Adams (Chairman), Ringstad, Larson, Pourchot, Uehling, Frank and Binkley have no recommendation.

HB 15 was referred to the Rules Committee for placement on the calendar.

SsHB 181

The Finance Committee has considered SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 181 (relating to the relocation to Ketchikan

SSHB 181

of consumable warehousing functions of the Alaska marine highway system) and reports it back as follows: Cotten (Acting Chairman), Uehling and Larson recommend do pass; Szymanski, Rieger, Frank and Binkley have no recommendation; Pourchot signed "Do not pass without fiscal note clarification".

SSHB 181 was referred to the Rules Committee for placement on the calendar.

HB 238

The Finance Committee has considered HOUSE BILL NO. 238 (relating to credit for service in the state's retirement systems for certain leave without pay; effective date), recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 238 (Judiciary) (page 1182) and reports it back as follows: Cotten (Acting Chairman), Szymanski, Pourchot and Uehling recommend do pass; Larson, Rieger, Binkley and Frank have no recommendation. A new fiscal note was attached.

HB 238 was referred to the Rules Committee for placement on the calendar.

The new fiscal note appears in House Journal Supplement No. 68.

HB 247

The Judiciary Committee has considered HOUSE BILL NO. 247 (relating to games of chance and contests of skill; effective date), recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 247 (Judiciary):

"An Act relating to games of chance and contests of skill."

and reports it back as follows: M.M. Miller (Chairman), Gruenberg and Taylor recommend do pass; Phillips, Pettyjohn and Clocksin have no recommendation.

HB 247 was referred to the Finance Committee.

HB 373

The Finance Committee has considered HOUSE BILL NO. 373 (repealing the regulation of concert promoters) and reports it back as follows: Larson, Pourchot, Uehling and Frank recommend do pass; Cotten (Acting Chairman), Szymanski, Rieger and Binkley have no recommendation.

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU ALASKA 99811
907 464 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 17, 1985

SUBJECT: 1978 Transportation bond proceeds

TO: Representative Robin Taylor

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

You have asked whether the funds from item 25 of Chapter 138, Session Laws of Alaska 1978 may be used for construction of marine highway system facilities in Ketchikan.

This Act authorized submission of a general obligation bond issue to the voters and the voters approved the issue. The particular item is listed under the heading "Marine" and reads:

(25) Region III - Southeast 3,076,000

The proceeds of the bonds were appropriated to the 1978 Transportation Facilities Construction Fund.

This Act is unusual in that instead of listing each project, its location, and the dollars to be allocated to the project as required by AS 24.30.037 it provided:

To the extent feasible, the proceeds of these bonds shall be allocated, notwithstanding the provisions of AS 24.30.037, by the governor in accordance with the following statewide list of projects and estimates.

The item you referred to is part of the list.

The question of whether this approach is legally proper is not material here since it has not been challenged and under the doctrine of laches could not be now challenged. I have no way of determining whether money which has not been spent or obligated remains. I am aware this arose from a request

Representative Robin Taylor
April 17, 1985
Page 2

in the Capital budget process for Administration -
Warehouse building located in Juneau.

In my opinion if money remains available, the broad power to allocate the bond proceeds which the Act gives the Governor would allow the Governor to make the allocation you suggested. In the face of the general language used in the item as it appears in the act and the broad discretion granted the Governor the material used in the budget process would not control.

BGB:ojb
J14/004

BONDING PROPOSITION NO. 5

HIGHWAY, FERRY, AIRPORT, LOCAL SERVICE ROADS AND TRAILS CONSTRUCTION, CONSTRUCTING AND EQUIPPING MAINTENANCE FACILITIES, AND PLANNING VARIOUS TRANSPORTATION PROJECTS

(Chapter 128, Session Laws of Alaska 1978)

Providing for the issuance of general obligation bonds in the amount of \$88,450,000 for the purpose of paying the cost of highway, ferry, airport, and local service roads and trail construction, for constructing and equipping maintenance facilities, and for planning various transportation projects; and providing for an effective date.

BALLOT QUESTION:

Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than \$88,450,000 for the purpose of paying the cost of highway, ferry, airport, local service roads and trails construction, constructing and equipping maintenance facilities, and planning various transportation projects?

Bonds Yes
Bonds No

VOTE CAST BY MEMBERS OF 10TH STATE LEGISLATURE ON FINAL PASSAGE

Senate (20 members): Yeas 20 Nays 0 Absent or Not Voting 0
House (40 members): Yeas 35 Nays 1 Absent or Not Voting 4

SUMMARY OF PROPOSITION

This proposal, if approved, would provide for the issuance of general obligation bonds of the State in the amount of \$88,450,000 to provide funding for highway, ferry, airport and local service roads and trails construction, for constructing and equipping certain transportation maintenance facilities, and for planning transportation projects. The funds would be allocated as follows:

Project	Location	Amount
(1) Planning, project planning and research	Statewide	\$ 4,601,000
(2) Aviation Projects:		
(A) Region I	Central	2,370,000
(B) Region II	Interior	910,000
(C) Region III	Southeast	475,000
(D) Region IV	Western	1,110,000
(E) Region V	Southcentral	250,000
(F) Statewide		1,285,000
(G) Airport development	Ruby	1,500,000
(3) Highways Projects:		
(A) Region I	Central	10,227,000
(B) Fairview Loop Road	Wasilla	1,500,000
(C) Mountain View Drive, Phase II	Anchorage	1,200,000
(D) Sidewalks	Bethel	150,000
(E) Sidewalks	Homer	150,000
(F) Pedestrian crossing, 6th and Muldoon	Anchorage	200,000
(G) Upgrade and paving of Eagle River North Road	Anchorage	1,200,000
(H) Sealcoating municipal streets and state highways	Anchorage	9,625,000
(I) Upgrade Eagle River South Road	Anchorage	375,000
(J) Region II	Interior	6,119,400
(K) Region III	Southeast	2,055,200
(L) Sidewalks	Wrangell	150,000
(M) Region IV	Western	1,524,000
(N) Region V	Southcentral	3,595,200
(O) Selawik River bridge	Selawik	2,500,000
(P) Local service roads and trails	Statewide, including specific allocations for Districts 2 and 4	15,800,000
(Q) Safety programs	Statewide	3,400,300
(R) Special bridge replacement program	Statewide	1,631,500
(S) Abandoned motor vehicle program	Statewide	120,000
(4) Marine Projects:		
(A) Region III	Southeast	3,076,000
(B) Region V	Southcentral	24,000
(C) Statewide		1,103,000
(5) Maintenance Facilities:		
(A) Region I	Central	1,050,000
(B) Region II	Interior	1,459,700
(C) Region III	Southeast	1,574,800
(6) Facilities and equipment	Unorganized borough	5,000,000



LAWS OF ALASKA

1978

Source

FCCS HCS CSES 624

Chapter No.

138

State

AN ACT

Providing for the issuance of general obligation bonds in the amount of \$88,450,000 for the purpose of paying the cost of highway, ferry, airport, local service roads and trails construction, constructing and equipping maintenance facilities, and planning various transportation projects; and providing for an effective date.

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

* Section 1. For the purpose of paying the cost of highway, ferry, airport, local service roads and trails construction, constructing and equipping maintenance facilities, and planning various transportation projects, general obligation bonds of the state in the principal amount of not more than \$88,450,000 shall be issued and sold. The full faith, credit and resources of the state are pledged to the payment of the principal of and interest and redemption premium, if any, on these bonds. These bonds shall be issued under the provisions of AS 37.15 as those provisions read at the time of issuance.

* Sec. 2. (a) If the issuance of these bonds is authorized by the qualified voters of the state, a special fund of the state to be known as the "1978 Transportation Facilities Construction Fund" shall be established, to which shall be credited the proceeds of the sale of the bonds described in sec. 1 of this Act except for the accrued interest and premiums. The amount of \$88,450,000 is appropriated from the "1978 Transportation Facilities Construction Fund" to the Department of Transportation and Public Facilities. To the extent feasible, the proceeds of these bonds shall be allocated, notwithstanding the provisions of AS 24.30.037, by the governor in accordance with the following statewide list of projects and estimates, except that of the local service roads and trails allocation \$2,500,000 shall be allocated in accordance with AS 19.30.131(d) to allocation district 2 and \$2,500,000 to allocation district 4:

(1) Planning, Project planning and research - statewide \$ 4,601,800

Aviation

Chapter 138

(2)	Region I - Central	2,370,000
(3)	Region II - Interior	910,000
(4)	Region III - Southeast	475,000
(5)	Region IV - Western	1,110,000
(6)	Region V - Southcentral	250,000
(7)	Statewide	1,285,000
(8)	Airport development - Ruby	1,500,000

Highways

(9)	Region I - Central	10,227,000
(10)	Fairview Loop Road, Wasilla	1,500,000
(11)	Mountain View Drive - Phase II, Anchorage	1,200,000
(12)	Sidewalks, Bethel	150,000
(13)	Sidewalks, Homer	150,000
(14)	Pedestrian crossing, 6th and Muldoon, Anchorage	200,000
(15)	Upgrade/paving - Eagle River North Road	1,200,000
(16)	Sealcoating municipal streets and state highways - Anchorage	9,625,000
(17)	Upgrade Eagle River South Road	375,000
(18)	Region II - Interior	6,119,400
(19)	Region III - Southeast	2,565,200
(20)	Sidewalks, Wrangell	150,000
(21)	Region IV - Western	1,524,000
(22)	Region V - Southcentral	3,596,200
(23)	Selawik River bridge	2,500,000
(24)	Statewide	
	(A) Local service roads and trails	15,800,000
	(B) Safety programs	3,400,300
	(C) Special bridge replacement program	1,631,500
	(D) Abandoned motor vehicle program	120,000

Marine

(25)	Region III - Southeast	2,076,000
(26)	Region V - Southcentral	24,000
(27)	Statewide	1,100,000

Maintenance Facilities

(28)	Region I - Central	1,050,000
(29)	Region II - Interior	1,489,700
(30)	Region III - Southeast	1,574,500
(31)	Facilities and equipment in the Unorganized Borough	5,000,000

(b) Publication by the lieutenant governor of the allocations made in this section is sufficient to meet the requirements of AS 15.15.040.

* Sec. 3. If the issuance of these bonds is authorized by the qualified voters of the state, the amount of \$310,000 or as much of that amount as is found necessary is appropriated from the general fund of the state to the state bond committee to carry out the provisions of this Act and to pay expenses incident to the sale and issuance of the bonds authorized in this Act. The amounts expended from the appropriation authorized by this section shall be reimbursed to the general fund from the proceeds of the sale of the bonds authorized by this Act.

* Sec. 4. The amount withdrawn from the public facility

SAMPLE BALLOT

OFFICIAL BONDING PROPOSITION BALLOT

STATE OF ALASKA
NOVEMBER 7, 1978

Nº 059003

FOLD BALLOT TO THIS LINE

To Be Removed By Election Board

- Mark only with cross marks, "X" marks, checks or plus signs. Marks must be inside or touching square.
- Erasures and corrections shall invalidate only that part of the ballot in which they appear.
- A mark in the square opposite the word "YES" shall be recorded as a vote for the bond issue.
- A mark in the square opposite the work "NO" shall be recorded as a vote against the bond issue.
- If you spoil or mar your ballot, you may return it to the election judge and receive another ballot. Your spoiled ballot will be destroyed in your presence.

BONDING PROPOSITION NO. 1 (CH. 95 SLA 1978)

STATE GENERAL OBLIGATION EROSION AND FLOOD CONTROL, PORT FACILITIES DEVELOPMENT, AND SMALL BOAT LANDINGS AND HARBORS PROJECTS BONDS \$33,290,000

BONDS - YES

Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than \$33,290,000 for the purpose of paying the cost of erosion and flood control, port facilities development, and small boat landing and harbor projects?

BONDS - NO

BONDING PROPOSITION NO. 2 (CH. 96 SLA 1978)

STATE GENERAL OBLIGATION RECREATIONAL FACILITIES CONSTRUCTION BONDS \$5,850,000

BONDS - YES

Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than \$5,850,000 for the purpose of paying the cost of capital improvements to parks, waysides, trails, footpaths, and other recreational facilities?

BONDS - NO

BONDING PROPOSITION NO. 3 (CH. 122 SLA 1978)

STATE GENERAL OBLIGATION HEALTH FACILITIES AND SENIOR CITIZEN CENTERS AND PIONEERS' HOMES CONSTRUCTION BONDS \$25,000,000

BONDS - YES

Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than \$25,000,000 for the purpose of paying the cost of capital improvements for health facilities, senior citizen centers, and pioneers' homes?

BONDS - NO

BONDING PROPOSITION NO. 4 (CH. 137 SLA 1978)

STATE GENERAL OBLIGATION EDUCATIONAL FACILITIES CONSTRUCTION BONDS \$33,656,000

BONDS - YES

Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than \$33,656,000 for the purpose of paying the cost of capital improvements for the educational facilities for vocational education and the University of Alaska?

BONDS - NO

BONDING PROPOSITION NO. 5 (CH. 138 SLA 1978)

STATE GENERAL OBLIGATION HIGHWAY, FERRY, AIRPORT, LOCAL SERVICE ROADS AND TRAILS CONSTRUCTION, CONSTRUCTING AND EQUIPPING MAINTENANCE FACILITIES, AND PLANNING VARIOUS TRANSPORTATION PROJECTS BONDS \$28,450,000

BONDS - YES

Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than \$28,450,000 for the purpose of paying the cost of highway, ferry, airport, local service roads and trails construction, constructing and equipping maintenance facilities, and planning various transportation projects?

BONDS - NO

BONDING PROPOSITION NO. 6 (CH. 139 SLA 1978)

STATE GENERAL OBLIGATION CORRECTIONAL AND PUBLIC SAFETY FACILITIES CONSTRUCTION BONDS \$30,504,000

BONDS - YES

1

0

5

DATE:

To consolidate and locate administrative and vessel support personnel closer to vessel operations.

the project using the four headings below in the order they appear. Expand upon each section as required. Report heading when commodity response. Submit justification for project listed in first column of Form 27. Attach feasibility studies, reports, or other documentation available. Use Form 29 as continuation sheet.

I. DOCUMENTATION OF NEED (Cite quantitative and measurable need.)

III. DOCUMENTATION OF ESTIMATED CAPITAL COST (Discuss degree of reliability)

II. ANALYSIS OF IMPACT ON OPERATIONAL EXPENSE (Estimate and justify.)

IV. IDENTIFICATION OF ALTERNATIVES CONSIDERED (State why rejected.)

Documentation of Need:

All vessel supplies such as food, laundry, equipment, and mechanical supplies, etc. are warehoused at the Support Building in Juneau and administrative personnel are located in the Simpson Building in downtown Juneau. Separation of administrative and supply functions require many trips between offices to effect good coordination and supervision of the supply function. The Support Building is difficult to operate from and presents significant travel time to the Alsea Terminal. Much of the System's vessel resupply is performed at Auke Bay because of operational difficulties experienced at the downtown terminal due to traffic congestion.

Analysis of Impact on Operational Expense:

Consolidation and location of administrative and support personnel in close proximity to a ferry terminal will increase operation efficiency and reduce vessel supply operational expense.

Documentation of Estimated Capital Cost:

Cost estimates were developed by the Division of Marine Highway Systems. The estimates are believed to be reasonable.

Identification of Alternatives Considered:

None. Continue to operate vessel supply operations out of the Support Building and service vessels principally at Auke Bay. Manage the ferry system from offices located at a downtown location separated from supply and support operations. While this situation is workable, it is not considered the most cost effective and best managerial approach.

DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES

PROGRAM

MARINE - REGION III

PRIORITY NO.

Board 79-7

Administrative-Warehouse

STATE OF ALASKA
THE LEGISLATURE

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

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

May, 1988

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

Mary Van Nimwegen

HT 3-26-85 7am
HT 4-16-85 - 7am

Alaska State Legislature

House of Representatives

Committee on Transportation

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4858

Rep. Bette Cato, Chairman



MEMORANDUM

Date: 30 April 1985

To: House Finance Committee

From: Rhonda Cargill, Professional Assistant
House Transportation Committee

Re: SSHB 181 ("An Act relating to the relocation to Ketchikan of certain offices, functions and employees of the Alaska Marine Highway System.")

Enclosed is more back-up for SSHB 181. It contains:

- Legal Opinion from Billy Berrier;
- Bonding Proposition No. 5;
- Session Law, 1978, Chapter No. 138;
- Official Bonding Proposition Ballot (November 7, 1978);
- September 1977 estimate of Administration-Warehouse Building

If you have any questions or concerns, you may reach me at 465-4858.

W O R K D R A F T

M E M O R A N D U M

Date: 30 April 1985

To: House Finance Committee

From: Rhonda Cargill, Professional Assistant
House Transportation Committee

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If you have any questions or concerns, you may reach me at 465-4858.

HB 182

This bill applies to a wider range of abandoned intangible personal property than does the present AS 09.50.070, and provides for simple transfer of the custody of the personal property from the holder to the state, rather than transfer of the title. Savings accounts, deposits, drafts, money orders, traveler's checks, and safe deposit box contents are among the various property interests held by banking or financial organizations or by business associations which are covered by the bill (proposed AS 34.45.110, 34.45.140, 34.45.150, 34.45.160, 34.45.260). Also included is money owed by an insurance company, specifically including money owed under a life insurance policy or annuity agreement (proposed AS 34.45.170); deposits and refunds held by utilities (proposed AS 34.45.180); undistributed dividends, stock, and payments relating to a debt, held by a corporation (proposed AS 34.45.200); intangible personal property held by private fiduciaries (proposed AS 34.45.220), public officers, and state courts (proposed AS 34.45.230); and any unclaimed property of a dissolved corporation (proposed AS 34.45.210).

In general, any of these property interests that have been abandoned might be claimed by the state if it is established that the amount held and owed belongs to a person whose last known address was in this state, or if the holder of the property is domiciled in this state (proposed AS 34.45.120 and 34.45.140). Holders of these property interests would be subject to the reporting requirements of the bill, which are set out in proposed AS 34.45.280. Abandonment would generally be presumed to have occurred if the owner has not claimed the property or contacted the holder in any way concerning it for a period of five years (proposed AS 34.45.110), except that a 15-year period is established for travelers checks and a seven-year period is established for money orders (proposed AS 34.45.140). Also, special provisions are made for abandonment of stock certificates or similar ownership interests in a business association. Stocks may be presumed abandoned (proposed AS 34.45.200) only if at least seven dividends have been paid and unclaimed in a seven-year period; otherwise the period would continue to run until seven dividends have been paid and not claimed. Proposed AS 34.45.200 distinguishes between dividends themselves (or any other money) that may simply be transferred to the department after five years, and the underlying interest in a business association (usually shares) which represents an interest greater than money.

The period currently prescribed in AS 09.50.070 for presumption of abandonment is seven years for all property. The NCCUSL drafting committee recommends a five-year period for most property, with exceptions as discussed. Most other states now either employ a five-year period or are considering it.

Holdes of property would be required to file an annual report with the Department of Revenue (proposed AS 34.45.280) after first sending a notice to the last known address of

HB 180

HOUSE BILL NO. 180 by Clocksin and M.M. Miller entitled:

"An Act relating to the confidentiality of certain library records"

was read the first time and referred to the Judiciary Committee.

HB 181

HOUSE BILL NO. 181 by Taylor and Sund, entitled:

"An Act relating to the relocation to Ketchikan of certain offices, functions and employees of the Alaska marine highway system."

was read the first time and referred to the Transportation and Finance Committees.

HB 182

HOUSE BILL NO. 182 by the Pules Committee by request of the Governor, entitled:

"An Act relating to the disposition of unclaimed property; and providing for an effective date."

was read the first time and referred to the Judiciary and Finance Committees.

A zero fiscal note and a fiscal note were attached. The fiscal note appears in House Journal Supplement No. 15.

The Governor's transmittal letter dated February 8, 1985, appears below:

"Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the disposition of unclaimed real and personal property. A detailed analysis of the bill and its relationship to current statutes follows. In addition, the official commentary on the Uniform Unclaimed Property Act (1981), by the National Conference of Commissioners on Uniform State Laws (NCCUSL), should be consulted with regard to the portion of the bill that deals with unclaimed personal property.

The personal property portion of the bill is derived in large part from the Uniform Unclaimed Property Act (1981) which the NCCUSL has approved and recommended for enactment by all states. The 1981 Act is a revision of the NCCUSL's 1966 Uniform Disposition of Unclaimed Property Act.

HCR 20

The Finance Committee has considered HOUSE CONCURRENT RESOLUTION NO. 20 (relating to a report on maximizing local hire), recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE CONCURRENT RESOLUTION NO. 20 (Labor & Commerce) (page 850) and reports it back as follows: Szymanski, Duncan, Larson, Pourchot, Rieger, Frank, Binkley and Cotten recommend do pass; Ringstad (Vice-Chairman) and Uehling have no recommendation.

HCR 20 was referred to the Rules Committee for placement on the calendar.

HB 26

The State Affairs Committee has considered HOUSE BILL NO. 26 (relating to verification of residency of candidates for certain public offices) and reports it back as follows: Hurley (Chairman), M.M. Miller, Navarre, Jenkins, Catu and Boucher recommend do pass. A fiscal note and a letter of intent were attached.

HB 26 was referred to the Judiciary Committee.

The Speaker added a Finance Committee referral to follow the Judiciary Committee referral.

The fiscal note appears in House Journal Supplement No. 60.

The letter of intent, signed by the Chair, appears below:

LETTER OF INTENT
FOR
HOUSE BILL NO. 26

"It is the intent of the House State Affairs Committee, in passing HB 26, that the Division of Elections maintain its impartial status.

It is the further intent of the House State Affairs Committee that the Division of Elections restrict residency verification inquiries to inconsistencies between a candidate's sworn affidavit and any documents executed under oath submitted to the State and available for review by the Division of Elections."

HB 170

The Finance Committee has considered HOUSE BILL NO. 170 (relating to land surveys), recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 170 (Finance):

"An Act relating to land surveys; and providing for an effective date."

HB 170

and reports it back as follows: Ringstad (Vice-Chairman), Szymanski, Duncan, Pourchot, Uehling, Rieger, Frank, Cotten and Larson recommend do pass; Binkley has no recommendation.

HB 170 was referred to the Rules Committee for placement on the calendar.

SSHB 181

The Transportation Committee has considered SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 181 (relating to the relocation to Ketchikan of consumable warehousing functions of the Alaska marine highway system and reports it back as follows: Pignalberi recommends do pass; Davis (Vice-Chairman), Furnace and Marrou have no recommendation. A fiscal note was attached.

SSHB 181 was referred to the Finance Committee.

The fiscal note appears in House Journal Supplement No. 60.

HB 238

The Judiciary Committee has considered HOUSE BILL NO. 238 (relating to credit for service in the state's retirement systems for certain leave without pay; effective date), recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 238 (Judiciary):

"An Act relating to personal leave for pregnancy, childbirth and adoption; credit for service in the state's retirement systems for certain leave without pay; and providing for an effective date."

and reports it back as follows: M.M. Miller (Chairman), Gruenberg, Clocksin, Taylor and Sund recommend do pass; Phillips has no recommendation.

HB 238 was referred to the Finance Committee.

HB 292

The State Affairs Committee has considered HOUSE BILL NO. 292 (relating to credited service for noncertificated school employees who are members of the public employees' retirement system; effective date) and reports it back as follows: Cato recommends do pass; Collins recommends do not pass; Hurley (Chairman), M.M. Miller, Jenkins, Navarre and Boucher have no recommendation. A zero fiscal note with analysis was attached.

COMMITTEE REPORT
HOUSE

4/30

(7)

FURTHER: FINAUCS

3/29/85

Date: 16 April 85

The Committee on TRANSPORTATION has had SSHF 181

"An Act relating to the relocation to Ketchikan of consumable warehousing functions of the Alaska marine highway system."

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 ^{Sup 60}
- reports it back without recommendation Zero Fiscal Note Attached
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Charles D. ...

CHAIRMAN

HB 579

and reports it back as follows: Sund (Chairman) and Cotten recommend do pass; Fuller and Uehling have no recommendation. A zero fiscal note was attached.

HB 579 was referred to the Resources Committee.

INTRODUCTION OF CITATIONS

The following citations were received:

Honoring - Nils Braastad
by Representative Koponen

Honoring - Gastineau Humane Society -
New Animal Shelter Grand Opening
by Representatives Duncan and M.M. Miller
and Senator Ray

The citations were referred to the Rules Committee for placement on the calendar.

INTRODUCTION, FIRST READING AND REFERENCEOF HOUSE BILLS

2d SSHB 181 *file*

2d SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 181 by Taylor, Sund and Goll, entitled:

"An Act relating to the maintenance of vessels of the Alaska marine highway system."

was read the first time and referred to the Transportation and Finance Committees.

SSHE 532

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 532 by Cotten, Binkley, Collins, Pignalberi, Thompson and Frank, entitled:

"An Act relating to civil actions; amending Alaska Rules of Civil Procedure 11, 49, 52, 58, 68, and 82; and providing for an effective date."

was read the first time and referred to the Labor & Commerce and Judiciary Committees.

HCSSB 187(2d-Jud)

(relating to adoption; effective date) and HOUSE COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 187 (2d Judiciary) (same title) requests limited powers of free conference on the following specific point: Access to Adoption Information for adult adoptees. The letter was signed by Senate members, Rodey and Kelly and House members, Gruenberg, Szymanski and Pettyjohn.

The Speaker granted limited powers of free conference on the specific point mentioned above.

The Chief Clerk was instructed to so notify the Senate.

HB 411

The House Special Committee on Fisheries has considered HOUSE BILL NO. 411 (relating to the composition of the Board of Fisheries and the Board of Game); recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 411 (Fisheries) (same title) and reports it back as follows: Thompson and Jenkins recommend do pass; Navarre recommends do not pass; Goll (Chairman) and Marrou have no recommendation. A zero fiscal note was attached.

HB 411 was referred to the Resources Committee.

HB 519

The House Special Committee on State Loans has considered HOUSE BILL NO. 519 (relating to public finance; effective date), recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 519 (Loans) (same title) and reports it back as follows: Sund (Chairman), Cotten and Duncan recommend do pass; Uehling and Fuller have no recommendation.

HB 519 was referred to the Judiciary Committee.

HB 579

The House Special Committee on State Loans has considered HOUSE BILL NO. 579 (relating to financing of fish processors by the Commercial Fishing and Agriculture Bank), recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 579 (Loans):

"An Act relating to financing of fish processors and agricultural and timber processors and harvestors by the Commercial Fishing and Agriculture Bank."

Leg. Con

February 8, 1985

The Honorable Robin Taylor
Alaska State House of Representatives
Pouch V
Juneau, AK 99811

Dear Representative Taylor:

This is in reference to our discussion yesterday concerning your proposal to relocate the Alaska Marine Highway System (AMHS) to Ketchikan. Based on my review of your draft bill, the following are preliminary estimates of associated costs.

First, a new administrative/warehouse facility would need to be constructed in Ketchikan for approximately \$2.7 million. Maintenance costs, currently budgeted for under the DOT&PF Southeast Region, would be assumed by AMHS in Ketchikan for an estimated \$65,000 per year.

Next, the assumption was made that fifty percent, or about 100, of the AMHS employees would relocate to Ketchikan. Relocation costs, which include transportation of employees and their families, moving of household goods, and fifteen days straight per diem (as per collective bargaining agreements) would be a one time cost of about \$480,000.

The Marine Highway System is tied to the State mainframe for computer services for the reservation system and administrative support such as payroll and personnel. Because there are no dedicated communication links of the speed and capacity necessary to operate between Ketchikan and Juneau for computer services, AMHS would need to contract for three micro communication links at an estimated cost of \$12,000. Additionally, an installation and lease of a long-line consolidator would be necessary at a cost of about \$3,500.

Finally, office equipment would have to be moved from Juneau to Ketchikan. We have estimated the one time cost at \$65,000.

As we discussed, I am providing only estimated costs associated with relocation of the AMHS to Ketchikan. We will be happy to provide you with a formal fiscal note upon introduction of the bill.

Representative Taylor

-2-

February 8, 1985

If you have further questions, please feel free to contact me.

Sincerely,

R. J. Knapp
Commissioner

Susan K. Fleischhauer/fdc

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : CS For 2d Sponsor Sub.
Title : "...maintenance of vessels of
the Alaska Marine Highway System."

Sponsor : Taylor, Sund and Goll
Requestor : _____
Date of Request : _____

FISCAL DETAIL

Agency Affected : DOT&PF - AMHS
BRU : Marine Operations

Components : 1) SE Vessels Operations
and Overhaul 2) SW Vessels Operations
and Overhaul.

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
CONTRACTUAL	-0-	-0-	-0-	-0-	-0-	-0-
SUPPLIES	-0-	-0-	-0-	-0-	-0-	-0-
EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
GRANTS, CLAIMS	-0-	-0-	-0-	-0-	-0-	-0-
MISCELLANEOUS	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE						
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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						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

See attached.

Prepared by : Joe D. Camp, Deputy Commissioner Phone : 465-3950
Division : Alaska Marine Highway System Date : 3/18/86

Approved by Commissioner : [Signature] Date : 3/18/86
Agency : DOT/PF

Distribution (by Agency preparing fiscal note) :

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

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. CS For 2d Sponsor Substitute for HB 181

There are eventualities relating to the maintenance of vessels of the Alaska Marine Highway System within the State of Alaska that could be positive or negative in impact. At this point in time it is not possible to assess the fiscal impact of the presently written bill.

There is the possibility that the higher costs of doing business in an "Alaskan Shipyard" could be somewhat offset by the savings generated from an interport differential or cost of delivery of a vessel to and from Alaska. On the other side, it would be less desirable for crewmembers to live outside Alaska and more would likely move back resulting in higher COLA payments.

The fiscal impact will remain unknown until some experience is generated in vessel repairs in Alaska.

WORK DRAFT

WORK DRAFT

WORK DRAFT

Hein
3/17/86

Original sponsors: Taylor, Sund
and Goll

1 IN THE HOUSE BY THE TRANSPORTATION COMMITTEE
2 CS FOR 2d SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 181 (Transportation)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the maintenance of vessels of the
7 Alaska marine highway system."

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

9 * Section 1. AS 19.65 is amended by adding a new section to read:

10 Sec. 19.65.030. MAINTENANCE OF ALASKA MARINE HIGHWAY SYSTEM
11 VESSELS. A vessel of the Alaska marine highway system may not be
12 transported outside of the state for the purpose of maintenance unless
13 the commissioner of transportation and public facilities determines
14 that there is no facility in the state able and available to perform
15 the maintenance at competitive prices.
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APR 09 1986

PUBLIC OPINION MESSAGE

TO: REPRESENTATIVE BETTE CATO

FROM: IDA LUTON
130 LEIBROCK
SOLDOTNA
262-1597

99669

BILL NO: HB 181

SUBJECT: REQUIRING FERRY MAINTENANCE TO BE IN STATE

MESSAGE:

DO NOT SUPPORT AS 37.05230 AMENDED TO HB 181. WE WANT TO
REPAIR OUR OWN SHIPS.

*O
file*

DATE: 04/08/86 TIME: 09:46:42 SENT BY: SOLDOTNA LIO

COPIES TO: HOUSE MEMBERS
SENATE MEMBERS