

ALASKA LEGISLATURE COMMITTEE FILES 1987-1988 8672

5087 HSTA HB 365 - HB 420

659

**STATE OF ALASKA 1988 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST:Bill Version : HB 365Publish Date : HOUSE 1/15/88

Revision Date: _____

Agency Affected: RevenueTitle: Delegation of responsibilities of APFC Board of Trustees; relating to liabilityBRU: Alaska Permanent Fund CorporationSponsor: of APFC, board, employees.

Components: _____

Requestor: By Rules Committee by Request of Governor**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-
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-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
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-

There is no fiscal impact on the Alaska Permanent Fund Corporation's budget with this legislation.

ANALYSIS : (Attach a separate page if necessary) This bill consists of technical amendments to the Alaska Permanent Fund statute. The amendments add new sections which authorize the delegation of the board's authority to corporation employees and investment managers; provides liability protection; authorizes creation of subtrusts to prevent jeopardizing the Fund's assets.

Prepared by: David A. Rose, Executive DirectorPhone: 465-2047Division: Alaska Permanent Fund CorporationDate: 12/29/87Approved by Commissioner: *David C. Rose*Date: 12/29/87Agency: Alaska Permanent Fund Corporation (Dept. of Revenue)**Distribution (by preparer):**

Legislative Finance

Legislative Sponsor

Requestor

Office of Management and Budget

Impacted Agency(ies)

Senate Secretary

H B

3 6 6

HOUSE STATE AFFAIRS COMMITTEE

NEXT COMMITTEE: HESS

BILL: HB 366

CURRENT VERSION:

SCHEDULED: FEBRUARY 19, 1988

SPONSOR: GOVERNOR

PHONE NO: 3030

CONTACT FILE: _____

BILL SUBJECT: RELATING TO SUBROGATION OF MEDICAL BENEFITS

SPONSOR BACKUP: IN FILES

AFFECTED AGENCIES:

<u>DEPARTMENT</u>	<u>CONTACT/PHONE</u>	<u>COMMENT</u>
H&SS	KAREN PURDUE/3030	
H&SS	RANDY SUPER	

FISCAL NOTES

<u>AGENCY</u>	<u>REQUESTED</u>	<u>DATED</u>	<u>FY 88 AMT</u>	<u>FY 89 AMT</u>
H&SS/MEDICAL ASSISTANCE		1/15/88	-0-	-0-

ACTION

<u>DATE</u>	<u>COMMENT</u>
2/19/88	PASSED FROM HOUSE STATE AFFAIRS

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 minuces 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 State Affs:

Feb. 19, 1988

HOUSE COMMITTEE REPORT

(7)

Date referred: 1/15/88

FURTHER REFERRALS: HESS

DATE: 2-19-88

The State Affairs Committee has considered HB 366

"An Act relating to subrogation of medical benefits; and providing for an effective date."

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:

[Handwritten Signature]

[Handwritten Signature]

[Handwritten Signature]

SIGNING OTHER RECOMMENDATIONS:

[Handwritten Signature]

 Chairman's signature

Dis Medical Assistance

- 1) 26 cases settled without STAN
know about - \$300,000 -
help identify turn cases.
- 2) Receipt Hospital spleen -
STAN 23,000
14,000 out of standing
50,000 settlement
\$34,000 After - Hospital
got Recd -

Success

HR 366

"An Act relating to subrogation of medical benefits; and providing for an effective date."

I. Purpose of HB 366

The purpose of HB 366 is to enhance the states right to recover medical assistance payments made on behalf of recipients who file successful law suits, or receive out of court settlements, based on the accident or injury for which medical assistance was paid.

II. Sectional Analysis

Section 1 First, section 1 amends AS 47.05.070(b) by requiring a recipient of medical assistance to notify the Department of Health and Social Services in writing of any action or claim that the recipient has against a third party if the medical assistance was provided because of injury or illness for which the third party might be liable.

Secondly, section 1 amends AS 47.05.070(b) by requiring a medical provider to notify the Department of Health and Social Services in writing when the provider files a lien for unpaid medical assistance against a judgement, award, or settlement that is obtained by or on behalf of a recipient of medical assistance, and provides that the state's rights under AS 47.05.070 have priority over such a lien. This will ensure that the department is aware of such liens and can act in time to protect the state's rights under AS 47.05.070.

III. Summary

Federal Medicaid laws require states to pursue third party resources available to recipients, including recouping expenditures made on behalf of recipients for medical treatment for accidents or injuries caused by a liable third party. If enacted, this legislation would provide the department with additional tools for locating potential legal actions, and would allow the department undisputable first right of recovery in such actions.

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 15, 1988

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

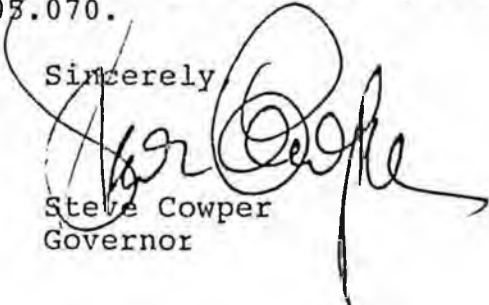
Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the subrogation of medical benefits.

The bill amends AS 47.05.070(b) by requiring a recipient of medical assistance to notify the Department of Health and Social Services (department) in writing of any action or claim that the recipient has against a third party if the medical assistance was provided because of the injury or illness for which the third party might be liable. The notification should enhance the state's ability to recover some medical assistance payments.

The amendments to AS 47.05.070(b) also require a medical provider to notify the department in writing when the provider files a lien for unpaid medical assistance against a judgment, award, or settlement that is obtained by or on behalf of a recipient of medical assistance, and provide that the state's rights under AS 47.05.070 have priority over such a lien. This will ensure that the department is aware of such liens and can act in time to protect the state's rights under AS 47.05.070.

Sincerely,



Steve Cowper
Governor

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: An Act relating to subrogation of
medical benefits: efd.
Sponsor: Governor
Requestor: _____

Agency Affected: Health & Social Services
BRU: Medical Assistance
Components: Medicaid Facilities, Medicaid
Non-facilities, General Relief Medical

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

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL		0	0	0	0	0

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Enactment of this legislation should increase the recovery of funds spent on behalf of recipients of Medicaid and General Relief Medical Assistance; however, estimates of such recoveries cannot be made with any validity at this time.

Prepared by: Kim Busch, Director *Kim Busch*
Division: Medical Assistance

Phone: 465-3355
Date: 12/21/87

(*) Approved by Commissioner: Myra M. Munson *Myra M. Munson*
Agency: Health and Social Services

Date: 12/28/87

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

Myra M. Munson
2-17-88

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

HB 366

"An Act relating to subrogation of medical benefits; and providing for an effective date."

I. Purpose of HB 366

The purpose of HB 366 is to enhance the states right to recover medical assistance payments made on behalf of recipients who file successful law suits, or receive out of court settlements, based on the accident or injury for which medical assistance was paid.

II. Sectional Analysis

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III. Summary

Federal Medicaid laws require states to pursue third party resources available to recipients, including recouping expenditures made on behalf of recipients for medical treatment for accidents or injuries caused by a liable third party. If enacted, this legislation would provide the department with additional tools for locating potential legal actions, and would allow the department undisputable first right of recovery in such actions.

IV. Recommendations

The Department strongly recommends passage of HB 366 to clearly establish the states first right to recovery of medical assistance payments.

Recommended By: Kim Busch
Kim Busch, Director
Division of Medical Assistance

Date: 2-17-88

Approved By: Myra M. Munson
Myra M. Munson, Commissioner
Department of Health and
Social Services

Date: 2-17-88

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 15, 1988

cc

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

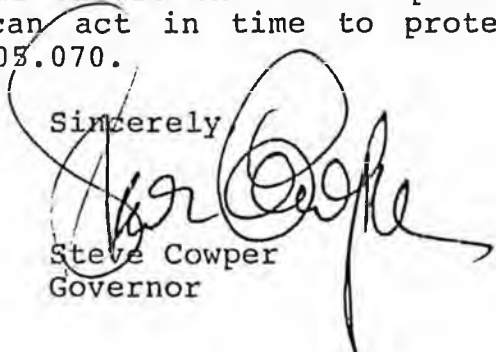
Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the subrogation of medical benefits.

The bill amends AS 47.05.070(b) by requiring a recipient of medical assistance to notify the Department of Health and Social Services (department) in writing of any action or claim that the recipient has against a third party if the medical assistance was provided because of the injury or illness for which the third party might be liable. The notification should enhance the state's ability to recover some medical assistance payments.

The amendments to AS 47.05.070(b) also require a medical provider to notify the department in writing when the provider files a lien for unpaid medical assistance against a judgment, award, or settlement that is obtained by or on behalf of a recipient of medical assistance, and provide that the state's rights under AS 47.05.070 have priority over such a lien. This will ensure that the department is aware of such liens and can act in time to protect the state's rights under AS 47.05.070.

Sincerely



Steve Cowper
Governor

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: An Act relating to subrogation of
medical benefits: efd.
Sponsor: Governor
Requestor: _____

Agency Affected: Health & Social Services
BRU: Medical Assistance

Components: Medicaid Facilities, Medicaid
Non-facilities, General Relief Medical

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

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL		0	0	0	0	0

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Enactment of this legislation should increase the recovery of funds spent on behalf of recipients of Medicaid and General Relief Medical Assistance; however, estimates of such recoveries cannot be made with any validity at this time.

Prepared by: Kim Busch, Director *Kim Busch* Phone: 465-3355
Division: Medical Assistance Date: 12/21/87

(R) Approved by Commissioner: Myra M. Hanson *Myra M. Hanson* Date: 12/28/87
Agency: Health and Social Services

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

Myra M. Hanson
2-17-88

HB

374

BILL NUMBER HB 374 34

DATE	ACTION
2/1/88	MOVED OUT AS CS

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

House State Affrs:

Feb. 1, 1988



Alaska Court System
State of Alaska

OFFICE OF ADMINISTRATIVE DIRECTOR

JANALEE R. STRANDBERG
Staff Counsel

February 1, 1988

303 K Street
Anchorage, AK 99501
(907) 264-8228

Representative Fran Ulmer
Chair, House State Affairs
Alaska State Legislature
Room 102, Capitol
Juneau, AK 99811

Re: HB 374

Dear Representative Ulmer:

The court system has several comments on HB 374. First, the court system suggests that it be the recipient of the lists that will comprise the jury list, so that "court system" should replace "Department of Administration" in section one, lines 23 and 24. Second, the court system would like each person's sex and and social security number (if available) included on the list as well as the date the information was received by the transmitting agency (section one, line 2, page 3). Third, for administrative efficiency the court system would like to specify the format of the magnetic tape on which the lists will be entered.

Finally, we suggest adding a provision requiring vital statistics to transmit to the court system a list of death certificates including each decedent's date of death filed the preceding calendar year. Without a provision of this nature, we have no way of purging our jury lists of the names of those persons who have died.

Thank you for considering these comments. I would be happy to discuss them with you or to answer any questions you may have.

Sincerely,

Janalee R. Strandberg
Janalee R. Strandberg
Staff Counsel

JRS:bh

2/1/88-2

HOUSE COMMITTEE REPORT

(7)

Date referred: 1/20/88

FURTHER REFERRALS:

Judiciary
Finance

DATE: 2-1-88

The State Affairs Committee has considered HB 374

"An Act relating to selection of the jury list."

RECOMMENDS:

- replace with CS HB 374 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]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

SIGNING OTHER RECOMMENDATIONS:

[Signature]
Chairman's signature

FISCAL NOTE

REQUEST

Revision Date: _____
Title: An Act relating to selection
of the jury list
Sponsor: State Affairs Committee
Requestor: State Affairs Committee

Agency Affected: Revenue
BRU: Permanent Fund Dividend
Components: Permanent Fund Dividend
Operations

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS:

The Permanent Fund Dividend Division will be able to provide a tape listing of Permanent Fund Dividend applicants with the following information: first name, middle initial, last name, mailing address and birth date. We will not be able to provide a separate residence address or years and/or dates of residence. However, each applicant on file states that they were a resident of Alaska since at least prior to October 1.

Prepared By: Ervin Jones
Division: Permanent Fund Dividend Division

Phone: 465-2323
Date: January 25, 1988

Approved by Commissioner: [Signature]
Agency: Revenue

Date: 1/26/88

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

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: CSHB 374(SA)
PUBLISH DATE: HOUSE 2/3/88

FISCAL NOTE

REQUEST:

Revision Date: 1/29/88
Title: An Act relating to selection of the jury list.
Sponsor: STATE AFFAIRS COMMITTEE
Requestor: House State Affairs

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	0	0	0	0	0	0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

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

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Linda Edgeworth Phone: 465-4611
Division: Division of Elections Date: _____
Approved by Commissioner: [Signature] Date: 2/1/88
Agency: Office of the Governor

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

*CS / court system
being established
part of amendment*

1 IN THE HOUSE BY THE STATE AFFAIRS COMMITTEE

2 HOUSE BILL NO. 374

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to selection of the jury list."

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

8 * Section 1. AS 09.20.050(b) is amended to read:

9 (b) The jury list shall be based on a list prepared by the
10 Department of Fish and Game of all persons who purchased a resident
11 trapping, hunting, or fishing license during the preceding calendar
12 year which showed an Alaskan address [(TO BE PREPARED BY THE DEPART-
13 MENT OF FISH AND GAME)], a list prepared by the Department of Revenue
14 of all persons who filed an application for a distribution of Alaska
15 permanent fund income under AS 43.23.010 - 43.23.100 during the pre-
16 ceding calendar year which showed an Alaskan address [(TO BE PREPARED
17 BY THE DEPARTMENT OF REVENUE), A LIST OF ALL PERSONS WHO HAVE REGIS-
18 TERED TO VOTE IN THIS STATE (TO BE PREPARED BY THE DIRECTOR OF ELEC-
19 TIONS)], and, if considered necessary by the administrative director
20 of courts, a list prepared by the Department of Public Safety of all
21 persons who hold a valid Alaska drivers' license [(TO BE PREPARED BY
22 THE DEPARTMENT OF PUBLIC SAFETY)]. The departments [AND THE DIRECTOR
23 OF ELECTIONS] shall submit their respective lists to the Department of
24 Administration not later than January 15 of each year. To the extent
25 that it is available, the [LISTS SUBMITTED BY THE] departments [AND
26 THE DIRECTOR OF ELECTIONS] shall include [CONTAIN] the following
27 information for each person on a [THE] list for the preceding calendar
28 year: first name, middle initial, and last name; residence address as
29 well as mailing address, including the zip code for each; birth date;

1 and the number of years and months the person has been a resident of
2 the state. The lists [SUBMITTED BY THE DEPARTMENTS AND THE DIRECTOR
3 OF ELECTIONS] shall be recorded on magnetic tape compatible with
4 Department of Administration data processing equipment.

Original sponsor: State Affairs
Committee

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 374 (State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to selection and maintenance of the
7 jury list."

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

9 * Section 1. AS 09.20.050(b) is amended to read:

10 (b) The jury list shall be based on a list prepared by the
11 Department of Fish and Game of all persons who purchased a resident
12 trapping, hunting, or fishing license during the preceding calendar
13 year which showed an Alaskan address [(TO BE PREPARED BY THE DEPART-
14 MENT OF FISH AND GAME)], a list prepared by the Department of Revenue
15 of all persons who filed an application for a distribution of Alaska
16 permanent fund income under AS 43.23.010 - 43.23.100 during the pre-
17 ceding calendar year which showed an Alaskan address [(TO BE PREPARED
18 BY THE DEPARTMENT OF REVENUE), A LIST OF ALL PERSONS WHO HAVE REGIS-
19 TERED TO VOTE IN THIS STATE (TO BE PREPARED BY THE DIRECTOR OF ELEC-
20 TIONS)], and, if considered necessary by the administrative director
21 of courts, a list prepared by the Department of Public Safety of all
22 persons who hold a valid Alaska drivers' license [(TO BE PREPARED BY
23 THE DEPARTMENT OF PUBLIC SAFETY)]. The departments [AND THE DIRECTOR
24 OF ELECTIONS] shall submit their respective lists to the Alaska Court
25 System [DEPARTMENT OF ADMINISTRATION] not later than January 15 of
26 each year. To the extent that it is available, the [LISTS SUBMITTED
27 BY THE] departments [AND THE DIRECTOR OF ELECTIONS] shall include
28 [CONTAIN] the following information for each person on a [THE] list
29 for the preceding calendar year: first name, middle initial, and last

1 name; residence address as well as mailing address, including the zip
2 code for each; birth date; and the number of years and months the
3 person has been a resident of the state. The lists [SUBMITTED BY THE
4 DEPARTMENTS AND THE DIRECTOR OF ELECTIONS] shall be recorded on mag-
5 netic tape compatible with Alaska Court System [DEPARTMENT OF ADMINIS-
6 TRATION] data processing equipment.

7 * Sec. 2. AS 18.50.230 is amended by adding a new subsection to read:

8 (e) To assist the Alaska Court System to remove the names of
9 deceased persons from jury lists under AS 09.20.050(c), before the
10 15th day of each month, the state registrar of vital statistics shall
11 forward to the administrative director of the Alaska Court System the
12 names of persons for whom certificates of death were issued and
13 reported to the registrar during the preceding month.

HB

396

HOUSE STATE AFFAIRS COMMITTEE

NEXT COMMITTEE: JUDICIARY

BILL: HB 396

CURRENT VERSION:

SCHEDULED: APRIL 29, 1988

SPONSOR: MARTIN

PHONE NO: 3782

CONTACT FILE: _____

BILL SUBJECT: NOMINATION OF A CANDIDATE UNOPPOSED ON A PRIMARY ELECTION BALLOT

SPONSOR BACKUP: IN FILES

AFFECTED AGENCIES:

<u>DEPARTMENT</u>	<u>CONTACT/PHONE</u>	<u>COMMENT</u>
ELECTIONS	LINDA EDGEWORTH/4611	

FISCAL NOTES

<u>AGENCY</u>	<u>REQUESTED</u>	<u>DATED</u>	<u>FY 88 AMT</u>	<u>FY 89 AMT</u>
ELECTIONS		4/28/88	-0-	*

ACTION

<u>DATE</u>	<u>COMMENT</u>
4/29/88	HEARING: PASSED FROM HOUSE STATE AFFAIRS

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

House State Affairs:

April 29, 1988

(7)

HOUSE COMMITTEE REPORT

Date referred: 1/27/88

FURTHER REFERRALS:

Judiciary

DATE: 4-29-88

The State Affairs Committee has considered HB 396

"An Act relating to the nomination of a candidate unopposed on a primary election ballot; and providing for an effective date."

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:

[Signature]

[Signature]

Terry Martin

Cliff Davidson

SIGNING OTHER RECOMMENDATIONS:

[Signature]

[Signature]
Chairman's signature

SPONSOR STATEMENT
HB 396 - NOMINATION OF UNOPPOSED CANDIDATES

The intent of this legislation is simple. In a primary election, if only one candidate of a party properly files a declaration of candidacy for a specific office before the filing deadline as set forth in AS 15.25.040, then the candidate is automatically nominated. The candidates name need not appear on the primary ballot.

This measure will streamline the current system of preparing and distributing ballots.

/laj

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: HB 396
PUBLISH DATE: 1/27/88

REQUEST: FISCAL NOTE

Revision Date: _____
Title: An Act relating to nomination of
unopposed candidates
Sponsor: Martin
Requestor: House State Affairs

Agency Affected: Office of the Governor
BRU: Division of Elections
Components: II - Primary & General

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND		*	0	*	0	*
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary) * The fiscal impact of this bill would fluctuate year to year. It is impossible to predict the number of ballot Districts that would be impacted in any given year. However, for each unopposed candidate whose name would not appear on the ballot, there would be one less ballot plate required. Ballot plates cost approximately \$159.75 each.

Prepared by: Linda Edgeworth Phone: 465-4611
Division: Division of Elections Date: 4/28/88

Approved by Commissioner: Linda Edgeworth Date: 4/28/88
Agency: Office of the Governor

Distribution (by preparer): + 2488
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

H B

4 00

HOUSE STATE AFFAIRS COMMITTEE

NEXT COMMITTEE: FINANCE

BILL: HB 400

CURRENT VERSION:

SCHEDULED: 2/10/88

SPONSOR: MENARD

PHONE NO: 2679

CONTACT FILE: _____

BILL SUBJECT: RELATING TO THE PROCUREMENT PREFERENCE FOR STATE AGRICULTURAL AND FISHERIES PRODUCTS

SPONSOR BACKUP: LETTERS ENCLOSED

AFFECTED AGENCIES:

<u>DEPARTMENT</u>	<u>CONTACT/PHONE</u>	<u>COMMENT</u>
ADMINISTRATION	PUSHPENDER DHILLON/2200	

FISCAL NOTES

<u>AGENCY</u>	<u>REQUESTED</u>	<u>DATED</u>	<u>FY 88 AMT</u>	<u>FY 89 AMT</u>
ADMINISTRATION	2/3/88	2/10/88	-0-	-0-

ACTION

<u>DATE</u>	<u>COMMENT</u>
2/10/88	PASSED FROM HOUSE STATE AFFAIRS COMMITTEE

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 State Affrs:

Feb. 10-1988

(7)

HOUSE COMMITTEE REPORT

Date referred: 1/27/88

FURTHER REFERRALS: Finance

DATE: 2-10-88

The State Affairs Committee has considered HB 400

"An Act relating to the procurement preference for state agricultural and fisheries products."

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:

[Handwritten Signature]

[Handwritten Signature]

[Handwritten Signature]

[Handwritten Signature]

[Handwritten Signature]

SIGNING OTHER RECOMMENDATIONS:

[Handwritten Signature]

 Chairman's signature

close factory of \$ goods out of state
city & receive \$10. Buy the milk out
of state -

IF receive state money -
the go with 720 (1000)
part.

ALASKA STATE LEGISLATURE

Curt Menard

351 W. Swanson Ave.
Wasilla, Alaska 99687

Or
P.O. Box V
Juneau, Alaska 99811

373-CURT
376-5315 Work
376-5855 Home
465-2679 Juneau



BILL MANDATES 7% LOCAL PREFERENCE FOR AGRICULTURE/FISHERIES

I introduced HB400, "An act relating to the procurement preference for state agricultural and fisheries products."

Last year we passed Senate Bill 201 which required that when agricultural or fisheries products "are purchased using state money" they must be given a 7% preference if they are of like quality (AS 36.15.050-a and AS 36.15.050-b).

So why do we need new legislation?

Because it appears there is loophole in the law. Last year we saw the Anchorage School Board vote to go to Outside milk even though on a nearly half-million dollar contract the local firm using local Mat Maid milk bid over \$1,100 dollars over the bid from a local firm using Washington State milk!

Sen. Josephson sponsored SB201 last year and this year is sponsor of SB356, a companion bill to HB400. He and I lobbied the Anchorage School Board last year, as did other legislators, to honor the intent of the law.

Unfortunately, their legal staff said there was a loophole. They argued that although they received state money, they weren't actually using state money to purchase milk -- they were using state money to buy other things and using their own local funds to actually purchase the milk.

So, their lawyers told them, state law didn't specifically require local preference. What did the Board do? To save \$1,100 on a \$450,000 contract the Anchorage School Board voted to award the contract to Outside milk.

All my bill does is delete the word <using> and inserts: "by the state or by a municipality or school district that receives" state money.

I hope this change closes the loophole and spells it out to municipalities, state agencies and school boards that the Legislature is serious about supporting local products.

Of course this legislation has the potential to be a real shot in the arm for our dairy industry and for all competitive Alaskan agriculture and fisheries.

RECEIVED FEB 2 1988



Matanuska-Susitna Borough

BOX B, PALMER, ALASKA 99645 • PHONE 745-9689

BOROUGH MANAGER


February 2, 1988

The Honorable Curtis Menard
Alaska State Legislature
P. O. Box V, Mail Stop: 3100
Juneau, Alaska 99811

Dear Curt:

Thanks for your news release re. HB 400. We applaud
and support your efforts.

Sincerely,



John Hale
Borough Manager

er

CAD

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Administration
 Title: See * BRU: General Services & Supply
 Sponsor: Menard, Larson and Phillips Components: Purchasing
 Requestor: _____

* An Act Relating to the Procurement Preference for State Agricultural and Fisheries Products

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
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
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: (Attach a separate page if necessary)

This bill would have no effect on the Department of Administration as the law is already applicable to us. There would be an impact on school districts as they could be required to pay a premium of up to 7% on the agricultural products they purchase.

Prepared By: Robert J. Link, Director *Robert J. Link* Phone: 465-2250
 Division: General Services & Supply Date: 02/05/88

Approved by Commissioner: John M. Andrews *JM Andrews* Date: 2/10/88
 Agency: Department of Administration

Distribution (by preparer):

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

H B

4 16

HOUSE STATE AFFAIRS COMMITTEE

NEXT COMMITTEE: FINANCE

BILL: HB 416

CURRENT VERSION:

SCHEDULED: MARCH 9, 1988

SPONSOR: GOVERNOR

PHONE NO:

CONTACT FILE: \LLSA\HB416.DBF

BILL SUBJECT: ALASKA NATIONAL GUARD AND ALASKA NAVAL MILITIA RETIREMENT BENEFITS

SPONSOR BACKUP: TRANSMITTAL LETTER - ADDITIONAL INFORMATION PROVIDED BY DVMA

AFFECTED AGENCIES:

<u>DEPARTMENT</u>	<u>CONTACT/PHONE</u>	<u>COMMENT</u>
MILITARY AFF.	JEFF MORRISON/4600	
MARK BOYER	TOM BRICE/3466	

FISCAL NOTES

<u>AGENCY</u>	<u>REQUESTED</u>	<u>DATED</u>	<u>FY 88 AMT</u>	<u>FY 89 AMT</u>
MILITARY AFFAIRS		1/29/88	-0-	-0-
RETIREMENT		1/26/88	-0-	-0-

ACTION

<u>DATE</u>	<u>COMMENT</u>
2/10/88	HEARING: HELD IN COMMITTEE FOR FURTHER DELIBERATION
3/9/88	PASSED FROM HOUSE STATE AFFAIRS



Official Business

Alaska State Legislature

House

P.O. BOX V
State Capitol
Juneau, Alaska 99811

COMMITTEE ON STATE AFFAIRS

February 18, 1988

Mr. Lucio Calina
1600 Air Guard Road
Anchorage, AK 99502

Dear Mr. Calina:

Thank you for your Public Opinion Message (POM) regarding HB 416, relating to Alaska National Guard and Alaska Naval Militia retirement benefits.

The House State Affairs Committee took up HB 416 in public hearing on Wednesday, February 10, and agreed to hold it pending receipt of further information from the Department of Military and Veterans Affairs. Specifically, members of the committee were concerned that allowing members to take retirement in a lump sum could jeopardize their long-term retirement income. The Division of Retirement and Benefits testified that allowing members of this retirement system to select lump sum payments as a retirement option would be treating them differently from members of the Public Employees Retirement System, the Teachers Retirement System, and other mandatory retirement systems, which do not allow a lump sum option.

As Chair of the State Affairs Committee, I asked Jeff Morrison, Director of Administrative and Support Services in the Department of Military and Veterans Affairs, to provide the committee with more information pertaining to the need for this special treatment.

Thank you, again, for sharing your views.

Sincerely,

A handwritten signature in cursive script, appearing to read "Fran".

Fran Ulmer, Chair
State Affairs Committee

19. Mr. Clifford Newell
4111 Galactica
Anchorage, AK 99517-1440
letter
22. Mr. Roger Nickles
Star Route 2
103 Malard Court
Clugiak, AK 99567
688-3504
Public Opinion Message (POM)
30. Major Kim S. Nielson
P.O. Box 56725
North Pole, AK 99705
letter
9. Mr. Troy Pierce
3841 Patricia Lane
Anchorage, AK 99504
333-0662
Public Opinion Message (POM)
21. T. Sgt. Anita Porter
President
ANG Enlisted Association
P.O. Box 221511
Anchorage, AK 99522-1511
letter
10. Mr. Mitchell Rucker
8050 Pioneer Drive, #802
Anchorage, AK 99504
333-7703
Public Opinion Message (POM)
31. S. Sgt. Edward C. Sadasky
P.O. Box 55113
North Pole, AK 99705
letter
15. Ms. Lynette Shaw
9221 Woodmar
Anchorage, AK 99515
349-7495
Public Opinion Message (POM)
33. Mr. Robert E. Shepard
2726 Gold Hill Road
Fairbanks, AK 99709
479-5049
Public Opinion Message (POM)
12. Mr. Joe Strain
Box 5-435
Fort Richardson, AK 99505
563-7749
Public Opinion Message (POM)
4. Mr. Larry Townsend
3059 Bettles Bay Loop
Anchorage, AK 99502
344-5908
Public Opinion Message (POM)
5. Lt. Col. George R. Vest
6000 Air Guard Road
176 CAMS
Kulis ANG Base, AK 99502-5989
letter
11. Mr. DeLance Wiegele
6710 Foothill Drive
Anchorage, AK 99504
333-2063
Public Opinion Message (POM)
18. Mr. Tom Wilford
6230 Petrified Tree Circle
Anchorage, AK 99516
279-1411
Public Opinion Message (POM)
23. Ms. Vicki Woods
10635 Crest View
Eagle River, AK 99577
694-2751
Public Opinion Message (POM)

27. Major Gordon D. Boles
P.O. Box 55898
North Pole, AK 99705
letter
25. Mr. George Bowder
200 Slater Drive West
Fairbanks, AK 99701
452-8364
Public Opinion Message (POM)
16. Mr. Bussard
Alaska Air National Guard
13701 Capstan Drive
Anchorage, AK 99516
345-5485
Public Opinion Message (POM)
1. Mr. Lucio Calina
1600 Air Guard Road
Anchorage, AK 99502
249-1221
Public Opinion Message (POM)
17. Mr. James Crouch
11740 Wagnern
Anchorage, AK 99516
345-2868
Public Opinion Message (POM)
7. Mr. David Dibble
3401 Meadowbrook
Anchorage, AK 99504
333-6354
Public Opinion Message (POM)
14. Mr. David Garganta
10220 Thimble Berry
Anchorage, AK 99515
349-1821
Public Opinion Message (POM)
2. Mr. Charles S. Hamilton
3685 Alimos Drive
Anchorage, AK 99502
243-2569
Public Opinion Message (POM)
26. M. Sgt. Donna Re Horne
Alaska Air National Guard
P.O. Box 4678
Eilson AFB, AK 99702
letter
3. Mr. Rick Howell
8245 Stormy Place
Anchorage, AK 99502
349-3033
Public Opinion Message (POM)
6. Mr. Gary Johnston
Alaska Air National Guard
933 West 20th Avenue
Anchorage, AK 99503
377-3303
Public Opinion Message (POM)
8. Mr. Gary Koskela
1800 Nunaka Drive
Anchorage, AK 99504
333-9527
Public Opinion Message (POM)
28. Mr. Ken Latham
3911 Sabrina Court
North Pole, AK 99705
488-7807
Public Opinion Message (POM)
20. Mr. Greg Lee
1350 West 72nd
Anchorage, AK 99518
349-1315
Public Opinion Message (POM)
29. Mr. C.J. Leonelli
P.O. Box 55696
North Pole, AK 99705
letter
13. Mr. James Liberatore
5411 Trena Street
Anchorage, AK 99507
563-6797
Public Opinion Message (POM)
32. Bonny K. Malico
William J. Malico
3919 Ismo Drive
North Pole, AK 99706
letters
Dear Mr. & Ms. Malico
24. Mr. Edward T. McClain
P.O. Box 873656
Wasilla, AK 99687
376-1057
Public Opinion Message (POM)

4. Mr. Allan Barber
Alaska Air National Guard
1151 West 68th Court
Anchorage, AK 99518
263-4981
POM supporting HB 416
8. Ms. Diane Buckley
9901 Conifer
Anchorage, AK 99516
346-2365
POM supporting HB 416
10. Mr. Mark Dekreon
19010 Upper Fish Hatchery
Eagle River, AK 99577
696-0591
POM supporting HB 416
13. Mr. Michael A. Hendricson
Alaska Air National Guard
6000 Airguard Road
Kulis Air National Guard Base
Anchorage, AK 99502
249-1133
POM supporting HB 416
7. Captain Rick Lau
2624 Ingra
Anchorage, AK 99508
POM supporting HB 416
11. Sgt. Marvin Layton
P.O. Box 870593
Wasilla, AK 99687
376-2373
POM supporting HB 416
9. Mr. Dan Nice
19515 Third Street
Eagle River, AK 99577
694-3796
POM supporting HB 416
1. Mr. Keith Oistad
Officer
Alaska Air National Guard
11408 Upper Sunny Circle
Eagle River, AK 99577
694-3459
POM supporting HB 416
2. Mr. Bob Provoncha
P.O. Box 875141
Wasilla, AK 99687
376-8270
POM supporting HB 416
6. Mr. Gene Ramsay
3331 Beamreach
Anchorage, AK 99516
345-6647
POM supporting HB 416
12. Mr. Donald Sanford
20205 Boniface, #27
Anchorage, AK 99504
338-7556
POM supporting HB 416
3. Mr. Jack Skroggs
P.O. Box 221852
Anchorage, AK 99522
249-1211
POM supporting HB 416
5. Mr. Howard Weaver
2901 Lexington Circle
Anchorage, AK 99502
248-4467
POM supporting HB 416

32. Ms. Sharon Abrahamson
3213 Lois
Anchorage, AK 99517
249-1158
POM supporting HB 416
45. Mr. Raymond Battey, Jr.
6700 Dickerson
Anchorage, AK 99504
271-4777
POM supporting HB 416
46. Mr. Jack Bozarth
3940 Woronzof Drive
Anchorage, AK 99517
243-5361
POM supporting HB 416
2. Ms. Jean Button
HHC 1st Scout Battalion
Box 490
Nome, AK 99762
443-5282
POM supporting HB 416
20. Mr. Marshall Calvert
7521 Wade Circle
Anchorage, AK 99518
349-5926
POM supporting HB 416
31. Mr. John Catiller
3933 Brentwood
Anchorage, AK 99502
243-5387
POM supporting HB 416
50. Ms. Shirley Conner
411 West 121st
Anchorage, AK 99515
344-8898
POM supporting HB 416
39. Ms. Katherine Cowgill
Member
Alaska Air National Guard
6020 Blackberry, #8C
Anchorage, AK 99502
248-7664
POM supporting HB 416
54. Mr. Dennis Almond
10331 Chandalar
Anchorage, AK 99577
694-3252
POM supporting HB 416
38. Mr. Ed Benning
7008 Terry Place
Anchorage, AK 99502
243-8553
POM supporting HB 416
1. Mr. Joe Buli
Alaska Air National Guard
8441 Craiger
Anchorage, AK 99507
34.-0648
POM supporting HB 416
11. Mr. Bob Callahan
P.O. Box 56511
North Fole, AK 99705
451-7715
POM supporting HB 416
27. Ms. Gloria Canchola
2221 Muldoon, #505
Anchorage, AK 99504
249-1108
POM supporting HB 416
57. Mr. David Connell
16918 Meadow Creek
Eagle River, AK 99577
694-3903
POM supporting HB 416
10. Chief Sgt. James T. Costello
P.O. Box 56588
North Pole, AK 99705
488-4538
POM supporting HB 416
26. Mr. Percy Davis
9499 Brayton Drive, Space 262
Anchorage, AK 99507
344-7888
POM supporting HB 416

4. Mr. Dave Douglas
P.O. Box 83296
Fairbanks, AK 99708
474-8183
POM supporting HB 416
30. Mr. David Engen
Box 56863
North Pole, AK 99705
488-6860
POM supporting HB 416
40. Lt. Col. Philip Evans
1212 Farmer's Loop
Fairbanks, AK 99709
479-5407
POM supporting HB 416
28. Dep. Cmdr. Robert Gastrock
Air National Guard
13151 Nora
Anchorage, AK 99515
249-1105
POM supporting HB 416
33. Mr. James Grimes
16001 Golden View Drive
Anchorage, AK 99516
345-2326
POM supporting HB 416
44. Ms. Linda Henery
801 Woodmar Place
Anchorage, AK 99515
344-0480
POM supporting HB 416
41. Mr. Oliver Hill
7430 Clairborne Circle
Anchorage, AK 99502
248-6119
POM supporting HB 416
49. Ms. Ada Hill
Air National Guard
3371 Chaparial
Anchorage, AK 99502
249-1136
POM supporting HB 416
22. Mr. Jack King
4030 Hampton Drive
Anchorage, AK 99504
333-2235
POM supporting HB 416
19. Mr. Paul Kvernplassen
Alaska National Guard
P.O. Box 231302
Anchorage, AK 99523
349-9838
POM supporting HB 416
36. Mr. Terry Lagrone
Box 91723
Anchorage, AK 99509
276-6719
POM supporting HB 416
29. Mr. Mark Larroque
5105 Sprucecreek Circle
Anchorage, AK 99516
346-1978
POM supporting HB 416
37. Mr. Ty Lee
Alaska Air National Guard
1810 Orchard Place
Anchorage, AK 99502
344-8128
POM supporting HB 416
42. Mr. Kevin McMichael
7250 Biglerville Circle
Anchorage, AK 99507
344-7869
POM supporting HB 416
43. Mr. Gary Medsker
Member
Alaska Air National Guard
1801 State Street
Anchorage, AK 99504
333-4639
POM supporting HB 416
16. Mr. David Mitson
HC 80, Box 5062
Chugiak, AK 99567
688-4165
POM supporting HB 416

14. Mr. Chris Moore
3917 Roundtop Circle
Anchorage, AK 99504
333-9671
POM supporting HB 416
7. Mr. James T. Nanto
P.O. Box 58469
Fairbanks, AK 99711
488-3123
POM supporting HB 416
5. Captain Donald Newton
5th Battalion, 279 Infantry
Alaska National Guard
7608 Regal Mountain Drive
Anchorage, AK 99504
264-2462
POM supporting HB 416
21. Mr. Don Oswald
Alaska National Guard
P.O. Box 56077
North Pole, AK 99705
488-2293
POM supporting HB 416
34. Ms. Cathy Perkins
4601 Reka Drive, #C-8
Anchorage, AK 99508
337-9471
POM supporting HB 416
53. Ms. Anita Porter
6000 Air Guard Road
Anchorage, AK 99502
249-1298
POM supporting HB 416
56. Mr. Paul Sandhofer
P.O. Box 91333
Anchorage, AK 99509
344-3259
POM supporting HB 416
9. Mr. Donald L. Smith
3338 White Spruce
North Pole, AK 99705
488-1850
POM supporting HB 416
18. Mr. Tom Mulcahy
Box 190912
Anchorage, AK 99519
243-7980
POM supporting HB 416
6. Mr. Joseph Nash
17644 Kahiltna
Eagle River, AK 99577
694-4281
POM supporting HB 416
24. Mr. Tom Norris
1405 Helen
Anchorage, AK 99515
345-7945
POM supporting HB 416
47. Mr. Michael Paulsen
3312 Glenn Don
Anchorage, AK 99504
337-4269
POM supporting HB 416
55. Mstr. Sgt. Andrew L. Pierce
Alaska Air National Guard
638 East 75th Avenue
Anchorage, AK 99518
249-1162
POM supporting HB 416
25. Mr. James Robinson
6000 Air Guard Road
Anchorage, AK 99502
249-1225
POM supporting HB 416
17. Mr. Richard Shar
921 Woodmar
Anchorage, AK 99515
349-7495
POM supporting HB 416
8. Mr. Walter Souder
P.O. Box 55297
North Pole, AK 99705
488-4361
POM opposing HB 416

13. Lt. Patricia Stillman
SR Box 6525-2H
Wasilla, AK 99687
376-2373
POM supporting HB 416
12. Mr. Mike Taylor
P.O. Box 55429
North Pole, AK 99705
488-1252
POM supporting HB 416
52. Ms. Diane Van Dike
16630 Mercy
Eagle River, AK 99577
694-3481
POM supporting HB 416
48. Ms. Cynthia Wick
Box 110887
Anchorage, AK 99511
349-5223
POM supporting HB 416
51. Ms. Arlene Yeager
7021 Viburnum Drive
Anchorage, AK 99507
344-6997
POM supporting HB 416
35. Mr. Miles Symonds
4839 Bryn Mawr, #3
Anchorage, AK 99508
338-5696
POM supporting HB 416
3. Mr. John Towers
Alaska Air National Guard
9701 Chisik Circle
Eagle River, AK 99577
694-2257
POM supporting HB 416
23. Captain Bill Waterworth
Alaska Air National Guard
4580 DeLong Drive
Anchorage, AK 99502
249-1200
POM supporting HB 416
15. Mr. Ban Williams
6918 Fairweather Drive
Anchorage, AK 99518
522-5277
POM supporting HB 416

4. Mr. Kurtiss J. Dangler
2140 Sunrise Street
Anchorage, AK 99508
letter
5. Mr. Stan Hajenga
National Guard
Box 240161
Anchorage, AK 99524
Public Opinion Message (POM)
1. Mr. Franklin E. Hunsucker, Jr.
1526 M Street
Anchorage, AK 99501
letter
7. Mr. Mark J. McGrath
P.O. Box 4526
Eielson AFB, AK 99702
letter
6. Mr. T. Runyan
P.O. Box 4506
Eielson AFB, AK 99702
letter
3. Ms. Patricia A. Spillman
Vice President
ANG Officer Association
200 West 34th Avenue, #727
Anchorage, AK 99503
letter
2. Mr. Kenneth M. Taylor, Jr.
6624 Blackberry Street
Anchorage, AK 99502
letter

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 State Affairs:

Feb. 10 - 1988

March 9 - 1988



Alaska State Legislature

House

Official Business

COMMITTEE ON STATE AFFAIRS

P.O. BOX V
State Capitol
Juneau, Alaska 99811

April 13, 1988

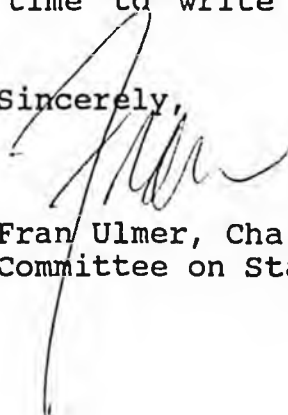
Paul Frantz
Department of the Army
Alaska Army National Guard
Army Aviation Operating Facility #4
8993 Yandukin Drive
Juneau, AK 99801-8086

Dear Paul:

Thank you for your letter in support of House Bill 416. While this bill was held in the House State Affairs Committee pending receipt of more information from the Department of Military and Veterans Affairs, it passed out in early March and is now in the Senate Finance Committee.

Thank you for taking the time to write and express your opinion.

Sincerely,



Fran Ulmer, Chair
Committee on State Affairs

DEPARTMENT OF THE ARMY
ALASKA ARMY NATIONAL GUARD
ARMY AVIATION OPERATING FACILITY #4
3990 VANDERBILT DRIVE
DUNBAR, ALASKA 99801-8088

25 MARCH 1988

Honorable Frank L. ...
House State Affairs Committee
Room 102 Capitol
Juneau, Alaska 99801

Dear Representative L. ...

I have been informed that ... under construction and
would like to ... of this ... of this ...
I am a
purchaser servicing with the Alaska Army National Guard ...
I would like to encourage your ... of the ...
I am also very
appreciative of the ... and ... within the ...

Sincerely,

Paul B. Frantz

100-20475

HOUSE COMMITTEE REPORT

(7)

Date referred: 1/29/88

FURTHER REFERRALS: Finance

DATE: 3-9-88

The State Affairs Committee has considered HB 416

"An Act relating to Alaska National Guard and Alaska Naval Militia retirement benefits; and providing for an effective date."

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
- zero with analysis same as previous zero fiscal note published 1/29/88

SIGNING DO PASS:

W.A. Brubaker

Serry Martin

Cia Davidson

Mr. Ullmer

Scott Williams

W.A. Brubaker (overlaid)

SIGNING OTHER RECOMMENDATIONS:

Lynn H. No Kee

Mr. Ullmer

Chairman's signature

STATE OF ALASKA

STEVE COWPER, GOVERNOR

**DEPARTMENT OF MILITARY
AND VETERANS AFFAIRS**

OFFICE OF THE ADJUTANT GENERAL

FRONTIER BUILDING
SUITE 620
1601 C STREET
ANCHORAGE ALASKA 99501 5989
PHONE (907) 243 0656
AUTOVON 626 1444

Administrative & Support
Services Division
P.O. Box L
Juneau, AK 99811

March 1, 1988

Representative Fran Ulmer
Chairman, House State Affairs Committee
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Representative Ulmer,

On February 10, your committee heard HB416 for the first time, concerning changes desired in the National Guard Retirement System (NGRS). Because of questions the committee had concerning this bill, you asked that I provide you with additional information. This letter will provide the requested information.

After reflecting on the testimony offered in support of this bill, it became apparent that neither I nor Bob Stalnaker of the Division of Retirement and Benefits effectively communicated the basic purpose of the NGRS, and the reasons why it is different from other retirement systems administered by the state. When this is understood by the committee, we believe that there will be support for the changes proposed by this bill.

The main purpose of the NGRS is to supplement the existing federal retirement system. No National Guard member can receive the NGRS benefits until and unless they are also eligible to receive the federal retirement benefit. In A.S. 26.05.224(a), the eligibility of members to receive the NGRS benefit is defined. With the exception of forced early retirement due to fiscal constraints, a member must have served a total of 20 years in the armed forces of the United States, at least five years of which must have been with the National Guard or Naval Militia. These are the same standards which qualify a member to receive the federal retirement benefit.

The amount of the federal retirement benefit varies depending on the rank at retirement, the number of years served, and the number of retirement points earned. Retirement points are earned for basic service in the guard, for annual training and any active duty served, and for special schools or training completed. An enclosure to this letter is a table from the National Guard Almanac which shows the amount of the monthly federal retirement benefit paid to recipients based on the variables just mentioned.

These federal benefits are payable once the eligible member reaches 60 years old, and are paid for the remainder of the member's lifetime. The minimum amount that a member can realistically expect to receive from the federal retirement system is about \$200 per month. Most retired guardsmen and women in fact receive more than that amount. This federal system is administered entirely by the Department of Defense and the National Guard Bureau.

The state-administered NGRS system is not a retirement system per se, but is in fact a supplemental benefits system to augment the federal national guard retirement system. Its purpose is to provide additional incentive to National Guard and Naval Militia members to remain active, and to supplement their federal retirement system. Because of this, it is more appropriate to compare the NGRS to the existing state employee Supplemental Benefits System (SBS) rather than to the Public Employee Retirement System (PERS) or to the Teachers Retirement System (TRS). There are two significant similarities between the SBS and the NGRS system:

1. Both the NGRS and the SBS supplement an existing retirement system. The SBS supplements the PERS and TRS systems for employees of the State of Alaska and other employers who have chosen to belong to the SBS. The NGRS supplements the federal National Guard Retirement System.
2. Both the NGRS and the SBS provide annuities based on a fixed dollar amount which is customized for each individual. The SBS annuity is based on the contributions made by each individual member over the period of time they participated in SBS. The NGRS annuity is based on the number of months that each individual member participated satisfactorily in the Alaska National Guard or Alaska Naval Militia.

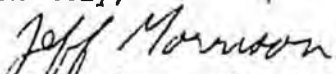
There is one significant difference between the NGRS and the SBS, however. The SBS currently allows eight different options for payout of the annuity amount, including a lump sum payout. Enclosed with this letter is a copy of the pages from the SBS information booklet which describe the annuity payout options. The NGRS currently allows only one option. The proposed legislation would add two options to the NGRS, to provide a total of three options. This is still significantly less than the options available to participants in the SBS, but would at least provide a choice to men and women of the National Guard and Naval Militia which they do not have now.

We agree with the committee's concern that National Guard members should not have benefits in their retirement system that are not also available to members of the PERS and TRS retirement system. The basic federal retirement system available to members of the National Guard and Naval Militia is essentially comparable in intent and purpose to PERS and TRS. A lump sum option is not available in the federal National Guard retirement system, and the benefits are payable for life.

We also believe, however, that members of the National Guard and Naval Militia should have the same variety of options available to state employees in the payout of their supplemental benefits. The SBS system currently allows lump sum payout of the annuity benefit, along with seven other options. The NGRS system, if HB416 is enacted, would allow a lump sum payout and two other options. We request that the State Affairs Committee concur in the desire to provide equity with state employees in the forms of payout options available to their annuity benefits system which supplements their regular retirement system, and pass out HB416 with a "Do Pass" recommendation.

I am available to meet with you or the committee at your convenience to discuss this issue further. Thank you for your consideration.

Sincerely,



Jeff Morrison, Director
Administrative and Support Services

cc: House State Affairs Committee Members
MG John W. Schaeffer, The Adjutant General
Bob Stalnaker, Acting Director, Division of Retirement and Benefits, DOA

NATIONAL GUARD ALMANAC

TABLE A
MONTHLY AMOUNT OF GUARD RETIREMENT PAY—
OVER 20 YEARS SERVICE FOR BASE PAY
1 JANUARY 1987

Highest Grade Held	Value of Each Point	Retirement Points					
		100	2000	2500	3000	3500	4000
COMMISSIONED OFFICERS							
O-8	40146	\$40.15	\$802	\$1003	\$1204	\$1405	\$1605
O-7 M	.36304	36.30	726	907	1089	1270	1452
O-6	.27798	27.80	555	694	833	972	1111
O-5	.25148	25.15	502	628	754	880	1005
O-4 M	.21763	21.76	435	544	652	761	870
O-3 M	.18821	18.82	376	470	564	658	752
O-2 M	.13967	13.97	279	349	419	488	558
O-1 M	.11017	11.02	220	275	330	385	440
COMMISSIONED OFFICERS WITH MORE THAN 4 YEARS ACTIVE SERVICE AS AN ENLISTED MEMBER							
O-3E M	.19102	19.10	382	477	573	668	764
O-2E M	.16169	16.17	323	404	485	565	646
O-1E M	.13679	13.68	273	341	410	478	547
WARRANT OFFICERS							
W-4	.18069	18.07	361	451	542	632	722
W-3	.15892	15.89	317	397	476	556	635
W-2	.14263	14.26	285	356	427	499	570
W-1	.13233	13.23	264	330	396	463	529
ENLISTED MEMBERS							
E-9	.15283	15.28	305	382	458	534	611
E-8	.13396	13.40	267	334	401	468	535
E-7	.11821	11.82	236	295	354	413	472
E-6 M	.10354	10.35	207	258	310	362	414
E-5 M	.08786	8.79	175	219	263	307	351

M = Maximum point value—the same for "over 20", "over 22", or "over 26" years service for pay. However, total retirement points may be increased by additional years of service. See Tables B and C following for applicable "over 22" and "over 26" years service.

*These values are subject to change with any change in base pay, and periodic increases after retirement due to CPI adjustments.

NATIONAL GUARD ALMANAC

TABLE B
MONTHLY AMOUNT OF GUARD RETIREMENT PAY—
OVER 22 YEARS SERVICE FOR BASE PAY
1 JANUARY 1987

Highest Grade Held	Value of Each Point	Retirement Points					
		100	2000	2500	3000	3500	4000
COMMISSIONED OFFICERS							
O-8 M	.41756	\$41.76	\$835	\$1043	\$1252	\$1481	\$1870
O-6	.29410	29.41	588	735	882	1029	1178
O-5 M	.26025	26.02	520	650	780	910	1041
WARRANT OFFICERS							
W-4	.18673	18.67	373	466	560	635	748
W-3	.16468	16.47	329	411	494	576	658
W-2 M	.14838	14.84	296	370	445	519	593
ENLISTED MEMBERS							
E-9	.16088	16.09	321	402	482	563	643
E-8	.14183	14.18	283	354	425	496	567
E-7	.12615	12.61	252	315	378	441	504

M = Maximum point value—the same for "over 20", "over 22", or "over 26" years service for pay. However, total retirement points may be increased by additional years of service. See Tables B and C following for applicable "over 22" and "over 26" years service.

*These values are subject to change with any change in base pay, and periodic increases after retirement due to CPI adjustments.

TABLE C
MONTHLY AMOUNT OF GUARD RETIREMENT PAY—
OVER 26 YEARS SERVICE FOR BASE PAY
1 JANUARY 1987

Highest Grade Held	Value of Each Point	Retirement Points					
		100	2000	2500	3000	3500	4000
COMMISSIONED OFFICERS							
O-6 M	.31898	\$31.90	\$637	\$797	\$956	\$1116	\$1275
WARRANT OFFICERS							
W-4 M	.20127	20.13	402	503	603	704	805
W-3 M	.17046	17.05	340	426	511	596	681
ENLISTED MEMBERS							
E-9 M	.17652	17.65	353	441	529	617	708
E-8 M	.15765	15.76	315	394	472	551	630
E-7 M	.14183	14.18	283	354	425	496	567

M = Maximum point value—the same for "over 20", "over 22", or "over 26" years service for pay. However, total retirement points may be increased by additional years of service. See Tables B and C following for applicable "over 22" and "over 26" years service.

*These values are subject to change with any change in base pay, and periodic increases after retirement due to CPI adjustments.

ANNUITY BENEFITS

YOUR ACCOUNT

The Supplemental Annuity Plan will set up an account in your name. Any money you have left after payment of administrative fees and insurance premiums will be deposited in your account.

YOUR RIGHT TO BENEFITS

You have a vested right to deposits made to your annuity account. Regardless of your period of employment, you or your beneficiary will receive the full value of your account under the terms of the Supplemental Annuity Plan.

INTEREST EARNED

Contributions to your Supplemental Annuity account are deposited with the Annuity Carrier. In 1986 annuity accounts will be credited with interest at a rate decreasing from 11.87% to 11.54% during the course of the year.

Each year the Annuity Carrier will declare a new interest rate. That rate may increase or decrease. It will be determined by the actual investment performance and expenses of the plan. During the open enrollment period each year, you will be informed of the next year's estimated net interest rate.

The following table illustrates the recent interest rates credited to annuity accounts:

Year	Net Annual Interest Rate
1980	10.40%
1981	10.75%
1982	12.35%
1983	12.55%
1984	12.00% - 12.04%
1985	11.80% - 11.97%
1986	11.87% - 11.54%

FORMS OF PAYMENT

The Supplemental Annuity Plan contains provisions under which you may elect a form of payment (please refer to Article V of the Plan Document beginning on page 76). Your choice of payment should be indicated on an "Annuity Benefit Election Form" (02-210). Once payments begin, you may not change the form of payment. Below is an explanation of forms of payment currently available.

Form of Payment	Payments Are Made For
Lump Sum	Total account value, one payment
Five Year Certain	Five years only
Ten Year Certain	Ten years only
Fifteen Year Certain	Fifteen years only
Single Life Annuity	Your lifetime only
Life with Ten Years Certain	Your lifetime, with ten years guaranteed
Life with Fifteen Years Certain	Your lifetime, with fifteen years guaranteed
Joint & Survivor Annuity (50% or 100%)	Your or your beneficiary's lifetime, whichever is longer

- **Lump Sum**
With this form you receive one payment in complete settlement of your account. It will include all contributions to your annuity account plus interest earned until the date of payment.
- **Five Year Certain**
With this form, monthly payments will be made for exactly 5 years — no more, no less. If you die before receiving payments for 5 full years, your beneficiary will receive payments until the 5 years are over.
- **Ten Year Certain**
With this form, monthly payments will be made for exactly 10 years — no more, no less. If you die before receiving payments for 10 full years, your beneficiary will receive payments until the 10 years are over.
- **Fifteen Year Certain**
With this form, monthly payments will be made for exactly 15 years — no more, no less. If you die before receiving payments for 15 full years, your beneficiary will receive payments until the 15 years are over.

- **Single Life Annuity**
With this form you receive monthly payments for as long as you live. No payments are made after your death.
- **Life with 10 Years Certain**
With this form, you receive monthly payments as long as you live. If you die before receiving payments for 10 full years, your beneficiary will receive payments until the 10 years are over.
- **Life with 15 Years Certain**
With this form, you receive monthly payments as long as you live. If you die before receiving payments for 15 full years, your beneficiary will receive payments until the 15 years are over.
- **Joint and Survivor Annuity**
With this form you receive monthly payments as long as you live. If you have elected a 50% Joint and Survivor Annuity, your survivor receives lifetime payments equal to 1/2 of the amount you were receiving. If you have elected a 100% Joint and Survivor Annuity, your survivor receives lifetime payments for the same amount you were receiving. Since the joint and survivor annuity involves payment for the longer of two lives, your monthly benefit will necessarily be less than under the other forms of payment. See page 71 regarding a restriction on this form of payment.

The Federal Retirement Equity Act of 1984 requires that a married participant select a Joint & Survivor payment unless the participant and his or her spouse waive this requirement. Please see the Plan Document for specific requirements. Questions regarding this requirement should be directed to the SBS staff or to your accountant or attorney for possible tax implications.

If you have selected one of the life annuities or a joint and survivor annuity, proof of your birthdate will be required. Proof of your spouse's birthdate will also be required if you select a joint and survivor annuity. Acceptable evidence of birthdate includes a birth certificate, baptismal record, military discharge or passport. In unusual circumstances, other evidence may be accepted.

SAMPLE BENEFITS

Let's look at an example which estimates how much would be paid under the various forms available. These amounts are based on the 1986 annuity purchase rates, which are subject to change each year. In this case, the retiree and beneficiary are both 55 years old, with an annuity account balance of \$30,000.

Form of Payments	Retiree gets monthly	Beneficiary gets monthly
Five Year Certain	\$605.72 for 5 years	<ul style="list-style-type: none"> • If 60 payments were made, the beneficiary gets \$0. • If less than 60 payments were made, the beneficiary gets the balance of the payments.
Ten Year Certain	\$367.09 for 10 years	<ul style="list-style-type: none"> • If 120 payments were made, the beneficiary gets \$0. • If less than 120 payments were made, the beneficiary gets the balance of the payments.
Fifteen Year Certain	\$292.29 for 15 years	<ul style="list-style-type: none"> • If 180 payments were made, the beneficiary gets \$0. • If less than 180 payments were made, the beneficiary gets the balance of the payments.
Single Life Annuity	\$257.51 for life	<ul style="list-style-type: none"> • \$0.00 • If 120 payments were made, the beneficiary gets \$0. • If less than 120 payments were made, the beneficiary gets the balance of the payments. • If 180 payments were made, the beneficiary gets \$0. • If less than 180 payments were made, the beneficiary gets the balance of the payments.
Life with Ten Years Certain	\$251.03 for life	
Life with Fifteen Years Certain	\$245.12 for life	<ul style="list-style-type: none"> • If 180 payments were made, the beneficiary gets \$0. • If less than 180 payments were made, the beneficiary gets the balance of the payments.
50% Joint & Survivor	\$242.89 for life.	• \$121.44 for life.
100% Joint & Survivor	\$230.11 for life	• \$230.11 for life

ANNUITY



Official Business

Alaska State Legislature

House

COMMITTEE ON STATE AFFAIRS

P.O. BOX V
State Capitol
Juneau, Alaska 99811

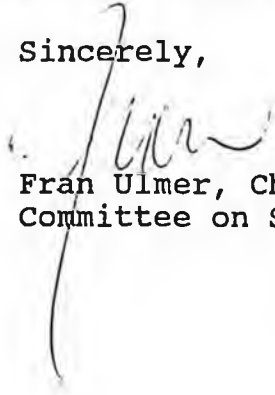
February 26, 1988

Major General John W. Schaeffer
The Adjutant General
Department of Military and Veterans Affairs
Frontier Building
3601 C Street
Suite 620
Anchorage, AK 99503-5989

Dear Major General Schaeffer:

Thank you for your letter of February 16, 1988. Because of the additional information you have provided, I have tentatively rescheduled House Bill 416 for Wednesday, March 9, for the State Affairs Committee. A copy of your letter will be provided to each committee member for their consideration.

Sincerely,


Fran Ulmer, Chair
Committee on State Affairs

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

DIVISION OF RETIREMENT & BENEFITS

PLEASE REPLY TO:

P.O. BOX CR
JUNEAU, ALASKA 99811-0203
PHONE: (907)465-4460

2600 DENALI ST. SUITE 401
ANCHORAGE, ALASKA 99503-2740
PHONE: (907) 277-7504

Public Employees Retirement System
Teachers' Retirement System
Judicial Retirement System
Elected Public Officers Retirement System
National Guard Retirement System
Territorial Retirement System
Retirees' Voluntary Dental Vision Audio Plan
Supplemental Benefits System
Group Health/Life Insurance Benefits
Deferred Compensation Plan
Public Employers Social Security Contributions

STEVE COWPER, GOVERNOR

February 10, 1988

The Honorable Fran Ulmer
Chairman, House State Affairs
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Representative Ulmer:

Re: House Bill 416

In accordance with AS 24.08.036, I am providing the analysis below on House Bill 416. The analysis includes the long-term and short-term impact to the state if the bill is adopted and the impact the bill will have on the actuarial soundness of the National Guard and Naval Militia Retirement System (NGNMRS) funds.

This bill would add two (2) additional benefit payment options for the members retiring under the Alaska Guard and Naval Militia Retirement System (NGNMRS). Currently, a retiring member receives \$100 per month for the same number of months of satisfactory service in the National Guard, the Air Guard, or the Naval Militia. If the retiree dies before receiving the entire benefit, the balance is paid in a lump sum to a surviving spouse or other beneficiary named by the retiree if there is no surviving spouse.

This amendment would provide a choice of one of three different payment plans to allow more flexibility for the retiring member:

- 1) a lump sum which is the actuarially equivalent of the total pension due the member;
- 2) a monthly benefit actuarially calculated so that the entire pension is paid to the member by his or 72nd birthday; or
- 3) \$100 per month for the same number of months served by the member (the current payment plan).

It may be more advantageous for an older retiring member to elect a lump sum or an actuarially calculated monthly benefit to ensure that the entire benefit is received during the member's life time. There would be no long range fiscal impact of this legislation on state government nor any impact

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**



Official Business

Alaska State Legislature

House

P.O. BOX V
State Capitol
Juneau, Alaska 99811

COMMITTEE ON STATE AFFAIRS

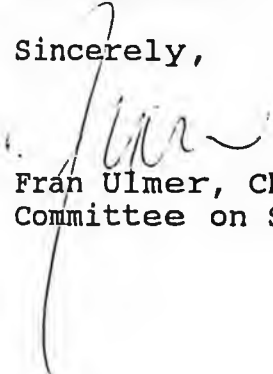
February 26, 1988

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Committee on State Affairs

STATE OF ALASKA

STEVE COWPER, GOVERNOR

**DEPARTMENT OF MILITARY
AND VETERANS AFFAIRS**

OFFICE OF THE ADJUTANT GENERAL

FRONTIER BUILDING
SUITE 220
1601 C STREET
ANCHORAGE ALASKA 99503-5000
PHONE (907) 243-0474
AUTOVON 626-1444

16 February 1988

Representative Fran Ulmer
Alaska State Legislature
House of Representatives
Post Office Box V
Juneau, Alaska 99811

Re: House Bill 416; An Act Relating to the National Guard and Alaska
Naval Militia Retirement System

Dear Representative Ulmer:

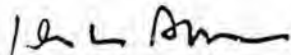
The above referenced bill is the product of a grass roots sentiment from members of the Alaska National Guard and Naval Militia. It has long been a matter of concern that members of the National Guard and Naval Militia can serve faithfully for an extended period of time and not live to receive the full benefit under the Retirement System. It is for this reason that the members of the National Guard have strongly recommended that additional payout options be added to the statute.

I endorse this bill because I believe that a member of the National Guard who has qualified for a federal retirement and concurrently qualified for the limited state retirement annuity should have some discretion in the way in which the state benefit is received. I strongly endorse the proposition that those who have earned the benefit should be able to realize its value during their lifetime.

As presently constituted, the Retirement System provides only for \$100.00 a month, payable for the number of months in which a person was an active participant in the National Guard. This program is not inflation proofed nor does it have the usual earmarks of a true retirement system. Although called a retirement system, practically speaking, this program is really a retention incentive.

Because the value of the benefit is so limited and because the system promotes retention and because all the purposes of a retention incentive would be accomplished with the expanded options proposed in HB 416, I encourage you to favorably endorse the bill and recommend its adoption by the House of Representatives.

Sincerely,


MG John W. Schaeffer
The Adjutant General
Department of Military
and Veterans Affairs

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

DIVISION OF RETIREMENT & BENEFITS

PLEASE REPLY TO:

P.O. BOX CR
JUNEAU, ALASKA 99811-0203
PHONE: (907)465-4460

2600 DENALI ST. SUITE 401
ANCHORAGE, ALASKA 99503-2740
PHONE: (907) 277-7504

Public Employees Retirement System
Teachers Retirement System
Judicial Retirement System
Elected Public Officers Retirement System
National Guard Retirement System
Territorial Retirement System
Retirees Voluntary Dental-Vision Audio Plan
Supplemental Benefits System
Group Health Life Insurance Benefits
Deferred Compensation Plan
Public Employers Social Security Contributions

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Alaska State Legislature
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- 3) \$100 per month for the same number of months served by the member (the current payment plan).

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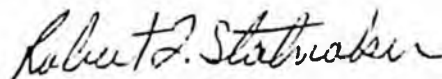
Representative Fran Ulmer

-2-

February 10, 1988

on the fund. There may be a "cash flow" problem if a sizeable number of the retirees elect to receive a lump sum benefit rather than monthly amounts.

Sincerely,



Robert F. Stalnaker
Acting Director

RFS/DS/bb/7

H B

4 2 0

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

House State Apprs:

April 11 - 1988

HOUSE COMMITTEE REPORT

(7)

Date referred: 2/1/88

FURTHER REFERRALS: Finance

DATE: 4-11-88

The State Affairs Committee has considered HB 420

"An Act relating to adoption of regulations and the presumption of validity of regulations."

RECOMMENDS:

- replace with CS HB 420(SA) 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]

[Signature]

SIGNING OTHER RECOMMENDATIONS:

[Signature] - no rec

[Signature] (no rec)

[Signature] (no rec)

[Signature]

Chairman's signature

HOUSE STATE AFFAIRS COMMITTEE

NEXT COMMITTEE: FINANCE

BILL: HB 420

CURRENT VERSION:

SCHEDULED: APRIL 11, 1988

SPONSOR: ADMIN. REG. REVIEW COMMITTEE

PHONE NO: HENSLEY/3862

CONTACT FILE: _____

BILL SUBJECT: ADOPTION OF REGULATIONS AND THE PRESUMPTION OF VALIDITY OF REGULATIONS

SPONSOR BACKUP: IN FOLDERS

AFFECTED AGENCIES:

<u>DEPARTMENT</u>	<u>CONTACT/PHONE</u>	<u>COMMENT</u>
LAW	ART PETERSON/3600	OPPOSED
POURCHOT	JEANNIE LARSON/3879	

FISCAL NOTES

<u>AGENCY</u>	<u>REQUESTED</u>	<u>DATED</u>	<u>FY 88 AMT</u>	<u>FY 89 AMT</u>
GOVERNOR'S OFFICE	2/10	2/16/88	-0-	-0-
LAW		2/19/88	-0-	-0-
LIEUTENANT GOVERNOR		2/16/88	-0-	-0-

ACTION

<u>DATE</u>	<u>COMMENT</u>
2/19/88	HEARING: ULMER REQUESTED HENSLEY'S OFFICE AND LAW TO WORK ON COMPROMISE
4/11/88	HEARING: CS ADOPTED AND PASSED FROM STATE AFFAIRS COMMITTEE

Original sponsor: Rules/Administrative
Regulation Review Committee

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 420 (State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to adoption of regulations."

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

8 * Section 1. AS 44.62.040(b) is amended to read:

9 (b) Citation of the general statutory authority under which a
10 regulation is adopted, as well as citation of specific statutory
11 sections being implemented, interpreted or made clear, shall follow
12 the text of each regulation submitted under (a) of this section. The
13 signature of the governor approving adoption of the regulation as
14 required by AS 44.62.065 must accompany the regulation.

15 * Sec. 2. AS 44.62 is amended by adding a new section to read:

16 Sec. 44.62.065. GOVERNOR'S SIGNATURE. A regulation or order of
17 repeal is not valid unless the governor has approved its adoption in
18 writing. The lieutenant governor may not accept a regulation or order
19 of repeal for filing under AS 44.62.040 unless it is accompanied by
20 the governor's approval of adoption. This section also applies to
21 regulations exempted from submission to the lieutenant governor under
22 AS 44.62.040(a). This section does not apply to emergency regulations
23 or to regulations of the Department of Fish and Game.

24 * Sec. 3. AS 44.62.200(a) is amended to read:

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

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

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

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

4 (3) an informative summary of the proposed subject of
5 agency action and of the action's intended effect on persons subject
6 to the action; the summary must include a description of the substance
7 of each repealed regulation and a description of the intended effect
8 of the repeal;

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

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

13 * Sec. 4. The amendments made to AS 44.62.040 by sec. 1 of this Act and
14 AS 44.62.065, enacted by sec. 2 of this Act, apply to regulations adopted
15 on or after the effective date of this Act. The amendments made to
16 AS 44.62.200 by sec. 3 of this Act apply to notices of proposed action pub-
17 lished on or after the effective date of this Act.

HOUSE COMMITTEE REPORT

(7)

Date referred: 2/1/88

FURTHER REFERRALS: Finance

DATE: 4-11-88

The State Affairs Committee has considered HB 420

"An Act relating to adoption of regulations and the presumption of validity of regulations."

RECOMMENDS:

- replace with CS HB 420(SA) 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]

[Signature]

SIGNING OTHER RECOMMENDATIONS:

[Signature] (no rec)

[Signature] (no rec)

[Signature]
Chairman's signature

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE ADMINISTRATIVE
REGULATION REVIEW COMMITTEE

2

HOUSE BILL NO. 420

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to adoption of regulations and the
presumption of validity of regulations."

7

8

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

9

* Section 1. AS 44.62.040(b) is amended to read:

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15

(b) Citation of the general statutory authority under which a
regulation is adopted, as well as citation of specific statutory
sections being implemented, interpreted or made clear, shall follow
the text of each regulation submitted under (a) of this section. The
signature of the governor approving adoption of the regulation as
required by AS 44.62.065 must accompany the regulation.

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* Sec. 2. AS 44.62.050 is amended to read:

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Sec. 44.62.050. STYLE AND FORMS. The Department of Law shall
prepare and shall revise when necessary a drafting manual for adminis-
trative regulations which prescribes the style and forms for submit-
ting regulations under AS 44.62.040. The manual shall also provide
detailed instructions and examples of informative summaries of the
proposed actions required under AS 44.62.200(a)(3).

23

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

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Sec. 44.62.065. GOVERNOR'S SIGNATURE. A regulation or order of
repeal is not valid unless the governor has approved its adoption in
writing. The lieutenant governor may not accept a regulation or order
of repeal for filing under AS 44.62.040 unless it is accompanied by
the governor's approval of adoption. This section also applies to
regulations exempted from submission to the lieutenant governor under

Will do
it

1 AS 44.62.040(a).

2 * Sec. 4. AS 44.62.100(a) is amended to read:

3 (a) Except as provided in (c) of this section, [THE] filing of a
4 certified copy of a regulation or an order of repeal by the lieutenant
5 governor raises the rebuttable presumptions that

6 (1) it was duly adopted;

7 (2) it was duly filed and made available for public in-
8 spection at the day and hour endorsed on it;

9 (3) all requirements of this chapter and the regulations
10 relative to the regulation have been complied with;

11 (4) the text of the certified copy of a regulation or order
12 of repeal is the text of the regulation or order of repeal as adopted.

13 * Sec. 5. AS 44.62.100 is amended by adding a new subsection to read:

14 (c) A presumption described under (a) of this section is not
15 applicable if the legislature has adopted a special concurrent resolu-
16 tion determining that a regulation is not within the procedural or
17 substantive authority delegated to the agency and disapproving its en-
18 forcement. The lieutenant governor shall include the resolution in
19 the permanent file of the certified copies of regulations and orders
20 of repeal under AS 44.62.080 and shall publish notice of the resolu-
21 tion in the administrative code and the administrative journal. After
22 the filing of a resolution disapproving a regulation, the burden is
23 upon the agency in any proceeding for judicial review or for enforce-
24 ment of the regulation to establish that the whole or portion of the
25 regulation objected to is within the procedural and substantive au-
26 thority delegated to the agency.

27 * Sec. 6. AS 44.62.200(a) is amended to read:

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

→ 14
some resolution
to address
PROFESSION

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

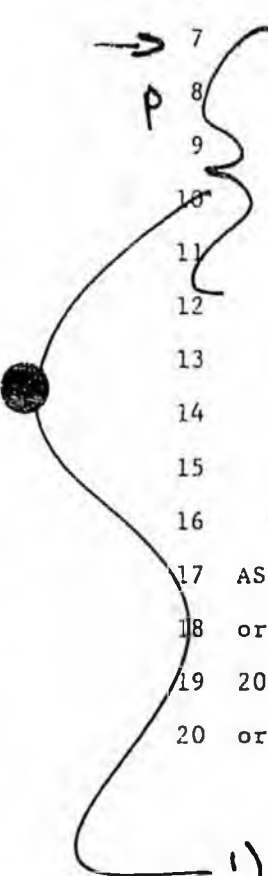
3 (2) reference to the authority under which the regulation
4 is proposed and a reference to the particular code section or other
5 provisions of law which are being implemented, interpreted, or made
6 specific;

7 (3) an informative summary of the effect of the proposed
8 [SUBJECT OF] agency action on persons subject to or affected by the
9 proposed action; the summary must include a description of the
10 substance of each repealed regulation and a short analysis of the
11 effect of the repeal;

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

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

16 * Sec. 7. The amendments made to AS 44.62.040 by sec. 1 of this Act and
17 AS 44.62.065 enacted by sec. 3 of this Act apply to regulations adopted on
18 or after the effective date of this Act. The amendments made to AS 44.62.-
19 200 by sec. 6 of this Act apply to notices of proposed action published on
20 or after the effective date of this Act.

- 
- 1) ADD Reg it will have this effect - - - -
2) proposed changes in existing Reg -
OR REPEAL -
3) want to notify public / gov bodies of
people -

Alaska State Senate

P.O. Box V
Juneau, AK 99811
Phone: (907) 465-2444
465-3862/465-4923

P.O. Box 1069
Kotzebue, Alaska 99752
(907) 442-2494



Senate Finance Committee
State Affairs Committee
Vice-Chair, Rules Committee
Chair, Administrative Regulation Review

William L. Hensley

Sectional Analysis of Proposed CS for HB 420

Sections 1 and 2 require that, under the Administrative Procedure Act, the governor approve a regulation before it becomes valid. The requirement extends to regulations that currently do not have to be submitted to the lieutenant governor under AS 44.62.040(a). That subsection exempts from filing with the lieutenant governor a regulation that

- (1) establishes or fixes rates, prices or tariffs;
- (2) relates to the use of public works, including streets and highways, under the jurisdiction of a state agency if the effect of the order is indicated to the public by means of signs or signals; or
- (3) is directed to a specifically named person or to a group of persons and does not apply generally throughout the state.

Specifically exempted from the requirement of the governor's approval are emergency regulations and regulations of the Department of Fish and Game.

Section 3 changes the requirement concerning notice of proposed action which an agency is required to give before adopting, amending, or repealing a regulation. The section requires the agency to summarize the effect of the proposed change. For a repealed regulation, the agency must describe the substance of the regulation and analyze the effect of the repeal.



IOWA GENERAL ASSEMBLY

ADMINISTRATIVE RULES REVIEW COMMITTEE

SENATE MEMBERS

BERL E. PRIEBE
CHAIR
DONALD V. DOYLE
DALE L. TIEDEN

SECRETARY EX OFFICIO

PHYLLIS BARRY

STAFF

JOSEPH A. ROYCE

HOUSE MEMBERS

JAMES D. O'KAINE
VICE CHAIR
EDWARD G. PARKER
BETTY JEAN CLARK

29 January 1988

FEB 4 1988

State of Alaska
Alaska Legislature
Attn: Mr. David Grey
BOX "V"
Juneau, Alaska, 99811

Re: The "objection" process in rules review

Dear Dave:

I was very pleased to hear from you yesterday and I'm even more pleased to hear that your legislature is considering giving its regulations review committee objection power. I'm sorry that I have never had an opportunity to do a study to document the impact the objection process has in Iowa, but I can guarantee it ensures that government agencies carefully consider suggestions and criticisms offered by our rules committee. The best evidence of this is that the frequency of objections is decreasing. While the volume of rule-making is steadily growing, the ability of the committee and the various agencies to compromise their seems to be increasing. This is reflected by the a stabilization in the number of objections. In 1986 the committee imposed five objections, up from three objections in 1985. Rather than risk having an objection placed on a rule, agencies tend, if possible to be willing to modify a proposal if requested by the committee.

A total of 104 objections have been imposed since 1977, but the trend has clearly been toward a decline in their frequency, as indicated below:

1977.....36	1982.....02
1978.....24	1983.....03
1979.....13	1984.....04
1980.....06	1985.....03
1981.....08	1986.....05

On a percentage basis, approximately one percent of the filings put forth last year have an objection placed on them. In 1977 the percentage was almost ten percent.

The mechanics of the objection process are fairly simple. At any

time the committee may selectively call up a rule for review and impose an objection. An objection is simply the committee's opinion that a rule is "arbitrary, capricious, unreasonable or beyond the authority delegated to the agency". This action must be taken at a formal committee meeting, upon a vote of four members of the six member committee. A document is prepared detailing the committee's findings. It is certified as being true and accurate by the committee chair and then filed in the office of the Code Editor. A copy is published in the Iowa Administrative Bulletin and Code.

The document must contain more than a simple reference to the specific statutory grounds for objection. The document must contain these grounds and a brief elaboration of reasons for this finding. It must be detailed enough to apprise the agency of the precise nature and scope of the objection. Schmitt v. Department of Social Services, 263 N.W.2d 739 (Iowa, 1978).

The objection does not impact the effective date of a rule or prevent the agency from enforcing it. An objection places a cloud on the validity of the rule. It reverses the burden of proof in a subsequent judicial action contesting the validity of the rule. The objection removes the "presumption of validity" that courts commonly accord an administrative rule. The agency then bears the burden of proving the validity of its rule. If the agency fails to meet this burden of proof, the agency must pay both the court costs and the attorney fees for the party attacking the rule (section 17A.4(4)"a").

An objection does not have an expiration date and will remain in effect as long as the rule itself. Procedural objections (limited to committee findings that the proper rule-making procedures were not followed) may expire two years after the effective date of a rule. ss17A.4(3) establishes a two year statute of limitations to challenge a rule on the grounds that the notice provisions of Chapter 17A were not followed.

I should note that objections are somewhat limited in their impact. They reverse the burden of proof only upon the grounds specified by the ARRC in the document. If a court overturns a rule on grounds not specified in the objection, attorney fees will not be awarded. Iowa-Illinois Gas & Elec. v. Iowa State Commerce Commission, 334 N.W.2d 748 (Iowa, 1983).

As a conclusion, I enclose an excerpt from State Administrative Rule Making, by Arthur Bonfield. He is a nationally recognized expert in Ad. law and a law professor at the University of Iowa. It provides more detail and commentary on the objection process than any other article I have seen. It is largely drawn from the Iowa provisions. If I can be of any additional help at all, please just give me a call.

Sincerely,



Joseph Royce
staff

C O P Y

10 September 1987

Department of Insurance
Securities Bureau
Lucas State Office Building
Attn: Craig Goettsch

Re: Objection-191 IAC 19.60(2), relating to fees imposed for
an interpretive opinion.

Dear Sir:

At its September 9 meeting the committee voted to object to the fifty dollar fee for interpretative opinions, appearing in 191 IAC 19.60(2). It was the opinion of the committee this charge is beyond the authority of the bureau. This provision appears as part of ARC 7871, in X IAB 5 (8-26-87).

Section 17A.9, Iowa Code, requires every agency to provide a method allowing the public to obtain the agency's formal opinion or interpretation on questions relating to the agency statutes, rules or policy. These statements are called declaratory rulings. They appear to be identical to the "interpretive opinion" established in the subrule. The statute makes no provision for the assessment of a fee nor has any agency attempted to impose one; to do so would run contrary to the purpose of section 17A.9. Declaratory rulings are essential to allow the public an opportunity to clarify questions and uncertainties about agency law or policy. They provide a service which is intended to encourage the public to request advice and interpretations from government agencies. A fee for this service would discourage its use and could lead to needless violations of law or policy through misinterpretation or misinformation. It is the opinion of the committee the "interpretive opinion" is a form of declaratory ruling and that section 17A.9, Iowa Code, precludes the imposition of a fee for this service.

CERTIFIED AS A TRUE AND CORRECT
COPY OF THE COMMITTEE ACTION THIS
_____ DAY OF SEPTEMBER, 1987, BY:

Berl Eastman Priebe
Chairman

ATTORNEY GENERAL[61] (cont'd)

than 30 days prior to the anniversary of the current registration. An application for renewal must be accompanied by a nonrefundable fee of \$200. The renewal application must include all changes in the information which has been provided in the previously filed application.

These rules are intended to implement 1987 Iowa Acts, House File 520.

[Filed emergency, effective 9/7/87]
[Published 8/26/87]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement, 8/26/87.

ARC 7871

INSURANCE DIVISION[191]

Adopted and Filed Emergency

Pursuant to the authority of 1987 Iowa Acts, House File 614, section 16, the Insurance Division of Iowa hereby emergency adopts and implements new rule 19.60(72GA, HF614).

The new rule is a temporary, transitional rule that will help the Securities Bureau control administrative delays in processing initial permit applications by allowing applicants to file at any time after September 1, 1987, rather than having them wait until January 1, 1988. To further facilitate implementation of 1987 Iowa Acts, House File 614, the proposed rule will authorize an initial report and allow the Securities Bureau to accept and require fees on a temporary basis, prior to the adoption of the permanent regulations also proposed on this date.

The Division of Insurance finds that pursuant to Iowa Code section 17A.4(2), public notice and participation are contrary to the public interest in that speedy implementation of this rule is necessary to assure timely and reasonable treatment of those seeking permits required by the Iowa Prearranged Funeral Contracts Act.

The Division of Insurance also finds, pursuant to Iowa Code section 17A.5(2)"b"(2), that the normal effective date of this rule should be waived and the rule be made effective on September 1, 1987, as it confers a benefit upon the public to assure timely and reasonable treatment of those seeking permits required by the Iowa Prearranged Funeral Contracts Act.

New rule 191-19.60(72GA, HF614) is adopted as follows:

191-19.60(72GA, HF614) Transitional rule.

19.60(1) The Iowa securities bureau may accept and process applications for establishment permits and sales permits filed pursuant to the Iowa prearranged funeral contracts Act at any time after September 1, 1987.

19.60(2) The Iowa securities bureau may accept and require the following fees at any time between September 1, 1987, and January 1, 1988:

- 1. Application packet \$ 5.00
2. Certification \$ 5.00
3. Duplicate permit fee \$ 5.00
4. Establishment permit fee \$ 30.00
5. Interpretative opinion \$ 50.00
6. Filing fee (initial report) \$ 200.00-500.00
7. Filing fee (seller's initial report) \$ 25.00
8. Name change \$ 10.00
9. Photocopies of records (per page) \$ 0.50
10. Printout of permit holders \$ 10.00
11. Sales permit fee \$ 5.00

19.60(3) The Iowa securities bureau may accept and require the following fees from sellers, as a prerequisite for an initial report, on the form prescribed by the commissioner.

19.60(4) The Iowa securities bureau may accept and require the following forms at any time between September 1, 1987, and January 1, 1988:

a. Content. Copies of all necessary forms and instructions may be obtained from the Iowa Securities Bureau, Iowa State Office Building, Des Moines, Iowa 50319.

NOTE: Rule later dropped

JR

ARC 7870

INSURANCE DIVISION[191]

Adopted and Filed Emergency

Pursuant to the authority of 1987 Iowa Acts, House File 614, section 16, the Insurance Division of Iowa hereby emergency adopts and implements the rescission of rule 19.1(523A), "Forms," of Chapter 19 of the Iowa Administrative Code.

The rescission is necessary to conform to changes in the reporting requirements of the Iowa Prearranged Funeral Contracts Act. Prior to July 1, 1987, the reports were filed with the applicable County Recorder. After July 1, 1987, reports will be filed with the Securities Bureau of the Iowa Insurance Division.

The rescission of the rule and adoption of the rules proposed on this date and published herein under Notice of Intended Action as ARC 7875, will bring the Bureau's rules into compliance with the amendments contained in 1987 Iowa Acts, House File 614, which were effective July 1, 1987.

In compliance with Iowa Code section 17A.4(2), the Division of Insurance finds that public notice and participation are unnecessary and impracticable because the changes merely bring the chapter into compliance with the statutory amendments, which nullified the statutory basis for the majority of the rescinded rule.

The Division also finds, pursuant to Iowa Code section 17A.5(2)"b"(2) that the normal effective date of this action, 35 days after publication, should be waived and the rescission should be made effective upon filing with the Administrative Rules Coordinator on August 7, 1987, as it confers a benefit on the public since the rescinded rule could be construed to be in conflict with the statute amendments. If the normal date is necessary to conform to the statute, and the notice period would delay adoption of new administrative regulations conforming to the amendments.

RCA 191-19.1(523A) is rescinded.

[Filed emergency 8/7/87, effective 8/7/87]
[Published 8/26/87]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement, 8/26/87.

After this rule was adopted, the Administrative Rules Review Committee of the General Assembly filed an objection on May 21, 1981, that the rule is unreasonable. The utilities applied for rehearing before the commission, but the application was denied on May 22, 1981. They next requested the commission to issue a statement of reasons for and against the rule, pursuant to section 17A.4(1)(b) of the Code. The commission issued the statement on July 15, 1981.

The utilities then sought judicial review of the rule, pursuant to section 17A.19 of the Code. Iowa Citizen/Labor Energy Coalition, Inc. (IC/LEC) intervened in the appeal.

On judicial review the utilities allege the rule exceeds the commission's statutory authority, is unreasonable, and violates constitutional clauses. The commission, on the other hand, contends that it has statutory authority under sections 476.1, .2, and .8 of the Code to promulgate mandatory utility financing.

The district court found the commission exceeded its statutory authority in promulgating the rule and therefore did not address the issues of unreasonableness and unconstitutionality. The commission and IC/LEC appealed to this court.

I. *Scope of review.* We first consider two preliminary issues.

[1] A. This court will make anew the determinations which the district court may make under section 17A.19 of the Code. *Temple v. Vermeer Manufacturing Co.*, 285 N.W.2d 157, 159 (Iowa 1979). In reviewing agency rule making, we can properly consider both the record made before the agency and before the district court. *Security Savings Bank v. Union*, 283 N.W.2d 209, 211 (Iowa 1979); *Community Action Research Group v. Iowa State Commerce Comm'n.*, 275 N.W.2d 217, 219 (1979).

[2] B. Any agency rule is presumed valid. It is the burden of the party challenging it to demonstrate that a "national agency" could not conclude the rule was within the agency's delegated authority. *Millholin v. Viehies*, 320 N.W.2d 552, 554 (1982); *Iowa Auto Dealers Ass'n v. Iowa Department of Revenue*, 301 N.W.2d 760, 762 (Iowa 1981); *Wentworth Homes, Inc. v. Riedemann*, 277 N.W.2d 911, 913 (Iowa 1979); *Davenport Community School District v. Iowa Civil Rights Comm'n.*, 277 N.W.2d 907, 910 (Iowa 1979).

[3, 4] Once the Administrative Rules Review Committee objects to the contested

rule, however, the burden shifts to the agency in a judicial review proceeding to prove the validity of the rule. *Iowa Auto Dealers Ass'n* 301 N.W.2d at 762; *Iowa Code* § 17A.4(1)(a) (1981). The committee objected that the rule was unreasonable. It did not object, however, with respect to the agency's delegated authority to promulgate such a rule. We find, therefore, that the district court correctly retained the burden on the utilities to prove promulgation of the rule was beyond the commission's statutory authority.

II. *Agency's statutory authority.* We pass then to the merits of the controversy.

[5, 6] A. To be valid, a rule adopted by an agency must be within the scope of powers delegated to it by statute. *Haesemeyer v. Mosher*, 305 N.W.2d 35, 37 (Iowa 1981); *Temple v. Vermeer Manufacturing Co.*, 285 N.W.2d 157, 159 (Iowa 1979); *Hiserote Homes, Inc. v. Riedemann*, 277 N.W.2d 911, 913 (Iowa 1979); *Davenport Community School Dist. v. Iowa Civil Rights Comm'n.*, 277 N.W.2d 907, 910 (Iowa 1979); *Quaker Oats Co. v. Cedar Rapids Human Rights Comm'n.*, 268 N.W.2d 862, 868 (Iowa 1978). The ultimate determination of whether an agency could have rationally concluded it was acting within its delegated powers is for the court. *Haesemeyer* 308 N.W.2d at 37; *Iowa Department of Revenue v. Iowa Merit Employment Comm'n.*, 243 N.W.2d 610, 615 (Iowa 1976); *Schmitt v. Iowa Department of Social Services*, 263 N.W.2d 739, 745 (Iowa 1978).

B. The commission finds authority to promulgate mandatory utility financing in the recent amendments to sections 476.1 and .2 of the Code. Section 476.1 now provides in part:

The jurisdiction of the commission under this chapter shall include programs designed to promote the use of energy conservation strategies by rate or service-regulated gas and electric utilities.

Section 476.2 now provides in part:

The commission shall promulgate rules concerning the use of energy conservation strategies by rate or service regulated gas and electric utilities by July 1, 1981.

We note that the word "shall" include "must" as defined to promote the use of" and "shall promulgate rules concerning the use of" energy conservation strategies. (Iowa Code 1.1(4)) Section 41(6) of the Code provides that use of the word "shall" in a statute imposes a duty. Thus the commission's question is whether it