

ALASKA LEGISLATURE COMMITTEE FILES 1987-1988 8672
5104 HSTA SB 11 - SB 42

676

Senator Jack Coghill

-2-

February 4, 1987

We estimate that approximately 500 purchasers of state agricultural parcels would be eligible for this home-site program. The bill would require the purchaser to pay the costs of survey, but would result in additional costs to the department for land appraisals, survey directions, public notice and other administrative requirements. Since our land disposal program and staff is eliminated in the proposed FY 88 budget request, new funding would be needed to perform these tasks.

Please let me know if I may provide additional information.

Sincerely,

Judith M. Brady
Commissioner

cc: Members of Committee

bcc: Governor's Legislative Liaison

AGRICULTURAL LAND DISPOSALS
1978-1986

NON-PROJECT

DATE	DISPOSAL	^{total} ACRES	NUMBER OF PARCELS	AVERAGE SIZE	LOCATION
APR 78	TANANA LOOP	8369	60	89	DELTA JUN
JUL 78	HOMER	2590	14	214	HOMER
JUN 79	TALKEETNA	1159	22	53	MAT/SU
DEC 79	BUFFALO	1150	6	198	DELTA JUN
DEC 79	BARTLETT HILLS	8172	37	303	MAT/SU
DEC 79	SIX CREEKS	743	12	62	DELTA JUN
DEC 79	GUSTAVUS	585	6	98	SOUTH EAST
DEC 79	WARREN	740	3	247	DELTA JUN
JUL 80	TWO RIVERS	5454	79	189	FAIRBANKS
JUN 80	COPPER CENTER	612		309	GLENALLEN
NOV 82	FOUR MILE HILL	4720	36	131	DELTA JUN
JUN 81	ROSTE CREEK	320	3	107	FAIRBANKS
JUN 81	SCOTTY LAKE	2160	4	540	MAT/SU
JUN 81	SALCHA	3738	16	234	DELTA
JUN 82	EIELSON I	3805	14	272	FAIRBANKS
JUN 82	BUFFALO II	460	2	153	DELTA JUN
DEC 82	23 MILE SLOUGH	761	17	45	FAIRBANKS
DEC 82	TWO MILE LAKE I	4130	17	243	NENANA
DEC 82	LITTLE SUSITNA	550	3	187	MAT/SU
DEC 82	NANCY LAKE	200	2	100	MAT/SU
DEC 82	GOOSE CREEK	160	1	160	MAT/SU
JUN 83	DELTA ISLANDS	907	2	302	MAT/SU
JUN 83	MOOSE CREEK	667	4	167	MAT/SU
JUN 83	BROWNS COURT	1775	9	197	NENANA
NOV 83	CLEARWATER	1924	10	192	DELTA JUN
JUL 84	RABIDEAUX	2346	7	335	MAT/SU
JUL 84	EIELSON II	2114	6	352	FAIRBANKS
JUL 85	TWO MILE LAKE II	2158	8	270	NENANA
TOTAL		59965	344	174	ACRES AVE

PROJECTS

AUG 78	DELTA I	60365	22	2754	DELTA JUN
MAR 82	DELTA II	24904	15	1660	DELTA JUN
SEP 82	POINT MACKENZIE	14568	31	470	MAT/SU
TOTAL		100057	68	1471	ACRES AVE

HOMESTEADS

JUL 84	NIKISKI	350	5	78	KENAI
JUL 84	RICHARDSON	655	8	79	DELTA JUN
JUL 84	YENTNA (REMOTE)	2400	15	160	MAT/SU
JUL 84	WILLOW CREEK NORTH	340	4	85	MAT/SU
JUL 86	WILLOW CREEK	320	2	160	MAT/SU
JUL 86	KOBE	2140	23	93	NENANA
JUL 86	HOMER	565	5	113	HOMER
TOTAL		6790	62	110	ACRES AVE

BOROUGH

MAY 77	MAT/SU	3125	16	195	MAT/SU
OCT 82	MAT/SU	3461	20	173	MAT/SU
NOV 83	MAT/SU	4135	14	295	MAT/SU
TOTAL		10721	50	214	ACRES AVE

GRAND TOTAL		177533	524	339	ACRES AVE
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Fran:

What would happen to the loan if it reverts?

The state would not inherit the obligation. Lender would go back to the borrower to receive compensation.

What period would correspond to the AHFC loan conditions?

Would AHFC loan money on the conditions of the bill?

The lender would probably structure the loan to match the conditions of the conveyance.

JK

M E M O R A N D U M

TO: House State Affairs Committee
FROM: Representative Fran Ulmer, Chair
House State Affairs
DATE: April 29, 1988
RE: Committee Substitute for SB 11 (work draft)

Two major concerns have been raised by legislators, the public and state agencies regarding the intent of SB 11. These are:

- 1) If a 5 acre parcel is offered for sale, the state should have some assurance the buyer will not default on the agricultural loan that person holds after obtaining fee simple title to the 5 acre parcel.

Page 1, Line 14 after "homesite"

Delete "."

Insert

"if the owner has had the land subject to the agricultural rights for three or more years and, if the owner has a loan from the state on the land subject to the agricultural rights, the loan is and has been in good standing for the most recent three years."

Requiring the buyer to be in "good standing" allows the state (commissioner) to determine, prior to conveyance of the 5 acres, who would most likely continue to meet their loan obligation.

- 2) A second concern relates to the use of the 5 acre parcel. Once someone obtains fee simple title to that parcel, he/she would be under no obligation to use it as a simple "homesite" even though "homesite" is defined in the bill. Residential buildings, for example, could be used as a "country inn." If the "homesite" were used for other purposes it is not clear what the penalty would be. ✓

Page 1, Line 21

After "requirements"

Insert

"and shall agree, as a condition of the purchase, to use the homesite only as a homesite for 20 years after the conveyance. If the land is not used as a homesite for 20 years after the conveyance, it reverts to the state."

A purchaser agrees, as a condition of purchase, to use the 5 acres as a homesite for 20 years after the conveyance. If it is used for other purposes, the land reverts back to the state.

Alaska HOUSING  FINANCE CORPORATION

April 22, 1988

Senator Jack Coghill
Alaska State Legislature
P. O. Box V
Juneau, AK 99811

Attn: Elizabeth Ziegler

Dear Senator:

You have asked us to provide you with a brief statement as to why Alaska Housing Finance Corporation cannot at this time grant loans on agriculture parcels. For clarity, I will give the reasons in very simple terms, however, please realize that this is a complex issue and deserves much further discussion than what is stated here.

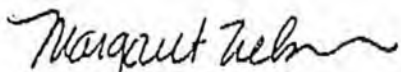
~~Very simply then, the potential borrower does not own the land, but simply has the right to farm it.~~ Due to the terms of the lease, the title company cannot give AHFC, or any other potential lender, warranties that the loan is in first-lien position! Without first-lien position, the loan cannot be granted.

Taking this one step further, even if the stated deeded a portion of the land to the potential borrower, problems would still exist. The parcel deeded must be legally accessible without traversing the leased land.

These are just a few of the problems AHFC has encountered in trying to implement a home loan program for Alaskans who have chosen to take part in Alaska's agricultural program.

As always, we are willing to work with you on this, or any other issue.

Sincerely,



Margaret Nelson
Special Assistant/Public Information Officer

ec

Bill would allow reduced payments on state-financed agriculture loans

THE ASSOCIATED PRESS

The state attorney general determined recently that it would be unlawful for the state to reduce loan payments for troubled farmers, but legislators are considering a bill that would permit that type of relief.

Division of Agriculture Director Mark Weaver was told last week that the Agricultural Revolving Loan Fund board probably doesn't have authority to refinance farm loans to lower the payments. But Weaver said the board already has revised payment plans for about 20 farmers, based on an attorney's earlier opinion that it was legal.

About 250 farmers have loans through the state's Agricultural Revolving Loan Fund, and about one-third have expressed an interest in refinancing.

Weaver says that if a bill lodged in the Senate Finance Committee isn't approved by the Legislature this year, he may have to tell farmers the state will not be restructuring their loans, even after it said it would.

"The department is looking for something to solve our legal mess, because we're going to be in one. All those people are going to say, 'Hey, you made a deal. We don't care if you had the authority or not,'" Weaver said.

The bill, SB484, is being rewritten. Progress toward passage was stopped about two weeks ago because Sen. Rick Halford, R-Chugiak, co-chairman of the Senate Finance Committee, said he had questions.

Halford wants a written a legal determination of whether the state can restructure loans from the revolving fund. He planned to hold a hearing on the bill this week.

Halford stopped the bill's progress after looking at the results of a separate loan bill approved by the Legislature in 1986.

Under that program, farmers in the Delta I and II projects turned their land back to the state and got all or part of their original land purchase loans forgiven. The farmers then repurchased the land from the state at greatly reduced prices.

The Delta farm projects, started during the administration of Gov. Jay Hammond, have been largely unsuccessful because the state and the farmers underestimated the cost of developing commercial farms and overestimated the market for barley products.

Gov. Bill Sheffield then cancelled plans for construction of a grain-loading facility at Seward. World prices for barley today are about half what they were in the early 1980s.

Weaver said the repurchase costs generally were about one-quarter of the original loan. About 30 farmers—almost all of those in the Delta projects—applied for the program.

The farmers who have completed the process essentially have been forgiven millions of dollars in loans, and the state still is working out details with others.

At the same time, the farmers collect money from the federal Con-

servation Recovery Program, which pays farmers to plant grass rather than crops. Nationally, the program is designed to reduce crop surpluses and prevent soil erosion.

Halford questions why the state should forgive the farmers millions of dollars when the federal government was paying them the same amount they would earn if they were harvesting crops.

In fact, the 1986 Legislature prohibited farmers from relinquishing and buying back land if they were using "a federal farm program that provides monetary or other incentives for keeping agricultural land in a Delta Project out of production."

But state officials decided that the Conservation Recovery Program didn't really keep land out of production. Farmers receiving federal CRP payments were allowed to give their land to the state and repurchase it.

Halford, annoyed about the loophole, asked the Department of Natural Resources to explain how it happened.

The new version of the bill will not permit farmers to relinquish then repurchase land, a supporter of the measure said, but will allow the Agricultural Revolving Loan Fund to extend the length of time farmers have to pay back loans.

5-0100X
Bradley
4/27/88

Original sponsor: Coghill

1 IN THE SENATE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 11 ()

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 the conveyance of a five-acre
7 homesite on agricultural land; and providing for an
8 effective date."

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

10 * Section 1. AS 38.05.065 is amended by adding a new subsection to
11 read:

12 (i) The commissioner may negotiate with the owner of land sub-
13 ject to agricultural rights the purchase by that owner of a five acre
14 fee simple homesite. The commissioner may not negotiate the sale of
15 more than one five-acre homesite on each original tract purchased from
16 the state. The purchaser shall pay the costs of any survey, apprais-
17 al, and notice requirements and shall agree, as a condition of the
18 purchase, to use the homesite only as a homesite for 20 years after
19 the conveyance. If the land is not used as a homesite for the 20
20 years after the conveyance, it reverts to the state. The purchase
21 price of the homesite shall be the fair market value of the land at
22 the time of the application for the purchase. In this subsection,
23 "homesite" means land used for residential and other related purposes,
24 including barns, corrals, garages, workshops, and storage facilities.

25 * Sec. 2. This Act takes effect immediately under AS 01.10.070(c).

26
27 IF the owner defaults on the 5 acre parcel.
28 → the 5 acres revert back to the state.
29 would present, 10/10 - however.
MAYBE DON'T HAVE CONFUSION

AHER
HCS CSSB 11()

Should the state sell farmers fee simple title to all or part of agricultural tracts? Why?

Sturgulewski:

It is the state's policy in providing land for agricultural purposes that it remain agricultural land. I do not support selling agricultural land at agricultural prices for fee simple title. The potential for losing valuable farmland is too great.

Wright:

Yes. America's private property right.

Hayes:

Selling of land with fee simple title should be an option. I believe this would open private financing options to many farmers who may have only the state to go to. However, I also believe that agricultural use should be preserved as the long-term use of the land. If farmers believe conveyance of fee simple title is necessary, I will support it.

(See ANSWERS, Page F-10)

ANSWERS

(Continued from Page F-9)

Richards:

The state's agricultural program has been a tragic failure, harming several Alaska families. It is imperative that the state restructure the program so that those bona fide farmers have a chance of making a go of it. I would favor financial or land ownership arrangements that reduce the burden to farmers so it is feasible for them to achieve success.

Randolph:

I favor granting farmers fee simple title, possibly with agricultural covenants. With clear title, farmers can obtain working capital from conventional sources without the need for state subsidies. Whenever possible, the state should work toward putting

land into the hands of individual Alaskans.

Somerville:

I am not in favor of giving fee simple title to all lands included in leases. I favor reducing the debt load and reducing the size of the tracts.

McGrane:

No answer submitted.

Hickel:

Yes. Land ownership has been and is the foundation of our free society. Farmers have two entitlements to show their net worth: The land, its condition and maintenance and the yield which the land produces. Fee title is a must. It is needed to protect the public interest in agricultural land.

Cowper:

Yes. There should be five acres available for a homestead. Otherwise, a home loan cannot be obtained because agricultural rights can't be mortgaged. In future agricultural sales, the state should consider transferring fee simple title.

Sheffield:

The farmers already have fee-simple title, but there are conditions attached which prohibit subdividing under 40 acres or destruction of the crop-producing capacity. Those conditions are appropriate since farmers purchased the land at very low values, with the expressed purpose of using the land for agriculture.

White:

No. Make it an estate to an individual of life plus 10.

Vogler:

Yes, to all. It is necessary to secure financing if needed. Farming vegetables are a joke. Retaining a 5 percent interest in all petroleum reserves is suggested for the state.

CORRECTION

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

5-0100X
Bradley
4/27/88

Original sponsor: Coghill

1 IN THE SENATE

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17 al, and notice requirements and shall agree, as a condition of the
18 purchase, ^{Restored or} _{copy given to R.D. on 3/21/88} to use the homesite only as a homesite for 20 years after
19 the conveyance. If the land is not used as a homesite for the 20
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26 IF the owner defaults on the 5 acre PARCEL
27 → the 5 acre parcel reverts back to the state
28 would prevent, loan - however,
29 must document have CONFUSION

AHER

NAIVED CLASS - PURSUE GOOD CREDIT
RISK - OVER-DEAL

RESISTANCE AND PROCESS -

MAY NOT OBLIG TO RESOLVE
WHO CAN BY REGULAR
IN GOOD STANDING.

THIS WAY. WITH OUR
TURKEY.

COOL - OCCASION TO COOL
CONSIDER GOOD CREDIT
RISK RE: LOW

MAY DO IT FOR PEOPLE
FOR PEOPLE WHO FEEL
THEir MY PROCESS

MODERN OWN COMPANY
NO DETOURING THIS



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F-10—Daily News-Miner, Fairbanks, Alaska, Sunday, August 24, 1986

ANSWERS

(Continued from Page F-9)

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No 206

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

A

REQUEST: _____
Revision Date: 4/1/87
Title: Homesites on agricultural land
Sponsor: Senator Coghill
Requestor: Senator Coghill

Bill Version: CSSB 11 (Finan
Publish Date: 4-2-87

Agency Affected: Natural Resources
BRU: Land and Water Management

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES		72.0	72.0			
TRAVEL		2.0	2.0			
CONTRACTUAL		4.0	4.0			
SUPPLIES		1.0	1.0			
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		79.0	79.0			
CAPITAL						
REVENUE		*	*			

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME		1	1			
PART-TIME		1	1			
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

*Purchase of the remaining available land rights would generate an estimated \$800 per acre.

Prepared by: Carol Wilson Phone: 465-2400
Division: Commissioner's Office Date: 4/2/87

Approved by Commissioner: [Signature] Date: 4-2-87
Agency: Natural Resources

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

FISCAL ANALYSIS CSSB 11
continued

With all costs of the homesite purchase to be borne by the applicant, including survey and appraisal, the department's responsibility would be limited to receiving and processing purchase applications and negotiating the homesite sale.

The full-time Natural Resource Officer II would be responsible for receiving applications; making necessary findings under AS 38.05.035; adjudicating applications against the information supplied in the completed survey (including the location of buildings); developing and administering contracts; and pursuing contract defaults and foreclosures, if necessary.

The half-time review surveyor would issue survey instructions and review and approve the completed surveys.

If a limited homesite purchase application period is established for the existing 500 agricultural parcels, the 1 1/2 staff persons would need to be funded for two to four years to complete the project.

If homesite applications can be made at any time, from 50-100 purchase requests could be expected each year. If staff to process these applications is not funded, purchase requests would be filed in the order received and processed as staff assigned to other projects can be made available.

If a \$50 filing fee is assessed, it would help defray processing costs.

100 -	1 Range 16 (Contract Administration)	42.0
	1/2 Range 19 (Survey Review)	30.0
200 -	Travel to spot check surveys	2.0
300 -	Postage, telephone, copy fees	4.0
400 -	Office supplies	1.0

FISCAL NOTE

REQUEST:

Revision Date: 2/24/88
Title: Homesites on agricultural
land
Sponsor: Senator Coghill
Requestor: House State Affairs Committee

Agency Affected: Natural Resources
BRU: Land and Water Management

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES		72.0	72.0	72.0	72.0	72.0
TRAVEL		2.0	2.0	2.0	2.0	2.0
CONTRACTUAL		4.0	4.0	4.0	4.0	4.0
SUPPLIES		1.0	1.0	1.0	1.0	1.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	79.0	79.0	79.0	79.0	79.0

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

GENERAL FUND	-0-	79.0	79.0	79.0	79.0	79.0
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	79.0	79.0	79.0	79.0	79.0

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

*Purchase of the remaining available land rights would generate an estimated \$300 per acre.

Prepared by: Richard LeFebvre
Division: Land and Water Management

Phone: 762-2692
Date: 2/24/88

Approved by Commissioner: Tom Hawkins (acting)
Agency: Natural Resources

Date: 3/19/88

Distribution (by preparator):

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

FISCAL ANALYSIS CSSB 11
continued

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300 -	Postage, telephone, copy fees	4.0
400 -	Office supplies	1.0

FRAN:

Notes on SB11, Conveyance of Homesites-

Apparently there has been a long standing debate between Kerttula and Coghill over whether land that has been designated agriculture land should be used for other purposes. Kerttula says no while Coghill argues we should allow persons to purchase 5 acres to gain fee simple title to the land; in that way these individuals could build a home on this land and finance the building through a bank - something they cannot do now because they only have agricultural rights. The state already allows for buildings on 5 acres.

Kerttula's concern is that by allowing this title to the five acres we may be opening the door for development not intended. The letter from Lesh (attached) is a good example and there are others too.

Pt. McKensy near Anchorage, a big agriculture area, has been targeted by Joe Cange (sp?) - he would like to develop this area (condo's according to Beth). Passing this bill would be a first step in allowing him to do it.

I requested further backup info from Coghill's office which we haven't received yet. Hope this short summary is helpful.

Dennis

GUSTAVUS INN

Gateway to
Glacier Bay



May 1, 1987

David & JoAnn Lesh Phone: 907-697-2254 P.O. Box 31 Gustavus, Alaska 99826

Dear Rep. Ulmer,

I am opposed to SB 11 the bill which would allow owners of agricultural land to purchase a 5 acre parcel for the following reasons:

Out of the 5 or 6 agricultural parcels given out by the state none are being used for commercial agriculture in any serious way. Most have not had anything done to them. Only one has a permanent resident who has tried to live up to the requirements of the state. His present use of the land given to him by the state for agricultural use is as a country inn in direct competition with my business. If he is allowed to purchase the five acre parcel that his business sits on he will be surrounded by 155 acres of parklike protection. While it is not quite as isolated as your Lemisurier Island land it has the same protection from nearby development and isolation that is so important. The same protection that I have to pay 15,000 per acre for. The value of such a tourist business is greatly enhanced as you can imagine. Is this the purpose of the state agricultural sales?

Any other parcel locally or statewide could be used as inns or resorts or vacation condominium developments in direct competition with private enterprise. If the state feels that they made a mistake with the agricultural sales please don't add insult to injury. The states' give away programs have done a lot of harm and are part of the reason that we are
↓ financial straits we are in. ↓

"Coil your rope & anchor here til better weather doth appear"

GUSTAVUS INN

Gateway to
Glacier Bay



David & JoAnn Lesh Phone: 907-697-2254 P.O. Box 31 Gustavus, Alaska 99826

Please let me know how you feel about this matter. I have enclosed a copy of a brochure that I feel is of a type that we will be seeing more of if your bill goes through.

Thank you for your time. Rep. Goll knows how I feel and recommended that I write you.

Sincerely,

David T. Lesh

✎

✎

"Coil your rope & anchor here til better weather doth appear"

PUBLIC OPINION MESSAGE

DEAR: REPRESENTATIVE ULMER

NAME: HAROLD WORTHEN
TITLE:
ADDRESS: PO BOX 56123
CITY: NORTH POLE ZIP: 99705
PHONE: 488-9585
BILL NO: SB 11
SUBJECT: FIVE-ACRE HOMESITE ON AGRICULTURAL LAND
MESSAGE: IN REFERENCE TO YOUR (REP. ULMER) LETTER TO ME LAST YEAR, I WOULD
LIKE TO SEE SB 11 START TO MOVE. EOM/MJO

POHID: 07112355
DATE: 04/20/88
TIME: 11:23:55
LIONAME: FAIRBANKS LIO

COPIES: REPRESENTATIVES

BOUCHER
DAVIDSON
DONLEY
HOFFMAN
MARTIN
MENARO

Dennis

Senator John B. (Jack) Coghill
Alaska State Legislature



Box V
Juneau, Alaska 99811
(907) 465-4797

Box 55028
North Pole, Alaska 99705
(907) 488-0862

M E M O R A N D U M

To: Representative Fran Ulmer, Chair
House State Affairs Committee

From: Senator John B. Coghill

Re: SB 11, Five Acre Homesite on Agricultural Lands

Date: April 25, 1988

SB 11 would allow the the Commissioner of Natural Resources to sell a five acre fee simple absolute tract to farmers who presently have a restricted fee.

I have worked with farmers for the last few years and one of the most dismaying consequences of our agricultural program has been inability of farmers to use their farmland for collateral for conventional loans. A case in point is the Alaska Housing Finance Corporation. Last year an amendment was made allowing the AHFC to make housing loans to owners of ag parcels. Just this week I was informed that they can not because the title is restricted. Confusion surrounds every aspect of just what kind of title our farmers have.

I believe it is good state policy to enable our farmers to borrow funds from private lenders instead of the state agricultural revolving loan fund. This fund will be depleted in the next few years and presently cannot be used for housing loans.

Many farmers do not live on their parcels because they could not get a loan. With the current economic situation this may lead to a disincentive to continued farming. Recognizing the state's \$60 million plus investment in agriculture, I think we should encourage those who want to farm in Alaska.

I urge your support on SB 11.

Farm land being saved from development

By GEORGE ESPER
AP Special Correspondent

FRANKLIN TOWNSHIP, N.J. — Susan and Ted Blew are having fun these days growing vegetables on their 160-acre farm, making some money and raising three children in wide open spaces only 45 minutes from the smokestacks of industrial Newark.

Things weren't always so good.

For five years, they struggled, saddled with a six-figure mortgage and a floating interest rate that reached 16 percent.



They were in a Catch-22 situation. To make more money to pay the mortgage, the Blews rented 1,000 more acres and grew wholesale

grain. They considered it drudgery, and, worse, the new loans only added to their debt.

Then, about two years ago, they found a way to pay off their mortgage, keep their Hunterdon County farm for their children and make money growing what they wanted: They sold development rights to their land to the state of New Jersey as part of a farm land preservation program.

More and more state and local governments are giving top priority — and tens of millions of dollars — to farm land preservation programs, efforts to save rapidly vanishing open space from developers. The trend is spreading from the Northeast, where it started, to the South and West.

The government assesses the land's value for farming and compares that to its higher worth for housing or commercial use, such as a mall. The farmer is offered the difference in dollars in return for an agreement that the land can never be sold for development. The farmer keeps the property and can still sell it, but its deed will be restricted to farming or open space use.

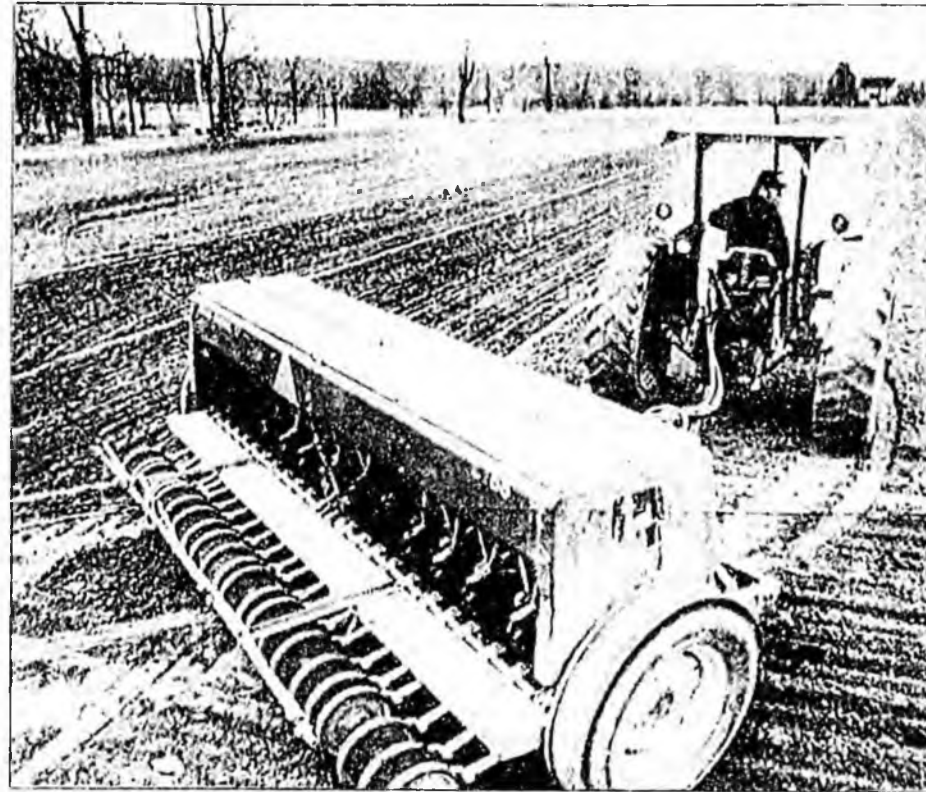
The Blews received almost \$900 an acre or \$143,500 from the state and county, which split the cost. That same day, Dec. 19, 1985, they turned the check over to the bank, paying off their mortgage, on which they had been making payments of close to \$10,000 every six months, and an outstanding business loan.

"We had \$10 (left) to go to lunch," Ted said. They celebrated at a Ponderosa restaurant with steaks and chocolate milk. "It came to \$10.12," said Susan, smiling.

The Blews can afford to smile now. The pressure is off.

"It relieved the pressure of that exploding interest rate," Ted said. "You enjoy working when you're making some money, when you're able to pay your bills and have something left over."

New Jersey's share of the money came from a \$50 million bond issue voters approved in 1981.



Farmer Ted Blew plants spring grain at his 160-acre farm in Franklin Township, N.J. Blew and his wife, Susan, have sold the development

rights to their farm for \$143,500 in a program set up by the state to preserve farm land in New Jersey.

AP Le...er photo

Other states with similar farm land and open space preservation programs include Connecticut, Maine, Maryland, Massachusetts, New Hampshire, Pennsylvania, Rhode Island and Vermont.

Local programs exist in Boulder County, Colo.; Forsyth and Mecklenburg counties in North Carolina, whose respective seats are Winston-Salem and Charlotte; King County, Wash., around Seattle; and Northern California's Marin and Solano counties. In Collin County, Texas, north of Dallas, officials are trying to raise funds for land preservation.

Over the last decade, almost 100,000 acres of working farm land have been saved, said Jim Riggie, director of field operations for American Farmland Trust in Washington, D.C., a non-profit organization that works to conserve agriculture.

The success of preservation programs, however, doesn't mean development is being slowed.

Riggie estimated that since World War II, some 70 million to 100 million acres of U.S. agricultural land

has been converted to commercial or residential use, or has been used for highway or other public works projects. That leaves no more than 1.2 billion acres of privately owned open land nationwide, of which 575 million are being farmed or have a high potential for farming, while the rest remains unused for crops because of its lesser quality.

Roughly 3 million acres of farm land are being lost every year, he said.

"Six out of 10 of the most productive agricultural counties are either already classified in metropolitan areas or adjacent to them," he said. "That's where the action is taking place. There is a general degrading of the quality of our land in this country."

Development pressure in Massachusetts remains strong even though the state has already spent \$45 million to buy up rights and preserve nearly 20,000 acres. The Legislature last December approved an additional \$35 million for the program.

Why? "You're preserving the economic fabric of the

rural area. It has an additional benefit. It's a working landscape," replied August Schumacher Jr., Massachusetts commissioner of food and agriculture.

Ron Allbee, Vermont's commissioner of agriculture, agreed.

"We sell Vermont to tourists for the pristine open space, for the small villages," Allbee said. "I think there's a broader concern. If we lose our agriculture, we're going to lose what people identify as Vermont."

Even in big cities, such as Philadelphia, voters are overwhelmingly approving bond issues to buy up the rights. There are many reasons.

In Pennsylvania, which is just beginning its program after voters approved a \$100 million bond issue in November, agriculture is the No. 1 industry.

Pennsylvania has 56,500 farms that produce crops worth \$3.2 billion a year and generate \$35 billion in related business. But since 1960, the state has lost 50,000 farms and 3.8 million acres of land that went out of production, most of it believed to be for development.

Along with economics, sentiment helped the preservation forces, state Sen. Noah W. Wenger said.

"Even people that live in the cities can remember their grandfather or their uncle living on a farm," he said, "and they have a certain affinity to that and I think that was in its favor."

But even more, Wenger said, was the realization that about 20 percent of all the jobs in the state are related to agriculture.

"It's just good business sense to take care of your No. 1 industry," he said. "You would spend \$100 million to keep a basic industry intact so that that industry can continue to pay taxes and provide jobs so that we will have funds available to support our social programs, our research programs."

The trend toward preservation of farm land appears to be gaining priority beyond the Northeast. "The idea has begun to catch on," said American Farmland's Riggie.

Californians will vote June 7 on a referendum for \$776 million to preserve open space, including farm land, greenbelts and parks.

In Florida, a state law requires every county to develop within the year a program to limit its expansion into rural areas. More than 90 percent of all open land outside urban areas in Florida is farm land.

Riggie said the preservation programs are concentrated in the Northeast because it is the oldest settled region and the states are small, and often mountainous, limiting the amount of arable land.

David Meade is one of the Northeast's concerned farmers. He sold the development rights to 70 acres of his farm land in Howell Township, N.J., near Freehold, to the state for about a half million dollars last September. Developers had offered him more than a million.

"I would only have to take that money and go out and buy another one. Farming isn't an occupation. It's a way of life," he said. "It's not necessarily something you get into with the idea of getting rich. It's something you get into because it's a matter of the heart."

2

PUBLIC OPINION MESSAGE

DEAR: REPRESENTATIVE ULMER

NAME: ANDY PAYNE
TITLE:
ADDRESS: P.O. BOX 1192
CITY: DELTA JCT. ZIP: 99737
PHONE: 895-4075
BILL NO: SB 11
SUBJECT: FIVE-ACRE HOMESITE ON AGRICULTURAL LAND
MESSAGE: AS A DELTA FARMER I URGE YOU TO SUPPORT SB11 BECAUSE IT ALLOWS FARMERS
TO BORROW MONEY AGAINST THEIR FARM IMPROVEMENTS, REMOVE SOME OF THE RISK
INVOLVED IN DEVELOPING AGRICULTURE LAND, AND ENCOURAGES FARMERS TO STAY ON THEIR
AGRICULTURE LAND AND CONTINUE FARMING IT.

POMID: 02170441
DATE: 04/16/87
TIME: 17:04:41
LIONAME: DELTA JUNCTION LIO

COPIES: REPRESENTATIVES

BOUCHER
DAVIDSON
DONLEY
HOFFMAN
MARTIN
MENARD

Jc
file

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

400 WILLOUGHBY AVE.
JUNEAU, ALASKA 99801-1796
PHONE: (907) 465-2400

April 25, 1988

The Honorable Fran Ulmer
Chair, House State Affairs Committee
P.O. Box V
Juneau, Alaska 99801

Dear Representative Ulmer:

Subject: Committee Substitute for Senate Bill 11, which would allow the Commissioner of Natural Resources to sell the holder of an agricultural parcel a five-acre fee simple homesite on the parcel.

Position: While the Department of Natural Resources did not object to this bill in the past because we believed that certain protections for agricultural land could be included in the legislation, it has become clear to us that the possible problems associated with the sale of a five-acre homesite for each agricultural parcel have not been resolved. Language ensuring that the homesite would be used only for the purchaser's personal domicile has not been included, and the bill does not prevent the five-acre homesite parcel from being sold to a non-farm owner. If the homesite parcel is not included when the farm is sold in the future, the new owner will likely request that a new five-acre homesite parcel be provided. This could ultimately result in the loss of much of Alaska's prime farm land to residential uses.

Background: As you may know, the Department of Natural Resources is currently directed by statute (AS 38.05.321) to transfer only agricultural rights to the purchaser of state land classified for agriculture. The land patent document for agricultural parcels grants the purchaser title to the surface estate in fee simple, subject to the condition subsequent and related covenants which require use of the property for agricultural purposes only. This bill would remove the agricultural use covenant for a five acre homesite on each agricultural parcel.

The Honorable Fran Ulmer

-2-

April 25, 1988

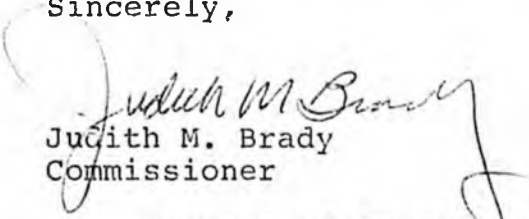
The department currently allows farm buildings and related improvements on up to 20 acres of an agricultural parcel. A five-acre homesite conveyed under the terms of this bill would be contained within the approved farmstead site and intended for use as the purchaser's personal domicile.

We estimate that approximately 500 purchasers of state agricultural parcels would be eligible for this homesite program. The bill requires the purchaser to pay the costs of survey, appraisal, and notice requirements, but would result in some additional costs to the department for processing purchase applications, issuing survey instructions, and negotiating sale agreements.

We estimate that purchase of the remaining available land rights to an agricultural parcel would generate approximately \$800 per acre at current market values.

Please let me know if I may provide additional information or assistance.

Sincerely,


Judith M. Brady
Commissioner

cc: Members of Committee
Senator Coghill
Ron Clarke
Bob Evans

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

DIVISION OF PERSONNEL

STEVE COWPER, GOVERNOR

P.O. BOX C
JUNEAU, ALASKA 99811-0201
PHONE: (907) 465-4430

February 5, 1988

The Honorable Adelheid Herrmann
Alaska State Legislature
P.O. Box V
Juneau, AK 99811-3100

Dear Representative Herrmann:

I am writing in response to your January 26, 1988, letter requesting information about our current recruitment, examining and register systems. I appreciate this opportunity to provide you with additional information about our practices before the hearing on House Bill 326.

I will respond to your letter as specifically and completely as possible by first restating your questions and after each question providing my response.

Question #1: What changes have been made to the State register system to streamline the system and update the application process?

Answer: Over the past twelve months, the Division of Personnel has reviewed job classes for the purpose of tailoring its recruitment efforts to the specific needs of each job class. As a result of this effort, we have been able to identify five basic categories of jobs or job classes for recruitment purposes. These categories are vacancy-based classes, office skills, seasonal, continuous, and needs-based classes. As a consequence of this categorization, we have been able to design recruitment efforts which streamline the recruitment and selection process.

Perhaps the most significant change resulting from the above categorizations was the development of a recruitment effort for positions with actual vacancies. This process is called VACANCY BASED RECRUITMENT. The cornerstones of this program are threefold. First, recruitment efforts are based on the fact that a vacancy actually exists. Second, recruitment efforts are targeted at the local area where the vacancy exists. Third, recruitment information is transmitted electronically.

Prior to the implementation of vacancy-based recruitment, a manager in a local area who needed to fill a permanent position could request an eligible list from either the departmental personnel officer or the Division of Personnel. The eligible list issued could include candidates who had been on the list for up to two years and who may not be interested in a vacancy in the area where the vacancy exists. The problems with this approach were obvious. The manager would spend a great deal of time attempting to contact candidates who were no longer interested in the position and the eligible list provided would not include the names of local qualified residents who would have applied for

the vacancy if they had known of its existence. Vacancy-based recruitment is designed to remedy these concerns.

Vacancy-based recruitment has many facets but basically it works as follows: A manager in a local area who has a vacancy can request the Division of Personnel to conduct vacancy-based recruitment. Currently the division will, within 24 hours of receiving the request, have recruitment bulletins announcing the vacancy, transmitted electronically, to the area where the vacancy exists. The bulletins will be sent to the Division of Personnel offices, Department of Labor Job Service Centers, and Legislative Information offices. These vacancies are also advertised on radio, television and newspapers in the area where the vacancies exist. Letters announcing the vacancy are sent to area legislators.

Candidates are given two weeks to apply. As long as the application is placed in the mail within the two-week period it will be considered timely. If the vacant position is one which requires a written test, the Division of Personnel will arrange to have the test administered in the area where the candidate resides. If the candidate qualifies, he/she will be placed on the list in time to be considered for the vacancy.

The Division of Personnel has conducted vacancy campaigns for over 20 job classes since November 1, 1987. We wish to do more but, to be quite frank, a sudden expansion of this effort would require some additional staff. To date, we have been able to keep up with requests using existing staff and, given our current workload level, will continue to do so. Included among the job vacancies for which such recruitment is being conducted or has been completed are Local Government Specialist I, II and III, Planner III, and Probation Officer II in Bethel, Program Service Aide and Correction Officer II in Seward, Radio Dispatcher in Tok, Probation Officer II in Ketchikan, Program Service Aide in Kotzebue, and Administrative Officer II in Nome. Vacancy-based recruitment is now available for use for 144 different job classes. Whether or not vacancy-based recruitment will be used for additional job classes depends upon the status of current eligible lists, the nature of specific vacancies and the degree of examining difficulty associated with the class. Finally, vacancy-based recruitment may add an additional three weeks to the selection process. The vacancy-based recruitment is initiated at the request of managers who learn of vacancies before the vacancy exists and do not have a need to fill the position immediately.

A second effort undertaken by the Division of Personnel to streamline the application process is the development of a single test and application for 35 office skills job classes in the State of Alaska system. A candidate can submit a single application, take an Office Skills Test, and be considered for placement on an eligible list for 35 separate job classes. The classes include: Accounting Clerk, Administrative Support Technician, Documents Processor, Motor Vehicle Representative, Secretary and Teletype Operator. These tests are given at least every month on a walk-in-basis in twelve rural communities (see page 21 of the enclosed "How to Apply Booklet").

We give this test on an as-needed basis throughout rural Alaska, and will also arrange special testing sessions at the request of the hiring manager.

February 5, 1988

In an effort to further simplify the application process, the division has allowed applicants to submit a single application to be considered for all levels in most class series. For example, only a single application is needed to apply for Fish and Game Technician I-V.

Seasonal jobs are jobs in positions which are permanent and established to meet recurring seasonal needs of less than twelve months duration. These positions have required special recruitment efforts including extensive recruitment efforts during the off season to ensure that eligible lists are current for hiring managers when the need for seasonal labor arises. An example of a position which requires such recruitment is a Fish and Game Technician. Recruitment for these positions took place in October of 1987 for vacancies expected to occur in spring of 1988.

As of January 1988, the State has 344 job classes which are open to all state residents. Of these, 264 classes are open continuously. The job classes included those which have a significant number of vacancies or turnover and relatively low number of eligible candidates on the existing register. An example, in this category is Public Health Nurse. The open recruitment periods are for 30 to 60 days and are extensively advertised. The advertisement efforts are explained in our answer to question #5. A recruitment schedule announcing openings for January through June is enclosed with this letter under the title "Additional Information."

As of January 1988, the State of Alaska had 1,003 job classes. A total of 659 job classes were determined to be in the "needs-based category. These classes have a large number of eligible applicants who are already on the register and/or a small number of vacancies which occur each year. In many cases, employees on layoff have applied for these jobs, and must, by contract be given absolute preference in hiring. An example of a job in this category, is Administrative Assistant.

A less recent development in Personnel is a change in the law and division policy which allows managers in local areas to consider all local residents first for nonpermanent and short-term seasonal positions. If a manager has a nonpermanent or short-term seasonal position opening, the manager may request an eligible list. If there are no available local candidates which appear on the list, the manager can request the local job service office to refer a qualified local candidate to fill the vacancy.

A continuing effort to streamline the recruitment process is the delegation of the recruitment, scoring, and certification process to the operating departments. Many departments now have delegated authority for their specialized jobs. For example, the Department of Natural Resources examines and scores applications for Natural Resources Technicians, Officers and Managers.

Question #2: In your opinion, what changes can be made to improve the system now?

Answer: I believe that, within available resources the system can be improved in two ways.

An obtainable method of improving the system is to adjust the minimum qualifications required to be considered for a job. This change is on the verge of implementation. The classification study which was funded by the legislature in 1983, and which will be implemented if the legislature passes Senate Bill 254, adds the following phrase to the minimum qualifications for job classes in State service: "Other combinations of training and experience will be evaluated on an individual basis for comparability." This phrase will allow classification specialists to consider relevant experience, not specifically mentioned in the minimum qualifications when rating applicants. This study also resulted in the reduction of the total number of job classes in the State system from approximately 1,003 to 850 classes.

Finally, my office intends, within available resources, to review the way scores are assigned to individual applicants. I thoroughly agree that both minimum qualifications and relative scores must be based on the needs of the job.

Question #3: What are the problems and weaknesses in the system that still need to be worked out?

Answer: To a great extent, my answer to this question has been addressed with my answers to questions #1 and #2. The problems with Alaska's system are not unique to Alaska. All large organizations and specifically merit-based government systems face similar challenges. The labor intensive nature of qualifying applicants is time-consuming and expensive. Additionally, the system must be continually subject to fine tuning to attempt to insure that the requirements used to qualify applicants are based on the requirements of the job without constructing needless barriers to job classes for the State's applicants.

Question #4: How have you changed the system to hire rural residents for local jobs and to encourage employers to hire locally, rather than going on a statewide register?

Answer: See the answer to question #1 relating to local hire and vacancy-based recruitment.

Question #5: How have you changed the system to more effectively meet the needs of rural residents?

Answer: See discussion of vacancy-based recruitment, nonpermanent hire, and Office Skills Test in answer to question #1. In addition, the division has greatly increased its efforts to educate the Alaskan public on how to apply for a job with the State and to notify all residents of Alaska of open recruitment periods. The effort includes:

1. A monthly mailing to 29 radio stations in rural and outlying areas of a five-minute program, 30-second spots and 30-second hard copy spots announcing classes which are open for recruitment. In addition, printed information of a similar nature is now sent to local newspapers. Finally, 30-second spots are sent to the Learn Alaska Network and cable television outlets.

2. All Department of Labor offices are provided open recruitment information, State of Alaska job applications and a booklet prepared by the Division of Personnel explaining how to apply for State jobs. (A copy of the booklet is enclosed.)
3. Whenever possible, we have attempted to have radio stations in rural Alaska translate our material into local native languages. This has occurred in the past with KYUK-Bethel, KDLG-Dillingham, KNOM and KICY-Nome and KOTZ-Kotzebue.
4. For a number of job classes, the ability to communicate in the local native language of the area is not only considered but highly desirable. This is true for Local Government Specialist, Community Development Specialist, Paralegal, Assistant Eligibility Technician, Fish and Game Technician, Subsistence Resource Specialist and Fish and Game Regional Regulatory Program Assistant.

Question #6: I would also like to see examples of forms used by the department, including application forms, notice of hire, notice of job opening, recruitment notice, an example of each of the five register types (departmental, interdepartmental, nonpermanent, layoff and open competitive and examples of forms and criteria used for scoring applicants.

Answer: Examples of each of these forms are enclosed in the order of their request. All register examples are real. We have, however, removed the names and other identifying information about the applicant. In addition, we have not enclosed a notice of hire form because the State does not use such a form. Each hiring manager notifies the candidate chosen either by telephone or by mail. After the employee has reported for work and completed all forms necessary to ensure enrollment in employee benefit programs, establish legal right to work in the United States, and choose deductions for tax purposes, the employee will receive a Personnel Action (PA) form as his/her official record of appointment. A copy of such a PA is enclosed.

I have also enclosed an Information for Applicant Sheet, Recruitment Schedules and JOBS Book.

Question #7: Are there any registers or job classes which an applicant can receive points for bilingual skills in English and the language indigenous to the region?

Answer: There are no job classes for which points are given for bilingual skills. However, bilingual skills are highly desirable for some particular positions (see answer to question #5). Additionally, departments may request permission from the Director of Personnel to consider only bilingual candidates on the eligible list when hiring for particular positions. The bilingual requirement must be job related. Examples of classes in which this has occurred include Program Service Aide, Local Government Specialist, and Fish and Game Regulatory Program Assistant.

February 5, 1988

Question #8: Are there any registers or job classes for which an applicant receives points for having a background in the area where the job takes place, familiarity with local customs or cross-cultural experience?

Answer: There are some job classes for which cross-cultural experience is job related and it receives points. An example is Subsistence Resource Specialist I which rates experience gained in a cross-cultural setting (involving Alaskan native cultures) higher than the same experience gained elsewhere. Also, in several job classes, training and experience rating points are given for commercial or subsistence hunting or fishing experience. Examples are: Fish and Game Technician I-V and Fish and Wildlife Aide.

Subsistence or commercial hunting experience fully or partially meets the minimum qualifications for Subsistence Resource Specialist I, Fish and Game Technician I, and Fish and Wildlife Aide.

Additional efforts at improving the register system as a selection tool which may be of interest to you include the State's expanded certification program which requires hiring supervisors to consider applicants who are members of underutilized race/sex groups whenever any hire is made regardless of the candidates rank on the eligible list. The division has also mounted special recruitment efforts in local areas including a special recruitment effort in Nome which resulted in the hire of ten local residents for ten new Correction Officers positions. Finally, the division has scheduled longer recruitment periods for job classes with positions found in outlying areas to ensure that local residents have a sufficient opportunity to apply.

I hope the information I have provided satisfactorily answers your questions. If you have additional questions or have requests for additional information, please feel free to contact me again.

Sincerely,

Diana DeSimone
Director

DD/KR/cfm
1/4D1/0201-03
Enclosures

S B

3 6

HOUSE COMMITTEE REPORT

(7)

Date referred: 2/13/87

FURTHER REFERRALS: Telecommunications
Labor & Commerce

DATE: 3-18-87

The State Affairs Committee has considered SB 36

"An Act relating to Amateur Radio Week."

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 2/3/87
- zero with analysis

SIGNING DO PASS:

Scott Meservey

Cliff Davidson

Lynna Hoffman

Terry Martin

John Palmer

SIGNING OTHER RECOMMENDATIONS:

John Palmer

 Chairman's signature



Official Business

Alaska State Legislature

House

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

STATE AFFAIRS COMMITTEE

SENATE BILL 36

FILE CONTENTS

1. SENATE BILL 36: AN ACT RELATING TO AMATEUR RADIO WEEK
2. FISCAL NOTE, DEPARTMENT OF ADMINISTRATION: -0-
3. MEMORANDUM FROM SENATOR FISCHER TO REPRESENTATIVE ULMER,
DATED 2/20/87
4. "THE ALASKAN EARTHQUAKE," PREPARED BY THE OFFICE OF CIVIL
DEFENSE, SECRETARY OF THE ARMY, DEPARTMENT OF DEFENSE,
DATED MAY 1964

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

SENATE
BILL VERSION: SB 36
PUBLISH DATE: 2/3/87

REQUEST _____

Revision Date: _____
Title: An Act relating to Amateur Radio Week
Sponsor: P. Fischer
Requestor: P. Fischer

Agency Affected: All
BRU: _____
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
OPERATING						
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

Prepared By: Michael P. Fischer *Michael P. Fischer* Phone: 465-2200
 Division: Commissioner's Office Date: 1/30/87
 Approved by Commissioner: Garrey Peska *Garrey Peska* Date: 1/31/87
 Agency: Department of Administration

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

Alaska State Legislature

3

Senator Paul A. Fischer
Senate District D
Box 784
Soldotna, Alaska 99669
(907) 262-9420 W
262-9269 H



While in Juneau
Pouch V
Juneau, Alaska 99811
(907) 465-3791

State Senate

February 20, 1987

To: Representative Fran Ulmer, Chairwoman
House State Affairs Committee

From: Senator Paul Fischer *PF*

Subject: SB 36, Amateur Radio Week

SB 36 will mark the observance of amateur radio week in Alaska annually. It will coincide with the nationwide "Field Day" activities that the American Radio Relay League sponsors annually on the fourth Saturday of June. It will recognize the important role amateur radio has and will continue to play in Alaska.

The primary reason for the introduction of this legislation is to recognize the important role that amateur radio operators, better known as "hams", have played in Alaska. Amateur radio operators have in many cases provided the only link between Alaska and the world during natural disasters. A notable example of their service to the citizens of this State was during the disastrous 1964 Alaska Earth Quake. During this catastrophe, amateur radio operators provided the first report that Kodiak had survived the earthquake. They also provided for a time the only communication between Alaska and the lower 48 states.

During local emergencies such as fires and automotive accidents, amateur radio operators will often relay information that is vital to Public Safety. In emergencies, amateur radio operators often relay the status of victims and messages to their next of kin. On holidays, amateurs send free messages for servicemen to their loved ones.

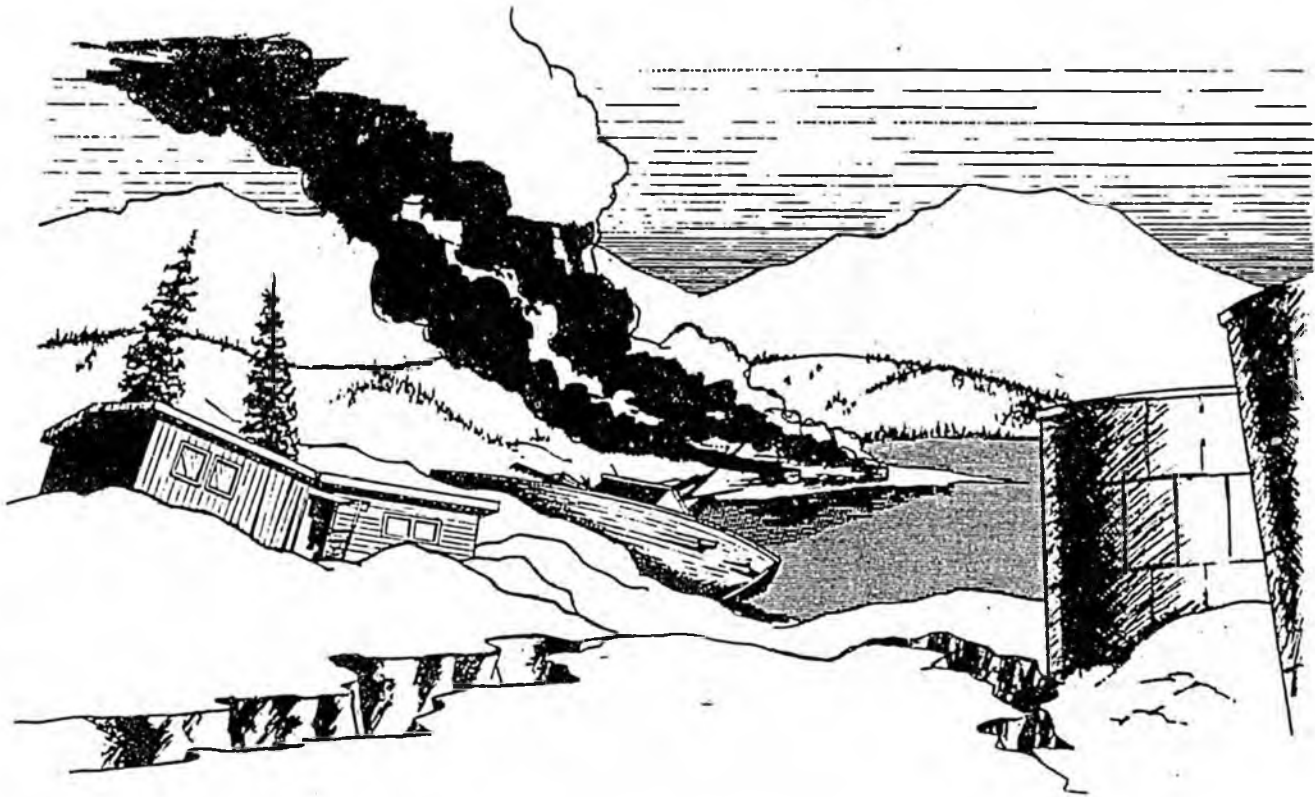
The State Affairs Committee was the only committee assignment this bill received in the House last year. The Committee passed it onto H. Rules on April 15, 1986 with 6 "Do Pass" recommendations.

For these reasons, I would greatly appreciate the scheduling of SB 36 for a hearing before your committee sometime soon.

REFERENCE

ALASKA
REFERENCE

THE ALASKAN EARTHQUAKE



A PRELIMINARY REPORT CONCERNING THE GREAT EARTHQUAKE THAT
STRUCK SOUTH-CENTRAL ALASKA ON GOOD FRIDAY, MARCH 27, 1964,
AND SUBSEQUENT CIVIL DEFENSE EMERGENCY OPERATIONS

PREPARED BY THE OFFICE OF CIVIL DEFENSE
OFFICE, SECRETARY OF THE ARMY • DEPARTMENT OF DEFENSE

MAY 1964

on the list. At this time, health officials looked ahead and advised the establishment of typhoid inoculation centers, and hundreds of citizens took the safety precaution. The U. S. Army provided hot meals and water tankers to many neighborhoods, provided police reinforcement, town and outlying patrols, and heavy equipment while workmen were already busy repairing vital roads to immediate use. Fourteen qualified inspection teams made up of engineers and architects began the job of appraising and evaluation. An irksome and trying sewage problem developed with an almost impossible volume of problems to be fought through. Wednesday morning the downtown district opened to the public except for unsafe areas.

"Wednesday afternoon municipal power and light said the power situation was no longer on emergency basis. The two gas turbines in the city plant had provided electricity through one of the most trying times any city has ever known. Just 2 days before the earthquake hit, the city put the second turbine into operation -- and it has been going full tilt ever since.

"Wednesday afternoon public works restored sewer service to the downtown areas south of 4th Avenue and announced that Thursday morning they were to tackle the Turnagain area and open the Hood Crack outfall and provide service from Sondstrom Drive all the way to the inlet. All this time the Anchorage fire department was patrolling, checking, keeping ahead. Fire was not a problem to us (only one minor blaze reported in the first hours of the emergency); but the Anchorage fire department did more than their share in the overall. City policemen are still working 12-hour shifts. Cooperation was running high and coordination was running at a better percentage of effectiveness than anyone ever had hoped for.

"The Anchorage Port, with its four huge cranes completely immobilized, received the new van ship 'Tonsina' loaded with supplies. Northstar Stevedoring moved in a mobile crane and the supplies were on their way for our use. Trash and garbage disposal went on. Distribution of chemical toilets and all of the related problems. These were a busy 5 days, but things were moving back to normal at a fantastic rate. Even the 50 thousand volumes at the Loussac Library were in their rightful places again.

"To top it all off, we ended the day by announcing that the neon lights could again be turned on.

"A busy 5 days, but worth it! And the job has just begun."

Communications -- State radio nets immediately operational after the earthquake included those of the Fish and Game Service, the State Police, and the Department of Highways. Members of the State of Alaska Radio Amateur Civil Emergency Services, known as

"RACES" were among the first to establish any serviceable communications between key emergency control points. RACES is a part of State and local civil defense.

Within minutes, under the direction of Ernest Hewett, Alaska State RACES Officer, mobile shortwave units had been positioned at various critical points around Anchorage. RACES continued to provide 'round-the-clock service through the emergency -- not only in the emergency operations network, but in handling messages to and from "the outside," and traffic from outlying damaged areas.

Hewett parked his mobile short wave unit at State Civil Defense Headquarters in Anchorage. He describes his operations this way:

"By my watch, when I first went on the air it was 47 minutes past the hour (11 minutes after the earthquake hit). On putting the station on the air ... I called for any mobile units ... and raised approximately three. I continued to operate mobile at the time and tried to get someone to go ahead and hook up the emergency power generator which we had in the building, but had not been wired into the system after overhaul.

"Operating from the car, I dispatched mobiles as they came on the air to previously selected positions on a basis of a possible requirement, such as hospitals, the Anchorage City Civil Defense, State Police, Alaskan Command

"My Deputy RACES Officer happened to be the chief engineer of the first radio station that came on the air and he was on the air in the radio station with a communicator -- so we established communications immediately with the radio stations. As soon as the next station came on the air -- they happened to be two compatible stations -- they tied together in a simulcast ..."

Radio, TV Stations -- All local radio stations and both television stations were knocked off the air immediately when the earthquake occurred. One 10,000-watt radio station -- the Emergency Broadcast Station (Civil Defense) for Anchorage -- was, with the help of an emergency generator, back on the air within 20 to 30 minutes.

The station engineer, Deputy RACES Officer for Alaska, made the first announcements: They reportedly were these:

"There has been an earthquake."

"Don't use your telephone."

"Stay tuned for official civil defense emergency information."

Although RACES and State-agency radio nets provided early essential communications, the military quickly supplemented these with mobile microwave units. One was parked outside State Civil Defense Headquarters. Military personnel manned the microwave circuits and also the State CD Teletype circuits. The State-agency radio nets were particularly helpful in relaying information to and from remote areas.

The military airlift by the U. S. Air Force of equipment, supplies, and personnel, at the request of State civil defense, was the greatest in any peacetime disaster. The largest item airlifted was a Bailey Bridge, used to replace a bridge knocked out on the highway between Kenai and Soldatna. The Bailey Bridge, which weighed 330,000 pounds, was airlifted within 3 days in 9 loads on a C-123 aircraft, and in 6 loads on a C-124. The Air Force also provided aerial reconnaissance photographs of earthquake damage.

The California Air National Guard airlifted several thousand pounds of irrigation pipe from California for use in supplying pure water to homes in the Turnagain area of Anchorage. This was at the request of Anchorage Civil Defense, through Alaska State Civil Defense. The California Air National Guard also airlifted a complete redwood house for Governor Egan's use as a temporary emergency headquarters in Anchorage.

Civil Air Patrol -- The Civil Air Patrol Group based in Anchorage went into service almost immediately following the earthquake; in close cooperation with State Civil Defense. This Group airlifted critically needed equipment, personnel, and supplies to hard-hit outlying areas. The Air Force provided a liaison officer (Maj. Karl Kenyon, USAF) from nearby Elmendorf Air Force Base, and also provided gasoline and oil for operation of the CAP airplanes. Ten pilots of the Group flew scores of relief missions to outlying areas, and delivered trained specialists and thousands of pounds of critically needed supplies. CAP Lt. Col. J. Vic Brown, Group Commander, suffered severe personal loss to his home and business in the 'quake, but nevertheless put in long hours day after day on duty with the Group. Many of the pilots worked around the clock.

Emergency Communications -- Amateur radio was indispensable in this disaster. One of the reasons for this capability is that amateur radio is an integral part of many Alaskans' daily communication with other places.

Emergency Information -- Emergency public information was a major problem. A statewide capability for broadcasting official, accurate information was created by using civil defense RACES Gonset sets located in commercial radio and TV stations, the Armed Forces Radio Service, and the Alaska Communications System.

FEDERAL CIVIL DEFENSE

There could, of course, be no advance warning of the earthquake. The National Warning System, however, operated by the Office of Civil Defense, was immensely useful as an emergency communications medium during the first hours of the disaster. Robert Risley, OCD Warning Officer for Alaska, stationed at Elmendorf Air Force Base, was able to provide valuable initial communications through use of the National Warning System Circuit. Within minutes after the earthquake occurred, a RACES communications officer parked his mobile shortwave rig just outside the door of the Alaska Air Command combat operations center where Risley has his warning post. Emergency messages could then be passed back and forth to the OCD Warning Officer, from both Anchorage and State civil defense headquarters, and from Fort Richardson, and other outlying areas. Risley provided the first civilian situation report to the Pentagon in Washington, D. C. -- through the Office of Civil Defense Public Information -- to the Joint Chiefs of Staff, and the Defense News Room.

OCD Region 8, Everett, Washington -- Tidal wave warnings received from the Hawaii Magnetic Observatory through the 28th and 25th warning centers in California, and in Washington State, were relayed by OCD Region 8 to State Civil Defense headquarters in Washington, Oregon, and California. Those States, in turn, warned localities along their coastlines.

Immediately following the earthquake, Charles Ralls, Director of OCD Region 8, directed that OCD personnel assist the Office of Emergency Planning staff on radio and landline communications to Alaska.

The next day, Ralls directed that his Director of Field Operations, the OCD Field Officer for Alaska, and the Region 8 Warning Officer leave for Alaska on the morning of March 30 to assist the Alaska State Civil Defense staff and personnel of the Office of Emergency Planning (OEP) in Alaska.

A Region 8 staff member was also sent to Elmendorf Air Force Base for 2 weeks to work in the OEP office there.

The OCD field staff worked with Alaska State Civil Defense personnel during the most hectic period of the disaster.

In the early emergency period, Director Ralls had advised both State and Anchorage Civil Defense that OCD shelter supplies were available to be used in the emergency. He also advised that surplus property could be used if necessary. The OCD Regional personnel sent to Alaska also provided that information upon arrival. A total of seven OCD Region 8 staff members eventually provided assistance in Alaska.

S B

3 8

HOUSE COMMITTEE REPORT

(7)

Date referred: 4/17/87

FURTHER REFERRALS: Judiciary

DATE: 5-11-87

The State Affairs Committee has considered CSSB 38(SA)

"An Act relating to the recording and collection of crime statistics."

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 signatures]

Cliff Davidson

SIGNING OTHER RECOMMENDATIONS:

[Handwritten signature]
Chairman's signature



Official Business

Alaska State Legislature

House

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

FILE CONTENTS

SENATE BILL 38

1. CS SB 38 (SA): AN ACT RELATING TO THE RECORDING AND COLLECTION OF CRIME STATISTICS
2. SB 38 POSITION PAPER, DEPARTMENT OF PUBLIC SAFETY
3. CS SB 38 (SA) POSITION PAPER, DEPARTMENT OF PUBLIC SAFETY
4. MEMORANDUM FROM SENATOR FAIKS TO SENATOR KERTTULA, DATED MARCH 20, 1987
5. MEMORANDUM FROM SENATOR FAIKS TO REPRESENTATIVE ULMER, DATED APRIL 24, 1987

FISCAL NOTE

- A. DEPARTMENT OF PUBLIC SAFETY, ADMINISTRATION, DATA AND WORD PROCESSING: -0-

BILL NO: SB 38

DATE: 1/23/87

2

TITLE: "An Act relating to the recording and collection of crime statistics."

CONTACT: Jos M. [unclear] Director, Division of Administrative Services

DEPARTMENT OF PUBLIC SAFETY / [vertical stamp]

A Legislative Audit report (06-4251-86-S) with DHSS Division of Family and Youth Services noted that the Department of Public Safety lacked the statutory authority to obtain crime statistics for the Uniform Crime Reporting System. This bill directly addresses this situation.

The Department of Public Safety's position on SB 38 is neutral. The basis for this position is because steps are already being taken to standardize reporting procedures utilized by the Uniform Crime Reporting section.

The Alaska UCR program, which collects and reports on crime offense data state-wide, is part of a network of states that report crime data to the FBI, which administers the program on the national level. Guidelines and procedures used for collecting data are developed by the FBI.

Crime data forwarded to the state UCR program is provided by 25 police agencies on a voluntary basis. The data submitted is either in an incident-based format--where each offense that occurs at a criminal incident is reported; or a summary-based format--where just the most severe offense within a criminal event is reported. Our larger police agencies, namely the Alaska State Troopers, Anchorage Police Department and Fairbanks Police Department, utilize the summary-based system whereas the smaller agencies use the incident-based reporting format. This data is then processed and forwarded to the FBI for publication in Crime in the U.S. and used on the state level for publication of Crime in Alaska.

The FBI, recognizing the problem with the different reporting methods being used, recently completed a three-year study culminating in the recommendation that all states adopt an incident-based reporting system based upon a report format designed by the FBI. As part of their study, the need for new definitions and data required by the FBI was proposed and currently the new data elements, definitions, and report design are being tested in a pilot program in South Carolina. The FBI hopes to have its new reporting system refined and ready to present to the states this year. When this occurs all reporting systems utilized by the Uniform Crime Reporting sections to collect and report crime offense data will be standardized.

The Department favors the proposal of requiring law enforcement agencies to use a standard process of reporting crime data but must point out that police agencies have been very cooperative in voluntarily providing their information in the past. However, to require standardization requires changes which could elicit resistance, especially if it entails money, by the police departments.

Since the UCR program is already moving in the direction of standardizing crime data they collect, the Department feels that the intent of this bill is already being met.

William R. Nix
WILLIAM R. NIX
Acting Commissioner

BILL NO: CSSB 38 (SA)

DATE: 2/04/87

3

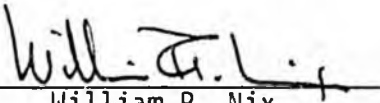
TITLE: "An Act relating to the recording and collection of crime statistics."

CONTACT: Jos Mapranath
Director
Division of Administrative Services

DEPARTMENT OF
PUBLIC SAFETY

A Legislative Audit report (06-4251-86-S) with DHSS Division of Family and Youth Services noted that the Department of Public Safety lacked the statutory authority to obtain crime statistics for the Uniform Crime Reporting System. This bill directly addresses this situation.

The Department of Public Safety supports CSSB 38 (SA). The bill will help us standardize the data base and address the situations identified by the Legislative auditors.


William R. Nix
Acting Commissioner

DEPARTMENT OF
PUBLIC SAFETY

JEWATE Backup

Alaska State Legislature



PRESIDENT
907-465-3755

4
JAN FAIKS
POST OFFICE BOX V
JUNEAU, ALASKA 99811

Senate

March 20, 1987

MEMORANDUM

TO: Senator Jay Kerttula, Chairman
Senate Judiciary Committee

FROM: Senator Jan Faiks, President of the Senate

SUBJECT: Background on Senate Bill 38
An Act relating to the recording and collection
of crime statistics

Senate Bill 38 has been referred to your committee for consideration. This bill proposes an amendment to AS 44.41.020 to give the Department of Public Safety authority to establish and require standardized collection and recordation of law enforcement and crime statistics by local departments statewide.

The Department of Public Safety does not presently have statutory authority to require how arrest information will be classified and reported by state and local law enforcement agencies. As a result, the slightly different collection and classification procedures used by the more than 20 police jurisdictions in Alaska could distort the statewide crime statistics.

Most of the local police departments that elect to participate in the Department's system use an incident-by-incident method of reporting all criminal calls they answer. However, the State's two largest police departments, Anchorage and Fairbanks, employ different recording methods. My concern is that the inconsistencies in the classification and reporting of arrest data between local jurisdictions may not accurately reflect the level of crime in the State.

OUT OF SESSION

6060 YUKON DRIVE ANCHORAGE, ALASKA 99516 907-274-6611

SENATE BACK UP

Alaska State Legislature



PRESIDENT
907-465-3755

JAN FAIKS
POST OFFICE BOX V
JUNEAU, ALASKA 99811

Senate

April 24, 1987

MEMORANDUM

TO: Representative Fran Ulmer

FROM: Senator Jan Faiks
President of the Senate *J. Faiks*

SUBJECT: Background on Senate Bill 38
An Act relating to the recording and collection
of crime statistics

Senate Bill 38 has been referred to your committee for consideration. This bill proposes an amendment to AS 44.41.020, which defines the duties of the Department of Public Safety.

The purpose of SB 38 is to give the department the authority to establish and require the use of standardized methods of collection and recordation of law enforcement and crime statistics by local departments statewide.

The Department of Public Safety does not presently have statutory authority to require how arrest information will be classified and reported by state and local law enforcement agencies. As a result, the slightly different collection and classification procedures used by the more than 20 police jurisdictions in Alaska could distort the statewide crime statistics.

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OUT OF SESSION

6060 YUKON DRIVE ANCHORAGE, ALASKA 99516 907-274-6611



over

CORRECTION

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

Alaska State Legislature



PRESIDENT
907-465-3755

4
JAN FAIKS
POST OFFICE BOX V
JUNEAU, ALASKA 99811

Senate

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OUT OF SESSION

6060 YUKON DRIVE ANCHORAGE, ALASKA 99516 907-274-6611

SENATE BACK UP

AS 44.41.020 stipulates the duties of the Department of Public Safety. The new subsection to AS 44.41.020 proposed by this bill enables the Department to establish and require state and local law enforcement agencies to use standardized methods of collecting and recording law enforcement and crime statistics. It does not otherwise alter the existing statute.

The CS prepared by the State Affairs Committee requires the Department to establish such a system.

Alaska State Legislature



PRESIDENT

907-465-3755

JAN FAIKS
POST OFFICE BOX V
JUNEAU, ALASKA 99811

Senate

April 24, 1987

MEMORANDUM

TO: Representative Fran Ulmer

FROM: Senator Jan Faiks
President of the Senate *Jan Faiks*

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OUT OF SESSION

6060 YUKON DRIVE ANCHORAGE, ALASKA 99516 907-274-6611



over

The committee substitute from the Senate State Affairs Committee alters the original language of the bill by requiring the department to establish a standardized method for the collection and recordation of such information.

I would appreciate the committee's consideration of this legislation at its earliest convenience. Should you need any additional information, please let me know.

Thank you.

A

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

Bill Version: CSSB 38 (SA)
Publish Date: _____

REQUEST

Revision Date: _____
Title: "An Act relating to the recording and collecting of crime statistics."
Sponsor: Sen. Faiks, Kelly, Kerttula,...
Requestor: Senate Judiciary

Agency Affected: Public Safety
BRU: DPS Administration
Components: Data & Word Processing

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

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

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS:

No fiscal impact is anticipated.

JNR
1/29/87 Prepared by: Kathy Niles
Division: Administrative Services

Phone: 465-4336
Date: 1/29/87

Approved by Commissioner: William R. Nix
Agency: Public Safety
Distribution (by preparer):

Date: 1/30/87

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

S B

4 2

HOUSE STATE AFFAIRS COMMITTEE

NEXT COMMITTEE: HESS

BILL: SB 42

CURRENT VERSION: CS SB 42 (FIN)

SCHEDULED: APRIL 11, 1988

SPONSOR: DUNCAN

PHONE NO: 4766

CONTACT FILE: _____

BILL SUBJECT: TERRITORIAL SERVICE AND BIA SERVICE UNDER THE RETIREMENT INCENTIVE PROGRAM

SPONSOR BACKUP: IN FILES

AFFECTED AGENCIES:

<u>DEPARTMENT</u>	<u>CONTACT/PHONE</u>	<u>COMMENT</u>
ADMINISTRATION	PUSHPENDER DHILLON/2200	NOTIFIED 3/30

FISCAL NOTES

<u>AGENCY</u>	<u>REQUESTED</u>	<u>DATED</u>	<u>FY 88 AMT</u>	<u>FY 89 AMT</u>
ADMINISTRATION		3/16/88	\$3,000	\$6,000

ACTION

<u>DATE</u>	<u>COMMENT</u>
4/11/88	HEARING: PASSED FROM HOUSE STATE AFFAIRS COMMITTEE

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

POUCH V - 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:

4/11/88

HOUSE COMMITTEE REPORT

(7)

Date referred: 3/21/88

FURTHER REFERRALS:

HESS
Finance

DATE: 4-11-88

The State Affairs Committee has considered CSSB 42(Fin)

"An Act relating to territorial service and BIA service under the retirement incentive program; 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
- zero fiscal note
- zero with analysis
- same as previous fiscal note published 3/16/88
- same as previous zero fiscal note published _____

SIGNING DO PASS:

[Signature]
Cliff Davidson
[Signature]

SIGNING OTHER RECOMMENDATIONS:

[Signature]
Terry Martin - no rec.

[Signature]
 Chairman's signature



Official Business

Alaska State Legislature

House

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

COMMITTEE ON STATE AFFAIRS

CS SENATE BILL 42 (FIN)

FILE CONTENTS

1. CS SB 42 (FIN): AN ACT RELATING TO TERRITORIAL SERVICE AND BIA SERVICE UNDER THE RETIREMENT INCENTIVE PROGRAM; AND PROVIDING FOR AN EFFECTIVE DATE.
2. MEMORANDUM FROM SENATOR DUNCAN TO REPRESENTATIVE ULMER, DATED MARCH 22, 1988.
3. LETTER TO REPRESENTATIVE ULMER FROM PEGGY AND JOHN DAVIS, DATED MARCH 25, 1988

FISCAL NOTE

- A. DEPARTMENT OF ADMINISTRATION, DIVISION OF RETIREMENT AND BENEFITS: \$3,000 IN FY 88; \$6,000 IN FY 89.



Alaska State Legislature



SENATOR JIM DUNCAN

P. O. Box V JUNEAU, ALASKA 99811

(907) 465-4766

COMMITTEES:
FINANCE
RESOURCES
BUDGET AND AUDIT

MARCH 22, 1988

TO: REPRESENTATIVE FRAN ULMER, CHAIR
HOUSE STATE AFFAIRS COMMITTEE

FROM: SENATOR ~~JIM DUNCAN~~

SUBJECT: CS SENATE BILL 42 (FINANCE), AN ACT RELATING TO
TERRITORIAL SERVICE AND BIA SERVICE UNDER THE
RETIREMENT INCENTIVE PROGRAM.

CS SENATE BILL 42 (FINANCE), RELATING TO TERRITORIAL SERVICE
AND BIA SERVICE UNDER THE RETIREMENT INCENTIVE PROGRAM IS
CURRENTLY BEFORE THE HOUSE STATE AFFAIRS COMMITTEE.

THE CURRENT VERSION OF THE BILL WOULD REMEDY AN INEQUITABLE
SITUATION WHICH AROSE AS THE RESULT OF THE ORIGINAL RETIREMENT
INCENTIVE PROGRAM. A HANDFUL OF TEACHERS WHO HAD SERVICE TIME
WITH THE BUREAU OF INDIAN AFFAIRS AS TEACHERS IN ALASKA WERE NOT
ELIGIBLE TO PARTICIPATE IN THE INCENTIVE BECAUSE OF AN AMENDMENT
TO THE ORIGINAL LEGISLATION WHICH EXCLUDED THE USE OF BIA SERVICE
CREDIT FOR THE PURPOSES OF QUALIFYING FOR THE INCENTIVE. SO,
EVEN THOUGH THESE TEACHERS TAUGHT IN ALASKAN SCHOOLS WHICH WERE
OPERATED BY THE BIA UNTIL THE EARLY 1970'S, THEY DID NOT QUALIFY
TO PARTICIPATE IN THE INCENTIVE.

THE FINANCE CS FOR SB 42 WOULD OPEN A SHORT WINDOW PERIOD
BETWEEN ENACTMENT OF THE BILL AND AUGUST 1, 1988, EXCLUSIVELY FOR
THE TEACHERS DISCUSSED ABOVE.

I WOULD APPRECIATE YOUR SCHEDULING CS SB 42 (FINANCE) FOR A
STATE AFFAIRS HEARING AS SOON AS POSSIBLE. I HAVE ATTACHED
BACKGROUND INFORMATION FOR YOUR USE. MY STAFF CONTACT ON THIS
BILL IS ROXANNE STEWART AT 465-4766.

ATTACHMENTS

RECEIVED JAN 29 1988

Box 246
Barrow, Alaska 99723
January 15, 1988

Alaska State Legislature
Senator Jim Duncan
P. O. Box V
Juneau, Alaska 99811

Dear Senator Duncan.

First, I wanted to express our appreciation for your efforts to correct the inequity in the RIP statute which prevented the participation of long-time Alaskan teachers with Alaskan BIA teaching service. Your assistance as prime sponsor of Senate Bill 42 has been very encouraging.

Secondly, my husband and I urge you to continue efforts in this regard. To facilitate this we are enclosing a brief summary of our past correspondence with you, along with recent developments in this area.

Although the RIP window is closed, there are a few persons around the state who were deprived of the opportunity to participate in that program because part of their teaching was under the BIA. They met TRS "20 and out" regulations, and desired to participate.

My husband and I have taught in Barrow for the past 18 years, all in the same school. The first 5 years were under the BIA, before the North Slope Borough was formed. We saw fellow employees from the BIA years (BIA Maintenance, Public Works, Roads, Utilities employees from round the state) receive credit for their BIA service and qualify for RIP under PERS. This was also true of former Public Health nurses and employees who had transferred into PERS with North Slope Borough service.

When we first heard of RIP nearly 2 years ago, we assumed we were included, as TRS has already included our category in the "20 and out" retirement option. It was with shock and disappointment that we found ourselves eliminated due to the Kerttula amendment's use of the definition of "employer." As we did not have access to the "Definitions" of the

sections related to education, it was several months before we found we were not included. To us, it seems that we are not accorded "equal protection" under the Constitution. . . however inadvertently that may have been. Our hopes rose last year as remediation under your SB 42 or HB 17 seemed possible. These were delayed past the window deadline by the budget shuffle.

We now find that the inequitable statute has been inequitably applied, and that 2 persons in Anchorage have actually retired using BIA teaching service both to complete required years, and also for credit. Our investigations indicate that their retirement cannot be nullified (for which we are glad), however for us to achieve the benefit they enjoy, legislative action is necessary.

Just before Christmas, I contacted all other known teachers around the state with Alaskan BIA teaching experience. Of those who responded to previous questionnaires, there are 7 who could not retire last year because of the Kerttula Amendment that still are interested in retiring.

It is our hope that SB 42 could be reworked to provide this remediation and relief by perhaps opening a 90-day enrollment period for teachers unfairly prevented from participating last year. It is obvious that this is not a high-cost correction, and it would still have some economic benefits to school districts.

Bob Manners, our NEA-Alaska Legislative liason man has been aware of the constitutional equity problems of the original RIP as they relate to former BIA teachers, and is our contact person there in Juneau for attempting to resolve this problem. His phone number is 586-3090.

As persons who love their professions, and have spent much of our adult lives in the service of native Alaskans, we beg your assistance with this problem. A letter from Jan Faiks, received last spring is attached along with a copy of your letter to us at that time`.

Thank you very much for your assistance in "helping to make it fair."

Sincerely,

Peggy & John

Peggy and John Davis, Teachers

Thank you for your letter of support last spring!

Alaska State Legislature

House of Representatives

Al Adams

Chairman

Committee on Finance



Official Business

WHILE IN SESSION
P.O. Box V
State Capitol
Juneau, Alaska 99811
(907) 465-3706

OUT OF SESSION
P.O. Box 333
Kotzebue, Alaska 99752
(907) 442-3320

1024 W. 6th
Anchorage, Alaska 99501
(907) 274-0615

February 25, 1988

Peggy & John Davis
P.O. Box 246
Barrow, AK 99723

Dear Ms. & Mr. Davis:

Thank you for your letter regarding participation in the Retirement Incentive Program by former Alaskan BIA teachers.

Although I have not been an enthusiastic supporter of the RIP program, I whole-heartedly agree with your position that this program has unfairly treated those employees who would have otherwise qualified for early retirement except for the fact that a portion of their teaching career in Alaska was under the BIA.

I have spoken to Mr. Bob Manners of the NEA and Senator Duncan's office and understand that Senate Bill 42 will be under consideration in the Senate Finance Committee next week to deal with this oversight in the original legislation. At this time I can assure you that I will do everything possible to see that this measure receives favorable consideration in the House at such time as it passes the Senate.

Again, thank you for bringing this matter to my attention. If there is anything further I can do for you at this time, please don't hesitate to contact my office.

Sincerely,

A handwritten signature in cursive script that reads "Al Adams".

Al Adams
Chairman

House Finance Committee

PUBLIC OPINION MESSAGE RECEIVED MAR 14 1988

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

DEAR: SENATOR DUNCAN

NAME: LARRY M. SMITH
TITLE:
ADDRESS: 3434 CAMPBELL AIRSTRIP ROAD
CITY: ANCHORAGE ZIP: 99504
PHONE: 333-9173
BILL NO: SB 42
SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM
MESSAGE: I STRONGLY SUPPORT THE AMENDMENT TO SB 42 WHICH WOULD ALLOW BIA
RVCE TO BE CREDITED UNDER THE RETIREMENT INCENTIVE PROGRAM.
FROM: SENATOR BINKLEY AND SENATOR HALFORD
PLEASE KEEP ME ADVISED TO THE STATUS OF THIS BILL.

NAME: JED WHITTAKER
TITLE:
ADDRESS: 2804 ASPEN
CITY: ANCHORAGE ZIP: 99507
PHONE: N/R-
BILL NO:
SUBJECT: DEMOCRACY
MESSAGE: PLEASE BRING HJR 4 TO A FLOOR VOTE. IT IS ONLY DEMOCRATIC TO DO SO.

POHID: 03095256
DATE: 03/14/88
TIME: 09:52:56
LOCATION: ANCHORAGE LIO

POHID: 03095817
DATE: 03/14/88
TIME: 09:58:17
LOCATION: ANCHORAGE LIO

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SHULTZ	SPRINGER	SZYMANSKI
SUND	SHACKHAMMER	UEHLING
TAYLOR	ULMER	ZHAROFF
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BINKLEY
COGHILL
ELIASON
FAHRENKAMP
FAIKS
FANNING
FISCHER
HALFORD
HENSLEY
JONES
JOSEPHSON
KELLY
KERTTULA
RODEY
STURGULEWSKI
SZYMANSKI
UEHLING
ZHAROFF

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

NAME: MILDRED JOHNSON
 TITLE:
 ADDRESS: 202 STEWART
 CITY: ANCHORAGE
 PHONE: 333-8656
 BILL NO: SB 42

ZIP: 99508

SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM
 MESSAGE: I STRONGLY SUPPORT THE AMENDMENT TO SB 42 WHICH WOULD ALLOW BIA SERVICES TO BE CREDITED UNDER THE RETIREMENT INCENTIVE PROGRAM.

Delia Rep

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

NAME: MARY K. GLOVER
 TITLE:
 ADDRESS: 4660 REKA, RD 23
 CITY: ANCHORAGE
 PHONE: 337-3021
 BILL NO: SB 42

ZIP: 99508

SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM
 MESSAGE: I STRONGLY SUPPORT THE AMENDMENT IN SB 42 WHICH WOULD ALLOW BIA SERVICE TO BE CREDITED UNDER THE RETIREMENT INCENTIVE PROGRAM.

Rep

POMID: 03162813

DATE: 02/22/88

TIME: 16:28:13

LOCATION: ANCHORAGE LIO

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MENARD	MILLER	KELLY
NAVARRE	PEARCE	KERTTULA
PETTYJOHN	PHILLIPS	RODEY
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RECEIVED FEB 23 1988

RECEIVED FEB 23 1988

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

NAME: COIMIE WEBB
 TITLE:
 ADDRESS: 1804 SOUTH SALEM DRIVE
 CITY: ANCHORAGE, ALASKA
 PHONE: 561-0534
 BILL NO: SB 42

SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM
 MESSAGE: I STRONGLY SUPPORT AMENDMENT TO SB 42 WHICH WOULD ALLOW B.I.A. SERVICE TO BE CREDITED UNDER THE RETIREMENT INCENTIVE PROGRAM.

ZIP: 99515

*Sheldon
 Cantone*
Reply

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

NAME: PHYLISS BRACKEN
 TITLE:
 ADDRESS: P.O. BOX 771551
 CITY: EAGLE RIVER
 PHONE: 694-9609
 BILL NO: SB 42

SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM
 MESSAGE: I STRONGLY SUPPORT THE AMENDMENT TO SB 42 WHICH WOULD ALLOW BIA SERVICE TO BE CREDITED UNDER THE RETIREMENT INCENTIVE PROGRAM.

ZIP: 99577

Reply
Phyllis Bracken

POMID: 03120433
 DATE: 02/22/88
 TIME: 12:04:33
 LOCATION: ANCHORAGE LIO

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POMID: 03121648
 DATE: 02/22/88
 TIME: 12:16:48
 LOCATION: ANCHORAGE LIO

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MENARD	MILLER	KELLY
NAVARRE	PEARCE	KERTTULA
PETTYJOHN	PHILLIPS	RODEY
POURCHOT	RIEGER	STURGULEWSKI
SHULTZ	SPRINGER	SZYMAWSKI
SUND	SWACKHAMMER	UEHLING
TAYLOR	ULMER	ZHAROFF
WALLIS	ZAWACKI	

RECEIVED FEB 23 1988

RECEIVED FEB 23 1988

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

NAME: NANCY MCGEE
 TITLE:
 ADDRESS: 3134 DELTA DRIVE
 CITY: ANCHORAGE
 PHONE: 248-0241

ZIP: 99502

BILL NO: SB 42
 SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM
 MESSAGE: I SUPPORT THE AMENDMENT TO SB 42 WHICH WOULD ALLOW BIA SERVICES TO BE CREDITED UNDER THE RETIREMENT INCENTIVE PROGRAM.

*Reply
 to
 Nancy
 McGee*

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

NAME: JACKIE SMITH
 TITLE:
 ADDRESS: 3434 CAMPBELL AIRSTRIP RD.
 CITY: ANCHORAGE
 PHONE: 333-9173

ZIP: 99504

BILL NO: SB 42
 SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM
 MESSAGE: I STRONGLY SUPPORT THE AMENDMENT TO SB 42 WHICH WOULD ALLOW BIA SERVICE TO BE CREDITED UNDER THE RETIREMENT INCENTIVE PROGRAM.

POMID: 03112716

DATE: 02/22/88

TIME: 11:27:16

LIONAME: ANCHORAGE LIO

POMID: 03112918

DATE: 02/22/88

TIME: 11:29:18

LIONAME: ANCHORAGE LIO

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RECEIVED FEB 23 1988

RECEIVED FEB 23 1988

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

Repy

NAME: MORGEN PAULK
 TITLE:
 ADDRESS: 4201 FLORINA APT. 4
 CITY: ANCHORAGE
 PHONE: 562-6171
 BILL NO: SB 42

ZIP: 99502

SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM
 MESSAGE: I SUPPORT THE AMENDMENT FOR THE B.I.A. TO BE CREDITED UNDER THE
 RETIREMENT INCENTIVE PROGRAM.

FORMID: 03075807
 DATE: 02/22/88
 TIME: 07:58:07
 LOCATION: ANCHORAGE LIO

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SHULTZ	SPRINGER	SZYMAWSKI
SUID	SHACKHAMMER	UEHLING
TAYLOR	ULMER	ZHAROFF
WALLIS	ZAHACKI	

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

Repy

NAME: PEGGY DAVIS
 TITLE:
 ADDRESS: P.O. BOX 246
 CITY: BARROW
 PHONE: 852-4711
 BILL NO: SB 42

ZIP: 99723

SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM
 MESSAGE: WITH 17 YEARS BARROW TEACHING, I COULD NOT RETIRE UNDER R.I.P. BECAUSE
 5 BARROW YEARS WERE UNDER B.I.A.. OTHER FORMER B.I.A. EMPLOYEES COUNTED THEIR
 YEARS TOWARD R.I.P./P.E.R.S.. SUPPORT WORDING TO OPEN A CORRECTIVE R.I.P. WINDOW
 FOR APPROXIMATELY 7 TEACHERS LEFT STATEWIDE. WE CARED. DO YOU?
 HELP MAKE IT FAIR!

FORMID: 04140203
 DATE: 03/02/88
 TIME: 14:02:03
 LOCATION: BARROW INFO OFFICE

COPIES: SENATORS

BINKLEY
 FISCHER
 HALFORD
 HENSLEY
 UEHLING
 ZHAROFF

RECEIVED MAR 03 1988


RECEIVED FEB 23 1988

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

NAME: JOHN DAVIS
TITLE:
ADDRESS: BOX 246
CITY: BARROW
PHONE: 852-6745
BILL NO: SB 42
SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM
MESSAGE: TREAT ALL ALASKAN TEACHERS EQUITABLY. PASS SB 42.

ZIP: 99723



FORMID: 04172346
DATE: 03/02/88
TIME: 17:23:46
LOCATION: BARROW INFO OFFICE

COPIES: SENATORS

BINKLEY
FISCHER
HALFORD
HENSLEY
UEHLING
ZHAROFF


RECEIVED MAR 03 1988

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

NAME: RUTH ANN HOAR
TITLE:
ADDRESS: P.O. BOX 113
CITY: TOK
PHONE: 883-5532
BILL NO: SB 42
SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM
MESSAGE: I WAS DENIED THE OPTION OF THE EARLY RETIREMENT INCENTIVE PROGRAM LAST YEAR BECAUSE MY SERVICE TIME INCLUDED ALASKA DTA TEACHING. TEACHERS WHO TAUGHT NATIVE CHILDREN SHOULD BE ENTITLED TO THE SAME BENEFITS THAT OTHER TEACHERS IN THE STATE RECEIVED. PLEASE SUPPORT SB 42 TO RECTIFY THIS INEQUALITY.

ZIP: 99780



FORMID: 02094729
DATE: 03/03/88
TIME: 09:47:29
LOCATION: DELTA JUNCTION LIO

COPIES: SENATORS

BINKLEY
FISCHER
HALFORD
HENSLEY
UEHLING
ZHAROFF

RECEIVED MAR 03 1988

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

Reply

NAME: MICHAEL HOAR
TITLE:
ADDRESS: BOX 113
CITY: TOK, ALASKA
PHONE: 883-5532
BILL NO: SB 42

ZIP: 99780

SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM
MESSAGE: I AM A LONG TIME TEACHER IN THE STATE OF ALASKA WHO WAS DENIED THE
PORTION OF THE EARLY RETIREMENT INCENTIVE PROGRAM LAST YEAR BECAUSE MY SERVICE
INCLUDED ALASKA BIA TEACHING. I URGE YOU TO SUPPORT SB 42 TO RECTIFY THIS IN-
EQUALITY. IN THE INTEREST OF FAIRNESS, PLEASE SUPPORT SB 42.

POUID: 02155255
DATE: 03/01/88
TIME: 15:52:55
LIONAME: DELTA JUNCTION LIO

COPIES: REPRESENTATIVE SENATORS

SHULTZ
COGHILL
BINKLEY
FISCHER
HALFORD
HENSLEY
UEHLING
ZHAROFF

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

RECEIVED MAR 03 1988

Reply

NAME: TIM MACDONALD
TITLE:
ADDRESS: P.O. BOX 272
CITY: DOT LAKE
PHONE: 882-2665
BILL NO: SB 42

ZIP: 99737

SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM
MESSAGE: PLEASE SUPPORT THOSE TEACHERS WHO HAVE DEDICATED THEMSELVES TO THE
EDUCATION OF RURAL ALASKA SCHOOLS WHILE UNDER BIA CONTROL. BENEFITS FOR EARLY
RETIREMENT SHOULD BE EXTENDED TO INCLUDE THESE DEDICATED EDUCATORS OF ALASKA'S
EARLY RURAL EDUCATIONAL EFFORT. PLEASE VOTE YES FOR SB 42.

POUID: 02120839
DATE: 03/02/88
TIME: 12:08:39
LIONAME: DELTA JUNCTION LIO

COPIES: SENATORS

BINKLEY
FISCHER
HALFORD
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UEHLING
ZHAROFF

RECEIVED MAR 02 1988

*aisb42
#4*

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

NAME: SALLY MCCLELLEN
TITLE: TEACHER
ADDRESS: BOX 311
CITY: KOTZEBUE
PHONE: 442-3250
BILL NO: SB 42

ZIP: 99752

Reg

PROJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM
MESSAGE: I BEGAN TEACHING CHILDREN IN KOTZEBUE FOR THE B.I.A. IN 1973. I'M STILL HERE TEACHING FOR THE N.W.A.B.S.D. WHICH WOULD BENEFIT FINANCIALLY FROM MY RETIREMENT. SEVEN NORTHERN ALASKAN TEACHERS, INCLUDING ME, WE UNFAIRLY DENIED OUR B.I.A. EXPERIENCE UNDER THE EARLIER RETIREMENT BILL. PLEASE SUPPORT SB 42 NOW THROUGH YOUR COMMITTEE.

POMID: 10112605
DATE: 03/03/88
TIME: 11:26:05
LOCATION: KOTZEBUE INFORMATION OFFICE

COPIES: SENATORS

BINKLEY
FISCHER
HALFORD
HENSLEY
UEHLING
ZHAROFF

SB 42 #4

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

NAME: MARY MACDONALD
TITLE:
ADDRESS: P.O. BOX 272
CITY: DOT LAKE
PHONE: 882-2665
BILL NO: SB 42

ZIP: 99737

Reg

SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM
MESSAGE: PLEASE SUPPORT THOSE TEACHERS WHO HAVE DEDICATED THEMSELVES TO THE EDUCATION OF RURAL ALASKA SCHOOLS WHILE UNDER BIA CONTROL. BENEFITS FOR EARLY RETIREMENT SHOULD BE EXTENDED TO INCLUDE THESE DEDICATED EDUCATORS OF ALASKA'S EARLY RURAL EDUCATION EFFORT. PLEASE VOTE YES FOR SB 42.

POMID: 02121051
DATE: 03/02/88
TIME: 12:10:51
LOCATION: DELTA JUNCTION LIO

COPIES: SENATORS

BINKLEY
FISCHER
HALFORD
HENSLEY
UEHLING
ZHAROFF

RECEIVED MAR 03 1988

RECEIVED MAR 04 1988

PUBLIC OPINION MESSAGE

Answer

DEAR: SENATOR DURICAN

NAME: TONI HASSETT
TITLE:
ADDRESS: 111 KNOWLES CIRCLE
CITY: ANCHORAGE, ALASKA
PHONE: 349-2190
BILL NO: SB 42
SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM
MESSAGE: I STRONGLY SUPPORT AMENDMENT TO SB 42 WHICH WOULD ALLOW B.I.A. SERVICE TO BE CREDITED UNDER THE RETIREMENT INCENTIVE PROGRAM.

Reply

POMID: 03130248
DATE: 02/22/88
TIME: 13:02:48
LOCATION: ANCHORAGE LIO

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DOHLEY	ELLIS	FAIKS
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HUDSON	KOPONEN	JONES
LARSON	MARTIN	JOSEPHSON
MENARD	MILLER	KELLY
NAVARRE	PEARCE	KERTTULA
PETTY JOHN	PHILLIPS	RODEY
POURCHOT	RIEGER	STURGULEWSKI
SHULTZ	SPRINGER	SZYMAWSKI
SUND	SWACKHAMMER	UEHLING
TAYLOR	ULMER	ZHAROFF
WALLIS	ZAWACKI	

Lyle

Box 246
Barrow, Alaska 99723
March 25, 1988

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

Dear Representative Ulmer,

In January, I wrote you to express our appreciation for your efforts as sponsor of HB 17 to correct the inequity in the RIP statute which prevented the participation of long-time Alaskan teachers with Alaskan BIA teaching service. Since that time it has been encouraging to learn of passage by the Senate of SB 42 in a revised form that we understand has had input from the TRS, the House Research Agency - possibly including your office, and other interested parties as well.

My husband and I urge you and Representative Menard, as co-sponsors of HB 17, and members of the House State Affairs Committee to work for rapid movement of CSSB 42 in your committee, and to facilitate its movement through HESS and Finance in a timely fashion. It appears that possibilities may be good, with two sponsors in State Affairs which reviews the bill first, and the assistance of Representative Adams. Though not an avid supporter of the "RIP" concept Representative Adams has written us of his support for this Bill because of the equity issues involved.

A brief summary of our difficulties and the reasons we are so interested in obtaining legislative relief may be of help to you in this effort.

Although the RIP window is closed, there are a few persons around the state who were deprived of the opportunity to participate in that program because part of their teaching was under the BIA. They met TRS "20 and out" retirement regulations, and desired to participate.

My husband and I have taught in Barrow for the past 18 years, all in the same school. The first 5 years were under the BIA, before the North Slope Borough was formed. We saw fellow employees from the BIA years (BIA Maintenance, Public Works, Roads, Utilities) employees from round the

state) receive credit for their BIA service and qualify for RIP under PERS. This was also true of former Public Health nurses and employees who had transferred into PERS with North Slope Borough service. Not BIA teachers.

When we first heard of RIP nearly 2 years ago, we assumed we were included, as TRS has already included our category in the "20 and out" retirement option. It was with shock and disappointment that we found ourselves eliminated due to the Kerttula amendment's use of the definition of "employer." As we did not have access to the "Definitions" of the sections related to education, it was several months before we found we were not included. To us, it seems that we are not accorded "equal protection" under the Constitution. . . however inadvertently that may have been. Our hopes rose last year as remediation under HB 17 or SB 42 seemed possible. These were delayed past the window deadline by the budget shuffle.

We now find that the inequitable statute has been inequitably applied, and that 2 persons in Anchorage have actually retired using BIA teaching service both to complete required years, and also for credit. Our investigations indicate that their retirement cannot be nullified (for which we are glad), however for us to achieve the benefit they enjoy, it will be necessary for us to have help.

Just before Christmas, I contacted all other known teachers around the state with Alaskan BIA teaching experience. Of those who responded to previous questionnaires, there are 7 who could not retire last year because of the Kerttula Amendment that still are interested in retiring.

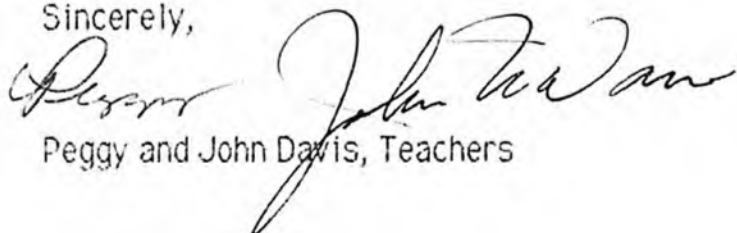
The CSSB 42 which passed the Senate last week corrects this inequity by opening an enrollment period for teachers unfairly prevented from participating last year, and does so economically - the estimated cost being but about \$6000 to \$9000, I believe. Yet passage of the Bill would still have some economic benefits to school districts.

We now earnestly request your support and assistance, both moral and actual in seeing that this handful of hardworking professionals are not penalized for making years of contribution to the native people of our state during the years when neither state nor local governments took responsibility for the education of children in remote villages of the north.

Bob Manners, our NEA-Alaska Legislative liason man has been aware of the constitutional equity problems of the original RIP as they relate to former BIA teachers, and is our contact person there in Juneau for attempting to resolve this problem. His phone number is 586-3090. A letter from Jan Faiks, received last spring is attached including a relevant summary of the problem.

Thank you very much for your interest in "helping to make it fair." Anything you can do to help bring about an equitable solution, will be appreciated.

Sincerely,

A handwritten signature in cursive script, appearing to read "Peggy and John Davis". The signature is written in dark ink and is positioned above the typed names.

Peggy and John Davis, Teachers

4

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Department of Administration
 Title: An act relating to the Retirement Incentive Program BRU: Retirement and Benefits
 Sponsor: Duncan Components: Retirement and Benefits
 Requestor: Duncan

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES	3.0	6.0	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	3.0	6.0	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	3.0	6.0	0	0	0	0
TOTAL	3.0	6.0	0	0	0	0

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

See attached

Prepared By: Robert F. Stalnaker, Acting Director Phone: 465-4460
 Division: Retirement and Benefits Date: 3-16-88

Approved by Commissioner: John M. Andrews Date: _____
 Agency: Department of Administration

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

Fran:

Background on RIP program, HB 17 and SB 42 as requested.

The Retirement Incentive Program (RIP) was established by law (Ch. 26, 1986) effective May 16, 1986. An incentive credit of three years was made available to employees in the PERS and TRS who were either eligible for retirement or within three years of being eligible if they were in a unit designated by their employer. The law further provides that an eligible employee who elects to retire under the RIP must contribute three years worth of employee contributions and that the employer pay the remainder of the costs of the incentive for that employee. Employees were not required to pay cash, they could elect to satisfy their indebtedness through reductions in their benefits. Employers were required to pay the administrative costs of the program and to pay their share of the costs over a period of three years or less.

The law provided "windows of opportunity" or periods during which eligible employees could apply for retirement and retire under RIP. These window periods were staggered to spread the applications over a period of time.

Success of RIP and HB 17

It was not clear whether this program was successful or not. Essentially, HB 17 would have extended the "windows of opportunity" another year; however, the subcommittee in House State Affairs recommended that HB 17 not be acted upon until DOA had the opportunity to assess how effective the initial RIP program had been; i.e. cost savings and number of people applying.

As far as the success of the RIP program goes, the program did increase voluntary employee turnover. One thousand seventy-six State employees have retired since the inception of RIP compared to less than 500 state retirement during a similar period before the RIP. The total state cost for the incentives for these retirees will be about \$30 million. They cannot say what the cost savings will be or what the overall impact will be on personal services costs.

DOA found that a high percentage of those retiring under a RIP waited until near the end of the window period to retire. They suggested that shorter window periods would improve precision since feedback was available much more quickly.

CORRECTION

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

FISCAL NOTE

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SUPPLIES	0	0	0	0	0	0
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MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	3.0	6.0	0	0	0	0
CAPITAL	0	0	0	0	0	0
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GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
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POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

See attached

Prepared By: Robert F. Stalnaker, Acting Director Phone: 465-4460
 Division: Retirement and Benefits Date: 3-16-88
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Distribution (by preparer):
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Committee Substitute Senate Bill 42 (FIN)
Fiscal Note Analysis
Prepared by Division of Retirement & Benefits
Department of Administration
March 16, 1988

IV Analysis: This bill would expand the eligible service categories for qualifying for the Retirement Incentive Program to include Alaska Bureau of Indian Affairs (BIA) teaching service in the Teachers' Retirement System (TRS). Members could use this service to satisfy minimum service requirements under the TRS. Those who had not previously been eligible to retire would now have until June 30, 1988 to apply for retirement and August 1, 1988 to be appointed to retirement.

The administrative cost to the division associated with this effort would be funded through an increase in administrative fees to the employers.

We anticipate that: as many as 50 previously ineligible members would now become eligible; many members who were eligible and retired under one provision, the 20 year provision, would now become eligible under another more favorable provision and would have to have their benefits recalculated.

We anticipate the need for one Retirement Technician I/II to perform the necessary effort. If this bill passed by May 1988, we would need support for June 1988 for FY 88 and for the first two months of FY 89.

Fran:

Background on RIP program, HB 17 and SB 42 as requested.

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SB 42

In the original legislation (Ch. 26) passed in the waning hours of the legislature, Kerttula offered an amendment which excluded certain classes from using retirement benefits from federal sources - he was concerned about "double dipping". SB 42 opens a "window" for a three month period to allow individuals with BIA teaching experience in Alaska to retire early/receive credit for this service.

Under the buy-in program, a BIA teacher still receives the retirement benefits to which they are entitled under the Civil Service Retirement System, and is also eligible for any TRS benefits in excess of those received from the federal program.

The DOA supports this legislation, thinks it is good public policy.

DENNIS