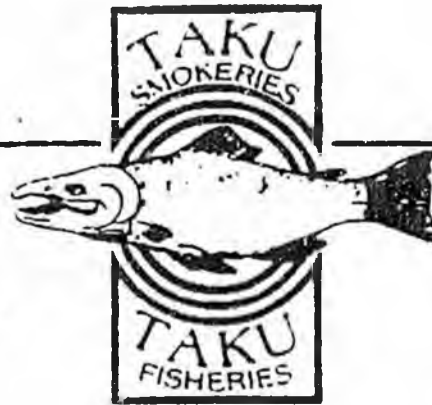


ALASKA LEGISLATURE COMMITTEE FILES 1997-1998 8672

9719 SENATE RULES



Representative Bill Hudson
Alaska State Legislature
State Capitol
Juneau, Alaska 99801-1182

February 4, 1997

via fax @ 465-2273

Dear Representative Hudson,

I would like to thank you for introducing HB 73, "An Act extending the termination of the salmon marketing programs of the Alaska Seafood Marketing Institute and the marketing assessment, and providing for an effective date." I strongly support the passage of this Bill. Please feel free to use my letter as public testimony.

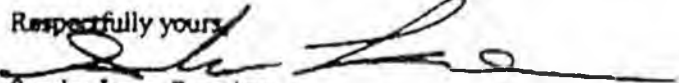
In light of competition from the farmed salmon industry, Alaska's Salmon industry has, at least on the short term, lost much ground. We can accept this and do nothing about it, or, we can get smart and attempt to design marketing programs to help us compete in this rapidly evolving marketplace. This second option takes a bit of money as well as a unified and organized effort, like ASMI, to take the lead role.

The ASMI annual budget is over \$10,000,000. Processors make the largest contribution (approximately 3.7M) to this budget with their 03% assessment on the value of all fishery resources purchased. Fishermen contribute slightly less, approximately 3.4M, with their 1% assessment on salmon. The Federal government matches 6 to 1 the \$550,000 appropriated by the State Legislature.

We need ASMI now more than we did 10 years ago when there were very few farmed fish on the market and Alaska's salmon was "king." This is not the case today. We are now entering the "era of ASMI." We have invested in ASMI for over fifteen years, and ASMI, through its successes and failures, has learned a lot about marketing salmon. While global salmon supply has doubled so has salmon consumption and much of this growth in consumption can be directly attributed to ASMI's marketing efforts. It is important now that the State show unity with the industry and continue its support of the ASMI program.

I need not emphasize the importance of this industry on the Alaskan economy. It would be a disaster to allow legislators, who lack an understanding of the huge impacts of this industry, dictate policy which would permanently alter the wild salmon industries' ability to compete. Thank you for your time.

Respectfully yours,


Sandro Lano, President
Taku Smokeries

550 South Franklin Street
Juneau, AK 99801
(907) 463-4617



Cordova Chamber of Commerce

First Street P.O. Box 99

Cordova, Alaska 99574

(907) 424-7260

*File w/ Bill
H*

MAR 23 1998

March 18, 1998

The Honorable Bill Hudson
Alaska State Legislature
State Capitol Room 108
Juneau, AK 99801-02

Dear Representative Hudson:

The Cordova Chamber of Commerce is expressing its support for the funding of ASMI and extension of the 1% salmon harvest assessment through the attached resolution.

Thank you for your consideration on these issues.

Sincerely,

A handwritten signature in cursive script, appearing to read "Seawan Gehlbach".

Seawan Gehlbach
Executive Director

cc: Senator Lincoln
Representative Kubina
Cordova District Fishermen United
ASMI

**CORDOVA CHAMBER OF COMMERCE
RESOLUTION 98-03**

**A RESOLUTION URGING THE STATE OF ALASKA TO SUPPORT
SEAFOOD MARKETING EFFORTS**

WHEREAS, commercial fishing is a major industry within our region; and

WHEREAS, fisheries prices, specially salmon prices, are depressed causing economic damage to many Alaska residents and communities in traditional markets; and

WHEREAS, the State of Alaska has established vital marketing efforts that are working to reach new worldwide markets and to increase consumption in traditional markets; and

WHEREAS, the world supply of salmon is expanding, resulting in fierce competition for Alaska's wild salmon products,

NOW THEREFORE BE IT RESOLVED that the Cordova Chamber of Commerce of Cordova, Alaska urges the Governor of Alaska and the Alaska state Legislature to support seafood marketing efforts by:

- fully funding the Alaska Seafood Marketing Institute (ASMI);
- supporting the passage of legislation extending the 1% salmon harvester assessment for a salmon marketing programs at the Alaska Seafood Marketing Institute.

Passed and approved by the Cordova Chamber of Commerce this the 17 day of March 1998.

Marina Briggs.....
Marina Briggs, President

Post-It* Fax Note 7671

Date	3/24/98	P. 01
To	Bill Hudson	From
Co./Dept.		Co.
Phone #		Phone #
Fax #	465-2273	Fax #

File w. Bill H

CITY OF KETCHI

RESOLUTION NO. 98-1903

A RESOLUTION URGING THE STATE OF ALASKA TO SUPPORT SEAFOOD MARKETING EFFORTS

WHEREAS, commercial fishing is a major industry within our region; and,

WHEREAS, fisheries prices, especially salmon prices are depressed causing economic damage to many Alaska residents and communities dependent on the industry; and,

WHEREAS, the State of Alaska has established vital marketing efforts that are working to reach new worldwide markets and to increase consumption in traditional markets; and,

WHEREAS, the world supply of salmon is expanding, resulting in fierce competition for Alaska's wild salmon products,

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KETCHIKAN, ALASKA, as follows:

Section 1: The Council of the City of Ketchikan urges the Governor of Alaska and the Alaska State Legislature support seafood marketing efforts by:

fully funding the Alaska Seafood Marketing Institute (ASMI); and,

supporting the passage of legislation extending the 1% salmon harvester assessment for salmon marketing programs at the Alaska Seafood Marketing Institute.

Section 2: This resolution shall be effective upon passage and approval.

PASSED AND APPROVED this 19th day of March, 1998.

Bob Weinstein

Bob Weinstein, Mayor

ATTEST:

Katherine M. Suiter

Katherine M. Suiter
City Clerk



MAR 09 1998

**KODIAK
CHAMBER
OF COMMERCE**

P.O. Box 1485, Kodiak, Alaska 99615

(907) 486-5557

FAX: (907) 486-7605

Representative Bill Hudson
Alaska State Legislature
Room 108
Mail Stop 3100
State Capitol
Juneau, Alaska 99801-1182

Dear Representative Hudson,

Enclosed please find a resolution in support of continued funding for the Alaska Seafood Marketing Institute (ASMI). This resolution was adopted unanimously by the Board of Directors of the Kodiak Chamber of Commerce. This action was taken at its regularly scheduled meeting of February 23, 1998.

This resolution is in support of the Alaska Seafood Marketing Institute. Resolution 98-02-01 urges full funding for that organization. Additionally, it supports the passage of your legislation extending the one percent salmon harvester assessment for salmon marketing programs conducted by the Alaska Seafood Marketing Institute (ASMI). We believe that passage of House Bill 73 will accomplish these two goals.

The Board of Directors feel strongly about the need to maintain the economic viability of the ASMI. The Institute has many notable accomplishments to its credit over the past fifteen years. It is imperative that we find a mechanism by which to continue funding this organization. The ever faster changing conditions in the fishing industry mandate the need for a marketing organization such as ASMI.

Your assistance and support to assure the continued success of the Alaska Seafood Marketing Institute is sincerely appreciated.

Yours in economic prosperity,

Alan L. Schmitt
President

pc: Senator Jerry Mackie
Rep. Alan Austerman
Barbara Belknap, Executive Director ASMI
John Sevier, Chairman of the Board, ASMI

Dedicated to Kodiak's Future

**KODIAK CHAMBER OF COMMERCE
RESOLUTION 98-02-01**

A resolution urging the State of Alaska to support seafood marketing efforts

WHEREAS, commercial fishing is a major industry within our region; and.

WHEREAS, fisheries prices, especially salmon prices, are depressed causing economic damage to many Alaska residents and communities dependent on the industry; and.

WHEREAS, the State of Alaska has established vital marketing efforts that are working to reach new worldwide markets and to increase consumption in traditional markets; and.

WHEREAS, the world supply of salmon is expanding, resulting in fierce competition for Alaska's wild salmon products.

NOW THEREFORE BE IT RESOLVED that the Board of Directors of the Kodiak Chamber of Commerce urges the Governor of Alaska and the Alaska State Legislature to support seafood marketing efforts by:

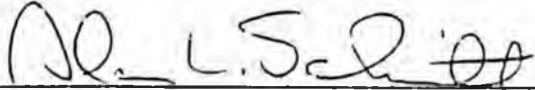
- fully funding the Alaska Seafood Marketing Institute (ASMI);
- supporting the passage of legislation extending the 1% salmon harvester assessment for salmon marketing programs at the Alaska Seafood Marketing Institute.

PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE KODIAK CHAMBER OF COMMERCE ON THIS 23rd DAY OF FEBRUARY 1998.

Signed this 24TH day of February 1998.

Attest:





Alan L. Schmitt, President
Kodiak Chamber of Commerce



Genedine D. Taan, Secretary to the Board
Kodiak Chamber of Commerce

**CORDOVA CHAMBER OF COMMERCE
RESOLUTION 98-03**

**A RESOLUTION URGING THE STATE OF ALASKA TO SUPPORT
SEAFOOD MARKETING EFFORTS**

WHEREAS, commercial fishing is a major industry within our region; and

WHEREAS, fisheries prices, specially salmon prices, are depressed causing economic damage to many Alaska residents and communities in traditional markets; and

WHEREAS, the State of Alaska has established vital marketing efforts that are working to reach new worldwide markets and to increase consumption in traditional markets; and

WHEREAS, the world supply of salmon is expanding, resulting in fierce competition for Alaska's wild salmon products,

NOW THEREFORE BE IT RESOLVED that the Cordova Chamber of Commerce of Cordova, Alaska urges the Governor of Alaska and the Alaska state Legislature to support seafood marketing efforts by:

- fully funding the Alaska Seafood Marketing Institute (ASMI);
- supporting the passage of legislation extending the 1% salmon harvester assessment for a salmon marketing programs at the Alaska Seafood Marketing Institute.

Passed and approved by the Cordova Chamber of Commerce this the ..17.. day of
MARCH 1998.

Marina Briggs
.....
Marina Briggs, President

RESOLUTION

A RESOLUTION URGING THE STATE OF ALASKA TO SUPPORT SEAFOOD MARKETING EFFORTS

WHEREAS, commercial fishing is a major industry within our region; and,

WHEREAS, fisheries prices, especially salmon prices, are depressed causing economic damage to many Alaska residents and communities dependent on the industry; and,

WHEREAS, the State of Alaska has established vital marketing efforts that are working to reach new worldwide markets and to increase consumption in traditional markets; and,

WHEREAS, the world supply of salmon is expanding, resulting in fierce competition for Alaska's wild salmon products.

NOW, THEREFORE BE IT RESOLVED that the Chamber of Commerce urges the Governor of Alaska and the Alaska State Legislature to support seafood marketing efforts by:

- fully funding the Alaska Seafood Marketing Institute (ASMI);
- supporting the passage of legislation extending the 1% salmon harvester assessment for salmon marketing programs at the Alaska Seafood Marketing Institute.

PASSED AND APPROVED BY THE Wrangell Chamber of Commerce THIS 3 DAY OF JANUARY 1998.

[Signature]
Chamber President

[Signature]
Chamber Executive Director

Don McConachre
PRESIDENT



Anchorage • Star of the North
Chamber of Commerce

**Anchorage Chamber of Commerce Resolution 97/98-12
In Support of Marketing Alaska's Salmon**

WHEREAS, commercial fishing is a major industry within Alaska and fisheries prices, especially salmon, are depressed causing economic damage to many Alaska residents and communities dependent on the industry; and

WHEREAS, the State of Alaska has established marketing efforts that are working to reach new worldwide markets and to increase consumption in traditional markets; and

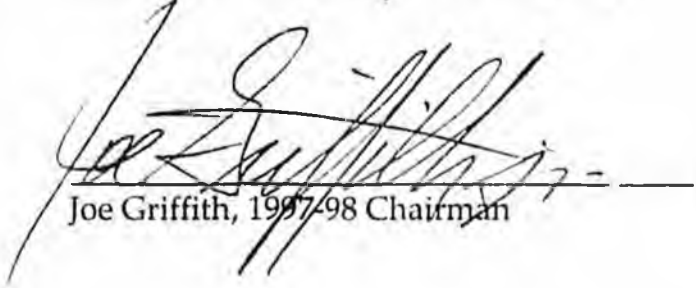
WHEREAS, the world supply of salmon is expanding, resulting in fierce competition against Alaska's wild salmon products; and

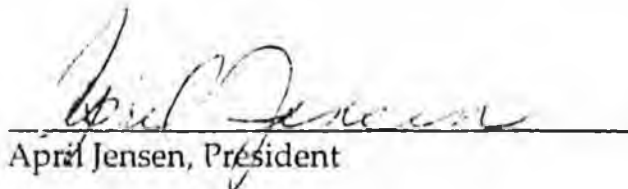
WHEREAS, Alaska's commercial fishing industry previously approved a self-imposed assessment to financially support marketing of Alaska's salmon in the United States and throughout the world; and

WHEREAS, the salmon marketing assessment is set to sunset under state law and House Bill 73 will extend the assessment for five years;

NOW THEREFORE BE IT RESOLVED that the Anchorage Chamber of Commerce Board Directors supports House Bill 73 or another bill that will extend the life of the assessment and that the funds collected from the assessment be spent to market Alaska's salmon.

Approved this 6th day of March 1998.


Joe Griffith, 1997-98 Chairman


April Jensen, President



January 21, 1997

The Honorable Bill Hudson
Alaska House of Representatives
Room 108 State Capitol
Juneau, Alaska 998011182

JAN 27 1997

Dear Representative Hudson:

Attached are the following resolutions passed for submission to the Alaska State Legislature by the Alaska Municipal League at its recent annual meeting:

- **Resolution 97-01**, Urging the Adoption of the "Safe Communities" Program and Urging Support of Revenue Sharing Programs for Municipalities.
- **Resolution 97-02**, Urging Legislative Action on a Solution for Title 47.
- **Resolution 97-03**, Urging Full Support for the Alaska Regional Development Organization (ARDOR) Program.
- **Resolution 97-04**, Supporting Passage of a Bill Increasing State Taxes on Tobacco products.
- **Resolution 97-06**, In Support of Full Funding for the University of Alaska for Fiscal Year 1998.
- **Resolution 97-07**, Supporting Adequate Funding for Each Extended Campus of the University of Alaska.
- **Resolution 97-08**, Urging the Legislature and Governor to Support a Statutory Change Allowing the Department of Revenue to Collect Alcohol Use Taxes on Behalf of "Damp" Communities.
- **Resolution 97-09**, Supporting the Alaska State Waters Cod Fishing Program.
- **Resolution 97-10**, Urging the State of Alaska to Increase Salmon Marketing Efforts.
- **Resolution 97-11**, Supporting Legislation to provide for the Conveyance of isolated Tracts of State Land to Boroughs and Unified Municipalities.
- **Resolution 97-12**, Urging Governor Knowles and the Legislature of the State of Alaska to Support the Earliest Possible Development of an Economically Viable Alaskan North Slope Gas Export Project.
- **Resolution 97-14**, Requesting the Governor, Legislature, and the Alaska State Department of Natural Resources to Continue Adjudication of Water Rights, Continue as the Custodian of the Program, and to Continue Maintenance of the Historical Water Rights Data Base.
- **Resolution 97-15**, Supporting Changes to the Power Cost Equalization Program.

January 22, 1997

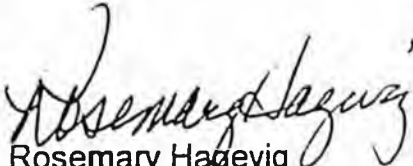
Page two

- **Resolution 97-15**, Supporting Changes to the Power Cost Equalization Program.
- **Resolution 97-17**, Urging Full Support of the Alaska Marine Highway Operation and Continued Progress Toward Construction of the Ocean Class Vessel.
- **Resolution 97-18**, Urging the State of Alaska to Develop a State Highway System.

I hope we can count on your support on these issues; I assure you that members of the Alaska Municipal League are ready to help in any way we can. If you have questions, you may contact me directly at 364-2154 or through the Alaska Municipal League at 586-1325.

Thank you.

Sincerely,



Rosemary Hagevig
President

Enclosure as stated

D:\ct.res.statelegisl



L A K E A N D P E N I N S U L A A I R L I N E S

February 17, 1997

House Special Committee on Fisheries
Attn: Chairman Rep. Alan Austerman

Re: House Bill 73 - 1% renewal to 2003

Dear Rep. Austerman:

As a fisherman in Bristol Bay for the last 30 years and with all of our immediate and extended family involved in both the salmon fishery and herring fishery, I (we) have real concern regarding our future.

Like any other industry we must market aggressively if we are to protect the Alaska industry from encroachment by every other protein source, especially farmed salmon.

Marketing is mostly a long term effort and results come only as we are consistent and aggressive industry wide, in presenting our products

Over the last three years ASMI has become an exceptional organization in the marketing arena. ASMI has a marketing plan and works the plan very aggressively.

On behalf of the many members of my family who are fishers in Bristol Bay and on behalf of many fishers in the "Lake Country" who may never contact you, I urge you to support H.B. #73. Please allow us as an industry to do what the Legislature must eventually expect of every other industry in the state. Assess ourselves 1% to market and promote the well being of the Alaska Seafood Industry.

Thank you for your consideration of my voice vote.

Sincerely,

David Wilder

February 17, 1998

FEB 25 1998

W

Representative Bill Hudson
State Capitol - Room 108
Juneau, AK. 99801-1182

Re: 1% Salmon Tax

Dear Rep. Hudson,

I am a commercial fisherman in Bristol Bay. I am writing you in support of legislation to continue the 1% marketing tax on salmon.

I have worked with marketing salmon in the Lower 48 and have witnessed the increase of sales of salmon in grocery stores because of the efforts of ASMI.

ASMI now has a very competent and personable new director in Barbara Belknap! I am confident that she will be able to work with the ASMI Board and bring about some necessary changes in marketing strategies. But, she needs your and our support to do this, as well as the help of the 1% tax to provide her with a program budget.

With the erosion of the Japanese yen and the increase of farmed salmon effecting our markets, it is now more important than ever for fishermen to support the 1% tax to help promote salmon in the domestic market.

I hope that you will be supportive of ASMI and the 1% tax.

Thank you.

Tom Huffer
18207 Sanctuary Drive
Eagle River, Alaska 99577
Tel: 907-694-2326

cc: Sen. Rick Halford
Sen. Randy Phillips
Rep. Fred Dyson
Rep. Vic Kohring
Rep. Pete Kott.

Sponsor: Administrator

CITY AND BOROUGH OF SITKA**RESOLUTION NO. 98-698****A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF SITKA, ALASKA URGING THE STATE OF ALASKA TO SUPPORT SEAFOOD MARKETING EFFORTS**

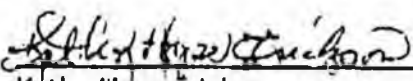
- WHEREAS,** commercial fishing is a major industry within our region; and
- WHEREAS,** fisheries prices - especially salmon prices - are depressed, causing economic damage to many Alaska residents and communities dependent on the industry; and
- WHEREAS,** the State of Alaska has established vital marketing efforts that are working to reach new worldwide markets and to increase consumption in traditional markets; and
- WHEREAS,** the world supply of salmon is expanding, resulting in fierce competition for Alaska's wild salmon products;

NOW, THEREFORE, BE IT RESOLVED by the Assembly of the City and Borough of Sitka, Alaska that the City & Borough of Sitka urges the Governor of Alaska and the Alaska State Legislature to support seafood marketing efforts by fully funding the Alaska Seafood Marketing Institute (ASMI);

PASSED AND APPROVED by the Assembly of the City and Borough of Sitka, Alaska on this 24th day of February, 1998.


Stan J. Filler, Mayor

ATTEST:


Kathy Hope Erickson
Municipal Clerk

February 18, 1997

Representative Bill Hudson
c/o House Resources Committee
State Capital, Juneau, Alaska 99801

Dear Representative Hudson,

I would like this letter to show my support to the efforts you and Rep. Grussendorf have made in the introduction of House Bill No. 73. You have a very solid base of sometimes "quiet" support from the commercial fishermen in the Southeast Alaska region. Please, keep up the good work!

I am a life-long resident of Alaska and a full-time commercial fisherman. My family has been in the seafood industry in Alaska for over 65 years and we hope to continue well into the future in this dynamic industry. Many fishermen sometimes wonder as to the best use of the assessments or whether there should be an assessment at all? My experience and judgment clearly indicate that marketing is the key to getting a stable demand for our resource.

I shudder to think of the consequences that would suffocate our already stressed industry if the assessments are not continued into the future and our sole marketing ability is severed. Without trying to dramatize the future without a marketing assessment, I surely feel the salmon industry may collapse from within. Our industry collectively has some substantial obstacles to hurdle, but without the marketing presence of an organization such as ASMI, (in the words of my 8 yr. old) *we are doomed!*

I feel the successes that ASMI has made on behalf of our industry are beyond dispute. It probably is the one entity capable of keeping our processing and harvesting working together toward a market-driven industry which is the only premise that our industry can survive under.

Any way, the vast majority of commercial fishermen in this community definitely realize the importance of marketing and the future positive impact it will have on our livelihoods and the value of our industry to the entire state of Alaska.

Again, thank you for your support of our industry needs.

Regards,



John R. Swanson F/V Logan T (Salmon Seine, Halibut, Sablefish, Roc Herring)
PO Box 1546 F/V Ruthie (Bristol Bay Salmon)
Petersburg, Alaska 99833
Ph. & fax #(907) 772-3501

cc: Co-sponsor Representative Ben Grussendorf fax #907-465-2278
Senator Robin Taylor, fax #907-465-3922
Barbara Belknap, fax #907-465-5572

page 2

Again I would like to ask what you can do to emphasize the need for matching funds from the State to increase the ASMI Budget. What ASMI has accomplished with such a small budget is a miracle, but miracles don't last forever. The State of Alaska really needs to focus its attention on what can be done for the survival of our fisheries.

Thank you for your dedicated hard work that you are doing in Juneau and your support for House Bill No. 73.

Sincerely,



Cecelia A. Angasan
ASMI Board Member

Representative Hudson
State Legislature Office
Juneau, Alaska
Fax: 465-2273

Dear Representative Hudson,

Thank you for sponsoring House Bill 73, the ASMI 1% renewal to 2003. The renewal this year will save money, time and energy. The salmon industry needs the efforts of ASMI.

I am a 20+ year harvester and have not been making much money lately but feel without ASMI's efforts, it would be even less. The raw fish tax to the state and communities is dependent on the value of salmon when it leaves the fishing vessels, the state should do all it can to keep that value up. I know for Cordova raw fish tax is essential for the city to survive. The fish tax revenues have gone down and our sales tax and property tax have increased, and budgets have been cut. It is easy to see how the value of salmon can directly relate to the education our children receive. ASMI's efforts have a definite impact on ex-vessel value. I would rather pay more assessment than to lose the edge ASMI gives. To not be assessed would be much more costly, to the harvesters, to the communities and to the state.

Earlier this month at the Salmon Forum it became very obvious that ASMI is the only body the industry has in common. Every time there was an assignment or a need ASMI was the only entity that people thought of that could accomplish the goals. The industry is going through tough times but without ASMI we would be crippled!

I would like to ask that you also support the \$518,000 that is in the Governor's budget so that ASMI can receive the federal grant money from USDA to maintain their overseas marketing program.

The investment the state makes generates 13 times that dollar value for the marketing budget from federal and foreign contributions. That is a 1,306% return. This does not include the contributions made by the communities and their citizens. When a French group came to Cordova the community had a potluck BBQ to welcome them. The owner of a cafe donated the space. The fishermen pulled game (cherished by the French) out of their freezers and the processors donated fish. A family invited them into their home for a reception (they loved the idea of seeing how we live). The processors gave them tours of their facilities. The harvesters invited them on their boats. One year when a group was there during a fishing opener the fishermen welcomed them on their boats out fishing. The value of the fishery resource to the state and the citizens and the impact of the fisheries with such a snowball effect on coastal communities, I hope the overwhelming value of this program is recognized.

Thank you again for your support.

Kathy Halgren
Box 784
Cordova, Alaska 99574-0784

Leroy L. Cabana
6100 Andover Cir.
Anchorage AK 99516
Ph 907-345-5827
fax 907-345-2190

Representative Bill Hudson
February 13, 1997

Mr Hudson, I recently received a memorandum on HB 73 extending the 1% marketing assessment to June 30, 2003. I would like to thank you for your time and interest in sponsoring HB 73. The salmon industry, indeed all commercial fisheries in Alaska are more dependent now on ASMI's marketing effort than ever before. As a salmon fisherman with 18 years experience as an owner/operator of a sciner, I have witnessed a complete reversal of salmon harvest and marketing opportunities. In the 70's, we had few fish and more markets than we could fill. With farmed salmon production increasing every year and the record harvest of Alaska salmon in recent years, existing markets cannot absorb available production. It is unlikely we as a salmon industry will remain economically viable in the long term if farmed salmon continues to aggressively market and increase production and our reaction is to discontinue ASMI's funding. I know prices are at record lows and a more reasonable reaction would be increasing our marketing assessment, not eliminating our marketing program. I strongly support the marketing assessment and appreciate your time and effort on HB 73.

Sincerely,

Leroy Cabana

Rose Heyano
PO Box 1409
Dillingham, Ak. 99576
907-842-1053
fax # 907-842-1355

February 9, 1997

Representative Bill Hudson
Alaska State Legislature
State Capitol
Juneau, Ak. 99801-1182

via fax @465-2273

Dear Representative Hudson:

Thank you for introducing HB 73 that would extend the 1% assessment for marketing programs initiated by the Alaska Seafood Marketing Institute. Governor Tony Knowles appointed me to the board of directors of ASMI in October 1996. The two meetings I've attended since appointed has clearly shown me the importance of marketing Alaska salmon. Alaska's wild salmon is facing very stiff competition with farmed salmon in domestic as well as world-wide markets. We must continue our efforts to keep the market share we currently have and strive to increase our salmon markets both domestically and internationally.

I have been a commercial drift fisherperson in Bristol Bay for the past 20 years. We are experiencing declining salmon prices which is directly attributed to the influx of farmed salmon. The days of our wild salmon selling itself is no longer. We must continue to design marketing programs to help us compete in this rapidly evolving market place.

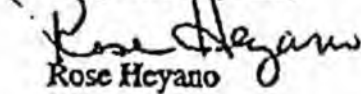
The Alaska Seafood Marketing Institute is the marketing agency that needs to represent fisherpersons in the State of Alaska. ASMI needs fishermen's support as well as the State's. The State of Alaska needs to support the salmon industry by continuing to provide the 20% match that ASMI needs to receive the US Dept. of Agriculture's export grant. Without the 1% fisher assessment and the State of Alaska's match ASMI's marketing efforts would be sharply curtailed.

In the Bristol Bay region most fisherpersons feel that the 1% assessment helps them very little since it can only be used for promoting and increasing domestic markets. Bristol Bay contributes close to 37% of the entire assessment and their product is sold primarily in Japan. Realizing any benefit of the 1% assessment is not forthcoming. If you can add into HB 73 the change in the wording that would allow the 1% assessment to be used nationally as well as internationally many fishermen would support the continuation of it.

Alaska's salmon industry is vital to Alaska's economy. We are the largest employer in the State and provide revenue from the raw fish tax that pays for all aspects of the State government. In order for the salmon industry to continue to play such a vital role in Alaska we must all continue to support and promote the marketing of the product.

In closing I would like to emphasize the importance of supporting the ASMI program, the continuation of a 1% assessment used worldwide; and to encourage the legislatures to provide the match that the ASMI program needs for their export marketing grant. I strongly support the passage of this bill with the above mentioned changes and encourage our State legislator to do the same. Thank you for your time.

Respectfully yours,



Rose Heyano

cc: Representative Ivan M. Ivan
Representative Jeannette A. James
Representative Cad E. Moses
Representative Richard Foster

February 18, 1997

Representative Bill Hudson
c/o House Resources Committee
State Capital, Juneau, Alaska 99801

Dear Representative Hudson,

I would like this letter to show my support to the efforts you and Rep. Grussendorf have made in the introduction of House Bill No. 73. You have a very solid base of sometimes "quiet" support from the commercial fishermen in the Southeast Alaska region. Please, keep up the good work!

I am a life-long resident of Alaska and a full-time commercial fisherman. My family has been in the seafood industry in Alaska for over 65 years and we hope to continue well into the future in this dynamic industry. Many fishermen sometimes wonder as to the best use of the assessments or whether there should be an assessment at all? My experience and judgment clearly indicate that marketing is the key to getting a stable demand for our resource.

I shudder to think of the consequences that would suffocate our already stressed industry if the assessments are not continued into the future and our sole marketing ability is severed. Without trying to dramatize the future without a marketing assessment, I surely feel the salmon industry may collapse from within. Our industry collectively has some substantial obstacles to hurdle, but without the marketing presence of an organization such as ASMI, (in the words of my 8 yr. old) *we are doomed!*

I feel the successes that ASMI has made on behalf of our industry are beyond dispute. It probably is the one entity capable of keeping our processing and harvesting working together toward a market-driven industry which is the only premise that our industry can survive under.

Any way, the vast majority of commercial fishermen in this community definitely realize the importance of marketing and the future positive impact it will have on our livelihoods and the value of our industry to the entire state of Alaska.

Again, thank you for your support of our industry needs.

Regards,



John R. Swanson
PO Box 1546
Petersburg, Alaska 99833
Ph. & fax #(907) 772-3501

F/V Logan T (Salmon Seine, Halibut, Sablefish, Roe Herring)
F/V Ruthie (Bristol Bay Salmon)

cc: Co-sponsor Representative Ben Grussendorf fax #907-465-2278
Senator Robln Taylor, fax #907-465-3922
Barbara Belknap, fax #907-465-5572

**PETERSBURG CHAMBER OF COMMERCE
RESOLUTION 98-01**

A Resolution of the Petersburg Chamber of Commerce urging the honorable Tony Knowles, Governor of Alaska State and the Alaska State Legislature to support the seafood marketing efforts of our State.

Whereas, commercial fishing is a major industry within our region; and

Whereas, the City of Petersburg's local business and residential community is largely involved in the active production of seafood; and

Whereas, the economic well being of Petersburg is largely dependent upon the stability of prices and the increase of healthy markets for seafood; and

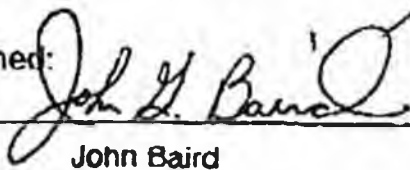
Whereas, the State of Alaska has established vital marketing efforts to increase consumption in traditional domestic markets

THEREFORE BE IT RESOLVED:

The Petersburg Chamber of Commerce requests that Alaska State continue its support of seafood marketing efforts by fully funding the Alaska Seafood Marketing Institute (ASMI)

Further, we request that the Governor urge and support the passage of legislation extending the 1% Salmon Harvester Assessment, for salmon marketing programs at the Alaska Seafood Marketing Institute

Passed and Approved by the Petersburg Chamber of Commerce Board of Directors, this 12th day of FEBRUARY, 1998

Signed: 
John Baird

President, Board of Directors

Attest: 
Gerald A. Plank

Director

February 6, 1998

Representative Bill Hudson
Capitol Building, Room 08
Juneau, AK 99801

Dear Representative Hudson,

I am writing to you as a Juneau seafood processor who depends upon the marketing support of the Alaska Seafood Marketing Institute. I support the passage of House Bill No. 73, extending the 1% salmon marketing assessment that provides the majority of the funding for domestic marketing programs of the Alaska Seafood Marketing Institute.

The Alaska seafood industry is at a crossroads. Expanding supplies and competitive marketing across the globe have caused depressed prices and economic damage to many Alaska residents and communities who depend upon the industry.

It is not an exaggeration to say that the failure to pass this tax will mean the dissolution of the Alaska Seafood Marketing Institute and, with it, the strong marketing presence Alaska has in the marketplace.

The Alaska seafood industry is the number one private employer in Alaska, generating revenues second only to the oil industry. More than 700 processing facilities of all sizes operate in Alaska, employing nearly 70,000 full-time and seasonal workers. Almost 50,000 people harvest fish commercially in Alaska annually.

Thank you for your efforts to protect the voice of the industry in world markets by maintaining our marketing programs for Alaska seafood.

Sincerely,

Eric R. Norman
Gen. Mgt.
Taku Fisheries

ERIC NORMAN



Alaska Fisheries Development Foundation, Inc.

Rep. Bill Hudson
State Capitol Room 108
Juneau, Alaska 99801-1182

February 6, 1998

Dear Rep. Hudson,

The Alaska Seafood Marketing Institute's activities have directly resulted in millions of dollars of sales of Alaska salmon and other seafood that probably would not otherwise have taken place.

ASMI's programs open doors into seafood markets that many individual companies could not gain access to on their own.

For example: ASMI was a key player in gaining a contract with the USDA to purchase \$14 million worth of salmon products including nuggets and pouches for the school lunch program. ASMI single-handedly negotiated deals with several major hotel chains including Hilton, Hyatt and Westin, to serve Alaska seafood in their hotel restaurants throughout the country.

They also have negotiated similar deals with large restaurant chains like Skipper's. This kind of grand-scale market development can only be accomplished by an organization like ASMI that represents the whole industry *and* the interests of the citizens of Alaska, who are owners and stewards of the fish.

ASMI has held training seminars for top executive chefs at the Culinary Institute of America, and for three years has been training the nation's domestic chefs with their "Fishermen in the Stores" program. These efforts have eased Alaska salmon over one major hurdle: lots of people would eat more salmon if they just knew how to cook it.

ASMI's international market development efforts have increased exports to Europe and Asia, and most recently opened doors into markets in Spain, Taiwan and China.

Most importantly, ASMI has established a presence for Alaska seafood in the highly competitive world market. Without ASMI's efforts in this regard, producers of Alaska seafood would find it exceedingly difficult to gain visibility for their own products, and would be competing against each other for space in the world's grocery stores.

I urge you most strongly to fully fund the Alaska Seafood Marketing Institute, and to extend the 1% salmon assessment for salmon marketing. Failure to extend the assessment will only provide a greater opportunity for our competitors to wallop us on the market.

Sincerely yours,

Chris Mitchell
Executive Director

**ALASKA MARINE
TRUCKING**

Alaska Marine Trucking, Inc.
100 West 14th Street
Juneau, Alaska 99801
Phone 907-586-1700
Fax 907-586-2000

February 9, 1998

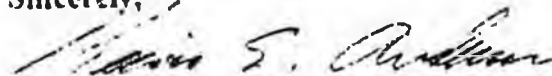
**Representative Bill Hudson
State Capitol Room 108
Juneau, AK, 99801-1182**

Dear Representative Hudson,

I am writing concerning the importance of the contributions given to the Alaskan Seafood Industry by Alaska Seafood Marketing Institute (ASMI). We at Alaska Marine Trucking recognize the value of marketing. We feel the ASMI effort accomplishes goals vital to the development of new seafood commodities, along with continued support of well established seafood standards. As you know the seafood industry in Alaska has seen a great many changes in the effort to remain competitive in a world market that is driven by complex equations. The seafood industry, along with the industries that support them, need the help of ASMI to define the potential direction of consumer need, which in hand allows us the opportunity to focus our energy in the proper direction.

Representative Hudson, please feel free to forward this letter to whomever you feel needs to recognize the importance of ASMI as a vital marketing gauge in one of Alaska's most important economic basis.

Sincerely,



**Kevin Anderson
General Manager
Alaska Marine Trucking**

ALASKA SEAFOOD CO.
5434 Shaune Dr. 8-B Juneau, AK 99801

(907) 780-5111

8 Feb 98

To: Rep.. Bill Hudson
Fm: Dick Hand

Dear Bill:

I am writing this letter in support of ASMI. Currently I am aware that HB 73 is under attack so that ASMI may not get it's 1% funding.

ASMI is many things to many people. In todays market place the price and volume of Alaska fish is under attack as we have not seen before. To stop funding of our single best advocate for the seafood industry would be suicidal.

Thank you for your support and time on this bill.

Best regards



Dick Hand

cc: Barbara Belknap



Petersburg Vessel Owners Association

P.O. Box 232
Petersburg, Alaska 99833
Phone (907) 772-9323 Voice and Fax

January 26, 1998

Representative Bill Hudson
Chair, Committee on Resources
Alaska State Capitol
Juneau, AK 99801-1182

Dear Representative Hudson:

We are writing in support of H.B. 73, an act extending the termination dates of the salmon marketing programs of the Alaska Seafood Marketing Institute and the salmon marketing assessment.

We are supporting reauthorization of the 1% marketing assessment because we recognize ASMI's work as essential to maintaining our share of the domestic salmon market. Over the years, ASMI has developed programs which are having measurable results on the sale of our seafood products. It would be shortsighted of us to believe we could improve upon our current position without a strong marketing effort directed at the seafood consumer. ASMI's programs can only serve to bolster the seafood industry's position in what has become a highly competitive marketplace and we support your efforts to continue these programs.

Thank you for introducing and working on this important piece of legislation.

Sincerely,



Liz Cabrera
Director

JAN 28 1998

cc: Senator Robin Taylor
Representative Ben Grussendorf
ASMI
UFA

Author: GregoryMcIntosh@compuserve.com (Greg McIntosh) at CC2MHS1
 Date: 2/9/98 5:34 PM
 Priority: Normal
 TO: vina jennings at DCED ASMI
 Subject: Copy of: Attached Letter

----- Message Contents -----

----- Forwarded Message -----

From: Greg McIntosh, 74603,1714
 TO: Barbara Belknap, INTERNET:alaska_seafood@commerce.state.ak.us
 Barbara Belknap, INTERNET:Barbara_Belknap@commerce.state.ak.us
 DATE: 2/9/98 9:30 AM
 RE: Copy of: Attached Letter

Barb-

Can you use this? Still on the road. Greg

February 9, 1998

McIntosh Marine, Inc.
 Post Office Box 6404
 Halibut Cove, AK 99603
 February 6, 1998

The Honorable Bill Hudson
 State Capitol
 Room 108
 Juneau, AK 99801

Dear Mr. Hudson:

I understand the House and the Senate may soon be discussing the merits of the 1% tax, used to fund the Alaska Seafood Marketing Institute (ASMI). I encourage you and your colleagues to act responsibly and fund ASMI in order that it may continue to contribute to and enhance the State's economic base. Let me be a bit more specific.

As one of the founders of Arctic Alaska Seafoods, Inc., developers of the award winning (1997 Symphony of Salmon, Governor's Export Award, 1997), "Pinks in a Pouch" value-added salmon products, I can assure you the product would not be experiencing the success it presently enjoys were it not for ASMI's marketing efforts. This breakthrough process, that provides jobs by allowing canneries to continue production throughout the winter, was introduced into the Federal School Lunch Program, in part by the efforts of Claudia Hogue and her ASMI colleagues. As you know, full employment at Alaska's canneries means economic stability in coastal communities. Economic stability means work for fishermen; work for fishermen means timely payment of loans; timely payment of loans means more efficient banking. ASMI's makes sense. Allowing ASMI to founder, by not continuing or increasing its funding, would not be good business.

Those of us who have spent time and money in an effort to bring Alaska's fishery resources up to full utilization appreciate and rely upon ASMI's marketing abilities. We encourage the House and Senate to act responsibly and continue to provide mechanisms that will ensure ASMI's continued success. A guarantee of funding will allow ASMI staff to market Alaska's fine seafood products, rather than market itself to the Legislature for funding.

Sincerely,

Greg McIntosh

Gregory S. McIntosh
 President
 McIntosh Marine, Inc.

NORTH ALASKA FISHERIES, Inc.
P.O. Box 92737 Anchorage Alaska 99509
907-561-2671 907-561-2748 Fax
1304 Laona Dr. Anchorage

Barbara Belknap
Executive Director
Alaska Seafood Marketing Institute
Juneau, Alaska 99801

Barbara:

As the only processor from the AYK area on the board of ASMI, I believe I should tell you about my experiences concerning the marketing of AYK salmon. As you may not be aware, my company participates in all four fishing districts in the AYK and is the only processor who does. That includes the Kuskokwim, Yukon, Norton Sound, and Kotzebue Sound. I am fairly certain that we are the largest buyer of AYK salmon. Naturally, we also have the market share needed to support these fisheries.

It was not until the past couple of seasons and right around the time when the large hatchery chum landings started to affect the western Alaska markets that I began to realize the impact ASMI has on the marketing of salmon, especially in the domestic U.S. markets. No doubt the abundance of hatchery chums greatly affected traditional fresh and frozen markets for AYK fish. It certainly weeded out several producers from western Alaska, and made the remaining processors work a lot harder at marketing those fish. At the same time, I feel that ASMI put a tremendous effort into retail sales promotions in the lower 48 in order to create additional outlets for Alaskan fresh salmon.

Based on my experience, things would be considerably worse in western Alaska, if it wasn't for ASMI and the effort put forward by the Retail Program Manager. AYK fish fit very nicely into the majority of the promotional campaigns launched and supported by ASMI. I sincerely feel that if it wasn't for the staff at ASMI, it is quite possible there would virtually be little if any market for AYK production.

An example of this situation can clearly be demonstrated by what happened in Norton Sound last season. Basically the fishermen there had no market for their chum salmon. Because of an ASMI sponsored program with a retail chain in Denver, it gave us and in turn, the fishermen a market for that fish. Otherwise, those local fishermen would have been left with nothing. That salmon from Norton Sound had a market solely because of ASMI. Period

page 2.

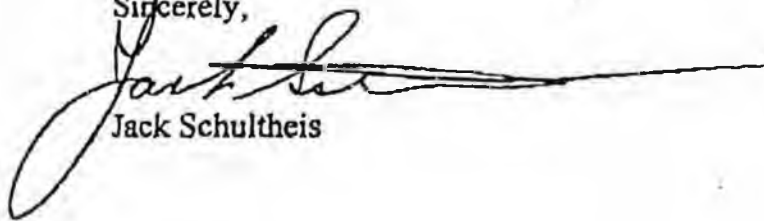
A similar situation occurred with the Kotzebue salmon fishery in July and August. Again, because of ASMI work, we were able to find a market for Kotzebue production. We provided the Kotzebue fleet a market, only because ASMI was running promos at that time. Otherwise, we would of never been able to support that fishery.

I believe that the majority of salmon from western Alaska is sold strictly because of ASMI marketing strength. Out of our own production from AYK, at least 70% goes into domestic retail sales promoted by the Institute. It is doubtful that we would be able to operate or even want to operate in these areas if it wasn't for the support given by ASMI. In my professional opinion, and I have been involved in the AYK fisheries since 1973, I sincerely feel that most fishing districts would be without markets if it was not for ASMI.

Although I am a member of the AYK Chum Marketing Council, and have been since its' inception, the truth of the matter is that the Alaska Seafood Marketing Institute has done far more to promote and market fish out of western Alaska than any other entity that has came and went. There has been millions of dollars poured into western Alaska fisheries through state and federal grant programs in the name of marketing. I know of one that went through several hundred thousand dollars of federal money and not a pound of salmon was ever marketed. ASMI has been able to provide the true expertise and talent required to promote salmon without name branding it or regionalizing fish.

There are many fishery problems in western Alaska, but ASMI is not one of them. Actually it is the only positive thing that I have seen happen in a long, long time out there.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Schultheis", with a long horizontal flourish extending to the right.

Jack Schultheis

HB

103

LEGISLATIVE REFERENCE LIBRARY

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STATE OF ALASKA

(907) 465-3808
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 400
Juneau, Alaska 99801-2105

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

Mary Pagenkopf

Senate Rules Committee 5/1/97 10:51 a.m.

Alaska State Legislature

House Finance Committee

REPRESENTATIVE
MARK HANLEY

307 488 4333
Fax: 307 488 4319

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Fax: 307 488 8 824



State Capitol, Juneau, Alaska 99801-1182

REPRESENTATIVE
GENE THERIAULT

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Fairbanks, Alaska 99701-3101
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Fax: 307 488 8 824

Contact: Representative Gene Therriault

SPONSOR STATEMENT

HB's 103, 106, 107

The proposed package of bills enacts a major cleanup of nearly 30 inactive accounts from State Statutes. The legislation clearly reflects the mission of bringing about a "smaller, smarter" government through careful scrutiny of inefficient and unnecessary administrative functions.

During the past year, investigation by Representative Martin, the past Chairman of the Legislative Budget and Audit Committee, revealed that a large number of special accounts, established through the legislative process over the last thirty years, have been completely inactive since their creation.

Prior to introducing these bills, Representative Therriault and Representative Martin contacted the agencies responsible for the funds to insure their deletion would not be problematic. Without exception, the departments supported the elimination of the inactive accounts contained in these bills. In fact, it was discovered that in some cases, the departments were unaware of the accounts' existence.

A cooperative effort continued with the Administration, specifically the Office of Management and Budget, to develop a package of bills to repeal the non-operative statutes from the accounting process. In some cases, legislation does not actually repeal statutes, but rather changes the language to read "Program" rather than "Fund", in order to retain the integrity of the program without maintaining a separate account.

This package of bills does not impede the intent of or appropriation to any existing program, but rather is a series of housekeeping measures designed to save the State from unnecessary administrative expense.

Alaska State Legislature
House Finance Committee

REPRESENTATIVE
MARK HANLEY

307 466 4169
Fax: 307 466 2418

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Fax: 307 586 8155



State Capitol Building, Alaska 99801-1162

REPRESENTATIVE
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Juneau, Alaska 99801-1150
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Fax: 307 466 4277

Contact: Representative Gene Therriault

BILL SUMMARIES
HB's 103, 106, 107, 108

HB 103

"An Act repealing certain state funds and accounts and boards and programs related to those funds and accounts. . ."

Simple repeals of the following inactive accounts: Alaska Amateur Sports Fund; Cooperative Arrangement Grant Fund; Bilingual-Bicultural Education Fund; Alaska Student Leadership Development Fund; Alaska School Counseling Program Grant Fund; University Risk Management Fund; Community College Fund; Community Health Aide Grant Account; Veterans Service Fund; Alaska Municipal Land Account; Federal Transitional Grants Accounts; Mineral Resource Revolving Fund; Outdoor Recreational, Open Space, and Historic Properties Development Fund; Neighborhood Revitalization and Development Fund; Legal Assistance and Juvenile Justice Grant Fund; Fisheries Product Revolving Loan Guarantee Fund; Forest Products Business Loan Guarantee Fund; Community Action Against Substance Abuse Grant Fund; Alaska Longevity Bonus Fund; Self-Sufficiency Trust Fund; Alaska Pioneers' Home Trust Fund; Older Alaskans Service Programs Account; Community Schools Grant Fund; Handicap & Mental Illness Charitable Account; and Search and Rescue Fund.

HB 106

"An Act relating to the municipal assistance program and organization grant program..."

Although these programs remain operative, the municipal assistance and organization grant funds are inactive and empty. Legislation would clear the "fund"(s) from statutes, and refer only to the "program"(s).

HB 107

"An Act relating to water quality enhancement and water supply, waste water, and solid waste systems grants . . ."

This legislation removes from Statutes the Water Quality Enhancement and Water Supply, Wastewater, and Solid Waste Systems Fund. The fund is empty and is not used in making appropriations to the program.

HB 108

"An Act relating to the crime victim compensation program. . ."

The crime victim compensation program does not receive allocations from the fund established by statute. The inactive account is cleared by changing reference from "fund" to "program".

HB's 102 - 108
Inactive Funds and Accounts
 (Listed by Bill #)

Bill #	Agency	Fund/Account	Cite	Balance	Notes
HB 103	DCED	Alaska Amateur Sports Fund	05.35.150	\$0	
HB 103	DOE	Cooperative Arrangement Grant Fund	14.14.115(b)	\$0	
HB 103	DOE	Bilingual-Bicultural Education Fund	14.30.410(a)	\$0	
HB 103	DOE	Alaska Student Leadership Development Fund	14.30.510	\$0	
HB 103	DOE	Alaska School Counseling Program Grant Fund	14.30.750	\$0	
HB 103	UA	University Risk Management Fund	14.40.455	\$0	
HB 103	UA	Community College Fund	14.40.610(a)	\$0	
HB 103	DHSS	Community Health Aide Grant Account	18.28.030	\$0	
HB 103	DMVA	Veterans Service Fund	26.10.020	\$0	
HB 103	DNR	Alaska Municipal Land Account	29.65.080	\$0	
HB 103	DOA	Federal Transitional Grants Account	37.20.020	\$0	
HB 103	DNR	Mineral Resource Revolving Fund	41.98.015	\$0	
HB 103	DNR	Outdoor Recreation, Open Space, and Historic Properties Dev. Fund	41.98.170	\$0	
HB 103	DCED	Neighborhood Revitalization and Development Fund	44.33.436	\$0	
HB 103	DCRA	Legal Assistance and Juvenile Justice Grant Fund	44.47.200	\$0	
HB 103	DOR	Fishery Product Revolving Loan Guarantee Fund	45.92.010	\$0	
HB 103	DOR	Forest Products Business Loan Guarantee Fund	45.94.010	\$0	
HB 103	HSS	Community Action Against Substance Abuse Grant Fund	47.37.045	\$0	
HB 103	DOA	Alaska Longevity Bonus Fund	47.45.090	\$0	
HB 103	DHSS	Self-Sufficiency Trust Fund	47.80.200	\$0	
HB 103	DOA	Alaska Pioneers' Home Trust Fund	47.55.060	\$0	
HB 103	DOA	Older Alaskans Service Programs Account	47.65.010	\$0	
HB 103	DOE	Community Schools Grant Fund	14.36.020	\$0	
HB 103	DHSS	Handicap & Mental Illness Charitable Account	47.80.240(a)	\$0	
HB 103	DPS	Search and Rescue Fund	19.60.145	\$0	
HB 106	DCRA	Organization Grant Fund	29.05.200(a)	\$0	
HB 106	DCRA	Municipal Assistance Fund	29.60.350	\$0	
HB 107	DEC	Water Supply, Wastewater, and Solid Waste Systems Fund	46.03.030(c)	\$0	
HB 108	DPS	Crime Victims Compensation Fund	43.23.028(b)	\$0	

Alaska State Legislature
House Finance Committee

REPRESENTATIVE
MARK HANLEY

PHONE
907 488 4888
FAX 907 488 4818

INTERMEDIATE

REPRESENTATIVE
GENE THERIAULT

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907 488 4887
FAX 907 488 3884

INTERMEDIATE



State Capitol Building, Alaska 99506-1162

Contact: Representative Gene Therriault

HB 103
Repealing Funds and Accounts

Sectional Analysis

Section 1

Section 1 amends AS 14.36.020, which establishes a separate **Community Schools Grant Fund** within the General Fund. The fund is currently empty and inactive. The Department of Education concurred that the account is unnecessary. As provided under Section 13 of the proposed legislation, any moneys received by the State intended for Community School Grants would be deposited into the General Fund.

Section 2

Eliminates from Statutes reference to the **Veterans Service Fund**, created as a separate account in the Treasury by AS 26.10.020. The Statute creating the account is repealed in Section 12 of the proposed legislation. As provided in Section 13, on or after the enactment of this legislation, any moneys received by the State for the dedicated purposes of Department of Military and Veterans Affairs will be deposited into the General Fund and "used in accordance with the donor's instructions" (AS 26.10.030). According to the Department, the account is inactive and can be deleted.

Section 3

Amends AS 28.10.421(f) to eliminate reference to the **Alaska Amateur Sports Fund**, as created by AS 05.35.150. The Statute which establishes the separate account within the Department of Commerce and Economic Development is repealed in Section 12. The account is inactive and empty and the Department recommends deletion.

Sections 4 & 5

Eliminates language which refers to the **Alaska Municipal Land Account**, established as a separate account in the General Fund under AS 29.65.080. The statute creating the account is repealed in Section 12 of the legislation. Again, the account not only is inactive and empty, but has never been activated since its creation (17 ch. 74 SLA 1985).

Section 6

Eliminates reference to the **Federal Transitional Grants Account**, established under AS 37.20.020. This special account in the General Fund is empty and inactive and according to the Department of Administration, can be eliminated. The Statute establishing the account is repealed in Section 12 of the proposed legislation.

Section 7

The amendments to AS 47.45.110 eliminate reference to the **Alaska Longevity Bonus Fund**, created under AS 47.45.090. The statute is repealed in Section 12, as well as other references to the Fund. The account is currently inactive and empty and can be deleted without any effect to the Program.

Section 8

Amends AS 47.55.060, which designates a special fund called **The Alaska Pioneers' Home Trust Fund**. It was established to be used by the Department of Administration as a repository for funds bequeathed to the Pioneers' Home. The Fund is empty and inactive and the Department suggests we clear the account from Statutes. Section 13 provides that any subsequent donations be deposited into the General Fund and then appropriated to the Department for the Pioneers' Home in accordance with the donors' instructions.

Section 9

Amends AS 47.65.010 to remove reference to the "account" reserved for the **Older Alaskans Program Service Programs**. Appropriations for the Program are currently made directly from the General Fund by the Legislature and distributed by the Alaska Commission on Aging.

Sections 10 & 11

Amends AS 47.65.020, and 47.65.030(a) to remove reference to the account established in 47.65.010 (Section 9).

Section 12

Contains straight Repeals of Statutes which establish, or make reference to, the following inactive, empty accounts: Cooperative Arrangement Grant Fund (DOE); Bilingual-Bicultural Education Fund (DOE); Alaska Student Leadership Development Fund (DOE); Alaska School Counseling Program Grant Fund (DOE); Community College Fund of University of Alaska (UA); University of Alaska Risk Management Fund (UA); Community Health Aide Grant Account (DHSS); Mineral Resource Revolving Fund (DNR); Outdoor Recreation, Open Space and Historical Property Development Fund (DNR); Neighborhood Revitalization and Development Fund (DCED); Community Legal Assistance Grant Fund (DCRA); Fishery Production Revolving Loan Guarantee Fund (DOR); Forest Product Business Loan Guarantee Fund (DOR); Community Action Against Substance Abuse Grant Fund (DHSS); Self Sufficiency Trust Fund (DHSS); Search and Rescue Fund (DPS); and Handicap & Mental Illness Charitable Account (DHSS).

Section 13

The final section in the Bill pertains to all of the accounts eliminated through the proposed repeal of statutes. Section 13 directs any moneys accruing to a fund or account repealed by this act to be deposited into the General Fund.

If moneys accrue to a dedicated fund, trust fund, or account of a dedicated fund or trust fund that is repealed by this Act, they shall be subject to disposition in accordance with the dedication or the terms of the trust.

FISCAL NOTE

No. 1
 Bill Version: HB 103
 (H) Publish Date: 2/12/97

STATE OF ALASKA
 1997 LEGISLATIVE SESSION

Revision Date _____ Dept. Affected Various Departments
 Title Repealing Funds and Accounts BRU _____
 Component _____
 Sponsor House Finance Committee
 Requester House Finance Committee Component Serial No. _____

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						
1037 GF/Mental Health						
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						
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*
 This bill eliminates several inactive accounts and funds, which are no longer needed. There is no fiscal impact on the departments.

Prepared by Joan Brown Phone 465-4690
 Division OMB Date 2/7/97
 Approved by Annalee McConnell Date 2/7/97
 Agency OMB

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

HB

106

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STATE OF ALASKA**

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FAX (907) 465-2029
Mail Stop 3101*

*130 Seward Street, Suite 400
Juneau, Alaska 99801-2105*

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Mary Pagenkopf

Senate Rules Committee 5/1/97 10:51 am

Alaska State Legislature

House Finance Committee

REPRESENTATIVE
MARK HANLEY

907 488 2800

Fax: 907 488 3418

INTERMEDIATE:

118 N. DUMFRIES BLVD. STE. 200

ANCHORAGE, ALASKA 99501-5105

907 308 8182

Fax: 907 358 8182



State Capitol, Juneau, Alaska 99801-1182

REPRESENTATIVE
GENE THERIAULT

907 488 2800

Fax: 907 488 3884

INTERMEDIATE:

118 N. DUMFRIES BLVD. STE. 200

ANCHORAGE, ALASKA 99501

907 488 2800

Fax: 907 488 4807

Contact: Representative Gene Therriault

SPONSOR STATEMENT

HB's 103, 106, 107

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This package of bills does not impede the intent of or appropriation to any existing program, but rather is a series of housekeeping measures designed to save the State from unnecessary administrative expense.

Alaska State Legislature
House Finance Committee

REPRESENTATIVE
MARK HANLEY

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1407 465 4375
Fax: 907 465 2418

INTERMEDIATE

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1407 465 4375
Fax: 907 465 2418



State Capitol Building, Alaska 99501-1152

REPRESENTATIVE
GENE THERRIAULT

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1407 465 4375
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INTERMEDIATE

1000
1407 465 4375
Fax: 907 465 3884

Contact: Representative Gene Therriault

BILL SUMMARIES
HB's 103, 106, 107, 108

HB 103

"An Act repealing certain state funds and accounts and boards and programs related to those funds and accounts. . ."

Simple repeals of the following inactive accounts: Alaska Amateur Sports Fund; Cooperative Arrangement Grant Fund; Bilingual-Bicultural Education Fund; Alaska Student Leadership Development Fund; Alaska School Counseling Program Grant Fund; University Risk Management Fund; Community College Fund; Community Health Aide Grant Account; Veterans Service Fund; Alaska Municipal Land Account; Federal Transitional Grants Accounts; Mineral Resource Revolving Fund; Outdoor Recreational, Open Space, and Historic Properties Development Fund; Neighborhood Revitalization and Development Fund; Legal Assistance and Juvenile Justice Grant Fund; Fisheries Product Revolving Loan Guarantee Fund; Forest Products Business Loan Guarantee Fund; Community Action Against Substance Abuse Grant Fund; Alaska Longevity Bonus Fund; Self-Sufficiency Trust Fund; Alaska Pioneers' Home Trust Fund; Older Alaskans Service Programs Account; Community Schools Grant Fund; Handicap & Mental Illness Charitable Account; and Search and Rescue Fund.

HB 106

"An Act relating to the municipal assistance program and organization grant program..."

Although these programs remain operative, the municipal assistance and organization grant funds are inactive and empty. Legislation would clear the "fund"(s) from statutes, and refer only to the "program"(s).

HB 107

"An Act relating to water quality enhancement and water supply, waste water, and solid waste systems grants . . ."

This legislation removes from Statutes the Water Quality Enhancement and Water Supply, Wastewater, and Solid Waste Systems Fund. The fund is empty and is not used in making appropriations to the program.

HB 108

"An Act relating to the crime victim compensation program. . ."

The crime victim compensation program does not receive allocations from the fund established by statute. The inactive account is cleared by changing reference from "fund" to "program".

HB's 102 - 108
inactive Funds and Accounts
(Listed by Bill #)

Bill #	Agency	Fund/Account	Cite	Balance	Notes
HB 103	DCED	Alaska Amateur Sports Fund	05.35.150	\$0	
HB 103	DOE	Cooperative Arrangement Grant Fund	14.14.115(b)	\$0	
HB 103	DOE	Bilingual-Bicultural Education Fund	14.30.410(a)	\$0	
HB 103	DOE	Alaska Student Leadership Development Fund	14.30.510	\$0	
HB 103	DOE	Alaska School Counseling Program Grant Fund	14.30.750	\$0	
HB 103	UA	University Risk Management Fund	14.40.455	\$0	
HB 103	UA	Community College Fund	14.40.610(a)	\$0	
HB 103	DHSS	Community Health Aide Grant Account	18.28.030	\$0	
HB 103	DMVA	Veterans Service Fund	26.10.020	\$0	
HB 103	DNR	Alaska Municipal Land Account	29.65.080	\$0	
HB 103	DOA	Federal Transitional Grants Account	37.20.020	\$0	
HB 103	DNR	Mineral Resource Revolving Fund	41.98.015	\$0	
HB 103	DNR	Outdoor Recreation, Open Space, and Historic Properties Dev. Fund	41.98.170	\$0	
HB 103	DCED	Neighborhood Revitalization and Development Fund	44.33.436	\$0	
HB 103	DCRA	Legal Assistance and Juvenile Justice Grant Fund	44.47.200	\$0	
HB 103	DOR	Fishery Product Revolving Loan Guarantee Fund	45.92.010	\$0	
HB 103	DOR	Forest Products Business Loan Guarantee Fund	45.94.010	\$0	
HB 103	HSS	Community Action Against Substance Abuse Grant Fund	47.37.045	\$0	
HB 103	DOA	Alaska Longevity Bonus Fund	47.45.090	\$0	
HB 103	DHSS	Self-Sufficiency Trust Fund	47.80.200	\$0	
HB 103	DOA	Alaska Pioneers' Home Trust Fund	47.55.060	\$0	
HB 103	DOA	Older Alaskans Service Programs Account	47.65.010	\$0	
HB 103	DOE	Community Schools Grant Fund	14.36.020	\$0	
HB 103	DHSS	Handicap & Mental Illness Charitable Account	47.80.240(a)	\$0	
HB 103	DPS	Search and Rescue Fund	18.60.145	\$0	
HB 106	DCRA	Organization Grant Fund	29.05.200(a)	\$0	
HB 106	DCRA	Municipal Assistance Fund	29.60.350	\$0	
HB 107	DEC	Water Supply, Wastewater, and Solid Waste Systems Fund	46.03.030(c)	\$0	
HB 108	DPS	Crime Victims Compensation Fund	43.23.028(b)	\$0	

Alaska State Legislature
House Finance Committee

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MARK HANLEY

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Phone: 907 455 8100
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State Capitol Bureau, Alaska 99504-1162

REPRESENTATIVE
GENE THERRIAULT

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Fairbanks, Alaska 99707
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Contact: Representative Gene Therriault

HB 103
Repealing Funds and Accounts

Sectional Analysis

Section 1

Section 1 amends AS 14.36.020, which establishes a separate **Community Schools Grant Fund** within the General Fund. The fund is currently empty and inactive. The Department of Education concurred that the account is unnecessary. As provided under Section 13 of the proposed legislation, any moneys received by the State intended for Community School Grants would be deposited into the General Fund.

Section 2

Eliminates from Statutes reference to the **Veterans Service Fund**, created as a separate account in the Treasury by AS 26.10.020. The Statute creating the account is repealed in Section 12 of the proposed legislation. As provided in Section 13, on or after the enactment of this legislation, any moneys received by the State for the dedicated purposes of Department of Military and Veterans Affairs will be deposited into the General Fund and "used in accordance with the donor's instructions" (AS 26.10.030). According to the Department, the account is inactive and can be deleted.

Section 3

Amends AS 28.10.421(f) to eliminate reference to the **Alaska Amateur Sports Fund**, as created by AS 05.35.150. The Statute which establishes the separate account within the Department of Commerce and Economic Development is repealed in Section 12. The account is inactive and empty and the Department recommends deletion.

Sections 4 & 5

Eliminates language which refers to the **Alaska Municipal Land Account**, established as a separate account in the General Fund under AS 29.65.080. The statute creating the account is repealed in Section 12 of the legislation. Again, the account not only is inactive and empty, but has never been activated since its creation (17 ch. 74 SLA 1985).

Section 6

Eliminates reference to the **Federal Transitional Grants Account**, established under AS 37.20.020. This special account in the General Fund is empty and inactive and according to the Department of Administration, can be eliminated. The Statute establishing the account is repealed in Section 12 of the proposed legislation.

Section 7

The amendments to AS 47.45.110 eliminate reference to the **Alaska Longevity Bonus Fund**, created under AS 47.45.090. The statute is repealed in Section 12, as well as other references to the Fund. The account is currently inactive and empty and can be deleted without any effect to the Program.

Section 8

Amends AS 47.55.060, which designates a special fund called **The Alaska Pioneers' Home Trust Fund**. It was established to be used by the Department of Administration as a repository for funds bequeathed to the Pioneers' Home. The Fund is empty and inactive and the Department suggests we clear the account from Statutes. Section 13 provides that any subsequent donations be deposited into the General Fund and then appropriated to the Department for the Pioneers' Home in accordance with the donors' instructions.

Section 9

Amends AS 47.65.010 to remove reference to the "account" reserved for the **Older Alaskans Program Service Programs**. Appropriations for the Program are currently made directly from the General Fund by the Legislature and distributed by the Alaska Commission on Aging.

Sections 10 & 11

Amends AS 47.65.020, and 47.65.030(a) to remove reference to the account established in 47.65.010 (Section 9).

Section 12

Contains straight Repeals of Statutes which establish, or make reference to, the following inactive, empty accounts: Cooperative Arrangement Grant Fund (DOE); Bilingual-Bicultural Education Fund (DOE); Alaska Student Leadership Development Fund (DOE); Alaska School Counseling Program Grant Fund (DOE); Community College Fund of University of Alaska (UA); University of Alaska Risk Management Fund (UA); Community Health Aide Grant Account (DHSS); Mineral Resource Revolving Fund (DNR); Outdoor Recreation, Open Space and Historical Property Development Fund (DNR); Neighborhood Revitalization and Development Fund (DCED); Community Legal Assistance Grant Fund (DCRA); Fishery Production Revolving Loan Guarantee Fund (DOR); Forest Product Business Loan Guarantee Fund (DOR); Community Action Against Substance Abuse Grant Fund (DHSS); Self Sufficiency Trust Fund (DHSS); Search and Rescue Fund (DPS); and Handicap & Mental Illness Charitable Account (DHSS).

Section 13

The final section in the Bill pertains to all of the accounts eliminated through the proposed repeal of statutes. Section 13 directs any moneys accruing to a fund or account repealed by this act to be deposited into the General Fund.

If moneys accrue to a dedicated fund, trust fund, or account of a dedicated fund or trust fund that is repealed by this Act, they shall be subject to disposition in accordance with the dedication or the terms of the trust.

FISCAL NOTE

Revision Date: _____ Dept. Affected: Community & Regional Affairs
 Title: An Act relating to the municipal BRU: none
assistance program and the organiz... Component none
 Sponsor: House Finance Committee
 Requestor: House Finance Committee **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 \$ none

ANALYSIS: (Attach a separate page if necessary)
 This legislation is a "housecleaning" measure that has no effect on the administration of this program. There are no fiscal impacts on the department.

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708
 Division: Division of Administrative Services Date: 2/7/97
 Approved by Commissioner: *Mike Durin* Date: 2/7/97
 Agency: Community & Regional Affairs

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HB

112

Alaska State Legislature

House of Representatives

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Session Address:
Room 13
(907)-465-3719



Official Business

State Capitol
Juneau, AK. 99801-1182

Representative Al Vezey

HB 112 SPONSOR STATEMENT

HB 112 would expand the definition of a political party. It would allow a political party to choose its method of qualification: (1) receive three percent of the vote in the preceding gubernatorial election; or (2) have at least 10,000 eligible voters in the state registered to their party. A political party with 10,000 registered voters would not have to run a candidate for governor every four years to retain status as a political party.

To be recognized as a political party under current Alaskan law, a political party must nominate a candidate for governor every four years. The candidate must receive at least three percent of the total votes cast for governor in the general election. Political parties should not have to enter Alaska's gubernatorial race just to qualify as a political party.

In the 1990 gubernatorial election, the governor was elected by 38.8% percent of the voters. In the 1994 gubernatorial election, the governor was elected by 41.1% percent of the voters. HB 112 would result in Alaska's governors being elected by a larger plurality and hopefully a majority of Alaskan voters.

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

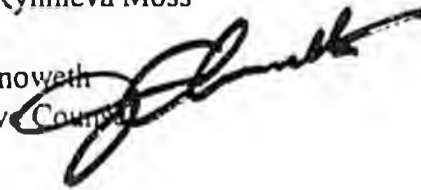
130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

January 29, 1997

SUBJECT: Amending the definition of "political party" (Work Order No. 20-LS0455\A)

TO: Representative Al Vezey
ATTN: Rynnieva Moss

FROM: Jack Chenoweth
Legislative Council 

Bill section 2 amends the definition of "political party," AS 15.60.010(2), as it is used in the state Election Code in line with your suggested wording.

Because the definition of "political organization" in AS 05.15, covering regulation of gaming, cross-references the definition of "political party" in AS 15.60.010, I had to make a decision as to whether the substantive change made in bill section 2 should affect the definition of political party under gaming regulation. I opted not to have the change affect the gaming regulation provision. Bill section 1, then, simply "unties" the definition of "political party" from its cross-reference to AS 15.60.010 and substitutes the text of the **current** definition of "political party." In other words, though a change is made to AS 05.15.690, it is not intended to have substantive effect. If I did not do this and simply omitted the change being made by bill section 1, redefining "political party" in AS 15.60.010 would necessarily carry over into the gaming regulation provision, and I would have to note the effect of the change in the bill title.

The bill title provided notes an exception. For purposes of campaign financing regulation under AS 15.13 (AS 15.13 is part of the Alaska Election Code), there is a separate definition of "political party" intended to apply only for purposes of treatment of parties under the contribution and expenditure regulation provisions of AS 15.13. The change in definition made in bill section 1 does not affect that definition.

If this bill becomes law, there will be three definitions of "political party" operating in the Alaska Statutes:

-- AS 15.13.400(10)(A) will apply to regulation of campaign financing;

Representative Al V...
January 29, 1997
Page 2

-- AS 15.60.010(20) as amended by bill section 2 of this measure will apply to provisions of the Alaska Election Code apart from election campaign financing; and

-- AS 05.15.690(34) as amended by bill section 1 of this measure will continue in place the **current** definition of "political party" as applicable to gaming regulation.

*

If any of this prompts questions, or if you want this redrafted to eliminate the inconsistent definitions, please contact me.

JBC:glc
97-024.glc

CS FOR HOUSE BILL NO. 112(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTIETH LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 3/12/97
Referred: Rules

Sponsor(s): REPRESENTATIVE VEZEY

A BILL

FOR AN ACT ENTITLED

1 "An Act amending the definition of 'political party' except as the definition of
2 the term applies to the regulation of contributions and expenditures in state and
3 municipal election campaigns, an amendment that also has the effect of changing
4 the definition of 'political organization' as applied to the regulation of games of
5 chance and contests of skill."

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

7 * Section 1. AS 15.60.010(20) is amended to read:

8 (20) "political party" means an organized group of voters that
9 represents a political program and that either nominated a candidate for governor who
10 received at least three percent of the total votes cast for governor at the ~~preceding~~
11 general election or has registered voters in the state equal in number to at least
12 three percent of the total votes cast for governor at the preceding general election;

Revision Date: _____ Dept. Affected: 1 758
 Title: AMEND DEFINITION OF "POLITICAL PARTY" BRU: Revenue Operations
 Component: Charitable Gaming Division
 Sponsor: Rep. Vezay
 Requestor: H (STA) COMPONENT SERIAL NO. 1883

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						
1037 GF/Mental Health						
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						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This bill will change the definition of 'political organization.' However, this change will not have a fiscal impact on Charitable Gaming Division.

Prepared by: Dennis R. Poshard, Director *DRP* Phone: 465-2279
 Division: Charitable Gaming Division Date: 2-21-97
 Approved by Commissioner: Wilson L. Condon *Wilson L. Condon* Date: _____
 Agency: Revenue

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COMMITTEE COPY

Revision Date: _____ Dept. Affected: Revenue
 Title: AMEND DEFINITION OF "POLITICAL PARTY" BRU: Revenue Operations
 Component: Charitable Gaming Division
 Sponsor: Rep. Vezey
 Requestor: H (STA) COMPONENT SERIAL NO. 1883

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						
1037 GF/Mental Health						
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						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This bill will change the definition of 'political organization.' However, this change will not have a fiscal impact on Charitable Gaming Division.

Prepared by: Dennis R. Poshard Director Phone: 465-2279
 Division: Charitable Gaming Division Date: 2-21-97
 Approved by Commissioner: Wilson L. Condon Date: _____
 Agency: Revenue

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The Republican Party of Alaska

April 17, 1997

Senator Bert Sharp
Senate Finance Committee
VIA FAX 465-2070

RE: CSHB 112 Fin

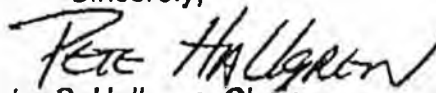
Folks,

On behalf of the Republican Party of Alaska I would like to make a statement in favor of CSHB 112 Fin. This bill which affects political parties in Alaska is an excellent broadening of ballot access options for political parties. As the current law now stands, an Alaskan political party is forced to run a gubernatorial candidate every four years to retain its ballot access. This bill provides an alternative method for parties to retain their ballot access merely by having sufficient party members registered with the State of Alaska. Such an option will have a salutary effect on Alaska political party organizations in that it will be a true inducement for them to engage in voter registration drives. It will also thereby increase voter participation which is a foundation of our political system.

As a specific example, this bill would give the Republican Party of Alaska the ability to avoid running a candidate for governor while concentrating on legislative races. I might note that while the RPA has had some success of late in House and Senate races, we have not elected a Republican governor in nearly 20 years and in 1990, the Republican candidate came in third.

Other smaller parties may also find that a strategy of focusing on legislative races is more productive than being tied directly to the governor's race for ballot access. This proposed legislation would allow such a strategy through voter registration. It is definitely in the best interests of all Alaskans to encourage greater voter participation and enhance Alaskans' First Amendment "freedom of association rights".

Sincerely,



Peter S. Hallgren, Chair
Republican Party of Alaska



Headquarters: 1001 West Fireweed Lane • Anchorage, AK 99503 • (907) 276-4467 • Fax 276-0426

Ballot Access News

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e-mail: ban@igc.apc.org

APR 17 1997

Rynniera Moss

March 13, 1997

~~Hon. John Davies:~~
fax 907-465-3519

Dear Representative Davies:

Thanks for your fax. I am sympathetic to your point, but I doubt a court would hold the proposal unconstitutional. There is not a single federal court holding, striking down the requirements for a party to maintain itself on the ballot. Even the Alabama law, which requires a party to poll 20% of the vote for a statewide office, was upheld. Last year the North Carolina law, which requires a party to poll 10% for President or Governor, was upheld. The problem is that in 1971 the U.S. Supreme Court in Jenness v. Ferguson, 403 US 471, seemed to think it was OK that Georgia required a vote of 20% for president (in the entire US!) or for Governor, to be a "party".

It is true the Alaska Supreme Court threw out the old 10% vote test to be a political party in Vogler v Miller in 1983, but they specifically stated they were using the Alaska Constitution to do it. 660 P 2d 1192.

Also, the 5th circuit upheld Louisiana law, which says that a party is something that either has 5% registration, or which polled 5% for president. Dart v Brown, 717 F 2d 1491 (1983).

Maybe you could get the bill amended in the Senate to a 1% registration test. You could point out that the last third party to elect a US Senator, the Conservative Party of New York (which elected James Buckley in 1970; he defeated the Republican nominee and the Democratic nominee) only had registration of about 1% at the time. Third parties frequently poll big votes even when they have tiny registration.

I'm also faxing the requirements for a party to remain on, so you can see that generally, when there is a registration alternative, it's 1% or lower, sometimes much lower. I sent the same information to Mr. Sykes and also an Alaska legislative analyst who asked for it.

If the bill passes at 3% registration, couldn't the Alaska Democratic Party help out the Green Party, by encouraging a certain percentage of Democrats to re-register "Green"? There's nothing unethical about that, it seems to me, given the obvious attempt of the Republican majority to skew the 1998 gubernatorial election. I hope the Governor doesn't veto the bill because, after all, it does give parties 2 methods to remain on the ballot, and 2 methods is better than one. Also maybe the big newspapers would editorialize that the bill ought to be amended to a registration test of 1%.

Richard Winger

Testimony submitted to Senate Finance on HB 112 on April 18, 1997
Donna Gilbert
2223 S. Cushman Street
Fairbanks, AK 99701

My name is Donna Gilbert and I have been registered voter in Alaska for 35 years.

First of all, I would like to thank the Senate Finance Committee for the opportunity to testify in support of the House Finance Committee Substitute for House Bill 112.

The last time Alaskans were represented by a governor who won by a majority vote was in 1970 when Bill Egan was elected with 52.4 percent of the votes.

Since that time, we have had governors elected with as little as 38.9 percent of the vote. Our current governor won with a landslide of 41.1%. That hardly allows for the majority of Alaskans to be represented on the third floor.

I commend Rep. Vezey for speaking up for silent majority in Alaska and providing a method for political parties to have a choice as to whether or not they want to run candidates in a statewide election.

Political parties are organizations that supply three kinds of services:

1. helping members of the collective influence legislation
that reflects the party's philosophy
2. helping people get bills passed
3. helping political candidates get elected

Existing state law requires a political party to recruit a candidate for governor to qualify itself as a political party every four years.

Current law places an unnecessary financial burden on small political parties and forces them to expend energies on gubernatorial races when they would rather focus their energy and financial resources on influencing legislation and helping political candidates other than statewide candidates get elected.

HB 112 provides that a political party could simply have a number of registered voters equal to 3% of the votes cast in the last gubernatorial race to qualify as a political party.

I do not think a 3% requirement is too rigid. I know there have been several attempts by opponents of this bill to amend the legislation and allow for the 3% requirement to be reduced to 1%. If such an amendment was adopted, every special interest pressure group in Alaska would become a political party.

I don't know how anyone could object to making it easier for a group of people to organize as a political party. I encourage you to pass this bill and allow Alaskans to vote for the man not the party in our next gubernatorial election.

Bill changes rules for minority parties

3/25/97

■ *Democrats call Vezey's legislation pure politics*

By JEANINE POHL SMITH
THE JUNEAU EMPIRE

Alaskans haven't elected a governor by a majority vote since 1970, and a bill passed by the House today could remedy that, according to sponsor Rep. Al Vezey.

Democrats are calling the North Pole Republican's bill pure politics that could hurt Gov. Tony Knowles' chances of re-election.

House Bill 112 changes the definition of political parties in state law so small parties could maintain their status in the 1998 gubernatorial election without a candidate for governor.

Vezey said today he merely wanted to give parties more flexibility, allowing them to stay current without having to go through the extra effort of running a gubernatorial candidate.

Limits . . .

Continued from Page 1
the state Division of Elections, 213,404 votes were cast in the 1994 general election, with 3 percent equaling 6,402 votes.

Rep. Eric Croft said the measure, if passed, could help a Republican candidate for governor in the next race. That's because an AIP candidate wouldn't be there to split the conservative vote with a Republican, but a Green candidate running against Knowles could divide the liberal vote.

The measure passed 41-12, with Juneau Democratic Rep. Kim Elton voting against it. Juneau Republican Rep. Bill Hudson was absent during the vote.

If passed, a political party would qualify as such if it nominated a candidate for governor who received at least 3 percent of the votes cast for governor in the preceding election. It would also qualify if the party has registered voters in the state equal to at least 3 percent of the votes cast for governor in the preceding election.

Under current law, the only way a political group qualifies as a party is if it nominated a candidate for governor who received at least 3 percent of the votes cast for governor in the previous election.

Democrats argue the change could let the Alaskan Independence Party skip the 1998 gubernatorial election, but force the Green Party of Alaska to run a candidate to keep its party status.

That's because the Green Party's 3,000 registered voters are below the 3 percent requirement, while the Alaskan Independence Party's about 16,000 registered voters are more than the requirement. According to

Please see Limits, Page 8

"It's playing politics with our election laws," said Croft, an Anchorage Democrat. "I get the sense that anything that has the potential to hurt Tony Knowles is a priority in this Legislature."

While Knowles, who won the 1994 election by a tiny margin, hasn't declared his intentions, many in the Capitol expect him to run for a second term.

"Rep. Vezey's legislation is pure politics, plain and simple, aimed at influencing the next election," said Bob King, the governor's spokesman, in de-

claring the governor's opposition to the measure.

The AIP supports Vezey's bill, and former Lt. Gov. Jack Coghill, the party's chairman, told the House Finance Committee earlier this month that the group probably wouldn't run a candidate in the 1998 election.

Vezey said he was aware his proposal would be controversial, but his main goal was to give parties an alternative to running a candidate for governor.

"I think it's very reasonable," he said.

1970 GUBERNATORIAL ELECTION RESULTS

Candidates	Party	Total Votes	% of Vote
Anderson/Merill	(AIP)	1,206	1.5%
Egan/Boucher	(D)	42,309	52.4%
Sheffield/McAlpine	(R)	37,264	46.1%
Write-ins		**	
	Totals	80,779	100.0%

** Write-in information was not kept in '70 or '74.

1974 GUBERNATORIAL ELECTION RESULTS

Candidates	Party	Total Votes	% of Vote
Egan/Boucher	(D)	45,381	47.4%
Hammond/Thomas	(R)	45,602	47.6%
Vogler/Peppler	(AIP)	4,740	5.0%
Write-ins		**	
	Totals	95,723	100.0%

** Write-in information was not kept in '70 or '74.

1978 GUBERNATORIAL ELECTION RESULTS

Candidates	Party	Total Votes	% of Vote
Croft/Hurley	(D)	25,656	20.2%
Hammond/Miller	(R)	49,580	39.1%
Kelly/Poland	(A)	15,656	12.3%
Wright/Vogler	(I)	2,463	1.9%
Write-in Hickel*		33,555	26.4%
	Totals	126,910	100.0%

* Primary race close - Hickel had a ballot sticker for his write-in campaign.

1982 GUBERNATORIAL ELECTION RESULTS

Candidates	Party	Total Votes	% of Vote
Fink/Colleta	(R)	72,291	37.1%
Randolph/Thompson	(L)	29,067	14.9%
Sheffield/McAlpine	(D)	89,918	46.1%
Vogler/Roberts	(AI)	3,235	1.7%
Write-ins		374	0.2%
	Totals	194,885	100.0%

1986 GUBERNATORIAL ELECTION RESULTS

Candidates	Party	Total Votes	% of Vote
Cowper/McAlpine	(D)	89,943	48.7%
O'Brannon/Barnes	(L)	1,050	0.6%
Sturgulewski/Miller	(R)	76,515	41.5%
Vogler/Rowe	(AI)	10,013	5.4%
Write-in Hickel		4,958	2.7%
Write-in Hoch		107	0.1%
Write-in Misc.		1,969	1.1%
	Totals	184,555	100.0%

1990 GUBERNATORIAL ELECTION RESULTS

Candidates	Party	Total Votes	% of Vote
Hickel/Coghill	(AI)	75,721	38.9%
Knowles/Hensley	(D)	60,201	30.9%
O'Callaghan/Darby	(TPP)	942	0.5%
Sturgulewski/Campbell	(R)	50,991	26.2%
Sykes/Crumb	(GPA)	6,563	3.4%
Write-ins		332	0.2%
	Totals	194,750	100.0%

Ballot Access News

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APR 17 1997

Rynnivda Moss

March 13, 1997

~~Hon. John Davies~~
~~fax 907-465-3519~~

Dear Representative Davies:

Thanks for your fax. I am sympathetic to your point, but I doubt a court would hold the proposal unconstitutional. There is not a single federal court holding, striking down the requirements for a party to maintain itself on the ballot. Even the Alabama law, which requires a party to poll 20% of the vote for a statewide office, was upheld. Last year the North Carolina law, which requires a party to poll 10% for President or Governor, was upheld. The problem is that in 1971 the U.S. Supreme Court in Jenness v Fortson, 403 US 471, seemed to think it was OK that Georgia required a vote of 20% for president (in the entire US!) or for Governor, to be a "party".

It is true the Alaska Supreme Court threw out the old 10% vote test to be a political party in Voqler v Miller in 1983, but they specifically stated they were using the Alaska Constitution to do it. 660 P 2d 1192.

Also, the 5th circuit upheld Louisiana law, which says that a party is something that either has 5% registration, or which polled 5% for president. Dart v Brown, 717 F 2d 1491 (1983).

Maybe you could get the bill amended in the Senate to a 1% registration test. You could point out that the last third party to elect a US Senator, the Conservative Party of New York (which elected James Buckley in 1970; he defeated the Republican nominee and the Democratic nominee) only had registration of about 1% at the time. Third parties frequently poll big votes even when they have tiny registration.

I'm also faxing the requirements for a party to remain on, so you can see that generally, when there is a registration alternative, it's 1% or lower, sometimes much lower. I sent the same information to Mr. Sykes and also an Alaska legislative analyst who asked for it.

If the bill passes at 3% registration, couldn't the Alaska Democratic Party help out the Green Party, by encouraging a certain percentage of Democrats to re-register "Green"? There's nothing unethical about that, it seems to me, given the obvious attempt of the Republican majority to skew the 1998 gubernatorial election. I hope the Governor doesn't veto the bill because, after all, it does give parties 2 methods to remain on the ballot, and 2 methods is better than one. Also maybe the big newspapers would editorialize that the bill ought to be amended to a registration test of 1%.

Richard Winger

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Monday, March 10

REGISTRATION REQUIREMENTS FOR RETENTION OF "POLITICAL PARTY"
 STATUS IN WESTERN STATES:

		<u>election code citation</u>
1. Arizona	2/3rds of 1%	16-801
2. California	one-fiftenth of 1%	5100
3. Colorado	1,000 (works out to .05%)	House Bill 1168
4. Nevada	1%	293.066, 293.1715.2 (b)
5. Oregon	one-twentieth of 1%	249.732
6. New Mexico	one-third of 1%	1-1-9

Hawaii, Washington, Idaho, Montana, Utah do not provide for any voter to register into any political party on voter registration forms. There is no data in these states as to how many registered voters each party has. The concept doesn't exist.

In Alaska and Wyoming, the legal status of a party is based entirely on its vote; its registration total is irrelevant.

Some of the requirements above are alternatives to a party's getting enough votes; others are in addition to a party getting a particular vote.

The bill in Colorado has passed the House and is expected to pass the Senate this month.

HB 112

ILLINOIS LOSS

On March 7, the 7th circuit upheld Illinois election law which requires petitions signed by 5% of the last vote cast, for minor party candidates for district office. *Libertarian Party of Illinois v Rednour*, 96-1561.

The party had argued that since it is qualified for statewide office, it is irrational to require it to submit such onerous petitions for its candidates for district office. The court responded to this argument by belittling the party's electoral showing in the 1994 election. Must was made of the fact that the party had only polled 1.6% for Governor (if the party had polled 5% for Governor, it would have been considered qualified for all office, not just statewide office).

The party also argued that the 1995 U.S. Supreme Court decision *U.S. Term Limits v Thornton* meant that Illinois could not require 5% petitions for the party's candidates for the U.S. House. The 7th circuit refused to acknowledge that the *Term Limits* case changed the old understanding of whether states can add to the qualifications listed in the U.S. Constitution for Congress.

Prior to the 1995 decision, the common understanding (as expressed in numerous lower court opinions) was that the states could not prevent anyone from being elected to Congress, if he or she met the qualifications listed in the U.S. Constitution. However, states could make it difficult for certain classes of candidate to run for Congress, by keeping them off the ballot and forcing them to run as write-in candidates.

The U.S. Supreme Court went further; it said that states cannot even discriminate against any class of candidates for Congress. Consequently, it struck down the Arkansas term limits law, even though that law permitted anyone to be elected to Congress, via write-ins.

Illinois does discriminate against a class of candidates for Congress, namely, the class of candidates who are nominated by a qualified party which did not poll as much as 5% of the gubernatorial vote. The 7th circuit did not even discuss this point.

The 7th circuit also failed even to mention the party's third argument, which is that since Illinois only requires 5,000 signatures for minor party candidates for U.S. House in election years held after reapportionment, there can't be any valid state interest in requiring almost twice as many signatures in other election years. Since both the U.S. District Court and the 7th circuit failed even to mention this issue, any minor party is still free to file a new lawsuit strictly on this issue, since the issue has not been adjudicated. However, to have standing, the minor party would need to collect at least 5,000 valid signatures for one of its U.S. House candidates.

The opinion was written by Judge Michael Kanne, a Reagan appointee, and signed by Judge Kenneth Ripple, a Reagan appointee, and Walter Cummings, a Johnson appointee. No appeal is planned.

HIGH COURT TO HEAR LOUISIANA APPEAL

On March 17 the U.S. Supreme Court agreed to hear Louisiana's appeal in *Foster v Love*, no. 96-670, over whether Louisiana is breaking federal law by holding its congressional elections in September instead of November. The lower court had ruled against the state.

OTHER LAWSUIT NEWS

1. Arizona: On March 28, U.S. District Court Judge William D. Browning, a Reagan appointee, ruled that the Green Party's challenge to Arizona independent candidate procedures has merit, and denied the state's motion to dismiss. *Campbell v Hull*, cv96-444. A trial will be held, unless the legislature amends the law. Arizona's independent candidate deadline is in June. For president, this is the third earliest deadline in the nation, after Texas and Maine.

2. Arkansas: On April 16, the 8th circuit will hear Arkansas' appeal in *Citizens to Establish a Reform Party v Priest*, no. 96-3238. The lower court had ruled that the January petition deadline for new parties is too early, and the 3% petition requirement is too difficult.

3. Florida: the Socialist Workers and Green Parties are appealing their loss in *SWP v Leahy*, the case over the law that unqualified parties must post a bond in order to register their party name. Florida says it won't enforce the law, so the lower court refused to declare it unconstitutional, but the parties want a judicial decision that the law is void.

4. Iowa: The 8th circuit had scheduled an April 15 hearing in *Marcus v Iowa Public TV*, over whether a TV station owned by the state could sponsor a congressional candidate debate and refuse to invite the Natural Law Party candidate to participate. However, the hearing was postponed indefinitely, since the U.S. Supreme Court agreed to hear a somewhat similar case. The Natural Law Party has asked the 8th circuit to reconsider the postponement.

5. Virginia: the 4th circuit will hold a hearing on May 8 in *Wood v Brown*, 96-1232, the case over Virginia's June petition deadline for non-presidential minor party and independent candidates. The lower court had struck down the deadline.

ODD ALASKA BILL

On March 26, the Alaska House passed HB 112, which makes it somewhat easier for a qualified party to remain on the ballot. The vote was 21-12, with Democrats opposed.

Current law defines "party" to be a group which polled at least 3% of the vote for Governor. The bill adds an alternative, that a party is also qualified if it has registration of at least 10,000 members.

The bill has partisan motivations. There are two qualified minor parties in Alaska: Alaska Independence, and Green. The Alaska 1994 gubernatorial vote was very close. The Republicans would like to entice the Alaska Independence Party to abstain from the 1998 gubernatorial race, since they believe that most voters who vote for that party, would vote Republican if the AIP had no candidate. Since the AIP has over 10,000 members, the bill provides a means to keep the AIP on the ballot after 1998, even if it skips the gubernatorial race (Greens only have 3,000).

December 12, 1996

Ballot Access News

1996 REGISTRATION TOTALS

	Dem.	Rep.	Indp. & Misc.	US Tax	Reform	Libt	Green	Nat Law	other
Alaska	70,008	101,509	224,080	?	?	?	3,034	?	16,186
Arizona	911,024	1,012,282	295,499	?	542	18,418	?	?	--
Calif.	7,387,504	5,704,536	1,836,846	290,172	108,381	77,675	95,090	84,665	77,216
Colorado	719,082	824,222	739,130	?	?	2,420	501	?	148
Conn.	656,737	455,555	652,448	127	?	70	2,017	?	1,488
Delaware	177,728	148,806	91,295	216	299	566	10	431	157
Dist. Col.	282,454	25,463	48,371	?	?	?	?	?	5,131
Florida	3,728,513	3,309,105	928,492	79	1,557	5,509	731	119	103,772
Iowa	575,560	603,068	563,330	--	--	--	--	--	--
Kansas	423,595	650,566	351,492	--	936	9,829	--	--	--
Kentucky	1,475,802	746,174	174,110	?	?	?	?	?	--
Louisian	1,654,388	536,147	348,705	?	?	?	?	?	--
Maine	298,204	271,565	338,631	?	23,474	?	2,580	?	--
Maryland	1,518,248	775,896	289,271	254	425	3,785	?	98	--
Mass.	1,319,753	476,581	1,651,050	?	?	8,157	189	49	1,588
Nebraska	384,667	502,030	127,894	--	74	234	--	57	--
Nevada	325,450	329,661	105,854	12,923	35	3,833	9	369	--
N. Hamp.	206,273	276,129	227,627	?	?	3,207	?	?	--
N. Jersey	1,099,722	866,873	2,354,271	--	--	--	--	--	--
N. Mex.	457,678	281,895	92,380	?	?	1,407	5,841	?	--
N. York	4,738,254	2,996,511	2,052,021	45,772	70,114	--	--	--	257,484
No. Car.	2,346,552	1,456,599	511,426	--	311	2,585	--	70	--
Okla.	1,169,526	690,611	118,610	--	129	141	--	--	--
Oregon	788,001	701,901	390,342	8	440	10,102	1,529	4	1,074
Pennsyl.	3,334,777	2,909,143	537,195	2,994	2,093	14,435	?	?	--
So. Dak.	184,262	273,932	51,121	?	?	656	?	?	--
W. Va.	616,207	288,199	66,339	?	?	?	?	?	--
Wyo.	74,673	140,438	25,379	?	?	181	?	40	--
TOTAL	36,924,642	27,305,397	15,195,035	352,545	208,910	163,210	111,342	85,853	464,244
PERCENT	45.69	33.79	18.80	.44	.26	.20	.14	.11	.57

The parties in the "Other" column are: Alaska Independence in Alaska; Peace and Freedom in California; Populist in Colorado 39, Concerned Citizens in Colorado 109; A Connecticut Party in Connecticut 1,414, Independence in Connecticut 74; A Delaware Party in Delaware; Statchood in D.C. 4,381, Umoja in D.C. 750; these parties in Florida: Independent 101,138, Conservative 1,159, Independence 1,148, American 183, Socialist Workers 107, Reform-Silly 37; these parties in Massachusetts: Interdependent 1,319, Socialist 149, Conservative 81, Prohibition 14, others 25; these parties in New York: Conservative 159,499, Liberal 90,505, Freedom 7,480; Socialist in Oregon.

All data is for October or November 1996, except Maine data, which is for June 1996. November 1996 data for Maine will be reported in the next issue.

States not mentioned above do not provide for voters to register into parties, when they register to vote. Rhode Island registration forms ask the voter to choose a party, but the state does not keep track of how many people join any party.

A dash means that the voters are not permitted to register into a particular party, since the particular party is not, or was not, qualified in that state, and the state won't let people register into unqualified parties. A question mark means that the state has not tabulated the number of registrants in a particular party.

Totals two years ago were: Dem. 34,586,676 (47.13%), Rep. 24,618,092 (33.55%), Indp. & misc. 13,363,803 (18.21%), U.S. Taxpayers 246,951 (.34%), Libertarian 109,001 (.15%), Green 89,566 (.12%), Patriot 41,187 (.06%), other parties 328,833 (.45%).

Totals four years ago were: Dem. 35,616,630 (47.76%), Rep. 24,590,383 (32.97%), Indp. & misc. 13,617,167 (18.26%), U.S. Taxpayers 247,995 (.33%), Green 102,557 (.14%), Libertarian 100,394 (.13%), other parties 306,673 (.41%).

HOUSE STATE AFFAIRS STANDING COMMITTEE

February 25, 1997

8:05 a.m.

MEMBERS PRESENT

Representative Jeannette James, Chair

Representative Ethan Berkowitz

Representative Fred Dyson

Representative Kim Elton

Representative Mark Hodgins

Representative Ivan Ivan

Representative Al Vezey

MEMBERS ABSENT

All members present.

COMMITTEE CALENDAR

GAIL FENUMIAI, Election Coordinator

Central Office

Division of Elections

Office of the Lieutenant Governor

P.O. Box 110017

Juneau, Alaska 99811-0017

Telephone: (907) 465-5347

POSITION STATEMENT: Provided testimony on HB 112.

KEN JACOBUS, Legal Counsel

Republican Party of Alaska

425 "J" Street, Suite 920

Anchorage, Alaska 99501

Telephone: (907)

POSITION STATEMENT: Provided testimony on HB 112.

ACTION NARRATIVE

TAPE 97-19, SIDE A

Number 0001

The House State Affairs Standing Committee was called to order by Chair Jeannette James at 8:05 a.m. Members present at the call to order were Representatives James, Berkowitz, Dyson, Elton, Hodgins,

and Ivan. Member absent was Vezey.

HB 112 - AMEND DEFINITION OF "POLITICAL PARTY"

The next order of business to come before the House State Affairs Standing Committee was HB 112, "An Act amending the definition of 'political party' except as the definition of the term applies to the regulation of contributions and expenditures in state and municipal election campaigns, an amendment that also has the effect of changing the definition of 'political organization' as applied to the regulation of games of chance and contests of skill."

CHAIR JAMES called on Representative Al Vezey, sponsor of HB 112, to present the bill.

Number 0755

REPRESENTATIVE AL VEZEY explained that HB 112 was an endeavor to change the nature of the general election for statewide offices. Currently, the system included a primary election and then "I would characterize this thing-a lottery-that followed that." There had been candidates elected to statewide offices, most notably to governor, that had received as little as 36 percent of the votes. It had been a long time since anyone received more than 42 percent of the votes. One of the reasons was because current election law encouraged groups of people who wanted to call themselves a political party to run a candidate for governor. "That is our measurement of how we establish a political party for most of Alaska Statutes." House Bill 112 would change that by creating another option to establish a political party. It did not take away the right of people to get together and run a candidate for governor and qualify as a political party, but rather the bill provided an alternative for groups to be recognized as a party. He explained that the figure 10,000 was equivalent to approximately 3 percent of the votes, in the last general election. In addition, the party did not have to run a candidate for governor to retain its qualification, and it was hopeful that if the bill became law as many as three parties would no longer feel a need to throw a candidate into the general election.

Number 0934

REPRESENTATIVE IVAN asked Representative Vezey if this would allow the undeclared or undecided voters to form a political party?

Number 0951

REPRESENTATIVE VEZEY replied, "Not declaring a party affiliation under this bill would not classify those people as a member of a political party." However, if they wished to create a party called "undeclared" or "independent" and they got 10,000

registered voters then it would become a political party. There would still be on the voter registration card a category, by default, called "undeclared."

Number 1041

JAMES BALDWIN, Assistant Attorney General, Governmental Affairs Section, Civil Division, Department of Law, explained that the definition of a "political party" involved substantial litigation in the past, particularly over the 3 percent requirement. He cited the Vogler case where the threshold was reduced from 10 percent to 3 percent. It was possible to add another threshold, but he believed the legislature should create a record to justify the 10,000 registered voter requirement. "It just isn't something that, I think, that can be done arbitrarily and successfully defended." There needed to be a compelling interest on the part of the state to impose such a limitation, and it needed to be the least restrictive. He did not know how the sponsor arrived at the 10,000 figure, but until that was put into a record, there wasn't much to defend.

MR. BALDWIN further stated there was the issue of political affiliation disclosure. He cited a federal case, NAACP v. Button where it was found that there was a strong First Amendment right to keep one's political affiliation private. In addition, the largest percentage of the registered voters in Alaska were non-partisan or no-party. He assumed that was because Alaskans did not like to disclose their party affiliation publicly. Therefore, one unintended result would be to require a disclosure of one's party affiliation in order to qualify for the second prong of the proposed definition.

MR. BALDWIN further stated, in its current form, the department did not support the bill.

Number 1250

CHAIR JAMES asked Mr. Baldwin if he had any suggestion? If the bill said "registered voters or 3 percent of the last election," for example, what would that do? It still made a person disclose his or her party affiliation. What if a person did not have to do disclose it every time, for example?

Number 1280

MR. BALDWIN replied there was a problem tracking political affiliation. Voter registrations were open and available to the public. They were a valuable tool to the political parties and to campaigns. "One option that could be considered would be some limited way of making this information confidential perhaps to the administration that's making that determination as to whether or not they met the basic threshold." Consequently, the political parties would not have access to the information that they valued.

Number 1358

GAIL FENUMIAI, Election Coordinator, Central Office, Division of Elections, Office of the Lieutenant Governor, stated the division believed that this new definition of a political party would be an additional expense and be administratively burdensome. Presently, the division tracked party affiliation of only the recognized parties. She cited: Democrat, Republican, Alaskan Independence, Green, Undeclared, Non-Partisan, and Other. The voter registration system was not set up to handle a wide variety of other political party affiliations that somebody could put down if they checked the "other" category. At present, they were all lumped together into this category. She reiterated this bill would cause some problems for the division.

Number 1429

REPRESENTATIVE HODGINS asked Ms. Fenumiai if she saw any advantages of the bill if the logistics were in place?

Number 1438

MS. FENUMIAI replied she could not see any other advantage other than creating another avenue for a group of people to become a political party.

Number 1458

KEN JACOBUS, Legal Counsel, Republican Party of Alaska, was the first person to testify via teleconference in Anchorage. He supported HB 112. He called it a good idea and it should be passed. A small political party should not have to undertake the expensive gubernatorial campaign each election to retain its status. He agreed with Mr. James Baldwin that a legislative record was needed.

MR. JACOBUS further stated that the parties would oppose any confidentiality of the records. He referred the committee members to a memorandum dated January 29, 1997, from Mr. Jack Chenoweth, Legislative Counsel, and stated consideration should be given to making a uniform definition of a "political party" throughout the Alaska Statutes. There were two definitions now, and if the bill was enacted there would be three. Moreover, the Republican Party of Alaska had a problem with the issue of defining a political party for the purpose of campaign financing. The legislature should consider input from all of the political parties to ensure that the parties did not have any problems.

Number 1571

CHAIR JAMES asked Mr. Jacobus if he would comment on the issue of the constitutionality of the bill addressed earlier by Mr. James Baldwin?

Number 1580

MR. JACOBUS replied the NAACP v. Button case dealt with disclosure of the membership records of the NAACP which was a different issue. "I don't think you're really going to run into a problem because a political party will have two ways now in order to exercise its right to political affiliation." He cited the 3 percent route and the 10,000 route. The 10,000 route was a free choice because registered voters needed to be obtained. "I don't see that it's a big problem, myself."

Number 1648

CHAIR JAMES called for a motion to move the bill out of the committee.

Number 1650

REPRESENTATIVE DYSON moved that HB 112 move from the committee with the attached fiscal note(s) and individual recommendations. There was no objection, HB 112 was so moved from the House State Affairs Standing Committee.

ADJOURNMENT

Number 1670

CHAIR JAMES adjourned the House State Affairs Standing Committee meeting at 9:53 a.m.

HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: February 26, 1997

FURTHER REFERRALS:

Date of Committee Action: 3/10/97

The FINANCE Committee considered:

HB 112

HOUSE BILL NO. 112

AMEND DEFINITION OF "POLITICAL PARTY"

"An Act amending the definition of 'political party' except as the definition of the term applies to the regulation of contributions and expenditures in state and municipal election campaigns, an amendment that also has the effect of changing the definition of 'political organization' as applied to the regulation of games of chance and contests of skill."

recommends it be replaced with the following committee substitute CS HB 112 (Fin) the same title a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept) _____ APPROVES PREVIOUS: (Dept/Date) _____
 fiscal note(s) _____ fiscal note(s) Gov, 2/24/97

zero fiscal note(s) _____ zero fiscal note(s) DOR, 2/26/97

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
<i>Gene Therriault</i>	Therriault	X			
<i>Terry Martin</i>	Martin	X			
<i>Neil Kohring</i>	Kohring	X			
<i>Cal & Davis</i>	J. Davis				X
<i>Ben Grussendorf</i>	Grussendorf				X
<i>Ray Moscs</i>	Moscs				X
<i>John G. Davis</i>	G. Davis			X	
<i>[Signature]</i>	Kelly	X			
<i>[Signature]</i>	Foster	X			

CHAIR'S SIGNATURE

Gene Therriault

HOUSE FINANCE COMMITTEE

March 10, 1997

1:44 P.M.

TAPE HFC 97-52, Side 1, #000 - end.
TAPE HFC 97-52, Side 2, #000 - end.
TAPE HFC 97-53, Side 1, #000 - end.
TAPE HFC 97-53, Side 2, #000 - #289.

CALL TO ORDER

Co-Chair Therriault called the House Finance Committee meeting to order at 1:44 p.m.

PRESENT

Co-Chair Hanley	Representative Kelly
Co-Chair Therriault	Representative Kohring
Representative Davies	Representative Martin
Representative Davis	Representative Moses
Representative Foster	Representative Mulder
Representative Grussendorf	

ALSO PRESENT

Representative Al Vezey; Representative Con Bunde; Nancy Buehl, Department of Education; John Cyr, National Education Association - Alaska; Gail Fenumiai, Division of Elections; Office of the Lieutenant Governor; Jim Baldwin, Assistant Attorney General, Department of Law; Jim Sykes, Green Party, Anchorage; Kevin Morford, Green Party, Anchorage; Jack Coghill, Chair, Alaska Independent Party (AIP); Scott Kohlhaas, Alaska Libertarian Party;

SUMMARY

HB 112 "An Act amending the definition of 'political party' except as the definition of the term applies to the regulation of contributions and expenditures in state and municipal election campaigns, an amendment that also has the effect of changing the definition of 'political organization' as applied to the regulation of games of chance and contests of skill."

HB 112 was reported out of Committee with a "do pass" recommendation and with a fiscal impact note by the Office of the Lieutenant Governor, dated 2/26/97; and with a zero fiscal note by the Department of Revenue, dated 2/26/97.

HB 145 "An Act relating to certification of teachers."

HB 145 was HELD in Committee for further consideration.

HOUSE BILL NO. 112

"An Act amending the definition of 'political party' except as the definition of the term applies to the regulation of contributions and expenditures in state and municipal election campaigns, an amendment that also has the effect of changing the definition of 'political organization' as applied to the regulation of games of chance and contests of skill."

REPRESENTATIVE AL VEZEY, SPONSOR, testified in support of HB 112. He maintained that HB 112 would bring order to the chaos in the electoral process. He observed that political parties must run a candidate for Governor and receive 3 percent of the vote cast in that general election, in order to retain their legal status. He observed that third parties are growing. He noted the last time a Governor was last elected with a majority vote was in 1970. He explained that the legislation would provide a mechanism for a political party to retain its status without running a candidate for Governor every four years. He observed that political parties have special status under the Alaska Public Offices Commission (APOC). Political parties are able to participate in charitable gaming activities. Political parties must file APOC reports.

Representative Vezey observed that 10,000 represent approximately 3 percent of the registered voters. The legislation allows a party that has 10,000 registered voters to retain party status under Alaska statutes without running a candidate for governor.

Representative Davies observed that the Republican and Democratic parties would not be affected. He stated that the Alaska Independent Party (AIP) has more than the required 10,000 registered voters.

Co-Chair Therriault noted statistics for the following parties:

- *Democrats - 71,000;
- *Republicans - 104,000;
- *Alaska Independent Party - 16,000; and
- *Green Party - 3,000.

Representative Davies summarized that the AIP party would not have to run a candidate, while the Green Party would have to run a candidate for governor in the next general election. Representative Vezey estimated that there would be a concentrated registration drive if the legislation were passed.

Representative Grussendorf asked if the Sponsor considered requiring the gubernatorial candidate to receive more than 45 percent of the vote. Representative Vezey clarified that his intent is to lessen the need for a runoff election and allow small parties to retain their status if they do not run a candidate.

Representative Grussendorf pointed out that many smaller parties are trying to influence election issues through their candidates. Representative Vezey observed that smaller parties would not be precluded from running a candidate.

JIM BALDWIN, ASSISTANT ATTORNEY GENERAL, DEPARTMENT OF LAW observed the need to document the interest that is being served by the legislation. He observed that the legislation is a limitation on the right of political association. He noted that the Court ruled in Vogler versus Miller, that the State must have a compelling governmental interest to place limitations on political recognition for purposes of admission to the primary election ballot. He suggested that the legislation cannot be defended on the premise that an election of a gubernatorial candidate by a majority vote is paramount. He observed that under the legislation the Green Party would not be a recognized party and the AIP would be a recognized party.

Mr. Baldwin observed that most states require that a political party meet a percentage of those that voted in the last primary election. Once a party is recognized they are included on the ballot without petition. He observed that in order to meet the registration requirement individuals must disclose their party affiliation before the party can achieve recognized party status. Registered voters do not have to disclose their party affiliation. This requirement could be seen as a compulsory disclosure of political affiliation. He noted that these kinds of limitation are upheld only when there is nothing less intrusive to serve this interest. He acknowledged that an attorney of the Republican Party has challenged his interpretation.

Co-Chair Therriault noted that voter registration would not be the only route to obtain recognition as a political party.

Representative Kelly observed that if the Green Party gets 3 percent of the vote in a general election for governor they would retain their status.

Co-Chair Therriault emphasized that no rights are being taken away.

Co-Chair Hanley noted that the Court ruled in Vogler versus Miller that the standard was too high. He asked if 3 percent is a defensible amount. Mr. Baldwin stated that the Court indicated that 3 percent would be acceptable.

GAIL FENUMIAI, DIVISION OF ELECTION, OFFICE OF THE LIEUTENANT GOVERNOR noted that 213,404 votes were cast in the last general election. Three percent of those that voted is 6402. Co-Chair Hanley noted that the 10,000 requirement is higher than 3 percent.

Mr. Baldwin noted that 10,000 is an arbitrary number. He emphasized that the Department would like to have some rationale to defend the number. Co-Chair Hanley spoke in support of setting the limit at 3 percent of the previous election.

In response to a question by Representative Grussendorf, Ms. Fenumiai noted that there are 420,000 registered voters in the State of Alaska. Representative Grussendorf expressed concern that a fixed number would not grow with the population.

Co-Chair Therriault noted that the Green Party had 3,088 registered voters. Representative Grussendorf suggested that the legislation grandfather in all the major recognized parties in the State. Co-Chair Therriault noted that 3,088 is less than 1 percent of the registered voters in the State.

Representative Martin observed that the State of Alaska has a high percentage of voter's registration due to the Permanent Fund Dividend Program. He spoke in support of basing political party status on a percentage of those that voted, rather than on registered voters.

Representative Davies cited statistics of other states requirements for the granting of political party. He demonstrated that other requirements by other states vary from one-twentieth of one percent to one percent of registered voters.

JACK COGHILL, CHAIRMAN, ALASKA INDEPENDENT PARTY, testified via the teleconference network in support of HB 112. He observed that the legislation provides two avenues to retain political party status. He stressed that there would be savings in the Division of Elections if small parties do not have to run a candidate. He noted that it is the goal of AIP to build political strength. He observed that AIP would not run a candidate, in the next gubernatorial election, if they did not have to do so to retain their status.

Representative Davies noted that AIP could support the Republican candidate for Governor and still retain their status. He observed that, under the legislation, the Green Party would have to run a candidate to retain their status as a political party.

Mr. Coghill noted that AIP wants to be able to build a foundation for a political structure, in order to challenge the political process in future years.