

ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990

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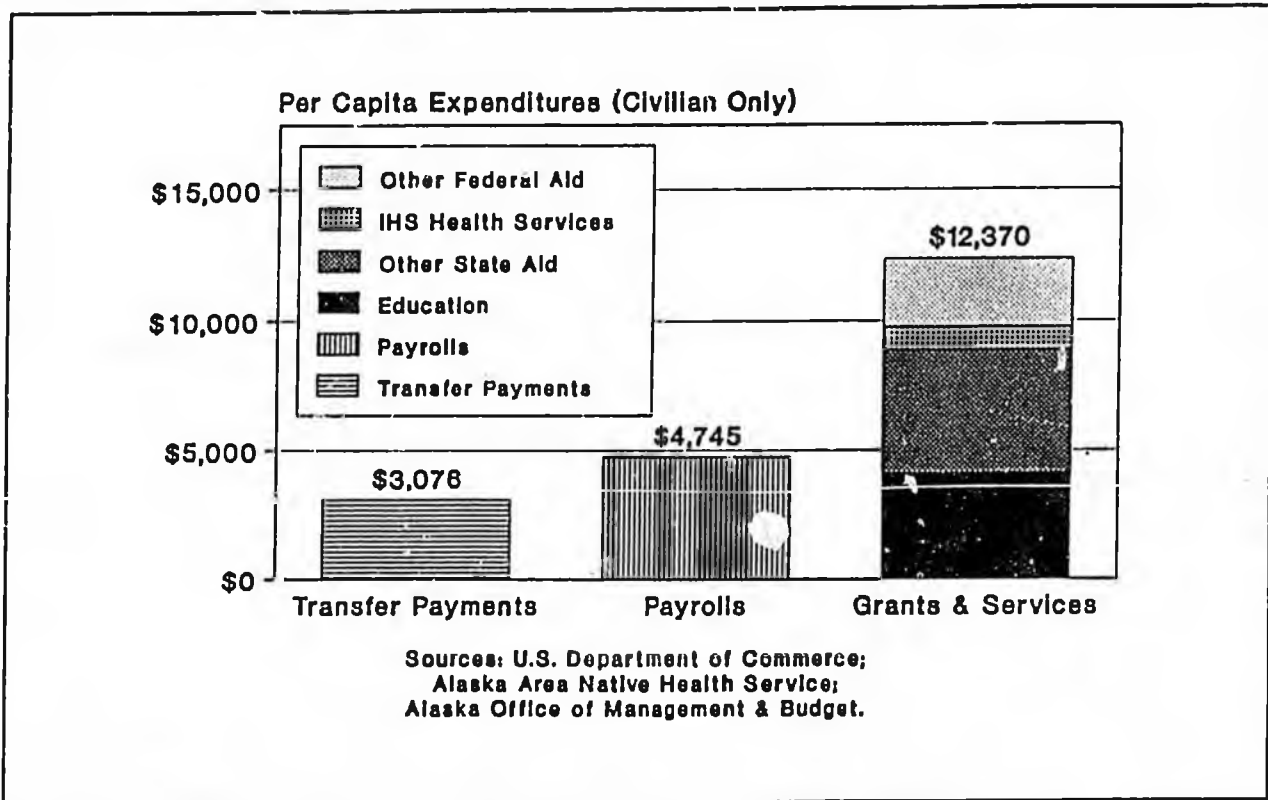


Figure 17. Per Capita State and Federal Expenditures: Transfers, Payrolls, Grants and Services, Western Alaska, FY 1986

In broad measure, the thrust of state and federal spending in western Alaska has favored grants and contracts to support community facilities and service delivery over personal income transfers to individuals.

TRANSFER PAYMENTS

As an income category, "transfer payments" includes a number of types of payments other than income assistance. For example, in 1986 in western Alaska, state-administered income assistance payments (e.g., Aid to Families with Dependent Children, Food Stamps and Medical Assistance) amounted to \$594 of the total \$3,076 of transfer payments were distributed per capita.

Federal income assistance added slightly to that subtotal. The per capita remainder (approximately \$ 2,400) was composed of retirement benefits, State of Alaska permanent fund dividend and longevity bonus payments and similar payments.

Interestingly, despite the poverty of Native families living in rural villages, transfer payments have not been the primary means that the federal and state governments have employed to bolster the rural economy. As Figure 18 demonstrates, although in 1986 the per capita distribution of transfer payments was a greater source of personal income in western Alaska than the state and national averages, earned income of \$7,924 per capita significantly exceeded transfer payments.

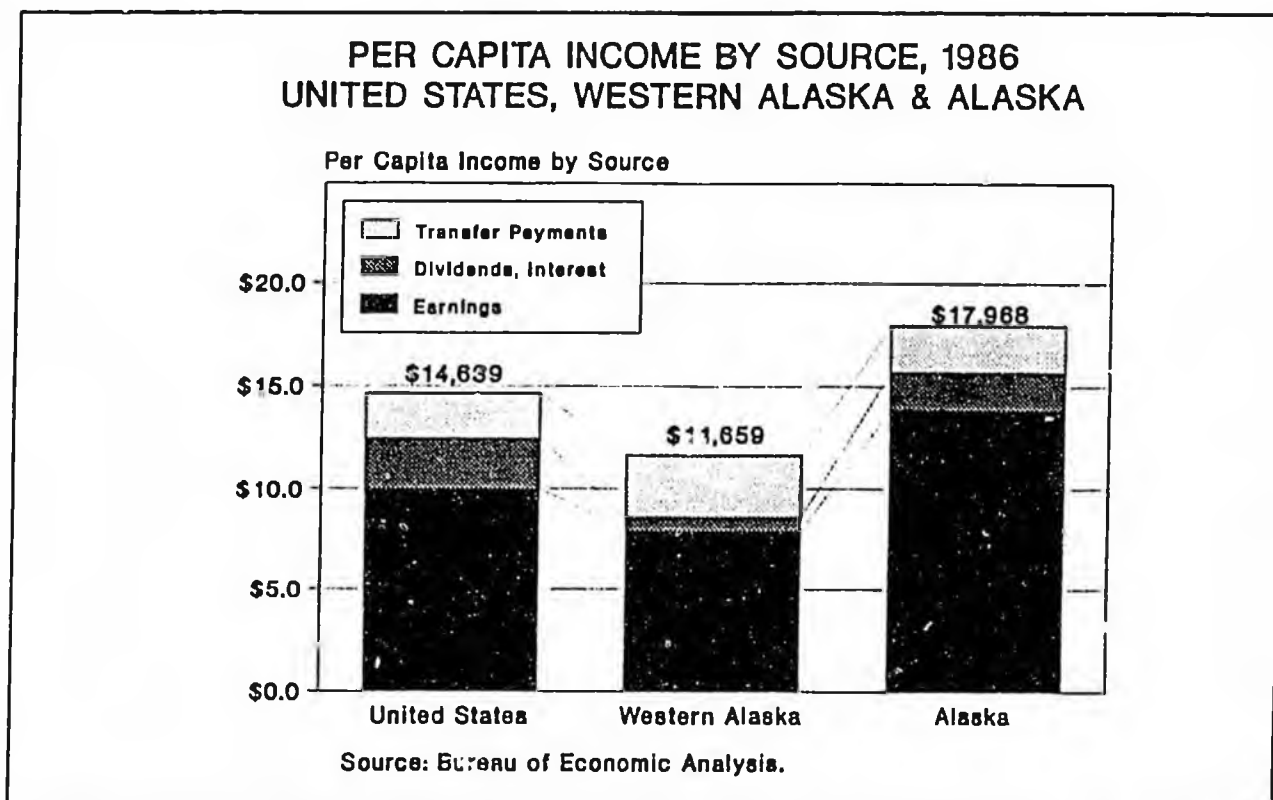


Figure 18. Per Capita Income by Source, 1986, U.S., Western Alaska, and Alaska

In dollar amounts, federal and state transfer payments are the least important type of financial assistance that government provides to Native residents of rural Alaska. Figure 16 illustrates that between 1983 and 1986 federal payments to individuals were approximately a third of the national average and represented less than 15 percent of federal expenditures in western Alaska. Similarly, Figure 17 indicates that in 1986 combined federal and state expenditures for salaries, grants and services substantially exceeded transfer payments.

GOVERNMENT EMPLOYMENT

For the most part, Natives who have jobs in rural Alaska work for government, particularly local government. Employment and payroll statistics, as well as the overall allocation of government expenditures, document the pattern.

Figure 19 indicates that in 1986 public employment in western Alaska accounted for 55 percent of all earned income, compared to 32 percent in the State of Alaska and 16 percent nationwide. In 1987 public employment in western Alaska accounted for 60 percent of all wage employment.

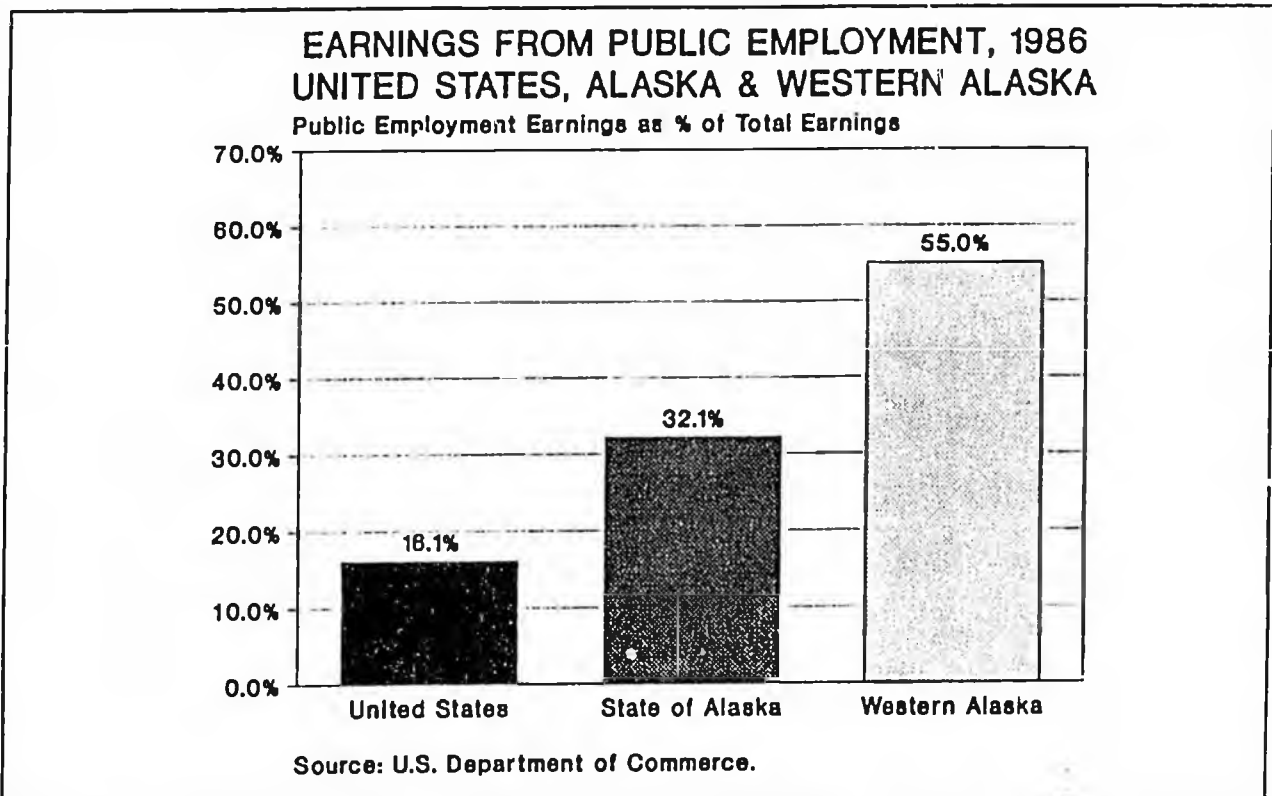


Figure 19. Earnings from Public Employment, 1986, U.S., Alaska, and Western Alaska

In 1987, local government and other public agencies employed approximately 80 percent of the government workforce, the balance being evenly divided between federal and state government. In western Alaska, local taxes and service charges are a minimal percentage of local government revenues, and no Alaska resident pays State income tax. Consequently, most local government employment is financed by the state and federal governments.

GRANTS AND CONTRACTS

As important as the federal and state governments are as sources of transfer payments and public employment in western Alaska, the value of transfer payments and public employment is dwarfed by the value of the employment the federal and state governments distribute through grants, contracts and direct delivery of services.

Figure 17 documents federal and state payments in western Alaska for grants and services in 1986. State and federal expenditures to finance the operation of village schools alone totalled \$4,136 per resident, a third more than the total of all transfer payments. IHS expenditures for Native health care added another \$877 per Native resident. The State spent \$ 4,766 per resident for capital projects, grants, contracts, and services, and other federal expenditures totalled \$2,591 per resident. In sum, in western Alaska during 1986 the federal and state governments together spent \$12,370 per resident, a year in which per capita income in western Alaska was \$11,659.

The types of goods and services that the federal and state governments purchase in rural Alaska vary from locality to locality. Major categories of public spending are schools, health services, subsidized housing programs, public works construction, utilities, transportation facilities, energy subsidies, manpower and social services, recreation programs and a range of municipal services.

The value of public expenditures for education and health care, housing and energy subsidies, capital construction and

similar goods and services is not included in the calculation of per capita income, even though they are a significant percentage of goods and services consumed by local residents and are basic to maintaining the present standard of living in most Native villages. Federal and State spending of this nature is particularly important since, for reasons previously detailed, most Native families living in rural villages do not have sufficient income to support schools or purchase health care or unsubsidized housing or energy. Consequently, if federal or State spending were reduced or eliminated, the present marginal standard of living in Native villages would be reduced to dangerously low levels.

ANCSA CORPORATIONS

In 1971 Congress enacted the Alaska Native Claims Settlement Act (ANCSA). The Act required Alaska Natives to organize 13 regional and more than 200 village corporations to administer 44 million acres of land and \$ 962.5 million that Congress paid to extinguish Native claims to Alaska based on aboriginal use and occupancy. Although many ANCSA corporations have made positive contributions to the political and social status of Alaska Natives in western Alaska, like other private sector business entities, few corporations have overcome the geographic and economic barriers that constrain rural economic development. During the next two decades, there is little likelihood that Native corporations will be able to expand the private sector economy significantly in rural Alaska.

In an area that, with minor exceptions, lacks commercially

exploitable natural resources, the absence of of entrepreneurial opportunity in western Alaska has frustrated the efforts of ANCSA corporations in the area to develop new local industry and commerce. For example, in 1987 Calista Corporation, Bering Straits Native Corporation and NANA Regional Corporation - the three regional corporations in western Alaska - reported operating losses. In that year gross revenues of the financially troubled Calista and Bering Straits Native Corporations were respectively \$ 175 and \$ 323 per Native shareholder. There is no possibility that ANCSA corporation revenues will ever be large enough to replace the role of federal and state spending in the rural economy.

IMPEDIMENTS TO ECONOMIC DEVELOPMENT

For the past two decades federal and state spending has expanded the economy and raised living standards in Native villages but has produced little permanent, self-sustaining economic growth. To date, the private sector component of the rural economy is skeletal.

In western Alaska, as each decade succeeds the last, the idea that private sector economic development is merely a matter of time and capital becomes increasingly implausible. Villages in the region are remote from markets; lack arable land, timber, energy and mineral resources; are saddled with high labor, energy, transportation, and communication costs and must contend with a dearth of local markets and a scarcity of investment capital. To varying degrees, the economic conditions in villages elsewhere in the state are similar.

NATIVE EDUCATION: A DISPROPORTIONATE SHARE OF MEDIOCRITY

In 1983 the National Commission on Excellence in Education characterized the United States as "A Nation at Risk." According to the Commission, "if an unfriendly foreign power had attempted to impose on America the mediocre educational performance that exists today, we might well have viewed it as an act of war." Notwithstanding the cherished belief that "all, regardless of race or class or economic status, are entitled to a fair chance . . . for developing their individual powers of mind and spirit to the utmost," the Commission argued that "our society and its educational institutions seem to have lost sight of the basic purposes of schooling, and of the high expectations and disciplined effort needed to attain them."

Education in Alaska is no exception to the Commission's rule. In particular, the education offered in village grade and high schools must claim a disproportionate share of the nation's educational mediocrity. Educational attainment among Native children falls well below even the norms that the Commission found an unacceptable threat to America's future. In most village schools, Native students test between the 25th and 30th percentiles, a level far below the national norm. As a result, Native children who attend village schools are being denied the Commission's promise that "all children, by virtue of their own efforts, competently guided, can hope to attain the mature and informed judgment needed to secure gainful employment and to manage their own lives, thereby serving not only their own interests but also the progress of society itself."

EDUCATION AND EMPLOYMENT

As the Commission noted, without gainful employment an individual's ability to manage his or her own life is undermined, and the progress of society is endangered. But to compete successfully in the Alaska labor market against non-Natives, Natives must be on equal educational footing. It is a harsh but real truth that, even where jobs are available, substandard education denies many young Native adults the opportunity to secure gainful employment, just as it denied the same opportunity to many of their parents and grandparents.

The preceding section documented an omnipresent reality: a majority of Alaska Natives live in remote villages where few jobs are available, far fewer than the number of individuals who want to work. It also described why the potential for increasing the number of jobs in rural villages is extremely limited. Given these grim facts, few village economies will be able to provide jobs for the growing number of young Native adults.

The unavoidable result is that, in the years ahead, most young Native adults who want work will have to move from their villages to locations where jobs exist, and there they will find themselves competing in the labor market with non-Natives. Thus, at a minimum, village grade and high schools should equip Native students with skills adequate to compete with their non-Native counterparts, whether for work or in the pursuit of post-secondary vocational or college education. While such a modest standard of educational attainment does not fully respond to the

Commission's challenge, it will at least enable young Natives to begin their adult lives on an educational par with other Americans.

COMPETING IN THE ALASKA LABOR MARKET

Competing in Alaska's labor market requires more education than competing in labor markets elsewhere in the nation. Figure 20 reveals that the Alaska work force is more professional and technically equipped than the national work force. In 1980 the Bureau of the Census reported that, in Alaska, on average, adults over 25 years of age had 12.8 years of education, compared to the national average of 12.5 years. Similarly, 88 percent of the members of this age group had graduated from high school, compared to the national average of 67 percent.

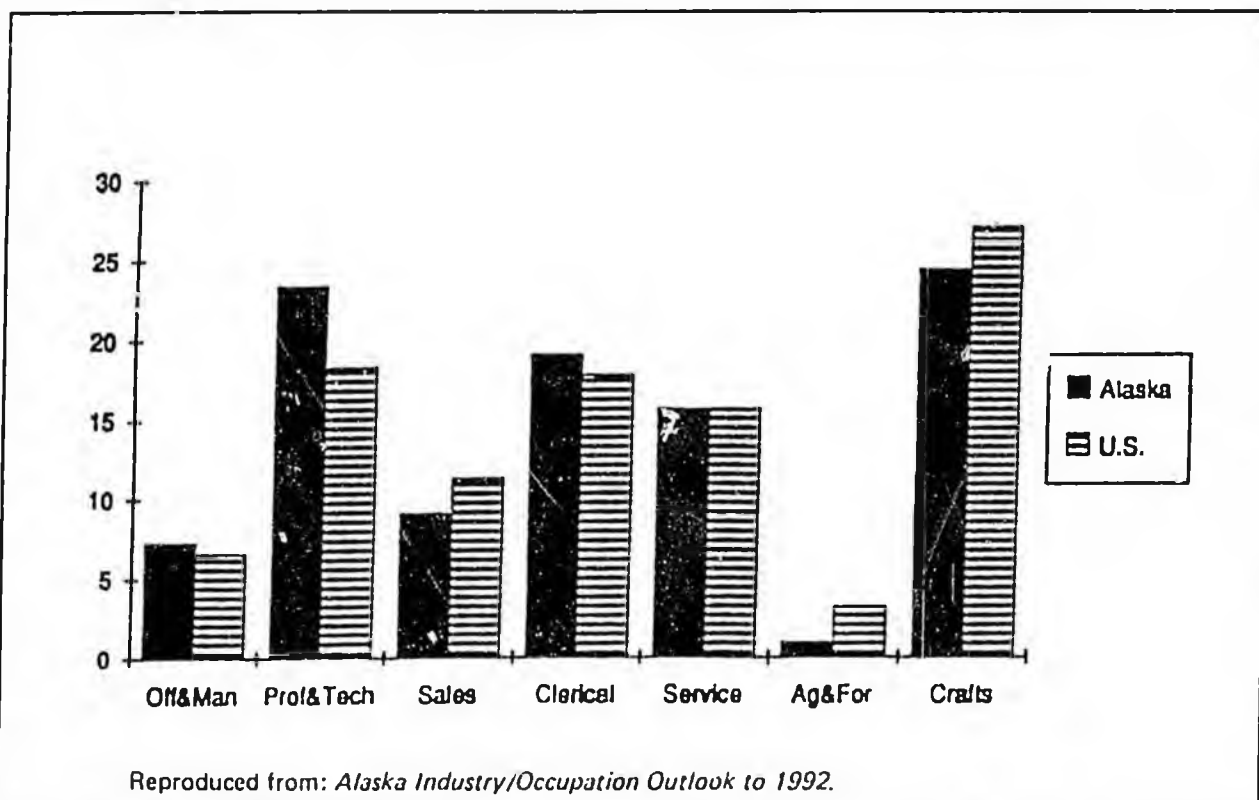


Figure 20. Occupational Composition of Civilian Employment Alaska 1987 vs. U.S. 1986

Alaska Natives face serious disadvantage in competing with non-Natives for managerial, professional and technical jobs that require a college education. In 1980, the percentage of the adult non-Native population that had college degrees was five times the percentage of the adult Native population with degrees. Figure 21 illustrates the competitive disadvantage. Slightly less than 25 percent of white residents 25 years of age or older had college degrees compared to less than 5 percent of Alaska Natives. Asian adults with college degrees were comparable to whites. Black residents had acquired college degrees at a rate twice that of Natives.

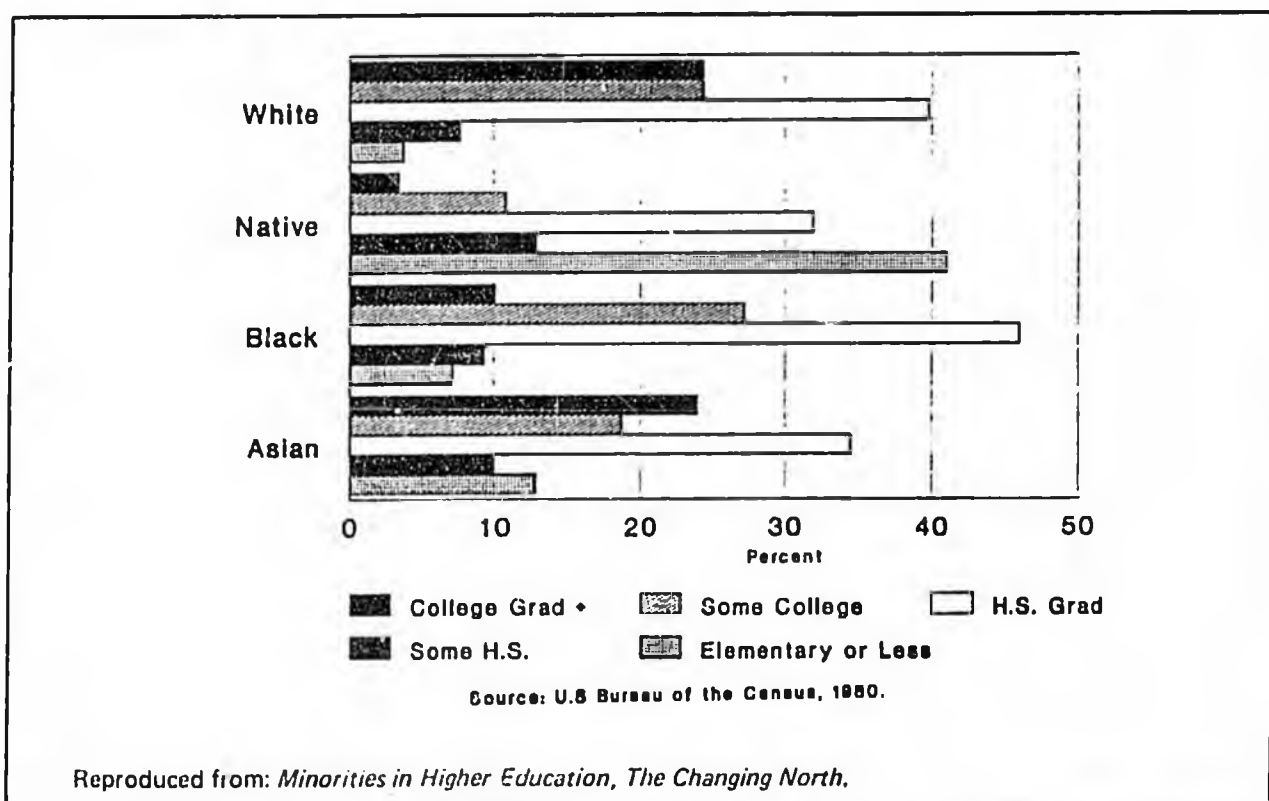


Figure 21. Educational Attainment by Race and Ethnic Group of Persons Aged 25 and Over, 1980: Alaska

Prior to 1970 when the majority of Natives lived in rural villages without high schools, only one in five Native adults had a high school education. Figure 21 illustrates the limited access that Native students in rural villages had to high schools prior to 1970. Over 50 percent of the rural adult population had no high school experience, less than 22 percent had high school diplomas and the median number of years of school completed by rural Natives was 7.5.

VILLAGE HIGH SCHOOLS ARE CLOSING THE GRADUATION GAP

In the 1970s the State of Alaska began building village high schools. As a result, Native access to secondary education significantly improved, as did the percentage of young Native adults with high school diplomas. Figure 22 indicates that by 1984 approximately 73 percent of Natives between 18 and 24 years of age were either attending high school or had graduated, at a time when 88 percent of their non-Native counterparts were either attending high school or had graduated. The 1984 figures are a significant improvement from 1970 when only 37 percent of Natives had graduated from high school, compared to 68 percent of non-Natives.

Of the 73 percent of Natives between 18 and 24 years of age who had graduated or were attending high school in 1980, 14 percent were still attending school, compared to 3 percent of non-Natives the same age, an in-school rate for Natives almost three times that of non-Natives. These data suggest that Native students are either taking longer to complete their studies or starting high school later than their non-Native counterparts.

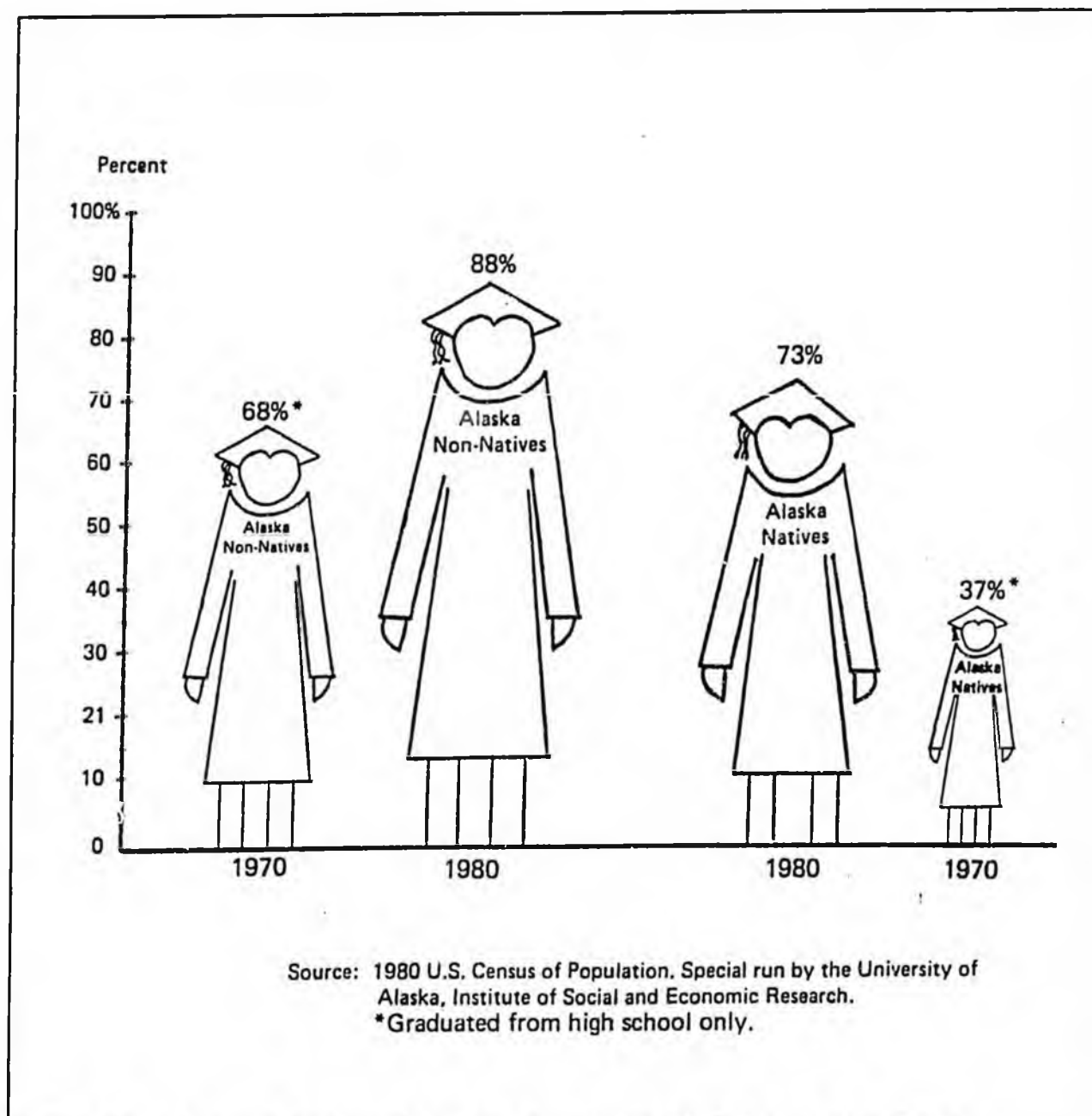


Figure 22. Persons Graduated from or Enrolled in High School, Ages 18-24

Although substantial progress has been made in increasing the Native high school graduation rate, the Native drop-out rate is more than twice the non-Native drop-out rate, 27 percent compared to 12 percent. But the Native drop-out rate may be declining. A 1984 University of Alaska study found that in two-

thirds of small village high schools the reported drop-out rate was less than 10 percent. However, the gain may be partially offset by the continued high Native drop-out rate in urban high schools. Anchorage, Alaska's largest school district, continues to report a 30 percent Native drop-out rate, and high schools in Fairbanks, Juneau and other urban areas also report high Native drop-out rates.

The 1990 Census will likely report that the gap between Natives and non-Natives who complete high school has continued to narrow. But the continued high Native drop-out rate in urban high schools, where a majority of Native students now attend school, suggests that during the 1980s the narrowing has been modest and that a significant gap will persist until the Native drop-out rates in urban high schools are reduced.

SMALL VILLAGE HIGH SCHOOLS

Much of the improvement in closing the high school graduation gap can be directly attributed to the State of Alaska's village high school construction program. The program began in 1976 when the State settled a lawsuit filed on behalf of Native students who had been compelled to attend high school in regional boarding home programs far from home. As part of the settlement, the State agreed to construct and operate a high schools in any village with eight or more high school age students, a commitment that resulted in the construction and operation of 126 schools. Table 2 summarizes the number and size of small high schools, only 36 of which predated settlement of the litigation.

Size of School	Approximate Number of Schools	Proportion of Schools	Approximate Number of Students	Proportion of Students
10 students or fewer *	52	32%	305	8%
11-20 students	36	22	548	15
21-40 students	47	29	1388	38
41-100 students	27	17	1445	39
N =	162	100%	3686	100%

*These very small high schools are unstable in numbers. They increase or decline from year to year depending on the numbers of students in particular grade levels and whether the community and district decide the school should remain open.

Source: ISER Small High School Survey, 1984.

Reproduced from: *Alaska's Small Rural High Schools.*

Table 2. Most Rural High School Students Attend High Schools of 20 to 100 Students

Eight years after the new village high schools began opening, the number of Natives graduating from small village high schools had increased more than three-fold. Indeed, annual increases in the number of Native students attending and graduating from high school corresponded closely with the village high school construction schedule. By 1984 approximately 1,000 students were annually graduating from small village high schools. If the schools had not been built, some students would have graduated from one of the regional high school boarding home programs, but by no means would all have done so.

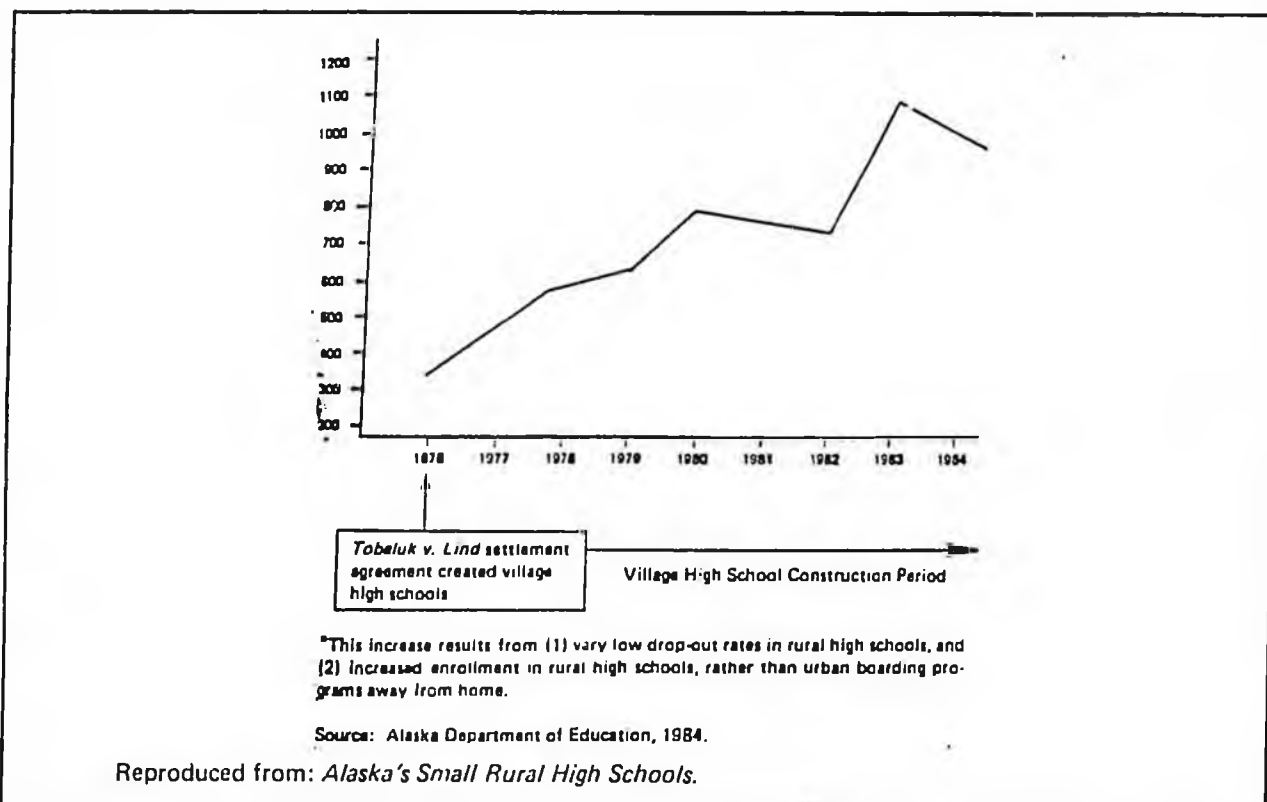


Figure 23. Village High Schools Have Increased the Number of Rural High School Graduates

NATIVE PROGRESS IN POST-SECONDARY EDUCATION

Figure 24 illustrates a logical progression from the observations reported in Figure 3. As more Natives graduate from high school, more Natives are attending college.

In 1980 Natives between 20 and 29 years of age were approximately 13 percent of that age-group statewide. Natives comprised 11 percent of Alaska residents between 20 and 29 years of age with associate degrees, 5.4 percent of baccalaureate degrees, 2.2 percent of master's degrees, and no PhD's. These percentages pose a clear challenge to village high school teachers and administrators, since a solid high school education is a prerequisite to academic success in college.

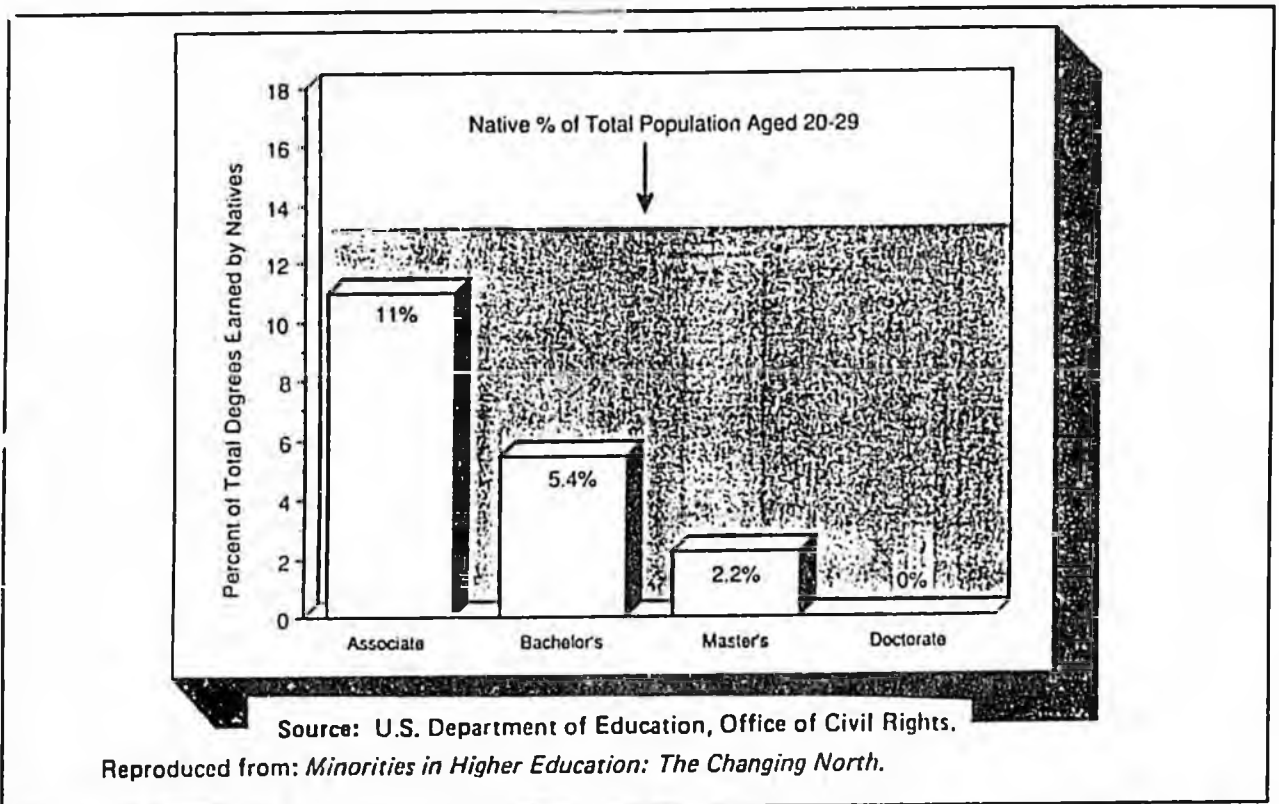


Figure 24. Alaskan Degrees Earned by American Indians and Alaskan Natives Compared with Representation in the Population, 1980: Alaska

After high school, post-secondary education usually proceeds on a dual track, one leading to vocational/associate degrees, the other to baccalaureate degrees. Baccalaureate degree study usually requires more academic preparation. The fact that Natives are significantly under-represented among holders of baccalaureate degrees indicates that many Native high school graduates are not sufficiently prepared to succeed in a four-year program.

LOW ACHIEVEMENT IS PERVASIVE IN RURAL HIGH SCHOOLS

The increasing number of high school diplomas being awarded to Native graduates of small village high schools masks many graduates' abysmally low standardized achievement test scores. Admittedly, standardized test scores are only one measure of a student's, or a school's, academic achievement. Standardized tests are often appropriately criticized for geographical, cultural and other biases, and for lack of relevance to the subject matter actually being taught and learned. Yet, notwithstanding these limitations, standardized test scores are one means of comparing a student's academic ability with that of his peers attending school elsewhere in the nation.

Figure 25 documents the low academic achievement of village high school students. In 1984 44 percent of rural high school classes scored below the 20th percentile, and another 33 percent scored between the 21st and the 40th percentile. The scores indicate that 80 percent of the nation's high school grades scored higher than 44 percent of the grades in rural Alaska high

schools. Only 9 percent of rural high school grades scored above the 61st percentile.

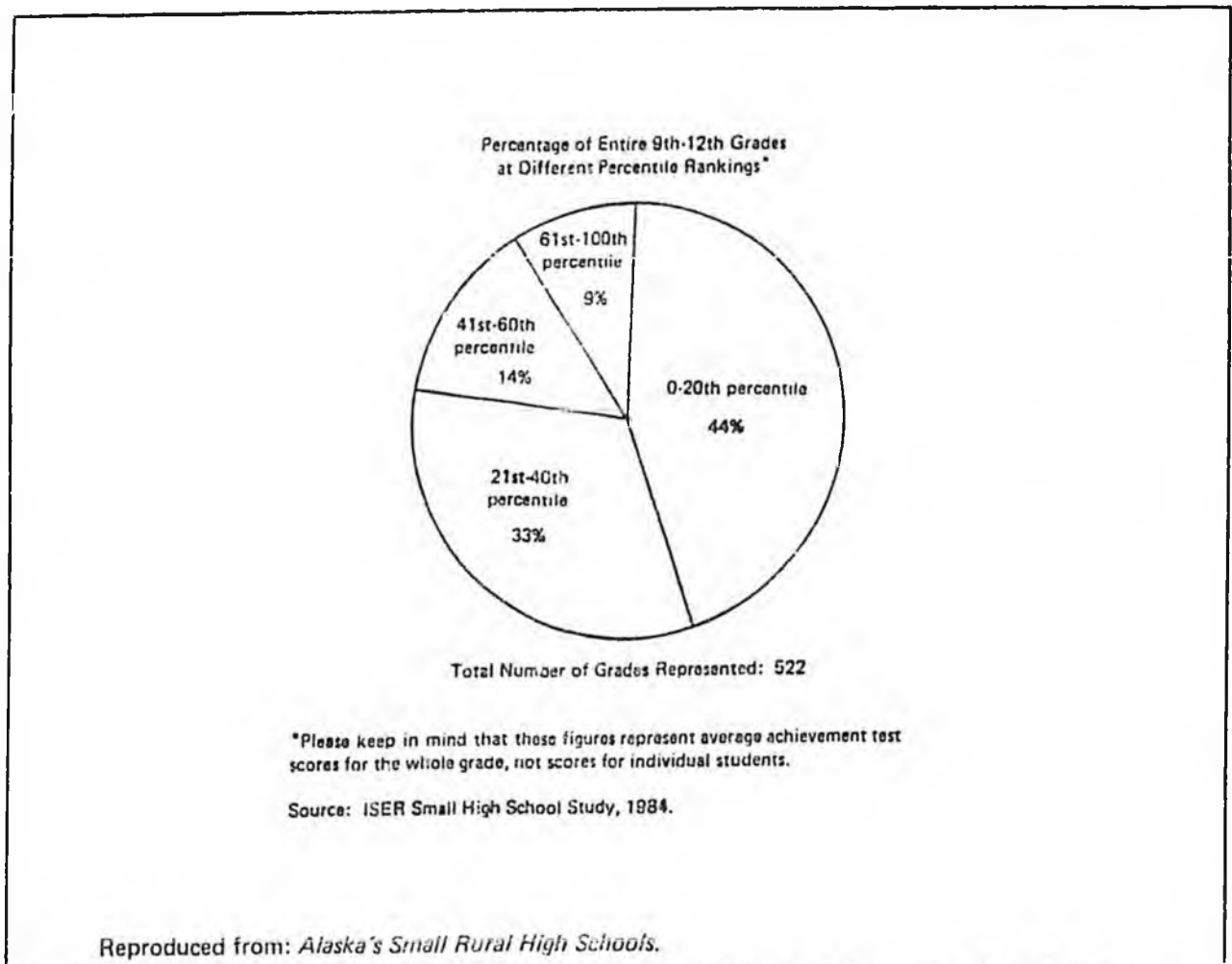


Figure 25. Students in Rural High Schools Have Low Achievement Test Scores

More recent test scores indicate that the pattern of low achievement is persisting. Figure 26 summarizes average achievement scores for four rural school districts in which most high school students are Native. In most of the districts the students scored in the 20 to 30 percentile, and in some districts few students scored at or above the 50th percentile.

TRENDS IN BASIC SKILLS: PERCENTILE OF AVERAGE SCORES

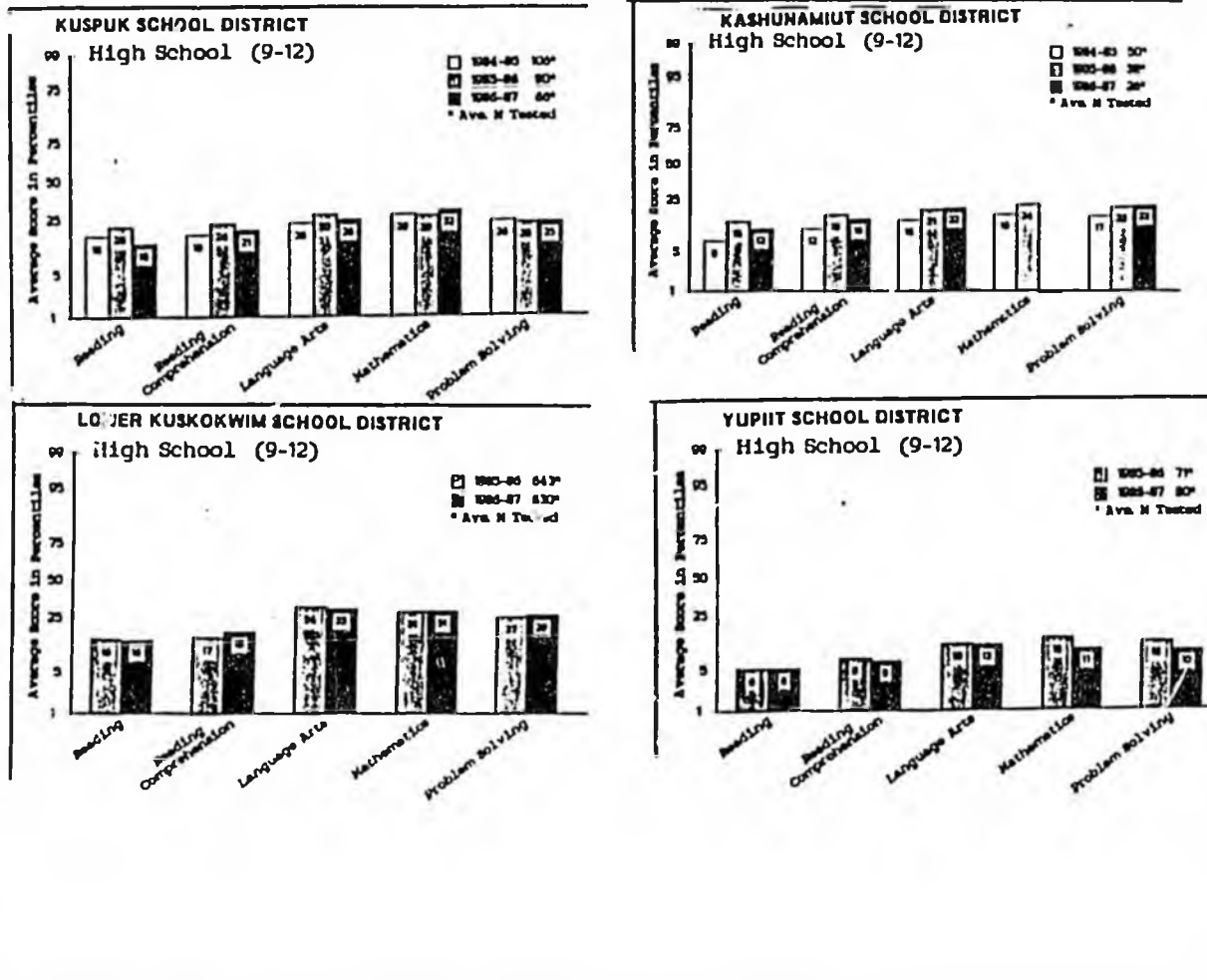


Figure 26. Trends in Basic Skills: Percentile of Average Scores

Native students attending high schools in Anchorage scored considerably higher than Native students attending village high schools. The Anchorage School District reported that its Native students scored at or slightly above the national average, and that Native test scores more or less paralleled the national distribution. For example, 18 percent of Native students scored in the nation's top 25 percent, and 24 percent were among the nation's lowest 25 percent.

In comparing the high Anchorage test scores with the low village scores, the high Native drop-out rate in Anchorage and the low drop-out rate in village schools may be important variables. Assuming that, if tested, the estimated 30 percent of Native students who dropped out would have been low academic achievers, their absence could bias the test results. If the Native drop-out rate in the Anchorage School District were the same as the drop-out rate in village high schools, overall test scores in the Anchorage School District would likely be lower than the scores reported.

On a positive note, Native students who attended school in Anchorage for five or more years had an average composite standardized test score of 53 percent. In contrast, Native students who had attended school in the district for less than five years scored considerably lower. Thus, the length of time a Native student had attended school in the community correlated with higher test scores. While there are undoubtedly many other contributing factors, higher test scores imply higher academic achievement.

It is extremely important to note that the innate potential of Native students is no different from that of non-Natives. Consequently, if Native students are to be afforded an opportunity to realize their academic potential, the education they are now receiving must be significantly improved. Although recommendations as to how Native education can be improved are numerous, the lack of commitment to improving Native education appears to be as pervasive as the lack of commitment to the nationwide educational improvements recommended by the Commission on Excellence in Education.

The Alaska Department of Education's recent report entitled "Basic Skills Performance of Alaska's Students" presents a particularly distressing observation. In rural districts in which most of the students attending school are Native, children in the early elementary grades scored in the same 25 to 35 percentile range as students in the higher grades. Thus, as students progressed from grade to grade, their academic performance did not improve. While there is no evidence that racial or ethnic groups attending school in Anchorage significantly improved their percentile standing as they progressed through the district's program, the fact is that too many children in Native villages begin their formal education seriously disadvantaged and never surmount the original handicap.

The situation for Native students who attend school in Anchorage is significantly better, since Native students in the early elementary grades in Anchorage score near the 50th percentile. However, while higher than those of their peers in

village grade schools, their scores are still 20 percent below their white classmates.

A number of Native villages participate in the Head Start program, in many respects a model program for pre-school children. But Headstart reaches less than a quarter of the children who, based on eligibility guidelines, are eligible to participate. In addition to expanding Headstart into more villages, a program to remedy the educational deficits of Native children must include increased pre- and postnatal infant care and parent education. Unless learning deficits that become apparent by ages 5 or 6 can be remedied in timely fashion, Native children beginning school with learning deficits may well be permanently barred from realizing their potential.

FINDINGS AND RECOMMENDATIONS

The preceding analysis of the status of Alaska Natives stands in sharp contradiction to the improved physical health of Alaska Natives that has occurred in recent decades. The analysis documents alarmingly high rates of self-destructive behavior and demonstrates that the major victims of such behavior -- Native infants, children, and young adults -- are increasing in number. Most Alaska Natives are living in communities in which the local economies cannot provide a life-sustaining standard of living without substantial, on-going public subsidies. The analysis suggests that, more often than not, public policies and interventions intended to assist Native individuals, families and communities have created and perpetuated dependence, rather than self-sufficiency. It also indicates that in Native villages government has largely failed to discharge its most important obligation - the obligation to provide children an adequate education.

Social scientists convened by the National Science Foundation have identified the fundamental issue confronting Alaska Natives as "the struggle of previously self-sufficient individuals and family units to adjust to rapid social change largely imposed from outside." In their view, the struggle to adjust to political and economic systems over which Natives living in rural villages have little real control generates feelings of helplessness and frustration and results in

destructive behavior, generally directed internally or toward family and friends. If the situation is to be improved, federal Native policy must be premised on facilitating self-help and on assisting individuals, families and communities to cope with social and economic change. Applying this principle, the following findings suggest a framework for redesigning existing Native programs and developing new initiatives.

The findings purposely do not include detailed recommendations. Rather, it is the intent of this report to open a broad debate among Native leaders, government officials and other interested parties on the causes of, and solutions to, the Native crisis.

Finding 1: A plague of alcohol abuse, violence and self-destruction is afflicting Alaska Natives. Alcohol abuse, pervasive throughout the Native community, is undermining the ability of Alaska Natives to control their lives. It is the fuel that fires the cycle of violence and self-destruction. It takes its greatest toll on young Native adults, particularly men, infants not yet born, and abused children.

Policies and programs must encourage, build and reinforce the self-help efforts of individuals, families and communities to combat alcoholism, intervene in and prevent mental health crises, protect Native children from abuse and neglect and take individual responsibility for individual behavior.

-> Elders needs
Daisy Nungava
-

How good will we do
if we have over our
working. we can
need! >
-> economic base -> alcohol
-> 30% of population
-> 30% of population

Finding 2. Alaska Natives are more vulnerable to serious injury, infectious diseases and death than non-Natives. The rising Native birth rate will engender rapid population growth and significantly increase the segments of the Native population most at risk, i.e., infants, children and young Native adults. Between 1980 and 1990 the demand for children's services will have grown by 40 percent.

Unless the health care system expands to accommodate the increasing need, improvements in Native health status may quickly deteriorate. At a minimum, the current quantity and quality of health care must be maintained. To respond adequately to behavioral problems engendered by alcohol abuse, additional monetary and human resources are needed, particularly resources to address maternal and infant care and education.

Finding 3: Alaska Natives have a growing "at risk" population. In ten years Native population growth will double the number of young Native adults, the segment of the Native population most at risk. Although the Native population is becoming increasingly urban, a majority of Natives will continue to live in rural villages. Because the capacity of village economies to absorb anticipated population growth is limited, increasing population growth poses serious physical, environmental, social, and economic challenges.

The decision to stay or leave the village is influenced by cultural and family ties, the degree to which needed public services are available and the extent to which village residents

have incentives to stay or leave. Policies are needed that both foster sustainable village economic self-sufficiency and enlarge the opportunity for Natives so inclined to work outside their home villages.

Market \$

Finding 4: The village economy cannot meet the needs of the growing Native population. In rural Alaska, most new jobs have been provided, either directly or indirectly, by increased federal and state expenditures. But despite government spending, large numbers of Natives who want to work in their home villages or region have no possibility of doing so. In most Native villages, the prospects for private sector economic development are limited, and due to declining oil revenues, state spending is projected to steadily decline throughout the 1990s. The projected decline in economic activity in rural Alaska coincides with the steadily increasing number of young Native adults who will be seeking to enter the work force. Every effort to take advantage of limited opportunities for private economic development should be encouraged, and Native access to employment opportunities expanded, including providing necessary training and support, including financial support to relocate, if necessary to secure permanent employment.

Finding 5: Villages are precariously dependent upon the public sector spending and the cost of living in villages is exorbitant. The expansion of the public sector economy, combined with the absence of self-sustaining economic growth, has contributed to village population growth and fostered increased

✓ dependency on public assistance. Public sector emphasis on capital improvements have saddled Native villages with operation and maintenance costs the communities, and the Native families who live in them, cannot sustain. Policies and initiatives that target economically realistic improvements in the physical quality of village life and do not undermine options for residents who want to pursue economic opportunities away from their home villages are needed.

Finding 6: Native children enter and exit village schools with serious educational handicaps and their education is worse than mediocre. The educational achievement of Native children, particularly children who attend village schools, is far below national norms. As a result, Native students are being denied the opportunity to realize their potentials and to become full participants in society by grade and high school educations that are condemning an entire generation to an underclass status and a life of limited choices.

✓ To afford Native students attending village schools the opportunity to obtain an education equivalent to their non-Native peers, they must be afforded the opportunity to begin their formal education on a par with their non-Native peers. Expanded Headstart, infant learning and early childhood education programs, combined with parent education, are essential if educational handicaps are to be overcome.

APPENDIX: A BRIEF HISTORY OF FEDERAL NATIVE POLICY

On October 18, 1867, General Jefferson Davis ordered the stars and stripes run up the flagpole in front of the Russian Governor's house at Sitka, thus beginning the American administration of Alaska. At the time, more than 99 percent of Alaska's population were Tlingit, Haida and Athabascan Indians, Yup'ik, Chugach and Inupiat Eskimos, Aleuts and Creoles, i.e., mixed bloods. As late as 1880, the United States Census estimated that of a total population of 33,426, only 430 whites lived in the Territory.

The 1867 Treaty of Cession with Russia consummated the Alaska purchase. In Article III of the Treaty, the United States government assumed the same fiduciary responsibility to provide for the educational, health, safety, social and economic needs of Alaska Natives resident in its new domain that it had assumed with respect to other Native Americans.

In the first exercise of that responsibility, in 1868 Congress enacted the Alaska Customs Act, which inter alia authorized the President to prohibit the importation and sale of alcohol, a commodity, first distributed by American and English fur traders and American whalers as a trade good, that was damaging Native health and shredding the fabric of traditional village life.

In 1884 Congress enacted the Alaska Organic Act. At the behest of Sheldon Jackson, the chief Presbyterian missionary operating in the Territory, the Organic Act authorized the

Secretary of the Interior to establish a school system.

Although Congress instructed the Secretary to provide for the education of school age children "without reference to race," 99 percent of the Territory's school age children were Native. Again at Jackson's behest, in 1885 Secretary of the Interior Henry Teller assigned the Bureau of Education, rather than the Bureau of Indian Affairs, responsibility for Alaska education. The assignment was not inadvertent. Sheldon Jackson and the group of Indian rights advocates of which he was a member believed that the paternalistic policies the Bureau of Indian Affairs was then pursuing on Indian reservations had failed, and that the Bureau of Education would afford Alaska Natives more self-determination. But if asked, Jackson and J.D.C. Atkins, then Commissioner of Indian Affairs, would have agreed that the Department of the Interior had responsibility to implement the commitment the United States government had made in the Treaty of Cession to provide for the educational, health, safety, social and economic needs of Alaska Natives.

By 1895 the Bureau of Education was operating 19 grade schools between Metlakatla, an Indian village on the southern end of the Alaska Panhandle to Gambell, a remote Eskimo village on St. Lawrence Island at the mouth of Bering Strait. By 1909 the Bureau was operating 69 schools, and by 1930 94 schools.

The Bureau of Education also operated a Native health care system. Initially, army, and later revenue service, physicians provided sporadic medical services to Alaska Natives. However,

in 1885 A.P. Swineford, the Territorial Governor, urged the Secretary of the Interior to construct a Native hospital. As he told the Secretary in 1886, "a hospital for the care and treatment of Natives is not only very much needed, but absolutely indispensable."

In response to pneumonia, measles, influenza, whooping cough and diphtheria epidemics that periodically swept through Native villages, in 1907 Congress made its first appropriation to the Bureau of Education earmarked for medical services. By 1915 the Bureau was operating hospitals at Nushagak, a Yup'ik Eskimo village at Bristol Bay, Nulato, an Athabascan Indian village on the Yukon River, and Kotzebue, an Inupiat Eskimo trading center on the coast of the Arctic Ocean. Bureau doctors were also stationed at Nome, Russian Mission, Seward, Juneau and Sitka. Nurses were stationed at St. Michael, Koggiung and Hydaburg, and an itinerant nurse traveled to Tlingit and Haida Indian villages in southeast Alaska. Each Bureau of Education school was equipped with a medicine chest.

By 1930 the Bureau was operating 6 hospitals, a health care system far below the need of an indigenous population being decimated by infectious diseases contracted from whites. A 1930 report on the subject estimated that "It is highly probable that Native hospitals are not providing care for more than 5 percent of the Natives who should be hospitalized in order to insure their recovery or to prevent the spread of acute infectious diseases among the rest of the Native population."

In addition to addressing the educational and health needs of Alaska Natives, the Bureau of Education also administered Native economic development programs. Through the fur trade, and later the whaling economy, Alaska Natives had had limited access to the non-Native material culture since the Eighteenth Century. By 1867, iron knives and kettles, firearms, cotton and wool clothing and similar items were available in many Native villages. However, the subsistence economy predominated, and most Natives followed the cycle of the seasons, migrating between summer fish camps, fall hunting camps and more than 200 winter villages. But by the Twentieth Century, the construction of churches and schools at village sites and wage work in the salmon canning industry and the mines had begun to alter traditional subsistence patterns. And in many villages sugar, flour, gillnet twine, wool and cotton clothing, firearms and similar items, once luxuries, had become necessities.

But the schools and the white culture of which they were part having created the consumer demand, with the exception of fur trapping, commercial fishing during the summer months and occasional wage work far from home in the mines or at whaling stations and lumber camps, in most rural villages Alaska Natives had few opportunities to participate in the non-Native economy.

Consequently, the Bureau of Education created and administered several village economic development programs. The Bureau managed reindeer herds in the northwest arctic and on the Yukon-Kuskokwim River delta, and, when it deemed necessary,

distributed general assistance to enable village residents to purchase food, clothing and other essentials.

In 1931 Secretary of the Interior Ray Lyman Wilbur reversed the policy the Department of the Interior had followed since 1885 by transferring responsibility for administration of Native programs from the Bureau of Education to the Bureau of Indian Affairs. The transfer had two practical effects. First, henceforth the Snyder Act, enacted by Congress in 1921 to authorize the Bureau of Indian Affairs to spend federal money "for the benefit, care and assistance of the Indians throughout the United States," governed appropriations for Native programs. As a matter of law, Alaska Natives were deemed "Indians of the United States" whose entitlement to participate in federal Indian programs was no different from that of any other Indians. Second, drawing on the agency's experience in the lower 48 states, during the 1940s the Bureau of Indian Affairs tried to protect Native land rights and advance Native economic development by establishing reservations around Native villages whose boundaries encompassed land Natives had traditionally used and occupied and natural resources (e.g., salmon, timber and fur-bearing animals) needed to sustain village economies. Controversial from the outset, the reservation policy was abandoned in 1950.

In 1955 Congress transferred administration of the Indian Health Service (IHS), both in Alaska and elsewhere, from the Bureau of Indian Affairs to the Public Health Service. Today the

IHS Alaska Area Native Health Service administers a Native health care system that includes the 170 bed Alaska Native Medical Center in Anchorage, smaller hospitals in Sitka, Dillingham, Bethel, Fairbanks, Nome, Kotzebue and Barrow, seven health stations and 142 village clinics. IHS also administers a safe water program that designs and constructs water and sewer systems for remote villages.

In 1959 Alaska was admitted into the federal union as the 49th State. Although it continues to pay a substantial portion of the cost of Native education, in 1985, the Bureau of Indian Affairs completed the transfer, first begun in 1936, of Bureau schools to the State of Alaska. Today, 22 rural school districts now operate grade schools, many of which are former Bureau schools, and high schools in 177 rural communities, most of which are Native villages.

In addition to funding Native education, pursuant to such statutes as the Indian Self-Determination Act, the Bureau of Indian Affairs also supports the operation of village governments and provides technical assistance to ANCSA village corporations.

Enacted in 1971, the Alaska Native Claims Settlement Act extinguished all Native claims to Alaska based on aboriginal use and occupancy. In exchange, Alaska Natives received \$ 962.5 million and the right to select and be conveyed 44 million acres of land, most of which surrounds Native villages.

Individual Natives received little of the money and even less of the land. Congress divided Alaska into 12 geographic regions, and required Natives living in each region to organize a

regional corporation. Natives living in each of more than 200 villages were required to organize village corporations. Each Native alive on December 21, 1971 was then issued 100 shares of stock in the regional corporation and 100 shares of stock in the village corporation in which he or she was enrolled. Natives who did not live in villages only received regional corporation stock.

The money and land was then distributed to the regional and village corporations, although Congress required regional corporations to distribute some of the money and required village corporations to convey a small amount of land to their shareholders.

In the 122 years since the United States assumed control of Alaska the Native population has more than doubled to 75,000 persons. But as it has increased in absolute number, because of non-Native in-migration, the Native population has decreased as a percentage of the Alaska population, from more than 99 percent in 1867 to 14 percent in 1989. But as they did a century ago, a majority of Natives living in Alaska continue to live in one of more than 200 rural villages.

Over the past century, and particularly over the past two decades, the health status and standard of living of Alaska Natives has improved. But as this report describes, as old problems have been solved, new problems, most of which have been exacerbated by an intensifying firestorm of alcohol abuse, have taken their place. Today, many Alaska Natives face a social, health and economic crisis of potentially disastrous proportion.

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

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Charley Named AFN Citizen of the Year . . Page 4

Shared Visions Page 9

Youth Debate Sovereignty Page 10

1988-1989 SVB Members Page 12

AFN NEWSLETTER

WINTER ISSUE



Volume VIII, Number One

ALASKA FEDERATION OF NATIVES, INC.

January 23, 1989

Report on Status of Alaska Natives Calls For Action

A report issued by the Alaska Federation of Natives on Jan. 20 provides an analysis of the health and social crisis occurring in rural Alaska and calls for action by Native leaders and state and federal officials.

"While there are many reports that have been written to document various aspects of problems existing in rural

Alaska Natives: A Call For Action" synthesizes existing data on Native health; demographics; the constraints on economic growth in rural Alaska; the role of the public sector economy in villages and the quality of Native education (see related story p. 3).

It shows that despite improvements in health, educational opportunity stan-

plex that it is not reasonable to expect, for example, that effective solutions for health problems can be found without understanding their relationship to other events occurring within the villages," Leask said.

The report has been submitted to Native leaders throughout the state, Alaska's Congressional Delegation, the

of hearings this spring in both Washington, D.C. and Alaska. The D.C. hearing has been set for March 10th.

"This is the first major status report that has been written on Alaska Natives in more than ten years," said Leask. "The data are sufficiently stark that it is no exaggeration to state that absent timely

HB

114

HOUSE COMMITTEE ON STATE AFFAIRS

RECAP OF
HB 114

Leg Council Review of Court Opinions

Received January 25, 1989
by the Judiciary Committee

Heard February 14, 1989

Passed Out of Committee February 14, 1989
5 Do Pass
1 No Recommendation

TABLE OF CONTENTS

HB 114: Leg Council Review of Court Opinions

- Item 1: HB 114 by The Judiciary Committee
- Item 2: Fiscal Note and Analysis
- Item 3: Memorandum from the Judiciary Committee
February 7, 1989

1 IN THE HOUSE BY THE JUDICIARY COMMITTEE

2 HOUSE BILL NO. 114

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the examination of regulations
7 and of opinions and decisions issued by courts and
8 agencies on the law of the state."

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

10 * Section 1. AS 24.20.065(a) is amended to read:

11 (a) The legislative council shall annually examine
12 administrative regulations, published opinions of state and federal
13 courts and of the Department of Law [THAT RELY ON STATE STATUTES], and
14 ~~final decisions adopted under the Administrative Procedure Act~~ c.g?
15 (AS 44.62) that rely on state statutes or the common law of the state
16 to determine if [WHETHER OR NOT]

17 (1) the courts and agencies are properly implementing
18 legislative purposes;

19 (2) there are court or agency expressions of dissatisfac-
20 tion with state statutes or the common law of the state;

21 (3) the opinions, decisions, or regulations indicate un-
22 clear or ambiguous statutes;

23 (4) the courts have modified or revised the common law of
24 the state.

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: An Act relating to the examination
of regulations and of opinions and decisions...
Sponsor: House Judiciary
Requestor: House State Affairs

Affect Agency Legislative Affairs Agency
BRU: Legislative Council BRU
Components Legal Services

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
Personal Services	0	0	0	0	0	0
Travel	0	0	0	0	0	0
Contractual	0	0	0	0	0	0
Supplies	0	0	0	0	0	0
Equipment	0	0	0	0	0	0
Land & Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (THOUSANDS OF DOLLARS)

General Fund	0	0	0	0	0	0
Federal Fund						
Other						
TOTAL	0	0	0	0	0	0

POSITIONS:

Full-Time	0	0	0	0	0	0
Part-Time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

There would not be a fiscal impact for the Division of Legal Services under the Legislative Council BRU relating to adding examination of common law. However, it should be noted that the annual examination of administrative regulations and final decisions adopted under the Administrative

Prepared By: Pamela Stoops, Director Phone: 465-3850
Division: Administrative Services Date: 2/6/89

Approved By: Warren Endicott, Executive Director
Agency: Legislative Affairs Agency Date: 2/6/89

DISTRIBUTION (BY PREPARER)
LEGISLATIVE FINANCE
LEGISLATIVE SPONSOR

REQUESTOR
OFFICE OF MANAGEMENT & BUDGET
AGENCY (IES)

CONTINUATION OF FISCAL NOTE - HB 114

ANALYSIS (continued)

~~Procedure Act~~ is not currently being done by Legal Services for Legislative Council.

The ~~Administrative Regulation Review Committee~~ is in charge of administrative regulations.

There are insufficient funds at this time to support the attorney time needed to fully examine the ~~administrative regulations and Administrative Procedures Act~~. A substantial fiscal impact would be realized to comply with these aspects of this statute.

Item 3

Alaska State Legislature



House of Representatives
House Judiciary Committee

P. O. Box V
State Capitol
Juneau, Alaska 99811
(907) 465-4968
465-4968, 465-4986

February 7, 1989

MEMORANDUM

TO: Rep. Red Boucher
Chair, State Affairs Committee

FROM: Rep. Max Gruenberg and Rep. Peter Goll, Co-Chairmen
Judiciary Committee

Re: Analysis of HB 114, relating to the examination
of regulations and of opinions and decisions issued by
courts and agencies on the law of the state

HB 114 would amend AS 24.20.065(a). That statute requires the legislative council to annually review judicial and administrative decisions and administrative regulations for their effect on state law. HB 114 amends the statute to include a review for the effects of court decisions on state common law (non-statutory) provisions.

Thank you for providing a prompt hearing on the bill.

Admin Reg Review COM.

HB 114

Conflict - Add to review of COMMON
LAW -

STATUTE POWER COUCH, BUT
RULES HAVE EVOLVED

C.I. DATE BACK TO EARLY TIME -
THIS PROVISION ALLOWS LEG
TO BE APPROVED OF COMMON
LAW + TAKE CORRECTIVE ACTION.

NO ADD WORK, LOOKING
AT STATUTE + COMMON LAW.
NO ADDED TIME - COUCH
ACQUISITION IN LAW.

HAWLEY

HOW REVIEW DONE - ?

LEG AFFAIR AGENCIES -
STATUTE DECISIONS (ADMIN)
INTERCEPT COURTNEY -

CONSISTENT? ?

RATIO OF COURT CASES -

consistent with the statutory duties and powers of each permanent committee and its agency. (§ 1 ch 85 SLA 1978)

Revisor's notes. — Formerly AS 24.15.060(c). Renumbered in 1985.

Chapter 15. Compensation of Legislators, Officers and Employees.

Sec. 24.15.010. *Legislative per diem.* [Repealed, § 7 ch 83 SLA 1983.]

Secs. 24.15.020 — 24.15.060. [Renumbered as AS 24.10.100 — 24.10.210.]

Sec. 24.15.070. *Conditions of compensation.* [Repealed, § 9 ch 126 SLA 1966.]

Chapter 20. Agencies of the Legislature.

Article

- 1. Legislative Council (§§ 24.20.010 — 24.20.140)
- 2. Legislative Budget and Audit Committee (§§ 24.20.151 — 24.20.311)
- 3. Administrative Regulation Review Committee (§§ 24.20.400 — 24.20.460)
- 4. Legislative Board of Retirement Benefits (Repealed)

Article 1. Legislative Council.

Section

- 60. Legislative council established
- 61. Membership
- 62. Term of membership
- 63. Vacancies
- 64. Executive director and staff
- 65. Powers
- 66. Administrative services for legislature
- 67. Legislative internship program
- 68. Examination of regulations and opinions

Section

- 70. Revision of statutes
- 75. Alaska Code Revision Commission
- 80. Intergovernmental cooperation
- 90. Assignment of projects
- 100. Research and drafting services for legislators
- 110. Meetings
- 120. Reports
- 130. Budgets
- 132. Legislative budget and expenses
- 140. Appropriations

Sec. 24.20.010. **Legislative council established.** The Alaska Legislative Council is established as a permanent interim committee and service agency of the legislature. The establishment of the council recognizes the need of the legislature for full-time technical assistance in accomplishing the research, reporting, bill drafting, and examination and revision of statutes, and general administrative services essential to the development of sound legislation in the public interest. (§ 1 ch 17 SLA 1960)

Marital and Domestic Relations

ata is within the
nded to be afforded
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Sec. 24.20.310. [Repealed, § 1 ch 95 SLA 1971.]

Sec. 24.20.311. Reports. The committee shall file copies of its approved audit reports including any committee recommendations with the governor, the agency concerned and the legislature. An annual report summarizing the audit reports and committee recommendations made during the year shall be filed with the governor and with the legislature within the first five days of each regular session of the legislature. Reports shall be approved by a majority of the committee before their release and shall be open to public inspection after their release to the legislature. (§ 2 ch 95 SLA 1971)

Secs. 24.20.320 — 24.20.370. [Repealed, § 1 ch 95 SLA 1971.]

Article 3. Administrative Regulation Review Committee.

Section	Section
400. Administrative Regulation Review Committee established	440. Meetings
410. Membership	445. Power of suspension
420. Term of membership	450. Staff
430. Vacancies	460. Powers

Sec. 24.20.400. Administrative Regulation Review Committee established. The Administrative Regulation Review Committee is established as a permanent interim committee of the legislature. The establishment of the committee recognizes the need for prompt legislative review of administrative regulations filed by the lieutenant governor to determine whether annulment under AS 44.62.320 is appropriate. (§ 1 ch 27 SLA 1975)

NOTES TO DECISIONS

Constitutionality of legislative veto. — The legislative veto contained in AS 44.62.320 (a), which provides that the legislature, by a concurrent resolution adopted by a vote of both houses, may annul a regulation of an agency or department," violates art. II of the state constitution. No implied general power to veto agency regulations by informal legislative action exists. State v. A.L.I.V.E. Voluntary, Sup. Ct. Op. No. 2022 (File No. 3670), 606 P.2d 769 (1980).

Sec. 24.20.410. Membership. The Administrative Regulation Review Committee is composed of three members of the house appointed by the speaker of the house, and three members of the senate appointed by the president of the senate. The membership from each house shall include at least one member from each of the two major political parties. The committee elects a chairman from among its members. (§ 1 ch 27 SLA 1975)

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HB

127

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Department of Administration
Title: An Act relating to reimbursement BRU: Retirement and Benefits
of certain medicare premiums.
Sponsor: Greenberg, Cato Components: Retirement and Benefits
Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES	0	11.2	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	6.9	7.6	8.3	9.2	10.1
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	6.9	7.6	8.3	9.2	10.1
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	11.2	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

This analysis is written with the assumption that Part B premium reimbursement could be made on a monthly basis and that all PERS, TRS, JRS and EPORS retirees over the age of 65 would receive reimbursement. Passage of this bill will require a number of changes in the data processing system to automate the reimbursement requirements for eligible retirees. These changes will require an Analyst/Programmer IV for an estimated three months. The total cost for this position is \$11,172 and is the only funding anticipated for operational costs.

THIS BILL IS ESTIMATED TO COST ALL STATE AGENCIES \$9,125.5 IN INCREASED PERSONAL SERVICES COSTS.
THIS BILL IS ESTIMATED TO COST POLITICAL SUBDIVISIONS AND SCHOOL DISTRICTS \$10,353.3 IN FY 90.
See pages 2 and 3 for a detailed analysis.

Prepared By: Sally Smith *Sally Smith* Phone: 465-4460
Division: Retirement and Benefits Date: Feb. 17, 1989
Approved by Commissioner: John M. Andrews Date: 2/21/89
Agency: Department of Administration

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

Page 2 of 3
House Bill 127
Financial Implication on Retirement Funds
Prepared by Division of Retirement and Benefits
Department of Administration
February 14, 1989

There will be an impact to the State for employer contributions and direct benefit payments to EPORS retirees. This bill is estimated to increase the State's contributions by 1.6% of the PERS payroll, 1.38% of the TRS payroll and .7% of the JRS payroll. The FY 90 State PERS payroll, including the University of Alaska is estimated to be \$521,208,708 (State \$463,907,093; and University of Alaska, \$57,301,615.) It is assumed to remain level each year thereafter.

The FY 90 State TRS payroll, including the University of Alaska, is estimated to be \$55,085,786 (Department of Education, \$5,025,700; and the University of Alaska, \$50,060,086). TRS salaries are also assumed to remain level each year thereafter.

The FY 90 State JRS payroll is estimated to be \$2,727,216. JRS salaries are assumed to remain level thereafter. The number of EPORS retirees is also assumed to remain level but with a 10% annual increase to the Medicare Part B premiums.

The total estimated FY 90 cost to the State of \$9125.5 is calculated as follows:

Estimated State PERS FY 90 payroll.....	\$463,907,093	
PERS contribution rate increase.....x	1.6%	
	State total PERS cost...\$7422.5	
Estimated University of Alaska PERS		
FY 90 payroll.....	\$ 57,301,615	
Pers contribution rate increase.....x	1.6%	
	University of Alaska total PERS cost...\$ 916.8	
Estimated Department of Education TRS		
FY 90 payroll.....	\$ 5,025,700	
TRS contribution rate increase.....x	1.38%	
	Department of Education total TRS cost...\$ 69.4	
Estimated University of Alaska TRS		
FY 90 payroll.....	\$ 50,060,086	
TRS contributions rate increase.....x	1.38%	
	University of Alaska total TRS cost...\$ 690.8	
Estimated State JRS total		
FY 90 payroll.....	\$ 2,727,216	
JRS contribution rate increase.....x	.7%	
	State Total JRS cost...\$ 19.1	

Payments for Medicare Part B premiums to eligible EPORS members would come directly from general funds since the EPORS is not actuarially funded.

The total estimated FY 90 EPORS cost of \$6.9 is calculated by multiplying the estimated number of eligible EPORS members (18) times the Medicare Part B premium (\$31.90) times 12 months:

State total EPORS cost...\$ 6.9

In addition to the State cost there would also be an increase in the political subdivisions' contribution rate to the PERS by 1.6% of PERS payroll and school districts' contribution rate to the TRS by 1.38% of TRS payroll. The FY 90 PERS payroll for political subdivisions is estimated to be \$354,521,366. The FY 90 TRS payroll for school districts is estimated to be \$339,201,043. Salaries for both systems are assumed to remain level each year thereafter.

The total estimated FY 90 cost to these entities of \$10,353.3 is calculated as follows:

Estimated political subdivision
 FY 90 payroll.....\$354,521,366
 PERS contribution rate increase.....x 1.6%
Political subdivision total PERS cost...\$5672.3

Estimated school district
 FY 90 payroll.....\$339,201,043
 TRS contribution rate increase.....x 1.38%
School district total TRS cost...\$4681.0

INCREASE IN FY 90 COSTS DUE TO
 REIMBURSEMENT OF MEDICARE PART B PREMIUMS

<u>Employer</u>	<u>System</u>				<u>TOTAL</u>
	<u>PERS</u>	<u>TRS</u>	<u>JRS</u>	<u>EPORS</u>	
State	\$8339.3	\$ 760.2	\$19.1	\$ 6.9	\$ 9125.5
Political Subdivisions and School Districts	\$5672.3	\$4681.0	N/A	N/A	\$10353.3

If this bill becomes law, the unfunded liability will increase by \$34,400,000 and the funding ratio will decrease by 2.4% in the TRS. The unfunded liability will increase by \$75,000,000 and the funding ratio will decrease by 1.8% in the PERS. There will be a negligible effect on the JRS.

Position Title		Analyst/Programmer IV		No. of Positions	1	Range/Step	19A	Barg. Unit	G	
Time Status	FT Nonpermanent	Staff Months	3.0	Location		AWA		Election District Juneau (4)		
Type of Expenditure				Amount		Justification HB 127 requires the reimbursement of all retirees in the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), the Judicial Retirement System (JRS), and the Elected Public Officers Retirement System (EPORS), for Medicare Part B Premiums. The Analyst/Programmer IV requested on this form will be responsible for designing, writing and testing the automated program to implement payment to retirees. Specifically, the program must accomplish the following: 1. Identify all retirees age 65 or more in the PERS and TRS. 2. Generate notification letter to each retiree identified explaining monthly benefit check will be increased by the amount of Medicare Part B premiums. 3. Increase monthly benefit by premium amount and maintain appropriate percentages for other benefit components. 4. Identify other retirees as they turn age 65 and notify them as in 2 above and increase benefit as in 3 above.				
1	2	3								
Salary	10,008									
Benefits	1,164									
Premium Pay										
Other										
Total Personal Services		11,172								
Travel										
Contractual										
Commodities										
Equipment										
Other										
Total Cost										
Funding Source for Total Cost										
Federal Receipts	1002									
G. F. Match	1003									
General Fund	1004									
GF Program Receipts	1005									
Other										

4/11B4/012901-9/1

**Request For
New Position**

Agency Administration
 BRU Retirement and Benefits
 Component Retirement and Benefits

FY 90

Page 1 of 1
 Revised Date

FISCAL NOTE

REQUEST: _____

Revision Date: _____
Title: An Act relating to reimbursement of certain medicare premiums.
Sponsor: Gruenberg, Cato
Requestor: _____

Agency Affected: Department of Administration
BRU: Retirement and Benefits
Components: Retirement and Benefits

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	11.2	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	6.2	6.8	7.5	8.3	9.1	10.0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	17.4	6.8	7.5	8.3	9.1	10.0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	6.2	6.8	7.5	8.3	9.1	10.0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	11.2	0	0	0	0	0
TOTAL	17.4	6.8	7.5	8.3	9.1	10.0

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

This analysis is written with the assumption that this bill would not become effective until FY 91. If the bill became effective earlier than FY 91, the costs shown for that year would become FY 90 costs at the rate of \$4.3 per month of FY 90 for the first three months and at the rate of \$0.5 for each additional month.

THIS BILL IS ESTIMATED TO COST ALL STATE AGENCIES \$8,699.9 IN INCREASED PERSONAL SERVICES COSTS. THIS BILL IS ESTIMATED TO COST POLITICAL SUBDIVISIONS AND SCHOOL DISTRICTS \$9,394.0 IN FY 91.

See pages 2 and 3 for a detailed analysis.

Prepared by: Sally Smith by Mike Coughlin Phone: 465-4460
Division: Retirement and Benefits Date: 1/29/90

Approved by Commissioner: Frank S. Baxter Date: 1/31/90
Agency: Department of Administration

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

SSHB 127
 Financial Implications on Retirement Funds
 Prepared by the Division of Retirement and Benefits
 Department of Administration

This analysis is written with the assumption that Part B premium reimbursement could be made on a monthly basis and that all PERS, TRS, JRS and EPORS retirees over the age of 65 would receive reimbursement. Passage of this bill will require a number of changes in the data processing system to automate the reimbursement requirements for eligible retirees. These changes will require an Analyst/Programmer IV for an estimated three months. The total cost for this position is \$11,172 and is the only funding anticipated for operational costs.

There will be an impact to the State for employer contributions and direct benefit payments to Elected Public Officers Retirement System (EPORS) retirees. This bill is estimated to increase the State's contributions by 1.43 percent of the Public Employees' Retirement System (PERS) payroll, 1.24 percent of the Teachers' Retirement System (TRS) payroll and .63 percent of the Judicial Retirement System (JRS) payroll. The FY 91 State PERS payroll, including the University of Alaska, is estimated to be \$556,310,861 (State \$492,656,834, and University of Alaska \$63,654,027). It is assumed to remain level each year thereafter.

The FY 91 State TRS payroll, including the University of Alaska, is estimated to be \$58,159,258 (Department of Education/Legislature \$5,673,729, and the University of Alaska \$52,485,529). TRS salaries are also assumed to remain level each year thereafter.

The FY 91 State JRS payroll is estimated to be \$2,727,216. JRS salaries are assumed to remain level thereafter. The number of EPORS retirees is also assumed to remain level but with a 10 percent annual increase to the Medicare Part B premiums.

The total estimated FY 91 cost to the State of \$3,699.9 is calculated as follows:

Estimated State PERS FY 91 payroll . . .	\$492,656,834	
PERS contribution rate increase . . .	x	1.43%
State Total PERS cost		\$7,045.0

Estimated University of Alaska PERS		
FY 91 payroll	\$	63,654,027
PERS contribution rate increase . . .	x	1.43%
University of Alaska Total PERS cost	\$	910.3

Estimated Department of Education/ Legislature TRS FY 91 payroll . . .		
	\$	5,673,729
TRS contribution rate increase	x	1.24%
Department of Education Total TRS cost	\$	70.4

Estimated University of Alaska TRS		
FY 91 payroll	\$	52,485,529
TRS contributions rate increase . . .	x	1.24%
University of Alaska Total TRS cost	\$	650.8

Estimated State JRS total
 FY 91 payroll \$ 2,727,216
 JRS contributions rate increase . . . x .63%
 State Total JRS cost \$ 17.2

Payments for Medicare Part B premiums to eligible EPORS members would come directly from general funds since the EPORS is not actuarially funded.

The total estimated FY 91 EPORS cost of \$6.2 is calculated by multiplying the estimated number of eligible EPORS members (18) times the Medicare Part B premium (\$28.60) times 12 months:

State total EPORS cost \$ 6.2

In addition to the State cost there would also be an increase in the political subdivisions' contribution rate to the PERS by 1.43 percent of PERS payroll and school districts' contribution rate to the TRS by 1.24 percent of TRS payroll. The FY 91 PERS payroll for political subdivisions is estimated to be \$358,420,788. The FY 91 TRS payroll for school districts is estimated to be \$344,238,828. Salaries for both systems are assumed to remain level each year thereafter.

The total estimated FY 91 cost to these entities of \$9,394.0 is calculated as follows:

Estimated political subdivision
 FY 91 payroll \$358,420,788
 PERS contribution rate increase . . . x 1.43%
 Political subdivision Total PERS cost \$5,125.4

Estimated school district FY 91
 payroll \$344,238,828
 TRS contribution rate increase . . . x 1.24%
 School district Total TRS cost \$4,268.6

INCREASE IN FY 91 COSTS DUE TO
 REIMBURSEMENT OF MEDICARE PART B PREMIUMS

Employer	System				
	PERS	TRS	JRS	EPORS	TOTAL
State	\$7,955.3	\$ 721.2	\$17.2	\$6.2	\$8,699.9
Political Subdivisions and School Districts	\$5,125.4	\$4,268.6	N/A	N/A	\$9,394.0

If this bill becomes law, the unfunded liability will increase by \$30,800,000 and the funding ratio will decrease by 2.2 percent in the TRS. The unfunded liability will increase by \$67,200,000 and the funding ratio will decrease by 1.43 percent in the PERS. There will be a negligible effect on the JRS.

Position Title Analyst/Programmer IV		No. of Positions 1	Range/Step 19A	Barg. Unit G
Time Status FT Nonpermanent	Staff Months 3.0	Location AWA		Election District Juneau (4)
Type of Expenditure		Justification		
1	2	HB 127 requires the reimbursement of all retirees in the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), the Judicial Retirement System (JRS), and the Elected Public Officers Retirement System (EPORS), for Medicare Part B Premiums.		
Salary	10,008	The Analyst/Programmer IV requested on this form will be responsible for designing, writing and testing the automated program to implement payment to retirees. Specifically, the program must accomplish the following:		
Benefits	1,164			
Premium Pay				
Other				
Total Personal Services	11,172			
Travel		<ol style="list-style-type: none"> Identify all retirees age 65 or more in the PERS and TRS. Generate notification letter to each retiree identified explaining monthly benefit check will be increased by the amount of Medicare Part B premiums. Increase monthly benefit by premium amount and maintain appropriate percentages for other benefit components. Identify other retirees as they turn age 65 and notify them as in 2 above and increase benefit as in 3 above. 		
Contractual				
Commodities				
Equipment				
Other				
Total Cost				
Funding Source for Total Cost				
Federal Receipts	1002			
G. F. Match	1003			
General Fund	1004			
I-A Receipts	1006			
CIP Receipts	1061			
Other				

4/11B4/012901-9/1

**Request For
New Position**

Agency Administration
 BRU Retirement and Benefits
 Component Retirement and Benefits

Page 1 of 1
 Revised Date

FY 91

Page 4 of 4

H B

136

HOUSE COMMITTEE ON STATE AFFAIRS

RECAP OF
HB 136

Rural Alaska TV Network Council

Received February 1, 1989
by Reps. M. Davis and Menard

Heard April 13, 1989
Heard January 24, 1990

Committee Substitute adopted January 24, 1990

Passed Out of Committee January 24, 1990
6 Do Pass

TABLE OF CONTENTS

HB 136: Rural Alaska TV Network Council

- Item 1:** HB 136 by M. Davis and Menard
CS SSHB136 (SA)
- Item 2:** Fiscal Note by Department of Administration
- Item 3:** Letter from Rep. M. Davis, January 25, 1989
- Item 4:** Letter from Maniilaq Association, February 9, 1989
- Item 5:** Memorandum from Rep. Boucher re: Draft CSHB 136 (SA), January 24, 1990
- Item 6:** Letter from Nellie Vale, RATNet Board Member, January 23, 1990

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

POUCHY - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

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

Mary Van Nimwegen

HB 136

House State Affairs

4/13/89

Item 1

Introduced: 2/1/89
Referred: State Affairs
and Finance

6-0492A

= Deleted Language

1 IN THE HOUSE

BY M.DAVIS AND MENARD

2

HOUSE BILL NO. 136

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to the Rural Alaska Television

7

Network Council."

8

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

9

* Section 1. AS 39.50.200(b) is amended by adding a new paragraph to

10 read:

11

(50) Rural Alaska Television Network Council (AS 44.21.-

12

500).

13

* Sec. 2. AS 44.21.320(c) is amended to read:

14

(c) Decisions and policies relating to programming under the

15

satellite television project, including scheduling and allocation

16

policies, may not be made by the department, but may only be made by

17

the Rural Alaska Television Network Council established under AS 44.-

18

21.500 [A NETWORK THAT IS REPRESENTATIVE OF PARTICIPATING RURAL TELE-

19

VISION USERS, BY COMMERCIAL BROADCAST USERS OR BY OTHER AFFECTED

20

PARTICIPATING USER GROUPS AND ENTITIES UNDER PROCEDURES PROVIDED BY

21

STATUTE OR, IF NO STATUTE APPLIES, THEN BY AGREEMENT OF THE AFFECTED

22

USER NETWORKS OR GROUPS. THE DEPARTMENT SHALL ASSIST USERS IN PREPAR-

23

ING AGREEMENTS THAT MAY BE REQUIRED UNDER THIS SUBSECTION].

24

* Sec. 3. AS 44.21 is amended by adding a new section to read:

25

ARTICLE 9. RURAL ALASKA TELEVISION NETWORK COUNCIL.

26

Sec. 44.21.500. RURAL ALASKA TELEVISION NETWORK COUNCIL. (a)

27

There is established in the Department of Administration the Rural

28

Alaska Television Network Council. The council consists of 17 mem-

29

bers, including a consumer representative from each of the 12 areas in

1 the state served by the regional Native corporations organized under
2 43 U.S.C. 1601 - 1628 (Alaska Native Claims Settlement Act) appointed
3 by the governor, two members from the general public appointed by the
4 governor, the president of the University of Alaska or the president's
5 designee, the commissioner of education or the commissioner's
6 designee, and one member appointed by the chair of the Alaska Public
7 Broadcasting Commission.

8 (b) Except for the representatives of the University of Alaska
9 and of the Department of Education, members serve for staggered terms
10 of three years. A vacancy shall be filled for the balance of the
11 unexpired term and shall be made in the same manner as the original
12 appointment. A member may not serve more than two consecutive full
13 terms.

14 (c) Council members serve without compensation but are entitled
15 to receive per diem and travel expenses authorized by law for members
16 of boards and commissions under AS 39.20.180.

17 (d) The council shall

18 (1) establish procedures for its operation; and

19 (2) set policy and make programming decisions for the
20 satellite television project under AS 44.21.320(c).

21 (e) In this section "council" means the Rural Alaska Television
22 Network Council.

23 * Sec. 4. AS 44.66.010(a) is amended by adding a new paragraph to read:

24 (17) Rural Alaska Television Network Council -- June 30,
25 1992.

26 * Sec. 5. EXISTING MEMBERSHIP OF RATNET. The members currently serving
27 on the Rural Alaska Television Network Council shall continue to serve
28 until their terms terminate. The current members, other than the represen-
29 tatives of the University of Alaska and of the Department of Education,

1 shall draw lots at the next council meeting to determine which five members
2 will serve until June 30, 1990, which five members will serve until
3 June 30, 1991, and which five members will serve until June 30, 1992. The
4 terms ending in 1990 and 1991 are not full terms for purposes of AS 44.-
5 21.500(b), enacted by sec. 3 of this Act.

Original sponsor(s): REP. M.DAVIS, Menard

1 IN THE HOUSE BY THE STATE AFFAIRS COMMITTEE
 2 CS FOR HOUSE BILL NO. 136 (State Affairs)
 3 IN THE LEGISLATURE OF THE STATE OF ALASKA
 4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Rural Alaska Television
7 Network Council."

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

9 * Section 1. AS 39.50.200(b) is amended by adding a new paragraph to
10 read:

11 (50) Rural Alaska Television Network Council (AS 44.21.-
12 500).

13 * Sec. 2. AS 44.21.320(c) is amended to read:

14 (c) Decisions and policies relating to programming under the
 15 satellite television project, including scheduling and allocation
 16 policies, may not be made by the department, but may only be made by
 17 the Rural Alaska Television Network Council established under AS 44.-
 18 21.500 [A NETWORK THAT IS REPRESENTATIVE OF PARTICIPATING RURAL TELE-
 19 VISION USERS, BY COMMERCIAL BROADCAST USERS OR BY OTHER AFFECTED
 20 PARTICIPATING USER GROUPS AND ENTITIES UNDER PROCEDURES PROVIDED BY
 21 STATUTE OR, IF NO STATUTE APPLIES, THEN BY AGREEMENT OF THE AFFECTED
 22 USER NETWORKS OR GROUPS. THE DEPARTMENT SHALL ASSIST USERS IN PREPAR-
 23 ING AGREEMENTS THAT MAY BE REQUIRED UNDER THIS SUBSECTION].

24 * Sec. 3. AS 44.21 is amended by adding a new section to read:

25 ARTICLE 9. RURAL ALASKA TELEVISION NETWORK COUNCIL.

26 Sec. 44.21.500. RURAL ALASKA TELEVISION NETWORK COUNCIL. (a)
 27 There is established in the Department of Administration the Rural
 28 Alaska Television Network Council. The council consists of 17 mem-
 29 bers, including

1 (1) a consumer representative from each of the 12 areas in
2 the state served by the regional Native corporations organized under
3 43 U.S.C. 1601 - 1628 (Alaska Native Claims Settlement Act) appointed
4 by the governor; each corporation shall recommend a person to the
5 governor for the appointment; the governor shall appoint the recom-
6 mended person or request another recommendation from the corporation;

7 (2) two members from the general public appointed by the
8 governor;

9 (3) the president of the University of Alaska or the presi-
10 dent's designee;

11 (4) the commissioner of education or the commissioner's
12 designee; and

13 (5) one member appointed by the chair of the Alaska Public
14 Broadcasting Commission.

15 (b) Members serve for staggered terms of three years. A vacancy
16 shall be filled for the balance of the unexpired term and shall be
17 made in the same manner as the original appointment.

18 (c) Council members serve without compensation but are entitled
19 to receive per diem and travel expenses authorized by law for members
20 of boards and commissions under AS 39.20.180.

21 (d) The council shall

22 (1) establish procedures for its operation; and

23 (2) set policy and make programming decisions for the
24 satellite television project under AS 44.21.320(c).

25 (e) In this section "council" means the Rural Alaska Television
26 Network Council.

27 * Sec. 4. EXISTING MEMBERSHIP OF RATNET. The members currently serving
28 on the Rural Alaska Television Network Council shall continue to serve
29 until their terms terminate. The current members shall draw lots at the
30 CSHB 136(SA)

1 next council meeting to determine which six members will serve until
2 June 30, 1992, which six members will serve until June 30, 1993, and which
3 five members will serve until June 30, 1994.

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Item 2

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Act relating to the Rural
Alaska Television Network Council
Sponsor: Rep. M. Davis
Requestor: _____

Agency Affected: Administration
BRU: Information Services
Components: RATNET

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Fiscal impact for FY90 is zero. Since this Bill does not change the number of Council members or operationally affect the Department, there is no fiscal impact.

Prepared by: Paul Monette, Director Phone: 465-2220
Division: Information Services Date: 01/23/90
Approved by Commissioner: Frank S. Baxter Date: 1/23/90
Agency: Administration

Distribution (by preparer):

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

January 25, 1989

Dear Legislator,

Enclosed please find House bill #136 which would create some important changes in the RATNET Council.

The Governor's office informs us that the RATNET Council is the only board or commission that is not established in statutes. This bill would accomplish that.

While this bill would keep the numbers and types of members the same, it would give the Governor authority to appoint all but three of the council members. Those three would be appointed by the university president, the commissioner of education and the chair of the Public Broadcasting Commission. Presently, twelve of the members are appointed directly from regional nonprofit native corporations. The 12 non profit regions would continue to be represented under the bill. But the Governor would make the appointments.

Council members today have no term of office; they serve for life. This bill would set up three-year staggered terms for members to serve. Members would be limited to two consecutive terms, except for members named by the university president and commissioner of education. Their candidates are expected to be university or department employees.

Terms would be set for existing council members who would draw lots to establish one, two and three year seats. Their present service would not count towards the limit on the number of terms.

Please take a moment to look over the proposal. If you have any questions or comments, Give my office a call.

Respectfully,

Rep. Mike Davis

Maniilaq Association

P.O. Box 256
Kotzebue, Alaska 99752
(907) 442-3311

February 9, 1989

Honorable Eileen Maclean, Representative
House of Representatives
P.O. Box V
Juneau, Alaska 99811

Dear Eileen:

I have reviewed HB 136 which is "An Act relating to the Rural Alaska Television Network Council".

For the past four years I have been the RATNET Council Representative for the Northwest Arctic Borough, with Reggie Cleveland of Shungnak as Alternate. This position is important for this region due to the village concerns that are brought to each meeting.

My concern is the three year staggered term that HB 136 is stating for the regional Native corporation representatives. This gives the representatives from the Department of Education, and the University of Alaska, NO terms.

I would like to point out that we need continued membership as it already stands from the regional corporations to keep abreast the information received from the Alaska Satellite Television Network. We also need representatives who are familiar with the actions that take place in the RATNET meetings.

I would like to see NO CHANGES made in the EXISTING MEMBERSHIP OF RATNET for the regional corporations. In other words...Kill the Bill! It should be left to the regional corporations to decide who they want on the RATNET Council as their representatives and for whatever terms they make for their representatives.

It is a privilege to represent Maniilaq Association and the Northwest Arctic Borough on the RATNET Council, and I hope that you will support my recommendation.

Please call me if you have any questions at 442-3311. Thank you.
Sincerely,



Linda K. Davidovics, Maniilaq Representative
on the RATNET Council for the Northwest
Arctic Borough

cc: Marie N. Greene, President
Reggie Cleveland, RATNET Alternate
AA/LD/TXTHELEN

MEMBER VILLAGES

Iktuappuat, Nunamiq, Ipmatchuaq, Kutyaak, Kivalong, Luayvik, Qikiqtaruk, Nautaaq, Nuurvik, Akuligaq, Ismaaq
Ambler, Buckland, Daring, Kiama, Kiviana, Kobuk, Kotzebue, Noatak, Nuorvik, Selawik, Shungnak

Item 5



Alaska State Legislature

House

Official Business

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

MEMORANDUM

TO: RATNet Council Members

FROM: Representative H.A. "Red" Boucher, Chair
House State Affairs

DATE: January 24, 1990

RE: Draft CSHB 136(SA)

You will recall the House State Affairs Committee held one public hearing on HB 136 last session. At that hearing and in subsequent discussions, members of the RATNet Council expressed their concerns over certain provisions in HB 136. Those concerns related to:

- 1) ensuring that regional appointees were selected from recommendations made by each of the 12 regional;
- 2) that all members of the Council serve terms on an equal basis; and
- 3) since the Council is viewed as a general government activity, it should not be terminated under AS 44.66.010. There are only a few boards and commissions that fall under that statute such as the Older Alaskans Commission.

In response to the above concerns, Representative Eileen MacClean proposed several amendments to HB 136 and I have incorporated those into a draft committee substitute.

The following compares HB 136 with the new CSHB 136(SA).

Work Draft CSHB 136(SA)

Section 1. No change from HB 136

Section 2. No change from HB 136

Section 3. Language is added in CSHB 136(SA) requiring the governor to make appointments based on recommendations given by the 12 regional Native corporations.

Language is deleted in HB 136^g Section 3(b) referring to exceptions for staggered terms. In the CSHB 136(SA) all members serve for staggered terms of three years.

Section 4. Refers to membership in RATNet. Under provisions set out in the draft CSHB 136(SA), current members would continue to serve until their terms end. After the term ends, each member could again be appointed to the Council by the governor. Since all members serve equally, the number of members whose terms end in 1992, 1993 and 1994 are 6, 6 and 5.

Note that Section 4 in HB 136^g was deleted. Under this section, the Council would have terminated on June 30, 1992 unless the legislature reestablished it.

General Comments: CSHB 136(SA)

Section 1: Brings the RATNet Council under AS 39.50.200 ~~(b)~~ Conflict of Interest Statute. You must file a financial disclosure statement within 30 days after taking office.

Section 2: Specifies that the Council makes all decisions and policies relating to programming. Existing statutory language was confusing since it designated several user groups as policy and decision makers.

6-0492H
Cramer
1/18/90

Original sponsor(s): REP. M.DAVIS, Menard

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 136 (State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Rural Alaska Television
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20 PARTICIPATING USER GROUPS AND ENTITIES UNDER PROCEDURES PROVIDED BY
21 STATUTE OR, IF NO STATUTE APPLIES, THEN BY AGREEMENT OF THE AFFECTED
22 USER NETWORKS OR GROUPS. THE DEPARTMENT SHALL ASSIST USERS IN PREPAR-
23 ING AGREEMENTS THAT MAY BE REQUIRED UNDER THIS SUBSECTION].

24 * Sec. 3. AS 44.21 is amended by adding a new section to read:

25 ARTICLE 9. RURAL ALASKA TELEVISION NETWORK COUNCIL.

26 Sec. 44.21.500. RURAL ALASKA TELEVISION NETWORK COUNCIL. (a)

27 There is established in the Department of Administration the Rural
28 Alaska Television Network Council. The council consists of 17 mem-
29 bers, including

1 (1) a consumer representative from each of the 12 areas in
2 the state served by the regional Native corporations organized under
3 43 U.S.C. 1601 - 1628 (Alaska Native Claims Settlement Act) appointed
4 by the governor; each corporation shall recommend a person to the
5 governor for the appointment; the governor shall appoint the recom-
6 mended person or request another recommendation from the corporation;

7 (2) two members from the general public appointed by the
8 governor;

9 (3) the president of the University of Alaska or the presi-
10 dent's designee;

11 (4) the commissioner of education or the commissioner's
12 designee; and

13 (5) one member appointed by the chair of the Alaska Public
14 Broadcasting Commission.

15 (b) Members serve for staggered terms of three years. A vacancy
16 shall be filled for the balance of the unexpired term and shall be
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next council meeting to determine which six members will serve until June 30, 1992, which six members will serve until June 30, 1993, and which five members will serve until June 30, 1994.



Dellie Vale, Ratnet
CCTHITA Rep.
P.O. Box 193
Yakutat, AK. 99689

Rep. Redi Boucher
P.O. Box V
Juneau, AK. 99811

January 23 '90

Dear Rep. Boucher,

Today while speaking
with Dennis in your office
I was given a copy of the
revised HB 136 that you are
having a hearing on tomorrow
Jan. 24 '90. I'm sorry I cannot
stay to testify, but I will
be enroute to Yakutat - check-
in @ 9AM tomorrow.

I would like to say that
I now addresses the concerns
we (Ratnet Council) had at our
last teleconference with you
via our meeting in Anchorage.

It gives each regional
Native Corp the authority of

selection, equal terms for all Ratnet Reps., and clearly defined programming as Ratnet's responsibility.

The one point I would like to make is that Tony Ramer, our Ratnet Coordinator, did have a concern about having to break in new Ratnet members every year. It would be time consuming and take awhile for new, inexperienced Board members to feel comfortable in their positions and responsibilities.

But if the different Regions, State Dept., etc. are able to recommend their Reps. for more than one term it should eliminate this from happening.

Thank-you for the opportunity to make comments and listening to our point of view. We appreciate you and your staff's efforts.

Sincerely,
Dellie Vale

cc. Central Council 7/10/81