

ALASKA LEGISLATURE COMMITTEE FILES 1987-1988

8672

5433 SLAB HB 230 - HB 299

1005

RECEIVED JAN 29 1987

D b



ALASKA FIRE CHIEF'S ASSOCIATION

POST OFFICE BOX 304 • CORDOVA, ALASKA 99574 • TEL. (907) 424-7473

January 22, 1987

The Honorable Bill Nix
Commissioner
Department of Public Safety
P. O. Box N
Juneau, Alaska 99811

Dear Commissioner Nix:

As President of the Alaska Fire Chief's Association, I feel compelled to write to you and tell you how angered I am by the proposal of another 20% budget cut in Fire Prevention/Fire Training for FY/88. Compounded with this year's 10% cut, our State fire agencies will be working at a pre-1972 level.

In FY/86 they had 21 employees, in FY/88 that would be reduced to 15; that is a 30% cut in personnel. Are you prepared to lay off 30% of the other Public Safety Divisions? Possibly 250 people? I doubt it; it's too easy to abuse "the little guy". Apparently you have chosen to disregard the direction of the Governor's Public Safety Transition Team Committee who, after days of in-depth study, declared that the Fire Marshal's office could not survive any further cuts.

With this cut, all inspection of existing structures will cease. Do we need to have a hundred people die in some hotel fire to wake you people up? Fire protection, to be effective must be a proactive service. It cannot afford to be a totally reactionary service similar to law enforcement. My God, there is a body count for every code on the books. One fire marshal doing a plan review or inspection can save more lives than anyone else you have working for you.

And the Fire Service Training Program is in a worse predicament. There are roughly 4000 firefighters in this state, and three people in the State Fire Service Training Program. And we might lose one of them. All those fire training programs that we have all been working on for years are down the tubes. It took years of effort to get 5 regional training centers built for over \$7 million. They will be empty buildings with these cuts.

Firefighting is the most dangerous occupation in this country; and you will reduce the training program to the status of a resource library.

Letter to Commissioner Nix
January 22, 1987
Page 2

The certified Firefighter I course which we worked years in establishing is to be dropped. I spent a year writing the Senior Fire Officer's Course, on my own time, and arranged for the first grant to put it on line. This was cut. What the hell did I spend my time for?

We in the Alaska Fire Chief's Association and Alaska Firefighter's Association, have spent our own money and time to work with OUR own State Agency to pull the fire service into the twentieth century only to have some disinterested bureaucrat meat and it to death.

I am just as aware as anyone else that state revenues are short. But, the two fire associations and the Division of Fire Prevention/Fire Training have already outlined several things that could be done to cut corners through consolidation and reorganization.

The fire service can do more with less than any group you know. Unfortunately, that is what we've been doing for years. During the pipeline years, Fire Prevention did not grow and build its empire like other agencies, they just took their money and quietly did their jobs and provided the service. They have no fat to trim, and it is your responsibility to recognize that.

I guess it is true, nice guys do finish last.

Sincerely,



Dewey Whetsell
President

cc: Peter Jeans (Governor's Office)
Jim Sampson (Commissioner of Labor, Chairman Public Safety Transition Team)
Pat Wellington (Committee member Public Safety Transition Team)
Chief Charles Lundfeld (Committee member Public Safety Transition Team)
Gaylen Brevik (President, Alaska State Firefighters Assoc.)
Members of House of Representatives
Members Alaska Senate

STATE OF ALASKA



REPRESENTATIVE
FRAN ULMER

HOUSE OF REPRESENTATIVES

P.O. Box V
JUNEAU ALASKA 99811
(907) 485-4947

M E M O R A N D U M

January 26, 1988

TO: Senator Tim Kelly, Chair
Senate Labor and Commerce Committee

FROM: Representative Fran Ulmer

SUBJECT: House Bill 230

I would sincerely appreciate if you would hold a hearing on House Bill 230.

As expressed in the attached resolution from the Alaska Fire Chiefs Association, the bill provides a funding mechanism for the Alaska State Fire Commission. This Commission plays a significant role in the future prevention of fires throughout Alaska. The opportunity to have the funds for this Commission be generated from a user fee, which can be shared equally among the insurers and insured individuals throughout Alaska, is a very inexpensive way of providing a necessary element of safety for our citizens. An effective fire prevention program in Alaska certainly has the long-term potential for reducing consumer costs.

Some questions were raised at the hearing of House Bill 230 last session regarding a prior consent decree negotiated between several insurers and the State of Alaska. It has been established during interim that there is no conflict between House Bill 230 and that agreement.

I would be pleased to meet with you at any time that is convenient to discuss this bill further and any additional information which you would like to receive before scheduling a hearing.

My sincere appreciation for your cooperation and assistance in providing fire prevention services to our citizens.

STATE OF ALASKA



REPRESENTATIVE
FRAN ULMER

HOUSE OF REPRESENTATIVES

PO Box V
JUNEAU, ALASKA 99811
(907) 465-4947

M E M O R A N D U M

January 26, 1988

TO: Senator Tim Kelly, Chair
Senate Labor and Commerce Committee

FROM: Representative Fran Ulmer

SUBJECT: House Bill 230

I would sincerely appreciate if you would hold a hearing on House Bill 230.

As expressed in the attached resolution from the Alaska Fire Chiefs Association, the bill provides a funding mechanism for the Alaska State Fire Commission. This Commission plays a significant role in the future prevention of fires throughout Alaska. The opportunity to have the funds for this Commission be generated from a user fee, which can be shared equally among the insurers and insured individuals throughout Alaska, is a very inexpensive way of providing a necessary element of safety for our citizens. An effective fire prevention program in Alaska certainly has the long-term potential for reducing consumer costs.

Some questions were raised at the hearing of House Bill 230 last session regarding a prior consent decree negotiated between several insurers and the State of Alaska. It has been established during interim that there is no conflict between House Bill 230 and that agreement.

I would be pleased to meet with you at any time that is convenient to discuss this bill further and any additional information which you would like to receive before scheduling a hearing.

My sincere appreciation for your cooperation and assistance in providing fire prevention services to our citizens.

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

STEVE COWPER, GOVERNOR

REPLY TO:

1031 W 4th AVENUE
SUITE 200
ANCHORAGE, ALASKA 99501
PHONE: (907) 276-3550

CONFIDENTIAL ATTORNEY-CLIENT COMMUNICATIONS

May 15, 1987

NATIONAL CENTER
100 CUSHMAN ST.
SUITE 400
FAIRBANKS, ALASKA 99701
PHONE: (907) 452-1568

P.O. BOX K STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3800

The Hon. Tim Kelly
Alaska State Senate
P.O. Box V
Juneau, AK 99811

Re: House Bill 230

Dear Senator Kelly:

Representative Fran Ulmer has requested that I write to you to briefly explain the agreement reached in the premium tax litigation, which was settled last summer. Specifically, I have been asked whether the settlement agreement should have any effect on the proposals contained in House Bill 230. Because the terms of the settlement agreement are confidential by agreement of the parties, I have designated this letter to be confidential attorney-client communication.

Please be advised that your consideration of House Bill 230 should not be affected in any way by the settlement. By the express terms of the agreement, it involved only a settlement of disputed taxes for tax years 1974 through 1985. Because the Legislature last session corrected the statutes to eliminate the Constitutional questions concerning the law, there was no discussion by the parties with respect to consideration of tax years after 1985. In fact, the state made it very clear that tax rates, such as in House Bill 230, is the province of the Legislature and cannot be restricted.

I would be happy to discuss this matter further, should you have any additional questions.

Sincerely,

GRACE BERG SCHAIRLE
ACTING ATTORNEY GENERAL

By: 
Jeffrey W. Bush
Assistant Attorney General

JWB:lb

cc: The Hon. Fran Ulmer
Alaska State House

International Conference of Building Officials

Alaska Southeast Chapter

POSITION PAPER CSHB-230

Our membership supports this bill and all efforts to fund the Alaska State Fire Commission. While this Commission was established two years ago, it has not yet been funded.

The modest increase in insurance premium tax (.3%) could provide this funding and is an equitable approach to enhancing general fund revenues in Alaska.

We strongly support the work of the State Fire Marshall's Office in the fields of fire and arson prevention, safety, training and code enforcement.

It is time we commit our resources and talents to helping reduce the loss of life and property within the State from the ravages of fire.

We urge you to support this bill and help the dedicated members of the fire service to protect all our people.

Respectfully,



Stephen O. Shows
President

ALASKA STATE FIREFIGHTERS ASSOCIATION

P.O. Box 34324

Juneau, Alaska 99803-4324

February 25, 1988

The Honorable T. Kelly
15th Ak. State Legislature
P. O. Box V
Juneau, Alaska 99811

Dear Senator Kelly:

The Alaska Fire Service is seeking your help. Please pass CSHB-230. We believe the citizens of Alaska will realize a dramatic increase in fire safety.

The insurance companies pay a premium tax for doing business in this state. CSHB-230 asks for a portion (10%) of the total tax collected.

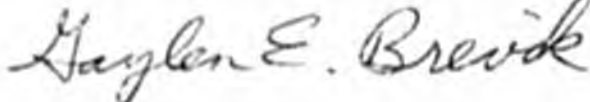
Twenty-one other states use similar methods of funding for their Fire Service; some since the late 1800s. Alaska has never utilized this resource.

Attached is a Fact Sheet on CSHB-230. If you have any questions or concerns, please contact me at 586-5745 or 789-7554 or Bill Shechter, President of the Alaska Fire Chiefs Association, 656 7th Avenue, Fairbanks, Ak. 99701. Mr. Shechter can be reached by phone at 452-1527.

The highest priority of the Fire Service is funding for the Fire Commission. The passage of this Bill will ensure that funding and will enhance fire safety for the public.

Respectfully,

ALASKA STATE FIREFIGHTERS ASSOC.



Gaylen E. Brevik
President

GEB:djo

attachment

c: Governor Steve Cowper

Lt. Gov. Stephen McAlphine

Caron Robinson, Special Assistant to the Governor

Representative Fran Ulmer

ALASKA STATE FIREFIGHTERS ASSOCIATION

P.O. Box 34324

Juneau, Alaska 99803-4324

FACT SHEET

CSHB-230

1. Will CSHB-230 dedicate funds?

No! The Bill's intent is to put the funds collected into the General Fund. The Department of Administration will account separately for 10% of the total amount collected. The Legislature has full control of where the money goes.

2. Why not ask for a special appropriation?

Last year the Governor asked for alternative methods of generating revenue. This is an excellent way to generate up to 2.5 million dollars per year. This is not a one time fee. It is long term planning.

3. Why should we increase the tax to the insurance companies?

The Bill really doesn't. Until January 1987, the insurance companies doing business in Alaska but based in other states paid 3%. That is when a reduction in tax became statutory at 2.7%. Over 90% of all insurance business done in this state is done by companies based outside the state.

4. How much will my insurance costs increase?

If your policy costs \$400 per year and the tax is 3% instead of 2.7%, the adjusted amount should be \$1.20.

5. What is the benefit to the insurance companies?

The insurance companies will pay less in claims because of increased efficiency in fire protection. Therefore, the money paid to the state is basically a user fee.

6. Have other states done this?

Yes! Twenty-one other states use money collected as a premium tax for their Fire Service. Funds are used for manpower, training, inspections, equipment, and even pension plans.

STATE OF ALASKA



REPRESENTATIVE
FRAN ULMER

P.O. Box V
JUNEAU, ALASKA 99811
(907) 465-4947

HOUSE OF REPRESENTATIVES

MEMORANDUM

May 12, 1987

TO: Senator Tim Kelly, Chair
Senate Labor and Commerce Committee

FROM: Representative Fran Ulmer

SUBJECT: HB 230

My primary purpose in introducing House Bill 230, "An Act relating to premium tax on certain insurers", was to create an alternative source of revenue for fire prevention and fire safety programs within our state. I am concerned about fire prevention in Alaska for the following reasons:

- **Alaska leads the Nation in deaths by fire. In 1985, there were 29 deaths. Of the 29 who died, 27 were in their homes.
- **Of these 29 deaths, 10 children under the age of 9 were among the victims.
- **Property losses in 1985 totalled almost \$40 million.
- **The U.S. Fire Administration has determined that your chances of dying in a fire in Alaska are greater than anywhere else in the United States.

I would very much appreciate your scheduling a hearing for HB 230 as soon as possible. Thank you.

ALASKA STATE FIREFIGHTERS ASSOCIATION

P.O. Box 34324
Juneau, Alaska 99803-4324

May 13, 1987

The Honorable Tim Kelly
Senator, 15th Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Sir:

The Alaska State Firefighters' Association supports House Bill 230 because of its value to the fire service as well as to the citizens of our state. The measure could provide a source of revenue to adequately fund the Division of Fire Prevention and the Fire Commission.

In the state of Alaska, most fire departments are volunteers. We are proud of the effectiveness of these individuals. However, an innerent problem exists. The normal length of time a volunteer firefighter stays with the fire service is two to three years. This means we have to constantly train and retrain. To be effective in saving lives, instructors have got to have good programs.

To qualify to operate the equipment and train to suppress fire effectively, we need this legislation to fund the Fire Prevention Division. The budget cuts in Fire Prevention have been far reaching and effect both direct and indirect programs throughout the state.

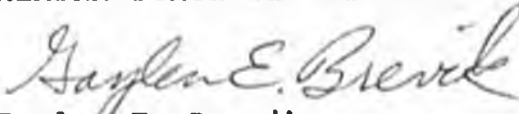
Arson is on the increase because of the economic times. Some of the direct programs the Fire Marshal will establish are a toll free arson hotline and arson prevention and enforcement programs. Other programs include public safety education, investigations, inspections, Code enforcement, and training for firefighters and fire officers all over the state. These services must be improved and enhanced. This can be done efficiently and effectively with this legislation.

The cost of fire prevention is still less than the cost to the state for a disastrous fire, in terms of firefighting efforts, lost taxes, and the impact on the economy. Last year, over \$26,806,324 was lost due to fire in our state. There were over 3,474 fires. Seventy one people were injured during fires and thirteen people died. Working together and providing the fire prevention programs, we can lower these statistics. Please pass this Bill.

Thank you.

Respectfully,

ALASKA STATE FIREFIGHTERS' ASSOC.


Gaylen E. Brevik
President

GEB:djo

STATE OF ALASKA
ROUTE SLIP

TO: Mail Station 3100	Department S. L&C	Division
Attention Sen. Kelly		
<input type="checkbox"/> Approval	<input type="checkbox"/> Note & Return	
<input type="checkbox"/> Signature	<input type="checkbox"/> Initial & Return	
<input type="checkbox"/> Comment	<input type="checkbox"/> Return as Requested	
<input type="checkbox"/> Contact Me	<input type="checkbox"/> Return for Approval	
<input type="checkbox"/> Prepare Reply	<input type="checkbox"/> Necessary Action	
<input type="checkbox"/> For Your File	<input type="checkbox"/> For Your Information	
Remarks: Note: This is a revised fiscal note. Please destroy earlier version.		
FROM: Mail Station 0800	Department DUFED	Division
By L. Gled	Date 3/7	

NORTH POLE

Box
55109
N. Pole
Alaska
99705



Serving
You
907-488-2232

FIRE DEPARTMENT

10 March 1988

Senator Tim Kelly, Chairperson
Labor and Commerce Committee
PO Box V
Juneau, Ak. 99811

Dear Senator Kelly:

Having attended your recent committee hearing on CSHB 230 for a premium tax on certain insurers, I sensed an apparent misunderstanding or lack of understanding for the State's fire protection system. This is quite understandable and I commend you for your desire to become more educated to the matter by reviewing the Task Force Report on Fire Prevention and Control as well as other related legislation.

Please bear in mind during this educational review that what the fire service is after with CSHB 230 is a much bigger and broader solution to the fire problem than a single purchase or piece of legislation. Such quick cures are no longer effective for the most part. Neither is it appropriate to pass on to the State Fire Marshal the responsibilities of a Fire Commission. The two agencies are distinct from each other in design and purpose.

I commend you for your willingness to further address this critical issue. I also guarantee that the 200 years of dedicated public service by fire personnel will guide and guard the effectiveness of the Fire Commission for the betterment of Alaska's fire protection.

Respectfully,

A handwritten signature in cursive script, which appears to read "Thomas W. Monk".

Thomas W. Monk, Chief

Added Premium Tax for Fire Marshall & Fire Related

State	P&C Tax	Fire Marshall Tax	Additional Fire Related Tax
AK	2.70	None	
AZ	1.70	0.20 †	
FL	2.00	0.63 †	
GA	2.25	None	‡ max of 2.50 by county
IL	2.00	1.00 †	† 2.00 for Fire Department
IN	2.00	0.50 incl	
KS	2.00	1.25 †	† 2.00 Firefighters Relief
KY	2.00	0.75 †	
LA	1.85	1.25 †	† 2.25 Fire Dept & Training
ME	2.00	0.75 †	
MN	2.00	2.00 †	† 2.00 Firemens Relief Fund
MS	3.00	0.50 †	
MT	2.75	0.75 †	† 1.25 Firemens Pension
NE	1.00	0.75 †	
NY	2.60	1.25 †	
NC	2.50	1.00 †	† 0.50 Firemens Relief Fund
OH	2.50	0.75 †	
OK	4.00	0.31 †	
OR	2.25	1.00 †	
SC	2.00	None	† 1.10 Fire Dept & Inspection
SD	2.50	0.50 †	
TN	2.50	0.75 †	
TX	3.50	1.25 †	
WV	4.00	0.50 †	
WI	2.38	None	† 2.00 Fire Dept Dues

Notes:

All tax rates above apply to gross premium

20 states have an added insurance premium tax for the Fire Marshall's office.

1 state has an amount in the insurance premium tax allocated for the Fire Marshall's office.

9 states have an added insurance premium tax for a fire related purpose.

State	F&C Tax	Wet Marine Tax	Fire Marshall	Notes
AL	4.00	4.00 GP	None	
AK	2.70	0.75 Pr	None	
AZ	1.70	1.70 GP	0.20 †	
AR	2.50	0.75 Pr	None	
CA	2.35	5.00 Pr(3)	None	
CO	2.25	2.25 GP	None	
CT	2.00	5.00 Pr(3)		???????
DE	1.75	5.00 Pr(3)	None	
DC	2.00	2.00 GP	None	
FL	2.00	0.75 Pr	0.63 †	
GA	2.25	2.25 GP	None	† max of 2.50 by county
HI	4.25	0.85 Pr	None	
ID	3.00	3.00 GP	None	
IL	2.00	2.00 GP	1.00 †	† 2.00 for Fire Dept
IN	2.00	2.00 GP	0.50 incl	
IA	2.00	6.50 Pr(3)	None	
KS	2.00	2.00 GP	1.25 †	† 2.00 Firefighters Relief
KY	2.00	2.00 GP	0.75 †	
LA	1.85	1.85 GP	1.25 †	† 2.25 Fire Dept & Training
ME	2.00	2.00 GP	0.75 †	
MD	2.00	2.00 GP	None	
MA	2.25	5.70 Pr(3)	None	
MI	2.35	2.35 GP	None	
MN	2.00	5.00 Pr(3)	2.00 †	† 2.00 Firemens Relief Fund
MS	3.00	3.00 GP	0.50 †	
MO	2.00	2.00 GP	None	
MT	2.75	2.75 GP	0.75 †	† 1.25 Firemens Pension
NE	1.00	1.00 GP	0.75 †	
NV	3.00	3.00 GP	None	
NH	2.00	5.00 Pr	None	
NJ	2.00	5.00 Pr(3)	None	
NM	3.00	3.00 GP	None	
NY	2.60	2.60 GP	1.25 †	
NC	2.50	2.50 GP	1.00 †	† 0.50 Firemens Relief Fund
ND	2.50	2.50 GP	None	
OH	2.50	2.50 GP	0.75 †	
OK	4.00	4.00 GP	0.31 †	
OR	2.25	5.0 Pr(3)	1.00 †	
PA	2.00	5.00 Pr	None	
RI	2.00	5.00 Pr(3)	None	
SC	2.00	2.00 GP	None	† 1.10 Fire Dept & Inspect:
SD	2.50	2.50 GP	0.50 †	
TN	2.50	2.50 GP	0.75 †	
TX	3.50	3.50 GP	1.25 †	
UT	2.25	5.00 Pr	None	
VT	2.00	2.00 GP	None	
VA	2.75	2.75 GP	None	
WA	2.00	0.95 Pr	None	
WV	4.00	4.00 GP	0.50 †	
WI	2.35	0.50 GP	None	† 2.00 Fire Dept Dues
WY	2.50	0.75 Pr	None	

INSURANCE PREMIUM TAX RATES BY STATE

State	P&C Tax	Wet Marine Tax	Fire Marshall	Other Fire	Total Tax
AL	4.00 GP	4.00 GP	None	None	4.00 GP
AK	2.70 GP	0.75 Pr	None	None	2.70 GP
AZ	1.70 GP	1.70 GP	0.20 +	None	1.90 GP
AR	2.50 GP	0.75 Pr	None	None	2.50 GP
CA	2.35 GP	5.00 Pr(3)	None	None	2.35 GP
CO	2.25 GP	2.25 GP	None	None	2.25 GP
CT	2.00 GP	5.00 Pr(3)	None	None	2.00 GP
DE	1.75 GP	5.00 Pr(3)	None	None	1.75 GP
DC	2.00 GP	2.00 GP	None	None	2.00 GP
FL	2.00 GP	0.75 Pr	0.63 +	None	2.63 GP
GA	2.25 GP	2.25 GP	None	2.50 +	4.75 GP
HI	4.28 GP	0.88 Pr	None	None	4.28 GP
ID	3.00 GP	3.00 GP	None	None	3.00 GP
IL	2.00 GP	2.00 GP	1.00 +	2.00 +	5.00 GP
IN	2.00 GP	2.00 GP	0.50 incl	None	2.00 GP
IA	2.00 GP	6.50 Pr(3)	None	None	2.00 GP
KS	2.00 GP	2.00 GP	1.25 +	2.00 +	5.25 GP
KY	2.00 GP	2.00 GP	0.75 +	None	2.75 GP
LA	1.85 GP	1.85 GP	1.25 +	2.25 +	5.35 GP
ME	2.00 GP	2.00 GP	0.75 +	None	2.75 GP
MD	2.00 GP	2.00 GP	0.75 +	None	2.75 GP
MA	2.28 GP	2.00 GP	None	None	2.00 GP
MI	2.28 GP	5.70 Pr(3)	None	None	2.28 GP
MT	2.35 GP	2.35 GP	None	None	2.35 GP
MN	2.00 GP	5.00 Pr(3)	2.00 +	None	6.00 GP
MS	2.00 GP	3.00 GP	0.50 +	None	3.50 GP
MO	2.00 GP	2.00 GP	None	None	2.00 GP
NE	2.75 GP	2.75 GP	0.75 +	1.25 +	4.75 GP
NH	1.00 GP	1.00 GP	0.75 +	None	1.75 GP
NJ	3.00 GP	3.00 GP	None	None	3.00 GP
NM	2.00 GP	5.00 Pr	None	None	2.00 GP
NY	2.00 GP	5.00 Pr(3)	None	None	2.00 GP
NC	3.00 GP	3.00 GP	None	None	3.00 GP
ND	2.60 GP	2.60 GP	1.25 +	None	3.85 GP
OH	2.50 GP	2.50 GP	1.00 +	0.50 +	4.00 GP
OK	2.50 GP	2.50 GP	0.75 +	None	3.25 GP
OR	4.00 GP	4.00 GP	0.31 +	None	4.31 GP
PA	2.25 GF	5.00 Pr(3)	1.00 +	None	3.25 GF
RI	2.00 GP	5.00 Pr	None	None	2.00 GP
SC	2.00 GP	5.00 Pr(3)	None	None	2.00 GP
SD	2.00 GP	2.00 GP	None	None	2.00 GP
TN	2.50 GF	2.50 GF	0.50 +	1.10 +	3.10 GF
TX	2.50 GF	2.50 GF	0.75 +	None	3.25 GF
UT	3.50 GF	3.50 GF	1.25 +	None	4.75 GF
VT	2.25 GP	5.00 Pr	None	None	2.25 GP
VA	2.00 GP	2.00 GP	None	None	2.00 GP
WA	2.75 GP	2.75 GP	None	None	2.75 GP
WV	2.00 GF	0.75 Pr	None	None	2.00 GF
WI	4.00 GP	4.00 GP	0.50 +	None	4.50 GP
WY	2.38 GP	0.50 GP	None	2.00 +	4.38 GP
WY	2.50 GP	0.75 Pr	None	None	2.50 GP

HB 230

1 IN THE SENATE

BY DUNCAN

2

SENATE BILL NO. 224

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the premium tax on certain insur-
7 ers."

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

9 * Section 1. AS 21.09.210(b) is amended to read:

10 (b) Each insurer, and each formerly authorized insurer with
11 respect to premiums received while an authorized insurer in this
12 state, shall pay tax on the total direct premium income received
13 during the year ending on the preceding December 31 and paid for the
14 insurance of property or risks resident or located in the state other
15 than wet marine and transportation insurance, after deducting from the
16 total direct premium income the applicable cancellations, returned
17 premiums, the unabsorbed portion of any deposit premium, all policy
18 dividends, unabsorbed premiums refunded to policyholders, refunds,
19 savings, savings coupons and other similar returns paid or credited to
20 policyholders with respect to their policies. No deductions may be
21 made of cash surrender value of policies. Considerations received on
22 annuity contracts are not included in the direct premium income and
23 are not subject to tax. The tax shall be paid to the director annual-
24 ly before April 1, and, except as provided in AS 21.69.390(c), is
25 computed at the rate of

26 (1) for domestic and foreign insurers, except hospital and
27 medical service corporations, three [2.7] percent;

28 (2) for hospital and medical service corporations, six
29 percent of their gross premiums less claims paid.



Official Business

Alaska State Legislature

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

SECTIONAL ANALYSIS - CSHB 230(Fin)

Section 1 - Raises the premium tax for domestic and foreign insurers from 2.7 to 3.0 percent. For most insurers, the 3 percent is a restoration of the tax rate in effect prior to the passage of SB 379 last year. The present exemptions for wet marine and transportation insurance and for hospital and medical service corporations continue.

Section 2 - Adds a new subsection relating to premium tax (AS 21.09.210). This section requires that 10 percent of the premium tax be deposited into a separate account. It also provides that the account may be used to fund the State Fire Commission and to fund fire prevention and training services.

Section 3 - Provides that title insurance is taxed as provided in AS 21.09.210(b).

Section 4 - Repealers.

Section 5 - Applicability section.

JK/HB 230

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

NO. 3

REQUEST: _____
Revision Date: _____
Title: Relating to the premium tax on certain insurers.
Sponsor: Ulmer
Requestor: _____

Bill Version: CSHB 230(Fin)
Publish Date: HOUSE 5/9/87
Agency Affected: Commerce & Econ. Dev.
BRU: Insurance
Components: Public Protection

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
---------	-----	-----	-----	-----	-----	-----

REVENUE	0.0	1,448.6	2,897.2	2,900.0	2,900.0	2,900.0
---------	-----	---------	---------	---------	---------	---------

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

The insurance premium tax rate changes from 2.7% to 3.0% with this bill. Title insurance changes from 1% to 3%. Due to condition of economy and the expectation that premiums are starting to stabilize, we project an even level of added revenue resulting from this proposal.

Prepared by: John I. George, Director
Division: Division of Insurance

Phone: 465-2515
Date: April 24, 1987

Approved by Commissioner: Anthony Smith, Commissioner
Agency: Commerce and Economic Development

Date: April 24, 1987

Distribution (by preparer):

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

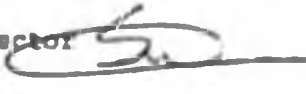
RECEIVED
APR 27 1987

Alaska MUNICIPAL League

TELEPHONE
(907) 586-1325

105 MUNICIPAL WAY, SUITE 301
JUNEAU, ALASKA 99801

TO: Senator Tim Kelly, Chair
Members of the Senate Labor and Commerce Committee

FROM: Scott A. Burgess, Executive Director 

DATE: March 7, 1988

SUBJECT: HB 230 - Premium tax on certain insurers

The Alaska Municipal League, on behalf of its 135 municipal members, supports the concept outlined in HB 230. At its last annual meeting in November 1987, the membership of the AML passed Resolution No. 88-21 supporting the concept of using funds generated from a small increase in the insurance premium tax to support fire prevention and training services through the Division of Fire Prevention in the Department of Public Safety. I have enclosed a copy of Resolution No. 88-21.

Again, the AML supports HB 230.

RESOLUTION OF THE ALASKA MUNICIPAL LEAGUE

RESOLUTION NO. 88-21

**A RESOLUTION SUPPORTING THE FIRE PREVENTION/TRAINING
EFFORTS OF THE DEPARTMENT OF PUBLIC SAFETY,
DIVISION OF FIRE PREVENTION, THROUGH
ENACTMENT OF LEGISLATION AND ITS ASSOCIATED
ADJUSTMENT OF THE INSURANCE FRANCHISE TAX.**

WHEREAS, the vital life safety programs provided by the Office of the State Fire Marshal were severely impacted by their disproportionate 27% reduction in available funds in 1987, and

WHEREAS, the inspection, public fire education, training, and investigation services have always been supported by the Alaska Municipal League through its Policy Statement and must be continued in order to reduce the tragic loss of life and property throughout all areas of Alaska, and

WHEREAS, practically every insurance company is located outside Alaska, resulting in dollars being unavailable for these vital life safety programs, and

WHEREAS, 26 states already utilize an insurance franchise tax in excess of 2.7% (average 3%) to support statewide fire prevention efforts, and

WHEREAS, the benefits of this tax will provide increased defense to potential multi-million dollar wrongful death suits by impacting the minimal level of fire operations and training for every fire department and its local government, and

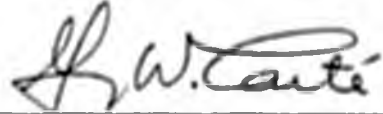
WHEREAS, the proposed slight increase in the franchise tax meets the Governor's guidelines of not affecting general fund support, and

WHEREAS, the proposed franchise tax increase restores this tax to its pre-1986 level of 3% (from 2.7%);

NOW, THEREFORE, BE IT RESOLVED that the Alaska Municipal League strongly supports passage of legislation in the Alaska Legislature adjusting the insurance franchise tax, with the intent


of using generated funds to support the efforts of the Division of Fire Prevention, Department of Public Safety.

Adopted this 13th day of November 1987.



George W. Carte, President

ATTEST:


Scott A. Burgess, Executive Director

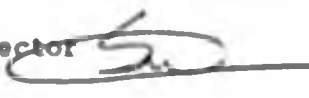
Resolution No. 88-21

Alaska
MUNICIPAL
League

TELEPHONE
(907) 586-1325

105 MUNICIPAL WAY, SUITE 301
UNALUI, ALASKA 99801

TO: Senator Tim Kelly, Chair
Members of the Senate Labor and Commerce Committee

FROM: Scott A. Burgess, Executive Director 

DATE: March 7, 1988

SUBJECT: HB 230 - Premium tax on certain insurers

The Alaska Municipal League, on behalf of its 135 municipal members, supports the concept outlined in HB 230. At its last annual meeting in November 1987, the membership of the AML passed Resolution No. 88-21 supporting the concept of using funds generated from a small increase in the insurance premium tax to support fire prevention and training services through the Division of Fire Prevention in the Department of Public Safety. I have enclosed a copy of Resolution No. 88-21.

Again, the AML supports HB 230.

RESOLUTION OF THE ALASKA MUNICIPAL LEAGUE

RESOLUTION NO. 88-21

A RESOLUTION SUPPORTING THE FIRE PREVENTION/TRAINING
EFFORTS OF THE DEPARTMENT OF PUBLIC SAFETY,
DIVISION OF FIRE PREVENTION, THROUGH
ENACTMENT OF LEGISLATION AND ITS ASSOCIATED
ADJUSTMENT OF THE INSURANCE FRANCHISE TAX.

WHEREAS, the vital life safety programs provided by the Office of the State Fire Marshal were severely impacted by their disproportionate 27% reduction in available funds in 1987, and

WHEREAS, the inspection, public fire education, training, and investigation services have always been supported by the Alaska Municipal League through its Policy Statement and must be continued in order to reduce the tragic loss of life and property throughout all areas of Alaska, and

WHEREAS, practically every insurance company is located outside Alaska, resulting in dollars being unavailable for these vital life safety programs, and

WHEREAS, 26 states already utilize an insurance franchise tax in excess of 2.7% (average 3%) to support statewide fire prevention efforts, and

WHEREAS, the benefits of this tax will provide increased defense to potential multi-million dollar wrongful death suits by impacting the minimal level of fire operations and training for every fire department and its local government, and

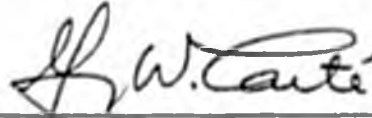
WHEREAS, the proposed slight increase in the franchise tax meets the Governor's guidelines of not affecting general fund support, and

WHEREAS, the proposed franchise tax increase restores this tax to its pre-1986 level of 3% (from 2.7%);

NOW, THEREFORE, BE IT RESOLVED that the Alaska Municipal League strongly supports passage of legislation in the Alaska Legislature adjusting the insurance franchise tax, with the intent


of using generated funds to support the efforts of the Division of
Fire Prevention, Department of Public Safety.

Adopted this 13th day of November 1987.



George W. Carte, President

ATTEST:


Scott A. Burgess, Executive Director

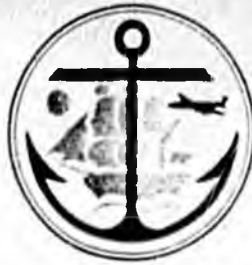
Resolution No. 88-21

THE FOLLOWING DOCUMENT HAS
NOT BEEN FILMED BUT IS
AVAILABLE IN THE ORIGINAL
FILE

HB

282

**Municipality
of
Anchorage**



P.O. BOX 196650
ANCHORAGE, ALASKA 99519-6650
(907) 343-4674

Tom Fink
MAYOR

MUNICIPAL HEALTH & HUMAN SERVICES COMMISSION

March 9, 1988

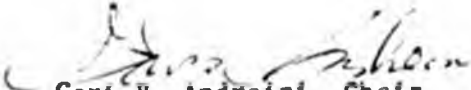
Senator Tim Kelly
Senate Labor and Commerce Committee
Alaska State Legislature
POB V
Juneau, Alaska 99811

Dear Senator Kelly,

The Municipal Health and Human Services Commission wishes to lend it's full support to the passage of SB266. The Commission has had a long standing concern about the loophole in current municipal smoke-detector ordinances that permit owner occupied homes in Anchorage to be without smoke-detectors. Passage of SB266 would resolve that problem and advance important preventive approaches to injury control in a state where unintentional injuries are responsible for 20% of statewide mortality (1984) among Alaskans ages 5-54.

If you have any questions of us, please feel free to call me (562-2828) or our staff (343-4674).

Sincerely,


Gari B. Andreini, Chair
Municipal Health and Human Services Commission

cc: Representative Jim Duncan, Sponsor
Senate Labor and Commerce Committee
Anchorage Municipal Assembly
Tom Fink, Mayor, Municipality of Anchorage
Ron Garzini, Manager, Municipality of Anchorage
Robert A. (Bert) Hall, Director, Department of Health and Human Services,
Municipality of Anchorage

SJ6/dPD20

Alaska State Legislature

REPRESENTATIVE BILL HUDSON

P.O. BOX V
Juneau, Alaska
99811
(907)465-3744 or 4991

COMMITTEES:
Transportation
HESS
Telecommunications
Fisheries
International Trade

March 12, 1988

Senator Tim Kelly, Chairman
Senate Labor and Commerce Committee
Alaska State Legislature
Juneau, Alaska

Dear Senator Kelly:

SCS HB 282(HESS), relating to smoke detection devices, was referred to the Senate Labor and Commerce Committee on March 10.

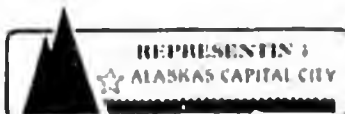
Current statutes, A.S. 18.70.095, require smoke detectors in apartments, condos, hotels and lodging houses. They are also required in single and multi family homes built or purchased after 1975.

SCSHB 282(HESS) requires the installation and maintenance of smoke detection devices in all homes, regardless of when they were constructed or sold.

Sections 3 and 4 delineate the responsibility of the landlord and tenant for installation and maintenance, and are cross referenced with the Landlord Tenant Act.

An amendment was adopted by the Senate HESS Committee, which added Section (c) on page 1, line 22. It was agreed by members of the Senate HESS Committee that a landlord or tenant should not be held for civil liability in the case of a civil action because of death, property loss or personal injury resulting from a fire. However, the HESS Committee members agreed that violators could be penalized under A.S. 18.70.100, which provides for a fine and a term of imprisonment for violation of the existing smoke detection statutes.

A.S. 18.70.100 is enforced by the local fire chiefs within their own districts. However, under A.S. 18.70.075, a fire officer of a municipal fire protection or other emergency



services does not have the authority to enter dwellings to inspect for properly installed and maintained smoke detectors.

Mr. Sam Neal, the State Fire Marshal, advises me that a person would be subject to the penalties of A.S. 18.70.100 only after an investigation of a fire revealed that the required smoke detector was either missing or inoperative.

Alaska leads the nation in fire deaths. In 1986, 27 Alaskans died in fires in homes that did not have properly installed and maintained smoke detectors. No fire deaths have occurred in Alaska where operating detectors were present. In 49.7 percent of all residential fires in Alaska, no operating smoke detectors were present.

This legislation is supported by the Alaska Fire Chief's Association, the Alaska State Firefighters Association, the International Conference of Building Officials, the Alaska Department of Health and Social Services and the Alaska Department of Public Safety.

There is no fiscal impact to state government; a copy of the fiscal notes are also enclosed. The fiscal impact to Alaskans is minimal; the high average cost of a battery operated smoke detector is \$15.00.

The Juneau Fire Department's budget for FY '89 is \$2.1 million. Fire loss and billing costs to the Juneau area last year totals \$737,300, a figure which is dangerously close to \$1 million.

It is proven that smoke detectors provide for earlier detection of fire and the earlier alarm drastically decreases tragic and needless injury and death by fire.

Your favorable consideration to this request for a hearing in the Senate Labor and Commerce Committee will be very much appreciated.

Respectfully,


Bill Hudson

Enclosures

STATE OF ALASKA

STEVE COWPER, GOVERNOR

DEPARTMENT OF PUBLIC SAFETY

DIVISION OF FIRE PREVENTION

REPLY TO:

PO. BOX N
JUNEAU, ALASKA 99811-1200
PHONE: (907) 465-4331

5700 EAST TUDOR ROAD
ANCHORAGE, ALASKA 99507-1225
PHONE: (907) 269-5604

1979 PEGER ROAD
FAIRDANKS, ALASKA 99709
PHONE: (907) 456-4002

March 2, 1988

The Honorable Bill Hudson
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Re: Smoke Detectors;
Enforcement of HB 282

Dear Representative Hudson:

The need for smoke detectors in every dwelling unit has been well documented as a means of saving lives and reducing the traumatic impact of burn injuries. Alaska statistics show a disproportionately high number of fire victims in the rural communities of our state. We believe that if every home had a smoke detector, as required by HB 282, the number of lives lost to fire every year could be greatly reduced, especially in rural areas.

Under AS 18.70.050 and AS 18.70.080, however, the Department of Public Safety, Division of Fire Prevention, does not have authority to enter private dwelling units to inspect them. The only way for the Department to enforce the requirements of HB 282 would be after a fire occurs. If investigation after a fire revealed that the required smoke detectors were missing or inoperative, the owner would be subject to the penalties of AS 18.70.100.

If a different enforcement scheme is desired by the legislators, then specific authority to enter and inspect residential dwellings of less than four units to enforce 18.70.095 must be granted.

Sincerely,

Sylvester Neal
Sylvester (Sam) Neal
State Fire Marshal

FISCAL NOTE

REQUEST:

Revision Date: 5/12/87
Title: An Act relating to smoke detection devices.
Sponsor: Hudson et al.
Requestor: _____

Agency Affected: Health & Social Services
BRU: State Health Services
Components: EMS Certification and Licensing

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

The enactment of CSHB 282(SA) would have no direct fiscal impact on the Department of Health and Social Services.

Prepared by: Elizabeth Ward, Director *Elizabeth Ward* Phone: 465-3090
Division: Public Health Date: _____

Approved by Commissioner: Mrs M Munson Date: 2-2-88
Agency: Department of Health & Social Services

Distribution (by preparer):

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

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: CSHB 282 (SA)
PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: An act relating to smoke detection devices
Sponsor: Hudson, Gruenberg, Ulmer
Requestor: House HESS

Agency Affected: Public Safety
BRU: Fire Prevention

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL		0	0	0	0	0

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact.

Prepared by: Gordon E. Brunton
Division: Fire Prevention

Phone: 465-4331
Date: 1/12/88

Approved by Commissioner: [Signature]
Agency: Public Safety

Date: 1-28-88

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

HOUSE COMMITTEE REPORT

(7)

Date referred: 4/17/87

FURTHER REFERRALS: HESS

DATE: 5-11-87

The State Affairs Committee has considered HB 282

"An Act relating to smoke detection devices."

RECOMMENDS:

- replace with CS HB 282 (SA) the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(s):

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

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

 Chairman's signature

International Conference of Building Officials

Alaska Southeast Chapter

Building and Fire Safety
March 30, 1957

Governor Steve Cowper
State of Alaska

Dear Governor Cowper,

The Alaska Chapters of the International Conference of Building Officials are composed of dedicated and trained career professionals in the fields of life and property safety. Our membership represents every major municipality, several Federal and State agencies, and private sector design professionals in Alaska. We respectfully request your consideration and support of three proposals that we strongly believe to be in the best interest of all Alaskans.

1. In December 1954 the Alaska Task Force on Fire Prevention concluded that Alaska has the highest rate of fire death per capita in the western world. We would like to have you introduce an amendment to AS 18.70.095 which would require the installation of smoke detectors in all dwelling units. This action would produce the greatest potential for saving lives under currently available technology. The financial impact of this action on both rural and urban citizens would be negligible.

In addition, funding for the State Fire Commission would greatly help the efforts of those who serve in this State as firefighters, fire chiefs and construction code officials.

2. During the unprecedented construction boom of the early eighties, cities and boroughs learned that increased efficiency and communication occurred when related functions were consolidated into "one-stop permit departments". They were also far less expensive to administer. The consensus of the construction industry, from our perspective, is that it would be timely for the State to adopt a similar organizational structure now that construction activity has cooled down.

Smaller Alaskan communities which have taken the initial steps to regulate construction activity within their boundaries often need continued assistance from the State because of staff limitations. The Departments of Public Safety, Labor, Environmental Conservation and others often complement the local staff. We fear that funding cuts may erode the current level of service.

Most rural communities currently have some degree of fire service personnel. In addition, larger municipalities usually provide some level of building inspection services. As an integrated extension of a State department governing fire prevention and building safety, the State could maintain a strong commitment to help train

these local government officials to deliver services within their jurisdictions. This would save the State revenue and also increase services at the local level. In most cases disputes or questions could be resolved locally with a telephone call or an appeal hearing rather than by purchasing a plane ticket and sending a State inspector out into the field. Currently disputes with State inspectors must usually be resolved in civil court.

It just makes good sense to promote State goals by having them supported and reinforced at the local level. We support consolidation of State building regulations within one department.

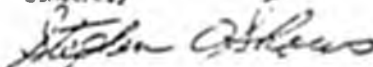
3. We urge your support for adoption of the 1977 Uniform Plumbing Code (UPC), without amendment. The objections to the UPC by the plumbers union are no more than traditional "featherbedding". The plastic pipes in dispute have been used in thousands of buildings and for many years in Alaska with no problems of fire safety, water quality, sanitation or mechanical durability. In addition to low cost, plastic pipes have many other advantages in cold climates.

We were pleased with the State's dismissal of case #7A-11-1077 against Fairbanks. The court held that Article X, Section 11 of the Alaska Constitution permits local governments to adopt and enforce newer editions of the UPC than the State. Recent correspondence, however, with Commissioner Sampson indicates his reluctance to respect that decision in the other districts in Alaska. We respectfully request that your office explain to us any compelling interest the State may have in pursuing this matter beyond an examination of fire and building safety issues by our laboratory and the court. Please consider the time and expense involved for both sides to litigate this matter further.

The State Fire Marshal currently defers their regulatory authority to municipalities who have demonstrated an ability to enforce the fire safety provisions of the codes. This saves the State money and avoids duplication of services. We request that you review this policy with your Commissioner of Labor for implementation within all jurisdictions that have adopted and currently enforce newer versions of the UPC.

Thank you for your attention to these matters. We appreciate the opportunity to help resolve any areas of conflict that may exist and look forward to cooperating with your administration in a positive manner to promote safety related issues in Alaska.

Sincerely



Stephen O. Snow
President

International Conference of Building Officials

Alaska Southeast Chapter

We support the following amendments:

AS 13.71.035. Smoke detection devices. Smoke detection devices shall be installed and maintained in all (living) dwelling units and mobile homes (built, manufactured or sold) in the state. The devices shall be of a type and deployed in a manner approved by the state fire marshal.

A dwelling unit is any building or portion thereof which contains living facilities, including provisions for sleeping, eating, cooking and sanitation.

Add to AS 34.03.100 It shall be the duty of the landlord to provide smoke detection devices in rental units.

Add to AS 34.03.120 It shall be the duty of the tenant to maintain smoke detection devices in rental units.

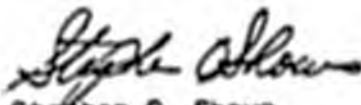
Justification

Current statute and regulation 13.AAC 59.020 require smoke detectors in all guest rooms in hotels and lodging houses used for sleeping purposes. They are also required in all dwelling units (apartments, condos etc.) except single family homes, duplexes and triplexes built before 1975 that have never been sold. Living units are not defined in the Uniform Building Code (UBC). Dwelling units are defined in the UBC and used in the state fire marshal's regulations. Responsibility for smoke detection devices and maintenance in rental property is not clearly defined.

Alaska has the highest per capita death rate by fire in the western world. These amendments would help reduce fire deaths in Alaska.

This act would have negligible financial impact on rural and urban Alaskans. There is no fiscal note to the state due to implementation of this amendment. This change is also supported by the fire service in Alaska.

Sincerely,



Stephen O. Shows
President

International Conference of Building Officials

Alaska Southeast Chapter

JANUARY 18, 1988

LEGISLATIVE POSITION PAPER IN SUPPORT OF

CSHB 232 AND SB 285

AN ACT RELATING TO SMOKE DETECTION DEVICES

Our membership recommends adoption of these two bills which are amendments to the existing statute pertaining to smoke detectors. The current law is vague in defining conditions under which smoke detectors are required.

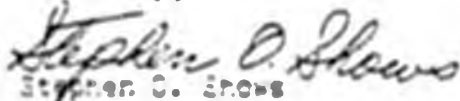
Smoke detectors are inexpensive and save lives. They offer the best available strategy in Alaska for reducing the loss of life and property from fire. Our State leads the Nation in these losses per capita year after year.

Section 2. of the proposal clearly sets forth smoke detector maintenance responsibilities for landlords and tenants in rental situations.

In addition to the State Fire Marshall's office, AS 18.70.090 allows local fire chiefs to enforce these provisions within their jurisdictions. The municipalities of Juneau and Anchorage currently require detectors in all dwelling units.

These acts would have negligible financial impact on both rural and urban residents of Alaska. There is no fiscal note to the State associated with implementation of these amendments.

Sincerely,



Stephen C. Snow
President

ALASKA STATE FIREFIGHTERS ASSOCIATION

P.O. Box 34324
Juneau, Alaska 99803-4324

RESOLUTION 87-3

TITLE: SUPPORT OF AN ACT RELATING TO SMOKE DETECTION DEVICES

WHEREAS the State of Alaska currently requires smoke detectors in all living units except single family homes and duplexes built before 1976 that have never been sold; and

WHEREAS the Alaska Southeast Chapter ICBO has a bill known as CSHB 282 and SB 266 pertaining to smoke detectors introduced before the State Legislature; and

WHEREAS this bill would also clarify the responsibilities for smoke detection devices between landlords and tenants; and

WHEREAS this bill would require low cost smoke detection devices to protect sleeping occupants in all dwelling units in Alaska; and

WHEREAS recent studies by the National Association of Home Builders indicate that fire occurs more frequently in older homes; and

WHEREAS no detectors were present in 49.7% of the residential fire incidents reported to the State Fire Marshal's office in 1986.

Therefore, be it resolved that

The Alaska Fire Chief's Association and the Alaska State Firefighter's urge the Alaska Legislature to adopt SB 266 or CSHB 282 to help promote the safety of all Alaskans from the threat of death or injury from fire.

Recommendation: Pass

Adoption: Pass No Pass

Distribution: Governor Comper
Alaska Legislature


Dewey Whetsell, Pres., A.F.C.A.


Gaylen Brevik, Pres., A.S.F.A.



ALASKA FIRE CHIEF'S ASSOCIATION

656 7th AVENUE • FAIRBANKS, ALASKA 99701 • TEL. (907) 459-6500

January 12, 1988

Representative Bill Hudson
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Representative Hudson:

I am pleased to present to you those pertinent resolutions recently adopted by the Alaska Fire Chiefs Association and the Alaska State Firefighters Association at their most recent joint conference that was held in Juneau in October of 1987.

These resolutions address those issues deemed vital by both Associations, not only for the fire service throughout ALL of Alaska, but also for ALL citizens of our great state.

Should you have any questions or desire clarifications on any of these (or other) issues, please do not hesitate to contact me at the address indicated in the letterhead or call 459-6500 (work) or 479-2001 (home).

I appreciate your time in reviewing the enclosed material.

Sincerely,

William Shechter, President

WTS:nba

cc: Galen Brevek, President, Alaska State Firefighters Association

Position Paper

CSHB 282(SA)

For an Act entitled: "An Act relating to smoke detection devices."

This bill would amend AS 18.70.095 to include the requirement that smoke detectors be maintained, changes the term "living" unit to "dwelling" unit, requires a landlord to install smoke detectors in apartments, and requires a tenant to replace batteries in DC powered units.

Smoke detectors are proven life savers in fires, but only an estimated 50 percent of all households are equipped with smoke detectors. Also, many homes have smoke detectors that will not operate due to lack of maintenance. The fire services estimate that the existence of a functioning smoke detector increases an occupant's chance of surviving a fire by 86 percent. According to the Alaska Division of Fire Prevention, in 1986, there were no fire deaths in Alaska in buildings with functioning smoke detectors.

The Department of Health and Social Services supports passage of CSHB 282(SA) because it will require functioning smoke detectors in all dwellings, which should help reduce the rates of deaths and injuries due to fires.

Recommended by:

Elizabeth Ward

Elizabeth Ward, M.N.
Director
Division of Public Health

Date:

January 29, 88

Approved by:

Myra M. Munson

Myra M. Munson
Commissioner
Department of Health and
Social Services

Date:

2 2-88

BILL NO: HB 282

DATE: April 20, 1987

TITLE: An act relating to smoke detection devices

CONTACT: Gordon Brunton

AS 18.70.095 would be amended by this bill to include the requirement that smoke detection devices be maintained; and changes the term "living" unit to "dwelling" unit.

DEPARTMENT OF PUBLIC SAFETY

Smoke detectors have proven to be effective life savers in fires. to the extent that, nationally, deaths by fire dropped substantially during the 1970's. 50 percent of all households are estimated to be equipped with detectors. There continues to be fire fatalities in dwellings where detectors are present, but not operating properly. It is estimated that a person's chances of surviving a fire are increased to 86 percent where a properly installed and functioning smoke detector is present.

The Department of Public Safety will continue its educational efforts to have dwellings provided with regularly maintained smoke detectors.

The Department of Public Safety supports passage of HB 282.

Arther English

Arther English
Commissioner

*Smoke
detection
Janda*

DEPARTMENT OF PUBLIC SAFETY

working days is fine for the written report, but would urge the committee to require an immediate oral report to the State Troopers.

Rep. Koponen asks Ms. Horetski if she would like to comment on the penalty clause in SB 96 (1985 legislation).

Gayle Horetski answers that SB 96 carried a Class "B" Misdemeanor penalty.

Rep. Koponen asks Ms. Horetski what would happen if the penalty clause is left out.

Gayle Horetski answers that there would be a real problem with enforcement if the law did not carry a penalty for not reporting.

Rep. Koponen thanks Ms. Horetski for her comments and assistance with HB 332.

Rep. Ellis states that the next bill to be considered by the committee is HB 282, relating to smoke detection devices. Rep. Ellis ask Steven Shows to come forward to testify as the bill sponsor was not present.

Steven Shows, Building Inspector for the City and Borough of Juneau and President, International Conference of Building Officials, Alaska Southeast Chapter, testifies in favor of HB 282 and encourages the committee to pass it out of committee.

Rep. Hudson, sponsor of HB 282, states that the intent of this legislation is to require landlords to replace smoke detectors, but would place the responsibility of the upkeep of a smoke detector with the tenant.

Rep. Gruenberg states that he and his staff would like to work on amendments to HB 282 specifically pertaining to the landlord\tenant laws.

Rep. Ellis asks if committee members have any questions for Mr. Shows. Hearing none, Rep. Ellis asks Mark Johnson to come forward and testify on HB 282.

Mark Johnson, Coordinator, Emergency Medical Services Section for the Department of Health and Social Services, states that the Department supports HB 282 and urges the committee to pass this legislation.

Rep. Gruenberg asks if the committee would consider a rural exemption for this legislation.

Steven Shows comments that the greatest number of house fires are in the rural areas of Alaska.

Rep. Ellis states that both HB 332, relating to the reporting of burn injuries, and HB 282, relating to smoke detection devices, will be held over until Wednesday, February 10th, in order to allow the committee to work on amendments and committee substitutes.

Rep. Ellis adjourns the meeting at 9:47 a.m.

LEGISLATIVE REPORTING SERVICE (BILL SUMMARY)

Smoke Detection HOUSE BILL NO. 282, by Reps. Hudson and Gruenberg. Amends
Devices _____ AS 18.70.095 (Fire Protection. Smoke Detection Devices).
Would require smoke detection devices to be installed and maintained in all dwelling units in the state (current law requires smoke detection devices to be installed in all living units built, manufactured or sold in the state. Adds language requiring a landlord to provide the smoke detection devices in a dwelling unit occupied under the terms of a rental agreement or under a month-to-month tenancy. The tenant would have to maintain the devices. Does not provide an effective date (bill becomes law 90 days after being signed by the governor).

Introduced April 17 and referred to State Affairs; Health, Education & Social Services.

Smoke Detection HOUSE BILL NO. 282, (see pages 573;630;749). Reported back
Devices _____ to the House May 12 by State Affairs recommending it be replaced with a State Affairs substitute and that it do pass. Concurring: Ulmer (Chair), Hoffman, Davidson. Not concurring: Martin has no recommendation. To Health, Education & Social Services.

The State Affairs substitute requires the landlord to provide the initial and replacement smoke detection devices and the tenant to keep the devices in working condition by keeping the batteries changed, by testing the device periodically, and by refraining from disabling the devices. The original version required only that the landlord provide the device.

STATE OF ALASKA

STEVE COWPER, GOVERNOR

DEPARTMENT OF PUBLIC SAFETY

DIVISION OF FIRE PREVENTION

REPLY TO

PO BOX N
JUNEAU, ALASKA 99811-1200
PHONE (907) 465-4331

5700 EAST TUDOR ROAD
ANCHORAGE, ALASKA 99507-1225
PHONE (907) 269 5604

1979 PEGER ROAD
FAIRBANKS, ALASKA 99709
PHONE (907) 456-4072

June 8, 1987

The Honorable Bill Hudson
House of Representatives
3379 Meander Way
Juneau, Alaska 99801

RE: House Bill 282

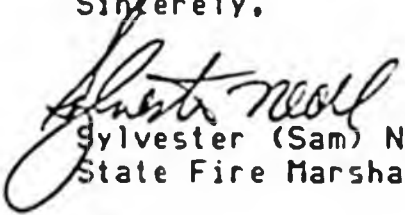
Dear Representative Hudson:

I just want to take a moment to express my appreciation for your sponsorship of HB 282, "An act relating to smoke detector devices." Though this bill did not pass last session, it undoubtedly will have a significant impact on fire fatalities in Alaska when it passes.

I request your continued support on our statewide public safety issues. If I, or members of my staff, can be of assistance on this legislation or other fire related issues, please give us a call.

Thanks again for your support.

Sincerely,


Sylvester (Sam) Neal
State Fire Marshal

SN:BJN

L87-158

cc: Dewey Whetsell, President, Alaska Fire Chiefs
Gaylen Brevik, President, Alaska Firefighters Assn.

1985 ANNUAL REPORT

DIVISION OF FIRE PREVENTION

DEPARTMENT OF PUBLIC SAFETY

STATE OF ALASKA

1981 - 1985 COMPARISONS

	1981	1982	1983	1984	1985
Civilian Fire Deaths	28	16	27	35	29
Deaths/Million Pop.	64.3	34.7	54.5	66.9	54.2
Civilian Injuries	84	62	70	63	70
Firefighter Injuries	46	28	42	36	37
Number of Fires	3,119	3,109	3,214	3,680	3,475
Total Calls	7,777	10,527	14,035	14,876	14,813
\$ Losses (in millions)	\$40.6	\$42.6	\$72.8	\$34.5	\$38.8
\$ Loss per capita	\$93.29	\$92.44	\$146.98	\$65.95	\$72.56

FIRE DEATHS

Once again, Alaska leads the Nation in deaths by fire, based upon the number of fatalities per million population. Of the 29 who died, 27 were in their homes, either single or multi-family dwellings.

17 were males, 12 females. 10 were under the age of 9. The continued need to install and maintain smoke detectors is demonstrated by these losses.

The discussion of fire deaths would be incomplete without examining the rates. Fairbanks, for example, appears to have the highest urban fire death rate during 1985, with 148 deaths per million population, compared to Anchorage, which was 32. Similar comparisons show Naknek, for example, to have a fire death rate per million population during 1985, of 3,333. Small communities such as this, however, must be looked at over a longer period of time, as the real picture is biased by their size and experience.

Table No. 1 in the appendices lists the fatalities in Alaska since 1979 by location. Local departments are urged to compare their fatality problem with the rest of the state.

DETECTOR AND SPRINKLER PERFORMANCE

Smoke Detectors



DON'T STAY HOME
WITHOUT ONE!

Detectors operated in 249, or 15.5% of all structure fires. Of the 1,187 fires in residential structures, no detectors were present in 58% of the incidents.

Automatic sprinkler systems operated in 16 fires, or 1% of the incidents. It should be noted that these were all non-residential (single or two-family dwellings) properties.



Studies by the Federal Emergency Management Agency indicate that the installation of home fire sprinkler systems could save thousands of lives and prevent millions of dollars in property loss.

New technology has made fire sprinklers much more practical for residential use. Sprinkler heads are smaller, more esthetically designed, and react at lower temperatures than conventional industrial fire sprinklers. In addition, installation costs and water requirements are minimal. For home builders, fire sprinklers are a low-cost safety option that would attract buyers, and the trade-offs between sprinklers and code requirements can mean lower construction costs or more units per area. For homeowners, the advantages of fire sprinklers include a safer environment for the family, protection for irreplaceable family possessions, and potentially lower insurance rates.

There is currently a movement in Alaska to encourage the installation of sprinkler systems in dwellings. Any success in this effort should see a reduction in life and property losses.

STATE OF ALASKA

DIVISION OF FIRE PREVENTION

FIRE MARSHAL UNIT

SPRING EDITION 1987

FIRE SERVICE TRAINING UNIT



INSIDE

FIRE SERVICES SAVES THE ALASKA ECONOMY MILLIONS OF DOLLARS - P. 13

FIRE PREVENTION TAX BILL INTRODUCED - P. 31

PRIVATE INDUSTRY STEPS IN TO MEET LOCAL FIRE DEPARTMENT NEEDS - P. 7

GOVERNOR COWPER DESIGNATES MAY 10 - 16 ARSON AWARENESS WEEK - P. 19

DEPARTMENT OF PUBLIC SAFETY GETS NEW COMMISSIONER - P. 9

• Sylvester (Sam) Neal, Director

Alaska State Fire Marshal

1986 FIRE LOSS ANALYSIS
SMOKE DETECTOR PERFORMANCE

Nationally, detectors operated in 4.3% of all fires.

In Alaska, detectors operated in 7.3% of all fires.

No fire deaths occurred in Alaska where operating detectors were present.

In 24.6% of all fires in Alaska, NO detectors were present.

There is an indication that in the presence of operating detectors, property losses are less than where there are no detectors (not bad for an initial investment of about \$10.00 and \$3/year for batteries):

\$14,648 loss/incident where detectors are present.

\$15,470 loss/incident where no detectors present.

BASE-REPORT 18
SUMMARY OF FIRES BY ELEMENT
FOR TYPE OF SITUATION FOUND AND/OR FIXED PROPERTY USE

REPORT PERIOD - 01-01-86 THRU 12-31-86

COMPUTER PUN DATE - 04-22-87

STATE- AK

COUNTY- ALL

FIRE DEPARTMENT- ALL

FDID - ALL

STRUCTURE FIRES

	FIXED PROPERTY USE									
UNCLASS- IFIED	PUBLIC ASSEMBLY PROPERTY	EDUCA ² TIONAL PROPERTY	INSTITU- TIONAL PROPERTY	RESIDEN- TIAL PROPERTY	STORE OFFICE PROPERTY	BAS INDS UTILITY DEFENSE	MANUFAC- TURING PRO ² .RTY	STORAGE PROPERTY	SPECIAL PROPERTY	TOTAL
TOTAL STRUCTURE FIRES BY DETECTOR PERFORMANCE.....:										
UNKNOWN										
# OF OCCURRENCES	9	3	4	160	2	4	5	5	3	195
% OF COLUMN TOTAL	15.78	9.67	18.18	13.38	2.94	16.00	26.31	6.57	4.05	12.44
IN RM OF FIRE/OPERATED										
# OF OCCURRENCES	8	10	8	128	3	1	1			159
% OF COLUMN TOTAL	14.03	32.25	36.36	10.71	4.41	4.00	5.26			10.14
NOT IN ROOM/OPERATED										
# OF OCCURRENCES	2	2	2	89				2	1	98
% OF COLUMN TOTAL	3.50	6.45	9.09	7.44				2.63	1.35	6.25
IN ROOM/NOT OPERATED										
# OF OCCURRENCES	3	1	1	82	1	1				89
% OF COLUMN TOTAL	5.26	3.22	4.54	6.86	1.47	4.00				5.67
NOT IN ROOM/NOT OPERAT										
# OF OCCURRENCES	1	3	1	86	2			3	2	98
% OF COLUMN TOTAL	1.75	9.67	4.54	7.19	2.94			3.94	2.70	6.25
IN ROOM/FIRE TOO SMALL										
# OF OCCURRENCES	3	3	1	50	3					60
% OF COLUMN TOTAL	5.26	9.67	4.54	4.18	4.41					3.82
NO DETECTORS PRESENT										
# OF OCCURRENCES	31	9	5	594	52	19	12	66	68	856
% OF COLUMN TOTAL	54.38	29.03	22.72	49.70	76.47	76.00	63.15	86.84	91.89	54.62
OTHER										
# OF OCCURRENCES				6	5		1			12
% OF COLUMN TOTAL				.50	7.35		5.26			.76
** COLUMN TOTALS **	57	31	22	1195	68	25	19	76	74	1567

TALLY-REPORT 22

LISTING OF ALL FIRE ELEMENTS BY FREQUENCY OF OCCURRENCE
 REPORT PERIOD - 01-01-86 THRU 12-31-86 COMPUTER RUN DATE - 04-22-87

STATE- AK

COUNTY- ALL

FIRE DEPARTMENT- ALL

FDID - ALL

FIRE INCIDENT ELEMENTS

	NUMBER OF INCIDENTS	PERCENTAGE OF TOTAL	NUMBER SERVICE INJURIES	NUMBER CIVILIAN INJURIES	NUMBER SERVICE DEATHS	NUMBER CIVILIAN DEATHS	DOLLAR LOSS
DETECTOR PERFORMANCE							
0 UNKNOWN	194	5.5	3	6		4	6377836
1 IN RM OF FIRE/OPERATED	159	4.5	1	4			2656476
2 NOT IN ROOM/OPERATED	98	2.8		4			1109097
3 IN ROOM/NOT OPERATED	89	2.5	1	4			524923
4 NOT IN ROOM/NOT OPERAT	98	2.8		6			374053
5 IN ROOM/FIRE TOO SMALL	60	1.7		1			15400
6 NO DETECTORS PRESENT	856	24.6	10	21		7	12678390
9 OTHER	12	.3					79000
BLANK	1908	54.9	6	4		2	2792147
TOTAL	3474	100.0	21	50		13	28806324

SPRINKLER PERFORMANCE

0 UNKNOWN	100	2.8	1				2831095
1 EQUIPMENT OPERATED	33	.9		2			474750
2 EOP SHOULD OPERA/ODINT	1						7000
3 EOP PRESENT/FIRE SMAL	62	1.7					53894
6 NO EQUIP PRESENT	1362	39.2	14	44		11	20587438
9 OTHER	8	.2					65000
BLANK	1908	54.9	6	4		2	2792147
TOTAL	3474	100.0	21	50		13	28806324

PROPERTY DAMAGE CLASSIFICATION

0 UNKNOWN	2						2000000
1 1 TO 99 DOLLARS	148	4.2					5335
2 100 TO 999 DOLLARS	660	18.9		2			229700
4 10000 TO 24999	819	23.5	7	26		6	4211004
5 25000 TO 49999	112	3.2	3	11		3	3008990
6 50000 TO 249999	48	1.3	1	5		1	2704157
7 250000 TO 999999	79	2.2	9	5		1	12847538
8 1000000 OR MORE	1						1200000
9 NO DOLLAR LOSS	1605	46.2	1	1		2	
TOTAL	3474	100.0	21	50		13	28806324

BASE-REPORT 18
SUMMARY OF FIRES BY ELEMENT
FOR TYPE OF SITUATION FOUND AND/OR FIXED PROPERTY USE

REPORT PERIOD - 01-01-88 THRU 12-31-88

COMPUTER RUN DATE - 04-02-87

STATE- ALL

COUNTY- ALL

FIRE DEPARTMENT- ALL

FOID - ALL

STRUCTURE FIRES

	FIXED PROPERTY USE										TOTAL	
UNCLASSIFIED	PUBLIC ASSEMBLY PROPERTY	EDUCATIONAL PROPERTY	INSTITUTIONAL PROPERTY	RESIDENTIAL PROPERTY	STORE OFFICE PROPERTY	RAS UTILITY DEFENSE	INDS MANUFACTURING PROPERTY	STORAGE PROPERTY	SPECIAL PROPERTY			
TOTAL STRUCTURE FIRES BY DETECTOR PERFORMANCE.....:												
UNKNOWN												
# OF OCCURRENCES	614	781	217	327	18593	933	189	812	1217	682		24045
% OF COLUMN TOTAL	48.83	21.73	17.90	17.56	22.83	18.60	19.48	18.53	15.40	20.31		21.99
IN RM OF FIRE/OPERATED												
# OF OCCURRENCES	80	179	183	571	8642	247	34	276	47	2		8261
% OF COLUMN TOTAL	4.87	8.11	18.09	30.68	8.15	4.92	3.50	9.98	.59	.61		7.55
NOT IN ROOM/OPERATED												
# OF OCCURRENCES	38	82	50	153	5763	119	8	54	59	23		6347
% OF COLUMN TOTAL	2.74	2.34	4.12	8.21	7.07	2.37	.82	1.95	.74	.68		5.80
IN ROOM/NOT OPERATED												
# OF OCCURRENCES	14	79	48	86	2776	89	4	40	22	7		3175
% OF COLUMN TOTAL	1.06	2.25	3.96	5.15	3.40	1.77	.41	1.44	.27	.20		2.90
NOT IN ROOM/NOT OPERAT												
# OF OCCURRENCES	28	114	71	87	4635	102	11	38	51	17		5171
% OF COLUMN TOTAL	1.90	3.25	5.85	4.87	5.69	2.03	1.13	2.08	.64	.50		4.73
IN ROOM/FIRE TOO SMALL												
# OF OCCURRENCES	10	138	61	248	2623	122		89	41	11		3344
% OF COLUMN TOTAL	.78	3.94	5.03	13.37	3.22	.43		3.22	.51	.32		3.05
NO DETECTORS PRESENT												
# OF OCCURRENCES	538	2119	888	355	39271	3345	714	1703	6414	2555		57582
% OF COLUMN TOTAL	41.03	60.52	48.86	19.08	48.22	66.69	73.60	61.63	61.16	78.26		52.87
OTHER												
# OF OCCURRENCES	14	29	14	24	1128	58	10	31	51	33		1392
% OF COLUMN TOTAL	1.06	.82	1.15	1.28	1.38	1.15	1.03	1.12	.64	.96		1.27
** COLUMN TOTALS **	1311	3501	1212	1862	81431	8015	970	2763	7902	3350		109317

0	UNKNOWN	55456	16.6	807	661		226	467068594
1	IN RM OF FIRE/OPERATED	8289	2.4	271	360		38	89820560
2	NOT IN ROOM/OPERATED	6378	1.7	244	302		78	57799387
3	IN ROOM/NOT OPERATED	3189	.9	90	225		.2	10512747
4	NOT IN ROOM/NOT OPERAT	5223	1.5	142	106	1	30	22622350
5	IN ROOM/FIRE TOO SMALL	3392	1.0	15	30		2	3036722
8	NO DETECTORS PRESENT	65451	19.7	2205	2127	4	441	1341501026
9	OTHER	1977	.5	39	36	2	13	17134493
	INVALID CODE	109		1	2			265279
	BLANK	182705	55.0	619	936	1	183	744551175
	TOTAL	332169	100.0	4433	5024	9	983	2758400333

SEEN ELSEWHERE

No smoke alarms in fatal fire; landlord jailed, fined
A landlord has been sentenced to 90 days in jail for failing to install smoke alarms in a home in South St. Louis where a 4-year-old boy was killed in a fire.

Judge Christopher Smith of the St. Louis Municipal Court ordered the landlord, Richard Lewis of Kirkwood, Mo., to bring his wife to court so that the judge could give her the same sentence, said Vincent Sabella, housing court coordinator for St. Louis. Lewis's wife, Sharon Lewis, also is an owner of the house, Sabella said.

Smith also fined Richard Lewis \$500 and indicated that he would impose the same fine on Sharon Lewis.

The fine and jail term are the maximum allowed by the ordinance requiring smoke alarms in city dwellings.

On November 14, Jacob Daniel Wiley was killed in a fire at the house. Fire fighters found the boy unconscious and wedged into a closet in the front room.

The boy's mother, Patty Wiley, 27, told authorities that she had scolded Jacob earlier in the day for sticking pieces of paper into a space heater.

(St. Louis Post-Dispatch, January 9, 1987)

Homeless burning

BOSTON (AP)—The death of a homeless man whose clothes caught fire in his makeshift shelter graphically illustrates the growing problem of homelessness in American cities, said Mayor Raymond L. Flynn, who knew the victim.

John Griffin, 55, known in the South Boston neighborhood as "Dukey," was a Navy veteran and welfare recipient who walked the beach along Dorchester Bay for the past 2 1/2 years, according to Flynn and Police Superintendent Paul Evans.

One Saturday night, he crawled under a cement staircase behind a city bathhouse and covered the opening with planks. Evans said it was unclear whether Griffin built a fire to keep warm in the 33-degree weather, or if it was a cigarette that ignited his clothes.

Griffin apparently tried to crawl 40 feet to the bay, but collapsed. His body was found about halfway between the bathhouse and the water, Evans said. Cigarette butts and empty vodka bottles were found strewn behind the bathhouse.

The Midland Syn-Tech Challenge...

In 1982 some people simply didn't believe the Midland Syn-Tech™ synthesized two-way radio. That it had more capability than existing radios, was field programmable, yet cost less than anything comparable. We said, "Match it against any other radio."



In 1982, it took guts to switch radio brands. Now you just have to look at the track record. Since 1982 Syn-Tech radios have averaged fewer than 1% "infant mortality" failures, and life test results correspond to a unit availability of better than 99% on a normal annual operational schedule.

Some pretty tough customers accepted our challenge. They compared capability and specs. Ran side-by-side field tests with other radios. Put them on shake tables. Compared price. Then they bought ours and put them to work.

Here at last was an affordable high-capability radio, that could be tailored to the user's exact needs by their own maintenance operation or local two-way dealer. And reprogrammed if needs changed. Up to 80 channels. Channel scanning. Choice of priority and scan mode. CTCSS and DCS squelch. DTMF. Wideband options and more.

has made believers out of...

Today there are over 100 Syn-Tech models—including the new Syn-Tech portables—plus many other new Midland LMR mobiles, portables and repeaters. We think a considered comparison will convince you there's giiii no better value.

We challenge comparison. Give us a call.



"Operational flexibility"

"The large channel capacity, plus the ability to reprogram the Syn-Tech quickly means I can operate anywhere in or out of my service territory on an instant's notice."

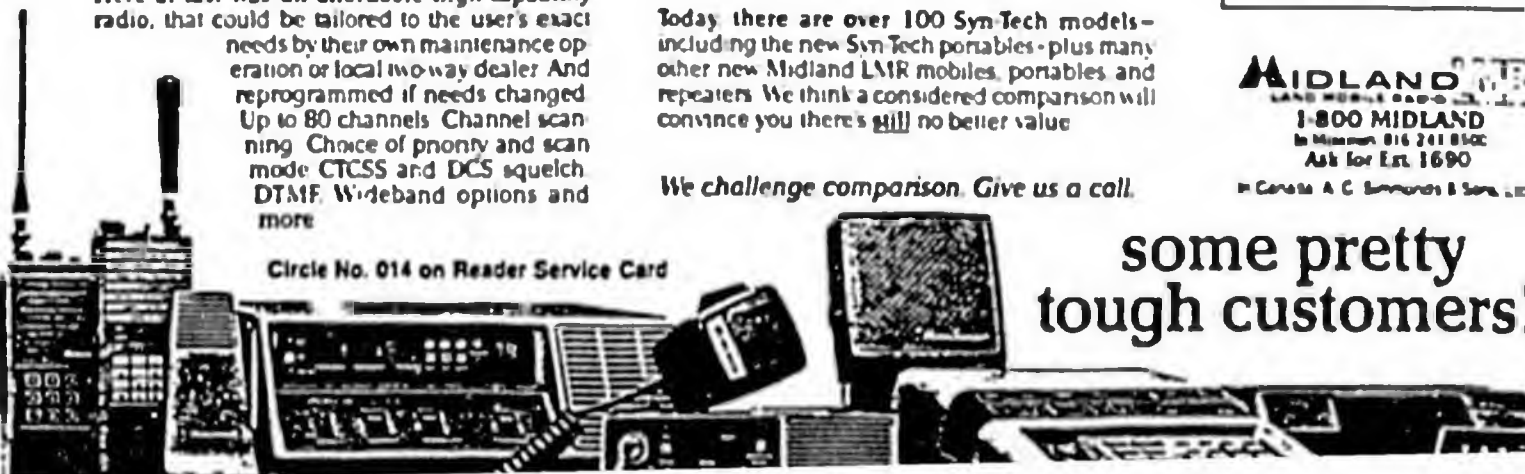
Harold M. East
Police Information Officer
Kansas City MO Fire Department

MIDLAND RITE
LAND MOBILE RADIO, INC.
1-800-MIDLAND
In Missouri: 816-241-8500
Ask for Ext. 1690

In Canada: A. C. Saunders & Sons, Ltd.

Circle No. 014 on Reader Service Card

some pretty tough customers!



HB

287

Alaska State Legislature

Committees:

Chair-State Affairs
V. Chair-Judiciary
Telecommunications
Special Ethics
Legislative Council
Finance Subcommittee
for the University of Alaska
Joint Committee
on Economic Recovery



P.O. Box V
Juneau, Alaska 99811
(907) 465-4947

REPRESENTATIVE FRAN ULMER

M E M O R A N D U M

March 4, 1988

TO: Senator Tim Kelly, Chair
Senate Labor and Commerce Committee

FROM: Representative Fran Ulmer

SUBJECT: House Bill 287

House Bill 287 was introduced last year to remedy an inequity in the employment security act (unemployment insurance). This bill would allow an individual who has been working full-time, while pursuing an academic education, to qualify for unemployment benefits if the worker became unemployed because of a layoff or job elimination.

When AS 23.20.378 was enacted into law in 1980, the intent was to prohibit individuals from quitting their jobs to go to school full-time while drawing unemployment benefits.

House Bill 287 would permit only those few individuals who have been pursuing an academic education while working full-time to receive unemployment benefits if their source of income was suddenly terminated. The individual would still have to meet all the other statutory requirements in order to receive benefits. These individuals are currently unfairly penalized under existing law.

This bill passed the House on February 1, 1988, by a vote of 40-0.

Thank you for your favorable consideration.

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 2, 1988

SUBJECT: Sectional analysis of CSHB 287 (Finance) am
(Students' entitlement to unemployment
compensation)

TO: Representative Fran Ulmer

FROM: Teresa B. Cramer *TBC*
Legislative Counsel

You have requested a sectional analysis of the above described bill. As a preliminary matter, note that a sectional analysis or summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Section 1 permits an insured worker who has been working reasonably steadily during the previous school term (at least 30 hours a week during a significant portion of the time the worker was in school) to continue to be qualified for unemployment compensation waiting-week credit and benefits if the worker meets two criteria. The worker qualifies if the worker's academic schedule does not preclude full-time work in the worker's occupation and if the worker was laid off or his or her job was eliminated.

Section 1 also makes a stylistic change, substituting the phrase "pursuing an academic education" for a longer explanation, but using that explanation as the definition of the phrase.

If I may be of further assistance, please advise.

TBC:gc
Wkb3:068

Linda K. Snyder
6505 Colgate Drive
Anchorage, AK 99504
April 27, 1987

Rep. Fran Ulmer
St of Ak House of Representatives
PO Box V
Juneau, AK 99811

RE: Your H.B. 287

Dear Rep. Ulmer:

I'd like to express my strong support of your Bill #287, allowing unemployment benefits to full-time workers who are also students and who have lost their jobs through no fault of their own. I feel quite sure that the people who fall in this category are worthy recipients of these benefits. I also feel that it's terribly unfair that these people have been "penalized" in the past. Please let me know if there is something more I can do to help this bill become law. I have written to my legislators, telling them of my support, and would gladly do anything else that would help the process along.

Sincerely,

Linda K. Snyder

Alaska State Legislature

Committees:

Chair-State Affairs
V. Chair-Judiciary
Telecommunications
Special Ethics
Legislative Council
Finance Subcommittee
for the University of Alaska
Joint Committee
on Economic Recovery



P.O. Box 1
Juneau, Alaska 99811
(907) 465-4947

REPRESENTATIVE FRAN ULMER

M E M O R A N D U M

January 26, 1988

TO: All Members of the House
FROM: Representative Fran Ulmer
SUBJECT: House Bill 287

House Bill 287 was introduced last year to remedy an inequity in the employment security act (unemployment insurance). This bill would allow an individual who has been working full-time, while pursuing an academic education, to qualify for unemployment benefits if the worker became unemployed because of a layoff or job elimination.

When AS 23.20.378 was enacted into law in 1980, the intent was to prohibit individuals from quitting their jobs to go to school full-time while drawing unemployment benefits.

House Bill 287 would permit only those few individuals who have been pursuing an academic education full-time while working full-time to receive unemployment benefits if their source of income was suddenly terminated. The individual would still have to meet all the other statutory requirements in order to receive benefits. These individuals are currently unfairly penalized under existing law.

Thank you for your favorable consideration.

FRANK H. MURKOWSKI
ALASKA

COMMITTEES:
VETERANS' AFFAIRS (RANKING MEMBER)
ENERGY AND NATURAL RESOURCES
FOREIGN RELATIONS
INDIAN AFFAIRS
INTELLIGENCE

United States Senate

WASHINGTON, DC 20510
(202) 224-6665

March 23, 1987

ANCHORAGE
U.S. FEDERAL BUILDING
701 C STREET, BOX 1, 99513
(907) 271-3738
FAIRBANKS
U.S. FEDERAL BUILDING
101 12TH AVENUE, BOX 7, 99701
(907) 456-0233
JUNEAU
U.S. FEDERAL BUILDING
BOX 1847, 99802
(907) 586-7400

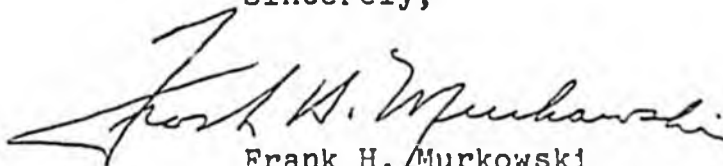
Ms. Carolyn A. Lemke
P.O. Box 960
Douglas, Alaska 99824

Dear Carolyn:

As you are aware, I have been in contact with the Department of Labor regarding your concerns about federal unemployment benefits.

Recently I received a response from the Labor Department and I have enclosed a copy for your review. I hope this information is of assistance to you.

Sincerely,



Frank H. Murkowski
United States Senator

Enclosure

U.S. Department of Labor

Employment and Training Administration
601 D Street, N.W.
Washington, DC 20213



MAR 13 1987

Honorable Frank H. Murkowski
United States Senate
Washington, D.C. 20510

Dear Senator Murkowski:

This responds to your inquiry on behalf of Ms. Carolyn Lemke (file #20425) regarding unemployment benefits. Ms. Lemke feels that there should be an exception to the provision which denies unemployment compensation to full-time students who were full-time workers when they became involuntarily unemployed.

Although the unemployment insurance program is a Federal/State program, benefits are paid to unemployed workers in accordance with the law of the State in which the worker earned qualifying wages. Federal law does not require the denial of benefits to full-time students in an academic course of study. This is a matter left to the States. Accordingly, Ms. Lemke's eligibility for unemployment compensation is limited by Section 23.20.378(c) of the Alaska Employment Security Act as follows:

"(c) An insured worker is disqualified for waiting-week credit or benefits for a week of unemployment while he attends an established school in a course of study providing academic instruction of 10 or more credit hours per week, or the equivalent...."

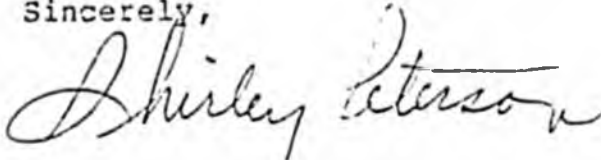
The people of Alaska, through their State legislators, added this provision regarding school attendance to the Alaska Employment Security Act in 1980.

I have great respect for anyone with the ambition and strength to work full-time and attend school full-time. However, the payment of unemployment compensation is made under rule of State law. The Department of Labor has no legal authority to grant exceptions to a provision of State law.

- 2 -

I hope this information is helpful in your preparation of a response to your constituent. Please advise if you need any additional information on the Federal/State unemployment insurance program.

Sincerely,

A handwritten signature in cursive script that reads "Shirley Peterson". The signature is written in dark ink and is positioned below the word "Sincerely,".

SHIRLEY V. PETERSON
Administrator/
Office of Employment Security

MEMORANDUM

State of Alaska

TO: Jim Robison,
Commissioner

DATE: November 15, 1983

FILE NO:

TELEPHONE NO: 465-2700

FROM: 
Dan Kassner,
Hearing Officer

SUBJECT: AS 23.20.378(c)

Under the subject statute, any student who is attending an academic course of instruction of 10 or more credit hours per week or the equivalent is not eligible for benefits. Although no concise definition of "academic instruction" exists, AS 23.20.520(26) defines "vocational training or retraining course" as not including, "A program of instruction for an individual, including a transfer credit program of instruction given at a community college, which is intended as credit for a degree from an institution of higher education." As this definition is used to establish the difference between academic and vocational training courses, it is reasonable to apply this definition as well to students who are attending academic courses of instruction and who fall under the purview of AS 23.20.378(c).

Only one other state, Washington, has a law which is remotely similar to ours. However, the Washington law provides for an exception. The Revised Code of Washington (RCW) 50.20.095 provides that an individual who is attending 12 or more hours per week or the equivalent is disqualified unless that person is in approved training within the confines of RCW 50.20.043 (Washington's vocational training provision), or demonstrates by a preponderance of the evidence the person's actual availability for work. RCW 50.20.095 further puts forth 4 factors which shall be considered in determining a student's availability for work.

There are 13 other states which laws contain some provision for disqualifying students. Of these, 3 unequivocally deny benefits to all full-time students, 4 deny benefits out with some equivocation, 3 deny benefits unless the base period wages were earned while attending school full-time, and 2 consider a full-time student as not unemployed.

None of the states which have an unequivocal law denying benefits to full-time students have any known cases which have gone to court and which have been allowed benefits. In addition, the Superior Court of the State of Alaska, has twice upheld the 10 credit rule stating in one, "The legislature determined that full-time students were not 'available' for work if they are attending school as full-time students and they are, therefore, ineligible for unemployment compensation. There is no reason for this court to upset this legislative determination." Caruth v. State, Sup. Ct. 3000 3A11-d1-368 Civ (12/08/81 unreported).

It is my opinion based on the foregoing that to allow any individual who is attending school in an academic course of instruction of 10 or more credit hours per week or its equivalent regardless of the time of day, week, or year would be in direct opposition to the stated law and the intent of the Alaska legislature.

HB

2 9 9

ADOPTED
AS CS

5-0947Nb
Ford/
Uteimohle

A M E N D M E N T

Offered in the SENATE

By Kelly

TO: CSHB 299(Finance)

Page 17, lines 23 - 25:

Delete "Unless a pull-tab series also confers an additional right upon all or some of the purchasers of the series to participate in a lottery for additional prizes, a"

Insert "A"

Page 22, after line 16:

Insert a new bill section to read:

"* Sec. 37. Notwithstanding the provisions of AS 05.15.187(b), enacted in sec. 22 of this Act, a pull-tab series may be sold at more than one location during the same day if the pull-tab series also confers an additional right upon all or some of the purchasers of the series to participate in a lottery for additional prizes and the pull-tab series is sold before July 1, 1989."

DT: 4/29/88

TO:

FR: Bob D. Thomas
Alaska Lottery Coalition

RE: CSHB 299(Fin)

The following figures provide a comparison of possible projected gross sales and break-outs for a lottery operating in Alaska similar to the current operation, "Alotto." "Alotto" first game sales, as reported to the AK Dept of Revenue, are used for current and CSHB 299(Fin) allowed projections for one year.

ONE YEAR PROJECTIONS FOR "ALOTTO" AS CURRENTLY PERMITTED

	<u>Per Game</u>	<u>Annually</u>	
Gross Sales	\$ 300,000 x 6 =	\$ 1,800,000	100%
Prize Pay-out	171,000 x 6 =	1,026,000	57%
Administration	81,000 x 6 =	486,000	27%
Contributions	48,000 x 6 =	288,000	16%

ONE YEAR PROJECTIONS FOR "ALOTTO" AS WOULD BE ALLOWED BY CSHB 299(Fin)

	<u>Per Game</u>	<u>Annually</u>	
Gross Sales	\$1,500,000 x 6 =	\$ 9,000,000	100%
Prize Pay-out	855,000 x 6 =	5,130,000	57%
Administration	405,000 x 6 =	2,430,000	27%
Contributions	240,000 x 6 =	1,440,000	16%

ONE YEAR PROJECTION FOR WORST CASE SCENARIO ALLOWED BY CSHB 299(Fin)

	<u>Per Game</u>	<u>Annually</u>	
Gross Sales	\$1,333,333 x 12 =	\$16,000,000	100%
Prize Pay-out	1,000,000 x 12 =	12,000,000	75% (Nat. Ave.)
Administration	303,333 x 12 =	3,699,999	22.75%
Contributions	30,000 x 12 =	360,000	2.25% (HB 299 Req.)

PROJECTIONS FOR STATE OPERATED LOTTERY

	<u>Annually</u>	
Gross Sales	\$55,000,000	100%
Prize Pay-out	27,500,000	50%
Administration	8,250,000	15%
Net to State	19,250,000	35%

Mark - dig this

(g) we change the bond requirement
to "at least \$250,000"

and add:

(h) Notwithstanding other provisions of this chapter, the gross receipts for a pull tab game that confers an additional right upon all or some of the purchasers of a pull tab series to participate in a lottery for additional prizes may not exceed the amount of the bond described in AS 05.15.183.

So - if Billy wants to
run a bigger lottery, he posts a
bigger bond. He could probably
run the size he runs now



AMERICAN LEGION POST 27
P.O. BOX 27
GLENNALLEN, ALASKA 99588

February 29, 1988

REP DICK SCHULTZ
BOX
JUNEAU, . AK 99801

HON. REP. SCHULTZ:

I am writing you in regards to HE 299 which I feel has several points that need to be corrected before it has a chance to become law.

This American Legion Post has just completed a very successful state wide lottery which returned to us approximately \$49000 which we can donate to many very valuable and important functions throughout the State of Alaska. This will not be allowed under HB 299 as it is now proposed, because it would not allow us to sell our tickets at more than one location on the same day.

Attached a list of the various organizations we have already donated money to or have pledged money.

I urge your support in getting this bill changed or defeated.

Respectfully yours;

Paul J. Blair
PAUL J. BLAIR
COMMANDER

HB299 -

need to pull out section dealing w/ simultaneous sales, single sites

say Jack Goddard
Drawer I
Copper Center, A
99573

Rick



AMERICAN LEGION POST 27
 P.O. BOX 27
 GLENNALLEN, ALASKA 99588

February 29, 1988

REP DICK SCHULTZ
 BOX
 JUNEAU, AK 99801

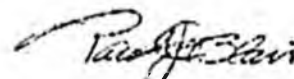
HON. REP. SCHULTZ:

DONATION LIST:

WILDERNESS SEARCH & RESCUE	COLLEGE. AK	\$100
PEOPLE COUNT INC	KENAI, AK	500
KIDS ARE PEOPLE	WASILLA. AK	500
CTR OFR CHILDREN & PARENTS	ANCHORAGE. AK	1000
FOSTER GRANDPARENTS/RET SEN	FAIRBANKS	500
SALVATION ARMY	ANCHORAGE/FBKS	2000
AMERICAN RED CROSS	ANCHORAGE/FBKS	2000
BROTHER FRANCIS SHELTER	ANCHORAGE	2000
UNITED SERVICE ORGAN		500
IDITAROD SLED DOG RACE	ANCHORAGE	500
YUKON QUEST SLED DOG RACE	FAIRBANKS	500
BOY SCOUTS OF MOOSE CRK	EIELSON	500
GRTR FEKS YOUNG MEN BOWING ASSOC		100
JR ACHIEVEMENT OF ALASKA	ANCORAGE/FBKS	100
PERSONS AVAIL OF WILDERNESS SEARCH	FBKS	100
A/F ASSOC MIDNITE SUN CHAP	FAIRBANKS	100
ENEP'UT CHILDRENS CENTER	FAIRBANKS	100
KODIAK AREA NATIVE ASSOC	KODIAK	500
ANCHOR POINT PUB LIB	ANCHOR POINT	250
AMERICAN LUNG ASSOC	ANCORAGE/FBKS	1000
HELP FOR SEXUALLY ABUSED CHIL	ANCHORAGE	500
FAR NORTH J/C'S	FEKS	100
STAND TOGETHER AGAINST RAPE	ANCHORAGE	500
EASTER SEAL SOCIETY	JUNEAU/ANC	1000
FAIRBANKS YOUTH FOOTBALL	FAIRBANKS	100
FAIRBANKS AM HOCKEY ASSOC	FAIRBANKS	100
ANCORAGE AREA EPILEPSY SOC	ANCHORAGE	1000
INTERPERTER REFERRAL LINE	ANCHORAGE	250
NORTH STAR LITTLE LEAGUE	FAIRBANKS	100
FORMER MARINE AGAINST DRUGS	FAIRBANKS	100
BIG BROTHER/BIG SISTER	FAIRBANKS	500
ALASKA ALPINE CLUB	FAIRBANKS	100
MUSCULAR DISTROPHY ASSOC	ANCHORAGE	1000
AMERICAN DIABETES ASSOC	ANCHORAGE	1000
FAIRBANKS CRISIS CLINIC	FAIRBANKS	500
ALASKA MENTAL HEALTH	ANCHORAGE	500
ALASKA HEALTH FAIR	ANCHORAGE	1000
COLLEGE LIONS CLUB	COLLEGE	100
COPPER RVR CHAMBER OF COMM	GLENNALLEN	250
HOPE SUNRISE EMER MED SER	HOPE	100
FAIRBANKS CONCERT ASSOC	FAIRBANKS	100
PET PRIDE	FAIRBANKS	100
AMERICAN LEGION BOYS STATE	ALASKA	500
AMER LEO CHILDREN AND YOUTH	ALASKA	1000

AMER LEG POST 15	PALMER	500
AMER LEG POST 35	WASILLA	500
AMER LEG POST 19	NOME	500
AMER LEG POST 57	FAIRBANKS	500
AMER LEG UNIT 27	GLENNALLEN	5000
AMER LEG POST 27 SCHOLARSHIP	GLENNALLEN	5000
COPPER RVR EMER MED SER	GLENNALLEN	500
COPPER RVR LIONS CLUB	GLENNALLEN	5000
AMER LEG BASEBALL	PALMER	500
KETCHIKAN COM COL SCHOLARSHIP	KETCHIKAN	500
METLIKATLA BOOSTER CLUB	METLIKATLA	500
SWAN-O SEN CIT CTR	SITKA	500
AMERICAN CANCER SOC	ANCHORAGE	500
GLN HIGH SCH PROJ CLOSEUP	GLENNALLEN	1000
VFW POST 9638	FAIRBANKS	500
GLN COM LIB	GLENNALLEN	500
AMER LEG ORATORICAL	COLLEGE	500
MONROE FOUNDATION	FAIRBANKS	500
	TOTAL	\$45750

Respectfully yours;


 PAUL J. BLAIR
 COMMANDER

LAW OFFICES
SONOSKY, CHAMBERS, SACHSE & MILLER

SUITE 700
900 WEST FIFTH AVENUE
ANCHORAGE, ALASKA 99501

(907) 258-6377

TELECOPIER 907) 272-8332

MARVIN J. SONOSKY
HARRY R. SACHSE
REID PEYTON CHAMBERS
WILLIAM R. PERRY
LLOYD BENTON MILLER*
DONALD J. SIMON
DOUGLAS B. L. ENDRESON**
MARY V. BARNEY
ANNE D. NOTO
JILL A. DE LA HUNT*

April 22, 1988

OF COUNSEL
LOFTUS E. BECKER, JR.
ROGER W. DUBROCK

WASHINGTON, D. C. OFFICE
1250 EYE STREET, N. W.
WASHINGTON, D. C. 20005
(202) 682-0240

*ALASKA AND DISTRICT OF COLUMBIA BARS
**WISCONSIN BAR
ALL OTHERS DISTRICT OF COLUMBIA BAR

VIA TELECOPIER

Honorable Tim Kelly
Senate Labor and Commerce Committee
P. O. Box V (Mail Stop 3100)
Juneau, Alaska 99811

Re: House Bill 299, the Alaska
Gaming Reform Act
(Our File No. 2201.21)

Dear Senator Kelly:

We write on behalf of four gaming permittees, the Alaska Native Health Board, the Aleutian/Pribilof Islands Association, the Aleutian Housing Authority, and the Kodiak Area Native Association, to express our strong support for H.B. 299 as amended, and to urge the Committee to refer the bill without amendment.

ANHB, A/PIA, AHA, and KANA are regional non-profit organizations which serve most of the health and social service needs of qualifying citizens residing on the Aleutian Chain, the Pribilof Islands, and in the Kodiak Island area. They operate clinics, alcohol and mental health programs, family assistance programs, vocational job training assistance, higher education programs, weatherization programs, and provide a considerable variety of other services. The Alaska Native Health Board carries out a wide range of health programs and research initiatives for the collective benefit of all Alaska Native people across the State. Finally, the Aleutian Housing Authority administers low-income housing projects for communities on the

Senator Kelly
April 22, 1988
Page 2

Aleutian Chain and the Pribilof Islands. To further these purposes, in 1986 the four non-profits joined together to establish a bingo hall in Anchorage under the umbrella name of "Lucky Strike Bingo."

For these organizations, gaming revenues are vital to supplement the government-funded programs that each of the non-profits operates. In an era of severe declines in state and federal grants and contracts, dramatically rising costs and increasing human needs, gaming funds provide a vital and essential bridge. Gaming proceeds also are virtually these organizations' only source of non-restricted funds which can be spent to further their objectives in areas not specifically targeted by an existing grant or government contract. Gaming revenues are thus critical in a faltering economy; without them, the non-profits would be compelled to substantially cut back and narrow their services and activities.

By way of example, gaming revenues have been used to purchase food for needy people in the A/PIA region and to aid needy families in paying funeral expenses. They have been used by ANHB to fund travel to Washington, D.C. to work with the Indian Health Service in improving the administration of federal drug and alcohol treatment programs in the State. They have been used by KANA to establish a fund to build a museum celebrating the cultural heritage of the Native people of the Kodiak region. They have been used by AHA in part to contribute to other non-profit organizations including churches located in the Aleutian Chain. All four of the organizations plan to continue using future gaming monies for similar purposes such as social services, health services, cultural programs, and school scholarship programs.

We believe the clear intent of the original 1960 gaming laws (as well as the 1976 amendments) was to allow qualifying charitable organizations to engage in limited gaming activities as a means of fundraising to continue and expand good works in the State. The four non-profits are a perfect example of the organizations and activities the legislation is intended to support. The principle rationale for legalizing limited gaming has not changed. What has changed is the increased popularity of games of chance coupled with radical changes in the State's economic health. Consistent with the original intent, H.B. 299 must continue to encourage charitable gaming in Alaska while simultaneously providing safeguards against potential abuses.

The four non-profits strongly support H.B. 299 as amended, because they believe that the House has worked to carefully craft a bill that both preserves the original purpose and recognizes

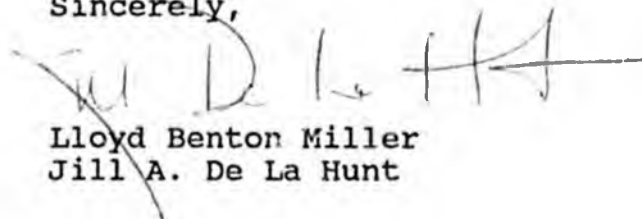
Senator Kelly
April 22, 1988
Page 3

the change in the status of gaming in Alaska. The bill has been scrutinized through extensive testimony, and has been amended to meet all legitimate concerns.

Given that the H.B. 299 enjoys wide support, including that of the Department of Revenue, we respectfully urge the Labor and Commerce Committee to refer this crucial legislation to the Finance Committee without amendment. We hope the Labor and Commerce Committee will act on this bill as quickly as possible in these last days of the session, so that the bill continues to move forward.

We would very much appreciate it if you could circulate this correspondence to all members of the Committee.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lloyd Benton Miller" and "Jill A. De La Hunt", is written over a printed name block. The signature is written in dark ink and is somewhat stylized.

Lloyd Benton Miller
Jill A. De La Hunt

JAD;bj
c:299

DT: 4/27/88

TO: Alaska Legislature
Senate Labor & Commerce Committee

FR: Robert D. Thomas, Director
Alaska Lottery Coalition
PO Box 22204
Juneau, AK 99802
(907) 463-3044

RE: CSHB 299(Fin)

The Alaska Lottery Coalition is a non-profit corporation established to support legislation for a state operated lottery in Alaska. Our efforts to date have been to provide the legislature and the public with accurate and up-to-date information about government operated lotteries and support of HB 236, an act to establish a state lottery.

The Coalition has a high degree of concern with the current status of HB 299. Page 17, lines 23 - 25, would allow the operation of regional and state-wide lotteries by charitable gaming permit holders, or operators using charitable gaming permits. This form of lottery is currently prohibited to operate within Alaska by regulation, 15 AAC 105.210.

Experience in the U.S., Canada and most of the rest of the world indicates that government run lotteries are the only form of lottery operation capable of providing the necessary security to adequately protect the public's interests. This assurance is the reason government lotteries have gained public trust in recent years, and is the reason thirty states have authorized lotteries and seventeen more states are considering pending legislation for formation of state operated lotteries. The consensus of those familiar with public gaming, lottery administrative personnel from other states, the service industry for government run lotteries, and government policy makers in jurisdictions currently operating lotteries, views non-government operated lotteries to be in extreme conflict with the public's interest.

The stage being set by CSHB 299(Fin) is very similar to that of the early 1800's when government permitted, but not government operated, lotteries flourished in North America and were the subject of manipulation by their operators. It was during this era that lotteries were banned throughout the U.S. and Canada. Lotteries were not revived again until the advent of government controlled computer systems which provide the key to secure accounting and absolute assurance that the games are fair to all who choose to play.

page 2.

Unfortunately a state-wide lottery has been permitted to operate in Alaska for approximately the last year in conflict with Dept. of Revenue regulations. This lottery, operated by an individual from Fairbanks is using a charitable gaming permit from the Glenallen American Legion Post. This lottery offers absolutely no security to insure that the players are protected from outright fraud or accidental omissions eliminating players from the drawings they are promised to be a part of. Should CSHB 299(Fin) become law, this type of lottery operation would become legal and is very likely to flourish throughout Alaska. We predict that it would only be a matter of time before this absence of security will result in someone "walking away with the money" from some lottery. When this happens, the charities loose credibility and money, the public will be cheated, and the resulting image of legitimate lotteries will be tarnished.

I urge consideration of an amendment to CSHB 299(Fin) to include "sunset" language which would allow the current operator to continue his operation until July 1, 1989. This will discourage additional similar lotteries from being implemented until the legislature has had an opportunity to consider this issue next year, and will minimize the hardship imposed on the operator to a reasonable degree. This "sunset" amendment should delete language on page 17, lines 23 - 25, "Unless a pull-tab series . . . for additional prizes."; and paragraph (g) on page 18, lines 17 - 23, after July 1, 1989.

HOUSE LABOR AND COMMERCE COMMITTEE

ALASKA STATE LEGISLATURE

P.O. BOX Y, JUNEAU 99811

(907) 465-3892

Chairman-Representative Dave Donley



Sectional Analysis for

CS HB 299 (Finance) - Alaska Charitable Gaming

By the House Labor and Commerce Committee

Representative Dave Donley, Chair

April 27, 1988

Section 1. Repeals and reenacts AS 05.15.020. to:

(a) Authorizes a municipality or qualified organization to conduct gaming activities if they have a license issued by the Department of Revenue and if they pay an annual permit fee on a sliding scale based on amount of activity conducted under the permit (1) \$ 20 for new applicants and (2) permits with gross receipts less than \$20,000, (3) \$50 for over \$20,000/under \$100,000 and (4) \$100 for over \$100,000

(b) maintains current fee to be paid to the Department consisting of 1 percent of the net proceeds for permits with gross sales over \$20,000

Section 2 - Adds a new section AS 05.15.025 "program receipts" language that requires the Department to separately account for license and permit fees so that the Legislature may appropriate them to the Department to pay for enforcement of this statute.

Section 3 - Adds reference in AS 05.15.030 (a) regarding operators, pull-tab distributor, and pull-tab manufacturers license to existing statute that requires an applicant to notify a local government of their proposed activities and gives the local government the opportunity to protest or comment on the proposed activities.

Section 4 - Adds new subsection (c) to AS 05.15.030 to require a permit holder to notify the Department and the local government within 10 days of changing the location of a permitted activity

Section 5 - Repeals and reenacts AS 05.15.060 authorizing the Department to establish regulations governing the issuance of permits and the qualifications of permittees. HB 299 makes small changes in existing statute to include the words "and licenses" or "and licensees". The only substantive changes are:

(6) prohibits the Department from issuing a permit or license to a person if they have been convicted or on parole for a felony within the last five years or if they have ever been convicted of a crime