

ALASKA LEGISLATURE COMMITTEE FILES 1983-1986 86/2

4196 SLAB SB 429 1878

**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						
<b>TOTAL OPERATING</b>		<b>44.4</b>	<b>44.4</b>	<b>44.4</b>	<b>44.4</b>	<b>44.4</b>

CAPITAL						
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REVENUE						
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**FUNDING : (Thousands of Dollars)**

GENERAL FUND		44.4	44.4	44.4	44.4	44.4
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>		<b>44.4</b>	<b>44.4</b>	<b>44.4</b>	<b>44.4</b>	<b>44.4</b>

**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 : Mmm S D Small, 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)

**DEPARTMENT OF LAW**

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

OFFICE OF THE ATTORNEY GENERAL

April 7, 1986

Honorable Fred Zharoff, Chairman  
Senate Labor & Commerce Committee  
Alaska State Legislature  
P. O. Box V  
Juneau, Alaska 99811

Re: SB 429 (regulations affecting  
small businesses, etc.)  
Our file: 66-3-86-0414

Dear Senator Zharoff:

You will find attached copies of fiscal notes by the following departments:

Department of Administration,  
Department of Commerce & Economic Development,  
Department of Community & Regional Affairs,  
Department of Corrections,  
Department of Education,  
Department of Environmental Conservation,  
Department of Health & Social Services,  
Department of Labor,  
Department of Law,  
Department of Military & Veterans' Affairs,  
Department of Public Safety, and  
Department of Transportation & Public Facilities.

These fiscal notes are based on the original SB 429. I did not receive the draft committee substitute until Friday, April 4, and I believe that the various state agencies directly affected by this bill have not yet seen that draft. I am forwarding these fiscal notes to you so that your committee will have everything available as it considers the bill. The draft should substantially reduce the costs.

On March 24, following your committee's last hearing on this bill, Senator Fahrenkamp, the bill's sponsor, and I met with her staff, your staff, and David Dougherty (from the federal Small Business Administration) to discuss the bill. On the following day, I prepared for Senator Fahrenkamp a draft revision. It was understood that, although I was trying to help the senator address some of the problems identified as being in the original version of the bill, my efforts did not mean that the

Honorable Fred Zharoff  
Re: SB 429

April 7, 1986  
Page 2

Administration or the Department of Law endorsed either the original version or the draft substitute. It was also understood that the senator would send a copy to Mr. Dougherty for his comments.

I believe that your committee has been furnished copies of my March 25 letter to Senator Fahrenkamp and of the draft substitute. So I will not repeat the content of that letter here.

It appears that the April 4 draft CS prepared in the Legislative Affairs Agency is very similar to my draft, with, however, some significant changes.

The gist of the attached fiscal notes is that the bill is unnecessary, too burdensome, costly, and without sufficient (if any) benefit to the public. The draft substitute bill, which the various agencies have not yet seen and have not commented upon, will substantially reduce those costs and burdens, but it is not clear that it will produce anything of great value to the public. This time of severe fiscal constraints and reduced staffs is not the best one for imposing new functions and duties on a broad range of state agencies.

Here are some general and specific comments:

1. While commending Senator Fahrenkamp's long-standing interest in regulatory reform, I have not been able to identify a particular problem for which this bill is the solution. I have read the senator's written statement which she presented to your committee on March 24, 1986, and I have no quarrel with her objective of making state agencies more "sensitive to new regulatory burdens." However, most agencies are indeed aware of that now, and the duties imposed by the bill seem unnecessary to achieve any greater sensitivity.

2. A bill such as this appears to be inspired by a particular problem pertaining to a particular function of the state government, implemented, in part, by administrative regulations. But the bill speaks in broad terms, thus affecting all agencies and all functions.

3. If there is a particular function of the state government, being performed by some identified state agency, a simple amendment to the statutes specifically affecting that function would be a better way to achieve the senator's objective.

4. Some agencies, such as the Department of Environmental Conservation and the Department of Health and Social Services, administer programs closely associated with federal agencies and subject to federal requirements. For many of these, it is simply not feasible to undertake some special "flexibility analysis" for small businesses when preparing and adopting regulations.

5. Some agencies, such as the Department of Corrections and the Department of Military and Veterans' Affairs, do not adopt regulations affecting small businesses and a broadly sweeping statute such as in this bill (and the draft committee substitute) is simply unnecessary.

6. Section 1 of the draft committee substitute merely adds to the duties of the legislature's Administrative Regulation Review Committee. In doing so, it relies on the new requirement in the proposed AS 44.62.197 (economic analysis for small entities). While we do not support the new statutory requirement in the proposed AS 44.62.197, we do not object to the committee performing an oversight function. The current standard for regulation validity is "reasonable necessity." AS 44.62.030. The language of the amendment proposed in sec. 1 could be made to refer simply to the existing standard.

7. Section 2 of the draft committee substitute will require each agency to prepare a "regulatory agenda" twice a year. The need for this is certainly questionable, especially since an agency is not bound by it (see the proposed AS 44.62.177(b)). Under the current AS 44.62.190, an agency is required to give a broad distribution to the notice of proposed regulation adoption, at least 30 days before the adoption. It is not clear that, in addition to the currently required saturation notice, this regulatory agenda would provide anything more than a time-consuming irritant to each regulation-adopting agency.

8. Section 2 also relies on the terms "significant economic impact," "substantial number," and "small entities." Although the last of these three terms is defined, the first two are not. This leaves a great deal of vagueness which would make accurate compliance with the requirement very difficult.

9. Section 3 of the draft committee substitute is, of course, the heart of the bill. Although this version would be much more administratively feasible than the version in

Honorable Fred Zharoff  
Re: SB 429

April 7, 1986  
Page 4

the original bill, it still imposes requirements that select one kind of member of the public -- "small entities" -- for special treatment. It thus imposes a burden on all agencies that will produce little benefit, if any, to the general public.

10. The definitions of "small business" and "small municipality," in the proposed subsec. (f) (page 4 of the draft CS), raise some questions. Although the approach taken is that offered in the draft that I did for Senator Fahrenkamp on March 25, the numbers of employees and the amount of annual gross sales, in the definition of "small business," and the size of the population of "small municipalities," have been made much larger. Although I am not qualified to state firmly just what those numbers should be, it appears that the draft CS uses numbers that are far too large for the Alaska context.

Thank you for this opportunity to comment, and I would be happy to continue working with Senator Fahrenkamp and her and your staff on this matter.

Yours truly,

HAROLD M. BROWN  
ATTORNEY GENERAL

By:   
Arthur H. Peterson  
Assistant Attorney General

AHP:md

cc w/enc.: Hon. Bettye Fahrenkamp  
Alaska State Senate

Jim Ayers, Director  
Legislative Relations  
Governor's Office

cc w/o enc.: Department Heads

STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: \_\_\_\_\_

<b>REQUEST</b> <u>Bill/Resolution No.: SB 429</u> <u>Title: An act relating to regulations that affect small businesses, small organizations, and small governmental. . . ."</u> <u>Sponsor: Fahrenkamp</u> <u>Requestor: _____</u> <u>Date of Request: February 14, 1986</u>	<b>FISCAL DETAIL</b> <u>Agency Affected: Dept. of Administration</u> <u>BRU: Administrative Services</u> <u>Components: _____</u>
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**EXPENDITURES/REVENUES: (Thousands of Dollars)**

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
<b>OPERATING</b>						
PERSONAL SERVICES	0	7.4	7.6	7.8	8.0	8.2
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	10.7	11.0	11.3	11.6	12.0
SUPPLIES	0	.6	.6	.6	.7	.7
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
<b>TOTAL OPERATING</b>	0	18.7	19.2	19.7	20.3	20.9
<b>CAPITAL</b>	0	0	0	0	0	0
<b>REVENUE</b>	0	0	0	0	0	0

**FUNDING: (Thousands of Dollars)**

GENERAL FUND	0	18.7	19.2	19.7	20.3	20.9
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
<b>TOTAL</b>	0	18.7	19.2	19.7	20.3	20.9

**POSITIONS:**

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

**ANALYSIS:** Attach a separate page if necessary

Attached

Prepared By: Gary M. Bader *Gary M. Bader* Phone: 465-2277  
 Division: Administrative Services Date: 3/28/86  
 Approved by Commissioner: Eleanor Andrews *Eleanor Andrews* Date: 3/28/86  
 Agency: Department of Administration

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 SENATE BILL 429

ANALYSIS:

A. Assumptions

1. Enactment of Senate Bill No. 429 would add a new chapter to AS 44. This new chapter pertains to small entities and the possible impact upon them by regulation changes. This bill increases the number of tasks required for notification of possible changes as well as requires a periodic review of all regulations. The estimates which follow are based on the existence of fourteen chapters of regulations of the Department of Administration in the Alaska Administrative Code and the assumption of at least two proposed changes per year per chapter.

B. Listing Of Activities

1. <u>Section</u>	<u>Task Description</u>	<u>Per Proposed Regulation Change</u>
44.63.010	Prepare and publish regulatory flexibility agenda (based upon required six tasks)	6 hours
44.63.020	Prepare initial flexibility analysis (based upon required six tasks)	6 hours
44.63.030	Prepare final flexibility analysis (based upon required three tasks)	5 hours
	TOTAL	17 hours

2. <u>Section</u>	<u>Task Description</u>	<u>Required On Annual Basis</u>
44.63070	Periodic review plan (based upon required five considerations)	10 hours
44.63.070(c)	Prepare and publish current years' review schedule	4 hours
	TOTAL	14 hours

3. Inflation is estimated at 3 percent per year.

B. Staff Requirement

1. Each proposed regulation change is estimated to require 17 hours per year. If two changes are proposed for each chapter of the Department of Administration's regulations which impact small entities, then  $2 \times 14 \times 17 = 476$  hours per year of additional processing are required by Senate Bill 429. Additionally, on an annual basis, the periodic review plan and current year's review schedule must be prepared and published requiring  $10 + 4 = 14$  hours per year.
2.  $476 + 14 = 490$  employee hours  $\div$  47 weeks = 10.43 employee hours/week

COMPUTATION APPENDAGE of FISCAL NOTE ANALYSIS  
FOR SENATE BILL 429

1. Additional Staff Requirements Analysis

a. General Government Unit (GGU)

Hours per Year	=	1,950 hours per year
Annual Leave	=	( 75 )
Five Days Sick Leave	=	( 37.5 )
Holidays (ten days)	=	( 75 )
Employee Annual Hours Worked	=	<u>1,762.5 hours per year</u>

1,762.5 hours per year ÷ 37.5 hours per week = 47 weeks per year

b. Staff--one part-time Administrative Assistant I, Range 12

\$12.75 per hour x 10 hours per week x 52 weeks = \$6,630.00  
Benefits for less than 15 hours per week: 11.16% = \$ 739. 1

TOTAL: \$7,369.91

2. Other Costs Analysis

Contractual Total: \$10,696

Duplicating--\$196

Assume 28 Initial Flexibility Analyses and 28 Final Flexibility Analyses to be published at four pages each to meet criteria as established by AS 44.63, mailed to 25 interested/impacted small entities:

2 analyses x 28 regulations x 4 pages x 25 parties x \$.035 = \$196

Advertising--\$10,500

Sec. 44.63.010(3)(c) requires publication of the regulatory agenda in "publications likely to be obtained by small entities." Each of the assumed twenty-eight proposed regulatory changes flexibility agendas printed in the newspaper in Fairbanks, Anchorage, and Juneau would cost:

28 agendas x 3 papers x \$125 = \$10,500

Supplies: \$600

1 employee x \$50 month x 12 months = \$600

Position Title <b>Administrative Assistant I</b>			No. of Positions <b>1</b>	Range/Step <b>12A</b>	Barg. Unit <b>G</b>	Gov.	Approv.	Disapp.																																																																																			
Time Status <b>Part-time</b>	Staff Months <b>3.2</b>	RP Number	Location <b>Juneau</b>	Election District <b>4</b>		Leg.																																																																																					
<table border="1"> <thead> <tr> <th>Type of Expenditure</th> <th>1</th> <th>2</th> <th>Amount</th> <th>3</th> </tr> </thead> <tbody> <tr> <td>Salary</td> <td></td> <td><b>6,630</b></td> <td></td> <td></td> </tr> <tr> <td>Benefits</td> <td></td> <td><b>739</b></td> <td></td> <td></td> </tr> <tr> <td>Premium Pay</td> <td></td> <td><b>0</b></td> <td></td> <td></td> </tr> <tr> <td>Other</td> <td></td> <td><b>0</b></td> <td></td> <td></td> </tr> <tr> <td><b>Total Personal Services</b></td> <td></td> <td></td> <td></td> <td><b>7,369</b></td> </tr> <tr> <td>Travel</td> <td></td> <td></td> <td></td> <td><b>0</b></td> </tr> <tr> <td>Contractual</td> <td></td> <td></td> <td></td> <td><b>3,094</b></td> </tr> <tr> <td>Commodities</td> <td></td> <td></td> <td></td> <td><b>0</b></td> </tr> <tr> <td>Equipment</td> <td></td> <td></td> <td></td> <td><b>0</b></td> </tr> <tr> <td>Other</td> <td></td> <td></td> <td></td> <td><b>0</b></td> </tr> <tr> <td><b>Total Cost</b></td> <td></td> <td></td> <td></td> <td><b>10,463</b></td> </tr> </tbody> </table>			Type of Expenditure	1	2	Amount	3	Salary		<b>6,630</b>			Benefits		<b>739</b>			Premium Pay		<b>0</b>			Other		<b>0</b>			<b>Total Personal Services</b>				<b>7,369</b>	Travel				<b>0</b>	Contractual				<b>3,094</b>	Commodities				<b>0</b>	Equipment				<b>0</b>	Other				<b>0</b>	<b>Total Cost</b>				<b>10,463</b>	<table border="1"> <thead> <tr> <th>Receipt Code</th> <th>Funding Source</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td></td> <td>Federal Receipts 1002</td> <td></td> </tr> <tr> <td></td> <td>G. F. Match 1003</td> <td><b>10,436</b></td> </tr> <tr> <td></td> <td>General Funds 1004</td> <td></td> </tr> <tr> <td></td> <td>I-A Receipts 1005</td> <td></td> </tr> <tr> <td></td> <td>Program Receipts 1028</td> <td></td> </tr> <tr> <td></td> <td>CIP Receipts 1061</td> <td></td> </tr> <tr> <td></td> <td>Other</td> <td></td> </tr> </tbody> </table>					Receipt Code	Funding Source	Amount		Federal Receipts 1002			G. F. Match 1003	<b>10,436</b>		General Funds 1004			I-A Receipts 1005			Program Receipts 1028			CIP Receipts 1061			Other	
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<table border="1"> <tr> <td>For B&amp;M Use Only</td> </tr> <tr> <td>Key Number</td> </tr> </table>			For B&M Use Only	Key Number	<b>Justification</b>  Duties would include, but not be limited to: <ol style="list-style-type: none"> <li>1. Review regulation and determine if a significant impact exists.</li> <li>2. Prepare regulatory agenda.</li> <li>3. Prepare flexibility analyses.</li> <li>4. Prepare final flexibility analyses.</li> <li>5. Determine duplicative analyses.</li> <li>6. Oversee the gathering of comments.</li> <li>7. Periodic review of regulations.</li> </ol>																																																																																						
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14/1D1/0326-02/8

**Request For  
New Position**

Agency Administration  
BRU Administrative Services  
Component \_\_\_\_\_

**FY 87**

Page 5 of 5  
Revised Date \_\_\_\_\_

POSITION PAPER  
SB 429

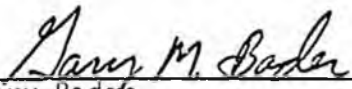
This bill would establish the requirement to publish semiannually a "Flexibility Agenda" in which the department is required to publish a list of regulations they may pursue within the next six months and send a separate notice to any and all small businesses, small government entities, or small organizations which may be impacted, as well as sending a copy to the Office of Enterprise. Prior to commencing public hearings or a period of public input, the department must publish an "initial flexibility analysis" which includes the impact on small entities, identifies which small entities will be impacted, how they will be impacted, what skills will be necessary to comply with the regulations, as well as any alternatives such as different compliance standards for small entities.

Once a regulation is adopted, a final flexibility analysis is required incorporating all factors stated above.

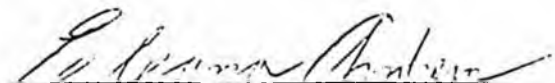
There are two primary regulatory areas that would be impacted by the bill. The area of competitive bidding for State contracts for the purchase of goods, services, and professional services which would impact small businesses; and the regulations governing municipal grants which would impact small government entities. This department has the responsibility of assuring that municipalities for which the monies were appropriated have spent the monies consistent with the stated purposes and in conformance with the grant agreement.

As stated earlier, the vast majority of regulations promulgated by this department does not warrant a distinction between large and small entities, and to be required to comply with the provisions of this bill would be burdensome beyond any benefits derived, as well as create a double standard which would not be in keeping with the best interests of the State.

The Department of Administration opposes passage of this bill.

  
\_\_\_\_\_  
Gary Bader  
Director  
Division of Administrative Services  
Department of Administration

3/28/86  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Commissioner Eleanor Andrews  
Department of Administration

3/28/86  
\_\_\_\_\_  
Date

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						
<b>TOTAL OPERATING</b>		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
<b>TOTAL</b>		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  
 Approved by Commissioner: Loren S. Hunsbury  
 Agency: Commerce and Economic Development

Phone: 465-2555  
 Date: March 19, 1986  
 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: \_\_\_\_\_

<b>REQUEST</b>	<b>FISCAL DETAIL</b>
Bill/Resolution No.: <u>SB 429</u>	Agency Affected: <u>APUC</u>
Title: <u>Reg. 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						
<b>TOTAL OPERATING</b>		<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>

CAPITAL						
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REVENUE						
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**FUNDING: (Thousands of dollars)**

GENERAL FUND		5.0	5.0	5.0	5.0	5.0
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>		<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>

**POSITIONS:**

FULLTIME						
PARTTIME						
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: T. S. Moninski, Deputy Director  
 Division: APUC  
 Approved by Commissioner: *Loren K. Loumbury*  
 Agency: \_\_\_\_\_

Phone: 276-6222  
 Date: 3/19/86  
 Date: 3/21/86

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

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: "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						
<b>TOTAL OPERATING</b>		55.0	51.5	28.0	29.0	29.0

CAPITAL		-0-	-0-	-0-	-0-	-0-
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REVENUE		-0-	-0-	-0-	-0-	-0-
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**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-
<b>TOTAL</b>		55.0	51.5	28.0	29.0	29.0

**POSITIONS:**

FULLTIME		1	1	-0-	-0-	-0-
PARTTIME		-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. Lumberg*  
 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 effect small businesses

**FISCAL DETAIL**

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						
<b>TOTAL OPERATING</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>

<b>CAPITAL</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>
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<b>REVENUE</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>
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**FUNDING: (Thousands of dollars)**

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>

**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: *Don S. Brown* 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: \_\_\_\_\_

<b>REQUEST</b> Bill/Resolution No.: <u>SB 429</u> Title: <u>Relating to regulations that affect small business, small organizations and small governmental, etc.</u> Sponsor: <u>Senator Fahrenkamp</u> Requester: <u>Fahrenkamp</u> Date of Request: _____	<b>FISCAL DETAIL</b> Agency Affected: <u>Commerce &amp; Econ. Dev.</u> BRU: _____ Components: <u>Public Protection</u> _____ _____
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**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						
<b>TOTAL OPERATING</b>		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-
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**FUNDING: (Thousands of dollars)**

GENERAL FUND		25.0	25.0	25.0	25.0	25.0
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>		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 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. Todd* Phone: 465-2515  
 Division: Division of Insurance Date: March 21, 1986  
 Approved by Commissioner: *Donna S. Lounsbury* 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: \_\_\_\_\_

<b>REQUEST</b> Bill/Resolution No.: <u>SB 429</u> Title: <u>"An Act relating to regulations</u> <u>..... providing for an effective date."</u> Sponsor: <u>Senator Fahrenkamp</u> Requester: _____ Date of Request: _____	<b>FISCAL DETAIL</b> Agency Affected: <u>Commerce &amp; Econ. Dev.</u> BRU: <u>Division of Investments</u> Components: <u>Economic Development</u>
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**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						
<b>TOTAL OPERATING</b>		<b>7.0</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>

CAPITAL		-0-	-0-	-0-	-0-	-0-
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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						
<b>TOTAL</b>						

**POSITIONS:**

FULL-TIME		-0-	-0-	-0-	-0-	-0-
PART-TIME						
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: [Signature]  
 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**

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

Sponsor: Senator Fahrenkamp  
 Requestor: 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						
<b>TOTAL OPERATING</b>	<b>-0-</b>	<b>174.6</b>	<b>162.4</b>	<b>163.2</b>	<b>164.1</b>	<b>164.9</b>

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	-0-	174.6	162.4	163.2	164.1	164.9
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	<b>-0-</b>	<b>174.6</b>	<b>162.4</b>	<b>163.2</b>	<b>164.1</b>	<b>164.9</b>

**POSITIONS:**

FULL-TIME	-0-	3	3	3	3	3
PART-TIME						
TEMPORARY						

**ANALYSIS:** Attach a separate page if necessary.

See attached.

Prepared by: Bonnie Jc Borchick  
 Division: Office of Enterprise

Phone: 465-2018  
 Date: March 19, 1986

Approved by Commissioner: *Bonnie Jc Borchick*  
 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>		<u>FY 87 COSTS</u>
	Economist II	\$ 55,500.00	147.2
	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	6.9
	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	6.7
	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	2.3
	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	11.5
	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 <b>Research Analyst III</b>		Qty. of Positions <b>1</b>	Range/Step <b>18A</b>	Barq. Unit <b>G</b>	Gov. <b>Leg.</b>	Approv. <b></b>	Disapp. <b></b>
Time Status <b>PFT</b>	Staff Months <b>12</b>	RP Number <b></b>		Location <b>Juneau</b>		Election District <b></b>	
Justification							
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.							
Type of Expenditure		Amount					
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			
		I-A Receipts 1005					
		Program Receipts 1028					
		CIP Receipts 1001					
		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 <b>Regulations Specialist II</b>			No. of Positions <b>1</b>	Range/Step <b>16A</b>	Barq. Unit <b>G</b>	Gov.	Approv.	Disapp
Time Status <b>PFT</b>	Staff Months <b>12</b>	RP Number	Location <b>Juneau</b>		Election District	Leg.		
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.								
Type of Expenditure			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					
			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

Page \_\_\_\_\_ of \_\_\_\_\_  
 Revised Date \_\_\_\_\_

**FY 87**

Position Title <b>Economist II</b>		No. of Positions <b>1</b>	Range/Step <b>20A</b>	Bag Unit <b>G</b>	Gov. <b>Leg.</b>	Approv.	Drop
Time Status <b>PFT</b>	Staff Months <b>12</b>	RP Number	Location <b>Juneau</b>		Election District		
Type of Expenditure		Justification					
		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.					
Amount							
I							
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	1000					
	G. F. Match	1001					
	General Funds	1004	62.3				
	I-A Receipts	1005					
	Program Receipts	1025					
	CFR 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

Page \_\_\_\_\_ of \_\_\_\_\_  
 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 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						
<b>TOTAL OPERATING</b>		<b>20.9</b>	<b>20.9*</b>	<b>20.9*</b>	<b>20.9*</b>	<b>20.9*</b>

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

GENERAL FUND		20.9	20.9	20.9	20.9	20.9
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>		<b>20.9</b>	<b>20.9</b>	<b>20.9</b>	<b>20.9</b>	<b>20.9</b>

**POSITIONS:**

FULL-TIME		-0-	-0-	-0-	-0-	-0-
PART-TIME						
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*          |
|  | <u>\$20.9</u> |

\*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: \_\_\_\_\_

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

**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						
<b>TOTAL OPERATING</b>	-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						
<b>TOTAL</b>	-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 : \_\_\_\_\_

**REQUEST**

Bill/Resolution No. : SB 429  
 Title : An Act relating to regulations that affect small businesses, small organizations and small government jurisdictions.  
 Sponsor : Senator Fahrenkamp  
 Requestor : \_\_\_\_\_  
 Date of Request : \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected: Community & Regional Affairs  
 BRU : \_\_\_\_\_  
 Components : \_\_\_\_\_

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL		6.8	7.1	7.4	7.7	8.0
CONTRACTUAL		40.75	42.6	44.6	46.6	48.7
SUPPLIES		2.5	2.6	2.8	2.9	2.9
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>		50.1	52.3	54.8	57.2	59.6

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

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

**FUNDING : (Thousands of Dollars)**

GENERAL FUND		50.1	52.3	54.8	57.2	59.6
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

**POSITIONS :**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary

See attached fiscal note analysis for the Divisions of Municipal and Regional Assistance and Community Development.

Prepared by : Jennifer Fate Phone : 465-4700  
 Division : Commissioner's Office Date : 4/4/86

Approved by Commissioner : Emil Notti Date : 4/4/86  
 Agency : Community and Regional Affairs

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  
Municipal and Regional Assistance Division

**EXPLANATION**

The requirements of this bill will add a substantial amount of time, cost and effort to the regulation drafting and implementation process. The language of the bill is somewhat vague so it is difficult to determine with a great deal of precision what the exact costs of this measure will be on this Division. The preparation and distribution of regulatory agendas, initial and final flexibility analyses, and more extensive notification and comment gathering procedures are additional tasks that will be costly. Quantifying the effects of proposed regulations and alternatives will also consume resources for which this agency does not presently budget.

This fiscal note reflects a desire to avoid hiring new staff as the costs of complying with this bill would occur on an intermittent basis. Much of the regulation drafting now done by the Division is performed by program staff. Much of this actual drafting would be contracted out to attorneys to allow staff to perform the new agenda, analysis, and notification duties.

**ASSUMPTIONS**

It is assumed that the Division will annually undertake three major regulation efforts related to new programs, or substantially revise regulations of existing programs. An annual inflation rate of 5% is applied to fiscal years after FY 87.

**FISCAL ANALYSIS**

<u>Travel</u> .....	1,800
3 additional trips per year for program managers to conduct open conferences or public hearings as required under AS 44.63.060. 3 trips @ \$600 per (includes per diem)	1,800
<u>Contractual</u> .....	22,000
Professional Services - attorney fees for regulation drafting 120 hours @ \$125 per	15,000
<u>Contractual</u> (cont'd)	
Communications - Toll call for teleconference public hearings and open conference	5,000
Postage for additional notification	1,000
Advertising and printing	1,000
<u>Supplies</u> .....	500
Office Supplies for Notification	500

## CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 429  
Division of Community Development

### Explanation:

The implementation of this bill would substantially increase the cost of regulation drafting and implementation. Since regulations are drafted and updated on an irregular basis, it is difficult to estimate the actual increased cost for any given year. However, we can say with certainty that for each set of regulations drafted or updated, the cost would increase by at least one third. The additional expense can be attributed to the preparation and distribution of regulatory agendas, initial and final flexibility analyses, and the increased notification and comment solicitation procedures.

### Assumptions:

For purposes of responding to this request we are assuming that DCD will be involved with three separate regulation draftings or updates during each of the coming five (5) years. Under the present system we would estimate that this activity would require the equivalent of one staff person's full time attention for ninety (90) days. We would also estimate that the new requirements included in SB 429 would increase the activity by one third, or the equivalent of one person's full time attention for thirty (30) days. Because the increased activity has legal implications we would want to budget for 150 hours of contractual legal services.

We estimate that each of the three separate legal activities would require at least three and a half ( $3\frac{1}{2}$ ) trips, so we have included a total of ten (10). We also estimate that the combined cost of supplies itemized in the fiscal note would cost \$2,000.00. The cost increase for each year reflects a 4% increment. We believe our estimates are probably conservative.

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, organizations, and governmental jurisdictions"  
 Sponsor : Senator Fahrenkamp  
 Requestor : \_\_\_\_\_  
 Date of Request : March 28, 1986

FISCAL DETAIL

Agency Affected: Department of Corrections  
 BRU : \_\_\_\_\_  
 \_\_\_\_\_  
 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		-0-	-0-	-0-	-0-	-0-
SUPPLIES		-0-	-0-	-0-	-0-	-0-
EQUIPMENT		-0-	-0-	-0-	-0-	-0-
LAND & STRUCTURES		-0-	-0-	-0-	-0-	-0-
GRANTS, CLAIMS		-0-	-0-	-0-	-0-	-0-
MISCELLANEOUS		-0-	-0-	-0-	-0-	-0-
TOTAL OPERATING		-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE						
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**FUNDING : (Thousands of Dollars)**

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

**POSITIONS :**

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

ANALYSIS : Attach a separate page if necessary

Prepared by : Nadine Winters  
 Division : Special Assistant

Phone : 465-3376  
 Date : March 28, 1986

Approved by Commissioner : *N. Winters*  
 Agency : Department of Corrections

Date : March 28, 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 : ...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						
<b>TOTAL OPERATING</b>		<b>46.6</b>	<b>46.6</b>	<b>46.6</b>	<b>46.6</b>	<b>46.6</b>

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

**FUNDING : (Thousands of Dollars)**

GENERAL FUND		46.6	46.6	46.6	46.6	46.6
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

**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 Phone : 465-2800  
 Division : Commissioner's Office Date : March 27, 1986

Approved by Commissioner : Marshall L. Lind Date : March 27, 1986  
 Agency : Department of Education

**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: 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						
<b>TOTAL OPERATING</b>		<b>84.3</b>	<b>79.6</b>	<b>80.0</b>	<b>80.4</b>	<b>80.8</b>

CAPITAL						
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REVENUE						
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**FUNDING : (Thousands of Dollars)**

GENERAL FUND		84.3	79.6	80.0	80.4	80.8
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>		<b>84.3</b>	<b>79.6</b>	<b>80.0</b>	<b>80.4</b>	<b>80.8</b>

**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 Date: 3/28/86  
 Agency: Environmental Conservation

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 420

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 Research Analyst III			No. of Positions 1	Range/Step 18A	Barg. Unit GGU	Gov. L28	Approv.	Disapp.
Time Status PFT	Staff Months 12	RP Number	Location Juneau		Election District			
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>					
1	2	3						
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					
			I-A Receipts 1005					
			Program Receipts 1028					
			CIP Receipts 1061					
			Other					
			56,420					
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**



# 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, & small gov. jurisdictions  
 Sponsor : Senator Fahrenkamp  
 Requestor : \_\_\_\_\_  
 Date of Request : \_\_\_\_\_

**FISCAL DETAIL**  
 Agency Affected : Health & Social Services  
 BRU : DHSS Administrative Services  
 Components : Commissioner's Office

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		100.2	103.7	107.3	111.1	115.0
TRAVEL		9.5	9.8	10.1	10.5	10.9
CONTRACTUAL		9.3	9.6	9.9	10.2	10.6
SUPPLIES		5	6	7	8	9
EQUIPMENT		14.9				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>		<b>134.4</b>	<b>123.7</b>	<b>128.0</b>	<b>132.6</b>	<b>137.4</b>

CAPITAL						
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REVENUE						
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**FUNDING : (Thousands of Dollars)**

GENERAL FUND		134.4	123.7	128.0	132.6	137.4
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>		<b>134.4</b>	<b>123.7</b>	<b>128.0</b>	<b>132.6</b>	<b>137.4</b>

**POSITIONS :**

FULL-TIME		2	2	2	2	2
PART-TIME		1	1	1	1	1
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary

See attached.

Prepared by : Joanne C. Clark *JCC* Phone : 465-3082  
 Division : Budget & Finance Date : 4/4/86

Approved by Commissioner : *J. R. Poy* Date : 7/7/84  
 Agency : Dept. of Health & Social Services

Distribution (by Agency preparing fiscal note):

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

SB 429

An assumption is made that the Department has an average of 10 major new regulations or regulations amendment projects yearly and 20 smaller or emergency regulations projects yearly.

A team of three new staff persons would be needed to work with the Special Assistant to the Commissioner for Legal Affairs. This team would aid staff of the divisions promulgating regulations in preparing the flexibility analyses required in the bill and setting up the plans for regulations review.

Summary of Costs -- FY87

Personal Services - salary, benefits, overtime for 3 staff	100.2
Travel - for hearings, meeting with affected public	9.5
Contractual - communications, risk management, equipment maintenance, advertising	9.3
Supplies - office supplies	.5
Equipment - 3 desks, 3 chairs, 3 calculators, 1 IBM Displaywriter, 1 bookcase, 1 file cabinet	14.9
	-----
TOTAL	134.4

Costs for years beyond FY87 are adjusted by 3.5% yearly. Equipment costs are one time only.



Position Title Management Analyst III			No. of Positions 1	Range/Step 18A	Barg. Unit GGU	Gov.	Approv.	Disapp.																																						
Time Status PPT	Staff Months 12	RP Number	Location AWA	Election District	Log.																																									
<table border="1"> <thead> <tr> <th>Type of Expenditure</th> <th>Amount</th> </tr> <tr> <th>1</th> <th>2</th> <th>3</th> </tr> </thead> <tbody> <tr> <td>Salary</td> <td>37,356</td> <td></td> </tr> <tr> <td>Benefits</td> <td>9,182</td> <td></td> </tr> <tr> <td>Premium Pay</td> <td></td> <td></td> </tr> <tr> <td>Other</td> <td></td> <td></td> </tr> <tr> <td><b>Total Personal Services</b></td> <td><b>46.5</b></td> <td></td> </tr> <tr> <td>Travel</td> <td>7.0</td> <td></td> </tr> <tr> <td>Contractual</td> <td>3.5</td> <td></td> </tr> <tr> <td>Commodities</td> <td>0.2</td> <td></td> </tr> <tr> <td>Equipment</td> <td>1.6</td> <td></td> </tr> <tr> <td>Other</td> <td></td> <td></td> </tr> <tr> <td><b>Total Cost</b></td> <td><b>58.8</b></td> <td></td> </tr> </tbody> </table>			Type of Expenditure	Amount	1	2	3	Salary	37,356		Benefits	9,182		Premium Pay			Other			<b>Total Personal Services</b>	<b>46.5</b>		Travel	7.0		Contractual	3.5		Commodities	0.2		Equipment	1.6		Other			<b>Total Cost</b>	<b>58.8</b>		Justification  This position would work with the Special Assistant and division staff to determine effect of regulations on small businesses, small organizations, and small governments. This person would have to attend hearings, talk to persons potentially affected by regulations, and work with the Regulations Specialist to determine impacts. This person would also work on preparation of initial and final flexibility analysis.					
Type of Expenditure	Amount																																													
1	2	3																																												
Salary	37,356																																													
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	Other																																													
For B&M Use Only Key Number _____																																														

**Request For  
New Position**

Agency Health & Social Services  
 BRU DHSS Admin. Services  
 Component Commissioner's Office

Page \_\_\_\_\_ of \_\_\_\_\_  
 Revised Date \_\_\_\_\_

**FY 87**

Position Title Clerk Typist III			No. of Positions 1	Range/Step 8A	Barg. Unit GGH	Gov.	Approv.	Disopp.	
Time Status PPT	Staff Months 6	RP Number	Location AWA		Election District	Leg.			
Type of Expenditure			Justification						
Amount			This position would provide typing, filing, and document tracking support for the regulations team. The position would prepare required notices and assure that they were filed properly.						
1	2	3							
Salary	9,786								
Benefits	2,681								
Premium Pay	800								
Other									
Total Personal Services		13.3							
Travel									
Contractual		2.3							
Commodities		0.1							
Equipment		11.5							
Other									
Total Cost		27.2							
Receipt Code	Funding Source								
	Federal Receipts	1002							
	G. F. Match	1003							
	General Funds	1004							27.2
	I-A Receipts	1005							
	Program Receipts	1028							
	CIP Receipts	1061							
	Other								
For B&M Use Only Key Number _____									

Request For  
New Position

Agency Health & Social Services  
 BRU DHSS Admin. Services  
 Component Commissioner's Office

FY 87

Page \_\_\_\_\_ of \_\_\_\_\_  
 Revised Date \_\_\_\_\_

STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE

Revised 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		34.0	34.2	34.3	34.5	34.7
SUPPLIES		1.5	1.6	1.6	1.7	1.8
EQUIPMENT		3.2	-	-	-	-
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>		<b>111.1</b>	<b>108.2</b>	<b>108.3</b>	<b>108.6</b>	<b>108.9</b>

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

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

**FUNDING : (Thousands of Dollars)**

GENERAL FUND		111.1	108.2	108.3	108.6	108.9
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

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

Phone: 465-2700  
 Date: 3/28/86  
 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 <b>Regulations Specialist II</b>			No. of Positions 1	Range/Step 16A	Barg. Unit (GGI)	Gov.	Approv.	Disapp.
Time Status PFT	Staff Months 12	RP Number	Location Juneau		Election District	Leg.		
Justification								
Type of Expenditure			Amount					
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						
<div style="border: 1px solid black; padding: 5px; width: fit-content;"> For B&amp;M Use Only  Key Number _____ </div>								

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".

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.

**Request For  
New Position**

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

Page 3 of 4  
Revised Date \_\_\_\_\_

**FY 87**

Position Title <b>Clerk Typist III</b>			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.																											
<table border="1"> <thead> <tr> <th>Type of Expenditure</th> <th>Amount</th> </tr> <tr> <th>1</th> <th>2</th> </tr> </thead> <tbody> <tr> <td>Salary</td> <td>20,316</td> </tr> <tr> <td>Benefits</td> <td>7,702</td> </tr> <tr> <td>Premium Pay</td> <td></td> </tr> <tr> <td>Other</td> <td></td> </tr> <tr> <td><b>Total Personal Services</b></td> <td><b>28,018</b></td> </tr> <tr> <td>Travel</td> <td>0</td> </tr> <tr> <td>Contractual</td> <td>2,000</td> </tr> <tr> <td>Commodities</td> <td>1,000</td> </tr> <tr> <td>Equipment</td> <td>1,600</td> </tr> <tr> <td>Other</td> <td></td> </tr> <tr> <td><b>Total Cost</b></td> <td><b>32,618</b></td> </tr> </tbody> </table>			Type of Expenditure	Amount	1	2	Salary	20,316	Benefits	7,702	Premium Pay		Other		<b>Total Personal Services</b>	<b>28,018</b>	Travel	0	Contractual	2,000	Commodities	1,000	Equipment	1,600	Other		<b>Total Cost</b>	<b>32,618</b>	<b>Justification</b>  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.				
Type of Expenditure	Amount																																
1	2																																
Salary	20,316																																
Benefits	7,702																																
Premium Pay																																	
Other																																	
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Receipt Code	Funding Source	Amount																															
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	Other																																
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 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						
<b>TOTAL OPERATING</b>		-0-	-0-	-0-	-0-	-0-

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

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

**FUNDING : (Thousands of Dollars)**

GENERAL FUND		-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

**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: Richard I. Pegues / For / Harold M. Brown Date: 4/4/86  
 Agency: Department of Law

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

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.

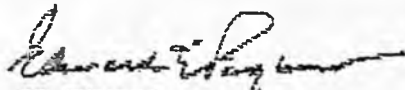
# MEMORANDUM

## State of Alaska

TO: Arthur H. Peterson  
Assistant Attorney General  
Legislation/Regulations Section

DATE: 27 March 1965

FILE NO



FROM: MG Edward G. Pagano  
The Adjutant General

TELEPHONE NO 249-1565

SUBJECT: SB 429 ("flexibility analysis"  
for small businesses)

The Department of Military and Veterans Affairs has had virtually no occasion to publish regulations which affect businesses; large or small. Accordingly, the Department does not feel it would be appropriate to take a position either favorable or contrary to this bill. Although there are undoubtedly indirect costs associated with the regulatory process which impact upon the Department, there is no direct fiscal impact and accordingly a "zero" fiscal note is appropriate from the Department of Military and Veterans Affairs.

# STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : \_\_\_\_\_

**REQUEST**

Bill/Resolution No. : Senate Bill 429  
 Title : "An Act relating to regulations that affect small businesses, small organizations, etc."  
 Sponsor : Fahrenkamp  
 Requestor : \_\_\_\_\_  
 Date of Request : \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected : Military & Vets Affairs  
 BRU : Alaska National Guard  
 \_\_\_\_\_  
 Components : Office of the Adjutant General  
 \_\_\_\_\_

**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						
<b>TOTAL OPERATING</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>

<b>CAPITAL</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>
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<b>REVENUE</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>
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**FUNDING : (Thousands of Dollars)**

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>

**POSITIONS :**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary

No fiscal impact.

Prepared by : *RJR* Richard L. Rountree, Director  
 Division : Administrative & Support Services

Phone : 465-4600

Date : 3/28/86

Approved by Commissioner : *For Richard L. Rountree* Edward G. Pagano  
 Agency : Dept. of Military & Veterans Affairs

Date : 3/28/86

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 : \_\_\_\_\_

REQUEST

Bill Resolution No. : SB 429  
 Title : "An Act relating to regulations that affect small businesses, small organizations, and small governmental jurisdictions..."  
 Sponsor : Senator Fahrenkamp  
 Requestor : \_\_\_\_\_  
 Date of Request : 3/28/86

FISCAL DETAIL

Agency Affected : Public Safety  
 BRU : DPS Administration  
 Components : \_\_\_\_\_

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL SUPPLIES		62.0	65.1	68.4	71.8	75.4
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		62.0	65.1	68.4	71.8	75.4

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

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

FUNDING : (Thousands of Dollars)

GENERAL FUND		62.0	65.1	68.4	71.8	75.4
FEDERAL FUNDS						
OTHER						
TOTAL		62.0	65.1	68.4	71.8	75.4

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

This Department's Divisions of Motor Vehicles, Fire Prevention and Alaska State Troopers are affected by this bill. The Alaska Police Standards Council and the Council on Domestic Violence and Sexual Assault would also be affected.

(continued on page 2)

Prepared by : Frank N. Gorham Phone : 465-4322  
 Division : Commissioner's Office Date : 3/27/86

Approved by Commissioner : [Signature] Date : 3/27/86  
 Agency : Public Safety

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 Department's approach to the requirements of the Act would be to contract research/analytical expertise to develop impact statements as well as flexibility analysis as related to small entities, and to make periodic review assessments of regulations as would be indicated by the Department's plan published in the Alaska Administrative Journal. The contractual expertise time necessary to meet the requirements found in this piece of legislation would be estimated at 90 days per year.

Since the costs would be spread out amongst the various entities of the Department, the contractual costs would be placed in the Commissioner's Office and dispersed as necessary.

A 5% inflation factor is added beginning FY88.

<u>300 Contractual</u>		\$62.0
Research/analysis		
90 days @ \$100/day for 6 hours per day	\$54.0	
Incidental computer use	5.0	
Incidental travel related to above	3.0	

# STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : \_\_\_\_\_

**REQUEST**

Bill/Resolution No. : SB 429  
 Title : Relating to Regulations Affecting Small Businesses, Organizations and Governments  
 Sponsor : Arnerkam  
 Requestor : Attorney General  
 Date of Request : \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected : DOT&PF  
 BRU : \_\_\_\_\_  
 \_\_\_\_\_  
 Components : \_\_\_\_\_  
 \_\_\_\_\_

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		10.0	10.0	10.0	10.0	10.0
TRAVEL		5.0	5.0	5.0	5.0	5.0
CONTRACTUAL		6.0	6.0	6.0	6.0	6.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>		21.0	21.0	21.0	21.0	21.0

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

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

**FUNDING : (Thousands of Dollars)**

GENERAL FUND		21.0	21.0	21.0	21.0	21.0
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>		21.0	21.0	21.0	21.0	21.0

**POSITIONS :**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary

See attachment -

*Harry Keller, Director 3/27/86*

Prepared by : Harry Keller Phone : 465-2951  
 Division : Engineering & Operations Standards Date : 3/27/86  
 Approved by Commissioner : *[Signature]* Date : 3/31/86  
 Agency : DOT/PE

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

This proposed legislation is apparently an attempt to require those agencies with regulation adoption authority to be more responsive to small businesses, small organizations and small governmental jurisdictions.

The additional costs involving the regulation adoption process is based on the assumption that the Department would propose three regulation changes per year and review two existing regulations per year as required under Sec. 44.63.070 of the bill.

### Expenditure Detail

1. Personal Services for review of existing regulations, attendance at additional hearings and analysis of hearing comments and testimony. (10.0)
2. Travel for holding additional hearings and meetings. (5.0)
3. Contractual: additional advertising, mailouts and telephone to notify affected entities of reviews, hearings and meetings. (6.0)

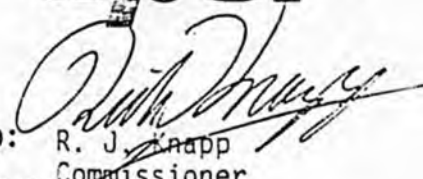


Dept. of Transportation & Public Facilities

# Position Paper

**BILL NO:** SB 429

**TITLE:** Relating to Regulations Affecting Small  
Businesses, Organizations and Governments

**APPROVED:**   
R. J. Knapp  
Commissioner

**DATE:** 3/28/86

---

SB 429 apparently is an attempt to require those agencies with regulation adoption authority to be more responsive to small businesses, small organizations and small governmental jurisdictions during the adoption process.

The bill would make the regulation adoption process unnecessarily cumbersome and burdensome and is superfluous as the existing Administrative Procedures Act has sufficient language to require proper notification of all affected parties and require that affected parties be given adequate opportunity to present statements, arguments or contentions either orally or in writing on proposed regulations.

This Department feels that existing statutes are adequate to properly control the regulation adoption process and opposes SB 429.

CHAIRMAN'S INFORMATION: CSSB 429(L&C)

1) BILL TITLE: "An act relating to regulations that affect small businesses and small municipalities; and providing for an effective date."

a) Introduced: Sen Fahrenkamp

b) Co-sponsors:

2) INTENT: This measure concerns the promulgation of regulations under the Administrative Procedures Act and imposes duties on agencies before adopting, amending, or repealing regulations. These duties include an economic analysis on the impact of regs on "small entities", "small businesses" and "small municipalities".

N.B. With the projected budget axe to the Administrative Journal, the bill will have a major flaw.

FISCAL NOTE: We currently have 12 fiscal notes from some of the affected agencies, however the agencies have not had a chance to prepare F/N's on the new CS.

3) ADDITIONAL REFERRALS: Judiciary, ~~Finance~~ and 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? Need to move for the adoption of the L&C CS.

## REGULATORY FLEXIBILITY

States are requiring their agencies to perform an analysis of the impact any proposed regulation would have on small business and adopt administrative rules which minimize the negative impact and reflect the special needs and problems of small business.

**Discussion:** Regulatory flexibility legislation seeks to make state agencies sensitive to new regulatory burdens which may have a crippling impact on the ability of small businesses to create jobs.

Regulatory Flexibility legislation requires the state regulating agency to consider the following measures for reducing impact on small business:

- (1) establish less stringent compliance or reporting requirements;
- (2) establish less stringent schedules or deadlines for compliance or reporting requirements;
- (3) consolidate or simplify compliance with the rule and regulation or reporting requirements;
- (4) establish performance standards to replace design or operational standards; or
- (5) exempt small businesses from any or all requirements of the rule and regulation.

Often small businesses have insights into the situations being regulated which affect them, and the regulators should make every effort to involve them in the deliberations on the regulation.

The Regulatory Flexibility Act of 1980 imposes this requirement on federal regulators. According to a 1983 study by the U.S. Small Business Administration's Office of Advocacy, twenty-one states have adopted legislation which would require this regulatory review, and six states currently have it under consideration.

Regulations imposed by government agencies may have a greater impact on small business than on their larger competitors. For example, while regulatory controls are necessary and appropriate in many areas, regulators must be sensitive to the needs of small business in devising regulations and the cumulative affect of regulations on a small business. This is particularly important since small business is the primary generator of new jobs -- a trend that is projected to continue according to most economists.

U.S. Small Business Administration  
Office of the Chief Counsel for Advocacy

March 1985

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SBA

Annual Report of the  
Chief Counsel for  
Advocacy on  
Implementation of the  
Regulatory Flexibility Act

## Executive Summary

The Regulatory Flexibility Act of 1980 (5 U.S.C. 601 et seq.) (RFA or the Act) was enacted to ensure that Federal regulators consider the impact of government regulations upon small business. The Office of the Chief Counsel for Advocacy of the U.S. Small Business Administration is charged by Congress to oversee implementation of the RFA. In the four years since the law's enactment, the Office of Advocacy has been instrumental in increasing decisionmakers' awareness of the regulatory problems confronting small business.

Significant strides were made in 1984 by the Office of Advocacy and business community to promote small business interests before regulatory agencies, the Congress and the courts. The 98th Congress expanded the opportunity for small business regulatory analysis by enacting the "Small Business and Federal Procurement Competition Enhancement Act of 1984" (P.L. 98-577). This law expands notice and comment rulemaking procedures to include procurement rules issued by Federal agencies. Because the RFA applies to all rulemakings that must follow notice and comment procedures, the procurement regulations of agencies such as the General Services Administration and Department of Defense will be subject to the RFA. At the same time, the Office of Management and Budget has targetted small business procurement-related paperwork for special scrutiny.

The U.S. Court of Appeals for the D.C. Circuit reaffirmed the reviewability of agency compliance with the RFA. In Thompson v. Clark, 741 F.2d 401 (D.C. Cir. 1984), the court affirmed its decision in Small Refiner Lead Phase-Down Task Force v. Environmental Protection Agency, 705 F.2d 506 (D.C. Cir. 1983), which held that a court may review the content of any regulatory flexibility analysis in determining the reasonableness of a rule and may overturn a rule due to a defect in such analysis. Thompson v. Clark provides another step in the evolving line of cases defining the scope of judicial review of compliance with the Act.

This report reviews agency compliance with the RFA in 1984. In general, agencies have become increasingly aware of the effects that government regulations may exert upon small business. Agencies have improved regulatory flexibility analyses by using better economic data, by engaging in more extensive outreach efforts, by devising internal agency regulatory procedures for complying with the Act, and by increasing communication with the Office of Advocacy. This report details agency reliance on the above-mentioned analytic and regulatory tools to achieve

## APPENDIX I

### State Efforts to Reduce Small Business Regulatory Burdens

Following the lead of the Federal Government, many states have enacted legislation and initiated programs to promote small business competition. Recognizing the need to reduce regulatory burdens and increase small business' participation in the rulemaking process, many states have enacted Regulatory Flexibility Acts (RFAs) and Paperwork Reduction Acts (PRAs). In 1984, 26 states had RFAs and 16 states had PRAs (see list that follows). Such legislation is currently under consideration in several states.

In 1984, the following states had regulatory flexibility measures in effect, either by legislation or executive order:

Arizona	Montana
California	New Hampshire
Colorado	New York
Delaware	Ohio
Indiana	Oregon
Iowa	Pennsylvania
Kentucky	Rhode Island
Louisiana	Texas
Maine	Utah
Maryland	Virginia*
Massachusetts	Washington
Michigan	West Virginia
Minnesota	Wisconsin

The following states had paperwork reduction legislation or executive orders in effect in 1984:

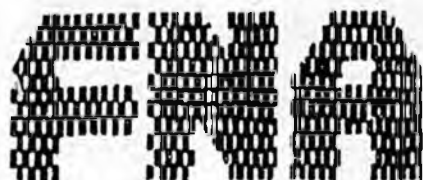
Kentucky	North Dakota
Louisiana	Ohio
Massachusetts	Oregon
Michigan	Pennsylvania
Minnesota	Tennessee
Missouri	Virginia*
New Jersey*	West Virginia
New York	Wisconsin

\*By executive order.

To help achieve the goal of lessening regulatory hardships on small business, an increasing number of states have established state small business offices, government advisory councils, task forces, and state small business conferences. More and more states are publishing reports on small business and are even developing state small business data bases.

These programs, in conjunction with the significant number of state programs that provide small businesses with financial and management assistance, should strengthen small business' position in the economy and its ability to create an increasing number of our nation's new jobs.

APR 4 1986



**FAIRBANKS NATIVE ASSOCIATION, INC.**

310 1/2 First Avenue  
Fairbanks, Alaska 99701  
Phone: (907) 452-1648 / 456-5151

4/2/86

Honorable Bettye Fahrenkamp  
Alaska Senate  
Pouch V Juneau 99811

Dear Senator Fahrenkamp:

On behalf of FNA's Economic Development program, I would like to commend you and extend our appreciation for your bill #429, to require consideration of alternative regulatory approaches in light of the impact of proposed regulations on small businesses. This bill is a good example of the wise and helpful leadership you have long provided.

I spoke with Mr. David Dougherty, the federal representative (SBA Seattle) who handles the federal bill; he feels such laws work well and achieve important benefits. Mr. Dougherty was my first supervisor many years ago (1970); he is an insightful and productive person, who has done many things to make government more efficient and productive. His insights and positive work have earned him a good respect and regard.

With so many areas where our businesses are hurting to survive, and so many adverse impacts of regulations, this bill can be an important benefit. Thank you for your attention to this need.

Sincerely,

Robert Lee Keller

Director, Business & Manpower Development Dept.

ADMINISTRATION/ACCOUNTING  
452-1648 or 456-5151  
JOHNSON O'MALLEY  
EDUCATIONAL PROGRAM  
"SAAKKAAYA CENTER"  
451-6201 or 451-6211  
BUSINESS AND MANPOWER  
DEVELOPMENT  
452-1648  
WOMEN'S EDUCATION PROGRAM  
451-8592

COMMUNITY SERVICES  
452-1648  
Counseling Services  
452-1648  
Child Welfare  
452-1648  
Family Focus  
452-5802

ALCOHOL AND DRUG ABUSE SERVICES  
Drop-In Center  
456-7948  
Out-Patient Services  
456-1041  
456-1101  
Fairbanks Alcohol Safety  
Action Program  
452-6144  
Youth Drug Abuse Preventio  
452-5085  
Substance Abuse Regional Counselor Training Progr  
452-7045



Official Business

# Alaska State Legislature

Senate

Committee on Labor & Commerce

Pouch V  
State Capitol  
Juneau, Alaska 99811

CSSB 429(L&C): Sectional Analysis

Section 1) Expands the duties of the Admin Reg Review Committee to include monitoring compliance with economic analysis requirements. Additionally, the committee would make recommendations on the adequacy of analyses developed by agencies, and the agencies response to public testimony.

Section 2) Adds a new section to the Admin Procedures Act. During January and July of each year, agencies shall publish a "regulatory flexibility agenda" in the Administrative Journal. This agenda shall describe the subject of regs likely to have economic impact on small entities, summarize the objective of the reg, and provide the name and phone number of an official who has knowledge of these items.

Agency may act on a matter not included in the agenda, or may decline to consider or act on a matter in the agenda.

Section 3) Adds a new section on ECONOMIC ANALYSIS FOR SMALL ENTITIES.

Before publishing a notice to adopt, amend, or repeal a reg, the agency shall analyze the probable economic impact on small businesses and small municipalities.

The analysis must consider the type and number of small entities affected as well as the cost and benefit to those types. Also requires consideration of the probable economic effects, and a review of the reasons for the reg, in light of the economic effects. Analysis shall also identify less costly means of achieving the goal, and identify current regs that may duplicate, overlap, or conflict with the proposed regs.

After the close of public proceedings the agency shall prepare a final analysis. Final analysis to contain a brief summary of the economic analysis, and the agency's comments on oral or written public testimony. Comments on testimony must identify changes made in response to the testimony, and the reasons for rejecting a proposal which was not adopted by the agency. Agency may summarize these comments to avoid duplication and unnecessary detail.

If an agency certifies in writing that a reg will not have a significant economic impact on small entities, the agency shall make a brief statement of noncompliance with these requirements. The written certification must be filed with the Lt. Governor.

Agency may consider closely related regs as one reg for the purposes of this section.

Analyses are not subject to judicial review, and actions on regs may not be invalidated by the contents of these analyses.

Defines "small business", "small entity", and "small municipality".

Section 4) Amends the Admin Procedures Act by requiring a summary of the economic analysis and the address where a complete copy of the analysis may be obtained.

Section 5) Prior to January 1, 1991, agency shall review regs in effect on 7/1/86 which have significant economic impact on a substantial number of small entities. Purpose of the review will be to determine the effect of the regs and whether they should be continued, amended, or repealed.

If the head of an agency determines they can not complete the review by 7/1/91, he may certify in writing and receive an additional year for said review.

In reviewing the regulations, the agency shall consider the need for the reg, public complaints about the reg, and the complexity of the reg. Review shall also consider whether the reg duplicates, overlaps, or conflicts with other regs, and the length of time since the reg has been evaluated.

Section 6) Applicability of section 3

Section 7) 7/1/86 effective date.