

ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990 8672
6753 SENATE TRANSPORTATION

157

State Safety Belt Use Laws**

State/ Effective Date	Coverage	Waivers	Penalties	Damages/Evidence	Public Education Campaign	Other Provisions
Maryland 7/1/86 As Amended 7/1/87	Driver and front seat outboard passengers.	Vehicles not required to be equipped with safety belts; persons with medical excuses; vehicles not defined as passenger vehicle or multi-purpose vehicle; and letter carriers.	Maximum fine of \$25.00, including court costs. Enforcement as secondary action only.	Non-compliance may not be considered negligence, or limit liability, or diminish recovery for damages. This law may not be construed to limit right of person to institute a civil action for damages. Requires separate trials under certain circumstances.	Yes.	Administration shall include information on the state's experience with the law, and report its findings in the annual Highway Safety Plan to NHTSA and FHWA. Enactment of this law is intended to be compatible with support for federal safety standards requiring automatic crash protection and should not be used to rescind federal requirements for automatic restraints.
Michigan (T) 7/1/85	Driver and front seat passengers.	Vehicles manufactured before 1/1/65; buses, motorcycles, mopeds; persons with medical excuses; vehicles not required to be equipped with safety belts; rural letter carriers; commercial vehicles; and postal vehicles that make frequent stops.	\$25.00 fine, including court costs. Enforcement as a secondary action. No points.	Non-compliance may be considered as evidence of negligence and may be introduced to mitigate damages; providing damages are not reduced by more than 5 percent.	Yes.	Law will not apply after 4/1/89, if federal government requires passive restraints.
Minnesota 8/1/86 As Amended 5/1/88	Driver, front seat passengers and rear seat passengers under age 11.	School bus; bus; vehicles designed to operate on railroad tracks; vehicles operated in reverse; persons with medical excuses; persons making frequent stops at less than 25 mph; rural postal carriers; vehicles manufactured prior to 1/1/65; and persons driving pickup trucks used in farm work.	\$10.00 fine. Enforcement as a secondary action only. No points.	No provision.	No provision.	Provides that law should not be used to rescind federal 8/1/86 automatic crash protection system requirements. Proceeds from the fines will be used for emergency medical services.

State Safety Belt Use Laws**

State/ Effective Date	Coverage	Waivers	Penalties	Damages/Evidence	Public Education Campaign	Other Provisions
Missouri 9/28/85 AS Amended 6/8/88	Driver and front seat passengers.	Letter carriers; persons with medical excuses; vehicles manufactured before 1/1/68; and persons making frequent stops.	\$10.00 fine. No court costs. Enforcement as a secondary action only. No points.	Non-compliance shall be considered evidence of comparative negligence, but may be introduced to mitigate damages under certain circumstances.	Yes.	The Department of Public Safety shall evaluate the effectiveness of this law and report its findings in its Highway Safety Plan to NHTSA and FHWA.
Montana 1/1/88	Driver and all passengers.	Persons with medical excuses and vehicles that make frequent stops.	\$20.00 fine beginning 1/1/88. No points. Enforcement as a secondary action only.	Non-compliance shall not be admissible in any actions for damages, nor does failure to comply constitute negligence.	Yes.	Law prohibits increasing insurance premiums due to violation of safety belt law.
Nevada 7/1/87	Driver and all passengers.	Vehicles not required to be equipped with safety belts; rural letter carriers; persons that make frequent stops; persons riding in public transportation, including bus, school bus, or emergency vehicle; persons with medical exemptions; and vehicles with unladen weight over 6,000 lbs.	Maximum fine of \$25.00, or community service work. No points. Enforcement as secondary action only.	Non-use of belts shall not constitute negligence or be considered as misuse of a product in any action brought to recover damages.	No provision.	Law will expire if US DOT rescinds the automatic restraint requirements of FMVSS 208, unless such decision is not based on enactment or operation of this law. Superintendent of public instruction shall conduct a study to determine merits and feasibility of seat belts, additional padding or other safety restraints in school buses and report findings to 65th legislature.

State Safety Belt Use Laws**

State/ Effective Date	Coverage	Waivers	Penalties	Damages/Evidence	Public Education Campaign	Other Provisions
New Jersey 3/1/85	Driver and front seat passengers.	Vehicles not required to be equipped with safety belts; vehicles manufac- tured before 7/1/66; ru- ral letter carriers; and persons with medical excuses.	Maximum fine of \$20.00. Enforcement only as a secondary action. No points.	This Act shall not change existing laws, rules or procedures pertaining to a trial or civil action for damages for personal injuries or death sus- tained in a motor vehicle accident.	Yes.	None.
New Mexico 1/1/86	Driver and front seat passengers.	Persons with medical ex- cuses; rural letter carriers; trailers; school buses; trucks; vehicles not required to be equipped with safety belts; vans; pickups; and multi- purpose vehicles	Fine of \$25.00 to \$50.00, including court costs. No points.	Non-compliance shall not constitute fault or negligence and shall not limit or apportion damages.	Yes.	The transportation department shall evaluate the effectiveness of the law and report its find- ings in its Highway Safety Plan to NHTSA and FHWA.
New York *1T) 12/1/84	Driver, front seat passengers and rear seat passen- gers under age 10.	Persons with medical ex- cuses; taxis; liveries; tractors; trucks of 18,000 lbs. or over; buses; school buses; and emergency vehicles.	Maximum fine of \$50.00	Non-compliance is not admissible as evidence with regard to liability, but may be introduced in mitigation of damages if the party introducing the evidence has pleaded the non-compliance as an affirmative defense.	Yes.	None.

State Safety Belt Use Laws**

State/ Effective Date	Coverage	Waivers	Penalties	Damages/Evidence	Public Education Campaign	Other Provisions
North Carolina 10/1/85 As Amended 7/16/87	Driver and front seat passengers.	Persons with medical ex- cuses; rural letter carriers; persons mak- ing frequent stops; vehicles not required to be equipped with safety belts; and any vehicle registered and licensed while being used for agricultural or commer- cial purposes.	\$25.00 fine. No court costs. No points.	Non-compliance shall not constitute negligence or contributory negli- gence in any action to recover damages.	Yes.	The law will cease to exist if a final determination by lawful authority is made that the law does not meet the minimum criteria established by the US DOT for state mandatory safety belt usage laws necessary to rescind the federal rule requiring automatic restraints. The DOT, through the Governor's Highway Safety Program, shall evaluate the effectiveness of the law and report its findings no later than 10/1/88.
Ohio(T) 5/6/86 As Amended 1/5/88	Driver and front seat passengers.	Vehicles not required to be equipped with safety belts; employees of post- al service or newspaper delivery services; per- sons with medical exemp- tions; and vehicles equipped with air bags.	\$20.00 fine to driver for failure to wear own belt, plus \$10.00 for each passenger violation to total of \$30.00; \$10.00 to each front seat passen- ger for failure to wear belt. Fines waived if violation views safety belt educational film prior to court appear- ance. Enforcement as secondary action only.	Non-compliance shall not constitute negligence, limit recovery for damages, be used as ba- sis for criminal prose- cution or be admissible as evidence in any court proceeding, unless a claim is brought for <u>all</u> the following reasons: to recover damages for injury or death; defect in car; and, defendant is manu- facturer.	Yes.	None.

State Safety Belt Use Laws**

State/ Effective Date	Coverage	Waivers	Penalties	Damages/Evidence	Public Education Campaign	Other Provisions
Oklahoma 2/1/87 As Amended 3/1/89 ¹	Driver and front seat passengers.	Persons with medical ex- cuses; postal carriers; trucks; truck-tractors; and recreational vehicles ¹ .	\$10.00 fine and \$15.00 court costs. Enforcement as secondary action only. No points.	Non-use of belts may not be submitted into evi- dence in civil suit or may not be used in any civil proceeding.	Yes.	Department of Public Safety shall evaluate the effectiveness of this law and provide a report in its Highway Safety Plan to NHTSA and FHWA.
Pennsyl- vania 11/13/87	Driver and front seat passengers.	Vehicles manufactured before 7/1/66; persons with medical excuses; letter carriers; persons who make frequent stops; and vehicles over 7,000 lbs., and classified as Class 3-25 vehicles.	\$10.00 fine. No points. Enforcement as a secondary action only.	Non-compliance shall not be admissible as evidence in any civil action.	Yes.	Law cannot be used in any manner to rescind federal automatic crash protection system requirements. Law is inoperative if US DOT rescinds FMVSS 208, under certain circumstances. Prohibits insurer from charg- ing a policyholder who has been convicted of violating safety belt use law a higher premium. The Department shall submit a report to the General Assembly on the effects of the law.

¹ Amendment providing that vans and pickup trucks are covered under safety belt use law is effective 3/1/89.

State Safety Belt Use Laws**

State/ Effective Date	Coverage	Waivers	Penalties	Damages/Evidence	Public Education Campaign	Other Provisions
Tennes- see 4/21/86	Driver and front seat passengers.	Vehicles over 8,500 lbs.; persons with medical excuses; rural letter carriers; certain dealerships involved in test drives; ve- hicles manufactured before 1969 KY; vehicles operated in reverse; utility meter readers; persons engaged in news- paper delivery; and vehicles not required to be equipped with safety belts.	\$25.00 fine. Fines only levied on second or later violation; first offense, warning ticket only. No points. Enforcement as secondary action only.	Non-compliance shall not be considered contribu- tory negligence or be admissible as evidence in any civil trial. Shall not be construed to relieve the manu- facturer from any product liability.	Yes.	Passage of this law provides that the population of this state will be included towards the required percentage of persons necessary to avoid federal regulations mandating the imposition of safety devices or regulations. Law will be null and void if US DOT does not include Tennessee within the popula- tion required to prevent federal air bag rule. On or before 7/1/89, division of state audit will review and evaluate the implementation, impact and efficacy of this law and report its findings to Senate and House govern- ment operations committees. On or before 1/31/89, the Senate and House government operations committees will jointly conduct at least one public hearing on these findings, and make recom- mendations as to whether the law should be repealed 6/30/90. Law is automatically repealed effective 6/30/90.
Texas 9/1/85	Driver and front seat passengers.	Persons with medical ex- cuses; postal carriers; and trucks with manufac- turer's rated carrying capacity over 1,500 lbs.	Fines between \$25.00 and \$50.00. No points.	Non-compliance shall not be admissible as evidence in a civil trial.	Yes.	None.

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State Safety Belt Use Laws**

State/ Effective Date	Coverage	Waivers	Penalties	Damages/Evidence	Public Education Campaign	Other Provisions
Utah(T) 4/28/86	Driver and front seat passengers.	Persons with medical excuses; vehicles not required to be equipped with safety belts; vehicles manufactured prior to 7/1/66; rural letter carriers; and persons making frequent stops.	\$10.00 fine. No points. Enforcement as secondary action only.	Non-compliance shall not constitute contributory or comparative negligence, and may not be introduced as evidence in any civil action in the issue of damages.	No provision.	None.
Virginia (T) 1/1/88	Driver and front seat passengers.	Persons with medical excuses; police officers; rural letter carriers; delivery drivers; and taxicab drivers.	\$25.00 fine. No court costs. Secondary enforcement only. No points.	Non-compliance shall not constitute negligence, be considered in mitigation of damages, or be admissible as evidence.	Yes.	None.
Washington (T) 6/11/86	Driver and all passengers.	Persons with medical excuses and vehicles not required to be equipped with safety belts. Commission on Equipment may adopt rules exempting from the law occupants of farm and construction equipment, or persons who make frequent stops.	Minimum fine of \$25.00. No points. Enforcement as secondary action only.	Non-compliance does not constitute negligence or is admissible as evidence in any civil action.	No provision.	Traffic Safety Commission will undertake a study of the law's effectiveness and report its findings to the legislative transportation committee by 1/1/89.

State Safety Belt One Laws**

State/ Effective Date	Coverage	Waivers	Penalties	Damages/Evidence	Public Education Campaign	Other Provisions
Wisconsin (T) 12/1/87	Driver and all passengers.	Persons with medical emergency vehicles; taxicabs; farm trucks; rural letter carriers; and vehicles operated by delivery persons.	\$10.00 fine. No points.	Evidence regarding non-compliance shall be admissible in a civil action, but does not by itself constitute negligence.	Yes.	Law is automatically repealed effective 6/30/89. Law is not intended to be counted by US DOT to affect the applicability of federal automatic occupant restraint requirements.
D.C. (T) 12/12/85	Driver and front seat outboard passenger.	Vehicles with seating capacity over 8; farm vehicles; vehicles manufactured prior to 7/1/66; and persons with medical excuses.	Maximum \$15.00 fine. Enforcement as secondary action only. No points.	Non-compliance shall not constitute evidence of contributory negligence, be a basis for a civil action for damages, or be used as a basis for mitigating damages in a civil liability suit.	Yes.	Law expires immediately if US DOT rescinds the federal automatic restraint requirements of FMVSS 208 unless such decision is not based on enactment or operation of this law.

SOURCE: MVMA
State Relations Department
December, 1988

(T)-Pertains to driver and front seat passengers of heavy duty trucks and automobiles.

*-Pertains to trucks under 18,000 pounds only.

** -Note: For final reliance, check the actual law copy.

SHD/D

STATE SAFETY BELT USE LAWS - PROGRAM EVALUATION AND SUNSET PROVISIONS

<u>STATE</u>	<u>EVALUATION PERIOD</u>	<u>RESPONSIBILITY</u>	<u>SUNSET</u>
California	None	Not applicable	Yes ¹
Colorado	None	Not applicable	Yes ⁴
Connecticut	None	Not applicable	No
Florida	None	Not applicable	No
Georgia	None	Not applicable	No
Hawaii	Annually 1987-91	State Dept. of Transportation & Insurance Commissioner	No
Idaho	Annually	Dept. of Transportation	No
Illinois	None	Not applicable	No
Indiana	Annually until 1/1/90	Division of Traffic Safety	No
Iowa	None	Not applicable	No
Kansas	Annually	Secretary of Transportation	No
Louisiana	None	Not applicable	No
Maryland	Annually	State Dept. of Transportation & Insurance Commissioner	No
Michigan	None	Not applicable	Yes ⁵
Minnesota	None	Not applicable	No
Missouri	Annually	Dept. of Public Safety	No
Montana	None	Not applicable	No
Nevada	None	Not applicable	Yes ¹
N. Jersey	None	Not applicable	No
N. Mexico	Annually	Dept. of Transportation	No
N. York	None	Not applicable	No
N. Carolina	Before 10/1/88	Governor's Highway Safety Office	Yes ⁶
Ohio	None	Not applicable	No
Oklahoma	Annually	Dept. of Public Safety	No
Pennsylvania	Before 8/3/89	Dept. of Transportation	Yes ¹
Tennessee	Before 1/1/89	Div. of State Audit - Office of Comptroller	Yes ^{1,2}
Texas	None	Not applicable	No
Utah	None	Not applicable	No
Virginia	None	Not applicable	No
Washington	Before 1/1/89	Traffic Safety Commission	No
Wisconsin	Before 1/1/89	Legislative Council	Yes ³
D.C.	None	Not applicable	Yes ¹

1 If FMVSS 208 is rescinded.

2 June 30, 1990.

3 June 30, 1989

4 Law is repealed on 7/1/89 unless statistics show reduction in highway deaths.

5 Law is repealed on 4/1/89 if federal government requires passive restraints.

6 Law is repealed if a final determination by lawful authority is made that the law does not meet minimum criteria established by US DOT necessary to rescind federal rule requiring automatic restraints.

MVMA State Relations Department

December, 1988

8:19

STATE SAFETY BELT USE LAWS - COVERED VEHICLES

<u>STATE</u>	<u>CARS</u> ¹	<u>VANS</u> ²	<u>PICKUP TRUCKS</u> ²	<u>MEDIUM/HEAVY DUTY TRUCKS</u> ³	<u>MPVs</u>
California	Yes	Yes-under 6,000 lbs	Yes-under 6,000 lbs	No	Yes-under 6,000 lbs
Colorado	Yes	Yes	Yes	No	Yes
Connecticut	Yes	Yes ⁴	Yes ⁴	No	Yes ⁴
Florida	Yes	Yes-under 5,000 lbs	Yes-under 5,000 lbs	No	Yes-under 5,000 lbs
Georgia	Yes	No	No	No	No
Hawaii	Yes	Yes	Yes	Yes	Yes
Idaho	Yes	Yes-under 5,000 lbs	Yes-under 8,000 lbs	No	Yes-under 8,000 lbs
Illinois	Yes	Yes	Yes	Yes	Yes
Indiana	Yes	Yes	No	No	Yes
Iowa	Yes	Yes	Yes	Yes	Yes
Kansas	Yes	Yes-under 12,000 lbs	Yes-under 12,000 lbs	No	Yes-under 12,000 lbs
Louisiana	Yes	Yes	Yes	No	No
Maryland	Yes	Yes	Yes	No	Yes
Michigan	Yes	Yes	Yes	Yes	Yes
Minnesota	Yes	Yes	Yes	No	Yes
Missouri	Yes	Yes	Yes	No	Yes
Montana	Yes	Yes	Yes	Yes	Yes
Nevada	Yes	Yes-under 6,000 lbs	Yes-under 6,000 lbs	No	Yes-under 6,000 lbs
N. Jersey	Yes	No	No	No	No
N. Mexico	Yes	No	No	No	No
N. York	Yes	Yes	Yes	Yes-under 18,000 lbs	Yes
N. Carolina	Yes	Yes	Yes	No	Yes
Ohio	Yes	Yes	Yes	Yes	Yes
Oklahoma	Yes	Yes	Yes ⁵	No	No
Pennsylvania	Yes	Yes-under 7,000 lbs	Yes-under 7,000 lbs	No	Yes-under 7,000 lbs
Tennessee	Yes	Yes-under 8,500 lbs	Yes-under 8,500 lbs	No	Yes-under 8,500 lbs
Texas	Yes	Yes ⁴	Yes ⁴	No	Yes ⁴
Utah	Yes	Yes	Yes	Yes	Yes
Virginia	Yes	Yes	Yes	Yes	Yes
Washington	Yes	Yes	Yes	Yes	Yes
Wisconsin	Yes	Yes	Yes	Yes	Yes
D.C.	Yes	Yes	Yes	Yes	Yes

1 Manufactured after 1/1/67 and designated as a 1968 model.

2 Manufactured after 7/1/71 and designated as a 1972 model

3 Manufactured after 1972 and required to be equipped with safety belts.

4 Van, pickup truck and MPVs are covered if the vehicle has a manufacturer's rated carrying capacity of not more than 1,500 lbs.

5 Pickup trucks with commercial license tags are excluded.

MVMA State Relations Department

December, 1988

8:18

Buckle-up bill passes House vote

By LARRY PERSLY
The Associated Press

JUNEAU — The House Tuesday passed mandatory seatbelt legislation, despite protests from rural lawmakers who said the measure is not practical in small communities with few roads or cars.

"The rural areas of the state of Alaska are under much different conditions than urban centers with highways and high-speed traffic," said Rep. Lyman Hoffman, D-Bethel.

The legislation would require drivers and passengers of most vehicles to buckle up, if the vehicles have seatbelts installed.



Martin

Hoffman

Failure to use a seatbelt would result in a maximum \$15 fine, although the courts could waive the fine if the person makes a donation of the same amount to the emergency medical services agency in their area.

School bus and emergency vehicle passengers would be exempt from the new law, as would drivers of mail and newspaper curbside delivery vehicles.

House Bill 105 passed 23-14 and goes next to the Senate for its consideration. It is sponsored by House Speaker Sam Cotten, D-Eagle River.

Police could not stop a driver just to determine compliance with the seatbelt law, Cotten said. Tickets for failure to use seatbelts could be issued only if the driver were stopped for another violation.

"We look forward to the state Senate passing this im-

portant safety legislation and making Alaska the 32nd state to have a safety belt use law," said Frank Bickford, executive director of the Alaska Safety Belt Use Coalition.

Similar legislation passed the House last session, but died in the Senate.

"I'm against passage of this legislation," Rep. Kay Wallis, D-Fort Yukon, told her colleagues during Tuesday's two-hour debate on the bill. "We have no business to dictate through legislation what the citizens of this state do in the privacy of their cars."

Please see Page C-1, BUCKLE

BUCKLE UP: Bill passes

Continued from Page C-1

Education is the best way to promote the use of seatbelts, she said.

"Here again we have a situation where rural Alaska wants to separate itself from urban Alaska," said Rep. Terry Martin, R-Anchorage.

"Rural Alaskans in the past have voted for bills they were absolutely opposed to, as long as they were exempt," Martin said.

Most traffic accidents occur close to home, whether that home is urban or rural, said Rep. Virginia Collins, R-Anchorage, who supported the bill.

Mandatory seatbelt legislation "has the potential to save as many as 35 lives in Alaska each year," the Department of Public Safety reported in its testimony on the measure.

Opposition came from Rep. Dick Shultz, R-Tok. "I'm just concerned about people concerned about me. ... It really does bother me," he said of government interference with how people choose to run their lives.

Shultz and other House members offered a dozen amendments and amend-

"We have no business to dictate . . . what the citizens of this state do in the privacy of their cars."

— Rep. Kay Wallis

ments to amendments in an attempt to exempt rural communities from the law, but all failed.

An amendment offered by Rep. Fran Ulmer, D-Juneau, did pass. It would allow the Alaska Supreme Court to permit payment of a seatbelt fine by mail, without a court appearance. The amendment was offered to save people a trip to court to pay their fine.

Voting against the bill were Reps. Ramona Barnes, Mark Poyer, Cliff Davidson, Richan Foster, Peter Goll, Lyman Hoffman, Ron Larson, Eileen MacLean, Mike Miller, Fritz Pettyjohn, Bert Sharp, Dick Shultz, Robin Taylor and Kay Wallis.

DAILY NEWS 8-28-89

High court rules on seat belt use

'Comparative negligence' could affect money awards in civil suits

By Rosemary Pagano
Times Writer

Alaska's highest court has given motorists one more reason to buckle up: Not wearing seat belts could cost you money.

The Supreme Court ruled that failing to wear seat belts in vehicles equipped with them can be used to prove a motorist's own negligence for traffic accident injuries.

In a personal injury lawsuit, juries may adjust a monetary award according to each party's responsibility.

The court's decision was issued Friday. It stemmed from the Anchorage case of Charles Hutchins, who had sued Robert Schwartz for injuries suffered in a two-car crash.

At Hutchins' trial, Anchorage Superior Court Judge Milton M. Souter allowed jurors to hear testimony that Hutchins had not been wearing a seat belt. Later, the judge told jurors to disregard that evidence.

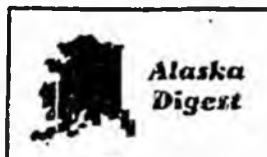
In deciding on a money award, the jury found that Hutchins was comparatively negligent for his injuries, which included bruises, cuts and a broken toe. Jurors awarded him \$1,537.00 in damages. Hutchins had asked for \$250,000.

He appealed by asking the Supreme Court to find, among other things, that Souter had made mistakes by initially admitting the seat belt testimony and then by denying Hutchins' request for a new trial or a verdict other than the one the jury had reached.

In an opinion by Justice Allen T. Compton, the Supreme Court upheld the jury's decision. Since the court decided comparative negligence can be shown when a motorist fails to wear seat belts, the Supreme Court also found Souter had made no error by allowing jurors to hear the seat belt testimony.

Alaska is among 24 states that have no law requiring adults to wear seat belts. Lobbyists like Frank Bickford, of the Alaska Safety Belt Use Coalition, said Friday's ruling could be useful in making the coalition's point that buckling not only saves lives but makes economic sense.

A-2—Daily News-Miner, Fairbanks, Alaska
Sunday, September 14, 1964



Court ties seat belt use to negligence

2 JUNEAU EMPIRE, MONDAY, SEPTEMBER 15, 1964

Alaska Supreme Court says not wearing seat belts is negligent

Metro Sunday

Anchorage Daily News Sunday, September 14, 1964

No seat belt means smaller injury claim

Court says unbelted motorist partly responsible for injuries

The Associated Press

The Alaska Supreme Court ruled Friday that a motorist involved in a traffic accident is partially responsible for his injuries if he fails to wear a seat belt.

The decision came in an Anchorage case in which Charles Hutchins sued Robert Schwartz for \$275,000 for injuries Hutchins sustained when his car and Schwartz's collided.

Hutchins suffered cuts on his head, bruises on his chest, knee and wrist, and a broken toe. In personal injury lawsuits, juries may adjust a monetary award according to each party's responsibility.

The jury decided Schwartz was 60 percent negligent in causing the accident, and Hutchins was 40 percent negligent. It awarded Hutchins \$1,900 in damages.

During the trial, Superior Court Judge Milton Souter allowed testimony that Hutchins was not wearing a seat belt. However, before the jurors began their deliberations, Souter ordered them to disregard the seat belt evidence.

Hutchins appealed the verdict, arguing that the seat belt testimony never should have been allowed.

Citing cases in Florida and Wisconsin, the Alaska Supreme Court said there is a demonstrable link between wearing seat belts and minimizing injuries.

"Automobile accidents are foreseeable," wrote Justice Allen Compton. "Therefore, if under the facts and circumstances of the case, a reasonably prudent person would have used a seat belt and if plaintiff suffered more severe injuries as a result of not wearing a seat belt, then the jury should be permitted to consider this factor in assessing damages."

The Supreme Court ruled that Souter's actions involving the seat belt evidence were appropriate.

Bill ties insurance rate to seat-belt use

By LARRY PERSILY
The Associated Press

JUNEAU — House members Thursday amended mandatory seat-belt legislation to include a 5 percent reduction in automotive insurance rates for bodily injury liability.

"It's an incentive for people to buckle up, because they'll save on their insurance," said Rep. Max Gruenberg, D-Anchorage and sponsor of the amendment.

The House already approved mandatory seat-belt legislation Tuesday, but the chamber reconsidered and amended the measure Thursday before sending it to the Senate.

Similar legislation passed the House last session, but died in the Senate.

Gruenberg's amendment says insurance companies doing business in Alaska must reduce bodily injury liability premiums by 5 percent one year after the seat-belt law takes effect.

The premium reduction was proposed to reflect the anticipated savings in medical claims because of increased seat-belt use, Gruenberg said.

Bodily injury liability coverage costs between \$100 and \$200 a year for most Alaskans, said Bob Sims of the state Insurance Division. A 5 percent rate cut would save drivers about \$5 to \$10 a year.

The amendment would allow insurance companies to seek the division's permission for a smaller rate decrease,

if they can show the seat-belt law has not cut costs enough to justify a 5 percent reduction.

The new law also would allow the division to order a larger rate reduction if a company finds that increased seat-belt use has resulted in greater savings than expected in medical claims, Gruenberg said.

Members offered four amendments to House Bill 105 in an hour-long debate Thursday that repeated much of the rhetoric from Tuesday's two-hour debate on the bill.

If approved by the Senate and Gov. Steve Cowper, the bill would impose a maximum \$15 fine on drivers and passengers for failure to use seat belts.

Answers on safety-belt backing

Recently there has been some confusion about the reasons why the auto industry is involved in safety belt legislation.

I would like to point out that the federal criteria necessary to exempt the auto manufacturers from the installation of air bags is very stringent. Although 31 states and D.C. have already passed safety belt use laws, less than 8 have met the criteria set up by the federal government. The proposed Alaska law meets 3 out of 7 of the necessary criteria and therefore, does not affect the air bag exemption.

The model 1990 vehicles will include some form of passive restraint which will consist of either automatic safety belt systems and/or air bags. The auto industry has always stressed the importance of wearing safety belts. They are installing air bags in

vehicles now as a supplement to safety belts, not as a replacement.

The Alaska Safety Belt Use Coalition makes no secret of the fact that our funding has always come from the auto industry. We advocate the passage of a safety-belt use law and promote the use of safety belts. We are a grass-roots movement comprised of over 8,000 individuals and 51 organizations representing a wide range of interests who believe that a safety-belt use law will save lives, decrease injuries and save the state of Alaska millions of dollars each year.

There has been a lot of speculation as to why the auto industry would fund safety belt use law efforts. I hope this will help answer the questions left unanswered by previous media reports.

— Frank Bickford, executive director
Alaska Safety Belt Use Coalition



Anchorage Daily News
Rep. Max Gruenberg

HB

156

SENATE COMMITTEE REPORT

FURTHER

3/20/89

DATE TURNED INTO OFFICE April 5, 1989

Mr. President:

TRSP

Committee considered HB 156

unused airline tickets; efd

and recommended

- replace with _____ CS _____) same title
- or adopt _____ CS _____) new title
- attached amendment(s) and technical title change (HB only)
- _____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

- FISCAL NOTE(S) zero fiscal impact appropriation no FN
- new updated previous
- same as previous fiscal note(s) published _____

MEMBERS SIGNING DO PASS

[Handwritten signatures: J. Roberts, Paul Strick, Pat Fawcett, Fulwider]

OTHER RECOMMENDATIONS

[Handwritten signature: Lodge (Do Pass)]

 Chairman signature and recommendation

Committee Backup attached

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: HB 156
PUBLISH DATE: HOUSE 2/24/89

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Unused Airline Tickets

Agency Affected: Revenue
BRU: Income & Excise Audit

Sponsor: Cato
Requestor: Transportation

Components: Operating

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
OPERATING						
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LANDS & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	(20.9)	0	0	0	0	0

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

Prepared By: Steven E. Kettel *Steven E. Kettel* Phone: (907) 465-2320
Division: Income and Excise Audit Date: February 17, 1989

Approved by Commissioner: Hugh Malene *Hugh Malene* Date: February 17, 1989
Agency: Department of Revenue

Distribution (by preparer):

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

Introduced: 2/8/89
Referred: Transportation,
Judiciary and Finance

1 IN THE HOUSE

BY CATO

2 HOUSE BILL NO. 156

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 unused airline tickets; and
7 providing for an effective date."

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

9 * Section 1. AS 34.45.760(10), as amended by ch. 29, SLA 1988, is
10 retroactive to September 7, 1986.

11 * Sec. 2. Within 90 days after the effective date of this Act, a pay-
12 ment made to the Department of Revenue under AS 34.45.320 for an unused
13 airline ticket shall be refunded by the department to the person who made
14 the payment.

15 * Sec. 3. This Act takes effect immediately under AS 01.10.070(c).
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FISCAL NOTE

REQUEST: _____

Revision Date: _____
Title: Unused Airline Tickets

Agency Affected: Revenue
BRU: Income & Excise Audit

Sponsor: Cato
Requestor: Transportation

Components: Operating

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
OPERATING						
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LANDS & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	(20.9)	0	0	0	0	0

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

Prepared By: Steven E. Kettel *Steven E. Kettel* Phone: (907) 465-2320
Division: Income and Excise Audit Date: February 17, 1989

Approved by Commissioner: Hugh Malone *Hugh Malone* Date: February 17, 1989
Agency: Department of Revenue

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

HB156

February 17, 1989

Prepared by: Steven E. Kettel

Analysis:

The bill provides that AS 34.45.760(10) which exempts airlines from reporting unused airline tickets under the Uniform Unclaimed Property Act are exempt retroactive to passage of the act on September 8, 1986. The original act did not specifically exempt airlines. In 1988 Ch.29, SLA 1988 prospectively exempted unused airline tickets from the reporting requirements of the act.

Fiscal Impact

To date, a single airline has complied with AS 34.45 and submitted an unclaimed property report and paid over cash representing unclaimed airline tickets. Approximately \$25,000 was paid to the Department with over \$4,000 being returned to the rightful owners to date. The remaining \$20,900 will be returned to the airline upon passage of HB156 within 90 days after the bills effective date.

Department's Position

We do not have objections to passage of this bill

A handwritten signature in dark ink, appearing to be "S. Kettel", is written over the end of the sentence "We do not have objections to passage of this bill".

House Bill 156

"An Act Relating to Unused Airline Tickets"

Section 1

Chapter 29, SLA 1988 amended the definition of unclaimed property (under the Unclaimed Property Statute of 1986) to exclude unused airline tickets. Because Ch 29, SLA 88 was not retroactive to 1986, the Department of Revenue has the right to enforce the original statute for a two year window (1986-88). As was demonstrated during last year's hearings, this exercise would be counter productive, as the cost of enforcement would likely exceed the benefits to the State. The accounting cost of compliance to the effected airline would exceed the value of any "unused and unclaimed airline tickets." Further, the old statute was in conflict with the stated contract terms of airline tickets, and without addresses of the unclaimed ticket holders, it is extremely unlikely that money would be returned to the person who originally purchased the ticket.

After discussions with the Department of Revenue, it was concluded that this clean up legislation was the best means of solving any uncertainty about the Department's responsibilities for the period 1986-88.

Section 2

The Department of Revenue has received payment from one airline (under protest) for "unmatched airline coupons." The

airline requested a refund of the money after passage of Ch 29, SLA 88, but was denied. Section 2 requires DOR to return any funds collected while the prior statute was in effect (the total refund is approximately \$23,000). It would be unfair for one airline to have been singled out for compliance.

Alaska Statutes

Title 34. Property.

Chapter

- 03. Uniform Residential Landlord and Tenant Act (§§ 34.03.100, 34.03.120, 34.03.220, 34.03.225)
- 07. Horizontal Property Regimes Act (§§ 34.07.020 — 34.07.050)
- 08. Common Interest Ownership (§§ 34.08.010 — 34.08.040, 34.08.070, 34.08.090, 34.08.140, 34.08.160 — 34.08.180, 34.08.200, 34.08.210, 34.08.250 — 34.08.260, 34.08.320, 34.08.340, 34.08.440, 34.08.470, 34.08.590, 34.08.620, 34.08.700, 34.08.740, 34.08.990)
- 10. Land Registration Law (§ 34.10.170)
- 15. Conveyances (§§ 34.15.010, 34.15.015, 34.15.260, 34.15.343)
- 20. Mortgages and Trust Deeds (§§ 34.20.020, 34.20.070, 34.20.090, 34.20.160)
- 35. Liens (§§ 34.35.025, 34.35.062 — 34.35.067, 34.35.069 — 34.35.071, 34.35.074, 34.35.080, 34.35.112, 34.35.114, 34.35.117, 34.35.118, 34.35.120, 34.35.135, 34.35.160, 34.35.185, 34.35.190, 34.35.200, 34.35.205, 34.35.240, 34.35.250 — 34.35.260, 34.35.275, 34.35.280, 34.35.305, 34.35.325, 34.35.330, 34.35.340, 34.35.345, 34.35.391, 34.35.400, 34.35.405, 34.35.415, 34.35.425, 34.35.440 — 34.35.445, 34.35.900)
- 45. Unclaimed Property (§§ 34.45.030, 34.45.070, 34.45.090, 34.45.110, 34.45.120, 34.45.140 — 34.45.260, 34.45.280 — 34.45.340, 34.45.360 — 34.45.430, 34.45.450 — 34.45.470, 34.45.700 — 34.45.780)
- 55. Uniform Land Sales Practices Act (§ 34.55.020)
- 65. Land Surveys (§§ 34.65.030 — 34.65.050)

Chapter 03. Uniform Residential Landlord and Tenant Act.

Article

- 3. Landlord Obligations (§ 34.03.100)
- 4. Tenant Obligations (§ 34.03.120)
- 6. Landlord Remedies (§§ 34.03.220, 34.03.225)

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§ 34.45.730

PROPERTY

§ 34.45.760

ject to AS 34.45.110 — 34.45.780 must include all items of property that would have been presumed abandoned during the six-year period preceding September 7, 1986, as if AS 34.45.110 — 34.45.780 had been in effect during that period. (§ 11 ch 133 SLA 1986)

Sec. 34.45.730. Regulations. The department shall adopt regulations necessary to carry out the provisions of AS 34.45.110 — 34.45.780. (§ 11 ch 133 SLA 1986)

Sec. 34.45.740. Uniformity of application and construction. AS 34.45.110 — 34.45.780 shall be applied and construed so as to effectuate their general purpose to make uniform the law with respect to unclaimed property among states enacting the Uniform Unclaimed Property Act. (§ 11 ch 133 SLA 1986)

Sec. 34.45.750. Report by department upon failure to make report or making false report. If a person fails to submit a report as required under AS 34.45.110 — 34.45.780, or makes, wilfully or otherwise, a false report, the department shall make the report from the information it obtains under AS 43.05.050. A report made by the department is prima facie valid for all legal purposes. (§ 11 ch 133 SLA 1986)

Sec. 34.45.760. Definitions. In AS 34.45.110 — 34.45.780, unless the context requires otherwise.

(1) "apparent owner" means the person whose name appears on the records of the holder as the person entitled to property held, issued, or owing by the holder;

(2) "banking organization" means a bank, trust company, savings bank, industrial bank, land bank, safe deposit company, private banker, or an organization defined by other applicable laws as a bank or banking organization;

(3) "business association" means a nonpublic corporation, joint stock company, investment company, business trust, partnership, or association for business purposes of two or more individuals, whether or not for profit, including a banking organization, financial organization, insurance company, or utility;

(4) "commissioner" means the commissioner of the Department of Revenue;

(5) "department" means the Department of Revenue;

(6) "domicile" means the state of incorporation of a corporation and the state of the principal place of business of an unincorporated person;

(7) "financial organization" means a savings and loan association, cooperative bank, building and loan association, or credit union;

(8) "holder" means a person, wherever organized or domiciled, who is

(A) in possession of property belonging to another,

(B) a trustee, or

(C) indebted to another on an obligation;

(9) "insurance company" means an association, corporation, fraternal or mutual benefit organization, whether or not for profit, that is engaged in providing insurance coverage, including accidental, burial, casualty, credit life, contract performance, dental, fidelity, fire, health, hospitalization, illness, life, including endowments and annuities, malpractice, marine, mortgage, surety, and wage protection insurance;

(10) "intangible property"

(A) includes

(i) money, checks, drafts, deposits, interest, dividends, and income;

(ii) credit balances, customer overpayments, gift certificates, security deposits, refunds, credit memos, unpaid wages, and unidentified remittances;

(iii) stocks and other intangible ownership interests in business associations;

(iv) money deposited to redeem stocks, bonds, coupons, and other securities, or to make distributions;

(v) amounts due and payable under the terms of insurance policies; and

(vi) amounts distributable from a trust or custodial fund established under a plan to provide health, welfare, pension, vacation, severance, retirement, death, stock purchase, profit-sharing, employee savings, supplemental unemployment insurance, or similar benefits;

(B) does not include

(i) unused airline tickets; or

(ii) shares of stock issued by a corporation organized under 43 U.S.C. 1601 — 1629a (Alaska Native Claims Settlement Act) or unclaimed dividends payable on the shares of stock;

(11) "last known address" means a description of the location of the apparent owner sufficient for the purpose of the delivery;

(12) "owner" means a depositor in the case of a deposit, a beneficiary in the case of a trust other than a deposit in trust, a creditor, claimant, or payee in the case of other intangible property, or a person having a legal or equitable interest in property subject to AS 34.45.110 — 34.45.780; the term includes a person's legal representative;

(13) "person" means an individual, business association, state, municipality or other government, including the United States government, subdivision or agency, public corporation, public authority, estate, trust, two or more persons having a joint or common interest, or other legal or commercial entity;

(14) "property" means personal property;

(15) "state" means a state, district, commonwealth, territory, insular possession, or other area subject to the legislative authority of the United States;

(16) "utility" means a person who owns or operates for public use a plant, equipment, property, franchise, or license for the transmission of communications or the production, storage, transmission, sale, delivery, or furnishing of electricity, water, steam, or gas. (§ 11 ch 133 SLA 1986; am § 1 ch 29 SLA 1988)

Effect of amendments. — The 1988 amendment, in paragraph (10), deleted "unused airline tickets" following "wages" in subparagraph (A)ii), divided subparagraph (B) into introductory language and item (i) and, in that subparagraph, inserted item (i) and deleted "to" preceding "unclaimed" in item (ii).

Sec. 34.45.780. Short title. AS 34.45.110 — 34.45.780 may be cited as the Uniform Unclaimed Property Act. (§ 11 ch 133 SLA 1986)

Chapter 55. Uniform Land Sales Practices Act.

Section

20. General powers and duties

Sec. 34.55.020. General powers and duties. (a) The department shall adopt regulations under the Administrative Procedure Act (AS 44.62). The regulations shall include but not be limited to provisions for advertising standards to assure full and fair disclosure; provisions for escrow or trust agreements or other means reasonably to assure that all improvements referred to in the application for registration and advertising will be completed and that purchasers will receive the interest in land contracted for; provisions for operating procedures; and other provisions as are necessary and proper to accomplish the purpose of this chapter.

(b) The department, by regulation or by an order, after notice and hearing, may require the filing of advertising material relating to subdivided land before its distribution.

(c) If it appears that a person has engaged or is about to engage in an act or practice constituting a violation of this chapter, or a regulation or order under this chapter, the department, with or without prior administrative proceedings may bring an action in the superior court to enjoin the acts or practices and to enforce compliance with this chapter or a regulation or order under this chapter. Upon proper showing, injunctive relief or temporary restraining orders shall be granted, and a receiver or conservator may be appointed. The department is not required to post a bond in court proceedings.

(d) The department may intervene in a suit involving subdivided land. In a suit by or against a subdivider involving subdivided land.

(2) the name and last known address of the person holding the property and information regarding the changes of name and last known address of the holder; and

(3) a statement that, if satisfactory proof of claim is not presented by the owner to the holder by the date specified in the published notice, the property will be placed in the custody of the department and all further claims must be directed to the department.

(f) This section does not apply to money payable on traveler's checks, money orders, and other written instruments presumed abandoned under AS 34.45.140. (§ 11 ch 133 SLA 1986)

Sec. 34.45.320. Payment or delivery of abandoned property.

(a) Except as otherwise provided in (b) and (c) of this section, a person who is required to file a report under AS 34.45.280, shall, within six months after the final date for filing the report under that section, pay or deliver to the department all abandoned property required to be reported.

(b) If the owner establishes the right to receive the abandoned property to the satisfaction of the holder before the property has been delivered or if it appears that the presumption of abandonment is erroneous, the holder need not pay or deliver the property to the department, and the property is no longer presumed abandoned. The holder shall file with the department a verified written explanation of the proof of claim or of the error in the presumption of abandonment.

(c) Property reported under AS 34.45.280 for which the holder is not required to report the name of the apparent owner shall be delivered to the department when the report is filed.

(d) The holder of an ownership interest under AS 34.45.200 shall deliver a duplicate certificate, or other evidence of ownership if the holder does not issue certificates of ownership to the department. Upon delivery of a duplicate certificate to the department, the holder and a transfer agent, registrar, or other person acting for or on behalf of a holder in executing or delivering the duplicate certificate is relieved of all liability, in accordance with the provisions of AS 34.45.330 to every person, including a person acquiring the original certificate or the duplicate of the certificate issued to the department, for loss or damage resulting to a person by the issuance and delivery to the department of the duplicate certificate. (§ 11 ch 133 SLA 1986)

Sec. 34.45.330. Custody by state. (a) Upon the payment or delivery of property to the department, the state assumes custody and responsibility for the safekeeping of the property. A person who pays or delivers property to the department in good faith is relieved of all liability to the extent of the value of the property paid or delivered for a claim existing at the time of the payment or delivery or that may

STEVE COWPER, GOVERNOR

DEPARTMENT OF REVENUE

STATE OFFICE BUILDING
P.O. BOX 5A
JUNEAU, ALASKA 99811-0400

September 8, 1988

Reeve Aleutian Airways, Inc.
4700 W International Airport Rd
Anchorage, Ak 99502-1091

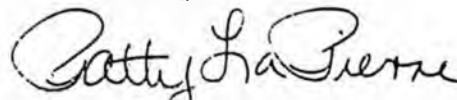
Dear Mr. Jensen:

Due to the passage of Senate Bill 463, you have requested a refund of \$22,387.29 paid by Reeve Aleutian Airways for unused airline tickets. The recently passed amendment to AS 34.45.760 was approved by the Governor on May 12, 1988 and became effective as of August 10, 1988. There were no provisions in the amendment which would make it effectively retroactive to the beginning date of the statute, or September 7, 1986. Accordingly, the requirement to report unused airline tickets as abandoned property was in effect at the time you filed and remains in effect for that time period. We are aware that you were the only airline to file during the time period; however, please be aware that we may audit other airlines to obtain the unused airline tickets which were considered to be abandoned during that two year time period.

Accordingly, your request for refund is denied.

If you feel that this action is in error, please complete the enclosed appeal form. On it, you should explain in as much detail as possible, why this action was incorrect. The appeal form should be submitted to the attention of Appeals, Department of Revenue, P.O. Box SE, Juneau, Alaska 99811 within 60 days from the date of this letter.

Sincerely,



Patty LaPierre
Unclaimed Property Administrator
Income and Excise Audit Division
(907) 465-4653



Official Business

Alaska State Legislature

Senate

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

March 15, 1988

M E M O R A N D U M

To: Senate Finance Committee Members
From: Sen. Joe Josephson *Joe Josephson*
Re: SB 463 (Hearing Scheduled for March 17, 1988)

I introduced SB 463 to remove airline tickets from Alaska's unclaimed property statute. Existing law requires that sums equal to the price of all "unused" airline tickets be paid over by air carriers to the State five years from the date of ticket issuance. (In theory, these sums, when paid, are received by the State in trust for the passengers who bought the tickets. Under AS 34.35.310, the State is supposed to try to locate those people.)

The law's requirements and procedures as they apply to airline tickets are illogical and unreasonable.

1. Ordinarily, such so-called "unused" tickets were not used on the flights for which they were issued or within the applicable expiration dates, and so the value of such tickets has been eliminated or reduced under the terms of the passenger-carrier contract. In other cases the tickets were used or redeemed, but through data entry mistakes, the use or redemption was not properly recorded.

2. If small in-state airlines comply with the Unclaimed Property Act, the additional record-keeping burden could require them to purchase new equipment and suffer additional personnel costs. These requirements may cause ticket prices to increase. (Airline marketing techniques -- including the introduction of discount and frequent flyer programs -- have changed radically since airline tickets were included in the uniform law developed in 1981). Air carriers suggest that the additional record-keeping costs they will bear will be greater than the amount of money that would be produced.

3. As interpreted by the Department of Revenue, the Alaska unclaimed property statute would infringe on the airlines' ability to offer limited-duration and special restriction tickets. If a carrier wishes to offer a discounted fare for a ticket, but require that it be used by a certain date, or on certain flights, it should be able to do so. After all, that is one of the objectives of airline deregulation.

4. The fiscal note considers only superficially the real impact of SB 463. As noted above, money paid over to the State does not necessarily remain with the State. In addition, the preparer of the fiscal note gave no consideration to the reduction in administrative costs to government, if it is spared the duty of dealing with so-called "unused" airline tickets under the unclaimed property law and trying to locate the putative "owner" of the "property".

Conceptually, the issue presented is whether airline tickets should be treated the same as such property as bank accounts, stock certificates, or real estate, which are unclaimed property under the law, or whether they should be treated the same as tour packages, season theater or sports tickets, and similar items, which are not considered "unclaimed property".

Thank you for your consideration of SB 463. If there is any other information we can provide before the hearing, please contact me, or David Finkelstein of my staff, at 465-4525.

MARK

Express

Operated by Hermens Air

Box 7010 • Bethel, Alaska 99559 • (907) 543-4220

March 3, 1988

The Honorable Lloyd Jones
The State Senate
Alaska State Capitol
Senate Transportation Committee
Juneau, Alaska 99802

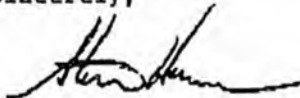
Dear Senator Jones:

I am very much in support of Senator Josephson's legislation to delete unused airline tickets from the state's unclaimed property list.

1. Our company writes around 50,000 tickets per year.
2. Four or five tickets per month are unclaimed but are paid for with a travel voucher. These vouchers are voided by the agency, thus cancelling the ticket value.
3. We have less than one ticket per month that is paid for but not picked up.
4. The average value of our ticket is only \$45.00 and the cost of tracking these unused tickets for five years would far exceed the ticket value.
5. Each time a passenger makes a reservation the airline is charged about \$1.50. Each ticket cost approximately ten cents plus the cost of the agent writing the ticket.

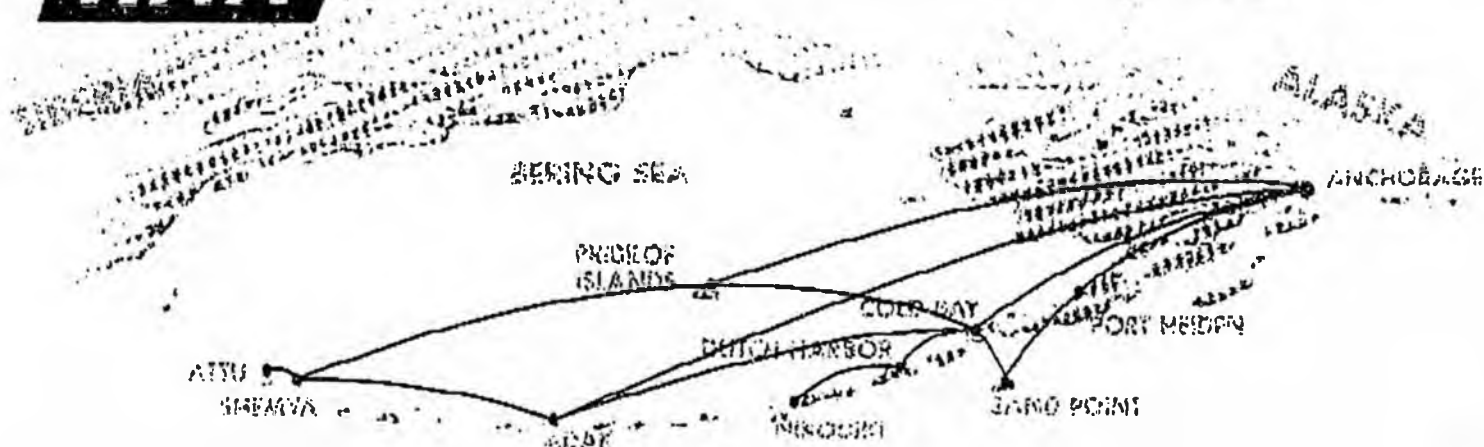
Therefore, we are not making money on unused tickets.

Sincerely,



Stan Hermens
President

SH/fc

RAA**REEVE ALEUTIAN AIRWAYS, INC.**

March 7, 1988

Honorable Lloyd Jones
Chairman
Senate Transportation Committee

Dear Senator Jones:

Reeve Aleutian Airways would like to comment on the Uniform Unclaimed Property Act (AS 34.45) that your committee is reviewing.

Reeve Aleutian Airways did remit \$25,109 in miscellaneous open accounts with credits due pursuant to Uniform Unclaimed Property Act. The accounts varied in dollar value with a vast majority less than \$50.00. I also wish to note that the time period Reeve researched and made remittance for exceeded 5 years. Accordingly, any subsequent remittances pursuant to this act would be substantially less.

Reeve did protest and assert to the Dept. of Revenue that AS 34.45 created a conflict with filed tariff rules regarding refunds by individuals or claims by other airlines. Reeve also argued that with respect to tickets, revenues and liabilities were earned. Please note that a credit may be claimed within a time frame of two years for an individual and two and one half years by an airline for unused ticket coupons.

Reeve charges a passenger the appropriate amounts for travel including taxes. Unless the passenger can prove that he did not travel by presenting an unused coupon Reeve does not refund money. Reeve does however set up credits by passenger name/airline until the entire package of ticket coupons is received to debit against credits. Coupons are lost, misplaced, not matched, misfiled, not submitted, etc., etc. Accordingly, there are credits that are not cleared during the tariff time period. That certainly does not mean that Reeve should issue a credit nor consider the credits abandoned property. Until the expiry of the tariff time period all liabilities and revenues are considered earned income.

4700 W. INTERNATIONAL AIRPORT RD. • ANCHORAGE, ALASKA 99502

RAA

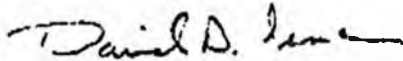
Honorable Lloyd Jones
March 7, 1988
Page 2

Reeve believes that a significant portion of the sum remitted to the State is earned revenue belonging to Reeve. The Dept. of Revenue considers unmatched coupons as miscellaneous intangible property that is abandoned and thus reportable. Reeve disputes that position. The fact that Reeve remitted sums does not mean that Reeve concurs nor agrees with the Department's position.

Please consider the various points and arguments before you carefully. I would like to urge the committee to exempt airline ticket coupons from AS 34.45.

Thank you.

Sincerely,

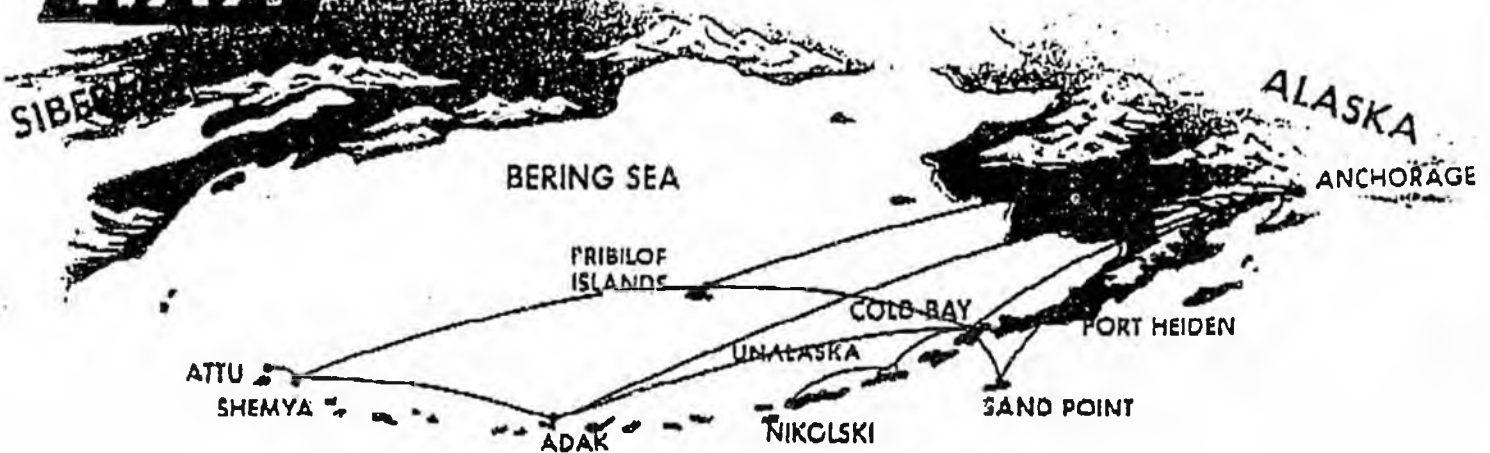


David A. Jensen
Administrative Vice President

DAJ/kd

RAA

REEVE ALEUTIAN AIRWAYS, INC.



April 9, 1987

State of Alaska
Department of Revenue
P.O. Box 5A
Juneau, Alaska 99811

Reference: Unclaimed Property Act

Dear Sir:

This is a rather gray area of interpretation of the Unclaimed Property Act and I need a letter of opinion concerning the following situation.

Reeve Aleutian Airways sells tickets to customer which can include travel on another airline or airlines. The travel on the other airline is set up in our books as a liability. When the airline bills us the correct amount or more we pay it but when the amount is less, then we have a problem with the tax regulation. For example if the other airline bills us more than was collected we deduct this amount from our revenue and pay the other airline. If the other airline bills us less or lost the ticket and never bills us do you consider this our additional revenue or do you consider this unclaimed property?

Our position in this matter is that it should be considered our revenue. We charged the passenger the appropriate amount and no refund is due the passenger unless he proves to us by an unclaimed coupon that he did not travel. Only at that time is it considered a refund. Until that time all liabilities and revenue are considered earned. Transportation regulations require that a passenger must complete travel within one year of date of issue and can be refunded in two years, thereafter, it is our revenue and their loss. As for the liability the other airlines have 2½ years to bill us, otherwise, it is considered our revenue and their loss. This helps to offset our losses when we have sold a ticket and not collected sufficient funds to cover the travel.

Your assistance in this matter will be sincerely appreciated. If you need any further information in order to give us a written opinion, please feel free to call me.

Sincerely yours,

Loretta J. Anondson, Comptroller

4700 W. INTERNATIONAL AIRPORT RD. • ANCHORAGE, ALASKA 99502-1091

HB

220

SENATE COMMITTEE REPORT

FURTHER

FIN

5/7/89

DATE TURNED INTO OFFICE May 8, 1989

Mr. President:

Trsp

Committee considered

CSHB 220 (FIN) am

motor fuels, petroleum and chemical storage tanks, and investigation, containment, and cleanup of oil and hazardous substances; efd

and recommended

replace with S CS CSHB 220 TRSP) same title
 or adopt CS) new title
 attached amendment(s) and technical title change (HB only)
 (Trsp) letter of intent adopted

do pass

do not pass

no recommendation

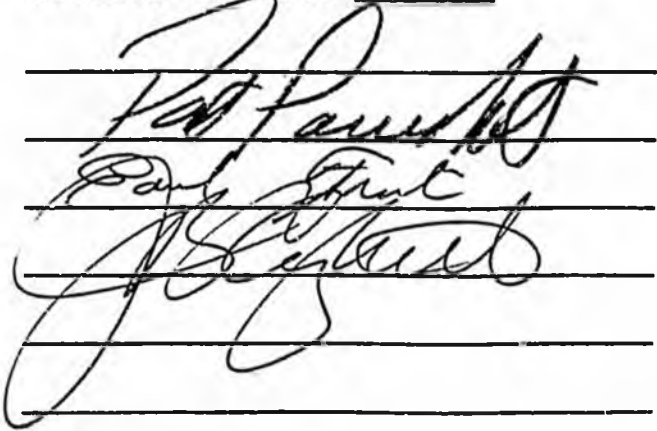
individual recommendations

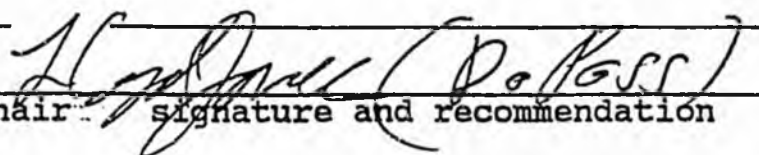
further referral to _____

FISCAL NOTE(S) zero fiscal impact appropriation no FN
 new DEC, DOTPF updated previous
 same as previous fiscal note(s) published _____

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS




 Chair: _____ signature and recommendation

Committee Backup attached

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: An act relating to motor fuels, storage tanks, and investigation, containment
 Sponsor: Menard, Davis, Brown, et al
 Requestor: _____

Agency Affected: Environmental Conservation
 BRU: Environmental Quality
 Components: Environmental Quality

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES		458.5	694.25	694.25	694.25	694.25
TRAVEL		57.5	83.75	83.75	83.75	83.75
CONTRACTUAL		260.0	261.0	261.0	261.0	261.0
SUPPLIES		55.0	60.25	60.25	60.25	60.25
EQUIPMENT		74.5	83.75	83.75	83.75	83.75
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		905.5	1,183.0	1,183.0	1,183.0	1,183.0

CAPITAL		3,000.0	3,000.0	3,000.0	3,000.0	3,000.0
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND		3,905.5	4,183.0	4,183.0	4,183.0	4,183.0
FEDERAL FUNDS						
OTHER						
TOTAL		3,905.5	4,183.0	4,183.0	4,183.0	4,183.0

POSITIONS:

FULL-TIME		10.5	15.75	15.75	15.75	15.75
PART-TIME		0	0	0	0	0
TEMPORARY		0	0	0	0	0

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Lynn Tomich Kent
 Division: Environmental Quality

Phone: 465-2630
 Date: 4/29/89

Approved by Commission: [Signature]
 Agency: Alaska Department of Environmental Conservation

Date: 4/29/89 5/6/89

Distribution (by preparer):

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

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CSHB 220 (FIN)
PUBLISH DATE: HOUSE 4/29/89

FISCAL NOTE

REQUEST: _____

Revision Date: _____
Title: An Act relating to Motor Fuels

Agency Affected: Revenue
BRU: Income & Excise Audit

Sponsor: Menard, etc.
Requestor: Finance

Components: Operating

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
OPERATING						
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	25.0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LANDS & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	25.0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	5700	5700	5700	5700	5700	5700

FUNDING: (Thousands of Dollars)

GENERAL FUND	25.0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	25.0	0	0	0	0	0

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

Prepared By: Steven E. Kettel
Division: Income and Excise Audit

Phone: (907) 465-2320
Date: April 29, 1989

Approved by Commissioner: Hugh Malone
Agency: Department of Revenue

Date: April 29, 1989

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

CS HB 220 (FIN)
Prepared by: Steven E. Kettel
April 29, 1989

REVENUE PROJECTION

Under Section 2 of this bill a surcharge of 2¢ per gallon is levied on all motor fuel except aviation and marine fuel subject to tax under AS 43.40.010. No increase or decrease in consumption was estimated for future use.

FISCAL IMPACT \$25.0 CONTRACTUAL

One time cost for forms design, development, publication, postage and industry training. Additional costs for accounting of the proceeds from the surcharge will include data processing system upgrade and related equipment acquisitions.

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Environmental Conservation
 Title: An Act relating to motor fuels, storage tanks, and investigation, containment, and cleanup of oil and hazardous etc BRU: Environmental Quality
 Sponsor: Menard, Davis, Brown, et al Components: Environmental Quality

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES		498.5	734.25	734.25	734.25	734.25
TRAVEL		57.5	83.75	83.75	83.75	83.75
CONTRACTUAL		268.0	269.0	269.0	269.0	269.0
SUPPLIES		56.0	61.25	61.25	61.25	61.25
EQUIPMENT		79.5	88.75	88.75	88.75	88.75
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		959.5	1237.0	1237.0	1237.0	1237.0

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER		959.5	1237.0	1237.0	1237.0	1237.0
TOTAL		959.5	1237.0	1237.0	1237.0	1237.0

POSITIONS:

FULL-TIME		11.5	16.75	16.75	16.75	16.75
PART-TIME		0	0	0	0	0
TEMPORARY		0	0	0	0	0

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Lynn Tomich Kent Phone: 465-2630
 Division: Environmental Quality Date: 4/29/89

Approved by Commissioner: A. Dille Date: 4/29/89
 Agency: Alaska Department of Environmental Conservation

Distribution (by preparer):

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

CSHR 220 (Finance)
dated 4/25/89

The following is a summary of the main tasks under the proposed legislation and an explanation of the necessary services.

Revenue is expected from two sources as a result of this legislation; a tank registration fee and a gasoline tax.

1. Storage Tank Program Development

During FY 90, three FTEs will be needed in this program. One professional position will manage a contract, develop and maintain an automated database of above and underground storage tanks, investigate financial responsibility options and program funding mechanisms, and prepare draft regulations in conjunction with an Advisory Panel. This position will manage these items once completed. One professional position will collect data, provide technical assistance to facility owner/operators, and assist with development of technical portions of the regulations. One clerical position will provide typing, filing, data entry, and assist with scheduling and administrative tasks associated with the Advisory Panel. Draft Underground Storage Tank regulations will be completed in FY 90.

FY 91 and ongoing tasks will include completion and implementation of regulations. Also required will be one additional professional position and 1 additional clerical position. Major field tasks include: inspection of tank/piping and associated structures, installation and abandonment procedures, review of facility records for maintenance and operation activities, and technical assistance. The Department will examine means of contracting out functions.

2. Registration/Notification Program

During FY 90, three FTEs are estimated to be needed in this program. One-half professional position will oversee the development of the program, special databases, and associated procedures, and develop contracts and forms. One-half clerical position will provide needed assistance. One fiscal position will justify accounts and revenues. One clerical/administrative position will receive forms, enter data, develop and send mailouts and perform followups. A consultant will be hired to set up a computer program and develop guidelines; the contractual line includes \$40.0 for this. Extra funds (\$3.5) are included in supplies to cover materials and postage for mass mailouts. The equipment line includes \$17.0 for specialized computer equipment to gain access to AKSAS and to print mass mailouts and labels.

FY 91 and ongoing tasks will include sending out notices of renewal, contacting new establishments, receiving payments and upgrading the database to meet new needs. No additional positions will be needed for FY 91 and subsequent years. It may be possible to reduce staffing once the program is in place.

3. Public Information Program

During FY 90, one professional and one-half clerical FTEs will be needed in this program. One professional position, with the help of one-half clerical position, will identify and provide information and assistance to tank owners and will plan and conduct public information activities. Development of the program will be contracted out to assist tank owner/operators and the public directly through presentations and workshops. Contractual funds (\$15.0) are included for document set up and printing costs and \$6.0 is included for supplies for mailouts and software.

These tasks will continue during FY 91 as the regulations are completed and program implementation begins. No additional positions are anticipated at this time.

4. Loan or Grant Program

During FY 90, one-half FTE will be needed in this program. This one-half professional position will assist the Department of Commerce and Economic Development in setting up a loan guarantee program, and approve the use of funds from the Underground Storage Tank Account (case by case) to guarantee a loan.

FY 91 and ongoing tasks will include continued approval of all loan guarantees or grants during the 10-year period that underground tanks have to upgrade. An additional one-quarter FTE will be needed for this purpose.

5. Underground Storage Tank Account Cleanup Program

During FY 90, three and one-half FTEs will be needed in this program. One and one-half professional positions and one-half clerical position will develop guidelines and review reported leaks, document leaks on computer, determine the extent of investigation, cleanup, and necessary upgrades to current facility equipment, and oversee cleanup contracts. One-half position in fiscal will help set up, receive, and deposit payments received. One-half administrative position will track costs, and justify that payments are correct and adequate. One-half professional position in the Solid Waste Program will develop permits for disposal of soils contaminated from releases. Additional contractual funds (21.0) are included for development and printing of forms and medical monitoring physicals for the two staff involved in field work. The supplies line includes \$5.0 for postage and mailout supplies. The equipment line includes personal protective equipment (5.0) for two staff persons.

FY 91 and ongoing tasks will include a considerable increase in the regional office efforts to monitor contracts for cleanup, determine adequacy of cleanup, and assure appropriate tank upgrades following cleanup. Additionally, requests for contaminated soil disposal permits will begin. Two professional and one clerical FTE will be required for these purposes.

STATE OF ALASKA
1989 LEGISLATIVE SESSION

NO. 4
BILL VERSION: CSHB 220 (FIN)
PUBLISH DATE: HOUSE 4/29/89

REQUEST: FISCAL NOTE

Revision Date:
Title: An Act relating to motor fuels, petroleum and chemical storage tanks, and investigation, ...
Sponsor: Menard, M. Davis, Brown, et al.
Requestor: House Finance

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

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTURAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	65.0	65.0	65.0	65.0	65.0	65.0
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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 FUNDS	65.0	65.0	65.0	65.0	65.0	65.0
OTHER	0	0	0	0	0	0
TOTAL	65.0	65.0	65.0	65.0	65.0	65.0

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: The bill would require registration of storage tanks used by construction contractors and an increase of 2¢ per gallon on fuel used for construction activities of the department. This is estimated to cost \$40,000 in registration fees and \$25,000 in fuel surcharge fees. The majority of these construction related costs would occur on federal-aid construction. A breakdown of this estimate is attached.

Prepared by: Jeffery C. Ottesen, Director
Division: Engineering and Operations Standards

Phone: 465-2951
Date: April 29, 1989

Approved by: Mark S. Hickey, Commissioner
Agency: Department of Transportation and Public Facilities

Date: 4/29/89

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

Basis of Estimate
Fiscal Note: CS HB 220
Department of Transportation and Public Facilities

Construction Related Tank Registration

Estimate 50 projects per year with 4 tanks per project at 10,000 gallons per tank (average) =
50 * 4 * 10,000 * 2¢ per gallon storage = \$40,000

Construction Fuel Surcharge

Estimate 50 projects per year with 50,000 gallons average = 2,500,000 gallons fuel
At 2¢ per gallon = \$50,000
Less estimated allowance for fuel tax refunds (AS 43.40.030) @ 50% \$25,000

Basis of Estimate
Fiscal Note: CS HB 220
Department of Transportation and Public Facilities

Construction Related Tank Registration

Estimate 50 projects per year with 4 tanks per project at 10,000 gallons per tank (average) =
50 * 4 * 10,000 * 2¢ per gallon storage = \$40,000

Construction Fuel Surcharge

Estimate 50 projects per year with 50,000 gallons average = 2,500,000 gallons fuel
At 2¢ per gallon = \$50,000
Less estimated allowance for fuel tax refunds (AS 43.40.030) @ 50% \$25,000

**STATE OF ALASKA
1989 LEGISLATIVE SESSION**

BILL VERSION: SCS CSHB 220 (Res)
PUBLISH DATE: 5/6/89

REQUEST: FISCAL NOTE

Revision Date: _____ **Agency Affected:** DOT&PF
Title: An Act relating to motor fuels, petroleum and **BRU:** Engineering & Operations
chemical storage tanks, and investigation, ... **Standards**
Sponsor: Menard, M. Davis, Brown, et al. **Components:** _____
Requestor: House Finance

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTURAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (THOUSANDS OF DOLLARS)

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

POSITIONS:

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

ANALYSIS: The bill would require registration of underground storage tanks and would exempt state owned tanks from the registration fee. We anticipate only nominal administrative costs and anticipate no direct new costs from this legislation..

Prepared by: Jeffery C. Ottesen, Director
Division: Engineering and Operations Standards

Phone: 465-2951
Date: May 7, 1989

Approved by Mark S. Hickey, Commissioner:
Agency: Department of Transportation and Public Facilities

Date: 5/8/89

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

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

May 8, 1989

SUBJECT: Additional Change in the CS
(SCS CSHB 220(Transportation))

TO: Senator Lloyd Jones, Chair
Senate Transportation Committee

FROM: Terri Lauterbach *TL*
Legislative Counsel

Enclosed is SCS CSHB 220(Transportation).

It includes one additional change not requested by the committee, but which is necessary to achieve the intent of one of the amendments adopted by the committee. The committee adopted an amendment that deleted a requirement that above-ground storage tank owners notify the Department of Environmental Conservation about their tanks. (Page 4, lines 9 - 14 of the Senate Resources CS.) Therefore, I have also deleted the provision in temporary law that related to notification requirements for aboveground tanks. The language I deleted can be found at page 8, lines 18 - 21 of the Senate Resources CS.

There is also a slight glitch in the CS which should be addressed at some point, either by your committee, a future committee, or floor amendment. That glitch appears at page 9, lines 25 - 26 of the Senate Transportation CS. These lines refer to tanks "registered" under sec. 6. If you wish to allow cleanup under this section for tanks not in use but which might be leaking because of previous use, then this language must be modified to include tanks for which notification was given to the department by January 1, 1990. (See sec. 6(b) of the CS.) This glitch has cropped up because tanks not in use were required to be registered under previous versions of the bill. This version and the Senate Resources version deleted the registration requirement and made a new notification requirement. The issue is whether you want the owners of leaking abandoned tanks to be able to

request funds for cleanup. If you do, page 9, lines 25 - 26
should be amended.

Please let me know if I can be of further assistance.

TL:kb
wkk5/019

Enclosure

AMENDMENT

OFFERED IN THE SENATE

BY COGHILL

TO: SENATE CS FOR CS FOR HB 220 (RES)

Page 4, line 9 through 14.

Delete all material.

Adopted

AMENDMENT

OFFERED IN THE SENATE

BY COGHILL

TO: SENATE CS FOR CS FOR HB 220 (RES)

Page 7:

Delete lines 10 and 11.

Adopted

Alaska State Legislature



SENATOR BETTYE FAHRENKAMP
CHAIRMAN, RESOURCES COMMITTEE
119 N. CUSHMAN STREET, SUITE 201
FAIRBANKS, ALASKA 99701
OFFICE (907) 452-4882
HOME (907) 456-2899

WHILE IN JUNEAU
P.O. BOX V
JUNEAU, ALASKA 99811
CAPITOL, ROOM 125
OFFICE (907) 465-3834
HOME (907) 780-6027

Senate

Letter of Intent

for

SCS CS HB 220 (Res)

The Senate Resources Committee recognizes the serious threats posed by contamination of our groundwater by Leaking Storage Tanks.

The Senate Resources Committee considers the SCS CS HB 220 (Res) to be a temporary measure to assist owners of tanks to comply with the federal regulations for Underground Storage Tanks. It is the intent of the Senate Resources Committee that the Department of Environmental Conservation give priority for grants to owners of underground tanks based on need.

It is the intent of the Senate Resources Committee that the committee continue to work on the issues surrounding petroleum and chemical storage tanks during the interim.



Matanuska-Susitna Borough

P.O. BOX 1808, PALMER, ALASKA 99845-1808 • PHONE 745-9842

ASSESSMENT DEPARTMENT

May 5, 1989

MAY 06 1989

Senator Lloyd Jones
Alaska State Legislature
P.O. Box V (Capitol, Room 9)
Juneau, AK. 99811

Dear Sen. Jones:

Subject: HB220

[Handwritten initials]

Last night the Matanuska-Susitna Borough Board of Equalization heard appeal of assessed value by a small businessman threatened by LUST requirements.

Normally in cases of damage to property it is a relatively simple process to assess the cost to cure as a decrement to value. I am sure you already visualize the dilemma the Assessment Department faced and what was presented to a board of five made up of experts from the Banking, Title Insurance and Fee Appraisal professions.

What might be buried on the site, whether it may be leaking, whether it has contaminated soils, whether there exists contamination from other sources, and the dollar value of these possibilities was discussed without conclusion. It was apparent that combination of conditions could result in liability exceeding all value in the property (in one instance, a mall complex with one tenant convenience store which sells gasoline).

I agreed with what the Board found as solution in reducing taxable value to 10% of the market value of the property in four cases appealed. But I am concerned that this action will have resounding effect on the tax base of local municipalities as virtually every business that stores petroleum products underground is potential lost revenue for local services. Contractors, service companies with vehicle fleets, even commercial property heated with fuel oil are affected by this situation. The result will undoubtedly increase taxes for the homeowner and landowner, to say nothing of the financial ruin of a major sector of our commercial infrastructure.

Mitigation of these serious economic trends is in the public interest and properly a matter of legislative priority that must be addressed in the hours before adjournment. Funding or source of funding is less important than the issue of lessening the burden of liability of businesses in our state.

As beaches soak in oil we cannot but be cognizant of the potential harm in failure of man and his structures, but, on the other hand, it is ludicrous to see the fear and frustration of small businessmen in jeopardy of all they own. It is tantamount to the inhumane terror dealt to the residents of the Palmer Pioneer's Home recently.

Yours truly,

[Handwritten signature]
Gary A. Lewis
Borough Assessor

HB

372

SENATE COMMITTEE REPORT

6-1768 J /
d / 1

DATE: 3/20/90

FURTHER: State Affairs
Finance

DATE TURNED INTO OFFICE: 3-27-90

Transportation Committee considered CSHB 372 (Finance)

"An Act relating to the Alaska marine highway system vessel replacement fund."

and recommended:

- replace with S CS CS HB 372 (Trsp)
- or adopt _____ CS _____
- attached amendment(s)
- _____ letter of intent adopted

- same title
- new title
- technical title change (HB only)

- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to _____

ATTACHES NEW FISCAL NOTE(S):

- fiscal note(s) _____ Dept/Date: _____

zero fiscal note(s) DOTPF

appropriation-no fiscal note

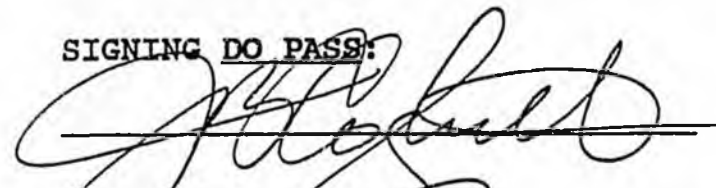
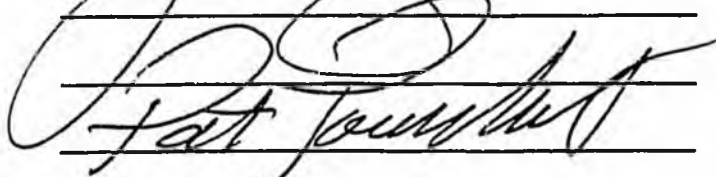
APPROVES PREVIOUS:

- fiscal note(s) _____ Dept/Date: _____

zero fiscal note(s) _____

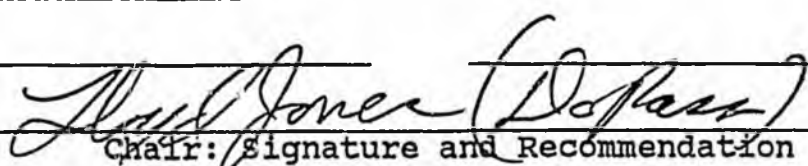
Governor's Bill w/fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

Abstracting No Rec


 Chair: signature and Recommendation

Alaska State Legislature

HOUSE OF REPRESENTATIVES



REPRESENTATIVE FRAN ULMER

MEMORANDUM

TO: Senator Lloyd Jones, Chair
Members, Senate Transportation Committee

FROM: Rep. Fran Ulmer

DATE: March 27, 1990

RE: HB 372-relating to creation of a vessel replacement fund for the Alaska Marine Highway

CSHB 372 (Fin) would create a vessel replacement fund within the general fund which would allow money to accumulate until such time as the replacement of vessels in the Alaska Marine Highway System (AMHS) is needed.

Because of the large capital outlay that will be needed to replace vessels in the future, I feel that a funding mechanism should be put in place now to help ensure that the financial commitment the state has made to the AMHS will continue.

The state experiences many problems as a result of our aging fleet, including significant time when vessels are being repaired and thus unable to meet schedules. The Department of Transportation and Public Facilities (DOT/PF) estimates that the average age of our fleet is 22 years, with the oldest ship having been built in 1963, and the newest in 1977. The cost of replacing smaller vessels may run from \$17 to \$25 million and estimates of replacing a larger vessel could run as high as \$59 million. The cost of replacing the entire fleet could be an astronomical \$270 million!

The bill passed by the House allows the legislature to also appropriate money for this fund from program receipts received from the Alaska Marine Highway System, and from settlement of the Dinkum Sands and Amerada Hess litigation.

REQUEST:

FISCAL NOTE

Revision Date:
Title: "An Act relating to the Alaska Marine Hwy.
System Vessel Replacement Fund"
Sponsor: Ulmer, Grussendorf, Goll
Requestor:

Agency Affected: DOT&PF
BRU: Marine Operation
Components: Southeast/Southwest
Vessel Operations and
Overhaul

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTURAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS:

Prepared by: John Halterman
Division: Alaska Marine Highway System

Phone: 465-3950
Date: March 9, 1990

Approved by Commissioner: Mark S. Hickey *MSH*
Agency: Department of Transportation and Public Facilities

Date: 3/9/90

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

~~would continue through 1996.~~
Changes in SCS CSHB 372 (Trsp)
have no fiscal impact.
This fiscal note is *MSH*
appropriate.

Fiscal Note - House Bill No. 372

The vessel replacement fund may well be essential if AMHS is to finance the construction of replacement or additional vessels, as well as major refurbishment projects for which federal funds are unavailable.

The minimum cost of a new or replacement vessel would be at least \$49 million. This could possibly be a Malaspina class vessel with oceangoing capability. In addition the limited expansion alternative in the draft System Plan anticipates two new feeder vessels under construction in fiscal years 1992 and 1994. The funding source contemplated for these feeder vessels is the Federal Highway Administration. However, other system demands for limited federal funds may make this difficult to fund in a timely manner. If this is the case the vessel replacement fund would be called upon to finance these vessels.

The sooner funds are deposited in this account, the better the system will be able to plan for needed replacements or additions to the fleet. AMHS and the Legislature need to explore the various options for additional revenue generation, such as rate increases, leasing of assets, direct appropriations, etc., which may be available to capitalize the fund. Further, the opportunities for innovative private/public financing should be explored.

AMHS has no current plans to retire any of the existing fleet, with the possible exception of the M/V CHILKAT. The system will be contracting surveys of all vessels in the fleet, except for the M/V CHILKAT. The results of those surveys will include an analysis of the costs associated with maintaining the vessels at their current service levels through the next twenty years. These will be compared with the cost of acquiring new vessels, less any resale value. The results of these surveys will form the basis of a much more detailed presentation of vessel replacement needs. We expect reports on the M/V TUSTUMENA, M/V COLUMBIA and M/V MALASPINA to be available in July of this year. The surveys of the remaining vessels will be available within approximately 30 days following next year's overhaul.

Department of Transportation
and Public Facilities

March 9, 1990

.Amendment to CSHB 372-Senate Transportation Committee

Page 1, line 13, after legislature, add "Money deposited to the fund does not lapse."

SOUTHEAST CONFERENCE

P.O. Box 22286

Juneau, Alaska 99802

January 25, 1990

The Honorable Richard Foster
Chair, House Transportation Committee
Room 17, Capitol Building
Juneau, Alaska 99811

Dear Representative Foster:

The Southeast Conference, an organization representing the communities of Southeast Alaska, from governments to local businesses, is seriously concerned about the status of our Marine Highway.

Over the past five years, the Alaska Marine Highway System has experienced a decrease of 19% in general funding support to maintain its operations.

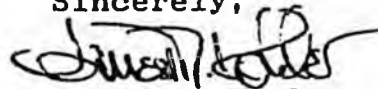
During that same time period the fleet of vessels has grown older and has reached the 20 - 30 year life span calculated for them when they were launched. Maintenance costs have increased and have placed a heavier burden on the Alaska Marine Highway System operating budget's decreasing resources. The net effect is the reduction in service to the communities and their businesses that rely on this highway for their economic and social linkage with each other and the rest of the state.

The SE Conference Board of Directors, on the recommendation of their AMHS Standing Committee, has adopted the following five planks as the SE Conference Platform relating to the Alaska Marine Highway System:

1. The passage of a supplemental appropriation for FY 90 for full funding of the Alaska Marine Highway System.
2. An increase in the FY 91 budget appropriation for the Alaska Marine Highway System to assure full service levels for the communities served by the System.
3. Allowing the Alaska marine Highway System to retain all the revenues it generates while maintaining a consistent level of general fund appropriation.
4. Completion of the AMHS Master Plan and allowing the Southeast Conference to be involved in the review and any modification of the Plan.
5. Creation of a Vessel Replacement Fund.

The Southeast Conference urges you to support HB No. 372 so that a vehicle for funding needed vessel replacement can be initiated this year.

Sincerely,



James M. Kohler
Executive Director

S.E. Conference - Position Paper



Dept. of Transportation & Public Facilities

POSITION PAPER

BILL NO: House Bill 372

TITLE: An Act Relating to the Alaska Marine Highway System Vessel Replacement Fund

M&H
APPROVED: Mark S. Hickey

Commissioner

DATE: January 22, 1990

HB 372 establishes within the general fund an Alaska Marine Highway System vessel replacement fund. This fund is designed to allow the accumulation of capital to permit the timely replacement of vessels in the AMHS fleet.

AMHS is currently soliciting proposals to perform condition surveys on all vessels in the fleet. The average age of the fleet is approximately 22 years. The MALASPINA class vessels (TAKU, MALASPINA and MATANUSKA) are the oldest, having been built in 1963. The M/V AURORA is the newest ship, entering service in 1977. The condition surveys will review the maintenance and refurbishment requirements of the fleet in order to maintain the existing level of service for the next 20 years. This will allow us to then develop a cost comparison of refurbishment versus replacement. The current estimated replacement cost of the MALASPINA is approximately \$49-\$59 million. The LeCONTE class vessels have an estimated replacement cost of between \$17 and \$25 million and the TUSTUMENA is estimated to cost between \$24 and \$34 million to replace.

We assume the severe problems associated with finding temporary replacements for vessels undergoing major refurbishments, as in the case of the TUSTUMENA next year, require the consideration of at least one new vessel. This is particularly true if the condition surveys suggest the replacement of vessels in the existing fleet can be deferred. However, it is possible that the analysis will call for the replacement of at least one of the vessels as a least cost alternative to continued maintenance.

One of the significant issues which will have a bearing on this question is the cost of removing and replacing asbestos containing materials found in all of the vessels. As an example of the cost associated with this issue, a recent consultant's report commissioned to design a modernization project for the M/V MALASPINA estimated the cost at approximately \$7.0 million, 83% of which was for the removal and replacement of asbestos containing materials.

DOT/PF Position Paper

HB

484

ALASKA RAILROAD CORPORATION



P.O. Box 107500 • Anchorage, Alaska 99510-7500

April 10, 1990

APR 12 1990

The Honorable Llovd Jones
Senator
Alaska State Legislature
P. O. Box V
Juneau, AK 99811

Dear Senator Jones:

Enclosed is our most recent update on our efforts to reduce moose mortality along the Alaska Railroad. As you can see, spring appears to have arrived, finally, and fewer moose are being seen or killed along our rights of way. Therefore, we have withdrawn our pilot car crew and returned the heavy equipment we had working in the Willow/Talkeetna area.

We'll continue to salvage any moose killed along our track with the help of our section crews as was done in the past. However, the number of kills has dropped significantly enough that we believe the number will phase out altogether by the end of this month.

Also enclosed is the latest estimate of our expenses for moose mitigation programs for this winter and a capsule look at the mortality statistics.

As always, if you or your staff need additional information, please contact me at 265-2675.

Sincerely,

Vivian Hamilton, APR
Corporate Communications Manager

Enclosures

ALASKA RAILROAD CORPORATION

P.O. Box 107500 • Anchorage, Alaska 99510-7500 Update: April 9, 1990



What's New:

1. Moose sightings and moose kills have dropped dramatically on the Alaska Railroad.
2. Moose sightings by the pilot car crew have decreased and as a result this crew has been reassigned to other track maintenance jobs. They can be remobilized if the trend reverses.
3. The Thiokol, a leased vehicle being used to create moose paths, has completed the task and has been returned to Anchorage.

Measures by the Alaska Railroad To Reduce Moose Mortality

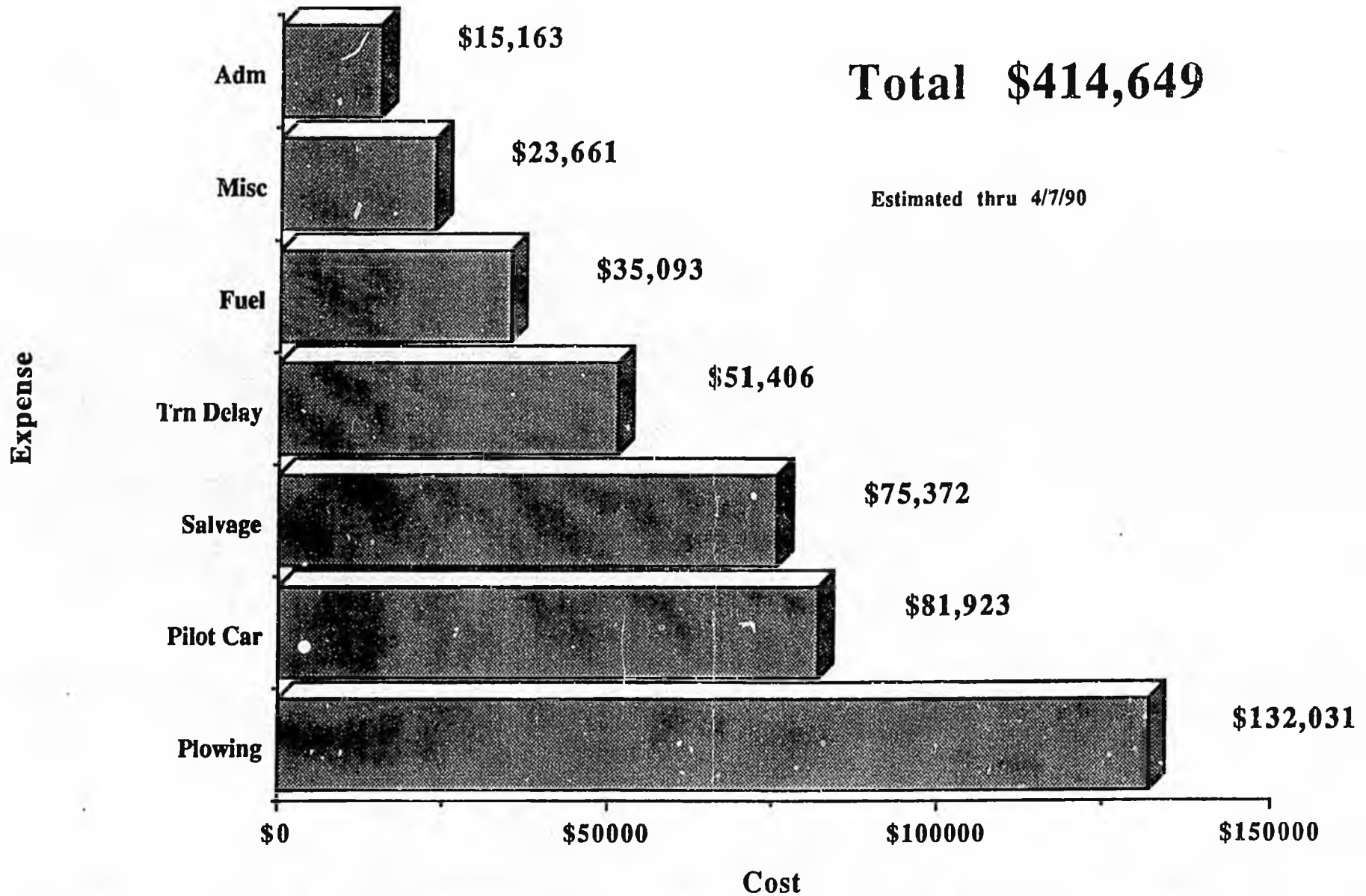
Pilot car: This vehicle has been patrolling ahead of trains each night to shoo moose off the tracks with noise-making shotgun shells, spotlights and a siren. The crew reports that moose sightings and moose kills have diminished sharply. The total number of moose kills confirmed through March 31 is 675. During the week of April 2-8, there were seven moose kills reported. The week included three days during which no moose were killed. As a result of the reduction in moose kills, this crew has been reassigned to track maintenance, effective April 8. If the trend reverses, this crew can be remobilized.

Moose paths: A Thiokol, a large tracked all-terrain vehicle, was leased to plow paths on either side of the tracks from south of Willow up to Talkeetna. This work has been completed and the vehicle returned to Anchorage.

Salvage: The work of this crew has been substantially reduced so the locomotive crane and its crew were assigned other track maintenance work. In keeping with our company policy, section crews along the line will continue to be responsible for salvaging any moose killed.

####

Railroad Costs for Moose Protection



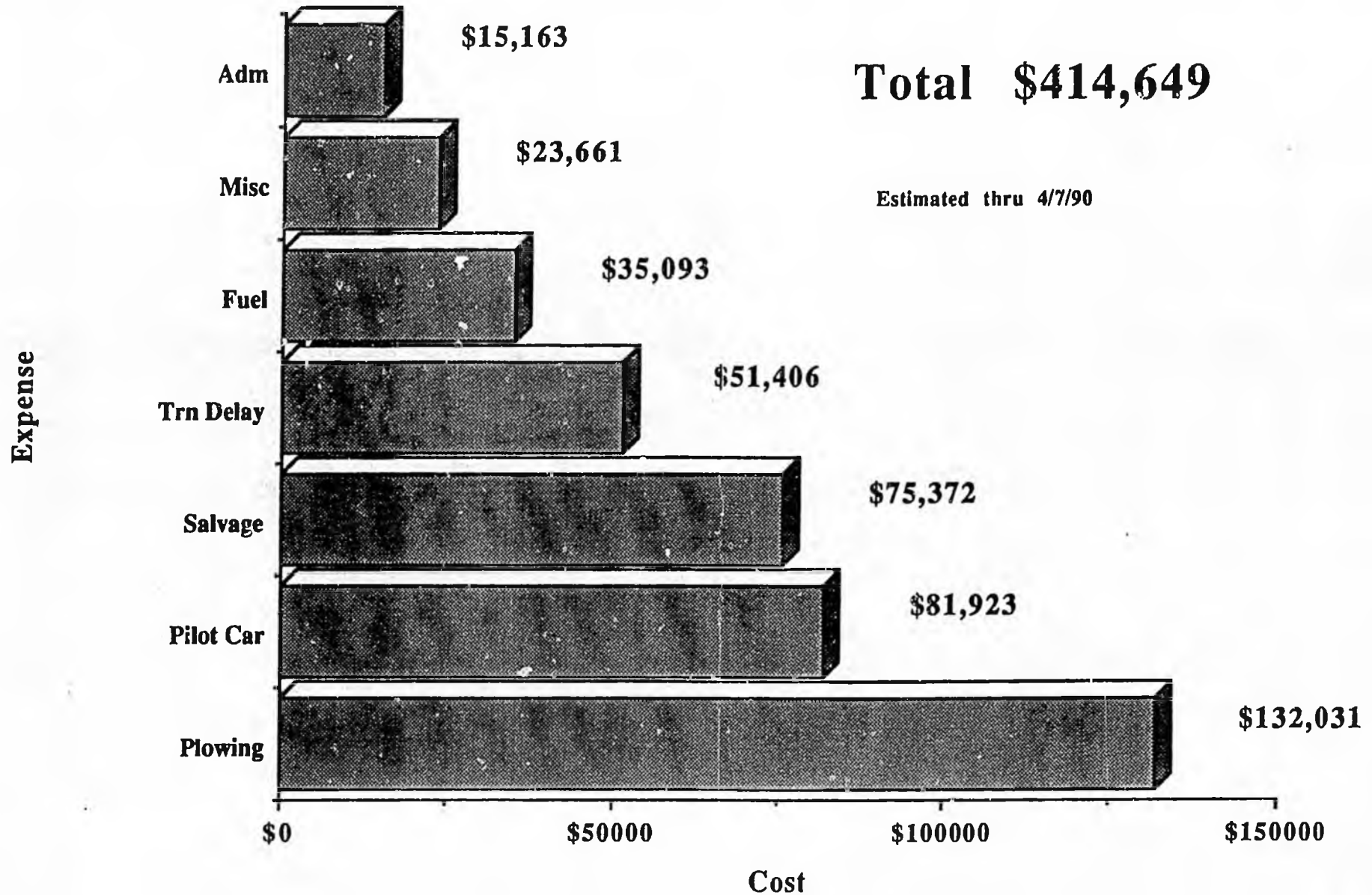
CORRECTION

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

Railroad Costs for Moose Protection

Total \$414,649

Estimated thru 4/7/90

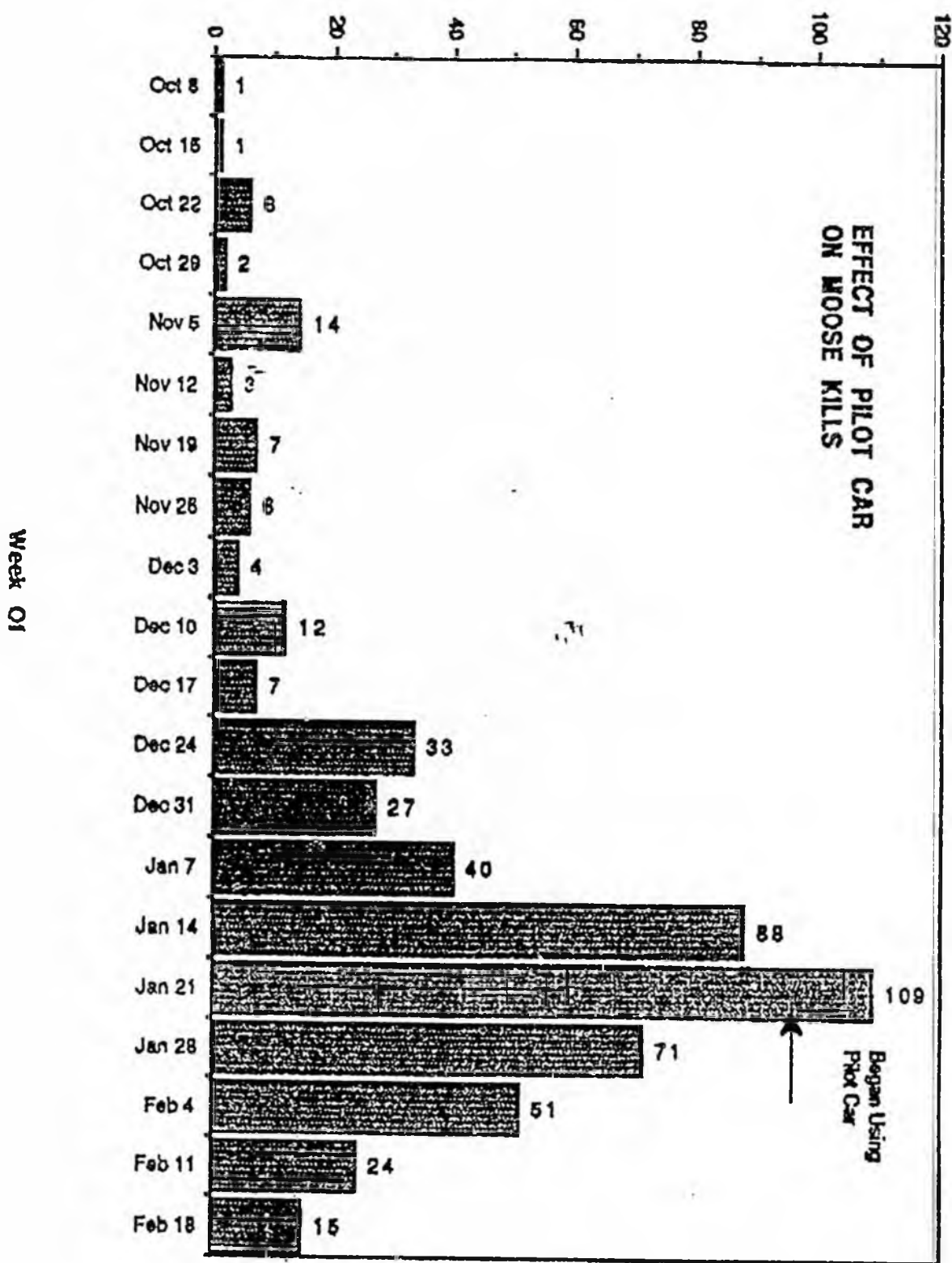


Alaska Railroad Corporation
Moose Mortality Report
Winter 1989-90

<u>Month</u>	<u># Moose Killed</u>
October	11
November	28
December	65
January	306
February	156
March	<u>110</u> *
TOTAL	676

*Note: the numbers for March are still being audited and are subject to change.

Moose Killed That Week



Alaska Railroad Corporation
Moose Mortality Report

Railroad Moose Mortality Since State Ownership
(for the period October 1 through April 30)

1989-1990	536 (as of Feb. 26)
1988-1989	242
1987-1988	329
1986-1987	126
1985-1986	21
1984-1985	316

FACTSHEET: ALASKA RAILROAD PILOT CAR PROGRAM

*The Alaska Railroad pilot car's first trip was Jan. 23. Since that time, moose kills have dropped nearly 90 percent. In fact, from 5 a.m. Feb. 26 until 5 a.m. Feb. 27, no moose were killed anywhere along the Alaska Railroad's route, and the Willow to Talkeetna area has gone several consecutive nights without killing a moose.

*The car travels at an average of 35 miles per hour, staying between two and three miles ahead of the train. The moose leave the tracks and move to the adjacent paths plowed by various volunteer and military organizations using fuel supplied by the Alaska Railroad.

*The Moose Patrol is made up of railroad employees. The pilot car is equipped with shotguns to fire explosive "kracker" shotgun shells to scare the moose. The pilot car also uses powerful spotlights to spot the animals and sirens to scare them off the tracks.

*The pilot car itself is a one-ton Ford pickup equipped with special rail gear, allowing it to travel either on the tracks or on highways. Once on the tracks, the vehicle doesn't need steering, leaving both the driver and the passenger free to spot moose on each side of the tracks.

*On an average night, Moose Patrol members spot more than 50 moose. Generally the moose leave the tracks, although occasionally a moose gets stuck on bridges or refuses to move without being nudged by the pilot car.

*The snow depth in the Willow to Talkeetna area is seven to ten feet. Trails packed by tracked vehicles and snowmachines are giving the moose an alternate path to travel but these have been covered by recent snowfalls.

*The largest concentration of moose seems to be in the area of Willow north to Talkeetna, although plenty of moose are also spotted between Eklutna and Wasilla.

*The pilot car generally makes two to four trips each night between Eklutna and Talkeetna, averaging three hours each way.

#

Update: March 6, 1990

Measures by the Alaska Railroad To Reduce Moose Mortality

Pilot car: This vehicle has been operating since Jan. 23 and has been very effective as a moose deterrent. The vehicle is a 1-ton crew cab Ford pickup; two 2-member crews are rotated out on the vehicle each night. Recently white-out conditions forced the crew to stay off the tracks and, as evidence of the car's success, 13 moose were killed during the night. The success probably lies in the use of noise-making Kracker shells.

Moose paths: The Alaska Railroad's D8 and D7 are working at Kashwitna this week. By last week, about 6 miles of trail had been plowed through the snow parallel to the tracks to make a "moose sidewalk." These trails have been very effective but the work is slow because of the terrain and because nearly 3 feet of fresh snow fell late last week, covering whatever work had been done beforehand as well as any browse uncovered in the process. In some areas snow is measuring up to 10 feet deep and overnight temperatures are still dipping as much as 30 degrees below zero.

The Mat Su Motor Musers--volunteers on snowmobiles--cut about 100 miles of trail parallel and perpendicular to the track from near Nancy Lake to north of Montana Creek. These, too, were being used by the moose until the heavy snowfall covered the trails; the group re-did them three times. Some fuel and lodging was provided the group by the railroad for their assistance.

Two sets of all-terrain, tracked vehicles were being used to cut trails. Nodwells from Denali Drilling (hired by the Save the Moose Committee and provided fuel and lodging by the Alaska Railroad) and the U.S. Army's Small Unit Support Vehicles (SUSVs) cut about 7 miles of trail from south of Sunshine to the Fish Lake area. Their work also has been covered by the heavy snowfall last week. Both groups have pulled out their equipment and

(more)

Add One--Moose Measures

the Save the Moose Committee has replaced the Nodwells with a Bombardier, a wide-tracked all-terrain vehicle used for snow clearing. It is a far better machine for the task and is expected to surpass the efforts of the Nodwells and SUSVs.

The U.S. Air Force last week had two long-track snowmachines working in the area between Willow and Talkeetna. Although the equipment was very efficient, the trails are covered now.

Rubber tire obstacles: Although the tires were effective, the heavy snow covered them up. The railroad sent out a crew with an air compressor to blow the snow off the tires but heavy snow immediately recovered the tires.

Ice on the ties: This has been the least effective method tried. When the ice froze it was porous and did not appear to affect the movement of the moose.

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For additional information:

Vivian Hamilton
Corporate Communications Manager
265-2675



Alaska State Legislature

Official Business

APR 18 1990

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

1990 State Capitol

MEMORANDUM

To: Senator Jones

From: Rep. Menard

A handwritten signature in black ink, appearing to be "C. Menard", written over the printed name.

Re: HB 484, Destruction of Moose by the AK Railroad

Date: April 17, 1990

I respectfully request that you schedule HB 484, Destruction of Moose by the Alaska Railroad as soon as possible.

The Railroad Has killed over 675 moose this year. Since the bill was introduced, the Railroad has implemented many of the requirements included in HB 484. However, to make sure these efforts continue, I think it is necessary that we pass a bill this year to ensure protection of the moose in the future.

Pourchot
May 1, 1990

SUMMARY OF SCS CSHB 484 (TRANS), AN ACT RELATING TO DESTRUCTION
OF MOOSE BY THE ALASKA RAILROAD

1. Requires Railroad Corp. to adopt practices to mitigate the destruction of moose by operations of the Railroad, and to cooperate with ADF&G in this effort by allowing them access to Railroad rights-of-way. Requires that an agreement concerning terms of access be executed by the Railroad and ADF&G.
2. Requires the corporation to consult with representatives of ADF&G, DNR, DOTPF, and the Mat-Su Borough, and with citizens in communities served by the Railroad, regarding mitigation efforts.
3. Requires the corporation to prepare, in conjunction with ADF&G, a contingency plan to minimize the effect of Railroad operations on moose. Requires that the contingency plan include specific criteria for timing and implementation of mitigation measures. Requires that the plan must be completed by September 1, 1990 and updated annually by September 1 of each year.
4. Requires the corporation to provide for the salvage of moose killed by Railroad operations.
6. Requires the corporation to report the number of moose killed (by time and railroad milepost) to ADF&G.

CHANGES TO HOUSE-PASSED VERSION:

1. Requirement that agreement on ROW access be entered into by ADF&G and Railroad.
2. Deletion of research program, advisory committee on development of contingency plan, "4-moose trigger" for implementation of plan, specific procedures the plan must include (pilot cars, brush removal, scheduling changes, and creation of trails parallel to the tracks), penalties for failure to report moose kills.

6-2096M
Utermohle
4/30/90

Original sponsor(s): REP. MENARD, Navarre, Brown, Ellis, Grussendorf, Finkelstein, Donley, Goll, Jacko

1 IN THE HOUSE BY THE TRANSPORTATION COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 484 (Transportation)

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 destruction of moose by the
7 Alaska Railroad."

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

9 * Section 1. AS 42.40 is amended by adding a new section to read:

10 Sec. 42.40.445. PROTECTION OF MOOSE. (a) The corporation shall
11 adopt practices to mitigate the destruction of moose by operations of
12 the railroad. The corporation shall cooperate with the Department of
13 Fish and Game to mitigate the effects of the operations of the rail-
14 road on moose by granting access to railroad rights-of-way to the
15 department and its contractors, if before entering railroad rights-of-
16 way the department and its contractors execute agreements with the
17 corporation concerning the terms of access. The corporation shall, to
18 the extent feasible and compatible with railroad operations, provide
19 [free] rail transportation to the department and its contractors while
20 they are engaged in activities under this section. *in accordance*
21 *with the contingency plan.*

22 (b) The corporation shall consult with representatives of the
23 Department of Fish and Game, the Department of Natural Resources, the
24 Department of Transportation and Public Facilities, the Matanuska-
25 Susitna Borough, and citizens residing in communities served by the
26 railroad regarding the mitigation of the effects of railroad opera-
27 tions on moose.

28 (c) The corporation shall prepare, in *Cooperation* [conjunction] with the
29 Department of Fish and Game, a contingency plan to minimize to the
greatest extent feasible the effect of railroad operations on moose.

1 The plan shall include specific criteria for timing and implementation
2 of measures to mitigate the effects of railroad operations on moose.
3 The plan must be updated annually on or before September 1. In pre-
4 paring the plan, the corporation may conduct one or more public meet-
5 ings to discuss practices by which the destruction of moose by rail-
6 road operations may be mitigated.

7 (d) The corporation shall provide for the salvage of moose
8 killed by operations of the railroad. The corporation shall cooperate
9 with the Department of Public Safety in distributing salvaged moose
10 meat to persons identified by the Department of Public Safety as
11 qualified to receive salvaged moose meat.

12 (e) The corporation shall report the number of moose killed by
13 railroad operations to the Department of Fish and Game. The report
14 shall include the time and location, by railroad milepost, of each
15 moose kill.

16 * Sec. 2. The Alaska Railroad Corporation shall complete the first
17 contingency plan to minimize the effect of railroad operations on moose, as
18 required by AS 42.40.445(c), enacted by sec. 1 of this Act, on or before
19 September 1, 1990.