

ALASKA LEGISLATURE COMMITTEE FILES 1997-1998 86/2

9697 SENATE RULES

FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. CSSB 7(RLS)

Revision Date: 2/28/97 Dept. Affected: Fish and Game
 Title: Hunting Sport Fish Trapping Fees/Licenses BRU: Sport Fish
 Component: Sport Fish
 Sponsor: Senator Donley
 Requester: Senate Rules COMPONENT SERIAL NO. 464

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 100	FY 101	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES (1024)	1,024.4	4,179.4	4,262.9	4,348.2	4,435.2	4,523.9

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1024 Fish and Game Fund	1,024.4	4,179.4	4,262.9	4,348.2	4,435.2	4,523.9
TOTAL	1,024.4	4,179.4	4,262.9	4,348.2	4,435.2	4,523.9

Estimate of any current year (FY96) cost: \$ 0.0

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Adoption of SB 7 as written, would result in a larger annual contribution to the Fish and Game Fund due to the changes in structure and price of non-resident sport fishing licenses and king salmon tags proposed in this legislation. The department's confidence in the models used to prepare this fiscal note is not high. Our ability to project market reaction to substantial changes in license structures and fees is limited.

See attached page for assumptions.

Prepared by: Kevin Delaney Phone: 465-4180
 Division: Sport Fish Date: 2/28/97
 Approved by Commissioner: Frank Rue Date: 3-3-97
 Agency: Fish and Game

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information, call the Governor's Legislative Office

Bill Number: CSSB 7(RLS)

Title: Hunting Sport Fish Trapping Fees/ Licenses

Assumptions used for license revenue calculations: (Bill becomes effective 1/1/98)

- Revenue calculations are based on Fiscal Year 1996 license sales statistics.
- Approximately 25% of sport fish license sales occur in the first half of a given calendar year (based on 3 year average 1993-1995). With this in mind, FY98 revenues are only 25% of calculated total for fiscal year.
- Annual license sales growth is estimated at 2% for revenue projections.
- The table below reflects Fiscal Year 1998 revenue projections with and without the enactment of this bill.
- Residents will purchase combination licenses out of convenience rather than for cost savings, therefore, same number of combination licenses will be purchased in the future.
- Nonresidents who currently purchase an annual license (other than ~850 who would qualify for the annual nonresident license as outlined in SB 7) will be forced to purchase a series of 14-day licenses. 50% will purchase two while the remaining 50% will purchase one 14-day license.
- Of those nonresidents who currently purchase a 14-day license, 75% will continue to do so, while 25% will now purchase a 7-day license.
- Of those nonresidents who currently purchase a 3-day license, 60% will purchase a 7-day license, 20% will purchase two 1-day licenses and 20% will purchase a single 1-day license.
- Those nonresidents who purchased a 1-day license will continue to do so.
- Of those nonresident hunters who currently purchase an annual sport fish license, 50% will now purchase two 14-day licenses and 50% will purchase one 14-day license.
- Of those nonresident hunters who currently purchase a 14-day license, 50% will now purchase a 14-day license and the remaining 50% will purchase a single 7-day license.
- Nonresidents who currently purchase an annual king salmon tag will be forced to purchase a series of 14-day tags. 50% will purchase two 14-day tags, while the remaining 25% will now purchase a single 14-day tag, and 25% will purchase a 7-day tag.
- Of those nonresidents who currently purchase a 3-day king salmon tag, 60% will purchase a 7-day tag, 20% will purchase two 1-day tags and the remaining 20% will purchase a single 1-day tag.
- Those nonresidents who purchased a 1-day king salmon tag will continue to do so.

Description	*Without SB7		*With SB7		
	# SOLD FY98	Revenue FY98	# SOLD FY98	Revenue FY98	Revenue Net (+/-)
* Sport Fish Revenue Portion only.					
Resident Sport Fishing	130,246	\$1,953.7	130,247	\$1,953.7	(\$0.0)
Resident Sport Fish & Hunt* (37.5%)	37,456	\$561.8	37,456	\$547.8	(\$14.0)
Resident SF, Hunt & Trap* (27.3%)	5,186	\$77.9	5,186	\$75.0	(\$2.8)
Resident King Salmon Stamp	88,934	\$889.3	88,934	\$889.3	\$0.0
Nonresident Sport Fish	24,334	\$1,216.7	850	\$127.5	(\$1,089.2)
Nonresident 14-day Sport Fish	87,184	\$2,615.5	103,314	\$5,165.7	\$2,550.2
Nonresident 7-day Sport Fish	NA	\$0.0	60,664	\$1,819.9	\$1,819.9
Nonresident 3-day Sport Fish	63,193	\$947.9	NA	\$0.0	(\$947.9)
Nonresident 1-day Sport Fish	68,003	\$680.0	105,973	\$1,059.7	\$379.7
Nonresident Military Sport Fish	5,600	\$84.0	5,600	\$84.0	\$0.0
Nonresident Hunt & Sport Fish* (37%)	1,165	\$58.2	NA	\$0.0	(\$58.2)
Nonresident Hunt & 14-day SF* (26.1%)	1,905	\$57.2	NA	\$0.0	(\$57.2)
Nonresident Military SF & Small Game (37.5%)	301	\$4.5	301	\$4.5	(\$0.0)
Military King Salmon Stamp	2,322	\$46.4	2,322	\$46.4	\$0.0
Nonresident King Salmon Stamp	35,683	\$1,248.9	NA	\$0.0	(\$1,248.9)
Nonresident 14-day King Salmon Stamp	NA	\$0.0	44,604	\$2,230.2	\$2,230.2
Nonresident 7-day King Salmon Stamp	NA	\$0.0	26,842	\$805.3	\$805.3
Nonresident 3-day King Salmon Stamp	29,952	\$449.3	NA	\$0.0	(\$449.3)
Nonresident 1-day King Salmon Stamp	35,028	\$350.3	52,999	\$530.0	\$179.7
Duplicate KS Stamp	1,168	\$5.8	1,168	\$5.8	\$0.0
TOTALS		\$11,247.5		\$15,344.9	\$4,097.4

FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO: CSSB 7(RLS)

Revision Date: 3/4/97
 Title: An Act relating to the amendment of hunting and sport fishing license and tag fees
 Sponsor: Senator Donlev
 Requestor: S. Rules

Dept. Affected: Public Safety
 BRU: Fish and Wildlife Protection
 Component: Detachments
 COMPONENT SERIAL NO. 0490

EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
CHANGE IN REVENUES ()	-0-	-0-	-0-	-0-	-0-	-0-
Revenue Code						

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program						
1006 GF/MHTIA						
Other						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

Estimate of current year (FY 97) impact: \$ -0-

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary.)

This Bill is consistent with the Division's program objectives, and will not adversely impact the budget.

Prepared By: Captain Joel L. Hard Phone: 269-5409
 Division: Fish and Wildlife Protection Date: March 4, 1997
 Approved by Commissioner: *Dee Smith* Date: 3/4/97
 Agency: Ronald L. Otte, Department of Public Safety

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information call the Governor's Legislative Office

ANALYSIS CONTINUED:

AMENDMENT

Offered in the Senate Rules Committee
To: CS SB 7 (FIN)

BY: SENATOR

Page 3, Section 7
Lines 13-14

Delete:

"(B) [FOR A THREE-DAY TAG 15
(C)] for a 14 day [OR ANNUAL] tag.....30 [35]."

Insert:

"(B) for a seven - day [THREE DAY] tag 30 [15]
(C) for a 14 day [OR ANNUAL] tag 50 [35]."

This amendment will make the non-resident anadromous king salmon tag fee increments and time periods match the non-resident sport fishing license fee increments and time periods found in Section 4 of the bill.

The resulting cost of an non resident anadromous king salmon tag will be:

a one day tag \$10
a seven day tag \$30
a fourteen day tag \$50

The resulting cost of a non-resident sport fishing license will be:

a one day license \$10
a seven day license \$30
a fourteen day license \$50



SENATOR DAVE DONLEY

ALASKA STATE LEGISLATURE

SPONSOR STATEMENT - CS SB 7(FIN)

Reducing Fees for Resident Combination Licenses and Increasing Fees for Non-Resident Sport Fishing Licenses and Tags

CSSB 7(FIN) was introduced in response to escalating misuse of Alaska's sport fish resources by non-residents who commercially harvest, process and sell sport caught fish. Some non-residents are using proceeds from the sale of sport caught fish to pay for annual vacations in Alaska. CSSB 7(FIN) raises non-resident sport fishing license and tag fees to levels more consistent with similar fees in other states and creates a tool for enforcement officers to more easily trace those non-residents who abuse our sport fish resources.

The Senate Finance Committee, at the request of Fish & Game, reinstated the annual non-resident sport fish license for \$150. A provision was added to require proof of a current Alaska Business license and a current air taxi or commercial "6 pack" boat operator license upon purchase of the annual non-resident license. This enables non-residents who work as sport fish guides to obtain an annual license. Non-residents who do not work as guides will not be able to purchase an annual license therefore the Department will be able to more easily trace non-resident abusers of our sport fish resources who continually purchase 14 day licenses throughout the season.

Specifically, CSSB 7(FIN) creates a non-resident seven day sport fishing license for \$30, repeals the 3 day license and increases the non-resident 14 day license fee to \$50. In addition, the bill creates a 14 day non-resident anadromous king salmon tag for \$30 and repeals the 3 day tag.

In addition, CSSB 7(FIN) reduces the cost of the three types of resident combination licenses. Currently, the cost for combination licenses for residents are exactly the same, whether each license is purchased individually, or as a combination. CSSB 7(FIN) reduces the hunting and trapping, and the hunting and sport fishing licenses by \$1, and reduces the hunting, trapping and sport fishing license by \$2, creating an incentive for residents to purchase combination licenses. Purchasing combination licenses will save the State approximately \$1-2 in fees per combination license sold, thereby mitigating any loss of revenue, and will result in less paperwork for the Department to process.

If you have further questions, please contact Karen Brand of my staff at (907) 465-3892.

DD/kb 2/25/97

January-May: STATE CAPITOL • JUNEAU, AK • 99801-1182 • (907) 465-3892 • FAX: (907) 465-6595
June-December: 716 W. 4TH AVE. • STE. 430 • ANCHORAGE, AK • 99501 • (907) 258-8181 • FAX: (907) 258-1648

MEMBER: Senate Finance Committee • Legislative Budget & Audit Committee
• Senate Community & Regional Affairs Committee

CS FOR SENATE BILL NO. 7(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTIETH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): SENATORS DONLEY, Sharp

A BILL

FOR AN ACT ENTITLED

1 "An Act reducing certain resident sport fishing, hunting, and trapping license fees,
2 increasing certain nonresident sport fishing license and tag fees, and relating to
3 nonresident sport fishing and hunting licenses and tags; and providing for an
4 effective date."

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

6 * Section 1. AS 16.05.340(a)(3) is amended to read:

7 (3) Resident hunting and trapping license 39 [40]

8 * Sec. 2. AS 16.05.340(a)(5) is amended to read:

9 (5) Resident hunting and sport fishing license 39 [40]

10 * Sec. 3. AS 16.05.340(a)(6) is amended to read:

11 (6) Resident hunting, trapping, and sport fishing license . . . 53 [55];

12 (A) however, the fee is \$5 for an applicant who

13 (i) is receiving or has received assistance during the
14 preceding six months under any state or federal welfare program to aid

1 the indigent; [,] or

2 (ii) has an annual family gross income of less than
3 \$8,200 for the year preceding application;

4 (B) a person paying \$5 for a resident hunting, trapping, and
5 sport fishing license must provide proof of eligibility under this paragraph
6 when requested by the department [DEPARTMENTS].

7 * Sec. 4. AS 16.05.340(a)(7) is amended to read:

8 (7) Nonresident [SPECIAL] sport fishing license - valid for the period
9 inscribed on the license

- 10 (A) For 14-day license \$ 50 [\$ 30]
- 11 (B) For seven-day [THREE-DAY] license 30 [15]
- 12 (C) For one-day license 10

13 * Sec. 5. AS 16.05.340(a)(8) is amended to read:

14 (8) Nonresident annual sport fishing license 150 [50]

15 A nonresident may obtain a nonresident annual sport fishing license upon
16 presentation of proof of a current business license issued under AS 43.70 to
17 provide sport fish guide services and either a current air taxi/commercial operator
18 certificate issued by the Federal Aviation Administration or a current license to
19 carry passengers for hire issued by the Coast Guard.

20 * Sec. 6. AS 16.05.340(a)(15) is amended to read:

21 (15) Nonresident big game tags

22 A nonresident may not take a big game animal without previously purchasing a
23 numbered, nontransferable, appropriate tag, issued under this paragraph. The
24 tag must be affixed to the animal immediately upon capture and must remain
25 affixed until the animal is prepared for storage, consumed, or exported. A tag
26 issued but not used for an animal may be used to satisfy the tagging requirement
27 for an animal of any other species for which the tag fee is of equal or less value.

- 28 (A) Bear, black, each 225
- 29 (B) Bear, brown or grizzly, each 500
- 30 (C) Bison, each 450
- 31 (D) Caribou, each 325

1 (E) Deer, each 150
 2 (F) Elk, each 300
 3 (G) Goat, each 300
 4 (H) Moose, each 400
 5 (I) Sheep, each 425
 6 (J) Wolf, each 175
 7 (K) Wolverine, each 175
 8 (L) Musk oxen, each 1,100

9 * Sec. 7. AS 16.05.340(a)(24) is amended to read:

10 (24) Nonresident anadromous king salmon tag - valid for the period
11 inscribed on the tag

- 12 (A) for a one-day tag \$10
 13 (B) [FOR A THREE-DAY TAG 15
 14 (C)] for a 14-day [OR ANNUAL] tag 30 [35].

15 A nonresident may not engage in sport fishing for anadromous king salmon without
16 having a valid anadromous king salmon tag in the person's actual possession, unless
17 that person is under the age of 16. Members [HOWEVER, MEMBERS] of the
18 military service on active duty who are permanently stationed in the state, and their
19 dependents, who do not qualify as residents under AS 16.05.940, may obtain an annual
20 nonresident military anadromous king salmon tag for \$20.

21 * Sec. 8. AS 16.05.350(a) is amended to read:

22 (a) Licenses, permits, and tags required under AS 16.05.330 - 16.05.430,
23 except biennial licenses, triennial licenses, the nonresident [SPECIAL] sport fishing
24 licenses [LICENSE], the resident trapping license, the [ONE, THREE, OR 14-DAY]
25 nonresident anadromous king salmon tags [TAG], the waterfowl conservation tag, and
26 permits having a different specified expiration date, expire at the close of December
27 31 following issuance.

28 * Sec. 9. AS 16.05.340(a)(10) is repealed.

29 * Sec. 10. This Act takes effect January 1, 1998.

Fish sting

9/12/96
ADN

Good folks, bad deeds

Just how many folks are ripping off Alaska's sportfish and selling them Outside? Nobody knows despite the recent busts on the Kenai Peninsula, yet the evidence suggests visiting fishermen are canning salmon up and down the Kenai.

The fishermen involved hardly fit the profile of criminals. "They're your average tourist coming to Alaska," says Fish and Wildlife Protection Sgt. Jim Cockrell. But they are out to pay for their vacation with canning ventures.

The fact that the perpetrators look more like Uncle Bud than Baby Face Nelson doesn't diminish the insult to Alaska's salmon fishery. Canning sportfish and selling them is against the law. It's criminal behavior. And no amount of whining "I only wanted to pay for my Alaska summer" changes that. How would the people of Arizona, where canned Kenai sportfish are sold, respond if they knew Alaskans were stealing their resources to pay for winter vacations?

Solutions are not readily at hand. Sportfishing and commercial fishing alike depend in large measure on the integrity of the fishermen. The state can't put a Fish and Wildlife Protection officer in every campground. Sting operations are costly and time-consuming. Changing the possession limits affects the honest and dishonest alike and is bound to provoke controversy.

But clearly it's time for the Legislature and the Fish Board to pay attention to the everyday folks stealing fish. Lawmakers and board members can gather information, ask questions, and explore the best way to protect the fishery. Then they can determine who should take the appropriate action.

Alaska welcomes visitors who want to explore its streams and land some salmon for dinner. But it doesn't welcome folks who come here with thievery on their minds.

FISH: Undercover investigation finds tourists are smoking and selling salmon

Salmon sellers targeted

Undercover agent jams campgrounds

By TOM KIZZIA
Daily News reporter

He looked like just another "snowbird" from the Lower 48. He'd fish for a few days, learning from other campers how to smoke and can his salmon. Then he'd move the pickup truck and trailer to another campground on the Kenai Peninsula.

Everywhere he camped this summer, from Ninilchik to the Russian River, the man with Montana plates found tourists smoking and canning fish to sell when they got back home, according to investigators with the Alaska State Troopers' Fish and Wildlife Protection division.

The man from Montana was an undercover agent.

"Every campground he was in, there were people commercializing the salmon, even showing other people how to do it," said Fish and Wildlife Protection Sgt. Jim Cockrell.

Fish and Wildlife Protection officials said they sent the agent out in a trailer this year not to bust violators, but to check out widespread reports they'd been hearing of legal salmon sales in the Lower 48 and in Europe, especially Germany.

"We wanted to see if it was a real problem," said Cockrell. "I think we verified everything we were being told."

In late August, troopers busted three "mom-and-pop" operations in Kenai River campgrounds, seizing about 1,000 pounds of frozen or canned salmon. But troopers say the problem of selling sport-caught fish appears much larger — and in most cases, there's little the state

can do about it.

The three busted operations all sold fish to the undercover agent in Alaska, according to the state. Three people have pled no contest and paid \$1,500 fines, while two others say they're not guilty and want a trial.

But the long arm of Alaska law does not reach to Arizona or Florida, where the tourists reportedly planned to sell most of their salmon. Had the tourists waited until they left Alaska, they couldn't have been charged by the state with selling sport-caught fish.

Troopers say they need to determine how widespread the practice is before proposing legal solutions. Among the possibilities: appeal to the U.S. Fish and Wildlife Service for help in chasing violators across state lines, or pass a law limiting how many fish a non-resident angler can keep.

"We could lower the possession or processed-possession limits," said Mitch Doerr, an investigator with Fish and Wildlife Protection's commercial crimes bureau. "But that becomes a political deal. Are you going to start losing tourism?"

"I don't know if the problem is great enough to warrant limits on out-of-state fish," said Ben Ellis, executive director of the Kenai River Sportfishing Association. "I'd prefer to see them deal with it with sting operations like this one. How many fish are we talking about? A few hundred or 10,000?"

Anglers have caught an average of 170,000 red salmon each year for the past decade along the Kenai River.

This year, with a big run and the daily bag limit raised from three fish to six, canners and smokers were busy.

Much of the activity is legitimate, troopers say. Beyond the daily take, there's no limit to how many fish a non-resident angler can take home to eat or give away.

The commercial canning operations broken up in August had processed fairly small volumes of fish.

"For the most part, the person isn't trying to get rich off it, but they're trying to pay for their vacation to Alaska," Cockrell said.

Melvin and Barbara Gibb were canning fish in jars in their motor home parked all summer at River Quest campground outside Soldotna. Troopers said they targeted the Gibbs because a retired trooper stumbled on them in Arizona last winter selling canned Alaska salmon at a flea market.

Doerr said the Gibbs had 200 to 300 pounds of frozen salmon when troopers seized their equipment Aug. 23, along with 12 cases of canned fish. He said they expected to receive \$4 a pint for the salmon.

"They were real nice retired people," said Sean Cude, manager of the River Quest campground, who said he was surprised by the bust.

Anchorage
Daily
News
9/11/96

"They probably had about enough fish to make money for gas in their big chug-a-lug motor home," said Cude.

"But it's against the law and they're stealing fish from you and me and our kids. If everybody does it, we're going to be like Oregon and Washington, with all our rivers fished out."

Barbara Gibb, reached on her mobile phone in Soldotna earlier this week, refused to answer questions about selling fish in the Lower 48. She admitted she and her husband sold several silver salmon to the man from Montana, however.

"The man begged us," she said. "He said he was heading back to Montana but he hadn't caught any silvers yet. He came knocking on our door."

Also fined was Richard Willet, a Florida man who troopers said had sold smoked fish from Alaska in the past and planned to expand his market. Willet told the undercover agent he expected to leave with 800 pounds of vacuum-sealed salmon, which he could sell for \$10 a pound. But he only had 100 pounds of salmon when the bust occurred, said Doerr.

Willet sold a 35-pound king salmon and two smoked fillets to the undercover agent at River Quest, Doerr said.

Robert and Edith Miller, who camped at Riverbend Campground, were charged with selling halibut from their son's sportfishing charter. They have pleaded not guilty. Charges against their son, Robert J. Miller, are pending, troopers said.

ADN 9/11/96

Illegal fishing

They broke the law; law broke them

Alaska welcomes visitors with open arms, but there are some guests Alaskans would prefer never to see again. Recently, officers of the Fish and Wildlife Protection Division fingered a bunch of them — folks, some in league with their Alaska hosts, who had been canning and freezing sportfish they caught on the Kenai Peninsula and selling it Outside to finance their summer vacations.

This kind of illegal salmon fishing apparently can be found in just about every campground on the Kenai Peninsula. It's so prevalent, in fact, that Sgt. Bruce Lester of fish and wildlife protection says, "We have a second, unregulated commercial fishery going on down here."

Make no mistake: The violators knew exactly what they were doing. Several of them showed an undercover officer how to put together a salmon-canning operation — and reminded him to keep mum about canning sports fish because it is illegal.

People who abuse Alaska's fish in this fashion don't fit our everyday image of criminals. They're typically middle-class folks who would stand out in a police lineup. But they are bandits nonetheless. They stole fish that didn't belong to them — and their thievery was as real and as destructive as true nasty guys' behavior. That's why the sale of sport-caught fish is a misdemeanor that can lead violators to a year in jail and a fine of up to \$5,000.

A successful fisherman needs a mixture of talent, patience, timing and the right equipment. And once successful, a fisherman needs a conscience. The law simply cannot be on every bank of every stream enforcing honorable behavior.

These folks did not have a conscience, and now they're going to pay for it. Perhaps their example will awaken the conscience of other abusers; if it doesn't, Alaska's fish and wildlife protection officers will have to show them just how harsh the law can be.

8/28/96 ADN

Vacationers' fish seized

Undercover officers say salmon financed trips

The Associated Press

KENAI — Law enforcement officers have confiscated six freezers of fish and 30 cases of canned salmon as part of a undercover investigation of illegal fish-selling operations.

Officers of the Fish and Wildlife Protection Division have long suspected that some retirees and other Alaska visitors have been canning and freezing sport-caught fish on the Kenai Peninsula to help pay for their vacations. Now Fish and Wildlife Protection troopers are cracking down.

"One of our goals was to show that we have a second, unregulated commercial fishery going on down here," said Sgt. Bruce Lester of the Fish and Wildlife Protection Division's commercial crimes division.

An investigation this summer led to the seizure of the freezers and cases of canned salmon, according to Sgt. James Cockrell of the Fish and Wildlife Protection Division in Soldotna.

Lester said most, if not all, of the fish seized were caught by sportfishing methods, though limits may have been exceeded. It doesn't take a ge-

nius to catch a limit, change clothes and catch another limit, Lester said.

"One individual stated that just the fish his wife caught paid for the trip," Lester said.

Cockrell said three separate groups were targeted in the recent seizures. Charges have not yet been filed, so he would not reveal their identities.

The three groups of suspects, from Washington, Oregon and Alaska, are all retired and travel extensively, Lester said. The couple claiming Alaska residency have a son who lives on the Kenai Peninsula.

That son, Lester said, also will be charged with running an unlicensed charter operation and growing marijuana.

Sale of sport-caught fish is a misdemeanor. Violators can be sentenced to a year in jail and fined up to \$5,000.

"I think this is pretty prevalent, based on the information we're getting from the Lower 48," Cockrell said. "Once the reds hit the (Kenai) river, they fish them solid. They all plan on showing up here around the 10th of July."

STING: Sales of sportfish targeted

Continued from Page B-1

This year the operations were so blatant, fish were being sold in the campgrounds right on the Kenai Peninsula, Cockrell said.

"Some of those operations have really sophisticated gear and they work long,

hard hours. Those canners and smokers are going all night," Lester said.

"One operator even had a commercial outlet to sell his fish down south," he said.

An undercover officer was stationed in a peninsula campground this summer after a retired officer bought

some canned Alaska salmon at a flea market in Arizona, Lester said.

Veteran violators return year after year, Cockrell said.

"They teach the new people — give them tips on how to pay for their trips to Alaska," he said.



Senator David Donley
Alaska State Capitol
Juneau, AK 99801
via fax

Re: Senate Bill No. 7 Modifying Sport Fishing License Fees

Dear Senator Donley,

Thank you for forwarding us a copy of the subject bill. The bill, when signed into law, would accomplish many positive things for the resident sport angler.

- It would reduce aggregate fees should he or she purchase multiple licenses (fishing/hunting/trapping).
- It would bring the level of non-resident fees more closely in line with other states and provinces. It would show the visitors that we Alaskans value our fisheries as much as they do theirs. Based on comments I have heard from our visitors, there is no doubt in my mind that the visitors will gladly pay this small increase to participate in Alaska's incredible fisheries.
- The elimination of the non-resident annual fishing license will provide ADF&G with data that could enumerate who is staying for an extended period and might be a lead sheet for investigations into the illegal sale of sport caught fish. Most residents abhor the illegal sale of sport caught fish by non-residents and want this illegal activity eliminated.

The Alaska Sportfishing Association supports this bill and urges its passage.

Phil Cutler, President

SB

8

FISCAL NOTE

No. 1

Bill Version: SB8

(S) Publish Date: 1/29/97

STATE OF ALASKA
1997 LEGISLATIVE SESSION

Revision Date: 1/28/97
Title: "An Act relating to the noise levels of airports and sport shooting facilities."
Sponsor: Senator Halford
Requester: Senate Transportation

Dept. Affected: Department of Law
BRU: Civil Division
Component: General Legal Services

COMPONENT SERIAL NO. 2087

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY97) cost: \$ 0.0

POSITIONS

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

ANALYSIS: (Attach a separate page if necessary)

SB 8 will have no fiscal impact on the Department of Law.

Prepared by: Joan M. Kasson
Division: Administrative Services Division
Approved by Commissioner: Bruce M. Botelho, Attorney General
Agency: Department of Law

Phone: 465-5370
Date: 1/28/97
Date: 1/28/97

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
For further distribution information, call the Governor's Legislative Office

BILL: SB 8 SHORT TITLE: AIRPORT/SHOOTING FACILITY NOISE LEVELS
BILL VERSION:
SPONSOR(S): SENATOR(S) HALFORD,Pearce,Green

CURRENT STATUS: (S) RLS

STATUS DATE: 02/06/97

TITLE: "An Act relating to the noise levels of airports and sport shooting facilities."

01/03/97	16	(S)	PREFILE RELEASED 1/3/97
01/13/97	16	(S)	READ THE FIRST TIME - REFERRAL(S)
01/13/97	16	(S)	TRA, RES
01/29/97	159	(S)	TRA RPT 4DP 1NR
01/29/97	159	(S)	DP:WARD,HALFORD,WILKEN,GREEN; NR:LINCOLN
01/29/97	159	(S)	ZERO FISCAL NOTE (LAW)
01/29/97	163	(S)	COSPONSOR(S): GREEN
02/06/97	247	(S)	RES RPT 6DP 1NR
02/06/97	247	(S)	DP: HALFORD, TAYLOR, SHARP, GREEN,
02/06/97	247	(S)	LEMAN, TORGERSON; NR: LINCOLN
02/06/97	247	(S)	PREVIOUS ZERO FN (LAW)
02/06/97	247	(S)	REFERRED TO RULES



Official Business

Alaska State Legislature

Senate

**RICK
HALFORD**

State Capitol
Juneau, Alaska
99801-1182
Phone (907) 465-4958

P.O. Box 670190
Chugiak, Alaska 99567
Phone (907) 694-4958

600 E. Railroad Avenue
Wasilla, Alaska 99654
Phone (907) 376-4958

Senate Bill 8 Sponsor Statement

Noise at Airports and Sport Shooting Ranges

Airports and sport shooting ranges offer a public service as well as recreational opportunities and have become increasingly under attack in the lower forty-eight states. Since populations are tending to shift from urban to rural areas, new groups of citizens are moving into areas with existing airports and ranges. This encroachment has resulted in hundreds of lawsuits and complaints against airport and range owners and operators due to the noise level.

Senate Bill 8 was introduced to provide private airports and sport shooting ranges in Alaska protection from lawsuits if the action arises out of the noise level from normal operation or its uses; provided the facility was established before the person acquired the property or prior to any noise control ordinance or law.

Without the passage of SB 8 private airports and sport shooting ranges within Alaska will remain vulnerable to legal sanctions jeopardizing the opportunities they provide through their ongoing and traditional uses.

This issue was addressed by the 19th Legislature with Senate Bill 274. SB 274 passed the Senate by a vote of 17-1, and the House by a margin of 33-5, before being vetoed by the governor.

This piece of legislation is endorsed by the National Rifle Association, Alaska Air Carriers Association, the Alaska Outdoor Council, Alaska Boating Association and the Alaska Airmen's Association.

Thank you for your consideration.

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

TONY KNOWLES, GOVERNOR

PLEASE REPLY TO:

1031 WEST 4TH AVENUE, SUITE 200
ANCHORAGE, ALASKA 99501-1994
PHONE: (907) 269-5100
FAX: (907) 276-3697

KEY BANK BUILDING
100 CUSHMAN ST., SUITE 400
FAIRBANKS, ALASKA 99701-4679
PHONE: (907) 451-2811
FAX: (907) 451-2846

February 13, 1997

P.O. BOX 110300-DIMOND COURT HOUSE
JUNEAU, ALASKA 99811-0300
PHONE: (907) 465-3600
FAX: (907) 465-6735

The Honorable Tim Kelly
Chair
Senate Rules Committee
State Capitol
Juneau, AK 99801-1182

Re: Department of Law Concerns
with Senate Bill 8

Dear Senator Kelly:

The Department of Law, on behalf of the executive branch, has four specific concerns with Senate Bill 8, "An Act relating to the noise levels of airports and sport shooting facilities." Because the bill was moved out of the Senate Resources Committee while we were in the middle of our presentation, these concerns have not yet been noted on the record. However, I have personally discussed Concern #4 with Brett Hubber of Senator Halford's staff and he will entertain amendments from us to assuage that concern. The purpose of this letter is to ensure that all of our concerns are noted before this bill moves out of the Senate.

The four concerns are:

1. As law, the bill will reduce fluidity of land use.
2. The bill is a legislative endorsement of unreasonable actions.
3. Noise is a local, not a statewide, issue.
4. Either the bill violates the Alaska Constitution or fails to clearly state what it means.

The Honorable Tim Kelly
Chair, Senate Rules Committee

February 13, 1997

Each of these is discussed in detail throughout the remainder of this letter.

Concern 1: THE BILL REDUCES FLUIDITY OF LAND USE AND INHIBITS GROWTH OF AN AREA BECAUSE IT COMPLETELY BARS NEW ARRIVALS FROM COMPLAINING ABOUT NOISE.

Explanation:

The bill completely bars a person from challenging noisemakers in court if that person acquired land in the vicinity of the noisemaker after the noisemaker started making noise. See, Proposed Section 34.75.010(a), (c); Page 1 lines 9-11, and page 2 lines 7-9. This doctrine -- that a person may complain about another only if the complainant was there first -- is known as "coming to the nuisance." As a complete bar to complaints, the doctrine was first recognized in England in 1838 but was abandoned there in 1878. It has never received widespread acceptance in American courts. On the contrary, it is generally repudiated by our judiciary. 5 Powell, Real Property (1995), ¶ 704[3] at 64-48.

In America, "coming to the nuisance" is one factor the courts consider when a person challenges a noisemaker but it is not a complete bar to the litigation. The reason for this has been explained in the Restatement of Torts, a compilation of America's common laws:

If people were barred from court because they came to the nuisance, those who settled in an area would acquire complete control over the future of adjoining and nearby land. This would inhibit and impair the fluidity of land use. Yet, fluidity of land use is a basic aspect of the American economy.

4 Restatement of Law 2d, Torts (1979), § 840D, comment b, (paraphrased, not quoted).

This same concern was stated differently in a treatise on American Real Property law (Powell, *supra*):

The Honorable Tim Kelly
Chair, Senate Rules Committee

February 13, 1997

If new landowners were barred from court because they came to the nuisance, an existing landowner could, by setting up an activity or a condition that results in a nuisance, condemn all the land in his vicinity to a servitude without paying any compensation and so could arrogate to himself a good deal of the value of adjoining land.

(paraphrased, not quoted). We think it important that the legislature recognize it is embracing a doctrine that has been rather widely rejected by others because the doctrine inhibits logical growth of a community and reasoned development of realty.

Concern #2: THE BILL PREVENTS A LANDOWNER FROM ABATING ANOTHER PERSON'S ACTIVITIES EVEN WHERE THOSE ACTIVITIES UNREASONABLY INTERFERE WITH THE LANDOWNER'S USE AND ENJOYMENT OF HIS OWN PROPERTY.

Explanation:

A "nuisance" is, by definition, one person's unreasonable interference with a landowner's use and enjoyment of the landowner's property. 4 Restatement of Law 2d, Torts (1979), §§ 821B and 822. The key word is UNREASONABLE. We do not comprehend any rational basis for mandating that one landowner suffer unreasonable interference from another.

Moreover, in a nuisance action a landowner is protecting his own property. *Id.* at § 821D. Under common law, a landowner does not have a noise-based nuisance action against another unless the other's activities create noises that cross over to the landowner's property. *Id.* at § 821E. Thus, a nuisance case is not a situation where one person gets to tell another how the other should use his own land; it is a situation where one person gets to tell another that the other cannot also "use" the first person's land. We must wonder aloud why this legislature deems it appropriate to divest some landowners of the right to quietude that normally accompanies property ownership.

Nor do we understand why the bill fails to acknowledge that "reasonableness" changes over time. Had this legislature

The Honorable Tim Kelly
Chair, Senate Rules Committee

February 13, 1997

convened in Juneau when the old stamp mills were running, the legislators would have had to yell to be heard in their chambers. It was reasonable, at that time, for the local mining activity to be so noisy. Now, we think it fair to say that few legislators would accept such noise during the entirety of the session. Common law recognizes the evolution of reason. *Id.* at § 821F, comments c - f and § 826, comments b - c. We see no legitimate state interest in an act that fails to recognize that evolution but instead locks citizens into a status quo that may well become atavistic and anachronistic.

Concern #3: NOISE IS A LOCAL CONCERN.

Explanation:

No single noise travels throughout the state. For this reason courts deal with noise issues on a very local, site specific basis. E.g., Krueger v. Mitchell, 332 N.W.2d 733 (Wis. 1983) (airport noise); Gray v. Barnhart, 601 A.2d 924 (Pa. 1992) (shooting range noise), Soja v. Factoryville Sportsmen's Club, 610 A.2d 491 (Pa. 1992) (shooting range noise). While it is true that some control of aircraft noise has been taken over by the federal government, the only aircraft noise issues left to the control of other governments are peculiarly local. Cf., City of Burbank v. Lockheed Air Terminal, Inc., 411 U.S. 624 (1973) with Krueger, supra. We doubt there is any legitimate state interest in such local issues that justifies usurpation of control from the people most directly affected by the noise.

Concern #4: THE BILL IS AMBIGUOUS AND MAY VIOLATE THE CONSTITUTION.

Explanation:

Article I, Section 15 of the Alaska Constitution prohibits any law that irrevocably grants a special privilege or immunity. The proposed Section 34.75.010(a) grants a special privilege to operators of certain airports and shooting ranges: they may make lots of noise. That privilege is special because it is not given to public airports or shooting ranges; it is not given

The Honorable Tim Kelly
Chair, Senate Rules Committee

February 13, 1997

to noisy types of activities other than airports or shooting ranges; it is not given to private airports and shooting ranges that start up in an already established, quiet community.

The proposed Section 34.75.010(a) also immunizes certain facilities from suit and the proposed Section 34.75.030 immunizes them from regulation.

If these privileges and immunities are irrevocable, they are unconstitutional. These privileges and immunities are irrevocable if they are not limited or lost following a substantial change in the use of the facility. Are these privileges and immunities lost following a substantial change in use? The bill is ambiguous.

On the one hand, the proposed 34.75.010(b) [Page 2, lines 1 - 5] purports to list all instances where the privileges and immunities do not apply. Since that section does not reference "a substantial change in use of the facility," one could infer that the privileges and immunities are retained even after a substantial change. If that is true, the bill is probably unconstitutional, violating Article I Section 15.

On the other hand, the proposed 34.75.010(c) seems to grant some rights to certain persons if the facility substantially changes its use. [Page 2, lines 9 - 10.] Similarly, proposed 34.75.020 purports to establish a statute of limitations for bringing actions following a substantial change in use. [Page 2, line 15.] These two sections make no sense unless we infer that a cause of action following substantial changes is implied, notwithstanding the silence of 34.75.010(b). While a court might make that inference to avoid the unconstitutionality and the nonsense, to do so it would have to read into the bill language that is not actually there.

We think it necessary and appropriate for the legislature to ensure that it's bill is sensible and constitutional. Toward that end we embrace the amendments previously offered by the Alaska Municipal League and under consideration by Senator Halford.

The Honorable Tim Kelly
Chair, Senate Rules Committee

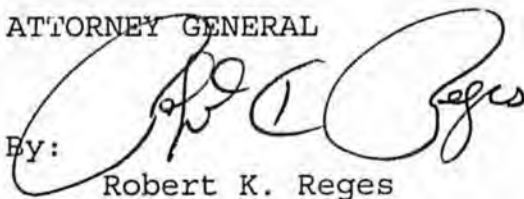
February 13, 1997

Thank you for this opportunity to express our views on
this bill.

Sincerely yours,

BRUCE M. BOTELHO
ATTORNEY GENERAL

By:



Robert K. Reges
Assistant Attorney General

RKR:prm

STATE OF ALASKA

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

TONY KNOWLES, GOVERNOR

- P.O. BOX 112100
JUNEAU, ALASKA 99811-2100
PHONE: (907) 465-4700
FAX: (907) 465-2948
- 333 W. 4TH AVENUE, SUITE 220
ANCHORAGE, ALASKA 99501-2341
PHONE: (907) 269-4500
FAX: (907) 269-4520

February 13, 1997

Senator Tim Kelly, Chair
Senate Rules Committee
State Capitol Room 101
Juneau, Alaska 99811

Dear Senator Kelly:

The Department of Community and Regional Affairs has concerns regarding Senate Bill 8, now in possession of the Senate Rules Committee. The bill would prohibit municipalities from applying new regulations or noise control laws to the outdoor level of noise at certain existing airports and sports shooting facilities. The noise levels produced in conjunction with operating these existing facilities would be "grandfathered in," and would not be subject to subsequently implemented municipal regulations or noise control laws.

The Department is concerned about the public policy implications of state involvement in an area of law traditionally overseen by local government. Under Senate Bill 8, the state would dictate to local communities certain activities that can or cannot take place within their boundaries. We believe that local land use decisions should be made by the affected local government, as Title 29 now authorizes.

It is our understanding that the Department of Law is working with Senator Halford's staff on amendments that would alleviate our concerns. We urge the Rules Committee to consider adopting amendments put forward by Senator Halford's staff.

Sincerely,


Lamar Cotten
Deputy Commissioner

cc: Senator Rick Halford
Pat Pourchot, Governor's Office

S B

9

FISCAL NOTE

No. 2
Bill Version: SB9
(S) Publish Date: 3/10/97

Revision Date: _____ Dept. Affected: Community & Regional Affairs
 Title: An act relating to municipal capital project BRU: none
matching grants for a municipality organized under federal Component: none
 Sponsor: Senator Mackie
 Requestor: Senate C&RA COMPONENT SERIAL NO. _____

Expenditures/Revenues: (Thousands of Dollars)

	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
OPERATING						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0

REVENUE FUND SOURCE:						
----------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

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

Estimate of current (FY97) impact \$ _____

ANALYSIS: (Attach a separate page if necessary)
 This legislation clearly establishes the community of Metlakatla as a municipality for the purposes of the Municipal Capital Project Match Program, AS 37.06.010-090. This legislation would have no direct fiscal impact on the department. Funds currently maintained by DCRA for Metlakatla under the unincorporated capital match program would be transferred to the Municipal Capital Match Program Metlakatla account administered by the Department of Administration.

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708
 Division: Division of Administrative Services Date: 2/21/97
 Approved by Commissioner: *Mike Irwin* Date: 2/21/97
 Agency: Mike Irwin, Dept. of Community & Regional Affairs

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

No. 1
Bill Version: SB9
(S) Publish Date: 3/10/97

Revision Date: _____
Title: An Act relating to municipal capital project matching grants for a municipality organized under federal law as an Indian reserve; and providing for an effective date.
Sponsor: Mackie
Requestor: (S) CRA

Department Affected: Administration
BRU: Administrative Services
Component: Administrative Services
COMPONENT SERIAL NO. 46

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0	0	0	0	0	0
-----------------------------	----------	----------	----------	----------	----------	----------

CHANGE IN REVENUES ()	0	0	0	0	0	0
-------------------------------	----------	----------	----------	----------	----------	----------

FUND SOURCE:

(Thousands of Dollars)

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY 97) cost: \$ 0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

The administrative impact on DOA would be very small. Adding one grantee to the municipal side of this program would not result in a need for additional funds for the administration of this program.

Prepared by: Sharon Barton
Division: Administrative Services

Phone: 465-2277
Date: 2/24/97

Approved by Commissioner: Mark Bover
Agency: Department of Administration

Date: 2/26/97

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
For further distribution information, call the Governor's Legislative Office

SENATE DISTRICT C
KODIAK ISLAND
SOUTHEAST ISLANDS



STATE CAPITOL
JUNEAU, ALASKA 99801-1182
(907) 465-4925
(800) 821-4925 (TOLL FREE)
(907) 465-3517 (FAX)

SENATOR JERRY MACKIE

ALASKA STATE LEGISLATURE

SPONSOR STATEMENT / SB 9

SB 9 - "An Act relating to municipal capital project matching grants for a municipality organized under federal law as an Indian reserve; and providing for an effective date."

This legislation made it through the committee process of the House and Senate last session, made the Senate Calendar, but was not brought up for consideration during the final hours of the session.

I introduced this legislation at the request of the Metlakatla Indian Community when their Municipal Assistance Matching Grant Program appropriation was eliminated from the Fiscal Year 96 year budget. Metlakatla qualified for this program under the Department of Administration regulations definition for "municipality". However, legal analysis found that the statute definition was not written specific enough to include the Metlakatla Indian Community in this program. Since the statute definition supersedes the regulatory definition the appropriation was eliminated.

SB 9 AMENDS AS 37.06 (Capital Project Matching Grants Programs) by adding a new section that includes a municipality organized under federal law as an Indian reserve. This bill has been drafted to specifically include the Metlakatla Indian Community within the Municipal Assistance Matching Grant Program. Metlakatla is the only entity in the state that now, or in the future, could qualify under the language included in SB 9, Page 1, Lines 6 - 8.

The community of Metlakatla is definitely more reflective of a municipal government and fits more appropriately into the Municipal Capital Matching Grant Program. The community has a mayor, city council, school board, constitution, law and order codes, police department, court system, etc..

SB 9 specifically removes Metlakatla from the Unincorporated Capital Matching Grant Program and specifically includes Metlakatla in the statute provisions for the the Municipal Capital Matching Grant Program.



SENATOR JERRY MACKIE

ALASKA STATE LEGISLATURE

SB 9 - "An Act relating to municipal capital project matching grants for a municipality organized under federal law as an Indian reserve; and providing for an effective date."

***SECTIONAL ANALYSIS**

***Section 1.**

amends AS 37.06(Capital Project Matching Grants Program) by adding a new section that includes a municipality organized under federal law as an Indian reserve.

lines 9 - 10, eliminates Metlakatla from the Unincorporated Capital Project Matching Grants Program under AS 37.06.020.

requires the community to form a community development corporation with authority to determine how the grant money will be used, and that the governing board of the corporation shall be elected at an annual election open to all registered and qualified voting residents of the municipality.

the Department of Administration may distribute money for the municipality only after the corporation has delivered a waiver of sovereign immunity from legal action by the state to recover all or a portion of the money distributed under AS 37.06.010.

***Section 2.**

provides transition language to provide that the balance of funds in the Unincorporated Capital Matching Grant Program be transferred to the Department of Administration.

***Section 3.**

provides that SB 9 becomes effective July 1, 1997.

FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. SB 9

Revision Date: _____
 Title: An Act relating to municipal capital project matching grants for a municipality organized under federal law as an Indian reserve; and providing for an effective date.
 Sponsor: Mackie
 Requestor: (S) CRA

Department Affected: Administration
 BRU: Administrative Services
 Component: Administrative Services
 COMPONENT SERIAL NO. 46

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0	0	0	0	0	0
-----------------------------	---	---	---	---	---	---

CHANGE IN REVENUES ()	0	0	0	0	0	0
-------------------------------	---	---	---	---	---	---

FUND SOURCE: (Thousands of Dollars)

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY 97) cost: \$ 0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

The administrative impact on DOA would be very small. Adding one grantee to the municipal side of this program would not result in a need for additional funds for the administration of this program.

Prepared by: Sharon Barton
 Division: Administrative Services

Phone: 465-2277
 Date: 2/24/97

Approved by Commissioner: Mark Bover
 Agency: Department of Administration

Date: 2/26/97

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information, call the Governor's Legislative Office

FISCAL NOTE

Revision Date: _____ Dept. Affected: Community & Regional Affairs
 Title: An act relating to municipal capital project BRU: none
matching grants for a municipality organized under federal Component: none
 Sponsor: Senator Mackie
 Requestor: Senate C&RA COMPONENT SERIAL NO. _____

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0

REVENUE FUND SOURCE:

--	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

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

Estimate of current (FY97) impact \$ _____

ANALYSIS: (Attach a separate page if necessary)
 This legislation clearly establishes the community of Metlakatla as a municipality for the purposes of the Municipal Capital Project Match Program, AS 37.06.010-090. This legislation would have no direct fiscal impact on the department. Funds currently maintained by DCRA for Metlakatla under the unincorporated capital match program would be transferred to the Municipal Capital Match Program Metlakatla account administered by the Department of Administration.

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708
 Division: Division of Administrative Services Date: 2/21/97
 Approved by Commissioner: *Mike Arvin* Date: 2/21/97
 Agency: Mike Irwin, Dept. of Community & Regional Affairs

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information call the Governor's Legislative Office

COUNCIL ANNETTE ISLANDS RESERVE

METLAKATLA INDIAN COMMUNITY

JACK L. BOOTH, SR., MAYOR
JUDITH A. LAUTH, SECRETARY
BARBARA J. FAWCETT, TREASURER
January 15, 1996

ESTABLISHED 1987

POST OFFICE BOX 8
METLAKATLA, ALASKA 99926
PHONE (907) 886-4441
FAX (907) 886-3536
FAX (907) 886-7997

Representative Jerry Mackie
House of Representatives
State Capitol
Juneau, Alaska 99801-1182

Re: ** Identical to SB9*
*HB361- 'An Act relating to municipal capital project matching grants for a municipality organized under federal law as an Indian reserve; and providing for an effective date.'

Dear Representative Mackie:

We appreciate the work you have put into this issue during the interim and your sponsoring HB 361 this legislative session.

We received Capital Project Matching Grants funding in FY94 in the amount of \$60,619.00 which went to the fire hall project. In FY95 we received \$58,909.00 which is being allocated to the police department project.

For FY96, we were allocated \$59,421, however, it was then determined that although the matching grant regulations explicitly allow Metlakatla to receive funding, the statute that defines municipalities does not include Metlakatla. We did not receive this appropriation due to this legal technicality.

We never questioned receiving for the Municipal Capital Matching Grant Program and the Unincorporated Capital Matching Grant Program since we weren't familiar with allocations to other communities and this had never been brought to our attention by the administration or the legislature previously.

We appreciate your active support for passage of this legislation which removes us from the Unincorporated Capital Matching Grant Program completely and specifically includes Metlakatla in the statute provisions for the Municipal Capital Matching Grant Program.

Sincerely,

METLAKATLA INDIAN COMMUNITY

Jack L. Booth, Sr.
Jack L. Booth, Sr., Mayor

cc: Metlakatla Indian Community Council Members
Rep. Ivan Ivan CO-chair, House C & RA
Rep. Alan Austerman, CO-Chair House C & RA Committee
C & RA Committee Members: Rep. Pete Kott, Al Vezey, Rep
Bettye Davis, Rep. Kim Elton, Rep. Irene Nicholai, Rep. Mackie

LEROY WILDER, P.C.
LAW OFFICE
6225 S W MONTGOMERY STREET, #10
PORTLAND, OREGON 97264
TELEPHONE (503) 242-0705
FACSIMILE (503) 242-0718

MEMORANDUM

TO: Sol Atkinson
FROM: LeRoy Wilder *John*
RE: HB No. 381 / *Identical to SB9*
DATE: January 20, 1996

I talked yesterday with Tam Cook regarding the above named bill. As you know, HB 381 will make Metlakatla eligible for capital project matching grants as an incorporated municipality. Ms. Cook and I agreed that the language now in the bill does what we need it to do and that it would not be wise to modify it. If it is necessary to change the language to please the legislature, we will do so later, but for now, we agreed we should try to hold what we've got.

The problem is this. Some legislators are fearful that this provision, which is exclusively for Metlakatla's benefit, will somehow open up eligibility for capital project matching grants to other Native groups. They are concerned that the reference to 43 U.S.C. 1618(a) may not be restrictive enough. You will recall that section 1618(a) is the language in the Alaska Native Claims Settlement Act that terminates all reservations in Alaska with the single, specific exception of the Annette Islands Reserve. I reviewed the language and concluded that the reference is very restrictive and will not result in the eligibility of other Native groups. Moreover, section 1618(a) has been relied upon in the past to distinguish Metlakatla from all other Native groups and it has been unchallenged. Thus, I see no reason why we should not continue to rely on this reference as the limitation of the bill.

You probably know that the bill cannot simply say Metlakatla because there are laws against "special" legislation. By referring to the statutory provision, we avoid saying Metlakatla specifically but make a reference that includes only Metlakatla. Sounds rather silly, I know, but that's how its done. I will keep you posted if I hear anything more on this issue.

Post-It® Fax Note	7671	Date	# of pages ▶
To	Tam Cook	From	Jeanie Smith
Co./Dept.		Co.	Smith
Phone #		Phone #	4925
Fax #		Fax #	

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

TONY KNOWLES, GOVERNOR

PLEASE REPLY TO:

☐ 1031 WEST 4TH AVENUE, SUITE 200
ANCHORAGE, ALASKA 99501-1994
PHONE: (907) 269-5100
FAX: (907) 276-3697

☐ KEY BANK BUILDING
100 CUSHMAN ST., SUITE 400
FAIRBANKS, ALASKA 99701-4679
PHONE: (907) 451-2811
FAX: (907) 451-2846

☐ P.O. BOX 110300-DIMOND COURTHOU
JUNEAU, ALASKA 99811-0300
PHONE: (907) 465-3600
FAX: (907) 465-6735

March 4, 1996

The Honorable Cynthia Toohey
Alaska State Legislature
House of Representatives
State Capitol - Room 104
Juneau, Alaska 99811

Re: House Bill 361 / SB9

Dear Representative Toohey:

Your request to Attorney General Botelho for a written opinion regarding "Indian lands" and House Bill 361 has been forwarded to me for a response. In particular, you have asked whether HB 361, dealing with municipal capital project matching grants for "a municipality organized under federal law as an Indian reserve," will have any impact on the concerns the Legislature expressed regarding the "Indian lands" issues. In short, the answer is no.

Under HB 361, only a municipality¹ organized under federal law as an Indian reserve that existed before enactment of 43 U.S.C. 1618(a), which is part of the Alaska Native Claims Settlement Act (ANCSA), and continues in existence under that subsection, is a municipality for purposes of the capital project matching grant program. Metlakatla is the only entity in the state that now, or in the future, could qualify under this language of HB 361. The "Indian land" issues raised by the Legislature in recent weeks concern areas of the state which were never Indian reserves, or no longer are Indian reserves, organized under federal law before 43 U.S.C. 1618(a) (copy enclosed), because ANCSA abolished all reserves other than Metlakatla.

According to officials at the Department of Community and Regional Affairs, the current capital project matching grant program statutes, AS 37.06.010 (municipalities) and AS 37.06.020 (unincorporated communities), do not adequately account for Metlakatla's federal Indian reserve status and it is unclear under which program Metlakatla falls. HB 361 would adopt

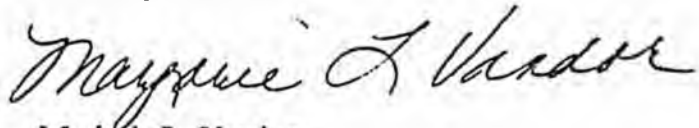
¹ We are unaware that federal law provides for organization of municipalities as reserves or reserves as municipalities. Therefore, it is possible that no entity qualifies under this bill. To avoid confusion, "municipality" here should probably be changed to "community" or a similar term.

a new section, AS 37.06.040, effectively designating Metlakatla as a municipality for the limited purpose of qualifying under the municipal capital project matching grant program.

We hope this adequately addresses your concerns. Please do not hesitate to call us if you have further questions.

Sincerely,

Bruce M. Botelho
Attorney General



By: Marjorie L. Vandor
Assistant Attorney General

MLV:jn

cc: Representative Jerry Mackie ✓

Kim Metcalf - Helmar
Legislative Liaison - DCRA

Barbara Ritchie
Deputy Attorney General

Chrystal Smith
Legal Administrator

Becky Snow - Assistant Attorney General
Fairbanks

HOUSE COMMUNITY AND REGIONAL AFFAIRS

STANDING COMMITTEE

January 18, 1996

1:05 p.m.

* HB 361 - CAP PROJ MATCHING GRANT FOR INDIAN RESERV

* *Identical to SB 9 - introduced this session (1997)*

CO-CHAIR IVAN noted that the committee packets for HB 361 contained the bill; a zero fiscal note from the Department of Community and Regional Affairs (DCRA); a letter from DCRA describing the impact of the bill; a sponsor statement; a sectional analysis; a support letter from the Council Annette Islands Reserve; and corresponding statutes.

REPRESENTATIVE AL VEZEY joined the meeting at 1:07 p.m.

Number 156

REPRESENTATIVE JERRY MACKIE, sponsor of HB 361, presented the bill. He explained that HB 361 was introduced at the request of the Metlakatla Indian Community. He said that when Metlakatla's FY 96 municipal assistant matching grant program appropriation was eliminated from the previous year's budget, it was the result of a technical oversight that HB 361 was designed to correct.

REPRESENTATIVE MACKIE stated that Metlakatla had always qualified as a municipality for the program under the Department of Administration's regulations. However, legal analysis revealed that the statutory definition was not specific enough to include the Metlakatla Indian Community in the program. Since the statutory definition superseded the regulatory definition, the appropriation was eliminated and Metlakatla subsequently received a grant under the Unincorporated Community Capital Matching Grant Program.

REPRESENTATIVE MACKIE explained that HB 361 amended AS 37.06 by adding a new section that included a municipality organized under federal law as an Indian reserve. He added that HB 361 had been drafted to specifically include Metlakatla within the Municipal Assistance Matching Grant Program and to exclude them under the Unincorporated Community Capital Project Matching Grant Program. He noted that Metlakatla had in the past received both but would now receive one like every other community in the state.

Number 340

REPRESENTATIVE MACKIE commented that although Metlakatla was the only Indian reservation in Alaska, in most areas it functioned like other communities in the state. He pointed out that HB 361 did not create a new program nor give the Metlakatla Indian Community anything they had not received in the past. On the contrary, it actually removed one of the grants they had been receiving. The purpose of HB 361 was to clarify the original statute as it was intended.

Number 471

REPRESENTATIVE VEZEY asked if Representative Mackie would elaborate on the dollar amounts involved.

REPRESENTATIVE MACKIE responded that he did not have the figures in front of him. He emphasized that Metlakatla was not an unincorporated community; it was incorporated and should be treated as such.

Number 587

JEANIE SMITH, Legislative Assistant to Representative Mackie, informed the committee that in 1994, Metlakatla received \$60,619; in 1995, they received \$58,909; and in 1996, they would have received \$59,421. However, the 1996 appropriation was eliminated and they received \$25,000 under the unincorporated community grant.

Number 622

REPRESENTATIVE VEZEY explained that his concern was that because there were 226 new tribes in Alaska, there had been a major step towards creating 226 new governments. He wondered if these tribes would qualify under this category.

REPRESENTATIVE MACKIE replied that although he understood Representative Vezey's concern, HB 361 did not deal with all the Indian tribes in Alaska, but merely allowed the Metlakatla Indian Community to be treated like every other community in Alaska that had an elected mayor, city council, school district, police department and so forth. In the process, it also eliminated Metlakatla's unincorporated community grant. He asserted that HB 361 made a technical change to the statute to allow Metlakatla to be treated like similar communities, which was fully the intent of the statute in the first place. In fact, he added, the program had operated that way since its inception. There was no intent to raise sovereignty issues.

Number 743

REPRESENTATIVE VEZEY said he would feel more comfortable if the wording included "as recognized on or by" a certain date.

REPRESENTATIVE MACKIE referred to HB 361, page 1, line 7, which reads, "A municipality organized under federal law as an Indian reserve that existed before enactment of 43 U.S.C. 1618(a) and is continued in existence under that subsection is a municipality for purposes of AS 37.06.010 - 37.06.090" Representative Mackie suggested that the wording accomplished what Representative Vezey wanted. He added that Metlakatla was the only municipality in Alaska meeting that criteria. Although it had not been specifically mentioned by name, Metlakatla was the only community that would be affected.

CO-CHAIR IVAN noted that Representative Nicholia had joined the meeting.

Number 920

SOLOMON ATKINSON, Council Member, Metlakatla Indian Community, testified via teleconference in support of HB 361. He mentioned that with him was Mayor Jack Booth, Sr. Mr. Atkinson provided background information and the reasons for requesting the

legislation, saying Metlakatla had provided almost all of the services and organizations available in any municipality. He admitted Metlakatla might differ from other reservations in the Lower 48 in that they tried to work closely with surrounding communities and the state of Alaska. They were seeking clarification of the statute and were aware that they would be eliminating funding under the unincorporated community grant program.

Number 1173

JACK FARGNOLI, Senior Policy Analyst, Office of the Director, Office of Management and Budget (OMB), Office of the Governor, concurred with Representative Mackie on the interpretation of the history and original intent of the bill. He said OMB had helped draft the legislation and the original intent was to have Metlakatla treated as a municipality under the program, largely on the grounds that it functioned as a municipality. The technical interpretation was not what they had intended but had been brought to OMB's attention by Tamara Cook of the Legal Services Division. Mr. Fargnoli offered to answer questions and stated that the Governor supported Metlakatla's being treated as a municipality and being taken out of the unincorporated side of the program.

Number 1240

REPRESENTATIVE KOTT mentioned that for 1996, Metlakatla was allocated \$59,000 under the matching grant regulations. He wondered what would happen to those funds if Metlakatla became a municipality.

MR. FARGNOLI responded that he believed HB 361 explicitly provided for Metlakatla to retain prior balances and carry those balances with them to the municipal side of the line. He explained that was how OMB had treated the three or four other communities that had crossed over the line from one status to another. He added that the original purpose of the bill was to allow communities to accumulate money, for up to five years, so they could aggregate amounts large enough to fund significant projects. Regardless of the reason why a community changed status, OMB had no compelling interest in making communities either lose or gain funds. Thus, he said, OMB had tried to take a neutral stance.

Number 1328

KIMBERLY METCALFE-HELMAR, Special Assistant, Office of the Commissioner, Department of Community and Regional Affairs (DCRA), suggested that anyone having specific questions contact Tena Bavard, Grants Administrator for DCRA, who runs the Unincorporated Community Capital Project Matching Grant Program. Ms. Metcalfe-Helmar stated that DCRA had no problems with the bill, which cleared up an ambiguity in current law. They viewed it as a housekeeping measure with no fiscal impact.

Number 1360

REPRESENTATIVE NICHOLIA commented that HB 361 was a good bill that

was needed, especially for Metlakatla. She made a motion to move

HOUSE CRA BASIS - 3 - 01/18/96

the bill to another committee.

CO-CHAIR IVAN asked to hear from Representative Mackie before taking up the motion.

Number 1379

REPRESENTATIVE MACKIE expressed that he did not realize the committee was to that point yet and noted that others in the audience from the Administration and the Legal Services Division could answer any questions. He said he had represented Metlakatla for six years. Metlakatla participated like any other community in Alaska; they operated the same way, educated their children the same way, and took part in numerous statewide programs, as well as state and federal elections. Representative Mackie commented that it was sometimes discouraging to Metlakatla residents to be treated as if their community was different. The reason they were an Indian community under federal law was due to an arrangement made with the federal government years before.

REPRESENTATIVE MACKIE pointed out that when the Alaska Native Claims Settlement Act (ANCSA) was instituted and communities across the state acquired corporations, land and money, Metlakatla received none because of their previous settlement with the federal government. In no way was Metlakatla a rich community with a large influx of federal funds; in many ways, it was less advantaged than other Alaska communities. They simply wanted to be treated fairly like other communities and to have the language clarified.

Number 1479

REPRESENTATIVE VEZEY reiterated that his concern was over who else might be included under the bill. He asked when 43 U.S.C. 1618(a) was enacted.

MR. FARGNOLI deferred to the Legal Services Division for a response.

Number 1510

TAMARA COOK, Director, Legal Services Division, said she did not know the answer to Representative Vezey's question but could find out. She explained that as she understood it, under ANCSA, Indian and Eskimo groups around the state were given the option of going to reservation status akin to that in the Lower 48 or going with the new corporate form of government. Metlakatla was the only group that elected reservation status. It is organized as a reservation along the same lines as other Indian reservations in the United States.

MS. COOK continued, saying other groups under ANCSA had elected corporate status. Ultimately, 13 Native corporations were established. Metlakatla had no representation in those Native corporations. Ms. Cook said Representative Vezey was correct that there were other federal laws, including the Indian Reorganization Act (IRA) under which IRA councils were created, allowing Native

corporations to form governments. However, Metlakatla was the only Alaska group that was an established Indian reserve. Cook said

HOUSE CRA BASIS - 4 - 01/18/96

she did not believe the opportunity to form another Indian reserve currently existed in Alaska. In either case, the language was drafted so that if in the future another Indian reserve were formed, it would not qualify under the terms of HB 361 because Metlakatla was the only one in existence before ANCSA that continued in that status. Its reservation was never dissolved.

Number 1609

CO-CHAIR IVAN noted the committee had been joined by Representative Elton.

REPRESENTATIVE VEZEY wondered whether the United States Congress were precluded from rewriting Title 43 of the United States Code, creating a new Section 1618(a).

MS. COOK responded that the United States Congress could amend the code. However, she said, the test under Alaska law would be 1) whether the Indian or Eskimo group existed as a reservation prior to the enactment of that particular federal law and 2) whether, under the terms of that law, it continued in existence as a reserve, which was a highly specific status under federal law.

Number 1658

REPRESENTATIVE VEZEY asked if there were some reason the language in HB 361 would be superior to, for example, putting in a calendar date.

MS. COOK replied that they could certainly put in a calendar date.

REPRESENTATIVE VEZEY asked again whether the proposed language would be superior.

Number 1688

MS. COOK said she did not know that it would be superior. She explained the wording was taken from a statute already on the books. In 1986, she said, the municipal assistance program, a large state aid program, was expanded to include Metlakatla as a municipality. The language in HB 361 was modeled after the municipal assistance program language. Ms. Cook said she had used that wording because the state of Alaska already had experience manipulating that language in the context of an aid program. However, she added, there was no reason why the language could not be changed to include a particular date.

Number 1718

REPRESENTATIVE VEZEY commented that as far as he was concerned, they could use just about any hard date. He stated his concern was that if part of the United States Code were to be rewritten and renumbered, it might affect the law in question. He asked for confirmation that the language was written in numerous other Alaska statutes.

MS. COOK responded to . no, she was aware of only one other Alaska statute where the definition appeared in that form, which was the

HOUSE CRA BASIS - 5 - 01/18/96

statute addressing the municipal assistance program. She added that it had been on the books approximately ten years in that form. She did not know that the definition had caused a problem with respect to that program.

Number 1758

CO-CHAIR IVAN commented that his own community had been recognized as a reservation prior to statehood. When they were provided the option under ANCSA of remaining a reservation or incorporating under Alaska law, the community opted out of the reservation system at that time. He asked if there were questions or comments.

Number 1797

REPRESENTATIVE NICHOLIA made a motion to move HB 361 out of the House Community and Regional Affairs Committee. There being no objection, it was so ordered and HB 361 moved from the committee.

SB

10

FISCAL NOTE

No. 1

Bill version: SB 10

(S) Publish Date: 1/23/97

STATE OF ALASKA
1997 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: DOT&PF
Title: "An Act naming Mountain View Road in Gustavus." BRU: Southeast Region Maint. and Operations
Component: Highways and Aviation

Sponsor: Senator Mackie
Requester: Senate Community and Regional Affairs COMPONENT SERIAL NO. 603

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY97) cost: \$ 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)

The cost of two signs to display the new name for this Gustavus highway segment is insignificant and can be included within the existing M&O budget.

Prepared by: Sam Kito III Phone: 415-3900
Special Assistant
Division: Office of the Commissioner Date: 1/20/97
Approved by: Joseph L. Dubina Date: 1/20/97
Commissioner
Agency: Department of Transportation and Public Facilities

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
For further distribution information, call the Governor's Legislative Office

BILL: SB 10 SHORT TITLE: MOUNTAIN VIEW ROAD - GUSTAVUS
BILL VERSION:
SPONSOR(S): SENATOR(S) MACKIE

CURRENT STATUS: (S) RLS STATUS DATE: 02/05/97

HEARING:(S) RLS FEB 11 10:45 AM FAHRENKAMP RM 203

TITLE: "An Act naming Mountain View Road in Gustavus."

01/03/97	16	(S)	PREFILE RELEASED 1/3/97
01/13/97	16	(S)	READ THE FIRST TIME - REFERRAL(S)
01/13/97	16	(S)	CRA, TRA
01/23/97	114	(S)	CRA RPT 3DP
01/23/97	114	(S)	DP:WILKEN, PHILLIP, MACKIE
01/23/97	114	(S)	ZERO FISCAL NOTE (DOT)
02/05/97	234	(S)	TRA RPT 4DP
02/05/97	234	(S)	DP: WARD, WILKEN, HALFORD, GREEN
02/05/97	235	(S)	PREVIOUS ZERO FISCAL NOTE (DOT)
02/05/97	235	(S)	REFERRED TO RULES



SENATOR JERRY MACKIE

ALASKA STATE LEGISLATURE

SPONSOR STATEMENT

SB 10 - "An Act naming Mountain View Road in Gustavus."

I introduced this legislation last session, at the request of the Community of Gustavus. The bill made it all the way to the Senate Calendar but got lost during the end of session shuffle.

I am greatly impressed with the community spirit and community efforts that have gone into creating this legislation and developing the necessary backup for our records. Included in your packets are a signed petition, a letter from the Gustavus Community Association, and various letters of support.

Alaska Statute Sec. 19.10.085 requires that highway names be given through legislation. Based on my contacts with the community and the petition which is included in each of your files, it is obvious that if Gustavus could have accomplished this task locally, the sign would read "Mountain View Road" today.

In the late 1950's Eugene and Ann (Chase) Gregg acquired their homestead land which contained 160 acres and another 50 acres from Archie Chase. The Chase family, at that time, named the road "Mountain View Road." Today, the road is referred to in a variety of ways including, "Main Road," "Airport Road" and "Park Service Road." I respect the communities' efforts in pursuing this name which has substantial "historic value" to them.

The Department of Transportation & Public Facilities has prepared a zero fiscal note. This new sign was coordinated into an existing project on the road last summer.

SB 10 has given the Gustavus community a common purpose. Students and adults have received a positive view and an informational view of the legislative process.

SENATOR JERRY MACKIE

Memorandum

ALASKA STATE LEGISLATURE

Date: February 11, 1997

To: Tim Kelly, Chair
Senate Rules Committee

From: Senator Jerry Mackie, Chair
Senate ~~ESRA~~ Committee

Subject: Request to schedule - SB 10 - "An Act naming Mountain View Road in Gustavus."

I would greatly appreciate your consideration in scheduling SB 10 for a hearing before the Senate Rules Committee. SB 10 made it to the Senate calendar last session but failed to be brought up for consideration during the final hours.

SB 10 has given students and adults in Gustavus a positive view and an informational view of the legislative process. This issue seems to have given everyone within the community a common purpose.

Alaska Statute Sec. 19.10.085 (attached) requires that highway names be assigned through legislation. Based on the my contacts with the community, unanimous support of the legislation from the Gustavus Community Association, and the petition which I received in my office, it's obvious that if the community of Gustavus could have done this locally, the sign would read "Mountain View Road" today.

Thanks for your consideration. Please call me if you have any questions.

SENATE BILL NO. 10

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY SENATOR MACKIE

Introduced: 1/13/97

Referred: CRA, Transportation

A BILL

FOR AN ACT ENTITLED

1 **"An Act naming Mountain View Road in Gustavus."**

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

3 *** Section 1. AS 35.40 is amended by adding a new section to read:**

4 **Sec. 35.40.095. Mountain View Road. State Route 296308 in Gustavus**
5 **between the junction with the Good River Road and the boundary of the Glacier Bay**
6 **National Park is named Mountain View Road.**



SENATOR JERRY MACKIE

ALASKA STATE LEGISLATURE

SPONSOR STATEMENT

SB 10 - "An Act naming Mountain View Road in Gustavus."

I introduced this legislation last session, at the request of the Community of Gustavus. The bill made it all the way to the Senate Calendar but got lost during the end of session shuffle.

I am greatly impressed with the community spirit and community efforts that have gone into creating this legislation and developing the necessary backup for our records. Included in your packets are a signed petition, a letter from the Gustavus Community Association, and various letters of support.

Alaska Statute Sec. 19.10.085 requires that highway names be given through legislation. Based on my contacts with the community and the petition which is included in each of your files, it is obvious that if Gustavus could have accomplished this task locally, the sign would read "Mountain View Road" today.

In the late 1950's Eugene and Ann (Chase) Gregg acquired their homestead land which contained 160 acres and another 50 acres from Archie Chase. The Chase family, at that time, named the road "Mountain View Road." Today, the road is referred to in a variety of ways including, "Main Road," "Airport Road" and "Park Service Road." I respect the communities' efforts in pursuing this name which has substantial "historic value" to them.

The Department of Transportation & Public Facilities has prepared a zero fiscal note. This new sign was coordinated into an existing project on the road last summer.

SB 10 has given the Gustavus community a common purpose. Students and adults have received a positive view and an informational view of the legislative process.

(4) that speed at which safe and prudent drivers could pass through the speed zone; and

(5) the effectiveness of local enforcement of the speed zone.

(b) In determining safe speed limits and safe speed zones within a municipality, the department shall consult with that municipality. In determining safe speed limits and safe speed zones on highways and other roadways under its jurisdiction, the department shall also consult with community councils or other community organizations in the affected area if the community councils or other community organizations request in writing to participate in the determination. The department shall provide notice and opportunity for a hearing before establishing a speed limit or speed zone other than as recommended by a municipality, community council or other community organization. (§ 2 ch 23 SLA 1986)

Sec. 19.10.080. Designation of through highways. The department may designate through highways by erecting stop signs at the entrances to them. (§ 7 art III title II ch 152 SLA 1957)

Sec. 19.10.085. Naming of a highway. (a) A highway constructed by the department under AS 19.05 — AS 19.40 may be given a name only by law.

(b) This section does not apply to

(1) a road constructed by a municipality under a grant authorized by AS 19.05 — AS 19.40;

(2) local service roads and trails. (§ 1 ch 4 SLA 1981)

Revisor's notes. — Enacted as AS 19.05.150. Renumbered in 1981.

Sec. 19.10.090. Erection and maintenance of guard rails. The department may erect and maintain guard rails, stretch wires and other devices, on highways. (§ 8 art III title II ch 152 SLA 1957)

Sec. 19.10.100. Closing highways. When it is necessary to exclude traffic from any portion of a highway, the department may close that portion of the highway by posting in a conspicuous manner, at each end of the portion closed, suitable signs warning the public that the road is closed under authority of law, and by erecting suitable obstructions. (§ 8 art IV title II ch 152 SLA 1957)

Gustavus Community Association



Post Office Box 62
Gustavus, Alaska 99826

Representative Jerry Mackie
Alaska State Legislature
Juneau, Alaska 99801-1182

January 21, 1996

RE: HB411- "An Act naming Mountain View Road in Gustavus."

Dear Representative Mackie:

On January 11th the Gustavus Community Association held their monthly meeting. One of the agenda items was the petition and your bill concerning Mountain View Road.

This letter serves to advise you that the GCA members voted unanimously to support the petition and your legislation to officially name this road "Mountain View Road."

Incidentally, it was pointed out the spelling of "Goodriver Road" as is contained in the bill should be changed to "Good River Road."

On behalf of the Gustavus Community Association, thanks for your attention to this matter.

Sincerely,



Kathy Leary
GCA Administrator

MOUNTAIN VIEW ROAD

HISTORY: IN THE LATE 1950'S EUGENE & ANNE CHASE ACQUIRED THEIR HOMESTEAD LAND WHICH CONTAINED 160 ACRES PLUS 50 ACRES FROM ARCHIE CHASE. THE LAND WAS LOCATED ON BOTH SIDES OF THE MAIN ROAD NORTH OF GOOD RIVER CORNER UP TO WHAT IS NOW KNOWN AS TONG ROAD. THE CHASES AT THAT TIME NAMED THE ROAD "MOUNTAIN VIEW ROAD". OVER THE YEARS THIS ROAD HAS BEEN CALLED "GUSTAVUS MAIN ROAD", "PARK SERVICE ROAD", "MAIN ROAD", AND VARIOUS OTHER NAMES.

THEREFORE: WE THE UNDERSIGNED RESIDENTS OF GUSTAVUS WOULD REQUEST THAT THIS MAIN HIGHWAY BE OFFICIALLY NAMED "MOUNTAIN VIEW ROAD"

PRINTED NAME	SIGNATURE	ADDRESS
OK Sylvia Pedersen	<i>Sylvia J. Pedersen</i>	Spruce Lane #2 01C Gustavus, AK 99826
OK MICHAEL PEDERSEN	<i>Michael Pedersen</i>	" "
Gloria Chase	<i>Gloria Chase</i>	Mountain View Farm Gust. AK
Jan TRAMBUSH	<i>Jan Trambush</i>	40 Jorg Rd
BOB CHASE	<i>Bob Chase</i>	6 ROCK LANE #5 GUSTAVUS, AK
Michael Craft	<i>Michael Craft</i>	MOUNTAIN VIEW FARM Gustavus, Alaska
Jean Scott	<i>Jean Scott</i>	Milk 3 Park Road Gustavus, AK 99826
Greg Streveter	<i>Greg Streveter</i>	1/3 mile Spruce Lane Box 94 Gustavus AK
Ludith Brakel	<i>Ludith T. Brakel</i>	Box 94 Gustavus, AK 99826
Don Chase	<i>Don Chase</i>	Box 799 #4 Spruce Lane Gustavus, AK 99826

MCUNTAIN VIEW ROAD

HISTORY: IN THE LATE 1950'S EUGENE & ANNE CHASE ACQUIRED THEIR HOMESTEAD LAND WHICH CONTAINED 160 ACRES PLUS 50 ACRES FROM ARCHIE CHASE. THE LAND WAS LOCATED ON BOTH SIDES OF THE MAIN ROAD NORTH OF GOOD RIVER CORNER UP TO WHAT IS NOW KNOWN AS TONG ROAD. THE CHASES AT THAT TIME NAMED THE ROAD "MOUNTAIN VIEW ROAD". OVER THE YEARS THIS ROAD HAS BEEN CALLED "GUSTAVUS MAIN ROAD", "PARK SERVICE ROAD", "MAIN ROAD", AND VARIOUS OTHER NAMES.

THEREFORE: WE THE UNDERSIGNED RESIDENTS OF GUSTAVUS WOULD REQUEST THAT THIS MAIN HIGHWAY BE OFFICIALLY NAMED "MOUNTAIN VIEW ROAD"

PRINTED NAME	SIGNATURE	ADDRESS
Allen C Trump	Allen C Trump	P.O. Box 222 GUSTAVUS AK 99822
Maelyn D. Trump	Maelyn Trump	P.O. Box 222 GUST. AK 99822
Tom West Tom West	Tom West	Cell. AK 99826
Chris Spate (CHRIS SPATE)	Chris Spate	P.O.B 103
Marion Farley	Marion Farley	Box 182, Gustavus
Denise L Healey	Denise Healey	PO BOX 10 GUSTAVUS
Kathleen Kathleen	Kathleen	PO Box 4 Gustavus
James R Healey	James HEALEY	Box 10 GUSTAVUS AK: 99822
Kathy Strevell	Kathy Strevell	Box 155 GUS 99821
Shaun Anna	Shaun Anna	Box 336 GUS, AK 99822
JOE SARGENT	Joe Sargent	P.O. Box 27 Gustak 991
KIM NEY		32
PAUL BIRLES	Paul BIRLES	155 GUS
Jamie Ogilvy	Jamie Ogilvy	106 GUS
G.F. CHAMBERLAIN		220 GUS

MOUNTAIN VIEW ROAD

HISTORY: IN THE LATE 1950'S EUGENE & ANNE CHASE ACQUIRED THEIR HOMESTEAD LAND WHICH CONTAINED 160 ACRES PLUS 50 ACRES FROM ARCHIE CHASE. THE LAND WAS LOCATED ON BOTH SIDES OF THE MAIN ROAD NORTH OF GOOD RIVER CORNER UP TO WHAT IS NOW KNOWN AS TONG ROAD. THE CHASES AT THAT TIME NAMED THE ROAD "MOUNTAIN VIEW ROAD". OVER THE YEARS THIS ROAD HAS BEEN CALLED "GUSTAVUS MAIN ROAD", "PARK SERVICE ROAD", "MAIN ROAD", AND VARIOUS OTHER NAMES.

THEREFORE: WE THE UNDERSIGNED RESIDENTS OF GUSTAVUS WOULD REQUEST THAT THIS MAIN HIGHWAY BE OFFICIALLY NAMED "MOUNTAIN VIEW ROAD"

PRINTED NAME	SIGNATURE	ADDRESS
MARIE BEAN	MARIE BEAN	105, GUSTAVUS
JUDITH CHALLOW WOOD	JUDITH CHALLOW WOOD	25 PARKER DRIVE
FANN M BAUER	FANN M BAUER	BARTLETTS CREEK
Liz Vanderzanden	Liz Vanderzanden	Gustavus
Paul Paul N. BEAN	Paul N. Bean	PO 143
Eel Bond	Eel Bond	223 GUSTAVUS.
MAURENE MOORE	Maureen E Moore	Box 228
Katy White	Katy White	Box 247
Lozée Archambault	Lozée Archambault	Box 75
Martha V Romeo	Martha V Romeo	Box 284
Lynne Morrow	Lynne Morrow	Box 216
Heidi Robichaud	Heidi Robichaud	Box 116
Paula Miller	Paula Miller	Box 184
JOHN V. SPITE	John V. Spite	Box 203
Jill Ann R. MacKinnon	Jill Ann R. MacKinnon	Box 203

MOUNTAIN VIEW ROAD

HISTORY: IN THE LATE 1950'S EUGENE & ANNE CHASE ACQUIRED THEIR HOMESTEAD LAND WHICH CONTAINED 160 ACRES PLUS 50 ACRES FROM ARCHIE CHASE. THE LAND WAS LOCATED ON BOTH SIDES OF THE MAIN ROAD NORTH OF GOOD RIVER CORNER UP TO WHAT IS NOW KNOWN AS TONG ROAD. THE CHASES AT THAT TIME NAMED THE ROAD "MOUNTAIN VIEW ROAD". OVER THE YEARS THIS ROAD HAS BEEN CALLED "GUSTAVUS MAIN ROAD", "PARK SERVICE ROAD", "MAIN ROAD", AND VARIOUS OTHER NAMES.

THEREFORE: WE THE UNDERSIGNED RESIDENTS OF GUSTAVUS WOULD REQUEST THAT THIS MAIN HIGHWAY BE OFFICIALLY NAMED "MOUNTAIN VIEW ROAD"

PRINTED NAME	SIGNATURE	ADDRESS
Marilyn Jackson	<i>Marilyn Jackson</i>	Box 195 Gustavus
Becky Walker	<i>Becky Walker</i>	Box 318 99826 Gustavus
LAURA LOBI	<i>Laura Lobi</i>	Box 23 GUSTAVUS 99826
JOHN SCOTT	<i>John W. Scott</i>	Box 254 99826
Judith Bon	<i>Judith Bon</i>	Box 281 99826
DAN RINNER	<i>Dan Rinner</i>	Box 212 99826
PEDR TURNER	<i>Pedr Turner</i>	P.O. 217 99826
CHAR DAMRON	<i>Char Damron</i>	PO BOX 217 99826
KARLA TEDTSEN	<i>Karla Tedtzen</i>	P.O. Box 153 Gustavus, A. Gustavus 99826
Kate Boesser	<i>Kate Boesser</i>	Box 47, Dock Rd. 99826
Aaron Bohlke	<i>Aaron V Bohlke</i>	P.O. Box 324
Paul Byers	<i>Paul Byers</i>	P.O. Box 324
Kathy Crosby	<i>Kathy Crosby</i>	P.O. Box 124
Bruce McDonough	<i>Bruce McDonough</i>	Box 260
Philip Riddle	<i>Philip Riddle</i>	Box 216 Gustavus, A.

MOUNTAIN VIEW ROAD

HISTORY: IN THE LATE 1950'S EUGENE & ANNE CHASE ACQUIRED THEIR HOMESTEAD LAND WHICH CONTAINED 160 ACRES PLUS 50 ACRES FROM ARCHIE CHASE. THE LAND WAS LOCATED ON BOTH SIDES OF THE MAIN ROAD NORTH OF GOOD RIVER CORNER UP TO WHAT IS NOW KNOWN AS TONG ROAD. THE CHASES AT THAT TIME NAMED THE ROAD "MOUNTAIN VIEW ROAD". OVER THE YEARS THIS ROAD HAS BEEN CALLED "GUSTAVUS MAIN ROAD", "PARK SERVICE ROAD", "MAIN ROAD", AND VARIOUS OTHER NAMES.

THEREFORE: WE THE UNDERSIGNED RESIDENTS OF GUSTAVUS WOULD REQUEST THAT THIS MAIN HIGHWAY BE OFFICIALLY NAMED "MOUNTAIN VIEW ROAD"

PRINTED NAME	SIGNATURE	ADDRESS
Diana Berry	<i>Diana Berry</i>	P.O. Box 105 Gustavus, AK 99826
James Kearns	<i>James A. Kearns</i>	Box 148 Gustavus, AK 99826
JOHN SCHEERENS	<i>John Scheerens</i>	Box 161 GUSTAVUS, AK 99826
<i>Amy Youmans</i>	<i>AMEE YOUMANS</i>	Box 40 GUSTAVUS AK 99826
ROBERT L. MILLS	<i>Robert L. Mills</i>	Box 93 GUSTAVUS, AK
Chris Smith	<i>Chris Smith</i>	Box 93 GUSTAVUS
Glen R. B. Parker	<i>Glen R. B. Parker</i>	Box 52, Gustavus
Kara Berg	<i>Kara Berg</i>	Box 154 Gustavus, AK 99826
Michael J. Nierro	<i>Michael J. Nierro</i>	Box 81 Gustavus, AK 99826
Gene Morgan	<i>Gene Morgan</i>	70 Box 197 Gustavus, AK 99826
CHRISTY OLSEN	<i>Christy Olsen</i>	Box 244 Est., AK. 99826
Scott Olsen	<i>Scott Olsen</i>	" " "
Kenneth L. Klawunder	<i>Kenneth L. Klawunder</i>	Box 156 Gut. AK 99826
DIANNE S. Klawunder	<i>Dianne S. Klawunder</i>	Box 156 GUSTAVUS, AK 99826
Cindy L. Morgan	<i>Cindy L. Morgan</i>	Box 191 Gustavus, AK 99826

MOUNTAIN VIEW ROAD

HISTORY: IN THE LATE 1950'S EUGENE & ANNE CHASE ACQUIRED THEIR HOMESTEAD LAND WHICH CONTAINED 160 ACRES PLUS 50 ACRES FROM ARCHIE CHASE. THE LAND WAS LOCATED ON BOTH SIDES OF THE MAIN ROAD NORTH OF GOOD RIVER CORNER UP TO WHAT IS NOW KNOWN AS TONG ROAD. THE CHASES AT THAT TIME NAMED THE ROAD "MOUNTAIN VIEW ROAD". OVER THE YEARS THIS ROAD HAS BEEN CALLED "GUSTAVUS MAIN ROAD", "PARK SERVICE ROAD", "MAIN ROAD", AND VARIOUS OTHER NAMES.

THEREFORE: WE THE UNDERSIGNED RESIDENTS OF GUSTAVUS WOULD REQUEST THAT THIS MAIN HIGHWAY BE OFFICIALLY NAMED "MOUNTAIN VIEW ROAD"

PRINTED NAME	SIGNATURE	ADDRESS
LEILANI JOHNSON	Leilani Johnson	71 Tong Rd Box 282, Gustavus
BRUCE SHINGLEDECKER	Bruce Shingledecker	49 TONG RD GUS.
Floyd M. Barton	Floyd M. Barton	7 Chase Drive
Garrie L. Walker David G. Walker David J. Walker	Garrie L. Walker David Walker	Box 319 Box 318
WILLIAM L. WHITE	William L. White	Box 84
Bette J. White	Bette J. White	Box 84
Jamie F. Coby	Jamie F. Coby	Box 2
Nancy Evans	Nancy Evans	Box 327
Shelly A. Webb	Shelly Webb	Box 58
Mary E. Layton Opp	Mary E. Layton Opp	Box 92
John N. ...	John N. ...	Box 119
Steve Wilson	Steve Wilson	P.O. Box 16
Connie Mills	Connie Mills	BOX 151
Lynn Savonen	Lynn Savonen	Box 172

MOUNTAIN VIEW ROAD

HISTORY: IN THE LATE 1950'S EUGENE & ANNE CHASE ACQUIRED THEIR HOMESTEAD LAND WHICH CONTAINED 160 ACRES PLUS 50 ACRES FROM ARCHIE CHASE. THE LAND WAS LOCATED ON BOTH SIDES OF THE MAIN ROAD NORTH OF GOOD RIVER CORNER UP TO WHAT IS NOW KNOWN AS TONG ROAD. THE CHASES AT THAT TIME NAMED THE ROAD "MOUNTAIN VIEW ROAD". OVER THE YEARS THIS ROAD HAS BEEN CALLED "GUSTAVUS MAIN ROAD", "PARK SERVICE ROAD", "MAIN ROAD", AND VARIOUS OTHER NAMES.

THEREFORE: WE THE UNDERSIGNED RESIDENTS OF GUSTAVUS WOULD REQUEST THAT THIS MAIN HIGHWAY BE OFFICIALLY NAMED "MOUNTAIN VIEW ROAD"

PRINTED NAME	SIGNATURE	ADDRESS
Dena Matkin	<i>Dena Matkin</i>	Box 22 Gustavus
Tania Keim	<i>Tania Keim</i>	Box 315 Gustavus
DAVID MAR TILSON	<i>David Martison</i>	Box 173 GUSTAVUS
<i>Dorothy O'Leary</i>	<i>Dorothy O'Leary</i>	Box 100 Local
Carol Dejka	<i>Carol Dejka</i>	Bx 168 loca
Luis Belorai	<i>Luis Belorai</i>	Bx 339 local
<i>Chuck Rice</i>	<i>C Rice</i>	Box 116
<i>Marjorie Eggert McDonald</i>	<i>Marjorie Eggert McDonald</i>	Box 260 Local
<i>Walter Hamell</i>	<i>Walter Hamell</i>	Box 32
<i>Leslie C. Sirostad</i>	<i>LESIE C. SIROSTAD</i>	Box 80 GUSTAVUS
<i>Michelle Pedersen</i>	<i>Michelle Pedersen</i>	
<i>Art Hayes</i>	<i>Art Hayes</i>	Bx 165T
ALBERT MANCHESTER	<i>Albert Manchester</i>	Box 225
<i>Rhea Harper</i>	<i>Rhea Harper</i>	PO 214
THOMAS IMBODEN	<i>Thomas Imboden</i>	PO 214

not
over 18

January 24, 1996

LINDA C Hayes

PO Box 1

Gustavus, Alaska 99826

Representative Jerry Mackie

Alaska State Legislature

House of Representatives

Representative Mackie,

Thank you for your support of
House Bill 411 "AN ACT NAMING
Mountain View Road in Gustavus".

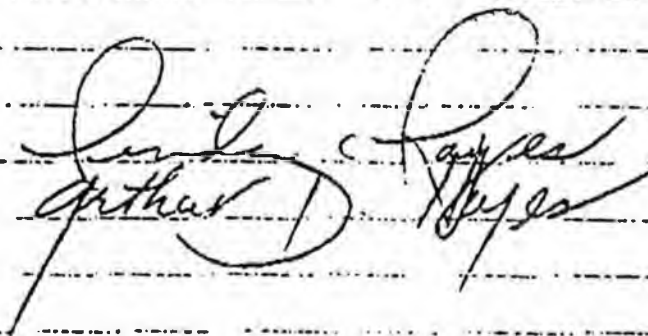
Please add our names
IN support of this Bill.

Thank you for your interest
and support of our community.

Sincerely,

LINDA C Hayes

Arthur D Hayes

Handwritten signatures of Linda C Hayes and Arthur D Hayes. The signature for Linda C Hayes is written in a cursive style, and the signature for Arthur D Hayes is also in cursive, with a large 'A'.

Phone 586 - 3539 (work)
Phone 586 - 1723 (home)
3251 Foster Ave.
Juneau, AK 99801
Jan. 23, 1996

Mr. Jerry Mackie, Rep.

Dear Jerry,

Regarding changing the road name in Gustavus, to Mountain View Road.

My deceased husband Eugene S. Chase and I used this name ever since we were proving up on our 160 acre homestead. We even named our farm Mountain View Farm. It has many memories and sounds good. I wish I could find a picture of it. I've looked for hours. I know I do have some.

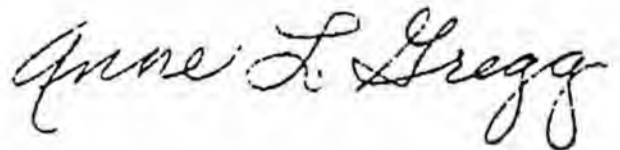
If at all possible, please preserve that name.

I understand it would be from the Good River corner to the Park Road corner. That's all that is needed.

Thank You Very Much Jerry,

Sincerely,

Anne L. Gregg

A handwritten signature in cursive script that reads "Anne L. Gregg". The signature is written in dark ink and is positioned below the typed name.

P.O. Box 200
Gustavus, AK 99826

23 January 1996

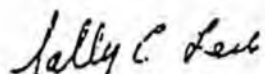
Representative Jerry Mackey.

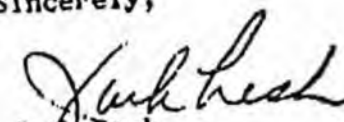
Our names do not appear on the petition previously submitted to the Department of Transportation requesting that the road in Gustavus be named Mountain View Road. We would, however, like to go on record as supporting that request.

Please make this known at the hearing to be held on this matter.

Thank you.

Sincerely,


Sally Lesh


Jack Lesh

Jan. 22-96

Dear Rep. Mackie,

I'm writing you concerning the "main" road that goes from Good River corner to Park boundary corner. I'm obviously in support of making a law to have the name legally recognized as "Mountain View Road".

Part of this road used to run through my parents (Eugene + Anne Chase) homesteaded land.

They at that time always called it "Mountain View Road". My father was raised between here & Juneau and was Gustavus Postmaster for 34 yrs. until his retirement in '87. He passed away here 2 yrs. ago. My mother was born in Juneau but otherwise lived here all of her life. She & my Dad lived on their homestead for nearly 40 yrs. My mom is currently living in Juneau, however she still refers to this as home & the road as Mountain View Rd. She is very happy that we are pursuing getting this change legal. I never knew that there was any "legal" name on this road until writing to scribner's office - no one has ever referred to the road in question as Gustavus Airport Rd. as D.P.T. claims it is called. Thank you for your help (+ Jeannie's) in this matter.

Sylvia Pederson

FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. SB 10

Revision Date: _____ Dept. Affected: DOT&PF
 Title: "An Act naming Mountain View Road in Gustavus." BRU: Southeast Region Maint. and Operations
 Component: Highways and Aviation
 Sponsor: Senator Mackie
 Requester: Senate Community and Regional Affairs COMPONENT SERIAL NO. 603

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0


Estimate of any current year (FY97) cost: \$ 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)

The cost of two signs to display the new name for this Gustavus highway segment is insignificant and can be included within the existing M&O budget.

Prepared by: Sam Kito II  Phone: 465-3900
 Special Assistant
 Division: Office of the Commissioner Date: 1/20/97
 Approved by: Joseph L. Dubina Date: 1/20/97
 Commissioner
 Agency: Department of Transportation and Public Facilities

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information, call the Governor's Legislative Office

SB

13

Revision Date: _____ Dept. Affected: Revenue
 Title: Increase Tobacco Taxes BRU: Revenue Operations
 Component: Income and Excise Audit
 Sponsor: Senator Sharp
 Requestor: (S) FIN COMPONENT SERIAL NO. 113

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES	30.0	30.0	30.0	30.0	30.0	30.0
TRAVEL	0.5	0.5	0.5	0.5	0.5	0.5
CONTRACTUAL	6.5	1.5	1.5	1.5	1.5	1.5
SUPPLIES	0.5	0.5	0.5	0.5	0.5	0.5
EQUIPMENT	4.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	41.5	32.5	32.5	32.5	32.5	32.5
CAPITAL EXPENDITURES						
CHANGE IN REVENUES	22,048.0	33,072.0	33,072.0	33,072.0	33,072.0	33,071.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	41.5	32.5	32.5	32.5	32.5	32.5
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
TOTAL	41.5	32.5	32.5	32.5	32.5	32.5

Estimate of any current year (FY97) cost \$ 0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

(See Attached Analysis)

Prepared by: Brett Fried, Economist Phone: 465-3682
 Division: Income and Excise Audit Division Date: April 7, 1997
 Approved by Commissioner: Wilson L. Condon Date: April 7, 1997
 Agency: Department of Revenue

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information call the Governor's Legislative Office

CORRECTION

THE FOLLOWING DOCUMENT(S)
HAVE BEEN REFILMED TO
ASSURE LEGIBILITY OR PAGINATION



Rev. 698

Central Microfilm Services
Department of Education
State of Alaska

Revision Date: _____ Dept. Affected: Revenue
 Title: Increase Tobacco Taxes BRU: Revenue Operations
 Component: Income and Excise Audit
 Sponsor: Senator Sharp
 Requestor: (S) FIN COMPONENT SERIAL NO. 113

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES	30.0	30.0	30.0	30.0	30.0	30.0
TRAVEL	0.5	0.5	0.5	0.5	0.5	0.5
CONTRACTUAL	6.5	1.5	1.5	1.5	1.5	1.5
SUPPLIES	0.5	0.5	0.5	0.5	0.5	0.5
EQUIPMENT	4.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	41.5	32.5	32.5	32.5	32.5	32.5
CAPITAL EXPENDITURES						
CHANGE IN REVENUES	22,048.0	33,072.0	33,072.0	33,072.0	33,072.0	33,071.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	41.5	32.5	32.5	32.5	32.5	32.5
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
TOTAL	41.5	32.5	32.5	32.5	32.5	32.5

Estimate of any current year (FY97) cost \$ 0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

(See Attached Analysis)

Prepared by: Brett Fried, Economist Phone: 465-3682
 Division: Income and Excise Audit Division Date: April 7, 1997
 Approved by Commissioner: Wilson L. Condon Date: April 7, 1997
 Agency: Department of Revenue

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information call the Governor's Legislative Office

Alaska Department of Revenue
Income and Excise Audit Division

Increase Tobacco Taxes
CSSB 13(FIN)
April 7, 1997
Page 2 of 4

BILL ANALYSIS

Section 1 discusses legislative intent.

Section 2 increases the School Fund portion of the cigarette tax rate by \$.71 per pack of 20; from 2.5 mills per cigarette (\$.05 per pack) to 38 mills per cigarette (\$.76 per pack). Combining this rate with the 12 mills per cigarette (\$.24 per pack) levied under AS 43.50.190, which goes to the General Fund, the total tax rate on a pack of cigarettes would increase from \$.29 to \$1.00. Additionally changes the percent that the licensee can deduct to cover expenses from 1 to four-tenths of one percent of the tax due.

Section 3 This section only takes effect if section 2 of this act is ruled unconstitutional (see section 8). If so, the statute would be amended back to how it was prior to the bill passage.

Section 4 This section only takes effect if section 2 is ruled unconstitutional (see section 8). If so, this section increases the General Fund portion of the cigarette tax rate by \$.71 per pack of 20; from 12 mills per cigarette (\$.24 per pack) to 47.5 mills per cigarette (\$.95 per pack). Combining this rate with the 2.5 mills per cigarette (\$.05 per pack) levied under AS 43.50.090, which is dedicated to the School Fund, the total tax rate on a pack of cigarettes would increase from \$.29 to \$1.00.

Section 5 increases the tobacco products tax rate from 25% to 75% of the wholesale price of the tobacco products.

Section 6 provides for the disposition of tax collected under section 5 of this act to the general fund. These tax proceeds may then be used by the legislature to make appropriations to health programs as well as programs targeted at reducing tobacco use of children. Additionally changes the percent that the licensee can deduct to cover expenses from 1 to four-tenths of one percent of the tax due.

Section 7 discusses the legislative intent not to create a dedicated fund.

Section 8 provides for sections 3 and 4 of this act only taking effect if dedication of the proceeds of the cigarette tax to the School Fund is found to be unconstitutional.

Alaska Department of Revenue
Income and Excise Audit Division

Increase Tobacco Taxes
CSSB 13(FIN)
April 7, 1997
Page 3 of 4

Section 9 establishes that if section 2 is ruled unconstitutional and sections 3 and 4 of this act take effect then revenue derived under section 2 (prior to it being found unconstitutional) that exceeds the original 2.5 mills will be credited to the tax levied under AS 43.50.190 (a) as amended by section 4 of this act.

Section 10 establishes an effective date of October 1, 1997 for sections 1, 2, 5-7 and 9 of this act.

Section 11 establishes an effective date of which ever of the following comes later for sections 3 and 4 of this act: (1) when a court enters a final judgement that the amendment under section 2 of this act is unconstitutional or (2) when the time for appeal has expired or upon entry of a final order on the appeal that section 2 is unconstitutional.

OPERATING EXPENDITURES

Department of Revenue is requesting operating funds to cover ½ the costs of a Revenue Auditor III position. With such a large increase in taxes due the state (increase from \$17 to \$50 million annually), the department anticipates increased taxpayer noncompliance.

With significantly higher levels of tax, it is possible that taxpayers will look for loopholes or other methods of tax avoidance. This ½ position will be responsible for ensuring that all taxpayers are identified and that taxpayers are filing and paying the proper amount of tax. The projected annual salary costs for the ½ portion of this position comes to \$30.0.

The department is also requesting one time FY 98 funding of \$5.0 for contractual funds to cover costs of public notice of rate increases, forms revisions and postage, and \$4.0 for equipment (\$3.5 for computer costs and \$.5 for office equipment). The recurring costs will be \$2.5 to cover travel, contractual and supplies.

REVENUE COLLECTED

The attached spreadsheet details revenue projections from rate increases in this bill.

Alaska Department of Revenue
Income and Excise Audit Division
Projected Revenue Increases from Change in Tobacco Tax Rates

Increase Tobacco Taxes
 CSSB 13
 April 7, 1997
 Page 4 of 4

	FY 98*	FY99	FY 00	FY 01	FY 02	FY 03	FY 04
Cigarettes							
<i>Elasticity Factor</i>	-13.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Consumption (packs of cigarettes)	30,487,136 *	45,730,706	45,730,706	45,730,706	45,730,706	45,730,706	45,730,706
Rate	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Cigarette Tax	<u>\$30,487,136</u>	<u>\$45,730,706</u>	<u>\$45,730,706</u>	<u>\$45,730,706</u>	<u>\$45,730,706</u>	<u>\$45,730,706</u>	<u>\$45,730,706</u>
Less .4 % Commission	<u>(121,949)</u>	<u>(182,923)</u>	<u>(182,923)</u>	<u>(182,923)</u>	<u>(182,923)</u>	<u>(182,923)</u>	<u>(182,923)</u>
Net Cigarette Tax	\$30,365,188	\$45,547,783	\$45,547,783	\$45,547,783	\$45,547,783	\$45,547,783	\$45,547,783
FY 97 Projected Net Cigarette Tax	<u>(10,083,937) *</u>	<u>(15,125,905)</u>	<u>(15,125,905)</u>	<u>(15,125,905)</u>	<u>(15,125,905)</u>	<u>(15,125,905)</u>	<u>(15,125,905)</u>
Net Cigarette Tax Increase Into the School Fund	\$20,281,251	\$30,421,878	\$30,421,878	\$30,421,878	\$30,421,878	\$30,421,878	\$30,421,878
Tobacco Products							
<i>Elasticity Factor</i>	-13.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Consumption (Whole. Pr. 1996 \$)	\$3,825,216 *	\$5,737,824	\$5,737,824	\$5,737,824	\$5,737,824	\$5,737,824	\$5,737,824
Rate	75%	75%	75%	75%	75%	75%	75%
Tobacco Products Tax	<u>\$2,868,912</u>	<u>\$4,303,368</u>	<u>\$4,303,368</u>	<u>\$4,303,368</u>	<u>\$4,303,368</u>	<u>\$4,303,368</u>	<u>\$4,303,368</u>
Less .4 % Commission	<u>(11,476)</u>	<u>(17,213)</u>	<u>(17,213)</u>	<u>(17,213)</u>	<u>(17,213)</u>	<u>(17,213)</u>	<u>(17,213)</u>
Net Tobacco Products Tax	\$2,857,436	\$4,286,154	\$4,286,154	\$4,286,154	\$4,286,154	\$4,286,154	\$4,286,154
FY 97 Projected Net Tob. Prod. Tax	<u>(1,090,715)</u>	<u>(1,636,073)</u>	<u>(1,636,073)</u>	<u>(1,636,073)</u>	<u>(1,636,073)</u>	<u>(1,636,073)</u>	<u>(1,636,073)</u>
Net Tobacco Prod. Tax Increase	\$1,766,721	\$2,650,081	\$2,650,081	\$2,650,081	\$2,650,081	\$2,650,081	\$2,650,081
Cigarette and Tob. Products							
Cigarette and Tobacco Tax	\$33,222,624 *	\$49,833,937	\$49,833,937	\$49,833,937	\$49,833,937	\$49,833,937	\$49,833,937
Net Cig. and Tob. Tax Increase	<u>\$22,047,972 *</u>	<u>\$33,071,959</u>	<u>\$33,071,959</u>	<u>\$33,071,959</u>	<u>\$33,071,959</u>	<u>\$33,071,959</u>	<u>\$33,071,959</u>

*Note: The bill's effective date results in the tax increase covering 8 months in FY 98.

CS FOR SENATE BILL NO. 13(RLS)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTIETH LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE

Offered:
Referred:

Sponsor(s): SENATORS SHARP, Ellis

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to taxes on cigarettes and tobacco products and to the use of
2 the proceeds of those taxes, and increasing by at least 35.5 mills the amount of
3 excise tax levied on each cigarette imported or acquired in the state; and
4 providing for an effective date."

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

6 * **Section 1. LEGISLATIVE INTENT.** It is the intent of the legislature that, of the tax
7 revenue derived

8 (1) from the amendment to the cigarette tax made by sec. 2 of this Act, the
9 amount obtained be deposited into the school fund (AS 43.50.140) and used as required by
10 that section for state support of elementary and secondary education;

11 (2) from the amendment contingently made to the cigarette tax by sec. 4 of this
12 Act, subject to appropriation, the amount obtained be expended for state support of elementary
13 and secondary education; and

14 (3) from the amendment made to the tobacco tax by sec. 5 of this Act, subject

1 to appropriation, the amount obtained be used to establish and maintain an aggressive anti-
2 tobacco campaign targeting children, to be administered by the Department of Health and
3 Social Services, and be used to establish and maintain a program of pass-through grants to
4 municipalities to detect and prosecute those who sell or otherwise supply tobacco to children,
5 to be administered by the Department of Public Safety.

6 * Sec. 2. AS 43.50.090(a) is amended to read:

7 (a) There is levied an excise tax of 38 [TWO AND ONE-HALF] mills on each
8 cigarette imported or acquired in the state. Each licensee shall, at the time of filing
9 the return required by AS 43.50.080, pay to the department the excise for the calendar
10 month covered by the return, deducting four-tenths of one percent of the total tax due,
11 which the licensee shall retain to cover the expense of accounting and filing returns.
12 Cigarettes upon which the excise is imposed are not again subject to the excise when
13 acquired by another person.

14 * Sec. 3. AS 43.50.090(a) is amended to read:

15 (a) There is levied an excise tax of two and one-half [38] mills on each
16 cigarette imported or acquired in the state. Each licensee shall, at the time of filing
17 the return required by AS 43.50.080, pay to the department the excise for the calendar
18 month covered by the return, deducting four-tenths of one percent of the total tax due,
19 which the licensee shall retain to cover the expense of accounting and filing returns.
20 Cigarettes upon which the excise is imposed are not again subject to the excise when
21 acquired by another person.

22 * Sec. 4. AS 43.50.190(a) is amended to read:

23 (a) There is levied an excise tax of 47.5 [12] mills on each cigarette imported
24 or acquired in this state.

25 * Sec. 5. AS 43.50.300 is amended to read:

26 **Sec. 43.50.300. Excise tax levied.** An excise tax is levied on tobacco products
27 in the state at the rate of 75 [25] percent of the wholesale price of the tobacco
28 products. The tax is levied when a person

29 (1) brings, or causes to be brought, a tobacco product into the state
30 from outside the state for sale;

31 (2) makes, manufactures, or fabricates a tobacco product in the state

1 for sale in the state; or

2 (3) ships or transports a tobacco product to a retailer in the state for
3 sale by the retailer.

4 * Sec. 6. AS 43.50.330(b) is amended to read:

5 (b) The licensee shall remit with the return the tax due under AS 43.50.300
6 for the month covered by the return, after deducting four-tenths of one percent of the
7 tax due, which the licensee shall retain to cover the expense of accounting and filing
8 the return.

9 * Sec. 7. AS 43.50.350 is amended to read:

10 Sec. 43.50.350. Disposition of proceeds. (a) The tax collected by the
11 department under AS 43.50.300 - 43.50.390 shall be deposited in the general fund.

12 (b) The annual estimated balance in the account maintained by the
13 commissioner of administration under AS 37.05.142 may be used by the legislature to
14 make appropriations

15 (1) for health care, health research, health promotion, and health
16 education programs;

17 (2) to establish and maintain an aggressive anti-tobacco campaign
18 targeting children; and

19 (3) to establish and maintain a program of grants to municipalities
20 to detect and prosecute those who sell or otherwise supply tobacco to children.

21 * Sec. 8. AS 43.50.350 is amended by adding a new subsection to read:

22 (c) The appropriations authorized by (b) of this section are not intended to
23 create a dedication in violation of art. IX, sec. 7, Constitution of the State of Alaska.

24 * Sec. 9. CONDITIONAL EFFECT OF CERTAIN SECTIONS. Sections 3 and 4 of this
25 Act take effect only if

26 (1) a court enters a final judgment that the amendment made to
27 AS 43.50.090(a) by sec. 2 of this Act changing the rate of taxation on cigarettes violates the
28 prohibition set out in art. IX, sec. 7, Constitution of the State of Alaska, against dedication of
29 the proceeds of a state tax or license; and

30 (2) either the time for appeal of that judgment expires or, if an appeal is taken,
31 the court enters a final order on appeal that AS 43.50.090(a), as amended by sec. 2 of this

1 Act, violates art. IX, sec. 7, Constitution of the State of Alaska.

2 * Sec. 10. RETROACTIVITY. If secs. 3 and 4 of this Act take effect under sec. 9 of this
3 Act, then the amendments to AS 43.50.090(a) and 43.50.190(a) made by secs. 3 and 4 of this
4 Act are retroactive to the effective date of this section and 35.5 mills per cigarette of the tax
5 levied under AS 43.50.090(a), as amended by sec. 2 of this Act, for cigarettes sold on or after
6 the effective date of this section shall be credited to the tax levied under AS 43.50.190(a), as
7 amended by sec. 4 of this Act.

8 * Sec. 11. Sections 1, 2, 5 - 8, and 10 of this Act take effect October 1, 1997.

9 * Sec. 12. If secs. 3 and 4 of this Act take effect under sec. 9 of this Act, they take effect
10 on the later of (1) the date a court enters a final judgment that the amendment made to
11 AS 43.50.090(a) by sec. 2 of this Act changing the rate of taxation on cigarettes violates the
12 prohibition set out in art. IX, sec. 7, Constitution of the State of Alaska, against dedication of
13 the proceeds of a state tax or license, and (2) the expiration of any time for appeal of that
14 judgment, or upon entry of a final order on the appeal that AS 43.50.090(a), as amended by
15 sec. 2 of this Act, violates art. IX, sec. 7, Constitution of the State of Alaska. The attorney
16 general shall promptly notify the lieutenant governor and the revisor of statutes of a judgment
17 described in this section.

TO: TAM COOK

LEGAL SERVICES

**DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

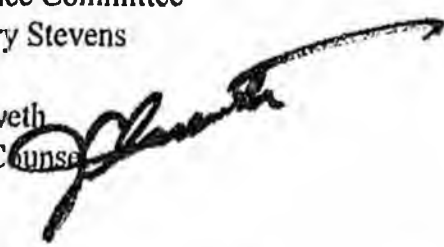
130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

April 3, 1997

SUBJECT: Taxes on tobacco products (Work Order No. 0-LS-0159\P)

TO: Senator Bert Sharp, Co-Chair
Senate Finance Committee
ATTN: Larry Stevens

FROM: Jack Chenoweth
Legislative Counsel 

The difference between the existing 29 cents per pack levy on cigarettes and the total \$1.00 levy requested is 71 cents. Seventy-one cents divided by 20 cigarettes per pack is a 35.5 mill per cigarette difference. Consequently, 35.5 mills is added to the existing 2 1/2 mill levy (page 2, line 5) in bill section 2, to the contingent or alternative levy (page 2, line 21) made in bill section 4, and to the retroactive language (page 3, line 13) of bill section 7.

Since this proposed increase in the tax on cigarettes is in the magnitude of a three-fold change, I made a roughly comparable adjustment to the rate of the excise tax on other tobacco products (page 2, line 25).

* * *

Please take a look at existing AS 43.50.350, addressing disposition of proceeds of the excise tax on tobacco products other than cigarettes. What is now provided for in that statute does not mesh with the expression of legislative intent, stated in paragraph (3) in bill section 1, concerning use of the proceeds of the excise tax on tobacco products other than cigarettes, particularly as that paragraph mentions use of proceeds to support criminal prosecutions. Do you want language to conform paragraph (3) of bill section 1 to AS 43.50.350, or should AS 43.50.350 be revised and expanded to cover use of proceeds for criminal prosecutions involving sales to persons under 19 years of age? The legitimacy of the increase in the rate of the excise tax on tobacco products other than cigarettes is not subject to the potential constitutional dedicated fund question that attaches to the tax on cigarettes, so you may want to address this while you have the opportunity.

JBC:jdr
97-241.jdr

Alaska State Legislature

CHAIR
HOUSE HEALTH, EDUCATION
& SOCIAL SERVICES COMMITTEE

VICE-CHAIR
HOUSE JUDICIARY COMMITTEE

MEMBER
LEGISLATIVE BUDGET & AUDIT COMMITTEE
HOUSE SPECIAL COMMITTEE ON OIL & GAS
SELECT COMMITTEE ON LEGISLATIVE ETHICS

REPRESENTATIVE CON BUNDE

District 18

DURING SESSION
STATE CAPITOL, ROOM 104
JUNEAU, AK 99801-1132
(907) 465-4843 (R00) 812-4843

DURING INTERIM
716 W. FOURTH AVE
ANCHORAGE, AK 99501-2133
(907) 258-2133

E MAIL
Representative.Con.Bunde@legis.state.ak.us

PRESS RELEASE

TOBACCO TAX BILL AWAITS VOTE IN HOUSE

JUNEAU -- (April 9, 1997) -- A bill that could cut youth smoking rates and recover millions in smoking-related health costs for the state is awaiting a vote in the House of Representatives, as a new poll shows Alaskans support the tax by a two-to-one margin.

"Alaskans have made it clear they want to see tobacco taxes raised," said Representative Con Bunde, sponsor of the tobacco tax bill. "I am very concerned that we are ignoring the desires of the people that elected us."

Bunde's House Bill 1 would add \$1 to the existing 29-cents-per-pack state cigarette tax that helps fund state school construction and maintenance. It would also double the tax on cigars, snuff and other tobacco products.

Sixty-eight percent of Alaskans support the \$1 per pack tobacco tax increase as written in House Bill 1, compared to 29 percent who oppose it, according to a recent statewide survey by Dittman Research Corporation.

"The results from this survey bear out what I have been hearing from my constituents and other Alaskans for months -- that they want their elected representatives to pass this tax," Bunde said.

Bunde said he has received more than 1,200 public opinion messages since January from voters calling for the bill's passage, compared to about 300 in opposition.

After public hearings early in the session, House Bill 1 was passed by the House State Affairs Committee, the Health, Education and Social Services Committee, and the House Finance Committee. It is now in the House Rules Committee awaiting scheduling on the House floor.

(MORE)

Representative Con Bunde
April 9, 1997
First add

Speaker of the House Gail Phillips has scheduled a House and Senate leadership meeting for Friday morning, April 11, and has committed to bringing the tobacco tax up before the House Majority Caucus, the first step in scheduling it for a vote on the House floor.

Bunde said he has the support of enough representatives to get his bill passed in the House. Last year, a similar tobacco tax bill was passed by the Senate 17-3, but was never brought to a vote in the House.

"My mother and several friends died from tobacco-related illnesses, but that by itself is not why I introduced this bill," Bunde said. "I did it because my constituents educated me as to why we need such a law, and they and many others have strongly supported it."

Bunde said tobacco tax increases are a highly effective means of reducing underage smoking rates, and are a way that Alaska's smokers can help pay the nearly \$200 million the state incurs in tobacco-related costs each year.

"I have seen much scientific evidence showing that higher prices discourage young people from picking up a lifelong habit that can damage their health," he said.

Bunde is a third-term Republican representing District 18, Hillside and South Anchorage. He is chairman of the House Health, Education and Social Services Committee and Vice Chair of the Judiciary Committee, and is a member of the Select Committee on Legislative Ethics, the Special Committee on Oil and Gas, and the Legislative Budget and Audit Committee.

###

FOR IMMEDIATE RELEASE
FOR MORE INFORMATION:

Representative Con Bunde
(907) 465-4843
(907) 465-3871 fax
Dave Dittman, Dittman Research Corp.
(907) 243-3345

ANCHORAGE DAILY NEWS OPINION SECTION APRIL 9, 1997:
\$1 MORE A PACK: TOUGHER LAWS ALONE WON'T DO THE JOB

By Daily News editorial staff

Alaska House leaders apparently are starting to feel the heat for once again trying to squelch the \$1 a pack tobacco tax increase. They seem to realize they can't simply kill the tobacco tax in the secrecy of their caucus -- which helps explain HB 159, a bill that further cracks down on illegal sales to minors.

The changes contemplated in HB 159, sponsored by Republican Reps. Pete Kott, Eldon Mulder, Vic Kohring, Jerry Sanders, and Joe Ryan could help. But they will be useless without money for enforcement. And the House majority, eager as it is to slash state spending, shows no signs it is prepared to put any money into tougher tobacco control.

As Ann Marie Holen of the Alaska Native Health Board notes, Alaska has toughened its tobacco control laws, but "we don't know of a single instance where a merchant has been cited" for illegally selling to minors.

That's why any serious campaign to combat youth smoking must include the \$1 a pack tax increase. As the industry well knows, measures like HB 159 look good on paper, but tobacco taxes actually work.

Consider this passage from an internal Philip Morris memo, discussing a 1981 proposal to increase the federal tobacco tax. (At that time, the federal tax had not been increased in nearly 30 years):

"It is clear that price has a pronounced effect on the smoking prevalence of teenagers," wrote Myron Johnston, Philip Morris economist, according to a document excerpted in the April 6 New York Times.

Rare is the person who becomes hooked on tobacco as an adult. So if new customers don't start to smoke as teenagers, the industry's customer base will literally shrivel and die.

The Alaska Senate understands the logic here. Last year, senators passed the \$1 a pack increase by a resounding 17-3 vote. To prod this year's House into action, the Senate has begun moving its own tobacco tax measure. This time, the increase has been scaled back to 71 cents in hopes of winning more support on the other side of the Capitol.

The pressure from the Senate is welcome, but the 29 cent reduction is premature. The more lawmakers whittle down the \$1 a pack increase, the greater the numbers of young Alaskans who will hook themselves on the deadly habit.

As complements to a \$1 a pack tobacco tax increase, bills calling for tougher enforcement of tobacco laws won't hurt. But without the tax increase, those bills will do precious little to protect Alaska youth from the ruin that decades of tobacco addiction eventually will inflict on them.

CONFIDENTIAL



DITTMAN
RESEARCH
CORPORATION

8115 JEWEL LAKE ROAD · ANCHORAGE, ALASKA 99502 · TELEPHONE (907) 243-3345