

ALASKA LEGISLATURE COMMITTEE FILES 1987-1988 8672

4835 HLAB HB 558 - HJR 22

107

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7HB 558

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

April 13, 1988

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 to raise the \$100,000 threshold for required performance bonding on state and municipal public works projects to \$250,000, under AS 36.25.010(a). The bill does not affect the existing discretionary authority, under AS 36.25.010(b), to require bonding for projects the value of which is under the threshold. The three changes in the language of AS 36.25.010(a) make only one substantive change and thus affect the construction-value threshold for performance bonds (AS 36.25.010(a)(1)), but not payment bonds (AS 36.25.010(a)(2)).

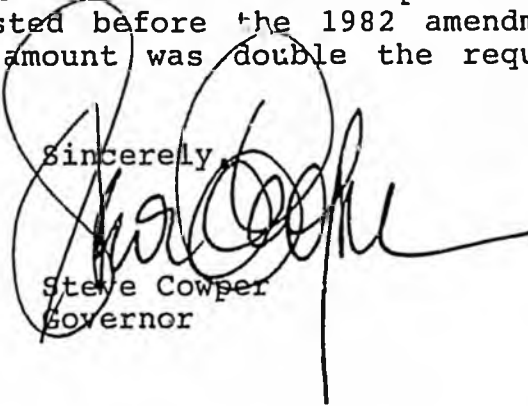
Based on Department of Transportation and Public Facilities (DOT/PF) fiscal year 1987 projects, this change will expand the dollar volume by almost 400 percent from the present level and could make available to the construction industry double the actual number of projects that would have no performance bonding requirement. The bonding requirements would still apply to 98 percent of DOT/PF's construction program.

Although it is possible that the proposed changes could result in some added costs or delays in completing a project, it is not certain that they will do so, and I do not believe that they will be substantial. From a policy perspective, these possible consequences are offset by the benefits of a more competitive and open market for the Alaska construction industry.

A corresponding amendment of AS 44.33.300, the statute referred to in AS 36.25.010(a), is included in the bill (sec. 2). (AS 44.33.300 allows "economic disaster area" waivers of certain requirements, including those in AS 36.25.010.)

Such an amendment was overlooked when AS 36.25.010(a) was amended in 1982 (changing "\$50,000" to read "\$100,000"). That oversight left AS 44.33.300 making no sense. The amendment in sec. 2 of this bill restores the pattern for performance bonds that existed before the 1982 amendment, when the maximum waivable amount was double the required threshold amount.

Sincerely,



Steve Cowper
Governor

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: HB 558
PUBLISH DATE: HOUSE 4/13/88

REQUEST: FISCAL NOTE

Revision Date:
Title: An act relating to bonds for contractors for public buildings and works; and providing for an effective date.

Agency Affected: DOT&PF
BRU: Engineering & Operations Standards

Sponsor: Governor
Requestor: Governor

Components:

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTURAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

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

FUNDING: (THOUSANDS OF DOLLARS)

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

POSITIONS:

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

ANALYSIS: Based upon an analysis of contract lettings by ADOT&PF for FY 1987 this proposed change would result in a modest increase in the number of projects and aggregate project dollars for which performance bonding is not required. While it is possible that some costs may be occasioned, if there were a project failure, this is both speculative and inestimable. Such potential costs should be offset by a general lowering of bid prices due to the absence of certain bonding costs and increased competition. On balance, we believe these savings and liabilities are offsetting and we support this legislation for it should enhance the opportunity for smaller firms to enter the state construction market.

Prepared by: Jeffery C. Ottesen, Director
Division: Engineering and Operations Standards
Approved by Commissioner: *M. R. S. H.*
Agency: Department of Transportation and Public Facilities

Phone: 465-2951
Date: April 7, 1988
Date: 4/7/88

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

HCR

2

HCR 2: "Relating to general liability and property insurance"

The Division of Insurance is not in favor of this proposal unless amended. We recommend that lines 27-28 on page 1 be removed, in which case we would support this proposal.

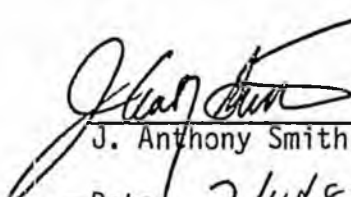
This proposal seeks the repeal of the current antitrust exemption for the insurance industry, which is the principal component of the McCarran - Ferguson Act. It also calls for the exploration of a number of multistate ventures including pooling, reinsurance and general regulation of insurance. It requires a report to the Legislature by January 15, 1988.

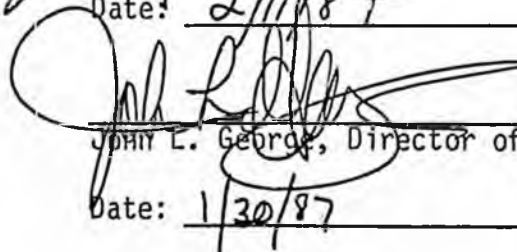
The State of Alaska, Division of Insurance, is a member of the National Association of Insurance Commissioners (NAIC). Through this organization, Alaska is currently exploring actions that can be taken on a national or regional basis, including regulation, pooling, reinsurance, examination of insurers, data processing, market access, etc. These activities are ongoing and to a large extent, fruitful.

One underlying principle to which the states adhere is the preservation of state regulation of insurance. A number of issues support this attitude including the absolute need for local responsiveness to concerns that are local, the reflection of different needs reflecting the demographics (economic, geographic, political, etc.) of each individual state, the potential for loss of a sizeable tax base, the likelihood for loss of local employment, the reduction of competition in the marketplace, and more.

The antitrust exemption does have its positive side, namely, it enables small companies to engage in a business which would otherwise be possible to only a few giants. Because insurance depends on the principle of spreading risk and the "law of large numbers" it is not possible for a small company to engage in an insurance business without the ability to take some rate actions in concert with others. It would give the new entrant no starting point upon which to base a rate.

The State of Alaska currently derives about \$23 million from the taxation of premiums. If the regulation of insurance were placed at the federal level, there would be a very strong argument that that tax should go to the Federal Government. Alaska has had specific experience with federal regulation of insurance when there was a Federal price freeze during the early 70's. The attitude concerning enforcement left Alaskans without effective voice or protection. We urge that language dealing with repeal of that exemption be removed from this proposal.


 J. Anthony Smith, Commissioner
 Date: 2/11/87


 JOHN L. George, Director of Insurance
 Date: 1/30/87

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST: HCR 2

Revision Date: _____
 Title: General liability & property insurance
 Sponsor: Navarre
 Requestor: House Labor & Commerce

Bill Version: HCR 2
 Publish Date: _____

Agency Affected: _____
 BRU: _____

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: David Douley
 Division: House Labor & Commerce

Phone: 465-3892
 Date: 3/12/87

Approved by Commissioner: _____
 Agency: _____

Date: _____

Distribution (by preparer):

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

HCR

16

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3600

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

House L³C:

March 19, 1987

HOUSE COMMITTEE REPORT

(7)

Date referred: 3/11/87

FURTHER REFERRALS:

DATE: 3/19/87

The Labor & Commerce Committee has considered HCR 16

Relating to the promotion of the Iditarod Race.

RECOMMENDS:

- replace with CS HCR 16 (LTC) 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 same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

[Signature]

Cliff Davidson

[Signature]

Walt Furnace

[Signature]

[Signature]

[Signature]

SIGNING OTHER RECOMMENDATIONS:

[Signature]
Chairman's signature

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

Bill Version : HCR 16
Publish Date : _____

REQUEST: _____

Revision Date: _____
Title : Iditarod - promote tourism

Agency Affected : _____
BRU: _____

Sponsor : Larson et al
Requestor : _____

Components : _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Dave Douley

Prepared by : House Labor & Commerce Phone : 465-3892
Division : _____ Date : Mar 19, 1987

Approved by Commissioner : _____ Date : _____
Agency : _____

Distribution (by preparer) :

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

Alaska State Legislature
House of Representatives



Labor and Commerce Committee

March 18, 1987

M E M O R A N D U M

To: Members, House Labor and Commerce Committee

From: Representative Dave Donley, Chair
House Labor and Commerce Committee

Re: Proposed CS for HCR 16

HCR 16, promoting the Iditarod Race, is before the House Labor and Commerce Committee tomorrow.

In recognition of Susan Butcher's victory today, my staff suggested the following amendments to HCR 16, to be incorporated as a Labor and Commerce Committee CS:

WHEREAS the Iditarod race is tremendously strenuous and is a test of fortitude and endurance; and

WHEREAS the Iditarod Race has been won by a woman for the third year in a row; and

WHEREAS the inherent strength and endurance of males and females is so dissimilar that most sports segregate the sexes in competition; and

WHEREAS in a race of this length and difficulty it is unfair to the weaker sex for males and females to compete together;

BE IT RESOLVED that the Alaska House of Representatives respectfully requests the Iditarod Trail Committee, Inc., to establish a separate division in the Iditarod Sled Dog Race for men with a course that is half the distance and physically less difficult so that men will once again have the opportunity to compete successfully in the race; and

BE IT FURTHER RESOLVED that the men's division race will be hereinafter known as the Ididhalfarod Race.

HCR

21

HOUSE COMMITTEE REPORT

(7)

Date referred: 4/10/87

FURTHER REFERRALS:

DATE: 4/23/87
HCR 21

The Labor & Commerce Committee has considered _____
Relating to use of Alaska products and services.

RECOMMENDATIONS:

- replace with _____ 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 same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING NO PASS:

SIGNING OTHER RECOMMENDATIONS:

Dave Donley
Ellis
Cliff Davidson
Neil E. Koyama

W. FURMAN NO REC.

Dave Donley
 Chairman's signature

Alaska State Legislature

REPRESENTATIVE
PAT POURCHOT

HOUSE FINANCE COMMITTEE
COMMITTEE ON OIL AND GAS



ANCHORAGE
P.O. BOX 104836
ANCHORAGE, AK 99510
(W) (907) 276-6818
(H) (907) 338-2425

JUNEAU
POUCH V
STATE CAPITOL
JUNEAU, AK 99811
(907) 465-3712

House of Representatives MEMORANDUM

DATE: April 21, 1987

TO: Members of the House Labor and Commerce Committee
Representative Dave Donley, Chairman
Representative Niilo Koponen, Vice-Chairman
Representative Red Boucher
Representative Cliff Davidson
Representative Johnny Ellis
Representative Walt Furnace
Representative Curt Menard

FROM: Representative Pat Pourchot

SUBJECT: HCR 21 - Relating to the use of Alaska products and services

First of all, I would like to thank all of you for co-sponsoring House Concurrent Resolution 21. With 38 sponsors, I'd like to believe this measure will receive your prompt and favorable consideration.

HCR 21 is a modest resolution encouraging Alaska residents, businesses and government to buy and utilize Alaska goods and services. The purpose of the resolution will be to increase public awareness of the economic benefits derived from the support of Alaska businesses.

All too frequently our government and the private sector use foreign or "Outside" goods and services. Often the reason is simply because of habit. Years ago Alaskans had to rely on "Outside" products because they simply were not available in Alaska. In many instances, this is no longer the case. The Alaska Department of Commerce and Economic Development statistics show that the availability of local goods and services has increased significantly in recent years. If government and the private sector would support local production it would mean increased local employment which means more money into the local economy.

It is a well known fact that the economic multiplier in Alaska has an approximate value of 1.5. This means that, on average, if employment in a basic industry grows by 100, then in the same year 50 jobs will be created in those industries supplying the basic industry and in those industries providing consumer goods and services to the new employees. This can only be beneficial for Alaskans.

This resolution would encourage all Alaskans to play a vital role in supporting the economy of the state through the purchase and utilization of Alaska goods and services. Thank you for your consideration.

M.A.C.



MADE IN ALASKA
COMMITTEE

MADE IN ALASKA COMMITTEE

POLICY

The general thrust of the Made in Alaska Committee (M.A.C.) will be to identify institutional and attitudinal barriers toward the purchase and utilization of Alaska goods and services, and to identify the opportunities to remove those barriers. M.A.C. will focus its attention in the following areas:

- A. Government procurement policy
- B. Private sector procurement policy
- C. Government regulatory policy

To effect improvement in the above areas, M.A.C. will utilize:

- A. Research and information
- B. Publicity and education

M.A.C. encourages all Alaskans to play a vital role in supporting the economy of the state through the purchase and utilization of Alaska goods and services, and declares that the combined efforts of all will develop and maintain a strong, stable and prosperous economy for Alaska and Alaskans.

BOARD OF DIRECTORS

Wayne Beckwith, Anchorage Chamber of Commerce
Reyn Bowman, Director, Economic Development,
Anchorage

Les Brattain, Tryck Nymen and Hayes
Dana Brockway, President, ACVB
Dave Choquette, Alagco
Bill Choquette, Artus Choquette and
Williams

Betty Davis, Anchorage School District
Nancy Dickinson, B&N Drapery Workroom
George Easley, Fairbanks Sand and Gravel
Joe Evans, Assemblyman, Anchorage
Al Fleetwood, Enserch Alaska Construction
Joe Faulhaber, Greatland Realty
Dick Hall, National Bank of Alaska
Ernie Hall, Alaska Furniture Mfg.

Dave Harbour, Inside Government
Scott Hawkins, Keybancshares Alaska
Charity Kadow, Office of the Governor
Harold Kerlake, Wilder Construction
Denise Knapp, Delta Dental Plan
Bill Lee, Kiana
Steve Nerland, Nerland's Home
Furnishings

Greg O'Claray, Juneau
Malcom Roberts, Commonwealth North
Stan Smith, Spenard Builders Supply
Greg Strong, Eklutna, Inc.
Frank Turpin, Alaska Railroad Corp.
Jerry Weaver, Ranier Bank Alaska
Doug Wise, Standard Alaska
Connie Yoshimura, Fortune Properties

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST: _____

Bill Version : HCR 21

Publish Date : _____

Revision Date: _____

Title : Relating to use of Alaska
 products and Services

Agency Affected : _____

BRU : _____

Sponsor : Pourchot et al

Components : _____

Requestor : _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Dave Donley, Chairman Phone: 465-3892

Division: House Labor & Commerce Committee Date: 4/23/87

Approved by Commissioner: _____ Date: _____

Agency: _____

Distribution (by preparer):

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

HOUSE COMMITTEE REPORT

(7)

Date referred: 4/10/87

FURTHER REFERRALS:

DATE: 4/23/87
HCR 21

The Labor & Commerce Committee has considered
Relating to use of Alaska products and services.

RECOMMENDS:

- replace with _____ 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 same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

Dave Donley

Ellis

Cliff Davidson

Neil E. Koyama

SIGNING OTHER RECOMMENDATIONS:

W. Fumace No Rec.

Dave Donley
Chairman's signature

HCR

39

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

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

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

House L.C.:

March 31, 1988

HOUSE COMMITTEE REPORT

(7)

Date referred: 2/1/88

FURTHER REFERRALS:

DATE: 3/31/88

The Labor & Commerce Committee has considered HCR 39

Encouraging the restriction of foreign workers on oil and gas production and exploration structures on the outer continental shelf.

RECOMMENDS:

- replace with CS HCR 39 (L+C) 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 same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO-PASS:

Dave Douley

Ellis

Cliff Davidson

Scott Mendenhall

John L. ...

Mike ...

SIGNING OTHER RECOMMENDATIONS:

Dave Douley
Chairman's signature

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: CSHCR 39
PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: 3/31/88
Title: Restrict aliens on OCS rigs

Agency Affected: _____
BRU: _____

Sponsor: H. I&C
Requestor: H. I&C

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Rep. Dave Donley - Chairman Phone: 465-4954
Division: House Labor & Commerce Committee Date: 3/31/88

Approved by Commissioner:  Date: 3/31/88
Agency: _____

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

5-1541B^v
Cramer
3/30/88

Original sponsors: Donley, Collins
and Boyer

BY THE LABOR AND
COMMERCE COMMITTEE

1 IN THE HOUSE

2 CS FOR HOUSE CONCURRENT RESOLUTION NO. 39 (L&C)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 Encouraging the restriction of the
6 employment of aliens on oil and gas
7 production and exploration structures on
8 the outer continental shelf.

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

10 WHEREAS a large number of aliens are employed on vessels, rigs, plat-
11 forms, and other structures used to explore or produce oil and gas on the
12 outer continental shelf of the state; and

13 WHEREAS the state is experiencing high unemployment and substantial
14 economic problems; and

15 WHEREAS qualified and available workers who are residents of the state
16 would be more likely to find employment on the outer continental shelf if
17 employment of aliens were restricted;

18 BE IT RESOLVED by the Alaska State Legislature that the Alaska delega-
19 tion to the United States Congress is encouraged to introduce and support
20 legislation restricting, to the extent permitted by the Constitution of the
21 United States, the employment of aliens on vessels, rigs, platforms, and
22 other structures involved in the exploration and production of oil and gas
23 on the state's outer continental shelf.

24 COPIES of this resolution shall be sent to the Honorable Ted Stevens
25 and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don
26 Young, U.S. Representative, members of the Alaska delegation in Congress.

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: CSHCR 39
PUBLISH DATE: _____

REQUEST:

FISCAL NOTE

Revision Date: 3/31/88
Title: Restrict aliens on OCS rias
Sponsor: H. I&C
Requestor: H. I&C

Agency Affected: _____
BRU: _____
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Rep. Dave Donley - Chairman Phone: 465-4954
Division: House Labor & Commerce Committee Date: 3/31/88

Approved by Commissioner: _____ Date: 3/31/88
Agency: _____

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



Official Business

COMMITTEE:

HOUSE LABOR & COMMERCE

DATE: March 31, 1988

SIGN-IN

Subject of meeting:

- HB 15 "An Act providing certain tax benefits in business enterprise zones; and providing for an effective date." WORK SESSION
- HCR 39 "Encouraging the restriction of foreign workers on oil and gas production and exploration structures on the outer continental shelf."
- HB 517 "An Act relating to civil liability of certain volunteers."
- HB 394 "An Act relating to electric and telephone cooperatives; and providing for an effective date." WORK SESSION

PLEASE PRINT
NAME & TITLE

REPRESENTING

ADDRESS & ZIP

PHONE

DO YOU WANT TO TESTIFY?

SUBJECT: BILL #

Sally Sandler Labor Economist IV	Dept of Labor		H W 4500	Yes	HB 15
Andy Hughes	FRAN Ulmer		H W 4947	Yes	HB 517
Jim Dumont	AK. Rec + Park Assn		H W 586-5226	Yes	HB 517
Bob Barrett	AARP State Legl Committee		H W 586-2066	Yes	HB 517
JAMES SANDWICK	DOZ		H W	✓	HB 542
			H W		
			H W		
			H W		
			H W		
			H W		

HCR

45

STATE OF ALASKA
THE LEGISLATURE

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

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

House L³C:

April 21, 1988

HOUSE COMMITTEE REPORT

(7)

Date referred: 2/15/88

FURTHER REFERRALS:

DATE: 4/21/88

The Labor & Commerce Committee has considered HCR 45

Relating to encouraging private industry to hire state residents and to contract with local businesses.

RECOMMENDS:

- replace with CS HCR 45(L+C) 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 same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

James Douley (with fiscal note)

[Signature]

[Signature]

[Signature]

[Signature]

SIGNING OTHER RECOMMENDATIONS:

James Douley
Chairman's signature

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: HCR 45
PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Labor
Title: "Relating to encouraging
private industry to hire state residents..." BRU: Commissioner's Office
Sponsor: Pearce Components: Commissioner's Office
Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL		15.0	15.5	15.9	16.4	16.9
CONTRACTUAL		65.0	67.0	69.0	71.0	73.2
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	80.0	82.4	84.9	87.4	90.0

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND		80.0	82.4	84.9	87.4	90.0
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	80.0	82.4	84.9	87.4	90.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

(See Attached)

Prepared by: Jim Sampson Phone: 465-2720
Division: _____ Date: 4/21/88
Approved by Commissioner: Jini Sampson Date: 4/21/88
Agency: Department of Labor

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

Analysis of Fiscal Note for HCR 45

This resolution requests the Department of Labor to embark on a public awareness and promotional campaign to encourage resident hire. The Department proposes a multi-media campaign which would spread the resident hire message through radio, television, newspapers, brochures, trade shows, conferences, etc. Detailed cost estimates of this campaign are as follows:

Travel - \$15,000

This would cover travel to trade shows, chamber of commerce meetings, business association meetings, conferences, and other places where private industry groups gather.

Contractual - \$65,000

\$15,000 - This would be for the production and development of the campaign by a professional advertising consultant. We would have the person or agency develop printed and electronic media ads, and produce a traveling display for use at meetings.

\$5,000 - Printing and postage costs. This would cover the costs associated with printing a brochure encouraging resident hire. It would be both mailed to employers and handed out at conferences.

\$20,000 - Newspaper advertising.

\$10,000 - Radio advertising.

\$15,000 - Television advertising.

TOTAL - \$80,000

Assumptions:

1. We would begin this campaign July 1, 1988.
2. Inflation of 3% in fiscal years 90 - 93.

HCR

49

CITY OF NULATO

Resolution No. 88-04

A RESOLUTION OF THE NULATO CITY COUNCIL SUPPORTING HCR 49 ("Declaring House District 24 an economic disaster zone.").

WHEREAS, the City of Nulato is in House District 24; and

WHEREAS, high unemployment is a major problem in Nulato; and

WHEREAS, year-round employment in Nulato is very limited and seasonal employment is unstable and unpredictable and only for a short-term; and

WHEREAS, HCR 49 requests consideration of the economic disaster in House District 24 when allocating state resources and encourages imposition of resident hiring preferences for employment on public construction projects.

THEREFORE BE IT RESOLVED, that the Nulato City Council supports HCR 49.

DATE: March 1, 1988

Vito M. ...
Mayor

John J. Demoski
Vice-Mayor

ATTEST: Liselle Sipary

Maryann Pate
Member

Paul Mountain
Member

Judy ...
Member

James ...
Member

Member

HCR

52

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY
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JUNEAU, ALASKA 99811
907-465-3800

May, 1988

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

Mary Van Nimwegen

House LRC:

April 7, 1988

HOUSE COMMITTEE REPORT

(7)

Date referred: 3/24/88

FURTHER REFERRALS: Finance

DATE: 4/7/88

The Labor & Commerce Committee has considered HCR 52

Relating to state economic indices and reports.

RECOMMENDS:

- replace with _____ the same title
 attached amendment(s) a new title
 do pass
 do not pass
 no recommendation
 individual recommendations
 additional referral to the _____ Committee

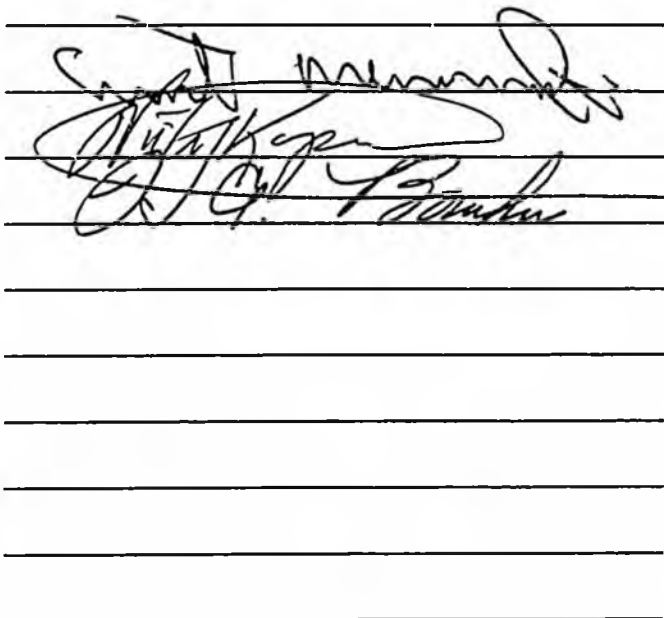
ADOPTS: _____ letter of intent

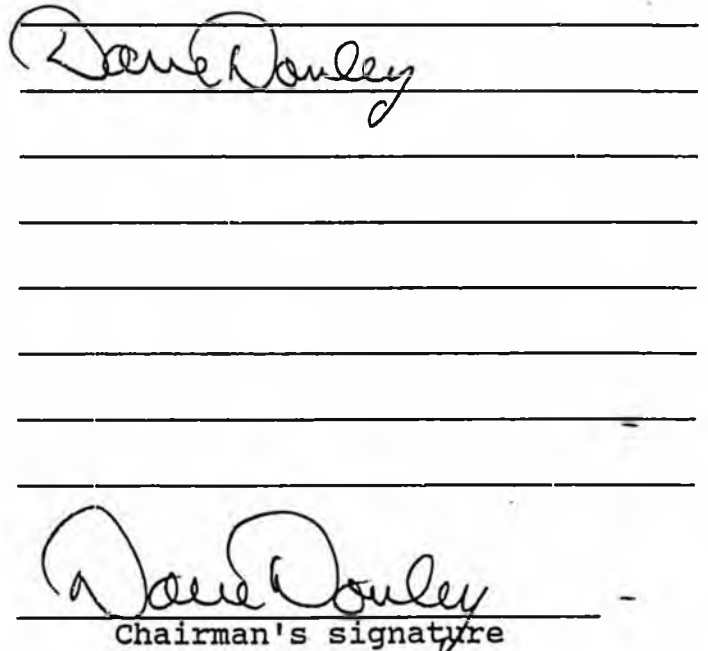
ATTACHES NEW FISCAL NOTE(S):

- fiscal impact same as previous fiscal note published _____
 zero fiscal note same as previous zero fiscal note published _____
 zero with analysis

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:




Chairman's signature

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: HCR 52
PUBLISH DATE: 3/24/88

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Commerce & Econ. Dev.
Title: Regarding economic indices and BRU: Division of Business Development
reports
Sponsor: House Joint Comm. on Econ. Recovery Components: _____
Requester: House Labor and Comm. Committee

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		150	150	150	150	150
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING						

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

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

FUNDING: (Thousands of dollars)

GENERAL FUND		150	150	150	150	150
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULLTIME		0	0	0	0	0
PARTTIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

Funds would go to ISER to provide the economic information outlined in the resolution.

Prepared by: Larry Mercurieff, Director Phone: 465-2017
Division: Business Development Date: 4/5/88
Approved by Commissioner: J. Anthony Smith, Commissioner Date: 4/5/88
Agency: Department of Commerce & Economic Development

Distribution (by preparer):

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

page ____ of ____

HJR

17

HOUSE COMMITTEE REPORT

(7)

Date referred: 2/18/87

FURTHER REFERRALS:

DATE: 3/5/87
HJR 17

The Labor & Commerce Committee has considered

Relating to the use and recording of trade names to designate seafood products of Alaska origin.

RECOMMENDS:

- replace with CS HJR 17 (LTC) 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 same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

John Ellis
Cliff Davidson
Scott Munn
Ed C. Bouch
Dave L. Douley
W. Furrer
Steve Kopman

Dave Douley
 Chairman's signature



City and Borough of Sitka

304 LAKE STREET. SITKA, ALASKA. 99835

January 27, 1987

Mr. William Von Raab, Commissioner
United States Customs Service
1021 Constitution Avenue, N.W.
Washington, D. C. 20229


Dear Commissioner:

Enclosed is a copy of City and Borough of Sitka's Resolution No. 87-332 which urges you to reject the application of any corporation which proposes the use of a trade name which implies that their seafood products are of Alaskan origin unless, in fact, they are.

We also call your attention to the letter written to you by Mr. Samuel C. Gesko, Jr. addressing this subject. I have enclosed a copy for your easy reference. Mr. Gesko's letter does a good job of expressing our concern. We also believe that his request to have applications verified to insure that their products are of Alaskan origin is a reasonable and fair request.

We appreciate the attention that you will give to this matter.

Sincerely yours,


Richard Anderson
Administrator

cc: Governor Steve Cowper, State of Alaska
Frank H. Murkowski, U.S. Senator
Ted Stevens, U. S. Senator
Don Young, U.S. House of Representatives
Senator Dick Eliason, Alaska Legislature
Rep. Ben Grussendorf, Alaska Legislature
Senator Fred Zharoff, Alaska Legislature
Rep. Clifford Davidson, Alaska Legislature
Tony Smith, Commissioner, Alaska Dept. of
Commerce
Ms. Merry Tuten, Exec. Dir., Alaska Seafood
Marketing Institute
Commissioner of Patents & Trademarks
Patent and Trademark Office
Department of Commerce
Washington, D. C. 20231

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 87-332

A RESOLUTION OF THE ASSEMBLY OF THE
CITY AND BOROUGH OF SITKA
OPPOSING RECORDATION OF TRADE NAME
"ALASKAN SEAFOOD COMPANY"

WHEREAS, the seafood resources and the developing seafood industry of the State of Alaska are vital to the State's overall economy, especially in view of declining oil revenues; and

WHEREAS, since 1980 the State of Alaska has expended significant financial resources through the Alaska Seafood Marketing Institute to successfully promote Alaskan seafood products in United States and international markets; and

WHEREAS, consumers are entitled to expect products labeled in any form suggesting "Alaskan Seafood" to be, in fact, seafood of Alaskan origin; and

WHEREAS, appearing in Volume 51, No. 228 of the Federal Register, dated Wednesday, November 26, 1986, is the announcement of an applicant for recordation of Trade Name "Alaskan Seafood Company" of Chandler, Arizona, which applicant proposes to use said trade name in connection with fresh-frozen seafood manufactured in Mexico and the United States,

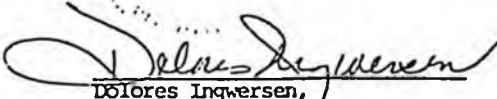
NOW, THEREFORE, BE IT RESOLVED that the Assembly of the City and Borough of Sitka, Alaska joins the City of Kodiak and the Kodiak Island Borough in opposition to the recordation of the trade name "Alaskan Seafood Company" to the Arizona Corporation in connection with Mexican manufactured seafood products.

BE IT FURTHER RESOLVED that the Assembly of the City and Borough of Sitka strongly urges the Commissioner of Customs, and the Entry, Licensing, and Restricted Merchandise Branch to reject the application of any corporation proposing use of a trade name suggesting Alaskan seafood products, unless such products are, in fact, of Alaska origin and United States manufacture.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 26th day of JANUARY, 1987.


Dan Keck, Mayor

ATTEST:


Dolores Ingwersen,
Municipal Clerk



January 12, 1987

Mr. William Von Raab, Commissioner
United States Customs Service
1021 Constitution Avenue, N.W.
Washington, DC 20229

Dear Commissioner Von Raab:

The Federal Register for November 26, 1986 (Vol. 51 #228) carried an announcement of an application to record the trade name "Alaskan Seafood Company" of Chandler, Arizona. The application proposes to use that trade name in connection with fresh-frozen seafood manufactured in Mexico and the United States.

As indicated by the attached resolution, the City of Kodiak, Alaska strongly objects to the allowance of that trade name for a product which will not originate or be manufactured in Alaska. Further, we object to the recording of any trade name now, or in the future, which would include the word "Alaska" or "Alaskan" for any seafood product which does not originate in Alaska.

Fish consumption is on the increase in the U.S.A., and rightfully so, since fish has been proven to be nutritious, healthful, safe--and actually deters or retards the formation of cholesterol. But such an increase in consumption is not accidental or coincidental. Much of it has resulted from recent scientific research, but much also has resulted from extensive financial expenditures by the State of Alaska promoting Alaskan seafood products in the U.S.A. Alaskan seafood resources and the developing seafood industry of the State of Alaska are vital to the State's overall economy.

Several years ago there was a recall of canned Alaskan seafood, and the repercussions of that recall were--and still are--felt significantly. Those who buy a product suggesting "Alaskan seafood" are entitled to a product of Alaskan origin. Should a product be recalled bearing a trade name "Alaska" or "Alaskan" which, in fact, did not originate in Alaska, the impact of that recall would nevertheless be felt strongly in the Alaskan fishing and fish-processing industry. Hence, we cannot allow any company

Commissioner William Von Raab
January 12, 1987
Page 2

dealing in products which do not originate in Alaska, to trade on the "Alaskan" image. The Alaskan image is one of clean, cold water, clean air, shining mountains and untouched wilderness--all of which imply products which are uncontaminated by high populations and/or commercial and industrial activity.

We urge that the application of the Chandler, Arizona firm for the trade name "Alaskan Seafood Company" be denied. We urge further that any future, similar attempt by any company to exploit the words "Alaska" or "Alaskan" be disallowed, when the product produced is not caught, processed or produced in any manner in Alaska or Alaskan waters.

We respectfully request, if possible, that any future applications for seafood products which contain the words "Alaska" or "Alaskan" be investigated and verified for origin of the product, or that the State of Alaska, Department of Commerce and Economic Development, and the Alaska Seafood Marketing Institute be informed of such applications before action is taken to consider them for approval.

Respectfully,

CITY OF KODIAK


Samuel C. Gesko, Jr.
City Manager

BY DIRECTION

SCG/keh

cc: The Honorable Steve Cowper, Governor, State of Alaska
The Honorable Frank H. Murkowski, U. S. Senator
The Honorable Ted Stevens, U. S. Senator
The Honorable Donald E. Young, U. S. House of Rep.
The Honorable Fred Zharoff, Senator, State of Alaska
The Honorable Clifford Davidson, Alaska House of Rep.
Tony Smith, Commissioner, Alaska Dept. of Commerce
Kodiak Area Native Association, OEDP Committee
Ms. Merry Tuten, Exec. Dir., Alaska Seafood Marketing Inst.

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST: _____

Bill Version : CSHJR 17 (L&C)
Publish Date : _____

Revision Date: _____

Agency Affected: _____

Title : Trade names/Alaska seafood products

BRU: _____

Sponsor : Navarre et al

Components : _____

Requestor : _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

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

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


FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)



Prepared by: House Labor & Commerce

Phone: 465-3892

Division: _____

Date: 3/5/87

Approved by Commissioner: _____

Date: _____

Agency: _____

Distribution (by preparer) :

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

HJR

18

REPRESENTATIVE DAVE DONLEY

ALASKA STATE LEGISLATURE
DISTRICT ELEVEN • SPENARD

PO. BOX V, JUNEAU 99811
(907) 465-3892



CHAIRMAN
LABOR AND COMMERCE
COMMITTEE

MEMBER
STATE AFFAIRS COMMITTEE
HEALTH, EDUCATIONAL
AND SOCIAL SERVICES COMMITTEE
INTERNATIONAL TRADE
SUB-COMMITTEE

March 3, 1987

MEMORANDUM

To: Members, House Labor and Commerce Committee

From: Representative Dave Donley

Re: HJR 18 - "Proposing an amendment to the Constitution of the State of Alaska relating to resident preference under the equal protection clause"

HJR 18 was introduced in response to concerns voiced by some Alaska State Supreme Court Justices in the Francis v Robinson case that overturned the 1985 Alaska hire law.

Specifically, the justices implied that Alaska's Constitution has potentially stronger prohibitions against local hire than federal law requires.

HJR 18 proposes an amendment to Alaska's Constitution to clarify the right of state government to give reasonable preferences to Alaskans and to make Alaska's constitution consistent with the U.S. Constitution (see attached).

This measure would help clear our way in adopting meaningful local hire legislation that can meet a constitutional challenge.

U.S CONSTITUTION

1. Privileges and Immunities Clause, Article IV, Sec. 2:

"The citizens of each state shall be entitled to all the privileges and immunities of citizens in the several States."

2. Equal Protection Clause, 14th Amendment:

"No state shall ...deny any person within its jurisdiction the equal protection of the laws."

3. Commerce Clause, Article I, Sec. 8, Clause 3:

"The Congress shall have power... to regulate commerce with foreign nations, and among the several states, and with Indian tribes."

HOUSE COMMITTEE REPORT

(7)

Date referred: 2/20/87

FURTHER REFERRALS: Judiciary

DATE: 3/3/87

The Labor & Commerce Committee has considered HJR 18

Proposing an amendment to the Constitution of the State of Alaska relating to resident preference under the equal protection clause.

RECOMMENDS:

- replace with HJR 18 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 same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

Steve Kopman

Carl Johnson

Cliff Davidson

Dave H. Douley

J. H. Elliot

SIGNING OTHER RECOMMENDATIONS:

W. F. Finmore

Dave H. Douley

 Chairman's signature

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST: _____

Bill Version: _____
Publish Date: _____

Revision Date: HJR #18

Agency Affected: Office of the Governor

Title: Amend. to Consti. relating to resident

BRU: Division of Elections

preference under the equal protection clause

Sponsor: Donley

Components: II

Requestor: Donley

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL			2.2			
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING			2.2			
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND			2.2			
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

* Costs included cover 2 to 3 additional pages in each Official Election Pamphlet, for printing and typesetting, and costs estimated to cover computer programming requirements for vote

(cont.)

Prepared by: Linda Edgeworth

Phone: 465-4611

Division: Elections

Date: 2-24-87

Approved by Commissioner: Carol P. Kartlein
Agency: Office of the Governor/ Division of Elections

Date: 2-27-87

Distribution (by preparer):

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

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. HJR #18

counting purposes. However, these costs are based on the assumption that all candidates and issues will fit on three ballot cards, which is the norm. It should be noted, however that should the inclusion of this issue require a 4th ballot to be printed, the cost increase would have to be calculated at 16 cents per ballot x approximately 320,000 voters. The total cost of printing the additional ballot card would be \$51.2.

Under these circumstances the fiscal note would be:

53.4

REPRESENTATIVE DAVE DONLEY

ALASKA STATE LEGISLATURE
DISTRICT ELEVEN - SPENARD

PO. BOX V, JUNEAU 99811
(907) 465-3892



CHAIRMAN
LABOR AND COMMERCE
COMMITTEE

MEMBER
STATE AFFAIRS COMMITTEE
HEALTH, EDUCATIONAL
AND SOCIAL SERVICES COMMITTEE
INTERNATIONAL TRADE
SUB-COMMITTEE

March 3, 1987

MEMORANDUM

To: Members, House Labor and Commerce Committee
From: Representative Dave Donley
Re: HJR 18 - "Proposing an amendment to the Constitution of the State of Alaska relating to resident preference under the equal protection clause"

HJR 18 was introduced in response to concerns voiced by some Alaska State Supreme Court Justices in the Francis v Robinson case that overturned the 1985 Alaska hire law.

Specifically, the justices implied that Alaska's Constitution has potentially stronger prohibitions against local hire than federal law requires.

HJR 18 proposes an amendment to Alaska's Constitution to clarify the right of state government to give reasonable preferences to Alaskans and to make Alaska's constitution consistent with the U.S. Constitution (see attached).

This measure would help clear our way in adopting meaningful local hire legislation that can meet a constitutional challenge.

U.S CONSTITUTION

1. Privileges and Immunities Clause, Article IV, Sec. 2:

"The citizens of each state shall be entitled to all the privileges and immunities of citizens in the several States."

2. Equal Protection Clause, 14th Amendment:

"No state shall ...deny any person within its jurisdiction the equal protection of the laws."

3. Commerce Clause, Article I, Sec. 8, Clause 3:

"The Congress shall have power... to regulate commerce with foreign nations, and among the several states, and with Indian tribes."

HJR

19

HOUSE COMMITTEE REPORT

(7)

Date referred: 2/20/87

FURTHER REFERRALS: Judiciary

DATE: 3/3/87

The Labor & Commerce Committee has considered HJR 19

Relating to resident hire on federal projects in the state.

RECOMMENDS:

- replace with CS HJR 19 [etc] 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 same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

Dave Douley

Ellis

Smith

Boyer

Topper

SIGNING OTHER RECOMMENDATIONS:

W. Furnace

Dave Douley
Chairman's signature

IN THE HOUSE

BY DONLEY

HOUSE JOINT RESOLUTION NO. 19
IN THE LEGISLATURE OF THE STATE OF ALASKA
FIFTEENTH LEGISLATURE - FIRST SESSION

Requesting the federal government to
hire Alaskans for federal jobs and
projects in the state

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

WHEREAS because of its unque climate and its distance from the contiguous states, Alaska has historically suffered from unique social, geographic, and economic conditions that result in an unstable economy; and

WHEREAS the promotion of a resident-based workforce is good local, state, and federal policy; and

WHEREAS the rate of unemployment among residents of the state is one of the highest in the nation; and

WHEREAS the unstable economy is a hardship on the residents of the state and is aggravated by the large numbers of seasonal and transient workers; and

WHEREAS chronic unemployment leads to severe social problems including crime, alcoholism, domestic violence, suicide, child abuse and drug abuse; and

WHEREAS the number of state residents who are unable to find work is considerably higher than is reflected by unemployment rates based on nationally accepted measures, in part because many rural state residents who wish to work do not seek employment as frequently as necessary to meet federal definitions of unemployment because of continuing lack of employment opportunities in rural areas of the state; and

WHEREAS construction projects funded wholly or partially with federal funds have traditionally accounted for a substantial percentage of the available employment in the state; and

WHEREAS federal construction spending in Alaska has a significantly greater effect on the state's economy than is the case in most other states; and

WHEREAS permanent, temporary, and seasonal jobs funded through federal agencies such as the Bureau of Land Management and the National Park Service have traditionally accounted for a substantial percentage of the available jobs in Alaska, particularly in rural areas of the state; and

WHEREAS it is inherently fair that unemployed local residents in areas of high unemployment have first chance at being hired for jobs created by government spending in those areas; and

WHEREAS, for constitutional reasons, many aspects of laws requiring local hire for government funded projects are better addressed by federal legislation than by state legislation;

BE IT RESOLVED that the Alaska State Legislature encourages the federal government to hire as many state residents as possible and practicable for federal positions located in the state, including temporary and seasonal positions; and

BE IT FURTHER RESOLVED by the Alaska State Legislature that members of the Alaska delegation in Congress are requested to introduce and seek the passage of federal legislation giving an employment preference to unemployed qualified state residents on all construction projects in the state that are wholly or partially funded with federal funds.

COPIES of this resolution shall be sent to the Honorable Ronald Reagan, President of the United States and the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress, and John Katz, Special Assistant to the Governor in Washington D.C., and to the Secretaries of Defense, Interior, Commerce, and Labor.

Original sponsors: Donley, Gruenberg,
Boyer, et al.

1 IN THE HOUSE

BY THE LABOR AND
COMMERCE COMMITTEE

2 CS FOR HOUSE JOINT RESOLUTION NO. 19 (L&C)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 Relating to resident hire on federal
6 projects in the state.

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

8 WHEREAS because of its unique climate and its distance from the con-
9 tiguous states, Alaska has historically suffered from unique social, geo-
10 graphic, and economic conditions that result in an unstable economy; and

11 WHEREAS the promotion of a resident-based workforce is good local,
12 state, and federal public policy; and

13 WHEREAS the rate of unemployment among residents of the state is one
14 of the highest in the nation; and

15 WHEREAS the unstable economy is a hardship on the residents of the
16 state and is aggravated by the large numbers of seasonal and transient
17 workers; and

18 WHEREAS chronic unemployment leads to severe social problems, includ-
19 ing crime, alcoholism, domestic violence, suicide, child abuse, and drug
20 abuse; and

21 WHEREAS the number of state residents who are unable to find work is
22 considerably higher than is reflected by unemployment rates based on na-
23 tionally accepted measures, in part because many rural state residents who
24 wish to work do not seek employment as frequently as necessary to meet
25 federal definitions of unemployment because of continuing lack of employ-
26 ment opportunities in rural areas of the state; and

27 WHEREAS construction projects funded wholly or partially with federal
28 funds have traditionally accounted for a substantial percentage of the
29 available employment in the state; and

1 WHEREAS federal construction spending in Alaska has a significantly
2 greater effect on the state's economy than is the case in most other
3 states; and

4 WHEREAS permanent, temporary, and seasonal jobs funded through federal
5 agencies such as the Bureau of Land Management and the National Park Ser-
6 vice have traditionally accounted for a substantial percentage of the
7 available jobs in Alaska, particularly in rural areas of the state; and

8 WHEREAS it is inherently fair that unemployed local residents in areas
9 of high unemployment have first chance at being hired for jobs created by
10 government spending in those areas; and

11 WHEREAS, for constitutional reasons, many aspects of laws requiring
12 local hire for government funded projects are better addressed by federal
13 legislation than by state legislation;

14 BE IT RESOLVED that the Alaska State Legislature encourages the feder-
15 al government to hire as many state residents as possible and practicable
16 for federal positions located in the state, including temporary and season-
17 al positions; and be it

18 FURTHER RESOLVED by the Alaska State Legislature that members of the
19 Alaska delegation in Congress are requested to introduce and seek the
20 passage of federal legislation giving an employment preference to unem-
21 ployed qualified state residents on all construction projects in the state
22 that are wholly or partially funded with federal funds.

23 COPIES of this resolution shall be sent to the Honorable Ronald
24 Reagan, President of the United States; the Honorable Malcolm Baldrige,
25 Secretary of Commerce; the Honorable Caspar W. Weinberger, Secretary of
26 Defense; the Honorable Donald P. Hodel, Secretary of the Interior; the
27 Honorable William E. Brock III, Secretary of Labor; the Honorable Ted
28 Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable
29 Don Young, U.S. Representative, members of the Alaska delegation in
CSHJR 19(L&C)

1 Congress; and to John Katz, Director of State/Federal Relations, Office of
2 the Governor.

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IN THE HOUSE

BY DONLEY

HOUSE JOINT RESOLUTION NO. 19
IN THE LEGISLATURE OF THE STATE OF ALASKA
FIFTEENTH LEGISLATURE - FIRST SESSION

Requesting the federal government to
hire Alaskans for federal jobs and
projects in the state

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

WHEREAS because of its unque climate and its distance from the contiguous states, Alaska has historically suffered from unique social, geographic, and economic conditions that result in an unstable economy; and

WHEREAS the promotion of a resident-based workforce is good local, state, and federal policy; and

WHEREAS the rate of unemployment among residents of the state is one of the highest in the nation; and

WHEREAS the unstable economy is a hardship on the residents of the state and is aggravated by the large numbers of seasonal and transient workers; and

WHEREAS chronic unemployment leads to severe social problems including crime, alcoholism, domestic violence, suicide, child abuse and drug abuse; and

WHEREAS the number of state residents who are unable to find work is considerably higher than is reflected by unemployment rates based on nationally accepted measures, in part because many rural state residents who wish to work do not seek employment as frequently as necessary to meet federal definitions of unemployment because of continuing lack of employment opportunities in rural areas of the state; and

WHEREAS construction projects funded wholly or partially with federal funds have traditionally accounted for a substantial percentage of the available employment in the state; and

WHEREAS federal construction spending in Alaska has a significantly greater effect on the state's economy than is the case in most other states; and

WHEREAS permanent, temporary, and seasonal jobs funded through federal agencies such as the Bureau of Land Management and the National Park Service have traditionally accounted for a substantial percentage of the available jobs in Alaska, particularly in rural areas of the state; and

WHEREAS it is inherently fair that unemployed local residents in areas of high unemployment have first chance at being hired for jobs created by government spending in those areas; and

WHEREAS, for constitutional reasons, many aspects of laws requiring local hire for government funded projects are better addressed by federal legislation than by state legislation;

BE IT RESOLVED that the Alaska State Legislature encourages the federal government to hire as many state residents as possible and practicable for federal positions located in the state, including temporary and seasonal positions; and

BE IT FURTHER RESOLVED by the Alaska State Legislature that members of the Alaska delegation in Congress are requested to introduce and seek the passage of federal legislation giving an employment preference to unemployed qualified state residents on all construction projects in the state that are wholly or partially funded with federal funds.

COPIES of this resolution shall be sent to the Honorable Ronald Reagan, President of the United States and the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress, and John Katz, Special Assistant to the Governor in Washington D.C., and to the Secretaries of Defense, Interior, Commerce, and Labor.

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

CSHJR 19

REQUEST: _____

Bill Version : _____
Publish Date : _____

Revision Date: _____
Title : Resident hire on federal projects

Agency Affected : _____
BRU : _____

Sponsor : Donley
Requestor : House Labor & Commerce

Components : _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE						

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by : House Labor & Commerce
Division : Donley

Phone : 465-3892
Date : 3/3/87

Approved by Commissioner : _____
Agency : _____

Date : _____

Distribution (by preparer) :

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

HJR

22

STATE OF ALASKA
THE LEGISLATURE

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907-465-3800

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

House L. J. C.:

March 24, 1987

Alaska State Legislature

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REPRESENTATIVE
MARK BOYER

HOUSE FINANCE COMMITTEE



House of Representatives

MEMORANDUM

TO: Representative Dave Donley, Chairman
House Labor and Commerce Committee
Committee Members

FROM: Representative Mark Boyer *M/8*

SUBJECT: House Joint Resolution 22

DATE: March 19, 1987

Military construction has played a major role in the Alaskan economy for decades, and the anticipated Department of Defense construction schedule for the next two years will rival that of any other time in the state's history. The economic downturn caused by the dramatic drop in oil prices and the resultant decline in state revenues will increase the significance of military construction activity in the economy, giving it a prominence it has not had since the construction of the DEW Line in the Fifties.

Preparations for deployment of the 6th Light Infantry Division at Fort Wainwright and Fort Richardson will involve contracts for construction, maintenance and repair estimated at \$134 million in FY 87 alone. The FY 88 plan for military construction in Alaska includes \$80 million for the naval facility at Adak, \$38 million for Shemya Air Force Base, and \$100 million for Fort Wainwright. A major upgrade of the DEW Line, including construction of two new sites, and the construction of the Backscatter over-the-horizon radar system in the Tok and Glenallen areas will require hundreds of millions of dollars in additional military expenditure in the next few years. The millions which are paid in wages on these projects can give our sagging economy a much needed boost, if the workers employed are Alaskans.

Recent figures released by the Department of Labor would indicate that this might not be the case. In 1985, 77,000 non-resident workers earned \$691 million in Alaska, at a time when many of our own workers were losing their homes and leaving the state to find work. Fortunately, recent federal

legislation may offer a solution to the problem of non-resident workers displacing Alaskans from construction jobs on military projects.

Section 8078 of the 1986 Defense Appropriations Act, enacted on December 23, 1985, requires that whenever the unemployment rate in Alaska or Hawaii exceeds the national average as determined by the Secretary of Labor, employment on service and construction contracts awarded in FY 86 will be restricted to residents of the state. Subpart 22.72 of the Defense Federal Acquisition Regulation Supplement was approved for publication in the Federal Register on January 24, 1986. It details the preferential hire provision of Section 8078, and adds a new clause for inclusion in bid documents and contracts (52.222-7002 "Restrictions on Employment of Personnel").

Our congressional delegation was able to have the resident hire provisions included in the FY 87 Appropriations Act and will attempt to extend it through FY 89 as well. The 8078 resident hire restrictions remain in effect with an appropriation for the life of the project. Given the large amount of defense spending in Alaska during the affected fiscal years, the resident preference provisions could have a lasting positive impact on employment in the state, at a time when it is most needed, due to severely reduced state capital expenditure.

Any resident hire law is only as good as the means provided for its enforcement. Without additional compliance personnel the Corps of Engineers can not be expected to enforce the resident hire provisions, and even if additional personnel were provided, it is probable that compliance with 8078 would be minimal at best. Unlike our state government, which divides the duties of building facilities and enforcing labor laws associated with their construction between the Department of Transportation/ Public Facilities and the Department of Labor, the federal government leaves labor law enforcement to the contracting agency overseeing the construction of a project. This creates a built-in conflict of interest, and the primary mission of the construction entity will invariably prevail. Bacon-Davis compliance monitoring on Fort Wainwright and Eielson has been woefully inadequate since the start of the Eielson build-up in 1982, and Corps of Engineers personnel have no experience with the concept of resident hire. It is likely that the term "resident" will be interpreted as broadly as possible by the Corps inspectors to avoid friction with contractors and interference with the progress of the project.

The Alaska Department of Labor, on the other hand, has experience in the field of resident hire enforcement under the Title 36 preferential hire requirements which were in effect until the Francis vs. Robison decision. That case, which

involved a worker from Montana who was laid off by a subcontractor on the North Pole High School construction, is telling evidence of the department's effective administration of the resident hire statute. Even with a thirty day definition of residency, which lends itself to fraud virtually impossible to prove, Wage and Hour cited many employers for violation of the state 95% resident hire requirement before the Francis decision declared the law unconstitutional. The federal government, as the embodiment of the several states, has broader constitutional authority to enact legislation favoring one of those states, and the resident preference provision of section 8078 is an example of that prerogative. It also represents an opportunity for the state Department of Labor to utilize its expertise in the field of resident hire enforcement to improve employment opportunities for Alaskan workers.

Governor Cowper has asked the Secretary of Defense to enter into a cooperative agreement with the Alaska Department of Labor whereby state Wage and Hour personnel would monitor compliance with the 8078 resident preference requirements on military construction projects in Alaska. Commissioner Sampson has sent Deputy Commissioner Rick Erickson to Washington to confer with John Katz and officials of the Department of Defense this week. With hundreds of millions of dollars in construction projects scheduled for Alaska in the fiscal years covered by resident hire provisions, it is incumbent upon this body to ensure compliance with those requirements to the fullest extent possible. House Joint Resolution 22 puts us on record in support of a cooperative agreement between the Department of Defense and the Alaska Department of Labor and urges Congress to extend the resident hire preferences on military appropriations through Fiscal Year 88. The administration and the congressional delegation will be working toward this end, and an expeditious statement of support by the legislature is appropriate and timely.