ALASKA LEGISLATURE COMMITTEE FILES 1987-1988 8672

4699 HJUD HB 283 (FILE 2) - HB 293

271

-- employers, coworkers, family -- enable drug use to continue. Finally drug dependence leads to lying and moral corruption among all users. The user generally feels entitled to say or do whatever he thinks is necessary to keep using the drug.

It is important to realize that these three stages are all part of one process. The three stages are not different phenomena. This progression is out of the drug user's control. The concept that it is a matter of willpower for a person to manage cocaine use is devastatingly wrong. The vulnerability to dependence, to falling in love with cocaine, is a universal mammalian vulnerability. It is not restricted to some qualities of character, genetics, gender, race, social class, or anything else. The vulnerability does appear to be somewhat different in degree -- greater for some and less for others -- but anyone who is willing to use cocaine frequently at intoxicating doses is going to fall in love with it and lose control of his or her use of cocaine.

The alcohol analogy is dangerously misleading if we talk about the Disease Concept implying that there are some people who can "handle" cocaine, as some people appear to be sensible social drinkers. No one can handle cocaine. The idea that some people are invulnerable for genetic or other reasons is a deadly misconception.

Having looked at cocaine epidemiology and the Drug Dependence Syndrome, our survey leads to treatment of cocaine users. A remarkable thing has happened to drug abuse treatment in the last

five years. The drug abuse treatment experience is different now than it ever was before. In fact we have, in a sense, rehabilitated much of drug abuse treatment. It has come about in an interesting way. The old treatment ideas, when I was a medical student, were based on two assumptions: First that drug problems were symptoms of an underlying primary disorder. The treatment was psychotherapy to help understand that problem and once that understanding was accomplished, the drug "symptom," being secondary, would disappear. The second idea was that the clinical problem was addiction -- "The Man With the Golden Arm" phenomenon. Just get over the addiction and everything will be okay. People, in this view, used drugs because they got sick when they stopped.

The logical conclusion from these two erroneous assumptions was that drug dependent people needed psychotherapy and detoxification. If you could just put drug abusers in psychotherapy and get them drug-free for a few days in a hospital they would be fine because their problem would be eliminated. The fact that this approach did not help many people in the 40 or 50 years it was used did not discourage doctors and others from continuing to use it over and over again. In fact, this was the primary model for treatment for cocaine and other drug problems until a few years ago.

The key ideas for contemporary treatment came from Minnesota where they developed the idea of a longer period of inpatient care, not 7 to 10 days but 28 or 30 days. This time was not so much used to get the patient drug-free as to plug him into a self-help group -- Alcoholics Anonymous or Narcotics Anonymous -- for a lifetime of recovery. The drug user's family was part of treatment, being plugged into Al Anon also for life. That simple two-step process led to a dramatic improvement in drug abuse treatment.

Cocaine was important in this process of change because cocaine for the first time revealed just how foolish some of the old ideas were. The cocaine experience showed that serious drug abusers were not "addicted" in the traditional sense, because they were using a "non-addictive" drug. Yet they could not "control" their use of the drug. It also showed that "druggies" were not necessarily either drop-out teenage potheads or middle-aged alcoholics.

Earlier we noted that an estimated 20 million American workers have used cocaine and that four million have used it within the last month. There is a common assumption that the 16 million who have not used cocaine within the last month are safe. Nothing could be further from the truth. Those 16 million people are vulnerable to cocaine dependence. It is curious that in the drug field ideas that would be considered ludicrous in any other field of intellectual endeavor are thought of as profound. There is a concept in the drug field, for example, that there are "safe"

drug users and "sick" drug users. Many experts separate the drug continuum on the basis of whether drug users have a problem or not, i.e.: These people do not have cocaine problems and those do, therefore these are okay and those are not. This leads to supporting the people who do not have a problem in what they are doing (using drugs like cocaine) because they are okay, while treating those people over there because they are sick. These experts fail to see that the way you get to be a "sick" cocaine user is to go through the stage of being a "healthy" cocaine user. This is like talking about speeding and saying: "You can drive 90 miles an hour. Some people have a problem and some do not have a problem. So we will divide up the population of those who drive 90 miles an hour into the healthy speeders and the sick speeders. The sick speeders have a disease -- speeding sickness -- but the other speeders are okay." Speeding in this misguided line of reasoning is not the problem, it is getting into trouble with speeding that is the problem. While this reasoning may seem ridiculous, it is the devastating delusion that has afflicted the drug field when looking at the people using cocaine at work. It has led to enormous confusion and a reinforcement of the concept of the "normality" of fooling around with cocaine.

<u>The Nine Ways Cocaine Is Special At Work</u>

There are nine ways cocaine is special in the workplace:

1. First, and perhaps most obviously, is the special image of cocaine. Cocaine is chic. It is called the "champagne drug" or the "rich man's drug." Recent epidemiologic evidence suggests

that there is something (but not much) to this perception, perhaps a self-fulfilling prophecy. For example, here are some interesting numbers culled from household surveys. Education: among those people who had less than a high school education, 5% reported ever having used cocaine; among those who had had some college graduates, 19% had used cocaine. Family income: of those who reported a family income of $10,000 or less, 11% had used cocaine; among those who reported a family income of $50,000 or more, 16% had used cocaine. Job category: among laborers, 14% reported using cocaine; among managers, 27%. There is some basis for the "rich man's drug" image of cocaine. However, these percentages are deceiving since most cocaine users are not rich and many are "poor." Most are "average."

2. Cocaine is a stimulant drug. The other drugs that have become widely used have all been depressant drugs -- alcohol, heroin, and marijuana. The concept that alcohol is a depressant drug is seen now in its advertising: "Miller Time" is when you finish work. But what about the image of a stimulant drug? A stimulant drug holds out the hope that it promotes work and efficiency, that it fights fatigue with a pro-work pharmacology. Of course it is not true for cocaine or any other stimulant but that does not discourage people from using cocaine on this basis. This idea makes cocaine use on the job itself far more likely than use of depressants such as alcohol and marijuana. It is usually the end stage, strung-out user of pot or booze who consumes the drug at work. Not so cocaine, the stimulant.

3. Cocaine is a short-acting drug. This characteristic differentiates it from most of the other commonly used drugs and gives the illusion that you can get in and get out quickly from cocaine use, that use can be isolated and limited much more than with marijuana or alcohol use. Cocaine promises no disabling hangover or "long term" effect to interfere with work.

4. Cocaine is the only drug that shows rising incidence of first use among people in their 20s. This is a striking fact that is not easily explained. With every other drug, including cigarettes, alcohol, heroin, and marijuana, there is a sharp peaking of first use in the teenage years -- usually the mid-teenage years. But with cocaine there is an increasing incidence as people get older, at least in their early 20s. Whether this fact reflects that we are in the early stages of the evolution of the cocaine epidemic or whether there is something special about cocaine I am not sure, but the pattern is important because it means that initial use of cocaine is going on later in many peoples' lives. This means that initial cocaine use goes on not only in school years but also in the later years, specifically at work.

5. Cocaine use is special because of its cost. Think for a minute about alcohol or pot. One can stay stoned on pot all day, every day, for $5 or $10 a day. To really get wasted it might take $20 a day. But pot use is cheap, even with today's inflated prices. You can stay totally intoxicated on alcohol, marijuana and other drugs for relatively little money. It is cheap to

destroy your life on pot or booze. The only exceptions among widely used drugs are two: heroin and cocaine. To stay high on cocaine or heroin costs hundreds of dollars a day. That economic reality does not come from the image of the drugs, but from the pharmacology. These two are short-acting drugs, not taken orally, which produce high levels of tolerance. Thus the person who is intoxicated on cocaine or heroin uses large amounts of the drug. The higher cost of these two habits is also because cocaine and heroin are relatively expensive for a pharmacologically effective dose. This reflects more intense prohibition than is true for alcohol, of course, but also for marijuana. Relatively successful enforcement pushes the prices up for cocaine and heroin.

Previously, when heroin was the only high-cost drug in the workplace, the problem of "needing money to supply your habit" was located in the lowest socio-economic group of workers. The problems of drug-caused theft and other income-generating activities were limited. Think a minute about what the epidemic of cocaine use at work means. Now we have an income-demanding drug at all levels, including the highest levels, of the organization. This puts the business itself at risk in a way that it has never been at risk before. This leads not only to theft of typewriters or goods out of the warehouse, but to threats at the core of the corporation. Business information and money which are the lifeblood of the organization are now at risk because of people whose moral values have been corroded by cocaine use and whose demand for money to buy cocaine is enormous. That has never

happened before. The potential for destruction in the workplace has enormously increased. Cocaine users are in the executive suites and in the most trusted roles of business life. They can steal not only purses and word processors but corporate information highly valued by competitors and even the IRS! This new breed of drug users can lead to corporate plundering beyond anything a stock clerk or maintenance worker ever dreamed of.

6. The typical pattern of cocaine use is binge use, whereas with other commonly used drugs the typical pattern of heavy use is continuous drug use. Cocaine is a drug for which continuous use, day in and day out at more or less the same level, is uncommon while episodic high-level use -- a spree or run -- is the typical pattern. That changes the way one thinks about the problem at work and makes survey data less helpful because surveys discount episodic use. We are accustomed to thinking of the daily user/regular user as the "problem user." A person can get into a lot of trouble with cocaine without ever being a daily user.

7. Cocaine uniquely causes paranoia and aggressiveness. This is important in functioning everywhere, especially at work. There is a tendency to violence, suspiciousness, and paranoia among cocaine users. This disorganization of thinking in an explosive way is a special and dangerous result of cocaine use. At work the most common cocaine-caused problems are unreliability and theft but hostility and aggression are serious, common problems.

8. Once a worker gets into a pattern of binge use of

cocaine, it has an effect which is unlike any other drug. Cocaine at high doses takes users down like a stone falling into a pond. Many people crippled by cocaine have used other drugs off and on, and sometimes at high levels of use, for many years. Once they start high-dose use of cocaine, they fall apart. I do not know any other drug that does that. It literally catapults users into treatment. They often arrive in treatment like stunned people because of the effects of cocaine. They may have fooled around with cocaine for years, but suddenly had a friend who was a dealer or they had increased access to a supply or they had more money or they had some change in their lifestyle that put them into contact with more cocaine and, like a stone in a pond, they went down.

9. Cocaine, the stimulant, has a unique way of growing out of and reinforcing the use of other drugs, particularly depressant drugs, such as alcohol, tranquilizers, and even heroin. In fact, new users of heroin in the U.S. are primarily being recruited to heroin through the cocaine door. They are going through that door for several reasons. Many of them have been introduced to intravenous drug use through the IV use of cocaine. They also turn to mind-numbing depressant drugs to deal with either the overstimulation or the devastating depression following their cocaine use. Cocaine use also gets "normal" drug abusers over the hurdle into the "junkie" role as the compulsion to use swamps even long-standing barriers to the "addict" lifestyle. With cocaine use, at high doses, anything goes -- including IV heroin, for many users.

The final section of this chapter focuses on how to deal with the problems of cocaine use at work. There is only one standard that can be the basis for approaching the problems of cocaine in the workplace: Zero Tolerance. It is imperative for anyone dealing with any drug problem in the workplace to start by drawing the line at any drug use. Once one shifts to the goal of identifying drug-caused impairment as opposed to drug use, he has lost the capacity to deal effectively with the problem. Even worse is to get caught up in the goal of identifying specific job-related impairments. There are no jobs which will let one meet that standard. The only standard that will succeed: when a person comes to work, he or she comes drug-free. This I call Zero Tolerance for drugs at work.

These are the four steps to solving the cocaine problem in the workplace:

1. We must educate. Most people at work still do not know the facts about cocaine use as they are documented in this book. Too many people think they can use cocaine and get away with it. They think cocaine use is harmless. They do not know about the reinforcing potential, they do not know that cocaine use is out of the user's control, or about the inevitable escalation of the Drug Dependence Syndrome. They do not know cocaine can kill, even when used intranasally. They do not know the basic facts about cocaine and they are mislead into thinking that it is relatively harmless, and easily controlled. They think of cocaine use as a benign "personal" decision without realizing the tremendous stake

non-users, at work and elsewhere, have in that decision. We need to have clear education at the worksite about the hazards of cocaine use. We also need to undercut the current widespread tolerance for cocaine use through education. Everybody at the worksite should understand that all share the vulnerability. Drug problems are not limited to the drug user. Whether one uses cocaine or not, cocaine at work is adversely affecting everyone. The second-hand smoke issue at the worksite is a useful precedent in the legitimization of the interests of non-smokers. The same process can happen with other drugs, most notabley cocaine. Most workers do not use cocaine. They need to be enlisted in the battle against cocaine use.

This is not a battle against cocaine users as people, but against their use of the drug. The cocaine user, along with the non-user, will benefit from reduced tolerance to cocaine use at work. This must be rooted in a thoroughgoing, honest, factual education of everyone at work about the dangers of cocaine use.

2. The second step is the most controversial. Action must be taken to say "no" to cocaine. There is only one way to achieve this goal: to implement regular urine testing to identify cocaine use. Any halfway measure is just waiting until disaster has befallen the individual cocaine user, his family, and the organization. It is sad to see some representatives of the workers -- unions and others -- fight drug testing. They are fighting it because they do not understand the drug problem and they do not understand the solution. The people who are most

likely to benefit from an aggressive testing program are the workers themselves. Users and non-users need a compelling reason not to use cocaine in the first place and if a person is using cocaine, he needs a reason not to continue use. If he is continuing to use cocaine at work, he needs to be caught so he can be helped.

I have worked with many, many people for whom the person who said "no" was the person who saved their lives. It is important not to get confused about this. If one approaches cocaine use as a matter of personal preference, as a civil right, or as a privacy matter, he is not doing any favors to anybody — the stockholders, the managers, the employees, the families, or even the drug users. What one is doing by adopting these attitudes is enabling the cocaine problem to continue. We need to have a system that can say "no" and make that system work. Of course, at work one must deal with all drug use, not just cocaine use (3). The prevention issues are the same. Economics, pharmacology and fairness all require an even-handed "no drugs at work" policy.

3. We need to overcome the myths that are preventing action. We need to overcome the concept of "safe" and "controlled" use of cocaine. We need to deal with the barriers that have been developed that keep us from effective action.

4. We need to follow up on what Alcoholics Anonymous calls Twelfth Step Work. We need to help the people who have confronted their cocaine problem to help others. I have found this about people who have used cocaine even more than people who have used

CORRECTION

THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY

02–576(2/77)

likely to benefit from an aggressive testing program are the workers themselves. Users and non-users need a compelling reason not to use cocaine in the first place and if a person is using cocaine, he needs a reason not to continue use. If he is continuing to use cocaine at work, he needs to be caught so he can be helped.

I have worked with many, many people for whom the person who said "no" was the person who saved their lives. It is important not to get confused about this. If one approaches cocaine use as a matter of personal preference, as a civil right, or as a privacy matter, he is not doing any favors to anybody — the stockholders, the managers, the employees, the families, or even the drug users. What one is doing by adopting these attitudes is enabling the cocaine problem to continue. We need to have a system that can say "no" and make that system work. Of course, at work one must deal with all drug use, not just cocaine use (3). The prevention issues are the same. Economics, pharmacology and fairness all require an even-handed "no drugs at work" policy.

3. We need to overcome the myths that are preventing action. We need to overcome the concept of "safe" and "controlled" use of cocaine. We need to deal with the barriers that have been developed that keep us from effective action.

4. We need to follow up on what Alcoholics Anonymous calls Twelfth Step Work. We need to help the people who have confronted their cocaine problem to help others. I have found this about people who have used cocaine even more than people who have used

other drugs: when they recover, they are missionaries. They have been to Hell. They know what loss of control of one's life is and they know how dangerous cocaine is. Many are highly motivated to recycle their knowledge and experience; to do Twelfth Step work. We need to encourage that because there is a lot of good that can come from their missionary zeal.

SUMMARY

In case there is any doubt, I am not writing in this chapter about hurting people, I am writing about helping people. You help people by helping them understand the facts and by saying "no" to cocaine use. You hurt people by letting their cocaine problem continue.

Cocaine use in the workplace is a ticking time bomb. The 16 million people who have used cocaine and who are not current users are the ticking time bomb almost as much as are the four million who are actually using the drug. Every one of them is vulnerable and many of the 85 million workers who have not yet used cocaine are vulnerable also to cocaine use.

The question is, have we learned enough in the last 20 years to defuse the bomb or are we going to have to wait until it explodes? The dangers of cocaine at the workplace are unique and the consequences of not acting are terrifying. On the other hand, the potential for dealing with the issue not only concerns the cocaine user but also all other aspects of drug use including other drug use in the workplace.

As a general observation the current rapidly rising tide of

public concern about drug use -- especially cocaine use -- is the most positive development during the past 20 years of our national experience with drug abuse. If we can say "no" to drugs at work we will not only help the 105 million working Americans, we will send a powerful signal to our youth: when you show up for work, you show up drug-free. That simple-sounding, but profound, goal offers the best hope we have of ending the drug epidemic, of seeing to it that cocaine, the current epidemic drug, is the last one.

References

1. DuPont, Robert L. Getting Tough on Gateway Drugs: A Guide for the Family. Washington, D.C., American Psychiatric Press, 1984.

2. Annual Household Survey, National Institute on Drug Abuse, Rockville, Maryland, 1982.

3. Dogoloff, Lee I. and Angarola, Robert T. Urine Testing in the Workplace. American Council for Drug Education, 1985.

August 5, 1986

SUBSTANCE ABUSE IN THE CONSTRUCTION INDUSTRY: THE PROBLEM AND ITS IDENTIFICATION

Presented at the National Conference
on Substance Abuse in Construction
Minneapolis, Minnesota

July 17, 1986

Robert L. DuPont, M.D.
President
Center for Behavioral Medicine
Rockville, Maryland

Vice President
Bensinger, DuPont & Associates, Inc.
Rockville, Maryland and Chicago, Illinois

and

Clinical Professor of Psychiatry
Georgetown University Medical School
Washington, D.C.

As a physician and a psychiatrist I have worked to prevent drug abuse for 20 years, often directly with people suffering from drug and alcohol problems. I have seen pain beyond bearing in drug dependent individuals and their families. I have also seen the hope in lasting recovery, one of the great joys of my professional life.

My message today: drug abuse is a terribly serious problem. Modern biological research has made the drug abuse problem understandable. Drug abuse is a solvable problem. Finally, and perhaps most surprising to many of you, drug abuse is a positive problem. Approaching the problem of drug abuse and resolving it is a positive experience. Too often we perceive drug abuse as incomprehensible, trivial, hopeless, and negative. I believe that it is <u>serious</u>, <u>understandable</u>, <u>solvable</u>, and potentially <u>positive</u>.

The recent national concern about drug use in the workplace is the most positive development that I have seen in my 20 years in this field. There has been more change in both attitude and action about drugs at work in the last 12 months than I have ever seen in any single aspect of drug abuse. This intense interest is illustrated by the fact that last week I appeared on two network news shows -- the NBC Nightly News with Tom Brokaw and ABC's World News Tonight with Peter Jennings. That is the only time that I ever appeared on two network news shows in one week when I was not in trouble!

There are some useful statistics about the drug problem in

the United States, however, since there has never been a survey of drug use in the workplace, we do not have some critical data. We do have two sets of national surveys from which to extrapolate information about drug use in the workplace. High school seniors have been studied annually since 1975. This is the most sophisticated and the most important drug abuse data base. We can see the changes over time in each senior high school class. We can also follow each cohort. For example, the class of 1975 has been followed up nine years after graduation allowing us to see changes both within each cohort and between cohorts during the drug epidemic in the United States, including entry into the workforce. The other national survey is of Americans over the age of 12 living in households. We now need a national survey of drug use at work to better understand the dimensions of the specific problem, including such important questions as the relative rates of drug problems in various industries and job types. Such a workplace survey would complement the existing high school and household surveys.

The most recent high school survey showed that 61% of the youth graduating in 1985 had used one or more illegal drugs prior to graduation, and 40% had used one or more illegal drugs in addition to marijuana. The percentages of the class of 1985 having used each of the following drugs once or more in the 30 days previous to the survey were: alcohol, 66%; marijuana, 26%; cocaine, 7%; stimulants such as amphetamines, 7%; LSD, 2%; PCP, 2%; and heroin, 0.3%. Based on past research these percentages

will rise as this cohort ages, peaking between the ages of 21 and 25 with gradual declines in subsequent years. We also know that youth who do not graduate from high school have higher rates of drug use than those who do graduate.

Using the household survey I estimate that in 1986 30 million Americans have tried cocaine at least once, with about 5 million using it within the previous 30 days. Ninety percent of those current users are between the ages of 18 and 35 and 50% are between the ages of 18 and 25. For males in the workforce 50% of those aged 18 to 25 have used cocaine and 35% of those aged 26 to 35 have used cocaine. Among females in these two age groups 30% and 25% have used cocaine. At any time about 30% of young workers are using marijuana and 10% are using cocaine.

There are several aspects of the drug use problem that are particularly important to the construction industry. In general, males use drugs more than females do, particularly illegal drugs. Furthermore, the more illegal the drug is, in the sense that heroin is more illegal in terms of our attitude toward it than is marijuana, the more likely there is to be male predominance.

The heavier the drug use is, the more likely males are to predominate also. In answer to the question, "Have you ever used a drug?" the male-female ratio will not be very different. But statistics about daily use of a drug show a preponderance of males. This fact is consistent for use of all intoxicating drugs, except amphetamines which suppress the appetite and which are used more by women than by men.

The second key point from existing surveys is that drug use among youth is greater than among older workers. People get started using drugs during their teenage years. The drug epidemic in the United States began about 1970. Who was a teenager after 1970? The 35-and-under population has been exposed to all the illegal drugs in a much more intense way than older people. People over the age of 35 are predominantly alcohol-using. People under the age of 35 show polydrug use.

The third factor of importance to the construction industry is the high level of use of the "Gateway Drugs": alcohol, marijuana, and cocaine. These three drugs account for about 80% of the drug and alcohol problems in the United States. They are also the gateways to all other drug use. Alcohol, marijuana, and cocaine are the mass-consumed, troublesome drugs in this country today including at the workplace.

The fourth aspect of drug use which applies especially to the construction industry is the blue collar factor. When the drug epidemic first began in the 1960s, the public focus was on students, particularly college students, children of the upper middle class. The drug abuse problem has now shifted from that population. College students have much lower rates of drug use than non-college youth of the same age. Drug use has become much more of a blue collar problem. The NBC Nightly News show on which I appeared last week emphasized the tremendous increase of cocaine use among college students. Use of cocaine among college kids now equals cocaine use rates of their non-college age-matched peers.

The fact that cocaine use in colleg. quals that of non-college kids was considered an epidemic by NBC News.

A fifth factor that distinguishes the construction industry is the danger of construction work. That puts the industry at a special risk, along with industries such as transportation, nuclear power, and the medical profession.

Sixth, the construction industry has a long history of tolerance for alcohol and drug use which is, if not unique, at least notable in contrast to many other work environments. All of these factors indicate a high drug risk in this industry.

I strongly advise you to educate yourselves about drug abuse. There are some good books on this topic, but reading will not give you the complete picture. You can, however, become thoroughly educated and confident about drugs by talking to the real experts in the field. I do not mean people like me -- I mean drug users themselves. Spend a few hours at a treatment center near your worksite, preferably one to which your company sends people who have drug problems. Talk privately and confidentially to ordinary people in treatment about their experiences on the worksite and the impact of drug and alcohol use on their work performance. Talking to drug users will do more to educate you about the problem and more to galvanize you to action than all the conferences you could possibly attend.

Several years ago a high school coach from outside of Chicago attended an education program for coaches at the Hazelden Foundation in Minnesota. He talked to young athletes in treatment

about their experience with drugs. He was so horrified by what he heard that he went back and changed the whole drug abuse prevention program at his high school. I heard him announce to the student body that from that day forward there was going to be no drug or alcohol use by any athlete on any team in that high school. He said that if he had any evidence of drug or alcohol use whatsoever, that student was going to be off the team. He meant drinking or drug use, period, at any time during their high school years. "We have to maintain a higher standard among athletes," was his argument. It was a dramatic change for that high school. It had a beneficial effect on the entire student body. The recent tragic death of Len Bias underscores that coach's point.

You should know something about the inner experience of a drug user. There are three distinct stages of the Drug Dependence Syndrome. The first stage is experimentation, when a person tries a drug for the first time. The most striking aspect of experimentation is that first use of a drug is concentrated in the ages of 12-20, with the exception of cocaine where there is some first use by people in their 20s. There is a "window" in the human lifecycle when a person is open to trying drugs. That window is roughly the teenage years. The important point here is that if a person gets to be about 20 years of age and has not tried a particular drug, with some exceptions, he or she will never try that drug. This fact is dramatically illustrated by cigarette smoking. Ninety percent of smokers began before the age

of 20. Somebody starting cigarette smoking for the first time at the age of 35 is unusual. That is equally true for alcohol, heroin, and all other drugs. Beginning drug use is a phenomenon of youth. That reflects the effect of puberty, particularly the impact on the pleasure systems of the brain, which is central to the drug experience.

The second stage of the Drug Dependence Syndrome is <u>fooling around</u>. We are familiar with this stage from the social drinking associated with alcohol use. In this stage a person uses a drug or does not use a drug and it is not terribly important in a person's life. There is a conviction of mastery and control, an "I can handle it" quality, in this stage of drug use.

The third stage is the <u>dependence</u> or the "hooked" stage. There is a simple analogy to explain how a person gets hooked on drugs. He or she falls in love with the drug. A person goes through the stage of fooling around, which may be a long or a short time, and then falls in love, turning the Addiction Switch in the brain to "on." Once the Addiction Switch is thrown to "on," drug use becomes the center of a person's life. Like a person who is in love, everything else in life turns to black and white and the object of the love is technicolor. This is not quite the same as being physically dependent in the sense that the physically dependent person will have withdrawal symptoms when stopping drug use. One of the greatest mistakes the medical field made over the last few decades was to focus on physical dependency as the key to the drug problem. The real problem is

"falling in love" with the drug, making drug use the most important thing in a person's life. Both the age aspect and the biological aspect of drug use are important to understanding the issue. A person is much more likely to fall in love and to lose control when he starts using a drug at a younger age than at an older age. The more intensely a person uses a drug, the heavier the dose used, and the greater the frequency of use, the higher the risk of falling in love or losing control of drug use.

There are some characteristic problems that appear at these three stages of drug use. Even at the stage of experimentation there are many problems. One example is a panic reaction which can occur when a person first tries marijuana. There can be a tremendous rush of panic which can trigger the onset of panic disorder, leading to an emotionally crippling syndrome called agoraphobia. This panic reaction can be caused by a single use of marijuana.

The work-related problems characteristic of the second, fooling around, stage can be equally destructive. This is the stage when drug users become proselytizers. They are having a good time with the drug and appear to be in control of its use. The drug use is contagious, spreading to other people.

In the third stage, the stage of being hooked, come the most serious health problems characteristic of chronic drug use.

At any stage of the Drug Dependence Syndrome there are two common problems: the loss of control during acute intoxication and decreased motivation. Both of these conditions lead to accidents and low productivity. The drug-intoxicated person does not care as much about job performance and cannot do a good job.

There are some specific problems with the gateway drugs which you are likely to see in the workplace. The effects of alcohol are fairly familiar, including intoxication, accidents, decreased productivity, absenteeism, and health problems.

The effects of marijuana are different. They can be hard to spot because most people over the age of 35 are not familiar with them. The most important thing to know about marijuana is that the active chemical that causes intoxication is called THC. Unlike alcohol, which is quickly metabolized to water and carbon dioxide by the body, THC stays in the brain for a long time. It can be detected in the brain even 30 days after a single use, and an ordinary urine test for marijuana use may be positive for several days after use of the drug. The fact that THC stays in the brain so long explains something that marijuana users often mention: the lack of a hangover after its use in contrast to the common hangover after using alcohol. The reason there is no hangover from marijuana is that the marijuana chemical, THC, is still in the brain in the morning and for days after use. This is not a sign that marijuana is better or less destructive, it is a sign that THC is still present in the body. In fact, the hangover from alcohol use is a withdrawal syndrome which occurs after the

elimination of the alcohol from the body.

What does THC do? Because it does not leave the body quickly, the effects of marijuana tend to be more subtle than the effects of alcohol. There is less staggering or slurred speech.

Several years ago I was on PBS Latenight with Dennis Wholey. The subject was marijuana. I was interested in the response of the marijuana-using listeners to the negative things I had to say about marijuana. One of them said: "Marijuana makes you stupid and lazy." That is exactly what marijuana does. It decreases motivation and memory. It is a drug that produces the "care-less" phenomenon. The effects of marijuana are more subtle than the effects of alcohol and much longer lasting. One recent study, using objective tests to detect marijuana's effects, showed impairment 24 hours after a person had smoked a single marijuana joint. The study did not measure impairment beyond that length of time because the researchers did not expect to find any effect as long as 24 hours after use. I suspect, however, that measurable impairment would have been found even 48 or 72 hours later. As the study is extended for longer periods of time we will learn more about these carry-over effects of marijuana use. Marijuana remains in the body a long time. It makes users stupid and lazy.

The effects of cocaine are entirely different from either those of alcohol or marijuana. Marijuana is long-acting and has a number of subtle effects, while cocaine is short-lived and intense in its effects. The total intoxication, the high, from a single use of cocaine lasts about 20-30 minutes. Cocaine use is a

chaotic experience. Cocaine users tend to use the drug repeatedly in bursts, called "runs." They often use it five or six times in 20-minute intervals and then stop. Sometimes they use cocaine only once, but runs lasting hours or even days are more typical. A one- or two-day run is somewhat like an alcoholic binge. During a run the coke user cannot sleep and eats little if anything. Usually the runs end when a person is out of money to buy more cocaine. The depression that follows a cocaine high is awesome. The sense of loss of hope, loss of energy, and demoralization that occurs at the end of a cocaine run are horrible.

Another aspect of the cocaine problem that is unique is the cost of the drug. You can use marijuana or alcohol to stay intoxicated all the time for next to nothing. You could stay drunk on alcohol night and day for about $10 a day and you could stay stoned on marijuana for roughly $10-$20 a day. Even a heavy alcohol or marijuana habit is not expensive in the United States. Not so with cocaine. A single use of the drug may cost from $5 to $20. Compulsive use of cocaine can extend to several hundred dollars, or even to thousands of dollars, a day. The reason: cocaine has a short duration of action producing a high tolerance level. As a result of those characteristics, the cocaine user rapidly escalates the dose so that the limiting factor becomes the availability of money. That fact is important to those concerned about drug use in the workplace because a cocaine user becomes obsessed with obtaining money to buy cocaine. This fuels the problem of theft, crime, drug sales, and other criminal

activities. Such criminal activities at work were previously limited to heroin use, but they are now also associated with cocaine use. Heroin use is concentrated in the lowest economic levels of society among those people who are unemployed or who work in fairly menial jobs. The use of cocaine extends throughout the economic hierarchy, from the highest levels to the lowest levels. Crime among all levels of workers is an important part of the cocaine problem.

It is essential to understand the overall process of drug dependence. It is progressive and it is out of the user's control. The user has the perception of being in control of drug use but that is an illusion.

The second characteristic of drug dependence is illustrated by two words you frequently hear from people working in the drug abuse field: denial and enabling. Denial means that the drug user, as well as those people associated with the drug user, often deny both the extent and the consequences of drug use. Enabling. describes the way people around the drug user permit and even encourage, often unwittingly, the drug use to continue for a wide variety of reasons. This is characteristic of family interaction around a drug habit. Denial and enabling play a major role in the Drug Dependence Syndrome.

Another malignant aspect of the drug problem which is often overlooked is the moral corruption which results from drug use. A drug habit makes people liars and cheats. It makes people dishonest. People who were ordinarily honest and reliable become

extrordinarily dishonest because of their drug use. Drug users in treatment who no longer have anything to hide will tell you what happened to their moral values as a result of drug use.

The role of others around a drug user is striking, particularly when someone stops a drug habit. It is almost unheard of for an individual to stop drug use on his or her own. It is always the case that somebody else intervenes. When someone comes to my office and says, "I have a drug problem and I want help," I look out the door to see who is out there, because there is always somebody. It might be an employer, a spouse, a doctor, or a judge, but someone is fed up and has said to the drug user, "You have to stop." The fact that a drug user cannot stop the habit by himself is not because of a character defect of that person, it is the nature of the Drug Dependence Syndrome.

Another key factor involved in this syndrome is that anyone who is using drugs is a potential spreader of that behavior to other people. That is important in the workplace, particularly when people work together in crews. The person using drugs on the job is not only a menace in terms of what he does to himself, but he is likely to spread drug-using behavior, and the associated negative values, to other people. Drug use is a contagious behavior spread directly from the user to other people sharing the same environment.

The most exciting aspect of this whole field is that within the last few years we have learned, for the first time, how drug dependence works. There has been tremendous confusion over the

years about what the real enemy is. The basic question behind the biological discoveries of the nature of drug dependence was this: Why is it that the sap from the lovely poppy pod, when dried into opium or morphine or heroin, causes so much mischief? It did not make any sense that the sap from a flower could become such an attractive and lethal chemical. It was discovered in 1973 that there are receptors in the brain that perfectly fit the morphine molecule. The morphine molecules, from those poppies, fit into these receptors like keys fit into locks.

The discovery of these specific receptors in the brain led to the question of their biological purpose. We subsequently learned that these receptor sites, which are located in the mid-brain area, are the pleasure centers of the mammalian brain. Man has, in his exploration of the environment, discovered a chemical passkey that unlocks the feeling of pleasure in the brain! What are the biologically normal keys that fit those receptor sites? The normal keys are endogenous morphine-like substances, or endorphins, the neurotransmitters which control the experience of pleasure and pain under normal circumstances. Their release is controlled by normal biological mechanisms such as sexual activity or eating. There is a whole range of perfectly normal biological ways that people can make themselves feel good. We now know that all dependence-producing chemicals operate on the same essential area, the pleasure centers of the brain. They are all "Feel Good" chemicals.

As a result of these scientific discoveries, we have learned

why people use drugs. It is simple. It is because drugs produce feelings that people like. People do not use drugs because they are bored, or poor, or rich, or old. People use drugs because drugs work at a fundamental biological level. Drugs work on the pleasure centers of the brain for anyone who uses them. To the question of why other people do not use drugs, there are a number of answers including accidents of history, moral and religious values, and a highly developed sense of the possible negative consequences of drug use.

The point is that drugs work. You cannot solve a drug problem by giving people more money, or promotions, or a workout center on the job site, for example. Drug use has to do with using chemicals to feel good. The user believes, because of denial as well as ignorance, that he or she can have the drug-caused fun without paying the price. A good example is the tragedy of Len Bias' recent death from cocaine use. To say that he did not have money or opportunity is stunningly and obviously wrong. Drug use has nothing to do with those factors. It has to do with stimulating the brain's pleasure centers through the use of chemicals in a social environment where the user thinks he or she can get away with it. That is the foundation of the drug abuse problem.

The American drug epidemic began in approximately 1970 and is continuing to this day. The current trends of use are slightly down or leveling off for most drugs. The epidemic continues. Two million Americans will first use marijuana this year and about 1.8

million will first use cocaine. This epidemic is unprecedented in American history. Those who graduated from high school before 1970 are in the pre-epidemic generation. Those who graduated in 1970 or later are in the epidemic generation. Not everyone in the epidemic generation uses drugs, but they have been exposed to drugs in a much more intense and powerful way than people in the pre-epidemic population.

There is only one solution to the drug abuse problem and that is to say "no" to drug use and make it stick. That has become difficult to do because we in America are only now beginning to end a 20-year era of looking the other way about the use of drugs. There is a positive side to all of this. We have discovered that alcohol is a drug and, for the first time in our national history, we are beginning to look at drinking in a new, more realistic, way. Per capita alcohol consumption, after rising every year since the repeal of Prohibition, peaked in 1983 and is now starting to decline.

There is another positive to be highlighted at this point: just as drug use spreads like a contagious disease, so does cure. The culture of recovery is now widespread and deeply rooted in America today. It offers great hope for the future.

There are barriers to action in drug abuse prevention that have to be overcome. The first barrier is the idea that drug use is a trivial problem and that only a few people are involved in it. That belief is tragically wrong. A second barrier to solving the drug problem is the idea that drug use is a personal matter. No one can use drugs without affecting other people. A third erroneous concept that is confusing is the idea that drug use is somehow a "civil right." That is a ridiculous argument because an illegal act cannot be a civil right. A fourth major barrier is the idea that the drug abuse problem is hopeless and that nothing can be done about it. Talk to recovered drug addicts and alcoholics and it will be clear that a drug habit can be overcome. It is hard, a lifelong project, but it is possible.

There are specific barriers relating to drug abuse in the workplace that need to be addressed. One is the argument that one must demonstrate that drug or alcohol use has impaired an individual before taking action to stop drug use. If you buy this argument about impairment, your drug abuse program is dead. Trying to demonstrate impairment is chasing a mirage. It is always just over the next hill. You have to base your drug abuse program on the premise that any use of drugs is prohibited. My advice is that you, as an association, define an objective standard for "impairment" much as is now done for drinking on the highway where the standard for impairment is variously defined as being between 0.05 and 0.10 Blood Alcohol Content (BAC). I encourage you to do this not so as to define a lower limit that is

"acceptable," but to define a line you can defend. Such a standard is, like the alcohol standard, not a matter of science. It is an arbitrary standard which can be clearly communicated and understood. Do not underestimate the importance of this definition. You need an operational, objective definition of Zero Tolerance for drug and alcohol use and that means defining "impairment" in terms of "tissue levels" just as we now do for alcohol.

Another barrier for the workplace is the idea that urine tests for drug use are unrealiable. The tests are extremely reliable if they are done right. Positive tests need to be confirmed using an alternative method. There is a simple way to handle conflicts about urine testing and that is to retain a portion of the urine sample for later testing if a protest arises. The tests themselves are reliable and they do work, but urine testing is only a part of the solution to the problem of drugs at work.

The pro-drug forces in our society have decided to focus on the issue of the reliability of urine tests for drugs. To see how cynical this concern is, think about tests for alcohol on the highways. Yesterday, today, and tomorrow in every county in the nation drivers are tested by police for Blood Alcohol Content. These tests are not done by trained technicians. They are not confirmed by alternative methods. No samples are retained for later testing in case of protests. The roadside BAC tests have been approved all the way to the Supreme Court. People not only

lose their licenses to drive and their jobs, but they are sent to jail as a result of positive BAC tests which use a technology far less reliable than that used now for drugs. Who is protesting these tests? Why the double standard?

Besides reliability, another red herring associated with urine testing is the defense of passive inhalation producing a positive test. If you were in a phone booth with no ventilation with four people who smoked marijuana for four hours, you might trigger a positive urine test for marijuana at the lowest level. You might. Under those circumstances, however, you would probably die of asphyxiation before you were able to give your urine for testing. To demonstrate that positive tests could be produced in such a phone booth, researchers had to give the subjects goggles because they could not stand the eye irritation from the dense smoke! You do not get positive tests from passive inhalation except in the most extreme situations, certainly not in a room at a party or a concert.

The battlegrounds in the U.S. today to prevent drug abuse are in three areas: schools, highways, and at work. We must establish a national commitment to zero tolerance in these three areas. When you go to school, you go drug-free. When you drive on the highway, you drive drug-free. When you go to work, you go drug-free. Any standard other than zero tolerance is doomed. We are presently moving rapidly toward a national concensus on this issue.

There are five areas which should be emphasized in

establishing a drug abuse prevention program at work. The first is that the company drug use policy must be clear, fair, and based on the legitimate concerns of the enterprise as well as concerns for the welfare of the workers. The fairness issue is especially important. The policy must apply to all levels of the company and must include the use of alcohol as well as illegal drugs. In fact, you should be more worried about managers using drugs and alcohol than you are about drug use in the lower levels of the workforce.

The second area of concern is education and training. The facts about drug use and its consequences need to be widely distributed to the entire workforce. The company policy, its purpose, and the consequences of violating the policy must be understood by everyone. That goal requires a major effort of education because people will not know the facts automatically. The climate of opinion about drugs, especially in the mass media, is so muddled that employees will not know drugs are prohibited and that use, as well as sale, will be punished unless they are clearly and repeatedly told.

A third area is company security. You must be clear about security issues such as possible police involvement, searches, the use of sniffer dogs, or undercover investigations. Security is a powerful tool to discourage drug use and it ought to be used in a straightforward way.

The fourth area is identification and referral. Urine testing for drug use is part of the identification process which

is often misunderstood. The main reason for testing is not to catch the bad guys, it is to prevent the use of drugs at work. Testing gives workers a compelling reason not to use drugs. The biggest beneficiaries of testing are not those you catch, but those you deter.

Within the company, I suggest that there be two separate roles: one role is "Mr. Tough Guy" and the other is "Mr. Nice Guy." The first role is the more important and the more often overlooked, but both are vital to a successful drug abuse prevention program. The Tough Guy can be in the medical field, or in personnel or management. He has to be the keeper of the company standard: "Joe, you are not meeting the standard now. We can help you, but you cannot stay here unless you meet the standard drug-free good performance." Mr. Tough Guy can refer the worker to treatment inside or outside the company but he must insist on, and enforce, the standard. Too often companies overlook this role by simply referring drug problems to treatment. Treatment is most often successful when teamed with such a "tough, but fair" standard enforcer. Urine testing is part of the program of enforcement of zero tolerance.

The referral of drug users for appropriate treatment is an important component of a drug abuse program. A treatment program should be concerned about long-term rehabilitation. The Hazelden Foundation here and other treatment centers in the State of Minnesota have been leaders in drug abuse treatment in this country in the last 10 years. Important elements of their

treatment efforts include 30-day inpatient care and getting the drug user hooked into Alcoholics Anonymous or Narcotics Anonymous. These treatment concepts are commonplace today, but they were revolutionary 10 years ago when Hazelden and other treatment programs here in the State of Minnesota helped to rehabilitate a moribund drug abuse treatment effort in this country.

The fifth and final component in a company drug abuse program is evaluation and audit to assess and improve the program as you go along. Feedback and improvement are vital. Companies need to learn from their own experience, and this learning needs to be built in from the beginning.

I have avoided what is for me, as a physician, the most difficult question of all: why not just fire the drug- or alcohol-abusing worker? It is painful to admit that there is much to recommend this harsh response. It gives everyone a clear and unambiguous signal, including the drug user, the non-drug user, the shareholder, and the public. If such a policy is clearly announced in advance and consistently applied it is, in my view, fair.

Let me make the case, however, for a more generous response. When drug problems are identified they are not an excuse for any bad behavior and not a defense against any punishment. For example, poor work performance, for any reason, should lead to an adverse action whether or not it is caused by drug use. On the other hand, employees who volunteer for treatment or who have not committed infractions may be referred to treatment. Such an

approach, however, must be carefully managed to avoid the appearance or the substance of condoning drug and alcohol abuse. If applied consistently such a "rehabilitation" approach can help gain support within the workforce for strong antidrug policies. While I find the "fire first" approach defensible, I prefer the approach that makes it clear that drug and alcohol use at work will not be tolerated, but which first gives treatment a chance to work.

There are, however, circumstances which do not permit second chances. Sale of drugs and drug-caused accidents top my short list of such circumstances. Whatever approach you adopt will involve difficult decisions. The policy you select needs to be clear and fairly implemented.

There are complex calculations to be made in formulating a policy. Let me outline a few critical points in a policy to prevent drug and alcohol problems at work. Some drug users will seek treatment without any adverse action or identified problems at work. Others will be identified by various screening procedures, such as random testing, without having been identified as causing any work-related problems. Still other drug users at work will be found out because of problems their drug use causes: poor work performance, excessive health claims or absenteeism, accidents, or because of disciplinary problems. Where along that continuum does the company switch from a no-fault rehabilitation approach to a punitive response, from referral to treatment without adverse action to firing?

My own preference is to draw three lines. Those who seek treatment without problems of any kind deserve help without punishment. Those found by random testing, without adverse incidents, should have the option of treatment but with a punishment short of firing -- for example, 30 days suspension without pay -- with the ability to return to work conditional on the demonstration that they are drug-free and subject to frequent testing on return. Those identified as drug users as a result of any work-related cause could reasonably be fired outright. Such a three-part approach maintains a clear antidrug signal and the incentive for self-referral.

I began my talk by saying that drug abuse prevention is positive and now I am talking about treatment and firing. That seems paradoxical to many of you who do not have close contact with drug dependent people. I know, based on my years of clinical work, that those who say "no" to drug use are the drug-user's true friends. The caring thing to do is "whatever it takes to get the user to stop drug use." Even firing, which could be considered punitive, is often the turning point for recovery as the cost of continued drug use becomes too high to bear, no matter how strong the love of the drug-induced high. Equally compelling is the positive effect on non-drug using employees and family members when drug use is prevented or overcome. Life, including life at work, is truly better when it is drug-free. Pride, health, teamwork, and hope thrive in a drug-free environment. They are destroyed by drugs.

The construction industry is to be commended for holding this conference. When I worked with the Edison Electric Institute of the utility industry, I learned the importance of an industry-wide drug abuse policy. You are much more likely to achieve your goals over the long run if you work in concert as an industry to develop drug abuse policies. Industry unity is important in situations such as labor negotiations, legal appeals, or possible adverse community reactions. An industry-wide drug policy is more acceptable and understandable to everyone and has the tremendous advantage of developing a unified and coherent collegial process. It may be satisfying for a company to be the Lone Ranger in drug abuse prevention efforts, but it is often lonely and you may end up with a silver bullet in your own heart in the process. It is important for an industry to stick together and to think through drug and alcohol policies together. There are complex and controversial issues that can often be dealt with better collectively, devoting the necessary staff resources to the problem. You can also learn from other industry associations which have faced this problem.

Here is a phrase from the drug treatment field:

You alone can do it
But you cannot do it alone

I do not know of any area for which that is more true than for drugs in the workplace.

Thank you very much.

SUBSTANCE ABUSE IN THE WORKPLACE—III

No cost for the seminar $7.00 — lunch Open to the public

September 9 9:30-11:30 (Adjourn for chamber luncheon)

Welcome.................................Grant Smith, Chairman
Job Service Employer Committee

Drugs in the Workplace....................Dr. Forest S. Tennant, Jr., M.D. Dr. P.H.
Executive Director, Community Health Projects, Inc.
Associate Professor, UCLA School of Public Health
Drug Advisor for National Football League
Drug Abuse Consultant, Los Angeles Dodgers,
California Highway Patrol and California Department of Justice

— Break —

Questions and Answers

12:00-1:00 — Chamber of Commerce Luncheon............................The Landing
(Members and non-members)

Limited Seating
R.S.V.P. — 225-3181 or 225-3184

* *

Ketchikan Itinerary — Dr. Forest Tennant, Jr.

Tuesday, September 8

Breakfast — Ketchikan Families in Action parent group
10:00 — Radio interview — KRBD
11:10 — First City Forum — KTKN
Noon — Rotary Lunch
1:30-3:30 — Department Heads-Ketchikan General Hospital
4:00-5:00 — Drugs identification training — Teachers, school nurses, counselors, social services, WISH. Forum room — Ketchikan Community College
7:30-9:30 — Public presentation for parents & community — Forum Room-Ketchikan Community College

Wednesday, September 9

7:30 — Doctors staff at Ketchikan General Hospital
9:30 — Drugs in the Workplace (see above)
Noon — Chamber of Commerce luncheon meeting
2:00-4:00 — Police training (Police Headquarters) City Police, State Troopers, Coast Guard, Dept. of Corrections, Immigration Service, Alaska Peace Officers, Juvenile Probation Officer.

• •

WHY DRUG TESTING IS A BAD IDEA

BY LEWIS L. MALTBY

STEVEN FALK

Lewis L. Maltby is vice-president and general counsel at Drexelbrook Engineering Co., a 300-employee, closely held company based in Horsham, Pa.

The call keeps going out for mandatory drug testing of people in jobs ranging from truck driver to basketball player to investment banker. And nowhere is the call heard more often than in industries whose products or services affect the public's safety. My business, Drexelbrook Engineering Co., is one such company.

For 25 years we have designed and manufactured electronic systems that measure and control the levels of hazardous chemicals, and our equipment is installed in plants all over the world. If it doesn't work properly, toxic-chemical tanks can overflow—and people die. The tragedy in Bhopal, India, is an example of what can happen when this type of equipment malfunctions. A single Drexelbrook employee working under the influence of drugs could cause such a disaster.

But we don't do drug testing, and we're not going to. When our top management considered the idea, we concluded that drug testing was not in the best interests of the company, would not make the products any safer, and would actually hurt our performance and profits.

To our way of thinking, drug testing is not a serious workplace safety program. A sound program for dealing with the hazards posed by impaired workers would confront the most serious problem—alcohol abuse. Yet no one proposes that all employees be subjected to breathalyzer tests to keep their jobs.

Drug testing also suffers from accuracy problems. The most common type of testing, immunoassay, has been shown to have false positive results: "clean" samples are mistakenly labeled as "dirty" 20% to 30% of the time. While more accurate and more expensive tests are available, they don't solve the problem either. It's difficult to pin down estimates of the number of drug-impaired workers in an average company, but 5% is a generally accepted figure. Say you have 100 employees, and 5 are drug abusers. Even with a test that's 99% accurate, 6 people could be fired for drug abuse, one of whom is innocent. A serious program cannot afford to be wrong that often, especially when someone's job is at stake.

But the fundamental flaw with drug testing is that it tests for the wrong thing. A realistic program to detect workers whose condition puts the company or other people at risk would test for the condition that actually creates the danger. The reason drunk or stoned airline pilots and truck drivers are dangerous is their reflexes, coordination, and timing are deficient. This impairment could come from many situations—drugs, alcohol, emotional problems—the list is almost endless. A serious program would recognize that the real problem is workers' impairment, and test for that. Pilots can be tested in flight simulators. People in other jobs can be tested by a trained technician in about 20 minutes—at the job site.

Instead of testing for what really matters—impairment—drug testing looks for the presence of drug metabolites in the employee's urine, which remain in the body for up to two months. So an employee who fails a drug test may not be impaired at all. Firing good, sober employees for something they might have done last Saturday night does not increase safety.

A single Drexelbrook employee working under the influence of drugs could cause a disaster as tragic as occurred in Bhopal. But we don't do drug testing.

Drug testing may even *decrease* safety. Any experienced manager knows that a safe quality product and a safe work environment do not come from a demoralized, unhappy work force. But this is exactly what drug testing produces.

To begin with, it's an act of distrust on the part of management. It requires the vast majority of employees to prove their innocence when there's no reason to suspect they've done anything wrong. It also violates their rights by reaching out from the employer's legitimate sphere of control at the workplace and telling employees what they can and can't do on their own time in their own homes.

Beyond this, experience has shown that the only way to prevent cheating on the tests is to make employees strip from the waist down and have someone watch at close range while they urinate into bottles. Drug-abusing employees who are not watched can substitute clean urine samples for their own, conceal small catheters of urine on their bodies, and dilute urine with tap water (to reduce drug concentration to below the cutoff point). The ultimate dodge, which no one knows how to prevent, is to slip a small amount of soap or salt into the sample. As Dr. William F. Hushion, medical director of Philadelphia Electric Co., put it after years of testing

CORRECTION

THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY

02-576(2/77)

SUBSTANCE ABUSE IN THE WORKPLACE—III

No cost for the seminar — $7.00 — lunch — Open to the public

September 9 9:30-11:30 (Adjourn for chamber luncheon)

Welcome .... Grant Smith, Chairman
Job Service Employer Committee

Drugs in the Workplace .... Dr. Forest S. Tennant, Jr., M.D. Dr. P.H.
Executive Director, Community Health Projects, Inc.
Associate Professor, UCLA School of Public Health
Drug Advisor for National Football League
Drug Abuse Consultant, Los Angeles Dodgers,
California Highway Patrol and California Department of Justice

— Break —

Questions and Answers

12:00-1:00 — Chamber of Commerce Luncheon .... The Landing
(Members and non-members)

Limited Seating
R.S.V.P. — 225-3181 or 225-3184

* *

Ketchikan Itinerary — Dr. Forest Tennant, Jr.

Tuesday, September 8

Breakfast — Ketchikan Families in Action parent group
10:00 — Radio interview — KRBD
11:10 — First City Forum — KTKN
Noon — Rotary Lunch
1:30-3:30 — Department Heads-Ketchikan General Hospital
4:00-5:00 — Drugs identification training — Teachers, school nurses, counselors, social services, WISH. Forum room — Ketchikan Community College
7:30-9:30 — Public presentation for parents & community — Forum Room-Ketchikan Community College

Wednesday, September 9

7:30 — Doctors staff at Ketchikan General Hospital
9:30 — Drugs in the Workplace (see above)
Noon — Chamber of Commerce luncheon meeting
2:00-4:00 — Police training (Police Headquarters) City Police, State Troopers, Coast Guard, Dept. of Corrections, Immigration Service, Alaska Peace Officers, Juvenile Probation Officer.

* *

You are invited to attend
the third and last in a series of
Informational Drug & Alcohol-related
Seminars for Employers

SUBSTANCE ABUSE IN THE WORKPLACE—III

Wednesday, September 9, 1987
9:30 a.m.-1:00 p.m.
at
Forum Room
Ketchikan Community College
with
Lunch at the Landing

Sponsored by: Economic Development & Small Business resource Center of Ketchikan Community College
Greater Ketchikan Chamber of Commerce
Ketchikan Job Service Employer Committee
National Federation of Parents for Drug-Free Youth

Ketchikan Community College
7th & Madison
Ketchikan, Alaska
99901

Non Profit
Postage Paid
Permit No. 105
Ketchikan, AK
99901

Estimates for costs to U.S. Businesses due to drug use in the workplace: from 16 billion to 60 billion
What is it costing you?

WHY DRUG TESTING IS A BAD IDEA

BY LEWIS L. MALTBY

STEVEN FALK

The call keeps going out for mandatory drug testing of people in jobs ranging from truck driver to basketball player to investment banker. And nowhere is the call heard more often than in industries whose products or services affect the public's safety. My business, Drexelbrook Engineering Co., is one such company.

For 25 years we have designed and manufactured electronic systems that measure and control the levels of hazardous chemicals, and our equipment is installed in plants all over the world. If it doesn't work properly, toxic-chemical tanks can overflow—and people die. The tragedy in Bhopal, India, is an example of what can happen when this type of equipment malfunctions. A single Drexelbrook employee working under the influence of drugs could cause such a disaster.

But we don't do drug testing, and we're not going to. When our top management considered the idea, we concluded that drug testing was not in the best interests of the company, would not make the products any safer, and would actually hurt our performance and profits.

To our way of thinking, drug testing is not a serious workplace safety program. A sound program for dealing with the hazards posed by impaired workers would confront the most serious problem—alcohol abuse. Yet no one proposes that all employees be subjected to breathalyzer tests to keep their jobs.

Drug testing also suffers from accuracy problems. The most common type of testing, immunoassay, has been shown to have false positive results: "clean" samples are mistakenly labeled as "dirty" 20% to 30% of the time. While more accurate and more expensive tests are available, they don't solve the problem either. It's difficult to pin down estimates of the number of drug-impaired workers in an average company, but 5% is a generally accepted figure. Say you have 100 employees, and 5 are drug abusers. Even with a test that's 99% accurate, 6 people could be fired for drug abuse, one of whom is innocent. A serious program cannot afford to be wrong that often, especially when someone's job is at stake.

But the fundamental flaw with drug testing is that it tests for the wrong thing. A realistic program to detect workers whose condition puts the company or other people at risk would test for the condition that actually creates the danger. The reason drunk or stoned airline pilots and truck drivers are dangerous is their reflexes, coordination, and timing are deficient. This impairment could come from many situations—drugs, alcohol, emotional problems—the list is almost endless. A serious program would recognize that the real problem is workers' impairment, and test for that. Pilots can be tested in flight simulators. People in other jobs can be tested by a trained technician in about 20 minutes—at the job site.

Instead of testing for what really matters—impairment—drug testing looks for the presence of drug metabolites in the employee's urine, which remain in the body for up to two months. So an employee who fails a drug test may not be impaired at all. Firing good, sober employees for something they might have done last Saturday night does not increase safety.

A single Drexelbrook employee working under the influence of drugs could cause a disaster as tragic as occurred in Bhopal. But we don't do drug testing.

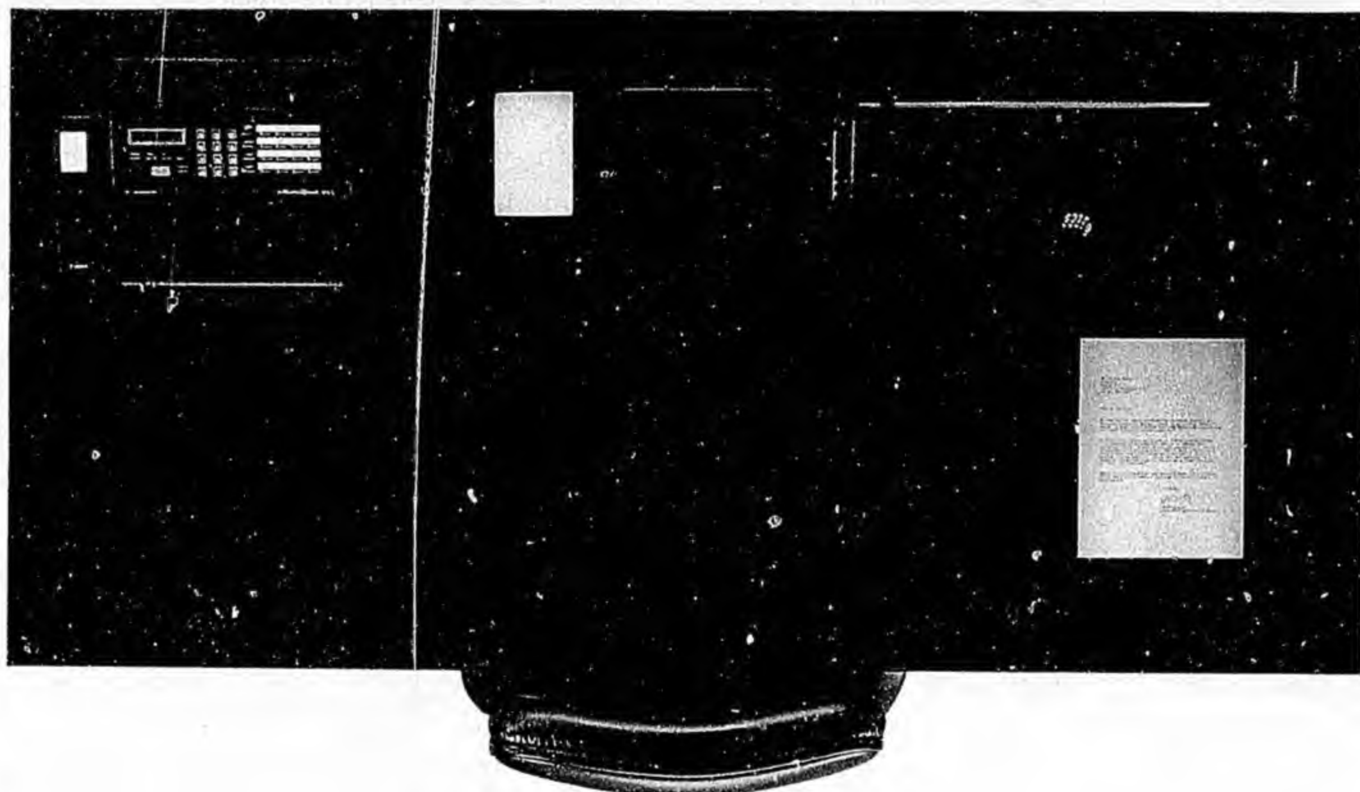
Drug testing may even *decrease* safety. Any experienced manager knows that a safe quality product and a safe work environment do not come from a demoralized, unhappy work force. But this is exactly what drug testing produces.

To begin with, it's an act of distrust on the part of management. It requires the vast majority of employees to prove their innocence when there's no reason to suspect they've done anything wrong. It also violates their rights by reaching out from the employer's legitimate sphere of control at the workplace and telling employees what they can and can't do on their own time in their own homes.

Beyond this, experience has shown that the only way to prevent cheating on the tests is to make employees strip from the waist down and have someone watch at close range while they urinate into bottles. Drug-abusing employees who are not watched can substitute clean urine samples for their own, conceal small catheters of urine on their bodies, and dilute urine with tap water (to reduce drug concentration to below the cutoff point). The ultimate dodge, which no one knows how to prevent, is to slip a small amount of soap or salt into the sample. As Dr. William F. Hushion, medical director of Philadelphia Electric Co., put it after years of testing

Lewis L. Maltby is vice-president and general counsel at Drexelbrook Engineering Co., a 300-employee, closely held company based in Horsham, Pa.

Canon FaxPhone



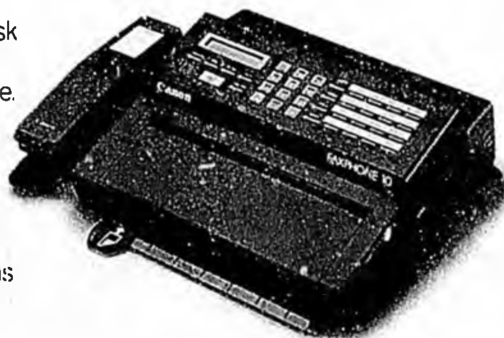
The first facsimile that belongs on your desk.

You wouldn't want to do business without your own phone. So why give up the speed—and privacy—of a phone call when you want to put your talk into action?

Canon's revolutionary FaxPhone 10 lets you hold a conversation and send or receive documents right at your desk —all in the same phone call. Because FaxPhone is a multifunction deskphone. And it's also an advanced business facsimile that communicates with most other facsimiles as fast as 17 seconds a page* over ordinary phone lines. In addition, a liquid-crystal display that tracks FaxPhone operations step-by-step, autodialing, and an auto document feeder make the facsimile functions as easy to use as the phone. And, of course, FaxPhone can receive documents, even when you're not there.

Canon FaxPhone: A beautiful way to put your words into action, right at your desk. Because now your phone calls can be more than just talk.

*Based on CCITT No. 1 Test Chart



Canon

FAXPHONE 10

More than just talk.

For more information about the FaxPhone 10, call toll free **1-800-OK CANON.** Or write **Canon, U.S.A., Inc.,** P.O. Box 5210, Clifton, NJ 07015.

NAME

TITLE COMPANY

ADDRESS

CITY STATE ZIP

TEL

© 1986 Canon U.S.A., Inc.

Enjoy easy extended payments with the Canon Credit Card. Ask for details at participating Canon dealers and retailers. Available only in U.S.

Circle No. 29 on Reader Service Card.

experience, "Any drug-testing program that doesn't include close observation is a joke."

The effect of all this on employee morale is obvious. How would you feel about being subjected to a strip search to prove your innocence—even at home—and being fired if you objected? Would you want your life resting on the performance of an employee who felt that way?

The failure of drug testing can be seen in its rejection by those whose profession is helping addicted workers. I have spoken at numerous conferences on drug testing, and a representative from an employee-assistance program is always included among the speakers. These people have been helping employees with substance-abuse problems for years—and have done so very effectively. And many of them actively oppose testing. Some go so far as to refuse to accept referrals from testing programs. What kind of program is drug testing when it is opposed by those whose profession is helping abusing employees?

At this point, you may be saying, "I didn't realize there were all these problems with drug testing, but we have to do something." That's right, you do have to do something. Our company doesn't tolerate drug abuse, and I'm certainly not advocating that others tolerate it, either. Let me tell you about our program to combat workplace drug abuse.

We practice good management. We always say that people are our most important asset, and at Drexelbrook, we try to put that idea into practice.

We begin by trying to create a positive atmosphere. We want every employee to give us 100% every day. And we want each of them to make every decision with the best interests of the company at heart. By and large, we get that. But that kind of commitment doesn't come easily. We have to earn it.

One way we earn it is by treating our employees as adults. We trust them to do their jobs right and don't subject them to a lot of unnecessary rules. We trust our employees to know what working hours and style of dress are required for them to get their jobs done. Another way we earn that commitment is by respecting their rights. We scrupulously avoid prying into our employees' private lives. Finally, we care about them.

When they have problems at work or outside the workplace, we try to help. Sometimes we help by having our financial people arrange a personal loan at our bank. Sometimes we help by having our legal department straighten out a problem with an employee's landlord. Mostly we help just by listening and caring.

This approach to employee relations is not philanthropy—it's good business. Our employees routinely go above and beyond the call of duty to help our customers. Our service manager, for example, installed a ship-to-shore radio in his sailboat at his own expense, so he could keep in touch with the company—and any problems—while he was on his vacation.

We are also very selective in our hiring. Even with applicants for entry-level jobs, we conduct at least two in-depth interviews with different interviewers. We check references—thoroughly. And often not with the personnel department—all they ever give us is name, rank, and serial number—but with the candidate's previous supervisors. And we try to screen out the drug abusers. Not by anyone telling us directly, of course, but by learning about which applicants had chronic absenteeism, inconsistent quality, and bad work habits at their former jobs. And we find out with much more accuracy than we could with a hit-or-miss drug test.

Ultimately, drug testing is a seductive gimmick that promises instant relief from the awesome responsibilities of management.

After we hire people, we tell them what performance we expect from them—and then pay attention to their results. Most of our supervisors have taken a 36-week, intensive management-training course to help them in this. If an employee's performance consistently falls short of our expectations, then the supervisor sits down with him or her and discusses the problem. When employees are open with supervisors—as is often the case—and the problem is drugs or alcohol, we help get them into a treatment program.

That's our program—and it works. By doing good interviewing and reference checking, we almost never hire an employee with a drug or alcohol problem. We have had employees who developed such problems, but our supervisors noticed their declining job performance, confronted them, and got them into treatment.

Overall, estimate the rate of abuse at our company to be only about 1%. We have installed more than a quarter of a million systems around the world, handling some of the most hazardous materials known, and have never been involved in an industrial accident.

Our experience is confirmed by a recent American Management Association survey of 1,000 companies that found the most effective program to fight workplace drug abuse combines employee education with trained supervisors who know how to identify and constructively confront employees who fail to meet performance standards.

The fact is, most companies don't do drug testing. And, according to the American Management Association study, a third of those who do think there is no value in it.

Why, then, is there so much talk about drug testing? The answer, I believe, lies largely in politics and the power of the media. Despite the fact that workplace drug abuse is far less prevalent than alcohol abuse—which industry has survived, if not solved, for years—the media have portrayed it as an epidemic that is sweeping the country and will destroy our economy unless immediate emergency measures are taken. In this emotional climate, is it any wonder that a manager who is already beleaguered, as we all are, can be convinced by a good salesperson who promises instant solutions with a simple, inexpensive test?

The truth, of course, is that managing people is never easy. Experienced managers for years have recognized that handling people is the most challenging part of their jobs, and that there are no shortcuts. And this, ultimately, is what drug testing is—a seductive gimmick that promises instant relief from the awesome responsibilities of management. The testing itself becomes a drug.

This is the choice managers face. They can fight workplace drug abuse with drug testing. It's easy, it's simple, and it's cheap. But it just doesn't work. Drug testing provides inaccurate and irrelevant information and alienates the vast majority of good employees, who resent being subjected to a strip search to keep their jobs. Or, they can fight substance abuse by choosing their people carefully, watching their performance, and getting involved when performance starts to slip. It's difficult, it's time-consuming, and it's expensive. But it does work. And not just in preventing workplace drug abuse, but in creating a safe and productive workplace.

BUSINESS OPPORTUNITIES

Big Money in Sports!

Let us make you an immediate success in your own sporting goods business!

- Competitive prices
- Be your own boss
- Part or full time
- Work from your home
- Brand name items for all sports
- Financial independence
- $1,500 required

Sport It, Inc. - Dept. Inc. 1-800-328-3820
Minneapolis, MN 55433 1-612-784-0490

Postal and Business Services

MAIL BOXES ETC. USA®

If you are looking for a great business opportunity, send or call for info on the franchise rated 7th fastest-growing in America by Venture Magazine.

- Total Start-Up, $42K-$64K
- 400+ locations in the U.S.

(619) 452-1553

MAIL BOXES ETC. USA®
Dept. M17, 5555 Oberlin Dr., San Diego, CA 92121

Circle No. 318 on Reader Service Card.

Luxurious Contemporary Custom Houses that retail for $17.00 per Sq. Ft.

Modern technology, excellent craftsmanship, and American ingenuity has resulted in a housing design with standard features not found in homes selling at twice the price.
• Fully insulated • Thermo Pane Windows • Cathedral Ceilings • Exterior Decks • • Quality Construction • FHA and VA Accepted • Built-in Computer Center—which allows the home to perform many functions for the occupants. • Interior Design Flexibility •
EAGLE'S NEST HOMES is seeking one district representative to establish retail sales.
• Unlimited Income potential • Defined Territory • Factory Training • • No Real Estate License Required • Investment secured by Model Home •
Individual selected must have the ability to purchase or mortage a $21,000 model home. Home may be lived in or used as an office. Call Mr. Orkin, collect: (404) 479-9700, Eagle's Nest Homes Inc.
P.O. Drawer 1569 Canton, GA 30114-1569

Circle No. 311 on Reader Service Card.

Simply the best.

A unique opportunity to own a business that offers independence, prestige and incredible income potential. Provide a market of over 15.4 million students with the educational services they **need** for college.

- Diverse product line—more choice for students, more profit for you.
- No experience or special education necessary. We'll train you step-by-step.
- Work part-time or full-time, directly from your home.
- $480 initial investment gives you unlimited profit potential.

Call today for your **free Success Package.**

1-800-345-2322, ext. 0808
In California 1-408-255-7032
Educational Assistance Council, Inc.
1601 Saratoga-Sunnyvale Rd., Cupertino, CA 95014

Circle No. 312 on Reader Service Card.

'OWN YOUR OWN

RETAIL APPAREL STORE

Fashions of Your Choice For the Entire Family

WE OFFER YOU

A PROVEN AND PROFITABLE BUSINESS OPPORTUNITY

OVER 1000 NATIONALLY KNOWN NAME BRANDS

Liz Claiborne
CHIC by h.i.s.
Calvin Klein
Evan Picone
Jordache
Sasson
Levi

Gain the advantages of business owership
You can open a store of your very own . . . your choice of name, your choice of size, your choice of merchandise. All the profits are yours. We help you attain success and independence in the fashion field.

We have sold over 2000 stores nationwide.
Our "blueprint" for success has been working since 1977. It will work for you too . . . today. You may have your store open in as little as 15 days.

Investment packages range from $14,800 to $26,900.
Each package includes beginning inventory, fixtures, in-store training or at our training center, airfare for inventory selection, location assistance, individualized printing, training and advertising manuals, book-keeping system, news releases, grand opening and continuous assistance.

The choice is yours.
In addition to our standard packages of fashions for infants, ladies, men, pre-teens or large sizes, we can design any size store for just about any combination of merchandise. Take the first step toward the store of your choice!

CALL STEPHEN C. LOUGHLIN
(612) 888-6555

Circle No. 314 on Reader Service Card.

"INC. MAGAZINE IS NOW A PRIORITY IN OUR ADVERTISING BUDGET...

The quality response from subscribers and readers of Inc. has helped our company reach goals beyond our expectations.
Inquiries from our advertisement in Inc.'s Business Opportunities Section doubled, and almost immediately, the sales of our program tripled.

INC. MAGAZINE HAS OPENED A WHOLE NEW MARKET FOR US."

Daniel F. Kostecky, President
Liberty Fashions, Inc.

Call Meg Asseo at (617) 227-4700 for more information on Inc. Business Opportunities. Ask about our October Special Franchising Supplement. Closing August 10.

Inc. The Only Major Business Magazine For People Who Run Small to Mid-Size Corporations.

HB
285

STATE OF ALASKA
THE LEGISLATURE

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

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

May, 1988

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

Mary Van Nimwegen

H. JUD. 4-28-87 1:30 p.m.

Alaska MUNICIPAL League

TELEPHONE
(907) 586-1325

105 MUNICIPAL WAY, SUITE 301
JUNEAU, ALASKA 99801

TO: Representative John Sund, Chair
Members of the House Judiciary Committee

FROM: Scott A. Burgess, Executive Director

DATE: April 28, 1987

SUBJECT: HB 285 - Private Activity Bonds

The Alaska Municipal League is opposed to HB 285 unless a fair allocation of the federal volume limitation for the issuance of tax-exempt private activity bonds (PAB's) is insured for municipalities. A fair allocation of capacity is provided for in federal law, and must continue for potential economic growth of our communities. The AML believes that such provisions can be made and still meet the intent of the Governor's bill.

Relevant policies from the AML's 1987 Policy Statement include:

> "The League urges that legislation be enacted to encourage local municipalities to adopt and implement incentives for economic development, such as joint public/private sector economic development corporations and tax increment financing authorities."
>
> Legislation is needed to establish a state policy with regard to the allocation of authorization to issue industrial development bonds (IDB's)."
>
> Priority should be given to local governments for no less than 50% of the available IDB authority."

As stated in Governor Cowper's Letter of Transmittal on HB 285 (House Journal, pages 917-918), the Tax Reform Act of 1986 combined the $200 million limit on IDB's and mortgage subsidy bonds to a single $200 million limit for PAB's. This will result in a 32% cut in bond activity in Alaska from 1985. The law provides that unless the Legislature, at the request of the Governor, does not act by December 31, 1987, the limit will be allocated fairly between the State and the municipalities, 50-50. While the AML may agree that many of our municipalities will not take advantage of PAB's, and that distributing the limit on a per capita basis does not make sense, we do not agree that the sole authority for allocation should rest with the state bond bank, on which the municipalities have no representation.

AML would support HB 285 only if it is amended to insure that municipalities are assured a fair allocation is reserved, 50%, for municipalities, and municipalities, through appointment by the AML, are represented on the state bond committee for the purposes of insuring the allocation to municipalities. With a clear reserving of a municipal

allocation under the the State's PAB cap, municipalities may be able to offer PAB funding to attract projects in their communities and offer such funding at a lower cost (e.g. administrative fees etc.) than through the state bond committee and Alaska Development Authority (AIDA). In addition, we would suggest that policy and criteria be developed by the State and municipalities to delineate which projects are authorized to receive PAB authority under the cap, e.g. jobs created etc. Finally, the AML would agree that a provision be made that if no municipality is interested or qualified (the project), the cap not be wasted and be released to the State for use or to be carried forward.

While many municipalities have not used bonding in recent years because of the State's oil wealth, we are experiencing reductions in state and federal funding at a time when economic growth and diversification is very important. Authority under the PAB cap for municipalities must be reserved as one mechanism to provide for economic development, now and in the future. The AML looks forward to working with the Committee and the Administration on reaching a mutually beneficial compromise on HB 285. Thank you.

ALASKA PUBLIC DEBT 1986

State of Alaska
Department of Revenue
April, 1987

C. Federal Legislation

On October 22, 1986, Public Law 99-514, the Tax Reform Act of 1986 ("the Act") was signed into law by the President. The Act makes significant changes in the types of state and local debt that qualify for tax-exemption, establishes new statewide volume limitations on the amounts of certain types of tax-exempt debt that may be issued, extends arbitrage rules to all types of tax-exempt debt and tightens the rules further, limits advance refundings for all types of tax-exempt debt, and limits the use of bond proceeds to pay issuance costs of certain types of tax-exempt debt. Issuance of debt for most traditional public purposes such as schools, roads, public buildings, and water, sewer, and solid waste facilities would continue to be tax-exempt under the bill and free from volume ceilings. The effective date for most of the bond provisions of the Act is August 15, 1986.

The main provisions of the Act which are of some consequence to Alaska include the new volume cap on Private Activity Bonds ("PAB's"), the liberalization of the requirements for tax-exemption of student loan bonds which would permit Alaska to bond for its student loan program, and the extension of the sunset for Qualified Mortgage bonds by one year to December 31, 1988. The new annual volume cap for Alaska would be $250 million through 1987 and $150 million thereafter. It would include the Qualified Mortgage Bonds (Home Mortgage Bonds for first time home-buyers) issued by Alaska Housing Finance Corporation, some of the debt that might be issued by the Alaska Industrial Development Authority and Alaska Power Authority, and student loan bonds if Alaska should enact such a program. During 1986, the amount of debt issued to which the ceiling would have applied totalled $21,680,000. Certain types of debt subject to the new ceiling are currently subject to two ceilings totalling $400 million.

2. Volume Cap

The Act limits the aggregate amount of Qualified Bonds that can be issued on a tax-exempt basis during a calendar year. In Alaska's case, the ceiling is $250 million for bonds issued during 1986 after August 15, 1986, $250 million for 1987, and $150 million for subsequent years.

Excluded from the ceiling are Veterans Mortgage Bonds, 501(c)(3) Bonds, and governmentally-owned airports, docks, wharves, and solid waste disposal Exempt Facility Bonds. Included under the ceiling, in addition to all other Qualified Bonds, is any private use portion of a governmental bond in excess of $15,000,000.

The Act allocates half the ceiling to state agencies and half to local governments based on population. However, it allows a state to establish a different allocation by law or, for an interim period, by gubernatorial proclamation. An allocation by gubernatorial action is valid until an allocation by law is established or until the end of 1987, whichever occurs first.

The Act permits the unused portion of a volume cap for any year to be carried forward for three years for certain purposes that the issuer may elect. The authorized purposes for carryforwards are:

1) Exempt Facility Bonds

2) Qualified Mortgage Bonds

3) Qualified Student Loan Bonds

4) Qualified Redevelopment Bonds

Under prior law, Alaska was subject to a $200 million annual ceiling for Qualified Mortgage Bonds and a separate $200 million PAB ceiling applicable to Student Loan Bonds, Small Issue Bonds, and Exempt Facility Bonds (with certain exceptions). These ceilings are replaced by the new Qualified Bond Ceiling. The $302.5 million ceiling for Alaska for Veterans Mortgage Bonds remains in effect under the Act.

Carryforward elections of the 1984 and 1985 PAB volume caps are not effective except as provided in the transition provisions of the Act. The 1986 PAB volume cap under prior law cannot be carried forward.

Although the Act and the Conference Report are silent on the specific point, it is understood to be the intent of Congress that for 1986, bonds issued prior to August 16, 1986 are not counted against the new unified volume cap.

B. Potential Effect on Alaska

The principal effects of the Act on Alaska are the new Qualified Bond volume cap, the reaffirmation of sunsets on Qualified Mortgage Bonds and Small Issue Bonds, and the liberalized requirements for Qualified Student Loan Bonds. Tax-exemption for several significant State projects or programs--the Delong Mountains Regional Transportation System, International Airport Revenue Bonds, the Alaska Railroad, and an Anchorage Court facility--are retained under the Act.

1. Volume Cap and Sunsets

For Alaska, a new annual ceiling on Qualified Bonds of $250 million for 1986 and 1987, and $150 million thereafter, replaces ceilings of $200 million each--$400 million total--for Qualified Mortgage Bonds and for certain PAB's under prior law.

An Executive Proclamation signed by the Governor on November 24, 1986 (Appendix D) allocated Alaska's $250 million annual ceiling for 1986 and 1987 half to AHFC and half to AIDA, with provision for reallocation by AIDA to any other issuer. AHFC did not use any of its allocation for 1986 and elected to carryforward $125 million for Qualified Mortgage Bonds by adopting Resolution No. 86-27 (Appendix E). AIDA utilized $14,780,000 of its 1986 allocation and, by adopting Resolution No. CF 86-1 (Appendix F), elected to carryforward the remaining $110,220,000 for Qualified Student Loan Bonds in the event the State enacts legislation establishing such a program.

AIDA had used only $6,900,000 of the $200 million PAB ceiling in effect under prior law until August 16, 1986. AHFC issued $100 million of Collateralized Home Mortgage Bonds (Qualified Mortgage Bonds) on June 1, 1986 but they did not count against its prior law $200 million Qualified Mortgage Bond ceiling because they were refunding bonds. No carryforward is allowed under the Act of the prior law 1986 ceilings.

Whether the new Qualified Bond ceiling provides any constraint on Alaska bond issuance remains to be seen. For Qualified Mortgage Bonds, AHFC, assuming the current allocation scheme is enacted into law, will have $325 million under the cap before tax-exemption expires on December 31, 1988 ($125 million 1986 carryforward, $125 million 1987 allocation, and $75 million 1988 allocation). During 1986, unused bond proceeds and mortgage demand were such that AHFC issued no "new money" Qualified Mortgage Bonds, only the refunding issues. AHFC does not expect to use the full $325 million authority during the remaining two years of the program.

AIDA expects its ongoing allocation of $125 million for 1987 and $75 million thereafter to be more than ample, barring major development projects, unforeseen at this time, which would qualify for Exempt Facility Bonds. AIDA's total issuance of $21,680,000 subject to the ceilings in 1986 is expected to dwindle to practically nothing in succeeding years due to the sunset on December 31, 1986 of Small Issue Bonds for commercial activities. AIDA issues very few Small Issue Bonds for manufacturing activities and even those sunset December 31, 1989.

The only other possible uses of Alaska's Qualified Bond ceiling that can be identified at this time are a Student Loan Bond program which is generally expected to not exceed approximately $40 million in bond issuance annually if such a program is enacted, and a financing in the neighborhood of $70 million for the purchase of the Snettisham hydroelectric project from the federal government, if difficulties of rate shock for users versus a fair (market) price to the federal government can be resolved.

STEVE COWPER
GOVERNOR

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

April 19, 1987

The Honorable Ben Grussendorf
Speaker of the House
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that will permit the state bond committee to allocate the federal volume limitation for the issuance of tax-exempt private activity bonds in Alaska.

Before passage of the Tax Reform Act of 1986 (P.L. 99-514) by Congress last year, there was a $200,000,000 limit on the amount of tax-exempt industrial development bonds that could be issued in Alaska each year (26 U.S.C. 103(n)(4)) and a separate $200,000,000 limit on the amount of tax-exempt mortgage subsidy bonds (not including veterans' mortgage bonds) that could be issued in Alaska each year (26 U.S.C. 103A(g)(4)). The Tax Reform Act of 1986 combined those two amounts into a single limit which for 1987 and 1988 will be $200,000,000 and for subsequent years will decline below that amount. 26 U.S.C. 146(d).

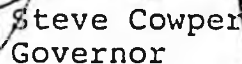
In sec. 1 of the attached bill, proposed AS 37.15.600 gives the state bond committee the authority to allocate the $200,000,000 cap among eligible entities in Alaska, including municipalities. This changes the practice established by Governor Sheffield's November 24, 1986 executive proclamation, which allocated the cap equally between the Alaska Industrial Development Authority (AIDA) and the Alaska Housing Finance Corporation (AHFC). The amount of tax-exempt bonds actually issued each year by each of the eligible entities could be greater than that allocated by the bond committee because of various exemptions permitted by federal tax law. For example, under 26 U.S.C. 143(l), AHFC may issue $302,500,000 of tax-exempt veterans' mortgage bonds per year, which, as mentioned earlier, are not included in the $200,000,000 cap, and under 26 U.S.C. 142, AIDA may issue unlimited amounts of tax-exempt bonds, not included in the cap, for certain types of "exempt facilities" -- subject, of course, to the limitations of state law.

AS 18.56.104 is repealed by sec. 2 of the bill. That statute allocates to AHFC, under 26 U.S.C. 103A, the amount of tax-exempt mortgage revenue bonds that may be issued in the state. Because that allocation is inconsistent with proposed AS 37.15.600 (sec. 1 of the bill), and because 26 U.S.C. 103A itself was repealed by the Tax Reform Act of 1986, AS 18.56.104 should be repealed.

Passage of this legislation during this legislative session is necessary to preserve the state's authority under 26 U.S.C. 146(e) over bond activity allocations. Under 26 U.S.C.146(e)(2), the governor's authority to "proclaim" a bond activity allocation different from the one set under 26 U.S.C. 146(b) and (c) terminates on December 31, 1987. In the absence of enactment of a law this year, the allocation formula, by default, will revert to the federal formula, which allocates one-half of the total volume cap to the state and one-half, on a per capita basis, to other issuers in the state, including municipalities. 26 U.S.C. 146(b) and (c).

Under the federal formula, therefore, $125,000,000 would, for the most part, be scattered among the 150 or so municipal entities of Alaska. Because of the small population of most of those entities, very little could be accomplished. The federally allocated caps for the 113 second class cities would, for example, range from $113.89 for Kupreanof to $10,225 for Bethel. The result of falling under the federal formula would be simply to waste a large part of the volume cap in Alaska. To preserve the state's authority over the allocation, I urge your prompt and favorable consideration of this legislation during this session.

Sincerely,



Steve Cowper
Governor

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

Bill Version: HB 285
Publish Date: HOUSE 4/21/87

REQUEST:

Revision Date:
Title: Issuance of Private Activity Bonds
Sponsor: Rules by Request of Governor
Requestor:

Agency Affected: Department of Revenue
BRU: Treasury
Components:

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
OPERATING						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

POSITIONS:

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

ANALYSIS: Attach a separate page for analysis.

Prepared By: Milt Barker MB
Division: Treasury
Phone: 465-2350
Date: April 16, 1987

Approved by Commissioner: [signature]
Agency: Department of Revenue
Date: 4/19/87

Distribution (by preparer):
- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

HB
293

STATE OF ALASKA
THE LEGISLATURE

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

LEGISLATIVE AFFAIRS AGENCY

LEGISLATIVE REFERENCE LIBRARY

May, 1988

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

Mary Van Nimwegen

H. JUD.	2-23-88	1:30p.m.
H. JUD.	2-22-88	1:30p.m.

HOUSE COMMITTEE REPORT

(7)

Date referred: 5/7/87 FURTHER REFERRALS: Finance

DATE: Feb 23, 1988

The Judiciary Committee has consioered HB 293
"An Act relatig to elections."

RECOMMENDS:

[✓] replace with CS HB 293 (Jud) [✓] the same title
[ ] attached amendment(s) [ ] a new title

[✓] do pass
[ ] do not pass
[ ] no recommendation
[ ] individual recommendations
[ ] additional referral to the ________ Committee

ADOPTS: [ ] ________ letter of intent

ATTACHES NEW FISCAL NOTE(s):

[ ] fiscal impact
[ ] zero fiscal note
[ ] zero with analysis

[ ] same as previous fiscal note published ________
[✓] same as previous zero fiscal note published 5/7/87

SIGNING DO PASS:

[signatures]

SIGNING OTHER RECOMMENDATIONS:

[signature]
Chairman's signature

Original sponsors: Pourchot, Ulmer
and Boucher

IN THE HOUSE BY THE JUDICIARY COMMITTEE

CS FOR HOUSE BILL NO. 293 (Judiciary)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FIFTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to elections; and providing for an effective date."

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

* Section 1. AS 15.07.090(a) is amended to read:

(a) A voter whose name is changed by marriage or court order may vote under the previous name, but a [IF THE] voter who desires to use a [THE] new name shall vote a questioned ballot [, HE OR SHE SHALL NOTIFY THE DIRECTOR NOT LATER THAN 30 DAYS PRECEDING AN ELECTION SO THAT THE REGISTRATION MAY BE AMENDED TO REFLECT THE CHANGE].

* Sec. 2. AS 15.10.020 is amended by adding a new subsection to read:

(b) Whenever possible, the director shall send written notice of any change in a precinct boundary or polling place to each affected registered voter in the precinct not less than 7 nor more than 30 days before the next state election.

* Sec. 3. AS 15.15.030(10) is amended to read:

(10) A [SEPARATE] nonpartisan [JUDICIAL] ballot shall be designed for each judicial district in which a justice or judge is seeking retention in office [TO SUCCEED HIMSELF]. The ballot shall be divided into four parts and each part shall bear a heading indicating the court to which the candidate is seeking approval. Within each part the question of whether the justice or judge shall be approved or rejected shall be set out in substantially the following manner: (A) "Shall . . . . be retained as justice of the supreme court for 10 years?"; (B) "Shall . . . . be retained as judge of the

court of appeals for eight years?"; (C) "Shall . . . . be retained as judge of the superior court for six years?"; or (D) "Shall . . . . be retained as judge of the district court for four years?" Provision shall be made for marking each question "Yes" or "No."

* Sec. 4. AS 15.20.071(a) is amended to read:

(a) A qualified voter who is physically disabled, imprisoned, or confined to an institution may vote by [APPLY FOR AN] absentee ballot through a personal representative. A personal representative may apply for absentee ballots on behalf of physically disabled voters or voters imprisoned or confined to an institution to the following election officials at the times specified:

(1) to an absentee voting official in the election district in which the voter resides on or after the 15th day before an election up to and including the day of the election;

(2) to an election supervisor

(A) after a date announced by the director under AS 15.20.048(b); and

(B) on or after the 15th day before an election up to and including the date of the election;

(3) to an absentee voting official at an absentee voting station designated under AS 15.20.045(b) at a time when the absentee voting station is operating;

(4) to a member of the election board [CHAIRMAN OR HIS DESIGNEE] on election day in the precinct in which the voter is entitled to vote [EXCEPT THAT THE VOTER MAY NOT APPLY TO THE ELECTION BOARD CHAIRMAN IN AN AREA IN WHICH ABSENTEE VOTING OFFICIALS HAVE BEEN DESIGNATED].

* Sec. 5. AS 15.20.071(b) is amended to read:

(b) Upon receipt of a written application and proof of identification from a [BY] personal representative, the election official authorized to issue the absentee ballots under (a) of this section [BALLOT] shall provide the ballots [BALLOT] and other absentee voting material to the personal representative [IF THE WRITTEN APPLICATION IS SIGNED BY THE APPLICANT AND IS ACCOMPANIED BY A LETTER FROM A LICENSED PHYSICIAN OR A STATEMENT SIGNED BY TWO QUALIFIED VOTERS STATING THAT THE APPLICANT WILL BE UNABLE TO GO TO THE POLLING PLACE BECAUSE OF PHYSICAL DISABILITY].

* Sec. 6. AS 15.20.071(c) is amended to read:

(c) The personal representative shall deliver the application for an absentee ballot to the voter as soon as practicable. On the completion and receipt of the application for an absentee ballot, the personal representative shall deliver an absentee ballot to the voter. The [UPON RECEIPT OF AN ABSENTEE BALLOT THROUGH A PERSONAL REPRESENTATIVE, THE] voter shall proceed to mark the ballot in secret, to place the ballot in the small envelope, to place the small envelope in the larger envelope, and to sign the voter's certificate on the envelope in the presence of the personal representative who shall witness and date the signature of the voter. The voter must complete the application for the absentee ballot, mark the ballot, and sign the voter's certification not later than election day. The voter shall then return the application and the absentee ballot to the personal representative who shall deliver the ballot to the election official who provided the ballot. The application and the absentee ballot must be returned to the election official not later than 8:00 p.m. on election day.

* Sec. 7. AS 15.20.071(d) is amended to read:

(d) Each election official shall keep a record of the name and

signature of each personal representative requesting an absentee ballot and the name of the person on whose behalf the ballot is requested. The election official shall record the date [AND TIME] the absentee ballot is provided and the date [TIME] the ballot is returned to the election official.

* Sec. 8. AS 15.20.081(b) is amended to read:

(b) An application for an absentee ballot by mail must be received by the division of elections [POSTMARKED] not less than four [TEN] days before the election for which the absentee ballot is sought. The absentee ballot application shall permit the person to register to vote under AS 15.07.070 and to request an absentee ballot for each state election held within that calendar year for which the voter is eligible to vote.

* Sec. 9. AS 15.20.220(b) is amended to read:

(b) The state review board shall review and count absentee ballots under AS 15.20.081(e) and (h) and questioned ballots that have been forwarded to the director and that have not been reviewed or counted by a district counting board. [ABSENTEE AND QUESTIONED BALLOTS NOT RECEIVED IN THE OFFICE OF THE DIRECTOR BY 4:00 P.M. ON THE 15TH DAY FOLLOWING THE ELECTION MAY NOT BE COUNTED IN THE REVIEW.]

* Sec. 10. AS 15.20.480 is amended to read:

Sec. 15.20.480. PROCEDURE FOR RECOUNT. In conducting the recount, the director shall review all ballots whether the ballots were counted at the precinct or by computer or by the district absentee counting board or the questioned ballot counting board to determine which ballots, or part of ballots, were properly marked and which ballots are to be counted in the recount, and shall check the accuracy of the original count, the precinct certificate and the review. The director shall check the number of ballots and questioned ballots cast

1 in a precinct against the registers and shall check absentee ballots
2 voted against absentee ballots distributed. [THE DIRECTOR SHALL COUNT
3 ABSENTEE BALLOTS RECEIVED AFTER CLOSE OF BUSINESS ON THE 15TH DAY
4 FOLLOWING THE ELECTION AND BEFORE THE COMPLETION OF THE RECOUNT.] For
5 administrative purposes, the director may join and include two or more
6 applications in a single review and count of votes. The rules in
7 AS 15.15.360 governing the counting of hand- marked ballots and the
8 rules in AS 15.20.730 governing the counting of punch-card ballots
9 shall be followed in the recount. The ballots and other election
10 material shall remain in the custody of the director during the re-
11 count and the highest degree of care shall be exercised to protect the
12 ballots against alteration or mutilation. The recount shall be com-
13 pleted within 10 days. The director may employ additional personnel
14 necessary to assist in the recount.
15 * Sec. 11. AS 15.20.730(b) is amended to read:
16 (b) The computer shall be programmed to count ballots as fol-
17 lows:
18 (1) a vote may be counted only if the punch is clearly
19 spaced in the square [DESIGNATED BY A PLUS SIGN] following the name of
20 the candidate the voter desires to select;
21 (2) if there is only one [PLUS-MARKED] square marked for a
22 team whose names are on separate lines, such as president and vice-
23 president or governor and lieutenant governor, a punch in the square
24 or elsewhere in the rectangle following the names shall be counted for
25 that team;
26 (3) a failure to properly punch a ballot card as to one or
27 more candidates does not itself invalidate the entire ballot;
28 (4) if a voter punches fewer names than there are persons
29 to be elected to the office, a vote shall be counted for each

1 candidate properly marked;

2 (5) if a voter punches more names than there are persons to
3 be elected to the office, the votes for candidates to that office
4 shall not be counted;

5 (6) improper marks on the ballots shall not be counted and
6 shall not invalidate punches for candidates properly made;

7 (7) an erasure or correction invalidates only that section
8 of the ballot in which it appears;

9 (8) a vote marked for the candidate for President of the
10 United States is considered and counted as a vote for the election of
11 presidential electors.

12 * Sec. 12. AS 15.25.055 is amended to read:

13 Sec. 15.25.055. REMOVAL OF NAME FROM PRIMARY BALLOT. A candi-
14 date's name will appear on the primary election ballot unless notice
15 of <u>the</u> [HIS] withdrawal from the primary is received by the director
16 at least <u>54</u> [40] days before the date of the primary election.

17 * Sec. 13. AS 15.25.110 is amended to read:

18 Sec. 15.25.110. FILLING VACANCIES BY PARTY PETITION. If a
19 candidate nominated at the primary election dies, withdraws, resigns,
20 becomes disqualified from holding <u>the</u> office for which <u>the candidate</u>
21 [HE] is nominated, or is certified as being incapacitated in the
22 manner prescribed by this section after the primary election and <u>54</u>
23 [40] days or more before the general election, the vacancy may be
24 filled by party petition. The central committee of any political
25 party or any party district committee may certify as being incapaci-
26 tated any candidate nominated by their respective party by presenting
27 to the director a sworn statement made by a panel of three licensed
28 physicians, not more than two of whom <u>may</u> [SHALL] be of the same
29 political party, that the candidate is physically or mentally

incapacitated to an extent that would [IN HIS JUDGMENT] prevent the candidate from active service during the term of office if elected. The director shall place the name of the person nominated by party petition on the general election ballot. The name of a candidate disqualified under this section may [SHALL] not appear on the general election ballot.

* Sec. 14. AS 15.35.050 is amended to read:

Sec. 15.35.050. PLACING NAME OF SUPREME COURT JUSTICE ON BALLOT. The director shall place the name of a supreme court justice who has properly filed a declaration of candidacy for retention on the [JUDICIAL] ballot in each judicial district of the state for the general election at which approval is sought.

* Sec. 15. AS 15.35.059 is amended to read:

Sec. 15.35.059. PLACING NAME OF JUDGE OF THE COURT OF APPEALS ON BALLOT. The director shall place the name of a judge of the court of appeals who has properly filed a declaration of candidacy for retention on the [JUDICIAL] ballot in each judicial district of the state for the general election at which approval is sought.

* Sec. 16. AS 15.35.090 is amended to read:

Sec. 15.35.090. PLACING NAME OF SUPERIOR COURT JUDGE ON BALLOT. The director shall place the name of a superior court judge who has properly filed a declaration of candidacy for retention on the [JUDICIAL] ballot in the judicial district designated in the [HIS] declaration of candidacy for the general election at which approval is sought.

* Sec. 17. AS 15.35.130 is amended to read:

Sec. 15.35.130. PLACING NAME OF DISTRICT JUDGE ON BALLOT. The director shall place the name of a district judge who has properly filed a declaration of candidacy for retention on the [JUDICIAL]

1 ballot in the judicial district designated in the [HIS] declaration of
2 candidacy for the general election at which approval is sought.
3 * Sec. 18. This Act takes effect immediately under AS 01.10.070(c).
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

Offered: 5/7/87
Referred: Judiciary and Finance

5-0762B

Original sponsors: Pourchot and Ulmer

1 IN THE HOUSE BY THE STATE AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 293 (State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to elections."

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

8 * Section 1. AS 15.07.090(a) is amended to read:

9 (a) A voter whose name is changed by marriage or court order may
10 vote under the previous name, but a [IF THE] voter who desires to use
11 a [THE] new name shall vote a questioned ballot [, HE OR SHE SHALL
12 NOTIFY THE DIRECTOR NOT LATER THAN 30 DAYS PRECEDING AN ELECTION SO
13 THAT THE REGISTRATION MAY BE AMENDED TO REFLECT THE CHANGE].

14 * Sec. 2. AS 15.15.030(10) is amended to read:

15 (10) A [SEPARATE] nonpartisan [JUDICIAL] ballot shall be
16 designed for each judicial district in which a justice or judge is
17 seeking retention in office [TO SUCCEED HIMSELF]. The ballot shall be
18 divided into four parts and each part shall bear a heading indicating
19 the court to which the candidate is seeking approval. Within each
20 part the question of whether the justice or judge shall be approved or
21 rejected shall be set out in substantially the following manner: (A)
22 "Shall . . . . be retained as justice of the supreme court for
23 10 years?"; (B) "Shall . . . . be retained as judge of the
24 court of appeals for eight years?"; (C) "Shall . . . . be re-
25 tained as judge of the superior court for six years?"; or (D) "Shall .
26 . . . . . . be retained as judge of the district court for four
27 years?" Provision shall be made for marking each question "Yes" or
28 "No."

29 * Sec. 3. AS 15.20.071(a) is amended to read:

1 (a) A qualified voter who is physically disabled, imprisoned, or
2 confined to an institution may vote by [APPLY FOR AN] absentee ballot
3 through a personal representative. A personal representative may
4 apply for absentee ballots on behalf of physically disabled voters or
5 voters imprisoned or confined to an institution to the following
6 election officials at the times specified:
7 (1) to an absentee voting official in the election district
8 in which the voter resides on or after the 15th day before an election
9 up to and including the day of the election;
10 (2) to an election supervisor
11 (A) after a date announced by the director under
12 AS 15.20.048(b); and
13 (B) on or after the 15th day before an election up to
14 and including the date of the election;
15 (3) to an absentee voting official at an absentee voting
16 station designated under AS 15.20.045(b) at a time when the absentee
17 voting station is operating;
18 (4) to a member of the election board [CHAIRMAN OR HIS
19 DESIGNEE] on election day in the precinct in which the voter is enti-
20 tled to vote [EXCEPT THAT THE VOTER MAY NOT APPLY TO THE ELECTION
21 BOARD CHAIRMAN IN AN AREA IN WHICH ABSENTEE VOTING OFFICIALS HAVE BEEN
22 DESIGNATED].
23 * Sec. 4. AS 15.20.071(b) is amended to read:
24 (b) Upon receipt of a written application and proof of identi-
25 fication from a [BY] personal representative, the election official
26 authorized to issue the absentee ballots under (a) of this section
27 [BALLOT] shall provide the ballots [BALLOT] and other absentee voting
28 material to the personal representative [IF THE WRITTEN APPLICATION IS
29 SIGNED BY THE APPLICANT AND IS ACCOMPANIED BY A LETTER FROM A LICENSED

1 PHYSICIAN OR A STATEMENT SIGNED BY TWO QUALIFIED VOTERS STATING THAT
2 THE APPLICANT WILL BE UNABLE TO GO TO THE POLLING PLACE BECAUSE OF
3 PHYSICAL DISABILITY].
4 * Sec. 5. AS 15.20.071(c) is amended to read:
5 (c) The personal representative shall deliver the application
6 for an absentee ballot to the voter as soon as practicable. On the
7 completion and receipt of the application for an absentee ballot, the
8 personal representative shall deliver an absentee ballot to the voter.
9 The [UPON RECEIPT OF AN ABSENTEE BALLOT THROUGH A PERSONAL REPRESENTA-
10 TIVE, THE] voter shall proceed to mark the ballot in secret, to place
11 the ballot in the small envelope, to place the small envelope in the
12 larger envelope, and to sign the voter's certificate on the envelope
13 in the presence of the personal representative who shall witness and
14 date the signature of the voter. The voter must complete the applica-
15 tion for the absentee ballot, mark the ballot, and sign the voter's
16 certification not later than election day. The voter shall then
17 return the application and the absentee ballot to the personal rep-
18 resentative who shall deliver the ballot to the election official who
19 provided the ballot. The application and the absentee ballot must be
20 returned to the election official not later than 8:00 p.m. on election
21 day.
22 * Sec. 6. AS 15.20.480 is amended to read:
23 Sec. 15.20.480. PROCEDURE FOR RECOUNT. In conducting the re-
24 count, the director shall review all ballots whether the ballots were
25 counted at the precinct or by computer or by the district absentee
26 counting board or the questioned ballot counting board to determine
27 which ballots, or part of ballots, were properly marked and which
28 ballots are to be counted in the recount, and shall check the accuracy
29 of the original count, the precinct certificate and the review. The

1 director shall check the number of ballots and questioned ballots cast
2 in a precinct against the registers and shall check absentee ballots
3 voted against absentee ballots distributed. [THE DIRECTOR SHALL COUNT
4 ABSENTEE BALLOTS RECEIVED AFTER CLOSE OF BUSINESS ON THE 15TH DAY
5 FOLLOWING THE ELECTION AND BEFORE THE COMPLETION OF THE RECOUNT.] For
6 administrative purposes, the director may join and include two or more
7 applications in a single review and count of votes. The rules in
8 AS 15.15.360 governing the counting of hand- marked ballots and the
9 rules in AS 15.20.730 governing the counting of punch-card ballots
10 shall be followed in the recount. The ballots and other election
11 material shall remain in the custody of the director during the re-
12 count and the highest degree of care shall be exercised to protect the
13 ballots against alteration or mutilation. The recount shall be com-
14 pleted within 10 days. The director may employ additional personnel
15 necessary to assist in the recount.
16 * Sec. 7. AS 15.20.730(b) is amended to read:
17 (b) The computer shall be programmed to count ballots as fol-
18 lows:
19 (1) a vote may be counted only if the punch is clearly
20 spaced in the square [DESIGNATED BY A PLUS SIGN] following the name of
21 the candidate the voter desires to select;
22 (2) if there is only one [PLUS-MARKED] square <u>marked</u> for a
23 team whose names are on separate lines, such as president and vice-
24 president or governor and lieutenant governor, a punch in the square
25 or elsewhere in the rectangle following the names shall be counted for
26 that team;
27 (3) a failure to properly punch a ballot card as to one or
28 more candidates does not itself invalidate the entire ballot;
29 (4) if a voter punches fewer names than there are persons

1 to be elected to the office, a vote shall be counted for each candi-
2 date properly marked;
3 (5) if a voter punches more names than there are persons to
4 be elected to the office, the votes for candidates to that office
5 shall not be counted;
6 (6) improper marks on the ballots shall not be counted and
7 shall not invalidate punches for candidates properly made;
8 (7) an erasure or correction invalidates only that section
9 of the ballot in which it appears;
10 (8) a vote marked for the candidate for President of the
11 United States is considered and counted as a vote for the election of
12 presidential electors.
13 * Sec. 8. AS 15.25.055 is amended to read:
14 Sec. 15.25.055. REMOVAL OF NAME FROM PRIMARY BALLOT. A candi-
15 date's name will appear on the primary election ballot unless notice
16 of the [HIS] withdrawal from the primary is received by the director
17 at least 54 [40] days before the date of the primary election.
18 * Sec. 9. AS 15.25.110 is amended to read:
19 Sec. 15.25.110. FILLING VACANCIES BY PARTY PETITION. If a
20 candidate nominated at the primary election dies, withdraws, resigns,
21 becomes disqualified from holding the office for which the candidate
22 [HE] is nominated, or is certified as being incapacitated in the
23 manner prescribed by this section after the primary election and 54
24 [40] days or more before the general election, the vacancy may be
25 filled by party petition. The central committee of any political
26 party or any party district committee may certify as being incapaci-
27 tated any candidate nominated by their respective party by presenting
28 to the director a sworn statement made by a panel of three licensed
29 physicians, not more than two of whom may [SHALL] be of the same

1 political party, that the candidate is physically or mentally in-
2 capacitated to an extent that would [IN HIS JUDGMENT] prevent the
3 candidate from active service during the term of office if elected.
4 The director shall place the name of the person nominated by party
5 petition on the general election ballot. The name of a candidate
6 disqualified under this section may [SHALL] not appear on the general
7 election ballot.
8 * Sec. 10. AS 15.35.050 is amended to read:
9 Sec. 15.35.050. PLACING NAME OF SUPREME COURT JUSTICE ON BALLOT.
10 The director shall place the name of a supreme court justice who has
11 properly filed a declaration of candidacy for retention on the [JUDI-
12 CIAL] ballot in each judicial district of the state for the general
13 election at which approval is sought.
14 * Sec. 11. AS 15.35.059 is amended to read:
Sec. 15.35.059. PLACING NAME OF JUDGE OF THE COURT OF APPEALS ON
BALLOT. The director shall place the name of a judge of the court of
17 appeals who has properly filed a declaration of candidacy for reten-
18 tion on the [JUDICIAL] ballot in each judicial district of the state
19 for the general election at which approval is sought.
20 * Sec. 12. AS 15.35.090 is amended to read:
21 Sec. 15.35.090. PLACING NAME OF SUPERIOR COURT JUDGE ON BALLOT.
22 The director shall place the name of a superior court judge who has
23 properly filed a declaration of candidacy for retention on the [JUDI-
24 CIAL] ballot in the judicial district designated in the [HIS] declara-
25 tion of candidacy for the general election at which approval is
26 sought.
27 * Sec. 13. AS 15.35.130 is amended to read:
28 Sec. 15.35.130. PLACING NAME OF DISTRICT JUDGE ON BALLOT. The
29 director shall place the name of a district judge who has properly

1 filed a declaration of candidacy for retention on the [JUDICIAL]
2 ballot in the judicial district designated in the [HIS] declaration of
3 candidacy for the general election at which approval is sought.

Immediate effective date

5-0762Bc
Bradley

AMENDMENT

Offered in the HOUSE By Gruenberg and Donley

TO: CSHB 293 (State Affairs)

Page 1, after line 13:

Insert a new bill section to read:

"* Sec. 2. AS 15.10.020 is amended by adding a new subsection to read:

(b) Whenever possible, the director shall send written notice of any change in a precinct boundary or polling place to each registered voter in the precinct between 7 and 30 days before the next state election."

RECOMMENDED CONFORMING AMENDMENT
FOR SPONSOR OR COMMITTEE SUBSTITUTE
HB 293

Division of Elections
May 4, 1987

The following amendment to be inserted after line 22 is recommended to assure that paragraphs (b) and (c) of AS 15.20.071 conform with the intent prescribed by the amendment to paragraph (a). As it stands, paragraph (b) requires that the personal representative be issued ballots for the voter if the written application has already been signed by the voter. It is the intent of this bill to reduce the number of separate trips the personal representative must make in order to assist the disabled or confined voter in voting. In addition, it is recommended that paragraph (b) be further amended to eliminate language regarding a signed statement from a physician or two qualified voters stating that the voter is unable to vote at the polling place because of physical disability. The requirement is prohibited under federal law.

AMENDMENT:

(b) Upon receipt of a written application by the personal representative, the election official authorized to issue the absentee ballot shall provide the ballot and other absentee voting material, including an application for absentee ballot to be completed by the voter, to the personal representative [IF THE WRITTEN APPLICATION IS SIGNED BY THE APPLICANT AND IS ACCOMPANIED BY A LETTER FROM A LICENSED PHYSICIAN OR A STATEMENT SIGNED BY TWO QUALIFIED VOTERS STATING THAT THE APPLICANT WILL BE UNABLE TO GO TO THE POLLING PLACE BECAUSE OF PHYSICAL DISABILITY].

(c) The personal representative shall deliver the voter's application for an absentee ballot and the ballot to