

ALASKA LEGISLATURE COMMITTEE FILES 1985-1986 86/2

4195 SLAB SB 404 - SB 429

1025

CHAPTER = 21.36
SECTION = 21.36.220
TITLE = 21
HEADINGS TITLE 21.
Insurance.
CHAPTER 36.
Trade Practices and Frauds.
CITATION Sec. 21.36.220.
CATCH LINE

NOTICE OF CANCELLATION.
TEXT An insurer may not exercise its right to cancel a policy unless a written notice of cancellation is mailed or delivered to the named insured, at the address shown in the policy, at least 20 days before the effective date of cancellation, except that when cancellation is for nonpayment of premium the notice shall be mailed or delivered to the named insured at the address shown in the policy at least 10 days before the effective date of cancellation and shall include or be accompanied by a statement of the reason for the cancellation. This section does not apply to the failure to renew a policy, except as to coverage in force for less than 12 months.
HISTORY (Sec. 1 ch 28 SLA 1970)

END OF DOCUMENT

CHAPTER = 21.36
SECTION = 21.36.230
TITLE = 21
HEADINGS TITLE 21.
Insurance.
CHAPTER 36.
Trade Practices and Frauds.
CITATION Sec. 21.36.230.
CATCH LINE

STATEMENT OF REASONS.
TEXT A notice of cancellation issued under AS 21.36.210(a)(2) or (f) shall either state the reasons for the cancellation, or contain a statement that upon the written request of the named insured, mailed or delivered to the insurer at least 10 days before the effective date of cancellation, the insurer will specify in writing the reason for the cancellation. If the reason for cancellation is not included in the notice of cancellation, the insurer shall upon written request of the named insured specify in writing the reason for cancellation. The insurer shall mail or deliver this explanation to the named insured within 10 days after receipt of a written request. Failure to specify the reason following a request constitutes a violation of this title, but does not invalidate the cancellation.
HISTORY (Sec. 1 ch 28 SLA 1970; am sec. 4 ch 13 SLA 1972)

END OF DOCUMENT

CHAPTER = 21.36
SECTION = 21.36.240
TITLE = 21
HEADINGS TITLE 21.
Insurance.
CHAPTER 36.
Trade Practices and Frauds.
CITATION Sec. 21.36.240.
CATCH LINE

TEXT FAILURE TO RENEW.
An insurer may not fail to renew a policy in force for less than 12 months. An insurer may not fail to renew a policy in force for 12 months or more unless a written notice of nonrenewal is mailed or delivered to the named insured, at the address shown in the policy, at least 20 days before the expiration date of the policy, or of the anniversary date of a policy written for a term longer than one year or with no fixed expiration date. This section does not apply
(1) if the insurer has in good faith manifested in any way its willingness to renew;
(2) in case of nonpayment of premium for the expiring policy; or
(3) if the insured fails to pay the premium as required by the insurer for renewal.
HISTORY (Sec. 1 ch 28 SLA 1970)

END OF DOCUMENT

CHAPTER = 21.36
SECTION = 21.36.250
TITLE = 21
HEADINGS TITLE 21.
Insurance.
CHAPTER 36.
Trade Practices and Frauds.
CITATION Sec. 21.36.250.
CATCH LINE

TEXT NOTICE OF ELIGIBILITY.
When a policy of automobile liability insurance is cancelled, other than for nonpayment of premium, or for failure to renew a policy of automobile liability insurance to which AS 21.36.240 applies, the insurer shall notify the named insured of possible eligibility for automobile insurance through the automobile assigned risk plan, or automobile insurance plan. The notification shall accompany or be included in the notice of cancellation or nonrenewal required by AS 21.36.230 and 21.36.240.
HISTORY (Sec. 1 ch 28 SLA 1970)

END OF DOCUMENT

CHAPTER = 21.36
SECTION = 21.36.260
TITLE = 21
HEADINGS TITLE 21.
Insurance.
CHAPTER 36.
Trade Practices and Frauds.
CITATION Sec. 21.36.260.
CATCH LINE
PROOF OF MAILING.
TEXT Proof of mailing of notice of cancellation, or of nonrenewal or
of reasons for cancellation, to the named insured at the address
shown in the policy, is sufficient proof of notice.
HISTORY (Sec. 1 ch 28 SLA 1970)

END OF DOCUMENT

CHAPTER = 21.36
SECTION = 21.36.270
TITLE = 21
HEADINGS TITLE 21.
Insurance.
CHAPTER 36.
Trade Practices and Frauds.
CITATION Sec. 21.36.270.
CATCH LINE
EFFECT OF FAILURE TO COMPLY.
TEXT Notwithstanding the failure of an insurer to comply with AS
21.36.210 - 21.36.310, termination of coverage under the policy
either by cancellation or nonrenewal is effective on the
effective date of any other policy providing similar coverage on
the same risk or motor vehicle or a replacement of it.
HISTORY (Sec. 1 ch 28 SLA 1970; am sec. 2 ch 13 SLA 1972)

END OF DOCUMENT

CHAPTER = 21.36
SECTION = 21.36.280
TITLE = 21
HEADINGS TITLE 21.
Insurance.
CHAPTER 36.
Trade Practices and Frauds.
CITATION Sec. 21.36.280.
CATCH LINE
IMMUNITY OF INSURER, DIRECTOR AND INFORMER.
TEXT There is no liability on the part of, and a cause of action of
any nature may not arise against, the director of insurance or
against an insurer, its authorized representatives, agents, or
employees, or a person furnishing to the insurer information as
to reasons for cancellation, for any statement made by any of
them in a written notice of cancellation, or in any other
communication, oral or written, specifying the reasons for
cancellation, or the providing of information pertaining to a

cancellation or for statements made or evidence submitted at a hearing conducted in connection with a cancellation. However, this immunity from liability does not apply when the information furnished or statement made is untrue and the person furnishing the information or making the statement knew of the lack of truth or was grossly negligent in ascertaining the truth.

HISTORY (Sec. 1 ch 28 SLA 1970)

END OF DOCUMENT

CHAPTER = 21.36
SECTION = 21.36.290
TITLE = 21
HEADINGS TITLE 21.
Insurance.
CHAPTER 36.
Trade Practices and Frauds.

CITATION Sec. 21.36.290.

CATCH LINE

POLICY PERIOD.

TEXT A policy with a policy period or term of less than 12 months shall, for the purposes of AS 21.36.210 21.36.310 be considered to be written for a policy period or term of 12 months except in case of cancellation under any of the circumstances specified in AS 21.36.210, and a policy written for a term longer than one year or a policy with no fixed expiration date shall be considered to be written for successive policy periods or terms of one year and termination by an insurer effective on an anniversary date of the policy shall be considered a failure to renew.

HISTORY (Sec. 1 ch 28 SLA 1970)

END OF DOCUMENT

CHAPTER = 21.36
SECTION = 21.36.300
TITLE = 21
HEADINGS TITLE 21.
Insurance.
CHAPTER 36.
Trade Practices and Frauds.

CITATION Sec. 21.36.300.

CATCH LINE

APPLICABILITY OF AS 21.36.210 - 21.36.310.

TEXT AS 21.36.210 - 21.36.310 do not apply to any
(1) policy that has been in effect less than 60 days at the time notice of cancellation is mailed or delivered by the insurer unless it is a renewal policy;
(2) policy issued under an automobile assigned risk plan or automobile insurance plan;
(3) policy insuring more than four motor vehicles;
(4) policy covering the operation of a garage,

automobile sales agency, repair shop, service station or public parking place;

(5) policy providing insurance only on an excess basis; or

(6) other contract providing insurance to the named insured even though the contract may incidentally provide insurance with respect to motor vehicles.

HISTORY (Sec. 1 ch 28 SLA 1970)

END OF DOCUMENT

CHAPTER = 21.36
SECTION = 21.36.310
TITLE = 21

HEADINGS TITLE 21.
Insurance.
CHAPTER 36.
Trade Practices and Frauds.

CITATION Sec. 21.36.310.

CATCH LINE

DEFINITIONS.

TEXT In AS 21.36.210 - 21.36.310

(1) "nonpayment of premium" means failure of the named insured to discharge when due any obligations of the named insured in connection with the payment of premium on a policy, or any installment of the premium, whether the premium is payable directly to the insurer or its agent or indirectly under any premium finance plan or extension of credit;

(2) "policy" means an insurance policy covering the risks and exposures listed in AS 21.36.210(e) or an automobile policy that includes automobile liability coverage, uninsured motorist coverage, automobile medical payments coverage, or automobile physical damage coverage, delivered or issued for delivery in this state, insuring as the named insured, one individual or husband and wife resident of the same household, and under which the insured vehicles are of the following types only:

(A) a motor vehicle of the private passenger or station wagon type that is not used as a public or livery conveyance, nor rented to others; or

(B) any other four-wheel motor vehicle with a load capacity of 1,500 pounds or less that is not used in the occupation, profession or business of the insured, nor used as a public or livery conveyance nor rented to others;

(3) "renewal" or "renew" means

(A) the issuance and delivery by an insurer of a policy replacing at the end of the policy period a policy previously issued and delivered by the same insurer,

(B) the issuance and delivery of a certificate or notice extending the term of a policy beyond its policy

period or term, or

(C) the extension of the term of a policy beyond its policy period or term under a provision for extending the policy by payment of a continuation premium.

HISTORY (Sec. 1 ch 28 SLA 1970; am sec. 3 ch 13 SLA 1972)

END OF DOCUMENT

CHAPTER = 21.80
SECTION = 21.80.020
TITLE = 21
HEADINGS TITLE 21.

Insurance.
CHAPTER 80.
Alaska Insurance Guaranty Association Act.

CITATION Sec. 21.80.020.

CATCH LINE

APPLICABILITY.

TEXT This chapter applies to all kinds of direct insurance, except life, title, surety, disability, credit, mortgage guaranty, and ocean marine insurance.

HISTORY (Sec. 1 ch 121 SLA 1970)

RO601 * END OF DOCUMENTS IN LIST - ENTER RETURN OR ANOTHER COMMAND.

CHAPTER = 21.80
SECTION = 21.80.180
TITLE = 21
HEADINGS TITLE 21.

Insurance.
CHAPTER 80.
Alaska Insurance Guaranty Association Act.

CITATION Sec. 21.80.180.

CATCH LINE

DEFINITIONS.

TEXT In this chapter, unless the context requires otherwise,
(1) "account" means any one of the three accounts created by AS 21.80.040;
(2) "association" means the Alaska Insurance Guaranty Association;
(3) Repealed, sec. 20 ch 21 SLA 1985.
(4) "covered claim" means an unpaid claim, including one of unearned premiums, which arises out of and is within the coverage and not in excess of the applicable limits of an insurance policy to which this chapter applies issued by an insurer, if the insurer becomes an insolvent insurer after August 6, 1970, and (A) the claimant or insured is a resident of this state at the time of the insured event; or
(B) the property from which the claim arises is permanently located in this state; "covered claim" does not include any amount due a reinsurer, insurer,

insurance pool, or underwriting association, as subrogation recoveries or otherwise;

(5) "insolvent insurer" means an insurer

(A) authorized to transact insurance in this state, except an assessable reciprocal insurer formed by and insuring only municipalities or nonprofit public utilities, the Medical Indemnity Corporation of Alaska, and the Health Care Providers Joint Underwriting Association established under AS 21.88, either at the time the policy was issued or when the insured event occurred, and

(B) determined to be insolvent by a court of competent jurisdiction;

(6) "member insurer" means a person, except an assessable reciprocal insurer formed by and insuring only municipalities or nonprofit public utilities, the Medical Indemnity Corporation of Alaska, and the Health Care Providers Joint Underwriting Association established under AS 21.88, who

(A) writes any kind of insurance to which this chapter applies under AS 21.80.020 including the exchange of reciprocal or interinsurance contracts, and

(B) is licensed to transact insurance in this state;

(7) "net direct written premiums" means direct gross premiums written in this state on insurance policies to which this chapter applies, less return premiums thereon and dividends paid or credited to policyholders on direct business; "net direct written premiums" does not include premiums on contracts between insurers or reinsurers.

HISTORY (Sec. 1 ch 121 SLA 1970; am secs. 43, 44 ch 102 SLA 1976; am secs. 5, 6 ch 104 SLA 1983; am sec. 20 ch 21 SLA 1985)

R0601 * END OF DOCUMENTS IN LIST - ENTER RETURN OR ANOTHER COMMAND.



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James O. Smith
Signature of Camera Operator

11/24/89
Date

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**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 426
 Title: An Act exempting certain
telephone and electrical
utilities from AUC regulation
 Sponsor: Coghill
 Requester: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Commerce and Economic Dev.
 BRU: APUC
 Components: _____

EXPENDITURES / REVENUES : (Thousands of Dollars)

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

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of dollars)

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

POSITIONS:

FULLTIME	-0-	-0-	-0-	-0-	-0-	-0-
PARTTIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

Prepared by: Carolyn Guess
 Division: Commissioner Alaska Public Utilities, Comm.
 Approved by Commissioner: *Anna H. Armstrong*
 Agency: Commerce and Economic Development

Phone: 276-6222
 Date: April 8, 1986
 Date: April 8, 1986

Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor
 Requestor

Introduced: 3/18/86
Referred: Labor and Commerce

1 IN THE SENATE

BY COGHILL

2 SPONSOR SUBSTITUTE FOR SENATE BILL NO. 426

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act exempting certain telephone and electric
7 utilities from regulation by the Alaska Public Utilities
8 Commission."

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

10 * Section 1. AS 42.05.711(e) is amended to read:

11 (e) Notwithstanding any other provisions of this chapter, an
12 [ANY] electric or telephone utility that does not gross \$50,000
13 annually or that has fewer than 250 subscribers is exempt from regu-
14 lation under this chapter unless 25 percent of the subscribers peti-
15 tion the commission for regulation. The commission may not combine
16 the revenue or subscribers of different utilities owned by the same
17 company when determining whether a utility is exempt under this sub-
18 section.

*83
8/11/83
80
John G. Brown*

Introduced: 2/14/86
Referred: Labor and Commerce

1 IN THE SENATE

BY COGHILL

2

SENATE BILL NO. 426

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act exempting certain telephone and electric
7 utilities from regulation by the Alaska Public Utili-
8 ties Commission."

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

10 * Section 1. AS 42.05.711(e) is amended to read:

11 (e) Notwithstanding any other provisions of this chapter, an
12 [ANY] electric or telephone utility that does not gross \$50,000
13 annually or that has fewer than 750 subscribers is exempt from regu-
14 lation under this chapter unless 25 percent of the subscribers peti-
15 tion the commission for regulation.

CHAIRMAN'S INFORMATION: SSB 426

- 1) BILL TITLE: "An act exempting certain telephone and electric utilities from regulation by the Alaska Public Utilities Commission."
 - a) Introduced: Sen Coghill
 - b) Co-sponsors:
- 2) INTENT: This measure expands the economic deregulation provisions for utilities with fewer than 250 subscribers. It also precludes the APUC from "combining" the revenue or subscriber numbers of different utilities owned by the same company when determining this exemption.

FISCAL NOTE: 0 (There is a consideration that economic deregulation could result in a diminished workload for the APUC, thus reducing their budgetary requirements.)

- 3) ADDITIONAL REFERRALS: Rules
- 4) PUBLIC HEARINGS:
 - a) Sponsor:
 - b) Public Witnesses:
- 5) BILL ACTION:
 - a) Hold in committee?
 - b) Assign to sub committee for further review?
 - c) Move from committee?
 - d) Close public hearings?
- 6) COMMITTEE ACTION?
 - a) amendments?
 - b) CS adoption?

SB 426 "An Act exempting certain telephone and electrical utilities from APUC regulation."

The Commission is opposed to this bill. The Commission agrees that AS 42.05.711 should be amended to provide a uniform and consistent opportunity for economic exemption regardless of the type of utility service offered to the public. However, the Commission disagrees that customer number is an acceptable criterion for exemption. One of the reasons it has been proposed to alter the statute is to the assumption that the financial well-being of small utilities necessitates economic deregulation. The Commission proposes that the limit should be reflective of revenue levels, not customer levels.

The history of Commission proceedings reflects that some of the utilities with the fewest customers are those with the most problems and whose customers have most benefited from the oversight and assistance of the Commission. If this Act were passed, the Legislature would need to assure itself that, absent the Commission authority, there is an agency with sufficient authority to address health and safety problems arising from a utilities operation.

Further, the Commission observes that this bill would legislatively deregulate some small utilities whose customers, under a deregulation election, have mandated that their utilities not be exempt from Commission regulation.

The Commission also wishes to point out concerns regarding exemption of telephone utilities. Given the sweeping changes taking place in the telecommunications industry as mandated by the Federal Communications Commission, the technical interconnection between all telephone systems and the fact that some local exchange telephone costs are shared by all Alaskan telephone consumers, the Commission raises the question of whether for purposes of an overall statewide telecommunications policy, it would be appropriate for the Legislature to consider excluding telephone utilities in the majority of the state's communities from regulation.

Loren H. Lounsbury

Loren H. Lounsbury, Commissioner
Department of Commerce & Economic
Development

Date: _____

SB 426, page 2.

None of the utilities owners we spoke to objected to retaining the statutes dealing with safety and maintenance of their facilities. I certainly do not object to the retention of these statutes either..

The utility owners' intent is to sell their services based on normal business considerations and not on hikes predicated on an inflated rate caused by regulation.

I want the economic regulation issue to be controlled on the local level. Under SB 426, a petition signed by 25% of the subscribers will commence regulation. Only 63 subscribers, maximum, need object to the deregulated operation.

I do not believe we need this kind of protectionism when it is costing the people it is attempting to protect.

Nationally, other states have deregulated or substantially eased the regulatory burden of small utilities. Illinois, Iowa, Minnesota and Nebraska have done so. Presently the legislatures in Utah and Virginia are considering the issue.

With state revenues as they are, it makes sense to fashion ways in which we can cut down administrative costs and attempt to lower costs to the consumer related to those administrative costs.



Official Business

Alaska State Legislature

Senate

Committee on Labor & Commerce

Pouch V
State Capitol
Juneau, Alaska 99811

SSSB 426: Summary

This measure expands one of the economic deregulation sections of the APUC statutes, (42.05.711(e)), to include electric or telephone utilities with less than 250 subscribers.

Additionally, the APUC would not be permitted to combine the revenue or subscribers of different utilities, owned by the same company, to circumvent this economic deregulation proposal.

The measure also retains the provision for utility subscribers to petition the APUC (vote of 25% of subscribers) for economic regulation.



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James A. Smith
Signature of Camera Operator

11/24/89
Date

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AS24.20.445 DOCUMENT

CHAPTER = 24.20

SECTION = 24.20.445

TITLE = 24

HEADINGS TITLE 24.

Legislature.

CHAPTER 20.

Agencies of the Legislature.

ARTICLE 3.

Administrative Regulation Review Committee.

CITATION Sec. 24.20.445.

CATCH LINE

POWER OF SUSPENSION.

TEXT

(a) When the legislature is not in session, the Administrative Regulation Review Committee may by an affirmative vote of not less than two-thirds of the members of the committee suspend the effectiveness of the adoption of or amendment to a regulation adopted after adjournment of the previous regular session of the legislature, until 30 days after the legislature reconvenes.

(b) The effectiveness of an adoption or amendment of a regulation is suspended on the date a resolution of the Administrative Regulation Review Committee resolving that the regulation be suspended is filed with the lieutenant governor. If an adoption of or amendment to a regulation is not effective on the date a resolution is filed with the lieutenant governor, the effectiveness of the adoption or amendment which is the subject of the committee's resolution is suspended from the date the adoption or amendment would otherwise become effective under AS 44.62.180.

(c) Action under (a) of this section may not be undertaken unless all interested parties are afforded an opportunity to be heard at a hearing held upon 15 days' notice to those parties.

(d) The provisions of this section do not apply to emergency regulations.

HISTORY (Secs. 1, 2 ch 3 SLA 1978; am sec. 2 ch 1 SLA 1982)

R0601 * END OF DOCUMENTS IN LIST - ENTER RETURN OR ANOTHER COMMAND.

AS24.20.460 DOCUMENT

CHAPTER = 24.20

SECTION = 24.20.460

TITLE = 24

HEADINGS TITLE 24.

Legislature.

CHAPTER 20.

Agencies of the Legislature.

ARTICLE 3.

Administrative Regulation Review Committee.

CITATION Sec. 24.20.460.

CATCH LINE

POWERS.

TEXT The Administrative Regulation Review Committee has the following powers:

(1) to organize and adopt rules for the conduct of its business;

(2) to hold public hearings;

(3) to require all state officials and agencies of state government to give full cooperation to the committee or its staff in assembling and furnishing requested information;

(4) to examine all administrative regulations to determine if they properly implement legislative intent;

(5) to make recommendations for legislative annulment of administrative regulations under AS 44.62.320;

(6) to prepare and distribute reports, memoranda, or other materials;

(7) to promote needed revision or repeal of regulations that have been adopted by state departments and agencies and, when the committee determines a regulation should be repealed or amended, to introduce a bill that would enact a statute that would supersede or nullify the regulation;

(8) to investigate findings that are transmitted to the committee by a standing committee in accordance with AS 24.05.182 and, as appropriate, to either introduce a bill annulling the regulation or exercise the committee's power to suspend the effectiveness of the regulation in accordance with AS 24.20.445.

HISTORY (Sec. 1 ch 27 SLA 1975; am sec. 3 ch 1 SLA 1982)

R0601 * END OF DOCUMENTS IN LIST - ENTER RETURN OR ANOTHER COMMAND.

AS44.62.180 DOCUMENT

CHAPTER = 44.62

SECTION = 44.62.180

TITLE = 44

HEADINGS TITLE 44.

State Government.

CHAPTER 62.

Administrative Procedure Act.

ARTICLE 4.

Procedure for Adopting Regulations.

CITATION Sec. 44.62.180.

CATCH LINE

EFFECTIVE DATE.

TEXT A regulation or an order of repeal filed by the lieutenant governor becomes effective on the 30th day after the date of filing unless

(1) otherwise specifically provided by the statute under which the regulation or order of repeal is adopted, in which event it becomes effective on the day prescribed by the statute;

(2) it is a regulation prescribing the organization or procedure of an agency, in which event it becomes effective upon filing by the lieutenant governor or upon a later date specified by the state agency in a written instrument submitted with, or as part of, the regulation or order of repeal;

(3) it is an emergency regulation or order of repeal adopted under AS 44.62.250, in which case the finding and the statement of the facts constituting the emergency shall be submitted to the lieutenant governor, together with the emergency regulation or order of repeal, which, in that event only, becomes effective upon filing by the lieutenant governor or upon a later date specified by the state agency in a written instrument submitted with, or as part of, the regulation or order of repeal;

(4) a later date is prescribed by the state agency in a written instrument submitted with, or as part of, the regulation or order of repeal.

HISTORY (Sec. 3 art IV (ch 1) ch 143 SLA 1959; am sec. 7 ch 40 SLA 1969)

RO601 * END OF DOCUMENTS IN LIST - ENTER RETURN OR ANOTHER COMMAND.

AS44.62.190 DOCUMENT

CHAPTER = 44.62

SECTION = 44.62.190

TITLE = 44

HEADINGS TITLE 44.

State Government.

CHAPTER 62.

Administrative Procedure Act.

ARTICLE 4.

Procedure for Adopting Regulations.

CITATION Sec. 44.62.190.

CATCH LINE

NOTICE OF PROPOSED ACTION.

TEXT

- (a) At least 30 days before the adoption, amendment, or repeal of a regulation, notice of the proposed action shall be
- (1) published in the newspaper of general circulation, or trade or industry publication, that the state agency prescribes and in the Alaska Administrative Journal;
 - (2) mailed to every person who has filed a request for notice of proposed action with the state agency;
 - (3) if the agency is within a department, mailed or delivered to the commissioner of the department;
 - (4) when appropriate in the judgment of the agency,
 - (A) mailed to a person or group of persons whom the agency believes is interested in the proposed action, and
 - (B) published in the additional form and manner the state agency prescribes;
 - (5) furnished the Department of Law together with a copy of the proposed regulation, amendment, or order of repeal for the department's use in preparing the opinion required after adoption and before filing by AS 44.62.060;
 - (6) furnished to all incumbent State of Alaska legislators and the Legislative Affairs Agency;
 - (7) furnished to the standing committee of each house of the legislature having legislative jurisdiction over the subject matter treated by the regulation under the Uniform Rules of the Alaska State Legislature, together with a copy of the proposed regulation, amendment, or order of repeal for the committee's use in conducting the review authorized by AS 24.05.182;
 - (8) furnished to the staff of the Administrative Regulation Review Committee.
- (b) If the form or manner of notice is prescribed by statute, in addition to the requirements of filing and mailing notice under this chapter, the notice shall be published, posted, mailed, filed or otherwise publicized as prescribed by the statute.
- (c) The failure to mail notice to a person as provided in this section does not invalidate an action taken by an agency under AS 44.62.180 - 44.62.290. (5 art IV (ch 1) ch 143 SLA 1959; am sec. 2 ch 149 SLA 1962; am sec. 1 ch 3 SLA 1968; am sec. 16 ch 143 SLA 1968; am sec. 4 ch 64 SLA 1978; am sec. 5 ch 1 SLA 1982; am sec. 3 ch 59 SLA 1985)

AS44.62.195 DOCUMENT

CHAPTER = 44.62

SECTION = 44.62.195

TITLE = 44

HEADINGS TITLE 44.

State Government.

CHAPTER 62.

Administrative Procedure Act.

ARTICLE 4.

Procedure for Adopting Regulations.

CITATION Sec. 44.62.195.

CATCH LINE

FISCAL NOTES ON REGULATIONS.

TEXT

If the adoption, amendment, or repeal of a regulation would require increased appropriations by the state, the department or agency affected shall prepare an estimate of the appropriation increase for the fiscal year following adoption, amendment, or repeal of the regulation and for at least two succeeding fiscal years.

HISTORY (Sec. 1 ch 16 SLA 1980)

R0601 * END OF DOCUMENTS IN LIST - ENTER RETURN OR ANOTHER COMMAND.

AS44.62.200 DOCUMENT

CHAPTER = 44.62

SECTION = 44.62.200

TITLE = 44

HEADINGS TITLE 44.

State Government.

CHAPTER 62.

Administrative Procedure Act.

ARTICLE 4.

Procedure for Adopting Regulations.

CITATION Sec. 44.62.200.

CATCH LINE

CONTENTS OF NOTICE.

TEXT

(a) The notice of proposed adoption, amendment, or repeal of a regulation shall include

(1) a statement of the time, place, and nature of proceedings for adoption, amendment, or repeal of the regulation;

(2) reference to the authority under which the regulation is proposed and a reference to the particular code section or other provisions of law which are being implemented, interpreted, or made specific;

(3) an informative summary of the proposed subject of agency action;

(4) other matters prescribed by a statute applicable to the specific agency or to the specific regulation or class of regulations;

(5) a summary of the fiscal information required to be prepared under AS 44.62.195.

(b) A regulation which is adopted, amended or repealed may

vary in content from the summary specified in (a)(3) of this section if the subject matter of the regulation remains the same and the original notice was written so as to assure that members of the public are reasonably notified of the proposed subject of agency action in order for them to determine whether their interests could be affected by agency action on that subject.

(c) An agency that issues a notice under this section shall assure that the notice is prepared in a form adequate for publication in the Alaska Administrative Journal.

HISTORY (Sec. 6 art IV (ch 1) ch 143 SLA 1959; am sec. 1 ch 185 SLA 1970; am sec. 2 ch 16 SLA 1980; am sec. 4 ch 59 SLA 1985)

RO601 * END OF DOCUMENTS IN LIST - ENTER RETURN OR ANOTHER COMMAND.

AS44.62.640 DOCUMENT

CHAPTER = 44.62

SECTION = 44.62.640

TITLE = 44

HEADINGS TITLE 44.

State Government.

CHAPTER 62.

Administrative Procedure Act.

ARTICLE 9.

General Provisions.

CITATION Sec. 44.62.640.

CATCH LINE

DEFINITIONS.

TEXT (a) In AS 44.62.010 - 44.62.320, unless the context otherwise requires,

(1) "lieutenant governor" means the office of the lieutenant governor in the executive branch of the state government, or another agency designated by executive order under the constitution;

(2) "order of repeal" means a resolution, order or other official act of a state agency which expressly repeals a regulation in whole or in part;

(3) "regulation" means every rule, regulation, order, or standard of general application or the amendment, supplement or revision of a rule, regulation, order or standard adopted by a state agency to implement, interpret, or make specific the law enforced or administered by it, or to govern its procedure, except one which relates only to the internal management of a state agency; "regulation" does not include a form prescribed by a state agency or instructions relating to the use of the form, but this provision is not a limitation upon a requirement that a regulation be adopted under this chapter when one is needed to implement the law under which the form is issued; "regulation" includes "manuals," "policies," "instructions," "guides to enforcement," "interpretative bulletins," "interpretations," and the like, which have the effect of rules, orders, regulations or standards of general application, and this and similar phraseology shall not be used to avoid or circumvent this chapter; whether a regulation, regardless of name, is

covered by this chapter depends in part on whether it affects the public or is used by the agency in dealing with the public;

(4) "state agency" means a department, office, agency, or other organizational unit of the executive branch, except one expressly excluded by law, but does not include an agency in the judicial or legislative branches of the state government.

(b) In AS 44.62.330 - 44.62.630, unless the context otherwise requires,

(1) "agency" includes the state boards, commissions and officers listed in AS 44.62.330 and those to which this chapter is made applicable by law or executive order involving reorganization under the constitution;

(2) "agency member" means a person who is a member of an agency to which AS 44.62.330 - 44.62.630 apply, and includes a person who individually is an agency;

(3) "hearing officer" means a hearing officer qualified under AS 44.62.350;

(4) "party" includes the agency, the respondent, and a person, other than an officer or an employee of the agency in an official capacity, who has been allowed to appear in the proceeding;

(5) "respondent" means a person against whom an accusation is filed under AS 44.62.360 or against whom a statement of issues is filed under AS 44.62.370.

(c) In this chapter "teleconferencing" means information exchange by audio or video medium.

HISTORY (Sec. 2, 3 art I (ch 1) ch 143 SLA 1959; sec. 1 (ch 2) ch 143 SLA 1959; am sec. 78 ch 69 SLA 1970; am sec. 8 ch 54 SLA 1985)

R0601 * END OF DOCUMENTS IN LIST - ENTER RETURN OR ANOTHER COMMAND.

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: 4/8/86

REQUEST

Bill/Resolution No.: SB 429
Title: An Act relating to regulations

Sponsor: Senator Fahrenkamp
Requestor: Senate Labor and Commerce
Date of Request: 4/3/86

FISCAL DETAIL

Agency Affected: Natural Resources
BRU: Management and Administration

Components: _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		44.4	44.4	44.4	44.4	44.4
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		44.4	44.4	44.4	44.4	44.4

CAPITAL						
---------	--	--	--	--	--	--

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

FUNDING : (Thousands of Dollars)

GENERAL FUND		44.4	44.4	44.4	44.4	44.4
FEDERAL FUNDS						
OTHER						
TOTAL		44.4	44.4	44.4	44.4	44.4

POSITIONS :

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

ANALYSIS : Attach a separate page if necessary

An Administrative Assistant III position would be established to coordinate the regulation adoption requirements.

Prepared by: David Creekman Phone: 561-2020
Division: Office of the Commissioner Date: 4/8/86

Approved by Commissioner: Thomas D. Samuel, Deputy Date: 4/9/86
Agency: Natural Resources

Distribution (by Agency preparing fiscal note):

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

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No.: SB 429
 Title: "An Act relating to regulations that affect small businesses..."
 Sponsor: Sen. Farenkamp
 Requestor: Governor's Office/OMB
 Date of Request: April 3, 1986

FISCAL DETAIL

Agency Affected: Department of Law
 BRU: Legal Services
 Components: Legal Services Operations

EXPENDITURES/REVENUES : (Thousands of Dollars)

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

CAPITAL						
---------	--	--	--	--	--	--

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

FUNDING : (Thousands of Dollars)

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

POSITIONS :

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

ANALYSIS : Attach a separate page if necessary

-Please see attached analysis. -

Prepared by: Richard I. Pegues, Director Phone: 465-3672
 Division: Administrative Services Division Date: 4/4/86
 Approved by Commissioner: Harold M. Brown Date: 4/4/86
 Agency: Department of Law

Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 429

This bill adds new sections to the Administrative Procedure Act that require that agencies adopting regulations, under the Act, consider the probable economic effect of the proposed action on small businesses and small municipalities. Although these changes may cause a fiscal impact for several departments, the Department of Law adopts few regulations of its own, and the bill will probably not have a direct fiscal impact on the department. The department does, however, review all regulations prior to their adoption, and it sometimes assists other departments in drafting their regulations. To the extent that we are requested to advise other agencies about the sufficiency of their efforts to conform to the economic analysis provisions in this bill, we can expect innumerable requests for advice. These requests will probably result in our regulations and legislative drafting staff becoming more swamped than they already are.

Because we cannot accurately predict the additional workload that will occur if this bill becomes law, we are not requesting fiscal note funds at this time. Such a request may become necessary in the future, and the potential for this additional cost should be noted while the bill is being considered.

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : SB 429
 Title : Regulations affecting small businesses, et al.
 Sponsor : Senator Fahrenkamp
 Requestor : Senators Fahrenkamp & Zharoff
 Date of Request : 3/24/86

FISCAL DETAIL

Agency Affected : ADEC
 BRU : Environmental Quality
 Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		72.7	73.0	73.3	73.6	73.9
TRAVEL		1.5	1.5	1.5	1.5	1.5
CONTRACTUAL		5.0	3.0	3.0	3.0	3.0
SUPPLIES		1.5	1.6	1.7	1.8	1.9
EQUIPMENT		3.6	.5	.5	.5	.5
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		84.3	79.6	80.0	80.4	80.8

CAPITAL						
---------	--	--	--	--	--	--

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

FUNDING (Thousands of Dollars)

GENERAL FUND		84.3	79.6	80.0	80.4	80.8
FEDERAL FUNDS						
OTHER						
TOTAL		84.3	79.6	80.0	80.4	80.8

POSITIONS :

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

ANALYSIS : Attach a separate page if necessary

See attached

Prepared by : Billie Trent Phone : 465-2600
 Division : Office of the Commissioner Date : 3/27/86

Approved by Commissioner : Bill Ross *Bill Ross* Date : 3/28/86
 Agency : Environmental Conservation

Distribution (by Agency preparing fiscal note) :
 Legislative Finance
 Legislative Sponsor
 Requestor

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 429

While the Department of Environmental Conservation certainly supports and encourages the concept of responsiveness of government to the public it serves, the ability to do so will (for this legislation, at least) require the hiring of a Research Analyst III and a half-time Clerk Typist III. We also envision the need for minimal contractual services when proposed regulatory changes involve complex matters affecting a diverse population.

We would point out that many of our regulations have federal mandates behind them, requiring federal approval before promulgation. If such regulations were excluded from the requirements of AS 44.63.020 and AS 44.63.030 (although AS 44.63.030(a)(1) and (2) represent theories of responsible rule-making which we support), we could reduce our fiscal note to a half-time Research Analyst III with minimal contractual services.

Position Title <u>Research Analyst III</u>			No. of Positions <u>1</u>	Range/Step <u>18A</u>	Barg. Unit <u>GGU</u>	Gov.	Approv.	Disapp.
Time Status <u>PFT</u>	Staff Months <u>12</u>	RP Number	Location <u>Juneau</u>		Election District	<u>Leg</u>		
Type of Expenditure			Justification					
Amount			<p>Because of the complex nature of this agency's programs, and the wide variety of entities and individuals served and affected, this position's expertise would be required to provide the various analyses and reports and summaries required by the legislation.</p> <p>This position would coordinate data from staff who write regulations, from affected entities, and from other appropriate sources, analyzing impact and making recommendations to staff; preparing required analyses, documents, and notices, with staff input and evaluation as to correlation between data, federal requirements, and the like.</p> <p>For more complex matters, this position would work closely with an economics-type contractor to achieve the provisions of the law.</p> <p>Costs associated with this position include average per-employee costs for contractual and commodities. Equipment expense for a desk, chair, etc. are a one-time expenditure.</p>					
<u>1</u>	<u>2</u>	<u>3</u>						
Salary	37,596							
Benefits	12,324							
Premium Pay								
Other								
Total Personal Services		49,920						
Travel		1,500						
Contractual		2,000						
Commodities		1,000						
Equipment		2,000						
Other								
Total Cost		56,420						
Receipt Code	Funding Source							
	Federal Receipts 1002							
	G. F. Match 1003							
	General Funds 1004		56,420					
	I-A Receipts 1005							
	Program Receipts 1028							
	CIP Receipts 1061							
	Other							
For B&M Use Only								
Key Number _____								

**Request For
New Position**

Agency Environmental Conservation
 BRU Environmental Quality
 Component _____

Page 3 of 4
 Revised Date _____

FY 87

Position Title Clerk Typist III			No. of Positions 1	Range/Step 8A	Barg. Unit GGU	Gov.	Approv.	Disapp.
Time Status Half-time	Staff Months 6	RP Number	Location Juneau		Election District	Leg.		
Justification								
This position would provide clerical support to the Research Analyst III and regulations-writing staff in handling the clerical duties imposed by this legislation, including maintenance of the records accumulated.								
Costs associated with this position are average per-employee costs. The equipment expense for a desk, chair, etc. is a one-time expenditure.								
Type of Expenditure			Amount					
1			2			3		
Salary			10,153					
Benefits			3,851					
Premium Pay								
Other								
Total Personal Services						14,004		
Travel								
Contractual						2,000		
Commodities						1,000		
Equipment						1,600		
Other								
Total Cost						18,604		
Receipt Code			Funding Source					
			Federal Receipts 1002					
			G. F. Match 1003					
			General Funds 1004			18,604		
			I-A Receipts 1005					
			Program Receipts 1028					
			CIP Receipts 1061					
			Other					
<div style="border: 1px solid black; padding: 5px; width: fit-content;"> For B&M Use Only Key Number _____ </div>								

**Request For
New Position**

Agency Environmental Conservation
BRU Environmental Quality
Component _____

Page 4 of 4
Revised Date _____

FY 87

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: _____

REQUEST

Bill/Resolution No.: SB - 429
 Title: ...regulations that affect...
 small governmental jurisdictions...
 Sponsor: Fahrenkamp
 Requestor: Senate Labor and Commerce
 Date of Request: March 25, 1986

FISCAL DETAIL

Agency Affected: Department of Education
 BRU: Executive Administration
 Components: Commissioner's Office

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		33.6	33.6	33.6	33.6	33.6
TRAVEL		3.0	3.0	3.0	3.0	3.0
CONTRACTUAL		5.0	5.0	5.0	5.0	5.0
SUPPLIES		5.0	5.0	5.0	5.0	5.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		46.6	46.6	46.6	46.6	46.6

CAPITAL						
---------	--	--	--	--	--	--

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

FUNDING : (Thousands of Dollars)

GENERAL FUND		46.6	46.6	46.6	46.6	46.6
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

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

ANALYSIS : Attach a separate page if necessary

Personnel costs are a result of administrative activities required by first section 2. These will require the addition of an administrative assistant. Nonpersonnel costs are a result of increased number of publications and public hearings.

Prepared by: Steve Hole
 Division: Commissioner's Office

Phone: 465-2800
 Date: March 27, 1986

Approved by Commissioner: Marshall L. Lind
 Agency: Department of Education

Date: March 27, 1986

Distribution (by Agency preparing fiscal note):

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

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : SB 429
 Title : An act relating to regulations that effect small businesses; small organizations, etc.
 Sponsor : Fahrenkamp
 Requestor : Senate Labor & Commerce
 Date of Request : 2/18/86

FISCAL DETAIL

Agency Affected : Labor
 BRU : Commissioner's Office
 Components : Commissioner's Office

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		72.4	72.4	72.4	72.4	72.4
TRAVEL						
CONTRACTUAL SUPPLIES		34.0	34.2	34.3	34.5	34.7
EQUIPMENT		1.5	1.6	1.6	1.7	1.8
LAND & STRUCTURES		3.2	-	-	-	-
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		111.1	108.2	108.3	108.6	108.9

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

FUNDING : (Thousands of Dollars)

GENERAL FUND		111.1	108.2	108.3	108.6	108.9
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

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

ANALYSIS : Attach a separate page if necessary

(See Attached)

Prepared by : *B* Eileen Plate
 Division : Commissioner's Office

Phone : 465-2700
 Date : 3/28/86

Approved by Commissioner : *B* Jim Robison *Jim Robison*
 Agency : Labor

Date : 3/28/86

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. SB 429

In order for the department to comply with the provisions of SB 429, the addition of two staff members would be necessary. A Regulations Specialist II and a Clerk Typist III, both located in Juneau, would be necessary for the additional research, analyses and documentation required by the bill. (See attached New Position Justification Forms for detail).

More specifically, the Regulation Specialist would be responsible for developing the Department's agenda of proposed regulations twice yearly, and for the review of departmental regulations before July 1, 1991. Also, this position would be responsible for coordinating with consulting firms to prepare the initial "flexibility analysis" on all proposed regulations. Expertise does not currently exist in the department to complete this type of analysis. We estimate \$30,000 in contracts would be required each year. The Regulations Specialist would be able to prepare the final analysis.

Also required is additional published information when notices of regulations are placed in newspapers. We estimate an addition of \$6,000 in advertising expenses each year to meet these requirements.

Assumptions:

1. The department would have 10 regulation proceedings a year that would fall under the requirements of this bill.
2. Effective date of July 1, 1986.
3. Annual inflation of 4% on non-personal service items.

Position Title Regulations Specialist II			No. of Positions 1	Range/Step 16A	Barg. Unit GGU	Gov.	Approv.	Disapp.
Time Status PFT	Staff Months 12	RP Number	Location Juneau		Election District	Leg.		
Type of Expenditure			Justification					
		Amount	<p>This position would be responsible for coordinating the department's activity in meeting the requirements of this bill. The person would review all proposed regulations to determine if they are justified and develop 1) the agenda of proposed regulations twice yearly and 2) a plan for periodic review of the Department's regulation as required under this bill. The position would contract with consulting firms for the completion of the initial "flexibility analysis". This position would complete the final "flexibility analysis".</p> <p>Costs associated with this position would include average per-employee costs for contractual and commodities. The equipment expense for a desk, chair, etc. would be a one-time cost.</p>					
1	2	3						
Salary	33,660							
Benefits	10,775							
Premium Pay								
Other								
Total Personal Services		44,436						
Travel		0						
Contractual		2,000						
Commodities		500						
Equipment		1,600						
Other								
Total Cost		48,535						
Receipt Code	Funding Source							
	Federal Receipts	1002						
	G. F. Match	1003						
	General Funds	1004	48,535					
	I-A Receipts	1005						
	Program Receipts	1028						
	CIP Receipts	1061						
	Other							
For B&M Use Only								
Key Number								

**Request For
New Position**

Agency Labor
 BRU Commissioner's Office
 Component Commissioner's Office

Page 3 of 4
 Revised Date

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Position Title Clerk Typist III			No. of Positions 1	Range/Step 8A	Barg. Unit GGU	Gov.	Approv.	Disapp.
Time Status PFT	Staff Months 12	RP Number	Location Juneau		Election District	Leg.		

Type of Expenditure		Amount
1	2	3
Salary	20,316	
Benefits	7,702	
Premium Pay		
Other		
Total Personal Services		
Travel		0
Contractual		2,000
Commodities		1,000
Equipment		1,600
Other		
Total Cost		32,618

Receipt Code	Funding Source	
	Federal Receipts 1002	
	G. F. Match 1003	
	General Funds 1004	32,618
	I-A Receipts 1005	
	Program Receipts 1028	
	CIP Receipts 1061	
	Other	

Justification

This position would handle the clerical duties associated with this bill. The position would keep records of all proposed actions on all regulations in the department and assure the additional documentation requirements of this bill are met. This person would make sure all correspondence was properly handled and type the justifications, file logs and other required documents.

Costs associated with this position are average per employee costs. The equipment expense for a desk, chair, cabinets, etc. would be a one-time cost.

For B&M Use Only
Key Number _____

**Request For
New Position**

Agency Labor
BRU Commissioner's Office
Component Commissioner's Office

Page 4 of 4
Revised Date

FY 87

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 429
 Title: "An Act relating to regulations that effect small businesses."

Sponsor: Senator Fahrenkamp
 Requester: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Commerce & Econ. Dev.
 BRU: Real Estate Commission

Components: Economic Development

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		42.0	43.5	22.5	23.5	23.5
TRAVEL		4.0	4.0	3.0	3.0	3.0
CONTRACTUAL		3.0	3.0	1.5	1.5	1.5
SUPPLIES		1.0	1.0	1.0	1.0	1.0
EQUIPMENT		5.0				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		55.0	51.5	28.0	29.0	29.0

CAPITAL		-0-	-0-	-0-	-0-	-0-
---------	--	-----	-----	-----	-----	-----

REVENUE		-0-	-0-	-0-	-0-	-0-
---------	--	-----	-----	-----	-----	-----

FUNDING: (Thousands of dollars)

GENERAL FUND		55.0	51.5	28.0	29.0	29.0
FEDERAL FUNDS		-0-	-0-	-0-	-0-	-0-
OTHER		-0-	-0-	-0-	-0-	-0-
TOTAL		55.0	51.5	28.0	29.0	29.0

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary.

To comply with this act and enact the regulations needed, the commission would require a full-time regulations specialist for the first two years and then at least a half-time regulations specialist for the years after that. The act would add enormously to the paperwork burden in producing regulations.

Prepared by: James L. Magowan
 Division: Real Estate Commission

Phone: 563-2169

Date: March 19, 1986

Approved by Commissioner: *Louis S. Lumsden*
 Agency: _____

Date: March 19, 1986

Distribution (by Agency preparing fiscal note):

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

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 429
 Title: An Act relating to regulations that affect small businesses, small organizations, and small gov. juris.
 Sponsor: Senator Fahrenkamp
 Requester: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Commerce & Economic Dev.
 BRU: Occupational Licensing

 Components: _____

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-
TRAVEL		-0-	-0-	-0-	-0-	-0-
CONTRACTUAL		20.9	20.9*	20.9*	20.9*	20.9*
SUPPLIES		-0-	-0-	-0-	-0-	-0-
EQUIPMENT		-0-	-0-	-0-	-0-	-0-
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		20.9	20.9*	20.9*	20.9*	20.9*

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

FUNDING: (Thousands of dollars)

GENERAL FUND		20.9	20.9	20.9	20.9	20.9
FEDERAL FUNDS						
OTHER						
TOTAL		20.9	20.9	20.9	20.9	20.9

POSITIONS:

FULLTIME		-0-	-0-	-0-	-0-	-0-
PARTTIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

The bill adds four new requirements to the process of adopting regulations to ensure special consideration that notices and public hearings are given to small entities.

Although Section 44.63.200(a) of the bill provides each agency with the flexibility to amend the definition of "small business" or "small organization" as appropriate (see attached)

Prepared by: Jennifer Strickler Management Analyst
 Division: Occupational Licensing

Phone: 465-2144

Date: 3-19-86

Approved by Commissioner: [Signature]
 Agency: Commerce and Economic Development

Date: 3-20-86

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. SB 429

to the activities of the agency, Occupational Licensing has no method to differentiate small versus large businesses currently licensed.

Contractual expenditures will result from printing, postage and hearing costs of providing direct notification to all licensees within each professional occupation which has the potential of including "small entities".

*Costs have been repeated in subsequent years since, without actually experiencing the impact of this bill, it is extremely difficult to predict future charges for the variables involved.

It is expected that this legislation will delay the length of processing time currently required for each individual regulation project from approximately six months to nine months.

In addition, to comply with provisions to be included in each notice, much of the attention of the Regulations Specialist would be devoted to satisfying these new requirements.

The Division assists in the regulatory process of 23 licensing areas including regulations promulgated under the Centralized Licensing Act. During each year, approximately 20 regulation topics are handled within each licensing occupation.

Therefore, having to prepare an initial flexibility analysis, final flexibility analysis and conduct periodic review of regulations, in addition to the initial review of all existing regulations before 1991, may require a new Regulations Specialist position in the future to keep up with the increased workload.

Contractual costs were based on:

- | | |
|--|--------|
| 1. Printing costs at .36¢ per document multiplied by the number of affected licensees within each occupation; | \$ 8.7 |
| 2. Postage costs of .22¢ multiplied by the number of affected licensees; | 5.3 |
| 3. Public Notice costs printed in three newspapers of general circulation, which is standard practice within this agency; | 2.1 |
| 4. Public Hearing costs using the teleconference network based on the standard two hour hearing at \$50 per site, per hour, and assuming that the sites of Anchorage, Fairbanks and Juneau are on the network; | 4.8* |

\$20.9

*Note: Hearing costs for 4 licensing areas were based on a one hour teleconference because of the small number of licensees affected.

The above calculation is a summary of more detailed calculations on file with this agency.

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: _____

REQUEST

FISCAL DETAIL

Bill/Resolution No.: SB 429
 Title: An Act relating to regulations that effect small businesses

Agency Affected: Commerce and Economic Dev.
 BRU: Banking and Securities

Sponsor: Fahrenkamp
 Requester: _____
 Date of Request: _____

Components: _____

EXPENDITURES / REVENUES : (Thousands of Dollars)

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

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

FUNDING: (Thousands of dollars)

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

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary.

Prepared by: Willis Kirkpatrick Phone: 465-2521
 Division: Division of Banking, Securities and Corporations Date: March 21, 1986

Approved by Commissioner: *Donald S. Grounitsky* Date: March 21, 1986
 Agency: Commerce and Economic Development

Distribution (by Agency preparing fiscal note):

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

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: _____

REQUEST

FISCAL DETAIL

Bill/Resolution No.: SB 429 Agency Affected: Oil & Gas Conservation Comm.
 Title: An Act relating to regulations that affect small businesses, small organizations, and small governmental jurisdictions BRU: Oil & Gas Conservation
 Sponsor: Senator Fahrenkamp Components: Operations
 Requester: _____
 Date of Request: March 17, 1986

EXPENDITURES / REVENUES : (Thousands of Dollars)

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

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

FUNDING: (Thousands of dollars)

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

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary.

Prepared by: C.V. Chatterton
 Division: Oil & Gas Conservation Commission

Phone: 279-1433
 Date: March 19, 1986

Approved by Commissioner: *Louise L. Lounsbury*
 Agency: _____

Date: 3/21/86

Distribution (by Agency preparing fiscal note):

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

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: _____

<u>REQUEST</u>	<u>FISCAL DETAIL</u>
Bill/Resolution No.: <u>SB 429</u>	Agency Affected: <u>Commerce & Econ. Dev.</u>
Title: <u>"An Act relating to regulations providing for an effective date."</u>	BRU: <u>Division of Investments</u>
Sponsor: <u>Senator Fahrenkamp</u>	Components: <u>Economic Development</u>
Requester: _____	_____
Date of Request: _____	_____

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		7.0	0.5	0.5	0.5	0.5
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		7.0	0.5	0.5	0.5	0.5

CAPITAL		-0-	-0-	-0-	-0-	-0-
---------	--	-----	-----	-----	-----	-----

REVENUE		-0-	-0-	-0-	-0-	-0-
---------	--	-----	-----	-----	-----	-----

FUNDING: (Thousands of dollars)

GENERAL FUND		7.0	0.5	0.5	0.5	0.5
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULLTIME		-0-	-0-	-0-	-0-	-0-
PARTTIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

To satisfy the requirement that all existing regulations (12 loan programs) be reviewed and analyzed, a one-month professional services contract at \$5,000 will be let in FY 87. Advertising, printing, and mailing costs are estimated at \$2,000 for the initial review in FY 87 and \$500 for new regulations and changes in succeeding years.

Prepared by: Paul B. Arnoldt
 Division: Division of Investments

Phone: 465-2510
 Date: March 19, 1986

Approved by Commissioner: Loren S. Lounsbury
 Agency: Commerce and Economic Development

Date: March 19, 1986

Distribution (by Agency preparing fiscal note):

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

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: _____

REQUEST

FISCAL DETAIL

Bill/Resolution No.: SB 429
 Title: Relating to regulations that affect small business, small organizations and small governmental, etc.
 Sponsor: Senator Fahrenkamp
 Requester: Fahrenkamp
 Date of Request: _____

Agency Affected: Commerce & Econ. Dev.
 BRU: Insurance
 Components: Public Protection

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		25.0	25.0	25.0	25.0	25.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		25.0	25.0	25.0	25.0	25.0

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

FUNDING: (Thousands of dollars)

GENERAL FUND		25.0	25.0	25.0	25.0	25.0
FEDERAL FUNDS						
OTHER						
TOTAL		25.0	25.0	25.0	25.0	25.0

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary.

The bill requires the acquisition and use of data concerning cost impact of regulation on components of the overall group regulated by the division. We do not have in-house expertise in this area, so it will be necessary to contract for these needs. The amount shown is an estimate. Based on the size of the group regulated, we feel it is conservative.

Prepared by: John George, Director *P. R. Troop* Phone: 465-2515
 Division: Division of Insurance Date: March 21, 1986
 Approved by Commissioner: Sam S. Loumbury Date: March 21, 1986
 Agency: Commerce and Economic Development

Distribution (by Agency preparing fiscal note):

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

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST	FISCAL DETAIL
Bill/Resolution No.: <u>SB 429</u>	Agency Affected: <u>APUC</u>
Title: <u>Req. that affects small business, small org. and small gov. jurisdictions</u>	BRU: <u>APUC</u>
Sponsor: <u>Fahrenkamp</u>	Components: _____
Requester: _____	_____
Date of Request: _____	_____

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		5.0	5.0	5.0	5.0	5.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		5.0	5.0	5.0	5.0	5.0

CAPITAL						
---------	--	--	--	--	--	--

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

FUNDING: (Thousands of dollars)

GENERAL FUND		5.0	5.0	5.0	5.0	5.0
FEDERAL FUNDS						
OTHER						
TOTAL		5.0	5.0	5.0	5.0	5.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

Public utilities are, in essence, given an exclusive franchise by the commission to operate in their defined service areas, which would constitute them as dominant entities in their field. Thus, it is arguable whether the provisions of the legislation would be applicable to the regulations of the commission.

Prepared by: <u>T. S. Moninski, Deputy Director</u>	Phone: <u>276-6222</u>
Division: <u>APUC</u>	Date: <u>3/19/86</u>
Approved by Commissioner: <u><i>Loren H. Lounsbury</i></u>	Date: <u>3/21/86</u>
Agency: _____	

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. SB 429

Moreover, the commission notes that it has geared its regulations in several respects to consider the size of the utilities covered by them. For example, uniform systems of accounts, rate design, cost of service, and load research requirements are based on the utility size. Moreover, in practice, the commission's staff is directed to provide small utilities with assistance to the greatest extent possible. The commission is always sympathetic to waivers of specific statutory or regulatory requirements where the intended public benefits are clearly outweighed by the burdens imposed on small utilities.

The projected expenses reflected in this fiscal note are the estimated costs of public notices and newspaper advertising associated with regulations review. If it is determined that this bill is applicable to public utilities, these direct costs would be incurred. Also necessary would be the annual commitment of approximately five person-months of effort on the part of commissioners and staff in performing the review and analysis required. Although this allocation would not require an addition of new positions, it would be made at the expense of other regulatory responsibilities. Clearly, other statutory time frames would be negatively impacted at the very time when the Legislature is considering proposals to shorten the processing time for most commission proceedings.

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 429
 Title: Bill relating to regulations that affect small businesses, etc.

Sponsor: Fahrenkamp
 Requester: _____
 Date of Request: March 17, 1986

FISCAL DETAIL

Agency Affected: Commerce & Econ. Dev.
 BRU: Accounting and Collections

Administration

Components: _____

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		16.0	5.5	5.5	5.5	5.5
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		16.0	5.5	5.5	5.5	5.5

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER		16.0	5.5	5.5	5.5	5.5
TOTAL		16.0	5.5	5.5	5.5	5.5

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

See attached.

Prepared by: Margaret I. Hamley, Director
 Division: Accounting and Collections

Phone: 465-2555
 Date: March 19, 1986

Approved by Commissioner: Loren S. Hounskuy
 Agency: Commerce and Economic Development

Date: March 19, 1986

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. SB 429

The division has regulations in effect relating to the administration of the 13 loan programs in this department.

This fiscal note assumes the minimum additional workload to comply with Periodic Review of Regulations (AS 44.63.070) and promulgation of new or amended regulations (AS 44.63.010-.060). This is foreseen as an effort which can be accommodated by a professional service contract. This approach is believed to be the most efficient, least-cost approach.

CONTRACTUAL SERVICES

FY 87

Professional Service Contract: 3 months @ \$5.0	\$15.0
Printing and Postage	<u>1.0</u>
	\$16.0

The contractor will be required to prepare and implement the overall plan to review the division's current regulations within the time frame specified in the proposed legislation. The contractor will coordinate publishing in the Alaska Administrative Journal, receive public comment, analyze the criteria set out under proposed AS 44.63.070(b)(1-5), and prepare a recommendation supporting continuation, amendment or repeal of the regulations.

FY 88 - FY 91

Professional Service Contract: 1 month @ \$5.0	\$ 5.0
Printing and Postage	<u>.5</u>
	\$ 5.5

The contractor will perform the flexibility analysis as required for promulgating new or amended regulations.

SB 429 (Continued)
FISCAL NOTE

FUNDING SOURCE

<u>NUMBER</u>	<u>FUND NAME</u>	<u>FY 87</u>	<u>EACH YEAR FY 88-FY 91</u>
1035	Veterans RLF	3.7	1.3
1036	Commercial Fishing RLF	3.0	1.0
1057	Small Business RLF	2.0	.7
1058	Tourism RLF	.3	.1
1067	Mining RLF	1.5	.5
1068	Child Care RLF	.4	.1
1069	Historical Districts RLF	.1	.1
1070	Fisheries Enhancement RLF	.3	.1
1071	Alternative Energy RLF	2.4	.8
1072	Residential Energy Conservation RLF	1.8	.6
1073	Power Development RLF	.3	.1
1074	Bulk Fuel RLF	<u>.2</u>	<u>.1</u>
	TOTAL	\$16.0	\$5.5

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 429
Title: Regulatory Flexibility Act

Sponsor: Senator Fahrenkamp
Requester: Tom Moyer
Date of Request: _____

FISCAL DETAIL

Agency Affected: Commerce & Econ. Dev.
BRU: Economic Development Advocates

Components: Office of Enterprise
"Small Business Development"

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES	-0-	147.2	147.2	147.2	147.2	147.2
TRAVEL	-0-	6.9	7.2	7.6	8.0	8.4
CONTRACTUAL	-0-	6.7	7.2	7.6	8.0	8.4
SUPPLIES	-0-	2.3	.8	.8	.9	.9
EQUIPMENT	-0-	11.5	-0-	-0-	-0-	-0-
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	174.6	162.4	163.2	164.1	164.9

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

FUNDING: (Thousands of dollars)

GENERAL FUND	-0-	174.6	162.4	163.2	164.1	164.9
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	174.6	162.4	163.2	164.1	164.9

POSITIONS:

FULLTIME	-0-	3	3	3	3	3
PARTTIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

See attached.

Prepared by: Bonnie Jo Borchick
Division: Office of Enterprise

Phone: 465-2018
Date: March 19, 1986

Approved by Commissioner: *Lowell Spenning*
Agency: Commerce and Economic Development

Date: March 19, 1986

Distribution (by Agency preparing fiscal note):

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

SB 429 (Revised)
Fiscal Note

71000	<u>PERSONAL SERVICES</u>	FY 87 <u>COSTS</u>
	Economist II	\$ 55,500.00
	Research Analyst III	48,860.00
	Regulations Specialist II	42,809.00
	TOTAL	\$147,169.00
72000	<u>TRAVEL</u>	
	7 trips to Anchorage @ \$352 (per diem 3 days @ \$80 x 7)	\$ 2,464.00 1,680.00
	2 trips to Seattle @ \$452 (per diem 3 days @ \$80 x 2)	904.00 480.00
	2 trips to Fairbanks @ \$422 (per diem 3 days @ \$80 x 2)	844.00 480.00
	TOTAL	\$ 6,852.00
73000	<u>CONTRACTUAL</u>	
	Telephone \$75 x 12	\$ 900.00
	Telephone (L.D.) \$150 x 12	1,800.00
	Subscriptions & membership	1,500.00
	Postage fees \$110 x 12	1,320.00
	Forms & printing	1,200.00
	TOTAL	\$ 6,720.00
74000	<u>SUPPLIES</u>	
	Stationery & copier supplies	\$ 300.00
	Desk supplies	750.00
	Typing supplies	150.00
	Forms	300.00
	Three calculators @ \$250	750.00
	TOTAL	\$ 2,250.00
75000	<u>EQUIPMENT</u>	
	3 workstations, 3 chairs (including side chairs, panels, overhead file cabinets @ \$3,500 each)	\$ 10,500.00
	3 four-drawer legal files w/locks @ \$322.20 each	966.60
	TOTAL	\$ 11,466.60
FY 87 GRAND TOTAL		174.6

		<u>FY 88</u> <u>COSTS</u>	<u>FY 89</u> <u>COSTS</u>	<u>FY 90</u> <u>COSTS</u>	<u>FY 91</u> <u>COSTS</u>
71000	<u>PERSONAL SERVICES</u>				
	Same as FY 87	147.2	147.2	147.2	147.2
72000	<u>TRAVEL</u>				
	Same as FY 87 x 5%	7.2	7.6	8.0	8.4
73000	<u>CONTRACTUAL</u>				
	Same as FY 87 x 5%	7.2	7.6	8.0	8.4
74000	<u>SUPPLY</u>				
	same as FY 87 x 5% (use desk supplies and calculators)	.8	.8	.9	.9
75000	<u>CAPITAL/EQUIPMENT</u>				
	None	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
	GRAND TOTAL	162.4	163.2	164.1	164.9

Position Title Economist II			No. of Positions	Range/Step 20A	Barg. Unit G	Gov.	Approv.	Disapp.
Time Status PFT	Staff Months 12	RP Number	Location Juneau		Election District	Leg.		
Type of Expenditure			Justification					
		Amount	<p>The Economist II will be responsible for determining the economic consequences of new regulations. This will include obtaining or directing a research analyst to obtain the requisite data for analysis, quantitative analysis of the regulations, economic consequences, and economic policy alternatives and consequences as they impact business statewide.</p>					
1	2	3						
Salary	42.8							
Benefits	12.7							
Premium Pay								
Other								
Total Personal Services		55.5						
Travel		-0-						
Contractual		2.2						
Commodities		.8						
Equipment		3.8						
Other								
Total Cost		62.3						
Receipt Code	Funding Source							
	Federal Receipts 1002							
	G. F. Match 1003							
	General Funds 1004	62.3						
	I-A Receipts 1005							
	Program Receipts 1028							
	CIP Receipts 1061							
	Other							
<div style="border: 1px solid black; padding: 5px; width: fit-content;"> For B&M Use Only Key Number </div>								

Request For
New Position

Agency Commerce & Economic Development
 BRU Economic Development Advocates
 Component Small Business Administration

FY 87

Page _____ of _____
Revised Date _____

Position Title Regulations Specialist II			No. of Positions 1	Range/Step 16A	Barg. Unit G	Gov.	Approv.	Disapp.
Time Status PFT	Staff Months 12	RP Number	Location Juneau		Election District	Leg.		
Type of Expenditure			Justification					
			The Regulations Specialist II will represent this agency, Department of Commerce & Economic Development, in interpreting administrative statutes and regulations pursuant to AS 44.63.090. This position will perform technical research and evaluations of statutes, regulations, and amend proposed regulations, act as liaison between regulatory boards and/or commissions and the Department of Law in submitting regulations under the Alaska Administrative Procedure Act.					
		Amount						
1	2	3						
Salary	32.4							
Benefits	10.4							
Premium Pay								
Other								
Total Personal Services		42.8						
Travel		6.9						
Contractual		2.2						
Commodities		.8						
Equipment		3.8						
Other								
Total Cost		56.5						
Receipt Code		Funding Source						
		Federal Receipts 1002						
		G. F. Match 1003						
		General Funds 1004	56.5					
		I-A Receipts 1005						
		Program Receipts 1028						
		CHP Receipts 1061						
		Other						
For B&M Use Only								
Key Number								

**Request For
New Position**

Agency Commerce & Economic Development
 BRU Economic Development Advocates
 Component Small Business Administration

FY 87

Page _____ of _____
 Revised Date _____

Position Title Research Analyst III			No. of Positions	Range/Step 18A	Barg. Unit G	Gov.	Approv.	Disapp.
Time Status PFT	Staff Months 12	RP Number	Location Juneau		Election District	Leg.		
Type of Expenditure			Justification					
		Amount	<p>The Research Analyst III will obtain and analyze information and data on the consequence of new regulations. The analyst will also assist the the Economist II in his analysis and will report directly to the Economist II. This will require an understanding of both economics and regulations.</p>					
1	2	3						
Salary	37.3							
Benefits	11.5							
Premium Pay								
Other								
Total Personal Services		48.8						
Travel		-0-						
Contractual		2.2						
Commodities		.8						
Equipment		3.8						
Other								
Total Cost		55.6						
Receipt Code	Funding Source							
	Federal Receipts	1002						
	G. F. Match	1003						
	General Funds	1004	55.6					
	F-A Receipts	1005						
	Program Receipts	1028						
	CIP Receipts	1061						
	Other							
For B&M Use Only Key Number								

**Request For
New Position**

Agency Commerce & Economic Development
 BRU Economic Development Advocates
 Component Small Business Administration

FY 87

Page _____ of _____
 Revised Date _____

Introduced: 2/14/86
Referred: Labor and Commerce
and Judiciary

1 IN THE SENATE

BY FAHRENKAMP

2

SENATE BILL NO. 429

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 regulations that affect small
7 businesses, small organizations, and small govern-
8 mental jurisdictions; and providing for an effective
9 date."

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

11 * Section 1. FINDINGS AND PURPOSE. (a) The legislature finds that

12 (1) when adopting regulations to protect the health, safety,
13 environment, and economic welfare of the state, agencies should seek to
14 achieve statutory goals as effectively and efficiently as possible without
15 imposing unnecessary burdens on the public;

16 (2) laws and regulations designed for application to large scale
17 entities have been applied uniformly to small businesses, small organiza-
18 tions, and small governmental jurisdictions even though the problems that
19 gave rise to government action may not have been caused by those smaller
20 entities;

21 (3) uniform regulatory and reporting requirements have in numer-
22 ous instances imposed unnecessary and disproportionately burdensome demands
23 including legal, accounting and consulting costs upon small businesses,
24 small organizations, and small governmental jurisdictions with limited
25 resources;

26 (4) the failure to recognize differences in the scale and re-
27 sources of regulated entities has in numerous instances adversely affected
28 competition in the marketplace, discouraged innovation and restricted
29 improvements in productivity;

1 (5) unnecessary regulations create entry barriers in many indus-
2 tries and discourage potential entrepreneurs from introducing beneficial
3 products and processes;

4 (6) the practice of treating all regulated businesses, organiza-
5 tions, and governmental jurisdictions as equivalent may lead to inefficient
6 use of agency resources, enforcement problems, and, in some cases, to
7 actions inconsistent with the legislative intent of health, safety, en-
8 vironmental, and economic welfare legislation;

9 (7) alternative regulatory approaches that do not conflict with
10 the stated objectives of applicable statutes may be available to minimize
11 the significant economic impact of regulations on small businesses, small
12 organizations, and small governmental jurisdictions;

13 (8) the process by which regulations are developed and adopted
14 should be reformed to require agencies to solicit the ideas and comments of
15 small businesses, small organizations, and small governmental jurisdictions
16 to examine the impact of proposed and existing regulations on the entities,
17 and to review the continued need for existing regulations.

18 * Sec. 2. AS 44 is amended by adding a new chapter to read:

19 CHAPTER 63. REGULATIONS AFFECTING SMALL ENTITIES.

20 Sec. 44.63.010. REGULATORY AGENDA. (a) During the months of
21 January and July of each year, each agency shall publish in the
22 journal a regulatory flexibility agenda

23 (1) describing briefly the subject area of any regulation
24 that the agency expects to propose or adopt that is likely to have a
25 significant economic impact on a substantial number of small entities;

26 (2) summarizing the nature of any proposed regulation under
27 each subject area listed under (1) of this subsection, the objectives
28 and legal basis for the proposed regulation, and an approximate
29 schedule for completing action on each regulation for which the agency

1 has issued a notice of proposed regulation-making; and

2 (3) containing the name and telephone number of an agency
3 official knowledgeable concerning the items listed in (1) of this
4 subsection.

5 (b) Each regulatory flexibility agenda shall be transmitted to
6 the office of enterprise, for comment.

7 (c) Each agency shall endeavor to give notice of the agenda to
8 small entities or their representatives by direct notification or
9 publication of the agenda in publications likely to be obtained by the
10 small entities and shall invite comments upon each subject area on the
11 agenda.

12 (d) An agency may consider or act on a matter not included in a
13 regulatory flexibility agenda and may decline to consider or act on a
14 matter listed in the agenda.

15 Sec. 44.63.020. INITIAL FLEXIBILITY ANALYSIS. (a) When an
16 agency is required by AS 44.62.190 or any other law to publish notice
17 of proposed action for a proposed regulation, the agency shall prepare
18 and make available for public comment an initial flexibility analysis.
19 The analysis shall describe the effect of the proposed regulation on
20 small entities. The initial flexibility analysis or a summary shall
21 be published in the journal when the notice of proposed action is
22 published. The agency shall send a copy of the initial flexibility
23 analysis to the office of enterprise.

24 (b) Each initial flexibility analysis shall

25 (1) describe the reasons why action by the agency is being
26 considered;

27 (2) contain a succinct statement of the objectives of, and
28 legal basis for, the proposed regulation;

29 (3) describe and, if feasible, estimate the number of small

1 entities to which the proposed regulation will apply;

2 (4) describe the reporting, record-keeping and other com-
3 pliance requirements of the proposed regulation, including an estimate
4 of the classes of small entities that will be subject to the require-
5 ment and the type of professional skills necessary for preparing the
6 report or record;

7 (5) identify, to the extent practicable, relevant regula-
8 tions that may duplicate, overlap, or conflict with the proposed regu-
9 lation.

10 (c) An initial flexibility analysis shall also describe any
11 significant alternatives to the proposed regulation that accomplish
12 the stated objectives of applicable statutes and that minimize the
13 significant economic impact on small entities. The analysis shall
14 discuss significant alternatives including

15 (1) the establishment of differing compliance or reporting
16 requirements or timetables that take into account the resources avail-
17 able to small entities;

18 (2) the clarification, consolidation, or simplification of
19 compliance and reporting requirements under the regulation for the
20 small entities;

21 (3) the use of performance rather than design standards;
22 and

23 (4) an exemption from coverage of the regulation, or any
24 part, for the small entities.

25 (d) An agency head may waive or delay the completion of some or
26 all of the requirements of this section by publishing in the journal,
27 not later than the date of publication of the final regulation, a
28 written finding, with reasons, that the final regulation is being
29 adopted in response to an emergency that makes compliance or timely

1 compliance with this section unpracticable.

2 Sec. 44.63.030. FINAL FLEXIBILITY ANALYSIS. (a) When an agency
3 adopts a final regulation after being required by AS 44.62.190 or any
4 other law to publish a notice of proposed action, the agency shall
5 prepare a final flexibility analysis. Each final flexibility analysis
6 shall

7 (1) state succinctly the need for, and the objectives of,
8 the regulation;

9 (2) summarize the issues raised by the public comments in
10 response to the initial flexibility analysis and the agency's assess-
11 ment of the issues, and contain a statement of changes made in the
12 proposed regulation as a result of the comments; and

13 (3) describe each significant alternative to the regulation
14 that was consistent with the stated objectives of applicable statutes
15 and was designed to minimize significant economic impact of the regu-
16 lation on small entities that the agency considered, and state the
17 reasons that the agency rejected the alternative.

18 (b) The agency shall make copies of the final flexibility analy-
19 sis available to members of the public and shall publish in the
20 journal at the time of publication of the final regulation under
21 AS 44.62.180 a statement describing how the public may obtain copies.

22 (c) Except as provided in AS 44.63.040(b), an agency head may
23 not waive the requirements of this section. An agency head may delay
24 the completion of the requiremerts of this section for not more than
25 180 days after the date of publication in the journal of a final
26 regulation by publishing in the journal, not later than the date of
27 publication of the final regulation, a written finding, with reasons,
28 that the final regulation is being adopted in response to an emergency
29 that makes timely compliance with this section impracticable. If the

1 agency does not prepare a final regulatory analysis under this section
2 within 180 days from the date of publication of the final regulation,
3 the regulation lapses and has no effect. The agency may not adopt the
4 substance of the regulation in a second emergency regulation until it
5 has completed a final flexibility analysis.

6 Sec. 44.63.040. AVOIDANCE OF DUPLICATIVE OR UNNECESSARY ANALY-
7 SES. (a) An agency may perform the analyses required by AS 44.63.-
8 010 - 44.63.030 in conjunction with or as a part of another agenda or
9 analysis required by law if the other analysis satisfies these sec-
10 tions.

11 (b) If the head of the agency certifies that a regulation will
12 not have a significant economic impact on a substantial number of
13 small entities, the agency is not required to comply with AS 44.63.020
14 and 44.63.030. The agency shall publish the certification and a
15 succinct statement explaining the reasons for the certification in the
16 journal when the notice of proposed action for the regulation is
17 published or when the final regulation is published. The agency shall
18 provide the certification and statement to the office of enterprise.

19 (c) An agency may consider a series of closely related regula-
20 tions as one regulation for the purposes of AS 44.63.010 - 44.63.030
21 and 44.63.070.

22 Sec. 44.63.050. PREPARATION OF ANALYSIS. In complying with
23 AS 44.63.020 and 44.63.030, an agency may provide either a quantifi-
24 able or numerical description of the effects of a proposed regulation
25 or alternatives to the proposed regulation, or more general descrip-
26 tive statements if quantification is not practicable or reliable.

27 Sec. 44.63.060. PROCEDURES FOR GATHERING COMMENTS. When a
28 regulation is adopted that will have a significant economic impact on
29 a substantial number of small entities, the head of the agency

1 adopting the regulations or the official of the agency responsible for
2 adoption of the regulation shall assure that small entities have been
3 given an opportunity to participate in the process through techniques
4 including

5 (1) inclusion in an advanced notice of proposed adoption of
6 regulation, if issued, of a statement that the proposed regulation may
7 have a significant economic effect on a substantial number of small
8 entities;

9 (2) publication of general notice of the proposed regula-
10 tion in publications likely to be obtained by small entities;

11 (3) direct notification of interested small entities;

12 (4) open conferences or public hearings concerning the
13 regulation for small entities; and

14 (5) adoption or modification of agency procedural regula-
15 tions to reduce the cost or complexity of participation in the process
16 by small entities.

17 Sec. 44.63.070. PERIODIC REVIEW OF REGULATIONS. (a) Before
18 January 1, 1987, each agency shall publish in the journal a plan for
19 the periodic review of the regulations issued by the agency that have
20 or will have a significant economic impact upon a substantial number
21 of small entities. The agency may amend the plan by publishing the
22 revision in the journal. The purpose of the review is to determine
23 whether the regulations should be continued without change, or should
24 be amended or rescinded to minimize significant economic impact on a
25 substantial number of the small entities. The plan must provide for
26 the review by July 1, 1991, of all the agency regulations existing on
27 July 1, 1986, and for the review of a regulation adopted after July 1,
28 1986, within five years of the effective date of the regulation. If
29 the head of the agency determines that completion of the review of

1 existing regulations is not feasible by the established date, the
2 agency head shall certify that fact in a statement published in the
3 journal and may extend the completion date by one year at a time for a
4 total of not more than five years.

5 (b) In reviewing regulations under (a) of this section, the
6 agency shall consider the

7 (1) continued need for the regulation;

8 (2) nature of complaints or comments received concerning
9 the regulation from the public;

10 (3) complexity of the regulation;

11 (4) extent to which the regulation overlaps, duplicates or
12 conflicts with other state regulations, and, to the extent feasible,
13 with federal and local governmental regulations; and

14 (5) length of time since the regulation has been evaluated
15 or the degree to which technology, economic conditions, or other
16 factors have changed in the area affected by the regulation.

17 (c) Each agency shall annually publish in the journal a list of
18 the regulations to be reviewed under this section during the suc-
19 ceeding 12 months. The list shall include a brief description of each
20 regulation and the need for and legal basis of the regulation and
21 shall invite public comment on the regulation.

22 Sec. 44.63.080. JUDICIAL REVIEW. (a) Except as provided in (b)
23 of this section,

24 (1) a determination by an agency concerning the applicabil-
25 ity of this chapter to an action of the agency is not subject to
26 judicial review;

27 (2) a flexibility analysis prepared under AS 44.63.020 or
28 44.63.030 and agency compliance or noncompliance with this chapter is
29 not subject to judicial review.

1 (b) When an action for judicial review of a regulation is in-
2 stituted, the flexibility analysis for the regulation shall constitute
3 part of the whole record of agency action in connection with the
4 review.

5 Sec. 44.63.090. REPORTS AND INTERVENTION RIGHTS. (a) The
6 office of enterprise shall monitor agency compliance with this chapter
7 and shall report at least annually to the governor and the legisla-
8 ture.

9 (b) The office may appear as amicus curiae in an action brought
10 in a court to review a regulation and may present views on the effect
11 of the regulation on small entities.

12 (c) A court shall grant the application of the office to appear
13 in an action under (b) of this section.

14 Sec. 44.63.200. AGENCY AMENDMENT OF DEFINITIONS. (a) An agency
15 may amend, by regulation, the definition of "small business" or "small
16 organization" if the amended definition is appropriate to the activi-
17 ties of the agency. An agency shall consult with the office of enter-
18 prise before amending "small business." An amendment to "small busi-
19 ness" may establish a maximum number of employees or dollar volume of
20 business for an enterprise in an industry.

21 (b) An agency may amend, by regulation, the definition of "small
22 governmental jurisdiction" if the amendment is appropriate to the
23 activity of the agency and is based on factors including location in
24 rural or sparsely populated areas or an area with limited revenue due
25 to the population of the jurisdiction.

26 (c) An agency that is not subject to AS 44.62.010 - 44.62.290 of
27 the Administrative Procedure Act and that intends to amend a defini-
28 tion under (a) or (b) of this section shall provide an opportunity for
29 public comment before adopting the amendment and shall publish the

1 amended definition in the journal.

2 Sec. 44.63.210. DEFINITIONS. In this chapter

3 (1) "agency" means an agency in the executive branch of
4 state government;

5 (2) "journal" means the Alaska Administrative Journal under
6 AS 44.62.175;

7 (3) "office of enterprise" means the office of enterprise
8 in the Department of Commerce and Economic Development;

9 (4) "regulation" means a regulation adopted under AS 44.62
10 or any other law, except a regulation of particular applicability
11 relating to rates, wages, corporate or financial structures or reorga-
12 nizations, prices, facilities, appliances, services or allowances or
13 to valuations, costs, or accounting, or practices relating to the
14 rates, wages, structures, prices, appliances, services, or allowances;

15 (5) "small business" means a small business that is
16 independently owned and operated and is not dominant in its field; ^{ONLY}

17 (6) "small entity" means a "small business," small orga-
18 nization, or small governmental jurisdiction;

19 (7) "small governmental jurisdiction" means a municipality,
20 school district, or special district, with a population of less than
21 50,000;

22 (8) "small organization" means a not-for-profit enterprise
23 that is independently owned and operated and is not dominant in its
24 field.

25 * Sec. 2. Notwithstanding AS 44.63.010(a), as enacted by sec. 1 of this
26 Act, the first publication of regulatory agendas must occur by January 31,
27 1987.

28 * Sec. 3. AS 44.63.020 and 44.63.030 as enacted by sec. 2 of this Act
29 do not apply to regulations for which a notice of proposed action is issued

1 before July 1, 1986.

2 * Sec. 4. This Act takes effect July 1, 1986.

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Crater
4/ - 36

Original sponsor: Fahrenkamp

1 IN THE SENATE

BY THE LABOR AND
COMMERCE COMMITTEE

2 CS FOR SENATE BILL NO. 429 (L&C)
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 regulations that affect small
7 businesses and small municipalities; and providing
8 for an effective date."

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

10 * Section 1. AS 24.20.460 is amended to read:

11 Sec. 24.20.460. POWERS. The Administrative Regulation Review
12 Committee has the following powers:

13 (1) to organize and adopt rules for the conduct of its
14 business;

15 (2) to hold public hearings;

16 (3) to require all state officials and agencies of state
17 government to give full cooperation to the committee or its staff in
18 assembling and furnishing requested information;

19 (4) to examine all administrative regulations to determine
20 if they properly implement legislative intent;

21 (5) to make recommendations for legislative annulment of
22 administrative regulations under AS 44.62.320;

23 (6) to prepare and distribute reports, memoranda, or other
24 materials;

25 (7) to promote needed revision or repeal of regulations
26 that have been adopted by state departments and agencies and, when the
27 committee determines a regulation should be repealed or amended, to
28 introduce a bill that would enact a statute that would supersede or
29 nullify the regulation;

1 (8) to investigate findings that are transmitted to the
2 committee by a standing committee in accordance with AS 24.05.182 and,
3 as appropriate, to either introduce a bill annulling the regulation or
4 exercise the committee's power to suspend the effectiveness of the
5 regulation in accordance with AS 24.20.445;

6 (9) to monitor agency compliance with the requirements of
7 AS 44.62.197, and make recommendations to an agency regarding the
8 adequacy of its analyses and of its responses to public testimony.

9 * Sec. 2. AS 44.62 is amended by adding a new section to article 3 to
10 read:

11 Sec. 44.62.177. REGULATORY AGENDA. (a) During the months of
12 January and July of each year, each agency shall publish in the Admin-
13 istrative Law Journal a regulatory flexibility agenda that

14 (1) describes briefly the subject area of any regulation
15 that the agency expects to propose or adopt that is likely to have a
16 significant economic impact on a substantial number of small entities;

17 (2) summarizes the nature of any proposed regulation under
18 each subject area listed under (1) of this subsection, the objectives
19 and legal basis for the proposed regulation, and an approximate
20 schedule for completing action on each regulation for which the agency
21 has issued a notice of proposed regulation-making; and

22 (3) contains the name and telephone number of an agency
23 official knowledgeable concerning the items listed in (1) of this
24 subsection.

25 (b) An agency may consider or act on a matter not included in a
26 regulatory flexibility agenda and may decline to consider or act on a
27 matter listed in the agenda.

28 (c) In this section, "small entity" has the meaning given in
29 AS 44.62.197.

1 * Sec. 3. AS 44.62 is amended by adding a new section to read:

2 Sec. 44.62.197. ECONOMIC ANALYSIS; SMALL ENTITIES. (a) Before
3 publishing notice under AS 44.62.190, an agency planning to adopt,
4 amend, or repeal a regulation shall analyze the probable economic
5 effect of the proposed action on small businesses and small municipali-
6 ties. The analysis must

7 (1) consider the types and numbers of small entities that
8 will probably be affected by the proposed action, including the types
9 that will bear the costs of the proposed action and those that will
10 benefit from it;

11 (2) consider the probable economic effect of the proposed
12 action, both as to kind and amount, upon the affected entities;

13 (3) review the reasons for the proposed action, in light of
14 the probable economic effect on small entities;

15 (4) identify whether there are less costly or less intru-
16 sive means of achieving the purpose of the proposed action;

17 (5) identify, to the extent practicable, relevant regula-
18 tions that may duplicate, overlap, or conflict with the proposed
19 regulations.

20 (b) After the close of public proceedings under AS 44.62.210,
21 the agency shall prepare, as a final analysis for a regulation-
22 adoption project, a brief summary from the analysis required by (a), of
23 this section and the agency's comment on public testimony, whether
24 that testimony was written or oral. The agency's comment on the
25 testimony must identify changes made in response to the testimony and
26 must include a brief statement of the reason for rejecting a proposal,
27 if any, that was not adopted by the agency. The agency's statement
28 under this subsection may summarize the reasons and the testimony in
29 aggregate form so as to avoid duplication and unnecessary detail.

1 (c) If the head of the agency certifies in writing that a regu-
2 lation will not have a significant economic effect on a substantial
3 number of small entities, the agency shall make a succinct statement
4 as to why it is not required to comply with this section. The certi-
5 fication must be submitted to the lieutenant governor for filing with
6 the regulation.

7 (d) An agency may consider a series of closely related regula-
8 tions as one regulation for the purposes of this section.

9 (e) Analyses under this section are not subject to judicial
10 review. Action taken may not be invalidated on the ground that the
11 contents of an analysis are insufficient or inaccurate.

12 (f) In this section

13 (1) "small business" means a business corporation or a
14 nonprofit corporation, a partnership, or a sole proprietorship, that
15 is licensed in the state and transacts business in the state, and

16 (A) employs 50 or fewer employees in the state, ex-
17 cluding seasonal employees; or

18 (B) has annual gross sales, or value of services
19 provided, of \$1,000,000 or less;

20 (2) "small entity" means a small business or small munic-
21 ipality;

22 (3) "small municipality" means a municipality with a popu-
23 lation of 10,000 or fewer persons.

24 * Sec. 4. AS 44.62.200(a) is amended to read:

25 (a) The notice of proposed adoption, amendment, or repeal of a
26 regulation shall include

27 (1) a statement of the time, place, and nature of proceed-
28 ings for adoption, amendment, or repeal of the regulation;

29 (2) reference to the authority under which the regulation

1 is proposed and a reference to the particular code section or other
2 provisions of law which are being implemented, interpreted, or made
3 specific;

4 (3) an informative summary of the proposed subject of
5 agency action;

6 (4) other matters prescribed by a statute applicable to
7 the specific agency or to the specific regulation or class of regula-
8 tions;

9 (5) a summary of the fiscal information required to be
10 prepared under AS 44.62.195;

11 (6) a summary of the analysis required by AS 44.62.197(a)
12 and the address from which a complete copy of the analysis may be
13 obtained.

14 * Sec. 5. REVIEW OF EXISTING REGULATIONS. (a) Before January 1, 1991,
15 each agency shall review the regulations adopted by that agency and in
16 effect as of July 1, 1986, that have or will have a significant economic
17 effect upon a substantial number of small entities. The purpose of the
18 review is to determine whether the regulations should be continued without
19 change, or should be amended or repealed to minimize a significant economic
20 effect on a substantial number of the small entities. If the head of the
21 agency determines that completion of the review of existing regulations is
22 not feasible by January 1, 1991, the agency head shall certify that fact in
23 writing and may extend the completion date by one year.

24 (b) In reviewing regulations under (a) of this section, the agency
25 shall consider the

26 (1) continued need for the regulation;

27 (2) nature of complaints or comments received concerning the
28 regulation from the public;

29 (3) complexity of the regulation;

1 (4) extent to which the regulation overlaps, duplicates, or
2 conflicts with other state regulations, and, to the extent feasible, with
3 federal and local governmental regulations; and

4 (5) length of time since the regulation has been evaluated or
5 the degree to which technology, economic conditions, or other factors have
6 changed in the area affected by the regulation.

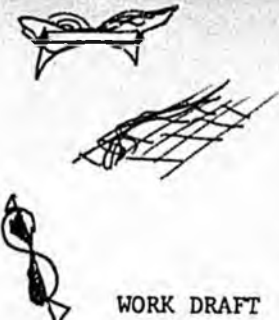
7 (c) In this section

8 (1) "agency" has the meaning given "state agency" in AS 44.61.-
9 640(a);

10 (2) "small entity" has the meaning given in AS 44.62.197.

11 * Sec. 6. AS 44.62.197, enacted by sec. 3 of this Act, does not apply
12 to regulations for which a notice of proposed action is issued before
13 July 1, 1986.

14 * Sec. 7. This Act takes effect July 1, 1986.
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WORK DRAFT

WORK DRAFT

Alaska Administrative Journal
Lay. review comm.

Original sponsor: Fahrenkamp

Flexibility analysis
water quality standards
Cramer
4/8/86

1 IN THE SENATE

BY THE LABOR AND COMMERCE COMMITTEE

2 CS FOR SENATE BILL NO. 429 (L&C)
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 regulations that affect small
7 businesses and small municipalities; and providing
8 for an effective date."

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

10 * Section 1. AS 24.20.460 is amended to read: *(NARC)*

11 Sec. 24.20.460. POWERS. The Administrative Regulation Review
12 Committee has the following powers:

13 (1) to organize and adopt rules for the conduct of its
14 business;

15 (2) to hold public hearings;

16 (3) to require all state officials and agencies of state
17 government to give full cooperation to the committee or its staff in
18 assembling and furnishing requested information;

19 (4) to examine all administrative regulations to determine
20 if they properly implement legislative intent;

21 (5) to make recommendations for legislative annulment of
22 administrative regulations under AS 44.62.320;

23 (6) to prepare and distribute reports, memoranda, or other
24 materials;

25 (7) to promote needed revision or repeal of regulations
26 that have been adopted by state departments and agencies and, when the
27 committee determines a regulation should be repealed or amended, to
28 introduce a bill that would enact a statute that would supersede or
29 nullify the regulation;

1 (8) to investigate findings that are transmitted to the
2 committee by a standing committee in accordance with AS 24.05.182 and,
3 as appropriate, to either introduce a bill annulling the regulation or
4 exercise the committee's power to suspend the effectiveness of the
5 regulation in accordance with AS 24.05.445;

6 .(9) to monitor agency compliance with the requirements of
7 AS 44.62.197, and make recommendations to an agency regarding the
8 adequacy of its analyses and of its responses to public testimony.

9 * Sec. 2. AS 44.62 is amended by adding a new section to article 3 to
10 read:

11 Sec. 44.62.177. REGULATORY AGENDA. (a) During the months of
12 January and July of each year, each agency shall publish in the Admin-
13 istrative Law Journal a regulatory flexibility agenda that

14 (1) describes briefly the subject area of any regulation
15 that the agency expects to propose or adopt that is likely to have a
16 significant economic impact on a substantial number of small entities;

17 (2) summarizes the nature of any proposed regulation under
18 each subject area listed under (1) of this subsection, the objectives
19 and legal basis for the proposed regulation, and an approximate sched-
20 ule for completing action on each regulation for which the agency has
21 issued a notice of proposed regulation-making; and

22 (3) contains the name and telephone number of an agency
23 official knowledgeable concerning the items listed in (1) of this
24 subsection.

25 (b) An agency may consider or act on a matter not included in a
26 regulatory flexibility agenda. An agency may decline to consider or
27 act on a matter listed in the agenda. The agency shall state why it
28 is declining to act on the matter. An agency may not refuse to
29 consider or adopt a regulation solely because the proposed regulation

1 was not included in the agency's regulatory agenda.

2 (c) In this section, "small entity" has the meaning given in
3 AS 44.62.197.

4 * Sec. 3. AS 44.62 is amended by adding a new section to read:

5 Sec. 44.62.197. ECONOMIC ANALYSIS; SMALL ENTITIES. (a) Before
6 publishing notice under AS 44.62.190, an agency planning to adopt,
7 amend, or repeal a regulation shall analyze the probable economic
8 effect of the proposed action on small businesses and small municipal-
9 ities. The analysis must

10 (1) consider the types and numbers of small entities that
11 will probably be affected by the proposed action, including the types
12 that will bear the costs of the proposed action and those that will
13 benefit from it;

14 (2) consider the probable economic effect of the proposed
15 action, both as to kind and amount, upon the affected entities;

16 (3) review the reasons for the proposed action, in light of
17 the probable economic effect on small entities;

18 (4) identify whether there are less costly or less intru-
19 sive means of achieving the purpose of the proposed action;

20 (5) identify, to the extent practicable, relevant regula-
21 tions that may duplicate, overlap, or conflict with the proposed
22 regulations.

23 (b) After the close of public proceedings under AS 44.62.210,
24 the agency shall prepare, as a final analysis for a regulation-adop-
25 tion project, a brief summary from the analysis required by (a) of
26 this section and the agency's comment on public testimony, whether
27 that testimony was written or oral. The agency's comment on the
28 testimony must identify changes made in response to the testimony and
29 must include a brief statement of the reason for rejecting a proposal,

1 if any, that was not adopted by the agency. The agency's statement
2 under this subsection may summarize the reasons and the testimony in
3 aggregate form so as to avoid duplication and unnecessary detail.

4 (c) If the head of the agency certifies in writing that a regu-
5 lation will not have a significant economic effect on a substantial
6 number of small entities, the agency shall make a succinct statement
7 explaining the reasons for the certification and why it is not
8 required to comply with this section. The certification must be
9 submitted to the lieutenant governor for filing with the regulation.

10 (d) An agency may consider a series of closely related regula-
11 tions as one regulation for the purposes of this section.

12 (e) Analyses under this section are not subject to judicial
13 review. Action taken may not be invalidated on the ground that the
14 contents of an analysis are insufficient or inaccurate.

15 (f) In this section

16 (1) "small business" means a business corporation or a
17 nonprofit corporation, a partnership, or a sole proprietorship, that
18 is licensed in the state and transacts business in the state, and

19 (A) employs 50 or fewer employees in the state, ex-
20 cluding seasonal employees; or

21 (B) has annual gross sales, or value of services
22 provided, of \$1,000,000 or less;

23 (2) "small entity" means a small business or small munic-
24 ipality;

25 (3) "small municipality" means a municipality with a popu-
26 lation of 10,000 or fewer persons.

27 * Sec. 4. AS 44.62.200(a) is amended to read:

28 (a) The notice of proposed adoption, amendment, or repeal of a
29 regulation shall include

1 (1) a statement of the time, place, and nature of proceed-
2 ings for adoption, amendment, or repeal of the regulation;

3 (2) reference to the authority under which the regulation
4 is proposed and a reference to the particular code section or other
5 provision of law which are being implemented, interpreted, or made
6 specific;

7 (3) an informative summary of the proposed subject of
8 agency action;

9 (4) other matters prescribed by a statute applicable to
10 the specific agency or to the specific regulation or class of regula-
11 tions;

12 (5) a summary of the fiscal information required to be
13 prepared under AS 44.62.195;

14 (6) a summary of the analysis required by AS 44.62.197(a)
15 and the address from which a complete copy of the analysis may be
16 obtained.

17 * Sec. 5. REVIEW OF EXISTING REGULATIONS. (a) Before January 1, 1991,
18 each agency shall review the regulations adopted by that agency and in
19 effect as of July 1, 1986, that have or will have a significant economic
20 effect upon a substantial number of small entities. The purpose of the
21 review is to determine whether the regulations should be continued without
22 change, or should be amended or repealed to minimize a significant economic
23 effect on a substantial number of the small entities. If the head of the
24 agency determines that completion of the review of existing regulations is
25 not feasible by January 1, 1991, the agency head shall certify that fact in
26 writing and may extend the completion date by one year.

27 (b) In reviewing regulations under (a) of this section, the agency
28 shall consider the

29 (1) continued need for the regulation;

1 (2) nature of complaints or comments received concerning the
2 regulation from the public;

3 (3) complexity of the regulation;

4 (4) extent to which the regulation overlaps, duplicates, or
5 conflicts with other state regulations, and, to the extent feasible, with
6 federal and local governmental regulations; and

7 (5) length of time since the regulation has been evaluated or
8 the degree to which technology, economic conditions, or other factors have
9 changed in the area affected by the regulation.

10 (c) In this section

11 (1) "agency" has the meaning given "state agency" in AS 44.62.-
12 640(a);

13 (2) "small entity" has the meaning given in AS 44.62.197.

14 * Sec. 6. AS 44.62.197, enacted by sec. 3 of this Act, does not apply
15 to regulations for which a notice of proposed action is issued before
16 July 1, 1986.

17 * Sec. 7. This Act takes effect July 1, 1986.
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