

ALASKA LEGISLATIVE COMMITTEE FILES 1980-1980 80/2

4208 SLAB HB 78 - HB 102 1088

AS08.84.050

HEADINGS TITLE 8.  
Business and Professions.  
CHAPTER 84.  
Physical Therapists Practice Act.  
ARTICLE 2.  
Registration.

CITATION Sec. 08.84.050.

CATCH LINE

FEES.

TEXT The following fees shall be imposed under this chapter when applicable:

- (1) application ..... \$ 50
- (2) licensure by examination ..... 50
- (3) licensure by acceptance of credentials ..... 50
- (4) quadrennial renewal ..... 200
- (5) temporary permit ..... 20

HISTORY (Sec. 4 ch 74 SLA 1957; am sec. 2 ch 49 SLA 1969; am sec. 3 ch 26 SLA 1970; am sec. 5 ch 55 SLA 1980)

AS08.86.140

HEADINGS TITLE 8.  
Business and Professions.  
CHAPTER 86.  
Psychologists and Psychological Associates.  
ARTICLE 3.  
Licensing of Psychologists.

CITATION Sec. 08.86.140.

CATCH LINE

FEES.

TEXT The following fees shall be imposed under this chapter as applicable:

- (1) application fee ..... \$ 25
- (2) examination fee ..... \$125
- (3) credential review fee ..... \$125
- (4) initial license fee ..... \$200
- (5) license renewal (due every four years) .....

\$200

HISTORY (Sec. 1 ch 136 SLA 1967; am sec. 2 ch 38 SLA 1970; am sec. 9 ch 58 SLA 1980)

AS08.88.221

HEADINGS TITLE 8.

Business and Professions.  
CHAPTER 88.  
Real Estate Brokers and Salesmen.  
ARTICLE 2.  
Licensing.

CITATION Sec. 08.88.221.

CATCH LINE

FEES.

TEXT

(a) The following fees shall be imposed under this chapter when applicable:

- (1) examination ..... \$ 50
- (2) reciprocity ..... 100
- (3) initial license ..... 100
- (4) renewal - active license ..... 100
- (5) renewal - inactive license ..... 50
- (6) amendment or transfer of license ..... 5

(b) Repealed by sec. 7 ch 96 SLA 1982.

(c) Repealed by sec. 7 ch 96 SLA 1982.

(d) If the commission contracts with a national testing service to prepare, administer and grade examinations, the examination fee charged under (a)(1) of this section which the applicant is required to pay to the commission shall be reduced by the amount of the fee charged the applicant by the national testing service for the examination.

HISTORY

(Sec. 1 ch 95 SLA 1964; am sec. 2 ch 31 SLA 1968; am secs. 12, 13 ch 28 SLA 1974; am secs. 18, 19 ch 167 SLA 1980; am secs. 3, 4, 7 ch 96 SLA 1982)

AS08.98.190

HEADINGS TITLE 8.

Business and Professions.  
CHAPTER 98.  
Veterinarians.  
ARTICLE 2.  
Licensing.

CITATION Sec. 08.98.190.

CATCH LINE

FEES.

TEXT

The following fees are imposed as applicable:

- (1) application fee ..... \$ 25
- (2) examination fee ..... \$ 50
- (3) fee for investigation of credentials ..... \$ 50
- (4) license fee ..... \$200
- (5) renewal of license fee (due every four years)  
..... \$200
- (6) temporary license fee ..... \$ 50
- (7) temporary permit fee ..... \$ 50

HISTORY

(Sec. 1 ch 91 SLA 1963; am sec. 1 ch 53 SLA 1968; am sec. 12 ch 130 SLA 1980)

STATUTES AFFECTED BY REPEALING CLAUSES OF CSHB 78 (L&C) am

CHAPTER = 08.13  
SECTION = 08.13.200  
TITLE = 08  
HEADINGS TITLE 8.  
Business and Professions.  
CHAPTER 13.  
Barbers and Hairdressers.  
ARTICLE 3.  
General Provisions.

CITATION Sec. 08.13.200.  
CATCH LINE

DEPOSIT OF RECEIPTS.  
TEXT Money received by the board from the payment of fees shall be  
paid into the general fund of the state.  
HISTORY (Sec. 1 ch 159 SLA 1980)

CHAPTER = 08.20  
SECTION = 08.20.190  
TITLE = 08  
HEADINGS TITLE 8.  
Business and Professions.  
CHAPTER 20.  
Chiropractors.  
ARTICLE 2.  
Licensing and Regulation.

CITATION Sec. 08.20.190.  
CATCH LINE

DISPOSITION OF FEES.  
TEXT All fees collected by the board shall be paid into the general  
fund of the state.  
HISTORY (Sec. 35-3-30 ACLA 1949)

CHAPTER = 08.32  
SECTION = 08.32.050  
TITLE = 08  
HEADINGS TITLE 8.  
Business and Professions.  
CHAPTER 32.  
Dental Hygienists.  
ARTICLE 1.  
Examination and Licensing.

CITATION Sec. 08.32.050.  
CATCH LINE

DISPOSITION OF FEES.  
TEXT All fees and charges shall be deposited in the general fund of

HISTORY the state.  
(Sec. 1 ch 78 SLA 1953)

CHAPTER = 08.48  
SECTION = 08.48.201  
TITLE = 08 ONLY SUBSECTION (b) WOULD BE REPEALED  
HEADINGS TITLE 8.

Business and Professions.  
CHAPTER 48.  
Architects, Engineers and Land Surveyors.  
ARTICLE 2.  
Registration and Practice.

CITATION Sec. 08.48.201.

CATCH LINE

APPLICATION AND FEES FOR REGISTRATION.

TEXT

(a) Application for registration as a professional architect, a professional engineer or a professional land surveyor shall (1) be on a form prescribed and furnished by the board; (2) contain statements made under oath, showing the applicant's education and a detailed summary of the applicant's technical experience; and (3) contain five references, three of whom must be architects for architectural registration, engineers for engineering registration, and land surveyors for land surveying registration, having personal knowledge of the applicant's architectural, engineering or land surveying education, training or experience.

(b) The registration fee for professional architects, professional engineers and professional land surveyors shall be established by the board in an amount not to exceed \$100 and shall accompany the application for registration.

HISTORY (Sec. 3 ch 179 SLA 1972)

CHAPTER = 08.48  
SECTION = 08.48.241  
TITLE = 08 ONLY SUBSECTION (i) WOULD BE REPEALED  
HEADINGS TITLE 8.

Business and Professions.  
CHAPTER 48.  
Architects, Engineers and Land Surveyors.  
ARTICLE 2.  
Registration and Practice.

CITATION Sec. 08.48.241.

CATCH LINE

CORPORATIONS.

TEXT

(a) This chapter does not prevent a corporation from offering architectural, engineering or land surveying services; however, the corporation shall file with the board

(1) an application for a certificate of authorization upon a form to be prescribed by the board and containing information required to enable the board to determine whether the corporation is qualified in accordance with the provisions of this chapter to offer to practice architecture, engineering or land surveying in this state;

(2) a certified copy of a resolution of the board of

directors of the corporation designating persons holding certificates of registration under this chapter as responsible for the practice of architecture, engineering or land surveying by the corporation in this state and providing that full authority to make all final architectural, engineering or land surveying decisions on behalf of the corporation with respect to work performed by the corporation in this state is granted by the board of directors to the persons designated in the resolution; however, the filing of this resolution does not relieve the corporation of any responsibility or liability imposed upon it by law or by contract;

(3) a designation in writing setting out the name of one or more persons holding certificates of registration under this chapter who are in responsible charge of each major branch of the architectural, engineering or land surveying activities in which the corporation specializes in this state; if a change is made in the person in responsible charge of a major branch of the architectural, engineering or land surveying activities, the change shall be designated in writing and filed with the board within 30 days after the effective date of the change.

(b) Upon filing with the board the application for certificate of authorization, certified copy of resolution, affidavit, and designation of persons specified in this section, the board shall, subject to

(c) of this section, issue to the corporation a certificate of authorization to practice architecture, engineering or land surveying in this state upon a determination by the board that

(1) the bylaws of the corporation contain provisions that all architectural, engineering or land surveying decisions pertaining to architectural, engineering or land surveying activities in this state will be made by the specified architect, engineer or land surveyor in responsible charge, or other registered architects, engineers or land surveyors under the direction or supervision of the architect, engineer or land surveyor in responsible charge;

(2) the application for certificate of authorization states the type of architecture, engineering or land surveying practiced or to be practiced by the corporation;

(3) the applicant corporation has the ability to provide architectural, engineering or land surveying services;

(4) the application for certificate of authorization states the professional records of the designated person who is in responsible charge of each major branch of architectural, engineering or land surveying activities in which the corporation specializes;

(5) the application for certificate of authorization states the experience of the corporation, if any, in furnishing architectural, engineering or land surveying services during the preceding five-year period;

(6) the applicant corporation meets other requirements related to professional competence in the furnishing of

architectural, engineering or land surveying services as may be established and promulgated by the board in furtherance of the objectives and provisions of this chapter.

(c) The board may, in the exercise of its discretion, refuse to issue, or may suspend or revoke a certificate of authorization to a corporation if the board finds that any of the officers, directors, incorporators or the stockholders holding a majority of the stock of the corporation has committed misconduct or malpractice, or has been found personally responsible for misconduct or malpractice under the provisions of this chapter.

(d) The certificate of authorization shall specify the major branches of architecture, engineering or land surveying of which the corporation has designated a person in responsible charge as provided in this section. The certificate of authorization shall be conspicuously displayed in the place of business of the corporation, together with the names of persons designated as being in responsible charge of the professional activities.

(e) If a corporation, organized solely by either a group of architects, a group of engineers, or a group of land surveyors, each holding a certificate of registration under this chapter, applies for a certificate of authorization, the board may, in its discretion, grant a certificate of authorization to the corporation based on a review of the professional records of the incorporators, in place of the required qualifications set out in this section. If the ownership of the corporation is altered, the corporation shall apply for a revised certificate of authorization, based upon the professional records of the owners, if exclusively architects, engineers or land surveyors, or otherwise under the qualifications required by (b)(1) - (4) of this section.

(f) A corporation authorized to offer architectural, engineering or land surveying services under this chapter, together with its directors and officers for their own individual acts, is responsible to the same degree as the designated individual registered architect, engineer or land surveyor, and must conduct its business without misconduct or malpractice in the practice of architecture, engineering or land surveying as defined in this chapter.

(g) If the board, after a proper hearing, finds that a corporation holding a certificate of authorization has committed misconduct or malpractice, the board shall suspend or revoke the certificate of authorization. The board shall also suspend or revoke the certificate of registration of any registered individual architect, engineer or land surveyor who, after a proper hearing, is found by the board to have participated in committing the misconduct or malpractice.

(h) Plans, specifications, designs and reports, when issued in connection with work performed by a corporation under its certificate of authorization, shall be prepared by or under the responsible charge of and shall be signed by and shall be stamped with the official seal of a person holding a certificate of registration under this chapter.

(i) For each certificate of authorization issued to a corporation under the provisions of this chapter, there shall be

HISTORY paid an initial fee not to exceed \$300.  
(Sec. 3 ch 179 SLA 1972)

CHAPTER = 08.54  
SECTION = 08.54.170  
TITLE = 08 ONLY SUBSECTION (c) WOULD BE REPEALED  
HEADINGS TITLE 8.  
Business and Professions.  
CHAPTER 54.  
Guides.  
ARTICLE 2.  
Licensing.  
CITATION Sec. 08.54.170.  
CATCH LINE

LICENSF FEES.  
TEXT (a) License fees for engaging in the profession of guiding  
are:  
(1) master guide license, biennial .....\$150  
(2) registered guide license, biennial .....150  
(3) class-A assistant guide, biennial .....30  
(4) assistant guide license, biennial .....20  
(b) The license fee for a master guide, registereu guide,  
class-A assistant guide or assistant guide license is in addition  
to the fee required for a hunting or fishing license.  
(c) The license fee for a transporter is \$10.

HISTORY (Sec. 1 ch 17 SLA 1973; am sec. 3 ch 106 SLA 1976; am sec. 4 ch  
81 SLA 1984)

CHAPTER = 08.64  
SECTION = 08.64.290  
TITLE = 08  
HEADINGS TITLE 8.  
Business and Professions.  
CHAPTER 64.  
Medicine.  
ARTICLE 2.  
Licensing.  
CITATION Sec. 08.64.290.  
CATCH LINE

EXAMINATION FEE.  
TEXT The examination fee shall be paid at the time of applying for  
examination. The board may refund the examination fee only if  
the applicant is unavoidably prevented from making the  
examination.

HISTORY (Sec. 35-3-86 ACLA 1949; am sec. 18 ch 77 SLA 1969)

CHAPTER = 08.64  
SECTION = 08.64.320  
TITLE = 08  
HEADINGS TITLE 8.  
Business and Professions.  
CHAPTER 64.  
Medicine.  
ARTICLE 2.

Licensing.  
CITATION Sec. 08.64.320.  
CATCH LINE  
DISPOSITION OF FEES.  
TEXT Fees collected by the board shall be deposited in the general  
fund.  
HISTORY (Sec. 35-3-86 ACLA 1949)

CHAPTER = 08.80  
SECTION = 08.80.090  
TITLE = 08  
HEADINGS TITLE 8.  
Business and Professions.  
CHAPTER 80.  
Pharmacy Act.  
ARTICLE 1.  
The Board of Pharmacy.

CITATION Sec. 08.80.090.  
CATCH LINE  
DISPOSITION OF FEES.  
TEXT The fees collected by the secretary of the board shall be  
deposited in the general fund of the state.  
HISTORY (Sec. 21 ch 194 SLA 1955)



# RECORDS CERTIFICATION



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

James O. Smith  
Signature of Camera Operator

11/24/89  
Date

HB

79

CHAIRMAN'S INFORMATION: HB 79am

- 1) BILL TITLE: "An act relating to financial institution examinations; and providing for an effective date."
  - a) Introduced: Governor
  - b) Co-sponsors:
- 2) INTENT: This measure increases the maximum examinations fee for financial institutions from \$7,500 to \$12,000, and requires that banks regulated under this chapter be examined at least once every 24 months.

FISCAL NOTE: 0, however this bill is perceived as a revenue generator.

- 3) ADDITIONAL REFERRALS: 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?



Official Business

# Alaska State Legislature

Senate

Committee on Labor & Commerce

Pouch V  
State Capitol  
Juneau, Alaska 99811

HB 79am Summary:

This measure increases the maximum examination fee for financial institutions from \$7,500 to \$12,500, and requires that all assessments must be received by the department within 30 days after the financial institution receives notice of the assessment. Banks regulated under this chapter must be examined at least once every 24 months.

The \$12,000 maximum examination fee only applies to examinations after the effective date of this act.

Introduced: 1/18/85  
Referred: Labor & Commerce  
and Finance

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2

HOUSE BILL NO. 79 am

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to financial institution examina-  
7 tions; and providing for an effective date."

8

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

9

\* Section 1. AS 06.01.010(b) is amended to read:

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(b) The commissioner shall assess every financial institution,

11

and every applicant to establish a financial institution, a fee for

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the actual expenses incurred by the department in connection with any

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examination or investigation, whether regular or special. The fee

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shall include the proportionate part of the salaries and cost of em-

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ployee benefits of the examiners while conducting examinations or in-

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vestigations and while preparing reports of them, and transportation

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costs and per diem of each examiner while away from his duty station.

18

However, the cost to the financial institution in connection with an

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examination may not exceed \$12,000 [\$7,500] per examination. The as-

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essment shall be made by the commissioner as soon as feasible after

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the examination or investigation has been completed. All assessments

22

shall be paid to and must be received by the department [BY EACH IN-

23

STITUTION] within 30 days after the financial institution receives

24

[RECEIPT OF] notice of the assessment.

25

\* Sec. 2. AS 06.05.025(c) is amended to read:

26

(c) Banks regulated under this chapter are subject to examina-

27

tion [AT LEAST ONE EXAMINATION A YEAR. ADDITIONAL EXAMINATIONS MAY BE

28

CONDUCTED] ~~at the discretion of the commissioner~~ but not less than

29

once every 24 months.

1

2 \* Sec. 3. The \$12,000 maximum assessment for examinations of financial  
3 institutions enacted in sec. 1 of this Act applies to examinations or in-  
4 vestigations commenced on or after the effective date of this Act.

5 \* Sec. 4. This Act takes effect immediately in accordance with AS 01.-  
6 10.070(c).

STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE

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

Page 1 of 3

**REQUEST**  
 Bill/Resolution No.: HB 79  
 Title: An Act relating to  
financial institution examinations  
 Sponsor: \_\_\_\_\_  
 Requestor: Governor  
 Date of Request: \_\_\_\_\_

**FISCAL DETAIL**  
 Agency Affected: Commerce & Econ. Dev.  
 Program Category Affected: \_\_\_\_\_  
Consumer Protection  
 BRU, Program or Subprogram(s) Affected: \_\_\_\_\_  
Banking, Securities and Corporations

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

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
<b>OPERATING</b>						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>CAPITAL</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>REVENUE</b>	-0-	24.6	24.6	24.6	24.6	24.6

**FUNDING: (Thousands of Dollars)**

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

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

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

Please see attached fiscal note analysis.

Prepared By: Willis F. Kirkpatrick Phone: 465-2521  
 Division: Banking, Securities and Corporations Date: 12/21/84  
 Approved by Commissioner: Richard A. Lyon Date: 12.5.84  
 Agency: Commerce & Economic Development

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

Budget

7/1/84

Almost all (82%) of the financial entities regulated and examined by the Division of Banking, Securities and Corporations pay for most if not all of the cost of their examinations. With the exception of credit unions and one small savings and loan association, the \$7,500 maximum allowable charge rarely covers the cost of an examination of those financial entities that are classified "depository financial institutions," i.e. banks (see Exhibit A).

The increase of the limit from \$7,500 to \$12,000 would not only cover the increased costs of doing examinations since the \$7,500 was set back in 1977, but this increase would also provide a more equitable sharing of the examination costs by the larger financial institutions.

It is urged that the assumption of increased revenues not be classified program receipts. To tie examinations of financial institutions to a program receipt requirement has the effect of assuming that all examinations can be scheduled alike and are predictable as to length of time and expense. In order to be effective in the determination in safety and soundness, the agency must have the latitude to concentrate in those areas of concern. To meet program receipt requirements would choke the very purpose for the examinations.

Cost of Examination  
FY '84 Cycle

HB 79 - Page 3 of 3

Financial Institution	Asset Size (in Millions)	Type of Exam	Cost of Exam	Amount Paid by Instit.	% of Cost Recov.	Propos. Limit 12,000	% Paid Based on 12,000
Bank	582.8	Joint	12,542	7,500	60	12,000	95
Bank	425.5	Joint	13,230	7,500	56	12,000	91
Bank	342.1	Joint	7,812	7,500	96	7,812	100
Bank	236.0		20,554	7,500	36	12,000	58
Bank	178.0		25,848	7,500	29	12,000	46
Bank	102.8	Joint	12,478	7,500	60	12,000	96
Mutual Savings Bank	81.5		5,083	5,083	100	5,083	100
Bank	69.0		11,283	7,500	66	11,283	100
Bank	44.8	Joint	4,311	4,311	100	4,311	100
Savings & Loan	40.0	Visit.	525	525	100	525	100
Savings & Loan	25.2		6,132	6,132	100	6,132	100
Savings & Loan	7.7		1,601	1,601	100	1,601	100
Bank (New)		New					
Credit Union			5,721	5,721	100	5,721	100
Credit Union		Joint	1,603	1,603	100	1,603	100
BHC (1-a)			253	253	100	253	100
BHC (1-b)			182	182	100	182	100
BHC (2)			1,309	1,309	100	1,309	100
BHC (3)			612	612	100	612	100
BHC (4)		New					
BHC (5)		New					
Trust			895	895	100	895	100
Trust		New					
Finance Company			264	264	100	264	100
Finance Company			290	290	100	290	100
Finance Company			392	392	100	392	100
Finance Company		New					
Finance Company		New					
Finance Company		New					
Premium Finance Co.			384	384	100	384	100
Premium Finance Co.			684	684	100	684	100
Premium Finance Co.			407	407	100	407	100
Premium Finance Co.			407	407	100	407	100
Premium Finance Co.			676	676	100	676	100
Premium Finance Co.			392	392	100	392	100
Premium Finance Co.			712	712	100	172	100
Premium Finance Co.			229	229	100	229	100
Premium Finance Co.			241	241	100	241	100
Premium Finance Co.			615	615	100	615	100
Premium Finance Co.			679	679	100	679	100
Premium Finance Co.			598	598	100	598	100
			138,944	87,697	63%	114,292	82%

Joint = Joint examination with appropriate federal insuring agency  
 Visitation = Short examination for a specific area of concern  
 New = Fees received under Investigations - Examinations due next cycle

*cl*



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

January 18, 1985

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

Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill which increases the fee that the commissioner of commerce and economic development may assess a financial institution for investigation and examination costs. It raises the existing maximum of \$7,500 to a maximum of \$12,000 per examination. The fee increase is necessary because costs associated with these examinations have risen more than 50 percent since 1978 when the \$7,500 maximum fee was first established.

The bill also eliminates the requirement in current law that state banks be examined by the department annually. Examination of a bank under the bill is left to the discretion of the commissioner. This will allow the department to focus on problem banks and will free banks that are in stable condition from unnecessary paperwork and examination costs.

An additional, technical amendment is included in sec. 1 of the bill, rewriting but not changing the substance of the last sentence of AS 06.01.010 (b).

Sincerely,

Bill Sheffield  
Governor



# RECORDS CERTIFICATION

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

James A. Smith  
Signature of Camera Operator

11/24/89  
Date

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Chairman's Information:

1) CSHB 80(L&C): "An act relating to insurance fees and licenses; and providing for an effective date."

a) Introduced: Governor

b) Co-Sponsors:

2) INTENT: This legislation provides authority for the Division of Insurance to set fees by regulation, to more adequately reflect the actual costs to the division for licensure.

FISCAL NOTE: none

3) ADDITIONAL REFERRALS: 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?



Official Business

# Alaska State Legislature

## Senate

### Committee on Labor & Commerce

Pouch V  
State Capitol  
Juneau, Alaska 99811

CSHB 80 (L&C): Summary

This legislation provides authority for the Division of Insurance to set fees by regulation. Most of the current fees were set by statute in 1966 and this bill will increase fees to more adequately reflect the actual cost to the division of insurance. Fees may be collected for, but are not limited to, applications, examinations, licenses, license renewals, certificates of authority, service of process, printed or photocopied material, and postage.

APR 15 1985

April 11, 1985

Senator Fred F. Zharoff  
Alaska State Legislator  
Pouch V (MS 3100)  
Juneau, Ak. 99811

RE: HB 80 (L&C)

Dear Sir:

We would like to request your assistance with regards to a provision of HB 80, a bill relating to insurance fees and licenses that past the House.

The Insurance Agents in Fairbanks and myself object to a provision of the bill that starts on line 22, which is the repeal of Sec. 2 AS 21.06.250, FEES AND LICENSES.

We feel that most Agents in State, if they were aware, would object to it. While we have no differences with our current Director of Insurance, we have in the past and could again in the future have serious differences with a Director.

We feel it would be unwise and is unnessessary to let a Director be the sole authority for setting license fees. It is our believe that Agents would be better able to fight an unjust fee in the Legislator.

Please use your influence to delete that portion of HB 80.

Thank you.

Respectfully,

*Gordon E. DeFue*

Letters: Objecting to provision  
allowing Dir. of Insurance to  
set fees

APR 10 1985



DALE E. YODER, C.L.U.  
P.O. BOX 529, FAIRBANKS, ALASKA 99707  
(907) 456-4803



April 12, 1985

Senator Fred F. Zharoff  
Alaska State Legislature  
Pouch V  
Juneau, AK 99811

RE: HB 20 (Lic.)

Dear Senator Zharoff:

This bill leaves insurance and license fees that could be charged up to the Director of Insurance. An unfriendly Director to the industry could charge several hundred dollars to renew an agents license.

We would rather leave the law as it is, where the legislature approves fees, the Director recommends if such fees are just and reasonable.

Thank you for listening to my position on this bill.

Sincerely,

*Dale E. Yoder*  
Dale E. Yoder, CLU

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COMMITTEE

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(L&C)

GENERAL AGENT  
TRANSAMERICA OCCIDENTAL LIFE INSURANCE COMPANY

*Handwritten notes:*  
Fred F. Zharoff  
Sen. V  
Juneau, AK

FAIRBANKS ASSOCIATION OF LIFE UNDERWRITERS  
P.O. Box 2436  
Fairbanks, Ak. 99707

April 15, 1985

Sen. Fred F. Zharoff  
Alaska State Legislature  
Pouch V (MS 200)  
Juneau, Ak. 99811

RE: HB 80 (C & L)

Dear Sir:

I am writing to you on behalf of the Fairbanks Association of Life Underwriters and respectfully request your assistance regarding a provision of HB 80, a bill relating to insurance fees and licenses,

Our members, including myself, object to the provision of the bill which deals with FEES and LICENSES, repeal of Sec. 2 AS 21.06.250.

Even though we have no differences with our present Director of Insurance, we very well could have serious problems with a future Director, as we have had in the past.

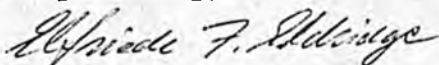
We feel it would be unwise and is unnecessary to let a Director be the sole authority for setting license fees.

It is our believe that Agents would be better able to fight an unjust fee in the Legislature.

On behalf of our Association I urge you to use your influence to delete that portion of HB 80, starting on line 22.

Thank you.

Respectfully,



Elfriede F. Eldridge  
President

CSHB 80 (L&C)

THIS LEGISLATION PROVIDES AUTHORITY FOR THE DIVISION OF INSURANCE TO SET FEES BY REGULATION. MOST OF THE CURRENT FEES WERE SET BY STATUTE IN 1966, AND THIS BILL WILL GIVE THE DIVISION THE ABILITY TO SET FEES WHICH REFLECT THE ACTUAL COST.

STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE

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

**REQUEST**

Bill/Resolution No.: CSHB 80 (L&C)  
Title: Insurance Fees

**FISCAL DETAIL**

Agency Affected: Commerce  
Program Category Affected: Public Protection

Sponsor: Governor

BRU, Program or Subprogram(s) Affected:

Requestor: House Finance Committee

Division of Insurance

Date of Request: 3/21/85

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

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

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

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

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

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

Costs of hearings can be absorbed in existing budget. Fees will not be set until hearing process is complete, but Division estimates that approximately \$260,000 in new revenues will be brought in.

Prepared By: Al Adams - Chairman *APA*  
Division: House Finance Committee

Phone: 465-3706  
Date: 3/21/85

Approved by Commissioner: \_\_\_\_\_  
Agency: \_\_\_\_\_

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

Distribution (by Agency preparing fiscal note):

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



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

HB 80

January 18, 1985

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

Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill raising current fees collected by the division of insurance, Department of Commerce and Economic Development, under AS 21.

The statutes currently setting fees for the division of insurance do not provide adequate revenue to the state to cover the division's present budget. Most of the fees were set by statute in 1966 and have not been increased since. This bill would raise fees to more closely approximate the actual cost of services and would provide for periodic reports by the division to the legislature in order to encourage future adjustments, as they become necessary. This bill is virtually identical to the committee substitute of a bill introduced last session, CSHB 633 (L&C).

I urge your support of and prompt action on this measure.

Sincerely,

A handwritten signature in cursive script that reads "Bill Sheffield".

Bill Sheffield  
Governor

Statutes Relating to CSHB 80 (L&C)

AS21.06.250

CHAPTER = 21.06  
SECTION = 21.06.250  
TITLE = 21  
HEADINGS TITLE 21.  
Insurance.  
CHAPTER 06.  
The Director of Insurance.  
CITATION Sec. 21.06.250.  
CATCH LINE

FEES AND LICENSES.

TEXT (a) The director shall collect required fees in advance.  
The fees are as follows:  
(1) certificate of authority  
(A) for filing an application for certificate of authority, articles of incorporation and other charter documents, bylaws, financial statement, examination report, power of attorney to the director, and all other documents and filings required in connection with such application, and for issuance of an original certificate of authority, if issued  
domestic insurers ..... \$100  
foreign insurers ..... \$100  
(B) annual continuation of certificate of authority ..... \$ 65  
(C) reinstatement of certificates of authority ..... \$ 65  
(D) amending certificate of authority .... \$ 10  
(2) filing amendment of articles of incorporation, domestic and foreign insurers ..... \$ 10  
(3) filing bylaws or amendments thereto, where required ..... \$ 10  
(4) filing annual statement of insurer, other than as part of application for original certificate of authority ..... \$ 10  
(5) general agent or agent license, property, casualty, surety, title insurance agents, and including disability insurance without additional license or fee when written by property, casualty, or surety insurer otherwise represented by the general agent or agent  
(A) application for original license, and including issuance of license, if issued,  
(i) individual ..... \$  
35  
(ii) firm or corporation .....

- 75
- (B) annual renewal or continuation of license
  - (i) individual ..... \$
  - 35
  - (ii) firm or corporation .....
  - 75
  - (C) appointment of agent or general agent, each insurer ..... \$ 5
  - (D) annual renewal of appointment of general agent or agent, each insurer ..... \$ 5
  - (E) temporary license ..... \$ 35
  - (6) nonresident general agent or agent's license
    - (A) individual ..... \$ 75
    - (B) firm or corporation ..... \$150
    - (C) annual renewal or continuation of license ..... \$ 75
  - (7) broker license
    - (A) application for original license and including issuance of license if issued - resident
      - (i) all line broker .....
      - \$100
      - (ii) property-casualty broker .....
      - 75
      - (iii) life-disability broker .....
      - 75
    - (B) annual renewal or continuation of license - resident
      - (i) all line broker .....
      - \$100
      - (ii) property-casualty broker .....
      - 75
      - (iii) life-disability broker .....
      - 75
    - (C) application for original license and including issuance of license, if issued - nonresident
      - (i) all line broker .....
      - \$250
      - (ii) property-casualty broker .....
      - 150
      - (iii) life-disability broker .....
      - 150
    - (D) annual renewal or continuation of license - nonresident
      - (i) all line broker .....
      - \$250
      - (ii) property-casualty broker .....
      - 150
      - (iii) life-disability broker .....
      - 150
  - (8) solicitor license
    - (A) application for original license, including issuance of license if issued ..... \$ 15
    - (B) annual continuation of license ..... \$ 15
  - (9) general agent or agent license - life, disability

- insurance and annuities
- (A) application for original license, including issuance of license, if issued,
    - (i) individual ..... \$ 35
    - (ii) firm or corporation ..... 75
  - (B) annual renewal or continuation of license,
    - (i) individual ..... \$ 35
    - (ii) firm or corporation ..... 75
  - (C) appointment of general agent or agent, each insurer ..... \$ 5
  - (D) annual renewal of appointment of general agent or agent, each insurer ..... \$ 5
  - (10) examination for license as general agent, agent, broker, solicitor or adjuster, each examination ..... \$ 10
  - (11) surplus line broker license
    - (A) application for original license and for issuance of license, if issued - resident ..... \$100
    - (B) application for original license and for issuance of license if issued - nonresident ..... \$300
    - (C) annual renewal or continuation of license - resident ..... \$100
    - (D) annual renewal or continuation of license - nonresident ..... \$300
  - (12) adjuster license
    - (A) application for original license and for issuance of license if issued - resident ..... \$ 35
    - (B) annual renewal or continuation of license - resident ..... \$ 35
    - (C) application for original license and for issuance of license, if issued - nonresident ..... \$ 75
    - (D) annual renewal or continuation of license - nonresident ..... \$ 75
  - (13) insurance vending machine license, each machine, each year ..... \$ 35
  - (14) for issuing any other certificate required or permissible under law ..... \$ 5
  - (15) for accepting service of process .... \$ 5
  - (16) for copy of insurance code, actual printing cost plus postage;
  - (17) for copy of insurance report, actual printing cost plus postage;
  - (18) for any printed material furnished by the director not mentioned above, the director may charge the actual cost of printing plus handling and postage;
  - (19) for limited license (travel insurance agent)

..... \$ 25  
(20) -Repealed, sec. 6 ch 113 SLA 1974.-  
(21) rating bureaus (for a three-year license)

..... \$100  
(b) The director shall promptly deposit with the

commissioner of revenue to the credit of the general fund of this state all fees received under this section.

HISTORY (Sec. 1 ch 120 SLA 1966; am secs. 1 - 6 ch 113 SLA 1974; am sec. 1 ch 206 SLA 1976)

AS21.87.320

CHAPTER = 21.87  
SECTION = 21.87.320  
TITLE = 21  
HEADINGS TITLE 21.  
Insurance.  
CHAPTER 87.  
Hospital and Medical Service Corporations.  
CITATION Sec. 21.87.320.  
CATCH LINE

FEE AND LICENSES.

TEXT (a) Each service corporation shall pay to the director fees in advance as follows:  
(1) for filing application for initial certificate of authority by newly formed corporation, or after expiration or revocation of previous certificate of authority ..... \$100  
(2) for issuance of initial certificate of authority, or each annual continuation or renewal ..... 65  
(3) for filing and certifying articles of incorporation ..... 10  
(4) for filing and certifying amendments to articles of incorporation ..... 10  
(5) for filing bylaws and amendments to bylaws ..... 10  
(6) for filing annual statement of financial condition ..... 10  
(7) for affixing seal and certifying documents other than the certificate hereinabove provided for ..... 5

(b) The director shall promptly deposit with the commissioner of revenue to the credit of the general fund of this state all fees received under this section.

HISTORY (Sec. 1 ch 120 SLA 1966)



# RECORDS CERTIFICATION

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

James A. Smith  
Signature of Camera Operator

11/24/89  
Date

HPB

102

Chairman's Information:

1) SCS CSHB102(L&C): "An act relating to the Alaska Resources Corporation and providing for an effective date"

a) Introduced: Sen Josephson, Ziegler, and Ferguson

b) Co-Sponsors:

2) INTENT: This legislation provides for disposal of assets held by ARC, and requires that such disposal serve the best interest of the state, may not be by lease, and may include amortization of payments over a period of 25 years or less.

The bill also provides that the board may convert equity investments into debt and that the debt created by this conversion may be amortized over a period of 25 years or less.

L&C CS also added language which pertains to disposal of "real property" to municipalities under certain circumstances.

FISCAL NOTE: 0

NOTE: Need to adopt the House letter of intent;

3) ADDITIONAL REFERRALS: Finance

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?

L&C CS  
CHANGES

BY THE LABOR AND  
COMMERCE COMMITTEE

IN THE HOUSE

SENATE CS FOR CS FOR HOUSE BILL NO. 102 (L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to the Alaska Resources Corporation;  
and providing for an effective date."

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

\* Section 1. AS 37.12.071 is amended to read:

Sec. 37.12.071. ADDITIONAL POWERS. Notwithstanding other provisions of law governing disposal of state property, the board may, at either public or private sale, dispose of the assets of the corporation as required in AS 37.12.075. Disposal shall be made in a manner that serves the best interests of the state, and may include amortization of payments over a period of 25 years or less, but may not be by lease. In addition, the corporation may spend money to protect the assets of the corporation.

\* Sec. 2. AS 37.12.075 is amended by adding new subsections to read:

(b) In divesting the corporation of equity investments, the board may convert the equity investment of the corporation in a particular enterprise to debt, if the governing board of the enterprise approves the conversion. The debt created by the conversion may include amortization of payments over a period of 25 years or less, and becomes part of the outstanding loan portfolio of the corporation.

(c) If the board proposes to dispose of an interest in real property to a private party at less than <sup>50</sup>~~80~~ percent of its <sup>or assessed</sup> appraised value, the board shall notify the municipalities in which the real property of the proposed disposal is located. A municipality may acquire the interest in the real property for the same value as the

1  
2 proposed disposal to the private party if, within 30 days of receiving  
3 the notice, the municipality elects to acquire the interest in the  
4 real property.

5 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.-  
6 10.070(c).  
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IN THE HOUSE

(Old version)

BY THE LABOR AND  
COMMERCE COMMITTEE

SENATE CS FOR CS FOR HOUSE BILL NO. 102 (L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to the Alaska Resources Corporation;  
and providing for an effective date."

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

\* Section 1. AS 37.12.071 is amended to read:

Sec. 37.12.071. ADDITIONAL POWERS. Notwithstanding other provisions of law governing disposal of state property, the board may, at a [EITHER] public [OR PRIVATE] sale, dispose of the assets of the corporation as required in AS 37.12.075. Disposal shall be made in a manner that serves the best interests of the state, and may include amortization of payments over a period of 25 years or less, but may not be by lease. In addition, the corporation may spend money to protect the assets of the corporation.

\* Sec. 2. AS 37.12.075 is amended by adding new subsections to read:

(b) In divesting the corporation of equity investments, the board may convert the equity investment of the corporation in a particular enterprise to debt, if the governing board of the enterprise approves the conversion. The debt created by the conversion may include amortization of payments over a period of 25 years or less, and becomes part of the outstanding loan portfolio of the corporation.

(c) If the board proposes to dispose of an interest in land to a private party at less than 80 percent of its appraised value, the board shall notify the municipality in which the land of the proposed disposal is located. The municipality may acquire the interest in land on the same terms as the terms of the proposed disposal to the

1 private party if, within 30 days of receiving the notice, the municipi-  
2 pality elects to acquire the interest in the land. The board shall  
3 determine the value of the public benefits that may accrue as a result  
4 of the municipal acquisition, and shall reduce the cost of the acqui-  
5 sition of the interest in land by the municipality by that amount.

6 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.-  
7 10.070(c).  
8 *or improvements*



Official Business

# Alaska State Legislature

## Senate

### Committee on Labor & Commerce

Pouch V  
State Capitol  
Juneau, Alaska 99811

#### SCS CSHB 102(L&C) Version 2: Sectional Analysis

Section 1) Requires that disposal of assets held by ARC shall be by either public or private sale, and that the disposal must serve the best interest of the state, may include amortization of payments over 25 years or less, but may not be by lease.

Section 2) Provides that the board may convert equity investments of ARC into debt, if the governing board of the enterprise approves the conversion. The conversion of equity to debt may include amortization of payments over a period of 25 years or less, and becomes part of the outstanding loan portfolio of ARC.

If the board plans to dispose of an interest in real property at less than 80% of the appraised value, the board shall notify the municipalities in which the land is located. A municipality may acquire the interest in the real property for the same value as the proposed disposal to a private party, if the municipality elects to acquire that interest within 30 days of receipt of the notice.

Section 3) Immediate effective date.

Offered: 2/25/85  
Referred: Rules

Original sponsor: Rules/Governor

1 IN THE HOUSE BY THE FINANCE COMMITTEE  
2 CS FOR HOUSE BILL NO. 102 (Finance)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - FIRST SESSION  
5 A BILL

6 For an Act entitled: "An Act relating to the Ala. a Resources Corporation;  
7 and providing for an effective date."

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

9 \* Section 1. AS 37.12.071 is amended to read:

10 Sec. 37.12.071. ADDITIONAL POWERS. Notwithstanding other pro-  
11 visions of law governing disposal of state property, the board may, at  
12 either public or private sale, dispose of the assets of the corpora-  
13 tion as required in AS 37.12.075. Disposal shall be made in a manner  
14 that serves the best interests of the state, and may include amortiza-  
15 tion of payments over a period of 25 years or less, but may not be by  
16 lease. In addition, the corporation may spend money to protect the  
17 assets of the corporation.

18 \* Sec. 2. AS 37.12.075 is amended by adding a new subsection to read:

19 (b) In divesting the corporation of equity investments, the  
20 board may convert the equity investment of the corporation in a par-  
21 ticular enterprise to debt, if the governing board of the enterprise  
22 approves the conversion. The debt created by the conversion may  
23 include amortization of payments over a period of 25 years or less,  
24 and becomes part of the outstanding loan portfolio of the corporation.

25 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.-  
26 10.070(c).



Official Business

# Alaska State Legislature

Senate

Committee on Labor & Commerce

Pouch V  
State Capitol  
Juneau, Alaska 99811

SCS CSHB 102(L&C): Sectional Analysis

Section 1) Requires that disposal of assets held by ARC shall be by public sale, and that the disposal must serve the best interest of the state, may include amortization of payments over 25 years or less, but may not be by lease.

Section 2) Provides that the board may convert equity investments of ARC into debt, if the governing board of the enterprise approves the conversion. The conversion of equity to debt may include amortization of payments over a period of 25 years or less, and becomes part of the outstanding loan portfolio of ARC.

If the board plans to dispose of an interest in land at less than 80% of the appraised value, the board shall notify the municipality in which the land is located. The municipality may acquire the interest in land at the same terms as the proposed disposal to a private party, if the municipality elects to acquire the interest in the land within 30 days of receipt of the notice. The board shall determine the value of the public benefits which may result from the municipal acquisition, and shall reduce the cost of the acquisition by that amount.

Section 3) Immediate effective date.

HB102

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF REVENUE

TREASURY DIVISION

ELEVENTH FLOOR  
STATE OFFICE BUILDING  
POUCH SB  
JUNEAU, ALASKA 99811  
PHONE:

January 29, 1985

The Honorable John Sund  
Chairman  
House Special Committee on Loans  
Pouch V  
Juneau, AK 99811

Dear Mr. Sund:

Ch. 161, SLA 1984 directs the Alaska Resources Corporation (ARC) to divest all its assets, except its loan portfolio, by July 1, 1989. ARC's assets to be divested include equity in various corporations and assets acquired in foreclosure of ARC loans. Several of the enterprises in which ARC has invested are in bankruptcy proceedings. Several of the foreclosed properties are not currently operating as businesses and their prospect of doing so is uncertain.

Under these circumstances, bank or other outside financing for a potential buyer to purchase ARC equity or foreclosed properties may not be available or available on reasonable terms. The only means of financing the purchase may be for ARC to take a promissory note for all or part of the purchase price. In some cases, the only interested buyer of ARC equity may be the corporation in which ARC has invested. In this case, conversion of equity to debt is tantamount to taking a note on sale.

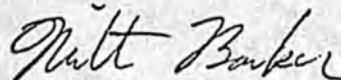
HB 102 would authorize ARC to take a note on sale or enter into an installment sale contract as well as to convert equity to debt. This is a necessary tool which will be used only when a cash buyout for ARC cannot be negotiated.

The ARC board of directors has endorsed this legislation.

Hon. John Sund  
January 29, 1985  
Page 2

Enclosed is a summary of ARC's various investments. Detailed information on credit status of investments is not provided because of confidentiality requirements.

Sincerely yours,



Milt Barker  
Deputy Commissioner of Treasury

BM/gb

Enclosure

cc: The Honorable Mary A. Nordale

Michael Wynn  
 → gum core - AK Food Company, formerly New England Fish  
 AK, bait  
 Martin's Seafood Inc.  
 Seafoods of AK Inc.

TABLE

Alaska Resources Corporation  
 Business Investments as of 6-30-84

	<u>Original Debt</u>	<u>Current ARC Equity</u>	<u>Percent ARC Ownership</u>	<u>Total ARC Debt &amp; Equity</u>
ACT 1 (Alaska Fish)	\$ 125,000	\$ 125,000	13%	\$ 250,000
Alaska Timber Corp.	1,500,000			1,500,000
Alyeska Candy Kitchen	37,600			37,600
American Eagle Seafoods	200,000			200,000
Anchor Renewable Farms	120,404			120,404
Anchorage Tank & Welding	370,000			370,000
Arctic Frost Seafoods	19,200			19,200
Ball Brothers	4,169,095	500,000	40	4,669,095
Clark, Inc.	395,000	25,000	1	420,000
Icicle Seafoods, Inc.	2,300,000	2,222,622	39	4,522,622
Kachemak Seafoods	256,092			256,092
Kokechik, Inc.	300,000	490	49	300,490
Pacific Forest Products	6,765,065			6,765,065
Rice Fur Farm	115,000			115,000
Salamatof Seafoods	3,065,350	976,264	35	4,041,614
Sayles Marine	156,126			156,126
Seaward Shipyard	590,000	150,000	22	740,000
Smaragd Partners	490,000			490,000
Steik Enterprises	55,000			55,000
Sterling Seafoods	125,000	100,000	49	225,000
Trinity Resources		206,100	32	206,100
Wyman	1,000,000			1,000,000
<b>TOTAL INVESTMENTS</b>	<u>\$21,380,444</u> <sup>1/</sup>	<u>\$4,305,476</u>		<u>\$25,685,919</u>
Assets acquired through foreclosure less valuation allowance of \$7,653,647				4,362,364
Less allowance for doubtful collections	(13,298,256)			(13,298,256)
Less valuation allowance		(2,032,754)		(2,032,754)
<b>TOTAL BUSINESS INVESTMENT ASSETS</b>	<b>\$ 8,082,188</b>	<b>\$2,272,722</b>		<b>\$14,717,273</b>

Investment Status: 12 loans delinquent - \$3,174,422; 6 companies bankrupt - \$17,520,774.

1/ Total is debt outstanding and does not equal total Original Debt.

8,000,000  
 Total investment  
 less 10-11-84

BILL SHEFFIELD  
GOVERNOR



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

January 23, 1985

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

Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the divestiture of assets and equity investments of the Alaska Resources Corporation (ARC).

Section 1 of the bill permits the board to dispose of assets, including those acquired through default or foreclosure, in any manner that serves the best interests of the state, including extended payments over time.

Section 2 of the bill permits the board to convert its equity investments into debt, which will then be treated in the same manner as the corporation's current outstanding loan portfolio.

This bill is necessary to permit the ARC board the flexibility necessary to wind up the corporation's affairs by 1989, in accordance with ch. 161, SLA 1984.

Sincerely,

A handwritten signature in black ink that reads "Bill Sheffield".

Bill Sheffield  
Governor

HOUSE JOURNAL

House Finance Committee  
Letter of Intent  
for  
Committee Substitute for House Bill 102 (Finance)

In adopting CS House Bill 102 (Finance), "An Act relating to the Alaska Resources Corporation; and providing for an effective date," it is the intent of the legislature that the assets of the Alaska Resources Corporation (ARC) be fully liquidated by July 1, 1989.

While the authority granted in CS HB 102 (Finance), allows credit terms of sale for ARC assets to extend beyond 1989, it is the intent of the legislature that this authority be used only when there is a compelling economic reason to allow terms of sale other than cash payment, and then only to the extent that any credit granted is collateralized. No terms of sale should require state management effort beyond that needed for any other high-quality note receivable.

*Al Adams 2.25-85*

Al Adams, Chair  
House Finance Committee

Adopted by House 3/1/85

02

STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE

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

REQUEST

Bill/Resolution No: 05 HB 102 (Fin)  
Title: Relating to Alaska Resources Corporation  
Sponsor: Governor  
Requestor: \_\_\_\_\_  
Date of Request: \_\_\_\_\_

FISCAL DETAIL

Agency Affected: Department of Revenue  
Program Category Affected: \_\_\_\_\_  
BRU, Program of Subprogram(s) Affected: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
<u>OPERATING</u>						
100 PERSONAL SERVICES	-	-	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	-	-	-	-	-
400 SUPPLIES	-	-	-	-	-	-
500 EQUIPMENT	-	-	-	-	-	-
600 LANDS & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
<u>TOTAL OPERATING</u>	-	-	-	-	-	-
<u>CAPITAL</u>	-	-	-	-	-	-
<u>REVENUE</u>	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS: Attach a separate page for analysis.

Prepared By: Milt Barker MB  
Division: Treasury  
Approved by Commissioner: Henry G. Sturdick  
Agency: Department of Revenue

Phone: 465-2350  
Date: January 7, 1985  
Date: 1/7/85

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

**Chapter 11. Renewable Resources Funds.**

[Repealed, § 16 ch 161 SLA 1984.]

**Chapter 12. Alaska Resources Corporation.**

Section	Section
10. Alaska Resources Corporation created	55. Compensation of board members
15. Purpose	60. [Repealed]
22. Development capital fund	70. Powers
23. Deposit of money	71. Additional powers
30. Composition of the board of directors	75. Duties
35. [Repealed]	80. [Repealed]
45. [Repealed]	85. [Repealed]
50. Quorum and transaction of business	125. Definitions

Revisor's notes. — Sections 17 and 18, ch. 161, SLA 1984, provides for the repeal of this chapter on July 1, 1989 and the attendant transfer of the administration of the then outstanding loan portfolio to the Department of Revenue.

Cross references. — For legislative findings and purpose in connection with the 1984 amendment and the July 1, 1989 repeal of this chapter, see § 1, ch. 161, SLA 1984 in the Temporary and Special Acts.

**Sec. 37.12.010. Alaska Resources Corporation created** [Repealed effective July 1, 1989]. There is created the Alaska Resources Corporation to carry out the purposes of this chapter. The corporation is a public corporation of the state and an instrumentality of the state within the Department of Revenue, but has a legal existence independent of and separate from the state. The exercise by the corporation of the powers conferred by this chapter is considered an essential function of the state. (§ 3 ch 179 SLA 1978; am § 1 ch 142 SLA 1982; am § 2 ch 161 SLA 1984; r § 18 ch 161 SLA 1984)

Effect of amendments. — The 1984 amendment, effective July 7, 1984, substituted "Department of Revenue" for "Department of Commerce and Economic Development" in the second sentence.

**Sec. 37.12.015. Purpose** [Repealed effective July 1, 1989]. The purpose of the corporation is to effect an orderly wind-up of its affairs. (§ 3 ch 179 SLA 1978; am § 2 ch 142 SLA 1982; am § 3 ch 161 SLA 1984; r § 18 ch 161 SLA 1984)

Effect of amendments. — The 1984 amendment, effective July 7, 1984, rewrote this section.

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PUBLIC FINANCE

§ 37.12.050

Sec. 37.12.022. Development capital fund [Repealed effective July 1, 1989]. The development capital fund is established in the corporation, consisting of money appropriated to the corporation. The development capital fund shall be used to pay for liabilities of the corporation that might arise during the wind-up of its affairs. (§ 3 ch 142 SLA 1982; am § 4 ch 161 SLA 1984; r § 18 ch 161 SLA 1984)

Effect of amendments. — The 1984 amendment, effective July 7, 1984, deleted "or assets" following "money," "or transferred" following "appropriated," and "and payments of principal and interest on

loans and equity investments made by the corporation" from the end, all in the first sentence; rewrote the second sentence; and deleted the former third sentence.

Sec. 37.12.023. Deposit of money [Repealed effective July 1, 1989]. Repayments of principal and payments of interest and other income from loans of the corporation, dividends received from capital stock investments, and money received from the sale of equity investments or other assets of the corporation must be deposited in the general fund. (§ 5 ch 161 SLA 1984; r § 18 ch 161 SLA 1984)

Effective dates. — Section 19, ch. 161, July 7, 1984, in accordance with AS SLA 1984, makes this section effective 01.10.070(c).

Sec. 37.12.030. Composition and term of board of directors [Repealed effective July 1, 1989]. The board consists of the commissioner of revenue, who shall serve as chairman, and the commissioners of two other principal executive departments designated by the governor. The term of office of these board members continues until the corporation is dissolved. (§ 3 ch 179 SLA 1978; am § 5 ch 142 SLA 1982; am § 6 ch 161 SLA 1984; r § 18 ch 161 SLA 1984)

Effect of amendments. — The 1984 amendment, effective July 7, 1984, rewrote this section.

Sec. 37.12.035. Term of office. [Repealed, § 16 ch 161 SLA 1984.]

Sec. 37.12.045. Qualifications of board members. [Repealed, § 16 ch 161 SLA 1984.]

Sec. 37.12.050. Quorum and transaction of business [Repealed effective July 1, 1989]. (a) Two members of the board constitute a quorum for the transaction of business and the exercise of the powers and duties of the board.

(b) The board may meet and transact business by electronic media if (1) public notice of the time and locations where the meeting will be held by electronic media has been given in the same manner as if the meeting were held in a single location; (2) participants and members of the public in attendance can hear and have the same right to partici-

pate in the meeting as if the meeting were conducted in person; and (3) copies of pertinent reference materials, statutes, regulations, and audio-visual materials are reasonably available to participants and to the public. A meeting by electronic media as provided in this subsection has the same legal effect as a meeting in person. (§ 3 ch 179 SLA 1978; am § 7 ch 142 SLA 1982; am § 7 ch 161 SLA 1984; r § 18 ch 161 SLA 1984)

**Effect of amendments.** — The 1984 amendment, effective July 7, 1984, substituted "Three members" for "Two members" at the beginning of subsection (a).

**Sec. 37.12.055. Compensation of board members [Repealed effective July 1, 1989].** Members of the board are entitled to per diem and travel expenses authorized by law for state boards and commissions under AS 39.20.180. (§ 3 ch 179 SLA 1978; am § 8 ch 142 SLA 1982; am § 8 ch 161 SLA 1984; r § 18 ch 161 SLA 1984)

**Effect of amendments.** — The 1984 amendment, effective July 7, 1984, deleted "receive \$200 for each day spent on official business of the corporation, and" following "Members of the board."

**Sec. 37.12.060. Executive director; staff. [Repealed, § 16 ch 161 SLA 1984.]**

**Sec. 37.12.070. Powers [Repealed effective July 1, 1989].** In carrying out the corporate powers of the corporation, the board may

- (1) adopt, alter, and use a corporate seal;
- (2) prescribe, adopt, amend, and repeal bylaws;
- (3) sue and be sued in the name of the corporation;
- (4) enter into any agreements necessary to the exercise of its powers and functions;
- (5), (6) *[Repealed, § 16 ch 161 SLA 1984.]*
- (7) appear in behalf of the corporation before boards, commissions, departments, or other agencies of municipal, state, or federal government;
- (8) acquire, hold, use, lease, sell, or otherwise dispose of property of any kind, real, personal, or mixed, or any interest in it;
- (9) hold, as a means of securing the providing of financial assistance, patents, copyrights, trademarks, royalties, or any other evidences of protection or exclusivity issued under the laws of the United States or any state or nation;
- (10) prepare, publish, and distribute technical studies, reports, bulletins and other materials it considers appropriate;
- (11) *[Repealed, § 16 ch 161 SLA 1984.]*
- (12) *[Repealed, § 33 ch 142 SLA 1982.]*
- (13) adopt regulations governing the exercise of its corporate powers;

§ 37.12.070

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§ 37.12.125

(14) [Repealed, § 33 ch 142 SLA 1982.]

(15) do all acts and things necessary or desirable to carry out the purposes of the corporation;

(16) [Repealed, § 8 ch 56 SLA 1979.](§ 3 ch 179 SLA 1978; am §§ 2, 8 ch 56 SLA 1979; am E.O. No. 48, § 2 (1981); am §§ 11, 33 ch 142 SLA 1982; am § 16 ch 161 SLA 1984; r § 18 ch 161 SLA 1984)

Effect of amendments. — The 1984 amendment, effective July 7, 1984, repealed paragraphs (5), (6), and (11).

Sec. 37.12.071. Additional powers [Repealed effective July 1, 1989]. Notwithstanding other provisions of law governing disposal of state property, the board may, at either public or private sale, dispose of the assets of the corporation as required in AS 37.12.075. In addition, the corporation may spend money to protect the assets of the corporation. (§ 9 ch 161 SLA 1984; r § 18 ch 161 SLA 1984)

Effective dates. — Section 19, ch. 161, July 7, 1984, in accordance with AS SLA 1984, makes this section effective 01.10.070(c).

Sec. 37.12.075. Duties [Repealed effective July 1, 1989]. In carrying out the purposes of this chapter the board shall

(1) contract with the Department of Revenue to manage the assets of the corporation:

(2) divest the corporation of all equity investments by July 1, 1989; and

(3) divest the corporation of all other remaining assets, with the exception of the outstanding loan portfolio, by July 1, 1989. (§ 3 ch 179 SLA 1978; am § 12 ch 142 SLA 1982; am § 10 ch 161 SLA 1984; r § 18 ch 161 SLA 1984)

Effect of amendments. — The 1984 amendment, effective July 7, 1984, rewrote this section.

Sec. 37.12.080. Financial assistance. [Repealed, § 16 ch 161 SLA 1984.]

Sec. 37.12.085. Eligibility for financial assistance. [Repealed, § 16 ch 161 SLA 1984.]

Sec. 37.12.125. Definitions [Repealed effective July 1, 1989]. In this chapter, unless the context otherwise requires,

(1) [Repealed, § 16 ch 161 SLA 1984.]

(2) "board" means the Board of Directors of the Alaska Resources Corporation;

(3) "corporation" means the Alaska Resources Corporation;

(4)—(7) [Repealed, § 16 ch 161 SLA 1984.](§ 3 ch 179 SLA 1978; am §§ 23 — 28 ch 142 SLA 1982; am § 16 ch 161 SLA 1984; r § 18 ch 161 SLA 1984)

Effect of amendments. — The 1984 amendment, effective July 7, 1984, repealed paragraphs (1), (4)—(7).

## Chapter 15. State Bonding Act.

### Article

1. General Obligation Bonds (§ 37.15.012)
3. International Airports Revenue Bonds (§ 37.15.415)
4. Toll Facilities Revenue Bonds (§§ 37.15.610 — 37.15.760)

### Article 1. General Obligation Bonds.

#### Section

12. Continuing debt service appropriation

**Sec. 37.15.012. Continuing debt service appropriation.** The amounts required annually to pay the principal, interest, and redemption premium on all issued and outstanding general obligation bonds of the state are appropriated each fiscal year from the general fund to the state bond committee to make all required payments of principal, interest, and redemption premium. (§ 1 ch 100 SLA 1981; am § 1 ch 156 SLA 1984)

Effect of amendments. — The 1984 amendment, effective July 6, 1984, substituted "each fiscal" for "on July 1 of each."

### Article 3. International Airports Revenue Bonds.

#### Section

415. Continuing revenue bond debt service appropriation

**Sec. 37.15.415. Continuing revenue bond debt service appropriation.** The amounts required annually to pay the principal, interest, and redemption premium on all issued and outstanding international airports revenue bonds of the state are appropriated each fiscal year from the international airports revenue fund to the state bond committee to make all required payments of principal, interest, and redemption premium. (§ 2 ch 156 SLA 1984)

Effective dates. — Section 5, ch. 156, 6, 1984, in accordance with AS SLA 1984 makes this section effective July 01.10.070(c).