

ALASKA LEGISLATURE COMMITTEE FILES 1999-2000 86/2

9874 HOUSE JUDICIARY

Table 3.2
LEGISLATIVE SESSIONS: LEGAL PROVISIONS

State or other jurisdiction	Year	Regular sessions			Limitation on length of session (a)	Legislature may call	Special sessions	
		Legislature convenes		Legislature may determine subject			Limitation on length of session	
		Month	Day					
Alabama	Annual	Jan.	2nd Tues. (h)	30 L in 103 C	No	Yes (f)	12 L in 30 C	
		Apr.	3rd Tues. (c, d)					
		Feb.	1st Tues. (c)					
Alaska	Annual	Jan.	2nd Mon.	120 C (h)	By 2/3 vote of members	Yes (i)	30 C	
		Jan.	3rd Mon. (g)					
Arizona	Annual	Jan.	2nd Mon.	(j)	By petition, 2/3 members, each house	Yes (i)	None	
Arkansas	Biennial- odd year	Jan.	2nd Mon.	60 C (h)	No	Yes (f, k)	(k)	
California	(l)	Jan.	1st Mon. (d)	None	No	No	None	
Colorado	Annual	Jan.	2nd Wed.	120 C	By request, 2/3 members, each house	Yes (i)	None	
Connecticut	Annual (m)	Jan.	Wed. after 1st Mon. (n)	(p)	Yes (q)	(q)	None (t)	
		Feb.	Wed. after 1st Mon. (n)					
Delaware	Annual	Jan.	2nd Tues.	June 30	Joint call, presiding officers, both houses	Yes	None	
Florida	Annual	Feb.	Tues. after 1st Mon. (d)	60 C (h)	Joint call, presiding officers, both houses	Yes (f)	20 C (h)	
Georgia	Annual	Jan.	2nd Mon.	40 L	By petition, 3/5 members, each house	Yes (i)	(s)	
Hawaii	Annual	Jan.	2nd Mon.	40 L (h)	By petition, 2/3 members, each house	Yes	30 L (h)	
Hawaii	Annual	Jan.	3rd Wed.	60 L (h)	No	No	20 C	
Idaho	Annual	Jan.	Mon. on or nearest 9th day	None	Joint call, presiding officers, both houses	Yes (i)	None	
Illinois	Annual	Jan.	2nd Wed.	None	No	No	30 L or 40 C	
Indiana	Annual	Jan.	2nd Mon. (d, t)	odd-61 L or Apr. 30; even-30 L or Mar. 15	No	No		
Iowa	Annual	Jan.	2nd Mon.	(u)	By petition, 2/3 members, both houses	Yes (i)	None	
Kansas	Annual	Jan.	2nd Mon.	odd-None; even-90 C (h)	Petition to governor of 2/3 members, each house	Yes	None	
Kentucky	Biennial- even year	Jan.	Tues after 1st Mon. (d)	60 L (v)	No	No	None	
Louisiana	Annual	Mar.	1st Mon. (d, n)	odd-60 L in 85 C; even-30 L in 45 C	By petition, majority, each house	Yes (i)	30 C	
		Apr.	1st Mon. (m, n)					
Maine	(l, m)	Dec.	1st Wed. (h)	3rd Wed. of June (h)	Joint call, presiding officers, with consent of of majority of members of each political party, each house	Yes (i)	None	
		Jan.	Wed. after 1st Tues. (u)	3rd Wed. of April (h)				
Maryland	Annual	Jan.	2nd Wed.	90 C (g)	By petition, majority, each house	Yes	30 C	
Massachusetts	Annual	Jan.	1st Wed.	(w)	By petition (x)	Yes	None	
Michigan	Annual	Jan.	2nd Wed. (d)	None	No	No	None	
Minnesota	(y)	Jan.	Tues. after 1st Mon. (n)	120 L or 1st Mon. after 3rd Sat. in May (y)	No	Yes	None	

LEGISLATIVE SESSIONS: LEGAL PROVISIONS — Continued

State or other jurisdiction	Year	Regular sessions			Limitation on length of session (a)	Legislature may call	Special sessions	
		Legislature convenes		Legislature may determine subject			Limitation on length of session	
		Month	Day					
Mississippi	Annual	Jan.	Tues. after 1st Mon.	125 C (h, z); 90C (h, z)	No	No	None	

Maloe _____	(l,m)	Dec. Jan.	1st Wed. (b) Wed. after 1st Tues. (o)	3rd Wed. of June (h) 3rd Wed. of April (h)	Joint call, presiding officers, with consent of of majority of members of each political party, each house	Yes (l)	None
Maryland _____	Annual	Jan.	2nd Wed.	90 C (g)	By petition, majority, each house	Yes	30 C
Massachusetts _____	Annual	Jan.	1st Wed.	(w)	By petition (w)	Yes	None
Michigan _____	Annual	Jan.	2nd Wed. (d)	None	No	No	None
Minnesota _____	(y)	Jan.	Tue. after 1st Mon. (n)	120 L or 1st Mon. after 3rd Sat. in May (y)	No	Yes	None

LEGISLATIVE SESSIONS: LEGAL PROVISIONS — Continued

State or other jurisdiction	Year	Regular sessions			Limitation on length of session (n)	Legislature may call	Special sessions	
		Legislature convenes		Legislature may determine subject			Limitation on length of session	
		Month	Day					
Mississippi _____	Annual	Jan.	Tues. after 1st Mon.	125 C (h, z); 90C (h, z)	No	No	None	
Missouri _____	Annual	Jan.	Wed. after 1st Mon.	May 30	By petition, 3/4 members, each house	Yes	30 C (aa)	
Montana _____	Biennial- odd year	Jan.	1st Mon.	90 L	By petition, majority, each house	Yes	None	
Nebraska _____	Annual	Jan.	Wed. after 1st Mon.	odd-90 L (h); even-60 L (h)	By petition, 2/3 members	Yes	None	
Nevada _____	Biennial- odd year	Jan.	3rd Mon.	60 C (u)	No	No	20 C (u)	
New Hampshire _____	Annual	Jan.	Wed. after 1st Tues. (d)	45 L	By 2/3 vote of members, each house	Yes	15 L (u)	
New Jersey _____	Annual	Jan.	2nd Tues.	None	By petition, majority, each house	Yes	None	
New Mexico _____	Annual (m)	Jan.	3rd Tues.	odd-60 C; even-30 C	By petition, 3/5 members, each house	Yes (l)	30 C	
New York _____	Annual	Jan.	Wed. after 1st Mon.	None	By petition, 2/3 members, each house	Yes (l)	None	
North Carolina _____	(y)	Jan.	3rd Wed. after 2nd Mon. (n)	None	By petition, 3/5 members, each house	Yes	None	
North Dakota _____	Biennial- odd year	Jan.	Tues. after Jan. 3, but not later than Jan. 11 (d)	30 L (hh)	No	Yes	None	
Ohio _____	Annual	Jan.	1st Mon.	None	Joint call, presiding officers, both houses	Yes	None	
Oklahoma _____	Annual	Feb.	1st Tues. (cc)	160 C	By vote, 2/3 members, each house	Yes (l)	None	
Oregon _____	Biennial- odd year	Jan.	2nd Mon. after 1st Tues.	None	By petition, majority, each house	Yes	None	
Pennsylvania _____	Annual	Jan.	1st Tues.	None	By petition, majority each house	No	None	
Rhode Island _____	Annual	Jan.	1st Tues.	60 L (u)	No	No	None	
South Carolina _____	Annual	Jan.	2nd Tues. (d)	1st Thurs. in June (h)	No	Yes	None	
South Dakota _____	Annual	Jan.	2nd Tues.	odd-40 L; even-35 L	No	No	None	
Tennessee _____	Annual	Jan.	(dd)	40 L (u)	By petition, 2/3 members, each house	Yes	30 L (u)	
Texas _____	Biennial- odd year	Jan.	2nd Tues.	140 C	No	No	30 C	
Utah _____	Annual	Jan.	3rd Mon.	45 C	No	No	30 C (cc)	
Vermont _____	(y)	Jan.	Wed. after 1st Mon. (n)	None	No	Yes	None	
Virginia _____	Annual	Jan.	2nd Wed.	odd-30 C (h); even-60 C (h)	By petition, 2/3 members, each house	Yes	None	
Washington _____	Annual	Jan.	2nd Mon.	odd-105 C; even-60 C	By vote, 2/3 members, each house	Yes	30 C	
West Virginia _____	Annual	Feb. Jan.	2nd Wed. (c, d) 2nd Wed. (c)	60 C (h)	By petition, 3/5 members, each house	Yes (ff)	None	
Wisconsin _____	Annual (gg)	Jan.	1st Mon. (n)	None	No	No	None	

See footnotes at end of table.

LEGISLATIVE SESSIONS: LEGAL PROVISIONS — Continued

State or other jurisdiction	Year	Regular sessions		Limitation on length of session (a)	Legislature may call	Legislature may determine subject	Limitation on length of session
		Month	Day				
Wyoming	Annual (m)	Jan.	2nd Tues. (n)	odd-40 L; even-20 L	No	Yes	None
Dist. of Columbia	(hh)	Jan.	2nd day	None			
American Samoa	Annual	Jan.	2nd Mon.	45 L	No	No	None
Guam	Annual	July	2nd Mon.	45 L			
No. Mariana Islands	Annual	Jan.	2nd Mon. (ii)	None	No	No	None
Puerto Rico	Annual	(jj)	(d, jj)	90 L (jj)	Upon request of presiding officers, both houses	Yes (i)	10 C
U.S. Virgin Islands	Annual	Jan.	2nd Mon.	Apr. 30 (h)	No	No	20 C
	Annual	Jan.	2nd Mon.	None	No	No	None

Sources: State constitutions and statutes.

Note: Some legislatures will also reconvene after normal session to consider bills vetoed by governor. Connecticut—if governor vetoes any bill, secretary of state must reconvene General Assembly on second Monday after the last day on which governor is either authorized to transmit or has transmitted every bill with his objections, whichever occurs first; General Assembly must adjourn *sine die* not later than three days after its reconvening. Hawaii—legislature may reconvene on 45th day after adjournment *sine die*, in special session, without call. Louisiana—legislature meets in a maximum five-day veto session on the 40th day after final adjournment. Missouri—if governor returns any bill on or after the fifth day before the last day on which legislature may consider bills (in even-numbered years), legislature automatically reconvenes on first Wednesday following the second Monday in September for a maximum 10 C sessions. New Jersey—legislature meets in special session (without call or petition) to act on bills returned by governor on 45th day after *sine die* adjournment of the regular session, if the second year expires before the 45th day, the day preceding the end of the legislative year. Utah—if 2/3 of the members of each house favor reconvening to consider vetoed bills, a maximum five-day session is set by the presiding officers. Virginia—legislature reconvenes on sixth Wednesday after adjournment for a maximum three-day session (may be extended to seven days upon vote of majority of members elected to each house). Washington—upon petition of 2/3 of the members of each house, legislature meets 45 days after adjournment for a maximum five-day session.

Key:

C — Calendar day

L — Legislative day (in some states called a session day or workday; definition may vary slightly, however, generally refers to any day on which either house of legislature is in session).

(a) Applies to each year unless otherwise indicated.

(h) General election year (quadrennial election year).

(i) Year after quadrennial election.

(d) Legal provision for organizational session prior to stated convening date. Alabama—in the year after quadrennial election, second Tuesday in January for 10 C. California—in the even-numbered general election year, first Monday in December for an organizational session, recess until the first Monday in January of the odd-numbered year. Florida—in general election year, 14th day after election, Indiana—third Tuesday after first Monday in November. Kentucky—in odd-numbered year, Tuesday after first Monday in January for 10 L. Louisiana—in year after general election, second Monday in January, not to exceed 3 L. Michigan—held in odd-numbered year. New Hampshire—in even-numbered year, first Wednesday in December. North Dakota—in December. South Carolina—in even-numbered year, Tuesday after certification of election of its members for a maximum three-day session. West Virginia—in year after general election, on second Wednesday in January. No. Mariana Islands—in year after general election, second Monday in January.

(e) Other years.

(f) By 2/3 vote each house.

(g) Following a gubernatorial election year.

(h) Session may be extended by vote of members in both houses. Alaska—2/3 vote for 10-day extension. Arkansas—2/3 vote. Florida—3/5 vote. Hawaii—petition of 2/3 membership for maximum 15-day extension. Kansas—2/3 vote. Maine—2/3 vote for maximum 10 L. Maryland—3/5 vote for maximum 30 C. Mississippi—2/3 vote for 30 C extension, no limit on number of extensions. Nebraska—4/5 vote. South Carolina—2/3 vote. Virginia—2/3 vote for 30 C extension. West Virginia—2/3 vote (if budget bill has not been acted upon three days before session ends, governor issues proclamation extending session). Puerto Rico—joint resolution.

(i) Only if legislature convenes itself. Special sessions called by the legislature are unlimited in scope in Arizona, Georgia, Maine, and New Mexico.

(j) No constitutional or statutory provision; however, legislative rules require that regular sessions adjourn no later than Saturday of the week during which the 100th day of the session falls.

(k) After governor's business has been disposed of, members may remain in session up to 15 C by a 2/3 vote of both houses.

(l) Regular sessions begin after general election, in December of even-numbered year. In California, legislature meets in December for an organizational session, recesses until the first Monday in January of the odd-numbered year and continues in session until Nov. 30 of next even-numbered year. In Maine, session which begins in December of general election year runs into the following year (odd-numbered); second session begins in next even-numbered year.

(m) Second session limited in consideration of specific types of legislation. Connecticut—individual legislators may only introduce bills of a fiscal nature, emergency legislation and bills raised by committees. Louisiana—fiscal matters. Maine—budgetary matters; legislation in the governor's call; emergency legislation; legislation referred to committees for study. New Mexico—budgets, appropriations and revenue bills; bills drawn pursuant to governor's message; vetoed bills. Wyoming—budget bills.

(n) Odd-numbered years.

(o) Even-numbered years.

(p) Odd-numbered years—not later than Wednesday after first Monday in June; even-numbered—years not later than Wednesday after first Monday in May.

(q) Constitution provides for regular session convening dates and allows that sessions may also be held "... at such other times as the General Assembly shall judge necessary." Call by majority of legislators is implied.

(r) Upon completion of business.

(s) Limited to 40 L unless extended by 4/5 vote and approved by the governor, except in cases of impeachment proceedings.

LEGISLATIVE SESSIONS: LEGAL PROVISIONS — Continued

(1) Legislators may reconvene at any time after organizational meeting, however, second Monday in January is the final date by which regular session must be in process.

(a) Indirect limitation; usually restrictions on legislator's pay, per diem, or daily allowance

(v) May not extend beyond April 15.

(w) Legislative rules say formal business must be concluded by Nov. 15th of the 1st session in the biennium, or by July 31st of the 2nd session for the triennium.

(x) Joint rules provide for the submission of a written statement requesting special session by a specified

in January and recessing not later than the first Monday in February of that year. Limited constitutional duties can be performed.

(add) Commencement of regular session depends on concluding date of organizational session. Legislature meets, in odd-numbered year, on second Tuesday in January for a maximum 15 C organizational session, then returns on the Tuesday following the conclusion of the organizational session.

(ee) Except in cases of impeachment.

(ff) According to a 1955 attorney general's opinion, when the legislature has petitioned to the governor to be called into session, it may then act on any matter.

(gg) The legislature, by joint resolution, establishes the session schedule of activity for the remainder of the

generally refers to any day on which either house of legislature is in session).

- (a) Applies to each year unless otherwise indicated.
- (b) General election year (quadrennial election year).
- (c) Year after quadrennial election.
- (d) Legal provision for organizational session prior to stated convening date. Alabama—in the year after quadrennial election, second Tuesday in January for 10 C. California—in the even-numbered general election year, first Monday in December for an organizational session, recess until the first Monday in January of the odd-numbered year. Florida—in general election year, 14th day after election. Indiana—third Tuesday after first Monday in November. Kentucky—in odd-numbered year, Tuesday after first Monday in January for 10 L. Louisiana—in year after general election, second Monday in January, not to exceed 3 L. Michigan—held in odd-numbered year. New Hampshire—in even-numbered year, first Wednesday in December. North Dakota—in December. South Carolina—in even-numbered year, Tuesday after certification of election of its members for a maximum three-day session. West Virginia—in year after general election, on second Wednesday in January. N. Mariana Islands—in year after general election, second Monday in January.

For second session limited to consideration of specific types of legislation, Connecticut—legislators may only introduce bills of a fiscal nature, emergency legislation and bills raised by committees. Louisiana—fiscal matters. Maine—budgetary matters; legislation in the governor's call; emergency legislation; legislation referred to committees for study. New Mexico—budgets, appropriations and revenue bills; bills drawn pursuant to governor's message; vetted bills. Wyoming—budget bills.

- (n) Odd-numbered years.
- (o) Even-numbered years.
- (p) Odd-numbered years—not later than Wednesday after first Monday in June; even-numbered years not later than Wednesday after first Monday in May.
- (q) Constitution provides for regular session convening dates and allows that sessions may also be held "at such other times as the General Assembly shall judge necessary." Call by majority of legislators is implied.
- (r) Upon completion of business.
- (s) Limited to 40 L, unless extended by 2/3 vote and approved by the governor, except in cases of impeachment proceedings.

LEGISLATIVE SESSIONS: LEGAL PROVISIONS — Continued

- (i) Legislators may reconvene at any time after organizational meeting; however, second Monday in January is the final date by which regular session must be in process.
- (u) Indirect limitation; usually restrictions on legislator's pay, per diem, or daily allowance.
- (v) May not extend beyond April 15.
- (w) Legislative rules say formal business must be concluded by Nov. 15th of the 1st session in the biennium, or by July 31st of the 2nd session for the biennium.
- (x) Joint rules provide for the submission of a written statement requesting special session by a specified number of members of each chamber.
- (y) Legal provision for session in odd-numbered year; however, legislature may divide, and in practice has divided, to meet in even-numbered years as well.
- (z) 90 C sessions every year, except the first year of a gubernatorial administration during which the legislative session runs for 125 C.
- (aa) 30 C if called by legislature; 60 C if called by governor.
- (bb) No legislative day is shorter than a natural day.
- (cc) Odd number years will include a regular session commencing on the first Tuesday after the first Monday in January and recessing not later than the first Monday in February of that year. Limited constitutional duties can be performed.
- (dd) Commencement of regular session depends on concluding date of organizational session. Legislature meets, in odd-numbered year, on second Tuesday in January for a maximum 15 C organizational session, then returns on the Tuesday following the conclusion of the organizational session.
- (ee) Except in cases of impeachment.
- (ff) According to a 1955 attorney general's opinion, when the legislature has petitioned to the governor to be called into session, it may then act on any matter.
- (gg) The legislature, by joint resolution, establishes the session schedule of activity for the remainder of the biennium at the beginning of the odd-numbered year.
- (hh) Each Council period begins on January 2 of each odd-numbered year and ends on January 1 of the following odd-numbered year.
- (ii) Legislature meets on the first Monday of each month following its initial session in January.
- (jj) 60 L before April 1 and 30 L after July 31.

Table 6.3
STATE BALANCED BUDGETS: CONSTITUTIONAL AND STATUTORY PROVISIONS,
GUBERNATORIAL AND LEGISLATIVE AUTHORITY

State or other jurisdiction	Constitutional and Statutory Provisions				Gubernatorial Authority			Legislative Authority		
	Governor must submit a balanced budget	Legislature must pass a balanced budget	Governor must sign a balanced budget	May carry over deficit	Governor has line item veto	Can reduce budget without legislative approval	Restrictions on budget reductions	Votes required to override gubernatorial veto	Votes required to pass revenue increase	Votes required to pass budget
Alabama	C,S	S	...	...	(a)	*	ATB	Majority in each chamber	Majority	Majority
Alaska	S	S	S	...	*	...	...	2/3 elected (h)	Majority	Majority
Arizona	C,S	C,S	C,S	* (c)	*	*	(d)	2/3 elected	2/3 elected (e)	Majority
Arkansas	S	S	S	...	*	...	...	Majority elected	3/4 elected	3/4 elected
California	C	...	...	*	*	...	...	2/3 elected	2/3 elected	2/3 elected
Colorado	C	C	C	...	*	*	...	2/3 both chambers	Majority (f)	Majority
Connecticut	S	C,S	C	...	*	...	MR	2/3 both chambers	Majority (g)	Majority (g)
Delaware	C,S	C,S	C,S	...	*	* (h)	*	2/3 elected	3/5 elected	Majority
Florida	C,S	C,S	C,S	...	*	* (i)	MR	2/3 elected	Majority	Majority
Georgia	C	C	C	...	*	*	ATB	2/3 elected	Majority	Majority
Hawaii	C,S	...	C,S	...	*	* (j)	...	2/3 of members	Majority	Majority elected (k)
Idaho	...	C (l)	...	...	*	* (m)	* (m)	2/3 elected	Majority	Majority
Illinois	C,S	C	...	*	...	...	...	Majority 3/5 (n)	Majority	Majority 3/5 (n)
Indiana	...	...	...	...	...	*	...	Majority	Majority	Majority
Iowa	C,S	S	...	...	*	*	ATB	2/3 vote	Majority	Majority
Kansas	S	C,S	...	...	*	...	ATB (o)	2/3 elected	Majority	Majority
Kentucky	C,S	C,S	C,S	...	*	...	...	Majority	2/3 elected	Majority
Louisiana	C,S	C,S	C,S	*	*	*	MR	2/3 elected	(p)	Majority
Maine	C,S	C	C,S	...	...	...	ATB (q)	2/3 elected	Majority	Majority (r)
Maryland	C	C	...	*	...	*	*	(s)	Majority	Majority
Massachusetts	C,S	C,S	C,S	...	*	*	...	2/3 present	Majority	Majority (t)
Michigan	C,S	C	C,S	*	*	...	(u)	2/3 elected	Majority	Majority
Minnesota	S	S	C,S	...	*	*	MR	2/3 elected	Majority	Majority
Mississippi	S	S	...	...	*	*	...	2/3 elected	3/5	Majority
Missouri	C	...	C	...	*	*	...	2/3 elected	Majority	Majority
Montana	S	C	...	...	*	* (v)	MR	2/3 elected	Majority	Majority
Nebraska	C	...	...	...	*	...	*	3/5 elected	Majority	3/5 elected
Nevada	S	C	C	...	...	*	MR	2/3 elected	Majority	Majority
New Hampshire	S	...	...	...	...	...	...	2/3 elected	Majority	Majority
New Jersey	C	C	C	...	*	* (w)	...	2/3 elected	Majority	Majority
New Mexico	C	C	C	...	*	...	...	2/3 elected	Majority	Majority
New York	C	...	...	...	*	* (x)	(x)	2/3 elected	Majority	Majority
North Carolina	C,S	S	...	...	...	* (y)	...	...	Majority	Majority
North Dakota	C	C	C	...	*	*	ATB	2/3 elected	Majority (z)	Majority (z)
Ohio	C	C	C	...	* (aa)	*	*	(bb)	Majority	Majority
Oklahoma	S	C	C	*	*	* (cc)	*	2/3 elected (dd)	3/4 elected	Majority
Oregon	C	C	C	*	*	*	MR	2/3 elected	Majority	Majority
Pennsylvania	C,S	...	C	...	*	* (ee)	...	2/3 elected	Majority elected	Majority elected
Rhode Island	C	C	S	...	...	*	*	3/5 present	Majority	2/3 both houses
South Carolina	C	C	C	...	*	* (ff)	*	2/3 present	Majority	Majority

Ohio	C	C	C	...	★ (aa)	★	ATB	2/3 elected (hh)	Majority (j)	Majority (k)
Oklahoma	S	C	C	...	★	★	★	2/3 elected (hh)	Majority	Majority
Oregon	C	C	C	...	★	★ (cc)	★	2/3 elected (hh)	3/4 elected	Majority
Pennsylvania	C,S	C	C	...	★	★	MR	2/3 elected	Majority	Majority
Rhode Island	C	C	C	...	★	★ (cc)	★	2/3 elected	Majority elected	Majority elected
South Carolina	C	C	C	...	★	★ (ii)	★	3/5 present	Majority	2/3 both houses
								2/3 present	Majority	Majority

STATE BALANCED BUDGETS — Continued

State or other jurisdiction	Constitutional and Statutory Provisions				Gubernatorial Authority			Legislative Authority		
	Governor must submit a balanced budget	Legislature must pass a balanced budget	Governor must sign a balanced budget	May carry over deficit	Governor has line item veto	Can reduce budget without legislative approval	Restrictions on budget reductions	Votes required to override gubernatorial veto	Votes required to pass revenue increase	Votes required to pass budget
South Dakota	C	C	C	★	★	...	...	2/3 elected	2/3 elected	Majority
Tennessee	C	C	C	...	★	...	...	Majority	Majority	Majority
Texas .....	...	C,S	...	...	★	...	...	2/3 present	Majority	Majority
Utah	C,S	C,S	...	...	★	...	ATB (gg)	2/3 elected	Majority	Majority
Vermont .....	...	...	...	★	...	...	(hh)	2/3 elected	Majority	Majority
Virginia	(ii)	...	...	...	★	...	MR (jj)	2/3 members present (kk)	Majority	Majority
Washington	S	...	...	...	...	...	ATB	2/3 elected	Majority	Majority
West Virginia .....	...	C	C	...	★	...	(ii)	2/3	Majority	Majority
Wisconsin	C	C	...	...	★	...	...	2/3 elected	Majority	Majority
Wyoming .....	...	...	...	...	★	...	...	2/3 elected	Majority	Majority
Puerto Rico	C	C	C	...	★	...	...	2/3 elected	Majority	Majority

Sources: National Association of State Budget Officers, *Budgetary Processes in the States* (February 1993); updated April 1996 by The Council of State Governments. Update reflects literal reading of state constitutions and statutes.

Key:

- C — Constitutional
- S — Statutory
- ATB — Across the board
- MR — Maximum reduction dictated
- ★ — Yes
- ... — No

(a) The Governor may return a bill without limit for recommended amendments for amount and language, as long as the legislature is still in session.

(b) Joint session.

(c) May carry over "casual deficits," i.e., not anticipated.

(d) Governor may reduce budgets of administration-appointed agencies only.

(e) If the Governor vetoes the increase, it requires a vote of three-fourths of elected members to override the veto.

(f) All tax increases must be approved by a vote of the people.

(g) Must have quorum.

(h) Budget reductions are limited in executive branch only.

(i) The elected cabinet (administrative commission) for the Executive Branch and the Chief Justice of the Supreme Court for the Judicial Branch are authorized to resolve deficits under \$300 million. Deficits over \$300 million shall be resolved by the legislature.

(j) The Governor's authority to reduce budgets can be done only pursuant to existing statutes.

(k) If general fund expenditure ceiling is exceeded, two-thirds vote required, otherwise majority of elected members.

(l) Although the constitution requires that the legislature pass a balanced budget, there are no sanctions if they do not.

(m) The Governor's authority to reduce budgets is temporary. The State Board of Examiners (Governor, Attorney General and Secretary of State) have permanent appropriation reduction authority.

(n) If the Governor vetoes a bill or an item of appropriation entirely, the legislature can override him with a three-fifths vote in each house. If the Governor amendatorily vetoes language or reduces an item of appropriation, the legislature can accept the amendatory changes or restore the item or appropriation to its original amount with a majority vote in each house. Appropriations require a majority vote in each house if passed prior to midnight on June 30th of each year and require a three-fifths vote in each house if passed after that point.

(o) Reductions allowed only to get back to a balanced budget.

(p) 2/3 elected (tax), majority (fee).

(q) Governor may expend funds up to one year. Certain restrictions apply in ATB reductions.

(r) For emergency enactment, two-thirds votes required.

(s) Governor has no veto power over the budget bill.

(t) For capital budget, two-thirds votes required.

(u) There are both statutory and constitutional restrictions on executive branch authority to make budget reductions, involving approval by both House and Senate appropriations committees.

(v) May reduce appropriations by 15 percent except debt service, legislative and judicial branch appropriations, school foundation programs and salaries of elected officials.

(w) May not reduce debt service.

(x) May reduce budget without approval only for state operations; only restriction on reductions is that reductions in aid to localities cannot be made without legislative approval.

(y) Except for certain block grants.

(z) Emergency measures and measures that amend a statute that has been referred or enacted through an initiated measure within the last seven years must pass both houses by a two-thirds majority.

(aa) Line item veto in appropriation act only.

(ab) Two-thirds if appropriation or tax, three-fifths for all others.

(ac) Would require agreement of agency governing boards and/or CEO.

(ad) Emergency measures require a three-fourths vote for passage.

(ae) The Governor may reduce budgets selectively, he must provide 10 days prior notice and the reasons for so doing before lapsing current year grant and subsidy money.

(af) The Budget and Control Board can authorize an across-the-board agency reduction when there is a revenue shortfall. When in session, the General Assembly has five statewide session days to take action to prevent the reduction.

(ag) Some restrictions, i.e. cannot cut debt services.

(ah) The Governor may reduce expenditures but not appropriations.

(ai) Requirement applies only in budget execution. The Governor is required to insure that actual expenditures do not exceed actual revenues.

(aj) The Governor has power to withhold allotments of appropriations, but cannot reduce legislative appropriations.

(ak) Two-thirds of members present includes a majority of the members elected. The revenue stabilization fund was approved by voters in November of 1992.

(al) May reduce spending authority.

State	Constitutional	Statutory	ATB	MR	Majority	Majority
Ohio	C	C	...	*	2/3 elected	Majority
Oklahoma	S	C	...	*	2/3 elected (bb)	Majority (2)
Oregon	C	C	...	*	2/3 elected (dd)	Majority
Pennsylvania	C,S	C	...	*	2/3 elected	Majority
Rhode Island	C	C	...	*	2/3 elected	Majority
South Carolina	C	C	...	*	3/5 present	Majority

STATE BALANCED BUDGETS — Continued

State or other jurisdiction	Constitutional and Statutory Provisions				Governatorial Authority			Legislative Authority		
	Governor must submit a balanced budget	Legislature must pass a balanced budget	Governor must sign a balanced budget	May carry over deficit	Governor has line item veto	Can reduce budget without legislative approval	Restrictions on budget reductions	Votes required to override gubernatorial veto	Votes required to pass revenue increase	Votes required to pass budget
South Dakota	C	C	C	*	*	...	...	2/3 elected	2/3 elected	Majority
Tennessee	C	C	C	...	*	*	...	Majority	Majority	Majority
Texas	...	C,S	...	...	*	*	...	2/3 present	Majority	Majority
Utah	C,S	C,S	...	...	*	*	ATB (gg)	2/3 elected	Majority	Majority
Vermont	...	...	...	*	...	(hh)	*	2/3 elected	Majority	Majority
Virginia	(ii)	...	...	...	*	*	MR (jj)	2/3 members present (kk)	Majority	Majority
Washington	S	...	...	...	*	*	ATB	2/3 elected	Majority	Majority
West Virginia	...	C	C	...	*	*	(ll)	2/3	Majority	Majority
Wisconsin	C	C	...	*	*	...	...	2/3 elected	Majority	Majority
Wyoming	...	...	...	...	*	*	...	2/3 elected	Majority	Majority
Puerto Rico	C	C	C	...	*	*	...	2/3 elected	Majority	Majority

Sources: National Association of State Budget Officers, *Budgetary Processes in the States* (February 1995); updated April 1996 by The Council of State Governments. Update reflects literal reading of state constitutions and statutes.

Key:

- C — Constitutional
- S — Statutory
- ATB — Across the board
- MR — Maximum reduction dictated
- * — Yes
- ... — No

(a) The governor may return a bill without limit for recommended amendments for amount and language, as long as the legislature is still in session.

(b) Joint session.

(c) May carry over "casual deficits," i.e., not anticipated.

(d) Governor may reduce budgets of administration-appointed agencies only.

(e) If the Governor vetoes the increase, it requires a vote of three-fourths of elected members to override the veto.

(f) All tax increases must be approved by a vote of the people.

(g) Must have quorum.

(h) Budget reductions are limited in executive branch only.

(i) The elected cabinet (administrative commission) for the Executive Branch and the Chief Justice of the Supreme Court for the Judicial Branch are authorized to resolve deficits under \$300 million. Deficits over \$300 million shall be resolved by the legislature.

(j) The Governor's authority to reduce budgets can be done only pursuant to existing statutes.

(k) If general fund expenditure ceiling is exceeded, two-thirds vote required; otherwise majority of elected members.

(l) Although the constitution requires that the legislature pass a balanced budget, there are no sanctions if they do not.

(m) The Governor's authority to reduce budgets is temporary. The State Board of Examiners (Governor, Attorney General and Secretary of State) have permanent appropriation reduction authority.

(n) If the Governor vetoes a bill or an item of appropriation entirely, the legislature can override him with a three-fifths vote in each house. If the Governor amendatorily vetoes language or reduces an item of appropriation, the legislature can accept the amendatory changes or restore the item or appropriation to its original amount with a majority vote in each house. Appropriations require a majority vote in each house if passed prior to midnight on June 30th of each year and require a three-fifths vote in each house if passed after that point.

(o) Reductions allowed only to get back to a balanced budget.

(p) 2/3 elected (tax), majority (fee).

(q) Governor may expend funds up to one year. Certain restrictions apply to ATB reductions.

(r) For emergency enactment, two-thirds votes required.

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(ii) Requirement applies only to budget execution. The governor is required to insure that actual expenditures do not exceed actual revenues.

(jj) The Governor has power to withhold allotments of appropriations, but cannot reduce legislative appropriations.

(kk) Two-thirds of members present includes a majority of the members elected. The revenue stabilization fund was approved by voters in November of 1992.

(ll) May reduce spending authority.

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**THE ALLIANCE**

... for responsible development of Alaska's Oil, Gas & Mineral Resources

January 14, 2000

Representative Gail Phillips
Alaska State Legislature
State Capitol (MS 3101)
Juneau, AK 99801-1182

RE: House Joint Resolution 2, Biennial State Budget

Dear Representative Phillips:

I understand that HJR 2 is on the agenda for discussion during the next House Judiciary Committee meeting next week. On behalf of the Alaska Support Industry Alliance (The Alliance) I'd like to offer the following comments in support of this House Joint Resolution.

The Alliance is a statewide, non-profit trade organization representing over 350 businesses, organizations and individuals that provide goods and services in support of oil and gas exploration, development and production. Collectively our members employ 29,000 people; 25,000 of those are permanent residents of the state.

Since its inception in 1979, The Alliance has advocated a balanced state budget. We believe state government should do business like a business and investigate new ideas that would allow the public sector to do more with less -- be more efficient and effective in planning and executing our state budget and budget process. Budgetary efficiency would send a message to potential investors that Alaska has a solid and sound fiscal plan, and that its "house is in order -- a good place to do business."

Specifically, The Alliance believes that a two-year budget cycle could result in the following:

- An opportunity for more effective agency planning. A biennial budget would be conducive to developing proactive spending habits instead of reactive spending dialogue.
- The opportunity to analyze state programs based on performance and results, prior to yearly budget appropriations.

ALLIANCE SUPPORT FOR HJR 2, BIENNIAL BUDGET

PAGE 2 OF 2

- The potential for a shortened legislative session. The budget typically takes an enormous amount of time to hammer out. By undergoing the full process every other year, we could save state dollars and resources.
- Greater utilization of all 60 legislators and their expertise. Traditionally, the Senate and House Finance committees are made up of the more senior members of each body. The House Finance Committee members serve on no other committee. In many cases, we are missing their valuable input, wisdom and vast experience in creating other critical legislation. A two-year process would afford all legislators time to focus their attentions – one year on budget, the next on legislation.
- Flexibility to address emergency needs or supplementary requirements. A biennial budget process would not preclude supplemental budget considerations due to circumstances of need. These could be addressed on a case-by-case basis.

Twenty states have already adopted a biennial budget process. That's a good indication that other states are "thinking outside of the box." We believe that Alaskan must also embrace new ways of thinking, and for this reason, we encourage the legislature to continue dialogue on the biennial budget process.

The Alliance further believes that *all measures* should be considered with an open mind, whether it be results-based budgeting, consolidation of government programs, elimination of non-essential services, use of a two-year budget cycle, and/or privatization of some government functions. Ultimately our goal must be to begin to live within our means.

Sincerely,



Karen Cowart
General Manager

NFIB Alaska



10-02-99P03:31

*Put copy of this
in our biennial
budget file also*

NFIB/Alaska 1999 Ballot Results

The Alaska Chapter of the National Federation of Independent Business is comprised of 3000 small and independent business owners. The typical NFIB/Alaska member employs five workers and rings up gross sales of about \$181,000 per year. In total, the organization's members employ more than 43,000 workers.

The legislative agenda of NFIB is determined by ballot. A majority vote of the members in response to the poll sets the policy and position on legislative issues. Ballots for the last 5 years are used to establish the full legislative agenda. Following are the ballot results for 1999.

Tort Reform Frivolous Lawsuits

Should the Alaska Legislature enact legislation to allow attorneys as well as their clients to be assessed damages for knowingly or recklessly filing false claims?

96% YES

2% NO

2% Undecided

Tort Reform Collection of Settlement Information

Do you support the mandatory reporting of out of court settlement information such as attorneys fees and dollar amounts paid to claimants?

72% YES

22% NO

6% Undecided

Biennial State Budget

Do you favor a State Constitutional amendment to create a two-year budget cycle?

52% YES

36% NO

12% Undecided

National Federation of Independent Business

217 Second Street, Suite 206 • Juneau, AK 99801 • 907-463-5118 • Fax 907-463-5128



...and NFIB works for small business.

Department of Environmental Conservation Fees

The Alaska Department of Environmental Conservation (ADEC) currently has the authority to assess fees for permits, inspections, certifications and training for a broad range of regulatory programs. Should these fees be limited to "actual direct costs," which do not include travel, overhead and administrative support costs?

81% YES 13% NO 6% Undecided

Should DEC establish reasonable fixed fees for certain department services to cover actual direct costs?

83% YES 9% NO 8% Undecided

If requested by the applicant, should DEC have the ability to negotiate a fee based on a maximum number of hours that may include associated travel costs?

69% YES 21% NO 10% Undecided

Unemployment Insurance

Students under 18 are not eligible to collect unemployment benefits. Should full time students under the age of 18 and their employers be exempt from paying unemployment tax?

93% YES 6% NO 1% Undecided

ALASKA STATE CHAMBER OF COMMERCE**Priority 00-1****Fiscal Planning**

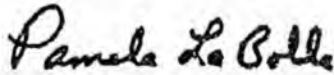
The Alaska State Chamber of Commerce urges the Administration and Legislature to continue efforts to adopt and implement a unified long-range fiscal plan for the state. The plan should address a strategy to bring state spending in line with revenues, encourage and promote economic investment and business development, maintain the state's infrastructure by means of a deferred maintenance plan for all state-owned facilities, and further establish performance measures for state services in concert with results-based government.

The plan should implement a biennial state budget; privatize state services which could be competitively provided by the private sector; promote development of new businesses that could competitively provide goods or services currently provided by the state; and utilize a systematic funding mechanism, such as general obligation bonds, to meet the state's capital needs.

ADOPTED

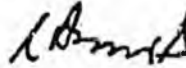
December 3, 1999

BY



Pamela La Bolle
President

BY



Dennis Brandon
Chairman

JUNEAU EMPIRE

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Two-year budgeting worth discussing

A two-year budget cycle for the state is an idea that House Speaker Gail Phillips promises to pursue during the session. It's a capital idea. According to Phillips, if the state operates with a two-year budget, the Legislature could cut down the amount of time it meets, a savings of both time and money. The second year of every legislative session could be shortened dramatically.

What the speaker wants is a serious discussion, and we think the topic deserves that. Yes, it's difficult to forecast budgets in a commodity-dependent economy like Alaska. But the state could save millions of dollars if lawmakers would do more long-range budgeting, and many areas of the budget are stable from year to year. As long as revenue projections are conservative and responsible, a biennial budget should be workable with the help of supplemental budgeting.

We welcome the discussion and debate about biennial budgeting. It may be the needed step to control fluctuating budgets and costly legislative sessions.



Phillips floats budget change

By MARK SABBATINI

THE JUNEAU EMPIRE

Having the Legislature draft a budget every two years, with a shortened session in off-years, will be proposed this session by House Speaker Gail Phillips.

A biennial budget process would save considerable time and money by reducing the workload required to put budgets together, said Phillips, a Homer Republican. But skeptics said the proposal has been considered and rejected before, largely because Alaska's reliance on oil revenues makes accurate long-range forecasting difficult.

Phillips said she will introduce the bill during the coming legislative session, but is expecting serious debate to last until 1999.

"What I just want people to do this year is go around, have a couple hearings on it and let people start talking about it and start working on it again next year," she said.

Phillips didn't specify how much shorter the second-year session would be. But she said state agencies would benefit from not having to wait until its conclusion to make their own budget decisions.

Please turn to Budget, Page 8

Budget...

Continued from Page 1

"When they know that 'This is going to be our budget for a two-year period of time,' I think the planning ability for them is much strengthened," she said.

The problem with the proposal is Alaska's income is more unpredictable than Washington and other states that have biennial budgeting, said Rep. Kim Elton, a Juneau Democrat.

"I think that the danger of that is our annual revenues can fluctuate fairly widely because more than 80 percent of our budget is dependent on oil," he said.

"If the price of oil goes from \$18 to \$16 (a barrel) we're going to be spending a lot of time in those nonbudget years dealing with the fluctuations."

State revenue officials originally predicted a spending gap of hundreds of millions of dollars in last year's budget, but an unexpected price surge instead

brought a surplus, Elton said.

Annalee McConnell, budget director for Gov. Tony Knowles, said problems could be corrected through supplemental budgets, something done now to cover shortfalls, and the \$3.3 billion Constitutional Budget Reserve protects the state when shortages occur. She said her office has done some research into a biennial budget and has an interest in it, believing it could be a significant time-saver.

"I think in many areas of the budget where you have the same thing every year . . . you're not going to make drastic changes," she said.

Rep. Mark Hanley, an Anchorage Republican who co-chairs the House Finance Committee, said the idea merits consideration, although other states using it generally have fluctuations of less than 2 percent in their budgets. He said he didn't know how much time would be saved in off-years, noting finance officials would proba-

bly have to do some advance work for the following year.

"Obviously the budget part would cut down easily a month," he said. "It's one of those things where we don't know. If the constitutional limit was 60 days, we'd get out of there in 60 days."

Senate Minority Leader Jim Duncan, a Juneau Democrat, said the same proposal has been introduced several times, including by former Anchorage Democratic Rep. Kay Brown several years ago. He said Phillips can achieve her goal of shorter working sessions without the bill, but doubts lawmakers in the Republican-led majority would want to.

"You can do a budget each year and the session can still be short," he said. "It's up to the leadership to get their priority legislation through."

"I think members of the majority are going to be very hesitant to leave without getting some of their priority issues through."



Voice of The Times

The Anchorage Times

Publisher: BILL J. ALLEN

"Believing in Alaska, putting Alaska first"

Editors: DENNIS FRAULEY, PAUL JENKINS, WILLIAM J. TOBIN

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Every two years

THE IDEA IS not new. It's been kicked around time and time again. Unfortunately, it's still being kicked around — in not the best sense of the phrase. The bad. The subject: adopting the state budget on a two-year basis.

Since statehood, Alaska's spending plan has been proposed by the governor and adopted by the Legislature on an annual schedule. Each year, the Legislature spends an uncommon amount of time fussing with the budget — four months each year, as a matter of fact.

One of the first bills presented at the opening of each legislative session is the budget. One of the last bills passed at the end of every four-month lawmaking session is the budget.

All kinds of other legislation is log-jammed until it is known how various bills will dovetail with the spending proposals. In many ways, the session is dragged out to a full one-third of the year because — and only because — the budget stands as a red light, stopping other progress.

Over the years, various attempts have been made in the Legislature to change this by providing for enactment of a budget that would span a two-year period, instead of one. Each time, the proposal has sunk like a rock in a stormy sea.

The arguments against it are never very good, mostly centering on the contention that it's impossible to look two years ahead and see what the state's income and spending needs might be.

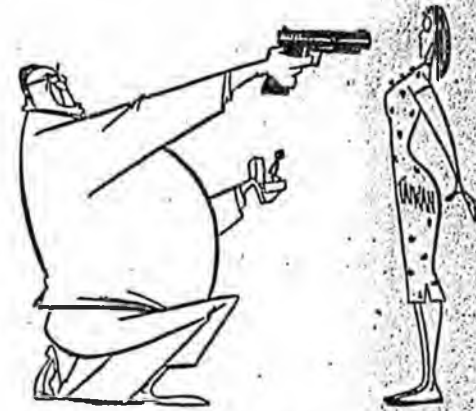
That's specious. Any number of other states — big states, with spending budgets much larger than Alaska's — do biennial budgets. It is by far the most efficient way to keep the docks clear for consideration of other legislation.

In fact, some states provide that every other year, the budget — and related financial legislation — is the only topic that can be considered. The agenda for the alternate years then is open to full consideration of other matters and other issues, free of having to link everything to now spending proposals.

In territorial days, when the Alaska Legislature met only every other year, the budget did indeed cover a 24-month period. Ah, but say the diehards, Alaska was a much smaller place then — with fewer people to serve, fewer issues to handle.

True, but so what? If other states can efficiently manage their financial affairs in this fashion, why can't Alaska? There would be nothing to prevent the Legislature from dealing with emergency funding situations during the intervening year — but lawmakers should be able to handle that in stride.

Rep. Gail Phillips of Homer is the latest legislator to offer a bill calling for biennial budgeting. Unfortunately, her measure got short-shrift in the last session. But it's still on the table — and it deserves attention when the Legislature next meets in January.



CHINESE COURTSHIP

The chronic poor and other liberal myths

BY WALTER E. WILLIAMS

The rich are getting richer, and the poor are getting poorer. That's a refrain taken as gospel. It's also the melody that's used in calls for more government spending.

But the truth of the matter is the richer are getting richer and the poor are getting richer faster. That's the conclusion reached by W. Michael Cox, vice president of the Federal Reserve Bank in Dallas and Richard Alm, a Dallas Morning News reporter, in their new book aptly titled, "Myths of Rich and Poor: Why We're Better Off Than We Think."



Williams

Each year, the Bureau of Census publishes America's poverty rate, which has hovered around 14 percent for several decades. The impression given is that poverty for about 20 percent of Americans is hopelessly permanent. That's a conclusion easily reached when given a static portrait of our income distribution. Cox and Alm report on a dynamic portrait that comes from a University of Michigan survey consisting of 60,000 Americans collected since 1968.

Collecting income over time gives a startlingly different picture of income distribution than that given by Bureau of Census statistics. The University of Michigan study shows that only 5 percent of those in the bottom fifth of the income distribution in 1976 were still there in 1991. What happened to them? They moved up to the top three-fifths of the income distribution — middle class or higher.

Even more amazing is that three out of 10 of the lowest-income earners in 1976 moved up into the top fifth of income earners by 1991. Those who were poor in 1976 had an inflation-adjusted gain of \$27,746 in average income by 1991. Workers who were in the top fifth of income earners in 1976 were better off in 1991 by an average of only \$4,354.

Poverty is largely a transitory experience for people who are willing to work, as Labor Department data confirms. In the early '90s, the median duration of poverty was 4.2 months. Only a third of the 36 million Americans the Bureau of Census classifies as poor had been below the poverty line for 24 or more months. This boils down to a long-term poverty rate of 4 percent, compared to the overall official rate of 13.3 percent in 1997.

You say, "OK, Williams, but what about black and Hispanics?" Blacks still earn less than whites, but black income rose as well. Adjusting for inflation, the

proportion of black families earning more than \$75,000 tripled since 1970 to 9 percent. In 1998, the overall poverty rate for blacks fell to 26.6 percent, the lowest it has ever been. The number of black-owned businesses stood at 620,912 in 1992, up 281 percent since 1967, with sales of \$36 billion.

Cox and Alm give a mixed story for Hispanics. On the positive side, the number of Hispanic businesses rose from 100,000 in 1967 to 862,605 in 1992, with sales of \$86 billion. Although many Hispanic families are making it up the economic ladder, the group's overall income hasn't kept pace with blacks or whites. One possible explanation is the continuing immigration waves of low-skilled, low-wage workers who are overwhelming the statistical gains of longer-term residential Hispanics who've improved their education and skills.

The income mobility that Cox and Alm point to is possibly one of the greatest features about our country: Just because you know where a person ended up in life is no guarantee that you can predict where he started. And knowing where a person starts out in life does not control where he ends up.

Walter E. Williams is a professor at George Mason University in Fairfax, Va. His column is distributed by Creston Syndicate Inc., 6777 W. Century Blvd., Suite 700, Los Angeles, CA 90045, (310) 337-7003.

Voice of The Times

The Anchorage Times

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Martians beware

OUT OF SIGHT, and almost out of mind, the Ballistic Missile Early Warning facility at Clear Air Force Station, near Fairbanks, continues serving the nation as an important element in America's defense shield. It's a shield that's about to get a lot better.

Ground was broken on April 16 for a \$106 million project to replace the existing mechanical radar with what is known as a PAVE PAWS system.

Don't be alarmed by all the acronyms. PAVE is an Air Force program name, and PAWS stands for Phased Array Warning System. The purpose of the upgrade is to modernize the operations and capabilities of the system and expand the range and coverage of its eye in the sky.

And despite the big-ticket dollars involved, an Air Force announcement says the new radar will use existing equipment being shipped to Alaska from a PAVE PAWS site in Eldorado, Texas. The result, officials said, will be a cost savings of \$140 million.

The Clear facility is operated by the 13th Space Warning Squadron, part of the 21st Space Wing at Peterson AFB, Colo. Its mission is to provide tactical warning and attack assessment of sea-launched and intercontinental ballistic missiles.

Another top assignment for the military in Alaska.

Catching on

VICE PRESIDENT Al Gore has endorsed a couple of proposed changes in the way Congress funds the federal government. They should sound familiar because they're suggestions that also are on the table in Alaska.

Addressing a conference of the Association of Public Administration in Washington, Gore said he supports both a results-based government and a plan to pay the costs on a two-year budget basis.

The Alaska Legislature passed a results-based budget act this year. It will require state agencies to define measurable, specific objectives, then report annually on progress made on them.

This will assist lawmakers and the administration in identifying programs that can be eliminated, consolidated, expanded or otherwise altered — based not on the lobbying of interest groups but on a true measure of a program's effectiveness and efficiency.

A biennial budget proposal was introduced this year by House Speaker Gail Phillips, R-Hurder. Her purpose is to get a discussion started on the advantages of budgeting every two years rather than annually. The first hearing on the biennial budget idea was held April 30.

It's good to see the vice president following in Alaska's footsteps.

Old transportation ideas float to the surface

By LEW M. WILLIAMS JR.

KETCHIKAN — We can hear Haugen hollering from heaven: "I told you so."

Ernie Haugen was mayor of Petersburg just before and just after statehood and served many years in the state House. When Alaska was considering building the Alaska Marine Highway ferry system, Haugen led a Petersburg delegation which proposed a system of shuttle ferries serving the Southeast Panhandle with road extensions out of communities in order to shorten the ferry runs.

Haugen and Petersburg lost out to Ketchikan and Juneau pushing the through-ferry idea with ships running between Prince Rupert and Haines.

This year, State Department of Transportation planners are visiting Southeast communities touting a ferry and road plan they have worked out with Southeast mayors almost exactly like Haugen and company proposed 40 years ago.

Haugen died a half-dozen years ago but must be smiling down on the state's new plan.

Haugen served on the territorial highway board in the 1950s. That Board designated which road and harbor projects received the meager funds then available to the territory. Alaska didn't participate in the federal highway program then, although Alaska paid the gasoline tax which funded the federal highway program.

John LeFever, mayor of Cordova for many years, served on the highway board with Haugen. He was a powerful advocate of building the Copper River Highway from the Richardson Highway into Cordova following the long abandoned right-of-way of the Copper River and Northwestern Railway. Longtime Cordova residents say the road would have been built if LeFever had lived 10 more years.

It has been dead 30 years and the mood of the town has switched. Anti-development environmentalists, anti-tourism rednecks and spillionaire fishermen who make more money out of Exxon Valdez court decisions than fishing nets oppose a road or even the prospect of a hiking trail along the route.

The trail idea was once offered by Gov.



Tony Knowles, a strong advocate of hiking trails throughout the state.

LeFever must have broken into a slight smile from on high about the suggestion of a trail following the Cooper River route. It isn't a full road, but trails and a new governor might make it a road some day.

Knowles is only half-hearted in pushing a trail plan, probably as the result of environmentalists' opposition. It's not in the latest state transportation plan. But there is money to pay for 10 miles of hiking trail alongside the portion of the Copper River Highway still used.

Knowles should encourage his transportation planners to extend the Copper River Hiking Trail, or whatever they are going to call it, to the old Katalla townsite, across the river from Cordova, and from there down the coast of the Gulf of Alaska to Cape Yakataga.

More than 50 miles of highway extend from Cape Yakataga to Icy Bay that can be converted to a hiking trail after logging is completed in the area. It's beautiful country, which logging hasn't destroyed. Some of the prettiest forest is in second growth on land logged 35 years ago. A trail from the Richardson to Katalla, to Icy Bay would be unmatched anywhere in the world.

In the state's 1998-2000 state transportation improvement program, not much is listed for the shuttle ferry and road program in Southeast, except for building a ferry terminal to support a shuttle ferry between Saxman (Ketchikan) and Waluon Point Road out

of Katalla. But the Department of Transportation proposes a lot of projects to upgrade existing ferries and terminals.

It also proposes building four miles of road out of Cordova to a deepwater port site at Shepard Point so that tour ships have a place to land. (We love tourists in Ketchikan. So will Cordova.) And it proposes widening and paving 10 miles of the Copper River Highway out of Cordova after 2000.

Maybe the next governor will get to finish the Knowles' Copper River Hiking Trail. And the governor after that can turn it into a highway so Cordova can compete with ports at other highway terminuses — Seward, Valdez and Whittier.

The state's six-year Statewide Transportation Improvement Plan covers the state from one end to the other, from replacing a trestle at the ferry landing near Hyder, the southern-most Alaska town hooked to the continental highway system, to an Arctic coastal lookout at the end of the Dalton Highway.

In between, each community in the state gets highway, ferry, bike path and associated improvements from more than \$300 million a year in federal funds, matched by 10 percent by the state.

The biggest transportation project is the \$131 million of the \$310 million plan the governor has for improving Anchorage International Airport. The smallest is a tussle between relocating the Aniak Barge Access Road and lighting the Married Man's Trail along Ketchikan's historic Creek Street, the old red light district now frequented by tourists. Each is \$50,000 or less.

With a gubernatorial and legislative election this year, a number of veteran aides are going into jobs with more future security. That means new people are being hired.

One new aide was standing in front of a paper shredder with a puzzled look. An experienced secretary asked if she could help.

"Yes, how does it work?"

The secretary turned on the switch, inserted the new comer's document and turned to leave.

"One minute," the new aide said. "Where do the copies come out?"

Lew Williams Jr. is a retired Ketchikan newspaper publisher whose e-mail address is: lew@ktca.net

Voice of The Times

The Anchorage Times

Publisher BILL J. ALLEN
 "Believing in Alaska, pulling Alaska first"
 Editors: DENNIS FRADLEY, PAUL PERKINS, WILLIAM TOSBY
 The Anchorage Times Consortium in its opinion of the Anchorage Daily News does not represent the views of the Daily News. It is written and published under an agreement with Alaska sources of The Times, in the late aim of preserving a diversity of viewpoints in the community.

Ernest 'Turk' Mayfield

IN A VERY real sense, Ernest L. Mayfield was Alaska's trailblazing policeman. He set a course in law enforcement, at both the local and state levels, that thousands of others have followed — and he did so with distinction and honor.

At the age of 88, Turk Mayfield — as he was known throughout the state — died last week in relative obscurity. Sadly, he was unknown to many newcomers to Alaska, and perhaps even forgotten by those who once were aware of his contributions and his importance in the formation of police force policy and operations in the state.

Those who didn't know him missed a special person — a soft-spoken, sandy-haired man whose personality and demeanor were "oop of a gentle neighbor, far from what one might suspect for a tough cop who demanded the best of those who served with him.

He came to Alaska in World War II as a civilian investigator for the Corps of Engineers, and stayed on — first as police chief in Juneau and in 1949 as one of the first officers of the old Alaska Highway Patrol. After statehood, he was named head of the state police headquarters in Anchorage. What is in place now for the Alaska State Troopers was built on the foundation laid by Turk Mayfield.

Honored by his law enforcement colleagues, treasured by those who knew him well, Turk Mayfield was an Alaskan of unheralded stature. He deserves a lasting memorial for service that was a model of modesty, dedication and professionalism.

Efficient budgeting

TOPPING THE wish list of legislation that the Alaska State Chamber of Commerce would like to see approved next year is House Joint Resolution 2, introduced early this year by Rep. Gail Phillips, R-Homer.

HJR2 would amend the state constitution to establish a two-year budget cycle, replacing the current annual process.

Under the plan, the governor would submit a biennial budget in odd-numbered fiscal years. The Legislature would act on the plan by approving an appropriations bill that would cover a two-year period, beginning the first of the next even numbered fiscal year.

The primary purpose is to make government more efficient. State agencies would be freed up to do their assigned jobs rather than spending an inordinate amount of time each year preparing, defending and changing budgets — which is what happens now.

The Legislature also would be freed from the annual budget morass that runs up most of every 121-day session.

It's a win-win idea for the state.

Why is Clinton silent on peace sabotage?

By CHARLES KRAUTHAMMER

Having failed to topple Saddam Hussein or Slobodan Milosevic, Bill Clinton had to settle for Benjamin Netanyahu. In a characteristic display of partisan glee, Clinton toasted political consultant Robert Ehrum last week (reports Lloyd Grove in The Washington Post) to congratulate him (and implicitly the administration) for helping the Israeli opposition bring down the prime minister. Washington loves to hate.

Yet for all the gloating at the White House, there is deep trouble ahead in the peace process. A momentous shift has occurred that has almost completely eluded the radar screen of the Western media and the attention of this administration. While Palestinians, Americans, Egyptians, other Arabs and many Israelis assiduously assailed Netanyahu for this or that alleged violation of the spirit of the Oslo peace accords, Yasser Arafat went on a 60-nation diplomatic tour — hardly a stealth campaign — to kill the accords.

Here is the background. In the 1967 Six-Day War, Israel conquered the West Bank and Gaza. In the 1993 Oslo accords, Israel agreed to begin giving parts of it to the Palestinians in return for peace. The whole process was explicitly grounded in U.N. Resolutions 242 and 338 endorsing this land-for-peace formula.

Fine. After years of persistence, Netanyahu manages to get most of the not-an-inch "nationalist" half of Israel to accept the 242/338 formula. What happens? For the last six months Arafat has been going around the world demanding instead implementation of U.N. Resolution 181.

What is that? An obsolete, defunct resolution passed by the General Assembly (unlike 242 and 338, not by the Security Council, and thus not even binding) ... in 1947. It partitioned British Palestine into a Jewish state and an Arab state. At the time, every single Arab state and the Palestinian Arab Higher Committee totally rejected 181. In fact, they invaded the area given to the Jews with the express purpose of wiping it off the map.

They failed. And now 50 years later, the Palestinians are converts to 181.

What's wrong with that? In the course of that '48-'49 war, Israel fought back. The armistice lines of 1948 ending it created the current internationally recog-



nized (pre-'67) Israel — an area larger than that outlined in 181. Hence Arafat's 181 ploy. Under 181, Israel would have to give up not just the '67 conquests (all of the West Bank, East Jerusalem and Gaza) but large chunks of pre-'67 Israel proper in the Galilee and the Negev. Indeed, 181 would take not only east Jerusalem away from Israel, but west Jerusalem — entirely Jewish and always under Israeli control — as well.

Before the Israeli elections, says Ehud Ya'ari (Middle East correspondent for Israel Television and an associate of the Washington Institute for Near East Policy), the Palestinians were preparing to go to the U.N. General Assembly to demand an explanation from Israel "on the measures it took illegally to extend its laws and regulations to the territory it occupied ... beyond the territory allocated to the Jewish state in resolution 181."

Now, this is worse than a snafu. This is a peace stopper. It sabotages any possible coming negotiations. Arafat is making demands on Israel that he knows neither Ehud Barak nor the sweetest Israeli dove (say, the hapless Shimon Peres) could ever contemplate.

And yet the Clinton administration, remarkably able to take time off from Kosovo to criticize and undermine Netanyahu for this or that, was until last week silent on Arafat's gross undermining of Oslo. After all, Oslo is founded on 242 and 338, reflecting the obvious fact that 181 died 50 years ago with the Arab war on the new Jewish state.

It was only two weeks ago that the first squeak was heard. "Not relevant and not appropriate," said special Middle East coordinator Dennis Ross of 181. His reference was oblique — he didn't even dare mention 181 — and the characterization tepid. What muck. How about "absurd and destructive"? Al Gore, campaigning, chimed in similarly, referring to "recent talk of U.N. Security Council Resolution (sic) 181." Talk? Arafat's been on a global campaign to revive it.

Compared to the bluntness of the administration's incessant attacks on Netanyahu, the administration's soft-pedaling of 181 revealed how far into Arafat's corner it has maneuvered itself.

And with serious damage to the peace process. After all, Arafat has moved the goal posts. The 181 maneuver will make it infinitely harder for Barak to negotiate the kind of final settlement with the Palestinians that Clinton has been pushing for six years.

Why then the silence? Isn't it for an administration that says it is in Oslo to publicly reprimand Arafat for the 181 maneuver that undermines how can an administration that calls itself the granddaddy ever to Israel not denounce Arafat's brazen international campaign for the territorial dismantling of pre-'67 Israel?

Charles Krauthammer writes a weekly, nationally syndicated column for the Washington Post. His column is distributed by the Washington Post Writers Group. © Copyright 1999 The Washington Post Co.

Voice of

The Anchorage Times

Published by BILL J. ALLEN
"Believing in Alaska, putting Alaska first"
Editors: BENNIE FRANEY, PAUL JENKINS, WILLIAM E. THOM
The Anchorage Times is published in this format by the Anchorage Daily News. It is not owned by the Anchorage Daily News. It is published by an independent publisher in the interests of providing a diversity of viewpoints to the community.

Alaskan many thi

By JIM CRAWFORD
Anchorage Mortgage

The Times editor (April 25), was good. Prioritizing our exp... ing unnecessary st... tainly the fulfillme... conservative electo... lators were re-elect... they had said what... do, then did what... their word. That's r... of Clinton doublespo...

Let me, however, ment in the editorial that account for up state's income were may be true of Gen but it is certainly r come of the state is a tion is an important

According to the agement and Budget cal year 1996 was \$1 \$1.5 billion came fr Investment Income, Per... Permanent Fund a... counts into which d... enues have bee... dep... — generated \$2 bill... billion came from... \$1.6 billion was from...

In other words, th... ing in on new oil revenues... total revenue collecte... year. Why is it imp... of distinction?

Because the fallac... dependency affects A... ecy and stifles the sta... to an ternational investme... gages

If you were on W... rating bonds for a n... that's 85 percent dep... source of income), w... paid the interest rate? Inc... it affect every commu... chor... 85 percent fallacy al... office or apartment... of for interest, and th... businesses or indivi... owner for rent.

Every renter in Al... dual or a business, h... for the continuation... fallacy. Our cost of... business facilities is... than comparable ure... Wall Street believes... economy heavily dep... state industry. A one-horse fund...

CANT OF TIES... INATION.



Too darned long

WITH THE end of the 1997 legislative session in sight, let's suggest again that it's time to make a fundamental change in the way Alaska lawmakers do their business.

We're not talking about the conduct or results of this session. We are not criticizing legislators, individually or collectively.

The change that's needed is in the system itself.

Simply put, the state's annual legislative sessions last too long.

As things now stand, lawmakers meet for four months every year. For one-third of every year, the principal focus of government is on events happening in the state House and Senate. The workings of the bureaucracy may go on, albeit with some considerable distractions from the Capitol, but the attention of the top administration leaders — the commissioners, their deputies and various department heads — is riveted on what is happening in the Legislature.

Once adjournment is reached, each department of the government spends the next three months dealing with implementation of any new laws that affect their respective operations, and struggling with financial changes caused by budget cuts and changes in line-item appropriations.

And during the final one-third of the year the administration — all the departments, commissioners, deputy commissioners and workers down the line — must concentrate on planning for the next session, preparing new bills for introduction, working on the next budget, and generally gearing up to do battle all over again.

It's a wonder anything gets done.

THERE IS a solution. By statute or by constitutional amendment, it should be mandated that the Legislature handle the state budget process on a two-year cycle — rather than dealing with appropriations annually.

Every other year, legislators should meet for a short session — 45 days at the maximum — to consider only a biennial budget. No other legislation would be considered, other than that required to address items that are judged to be absolute emergencies.

On the alternate years, the legislators would meet to consider general legislation — no budget work at all. Without the need to deal with budgets and funding, the work of this session would not require lawmakers to be in Juneau for four months of the year.

Maybe, under this scenario, they could get the work done in 60 days. Certainly 90 would be sufficient, under any circumstances.

The grim need for legislators to be in Juneau for a third of the year would be eliminated. And the administration would have much more time to concentrate on the job of running the state.

This is not rocket science. This is not plowing new fields in government. Any number of states now operate, very successfully, in this fashion. So should Alaska.

do not invest here. They all bou... percent assertion, believing it... for total state revenues — n... third of the revenues used for... ing budget.

Fortunately, there are maj... who are beginning to under... real economy. They are willin... long-term funds in Alaska w... manding an "Alaska premium... they believe is a narrow eco... fact is, our economy is not n... more.

In my trade of commercia... dental mortgage banking, I... eled throughout the country... bringing long-term inves... lenders into Alaska. They a... why they should invest in a... percent dependent on oil. It... swering the question, "who... stop beating your wife?"

I encourage The Times edit... get out the word that Alaska... ing, diversified economic bas... decreasing dependency on any... sector of the economy is our... strength. The state is in a gre... for building our future. If w... share this information with W... and with fellow Alaskans as... benefits would be immediate.

Jim Crawford is a former chair... publican Party of Alaska and an An... tential and commercial mortgage busi...

THE ANCHORAGE TIMES, P.O. Box 100040, Anchorage, AK 99510 Telephone (907) — Fradley 264-8794 — e-mail AnchTimes@com...

LETTERS TO

HJR

3

HOUSE COMMITTEE REPORT

(9)

Date Referred to Committee: January 19, 1999

FURTHER REFERRALS:

Judiciary
Finance

Date of Committee Action: 3-3-99

The RESOURCES Committee considered:

HIR 3

HOUSE JOINT RESOLUTION NO. 3

CONST. AM: WILDLIFE INITIATIVES

Proposing an amendment to the Constitution of the State of Alaska relating to initiatives regarding natural resources belonging to the state.

recommends it be replaced with the following committee substitute _____ 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) _____

zero fiscal note(s) _____

zero fiscal note(s) 2-9-99 Div. of
Elections

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>Scott Ogan</i>				<input checked="" type="checkbox"/>
<i>Nancy Larsner</i>			<input checked="" type="checkbox"/>	
<i>Severely Mitchell</i>			<input checked="" type="checkbox"/>	
<i>Paula...</i>			<input checked="" type="checkbox"/>	
<i>John Harris</i>	<input checked="" type="checkbox"/>			

CHAIR'S SIGNATURE Scott Ogan

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. HJR3

Revision Date/ <u>2/9/99</u>	Dept. Affected <u>Office of the Governor</u>
Title <u>Constitutional Amendment relating to</u>	BRU <u>Elective Operations</u>
initiatives regarding natural resources belonging to the state	Component <u>General and Primary</u>
Sponsor <u>Representative Bunde</u>	
Requester <u>House Resources Committee</u>	Component Serial No. <u>22</u>

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services						
Travel						
Contractual	1.5					
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	1.5	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
1002 Federal Receipts						
1003 GF Match						
1004 GF	1.5					
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	1.5	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY99) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This figure includes the cost of providing information about this issue in the Official Election Pamphlet, as required by AS 15.58. However, only six measures can be printed on an 8-1/2 by 14 inch ballot. If this measure requires printing an 8-1/2 by 18 inch ballot, the cost will increase by \$22.0.

Prepared by <u>Gail Fenuimial</u> <i>Gail Fenuimial</i>	Phone <u>465-3935</u>
Division <u>Division of Elections</u>	Date/Time <u>2/9/99 9:12 AM</u>
Approved by <u>Lt. Governor Fran Ulmer</u> <i>Fran Ulmer</i>	Date <u>2/9/99</u>
Agency <u>Office of the Lieutenant Governor</u>	

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Mail Stop 3101

130 Seward Street, Suite 402
Juneau, Alaska 99801-2165

MEMORANDUM

January 18, 1999

SUBJECT: HJR 3; Proposed constitutional amendment relating to initiatives regarding natural resources belonging to the state (Work Order No. 21-LS0211AD)

TO: Representative Con Bunde
Attn: Patti Swenson

FROM: George Utermohle *GU*
Legislative Counsel

In a prior memorandum regarding an early version of HJR 3, I mentioned that there was an unresolved constitutional issue as to whether the people may propose an initiative measure that relates to management of fish and game or other natural resources belonging to the state. The concern that I expressed was that by setting a supermajority vote requirement for approval of initiatives relating to natural resources, HJR 3 would be explicitly recognizing the right of the people to propose such initiatives.

Just last Friday, January 15, 1999, the Alaska Supreme Court settled the question as to the power of the people to propose initiatives regarding management of natural resources. In a case that challenged the constitutionality of the proposed initiative that sought to ban the snaring of wolves (Brooks v. Wright, Opinion No. 5066, January 15, 1999; URL: <http://www.alaska.net/~akctlib/sp5066.txt> (copy enclosed)), the court found that the legislature does not have exclusive law-making powers over natural resources and that management of natural resources belonging to the state is an appropriate subject for an initiative.

Now that it is clear that the people may propose initiatives relating to management of natural resources¹, it is possible for you to offer HJR 3 without unintentionally affecting the determination as to whether the people ever had the power to propose initiatives relating to natural resources.

If I may be of further assistance, please advise.

GU:glc
99-008.glc
Enclosure

¹ The power of the people to propose an initiative on any matter, including the management of natural resources, is subject to art. XI, sec. 7, of the Alaska Constitution which reads (in relevant part): "The initiative shall not be used to dedicate revenues, make or repeal appropriations, create courts, define the jurisdiction of courts or prescribe their rules, or enact local or special legislation."

Alaska Forest Association, Inc.



111 STEDMAN SUITE 200
KETCHIKAN, ALASKA 99901 6599
Phone 907-225-6114
FAX 907-225-5920

February 24, 1999

The Honorable Con Bunde
Alaska House of Representatives
State Capitol
Juneau, AK 99801

Dear Representative Bunde: *Con*

Thank you for introducing House Joint Resolution 3, proposing a constitutional amendment raising the standard required for certain initiatives to become law.

The initiative and referendum process has been an important part of the American system of government since the founding of our country and remains so today. In recent years, however, initiatives have become a tool of choice for those who wish to unreasonably limit economic development, particularly in the development and utilization of natural resources. In such places as Maine and Oregon, for example, they have been used to promote prohibitions on timber harvest methods based, not on science, but on emotion. Alaska has seen several of these types of initiatives in recent years and we can reasonably anticipate more in the future. Moreover, we have watched as groups promoting initiatives have purposely mis-characterized the initiatives during the signature-gathering process so that signatories have been misled as to their real intent, thus inappropriately aiding the anti-development agenda of the initiative proponents. By these tactics, initiative promoters have been able to sidestep the reasoned debate and considerations that go into writing laws through the legislative process, thus perverting the system of representative government which Americans so highly (and appropriately) cherish.

For these reasons, the Alaska Forest Association endorses and supports HJR3, and pledges its best efforts to ensure that the measure is presented to the people at the next general election.

Thank you again for your interest in this matter and for introducing HJR3. Please feel free to call on me for any additional support AFA may be able to lend you in your effort to place this issue on the ballot.

Sincerely,

Jack E. Phelps
Executive Director

Letter of Support, HJR 3
February 24, 1999

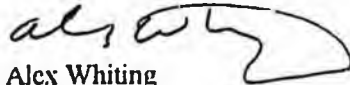
2-08-99

Representative Con Bunde
State Capitol, Room 104
Juneau, AK 99801-1182

Honorable Con Bunde.

I am following up an e-mail to you on the subject of HJR 3. I wanted to submit a hard copy (revised from my e-mail) to yourself. I followed your advise and have sent hard copies to all those whom you had named. I feel strengthening the public initiative process will go a long way towards protecting the future of consumptive use of wildlife in Alaska for many years to come. Again I appreciate your efforts in this objective. It is definitely prudent to address this issue at this time and I am glad you have taken the initiative (no pun intended). If there is anyway I can be of further assistance to you in this endeavor please contact me.

Thank you for your time and your service to the people of Alaska.



Alex Whiting
Kotzebue, AK



ALASKA MINERS ASSOCIATION, INC.

3305 Arctic #202, Anchorage, Alaska 99503 FAX: (907) 563-9225 Telephone: (907) 563-9229

March 12, 1999

Honorable ~~Gov. Bunde~~
Honorable Bill Williams
State House of Representatives
Capitol Building
Juneau, AK 99801

RE: HJR-3, Ballot Initiatives Regarding Natural Resources
HB-45, Requirements for Initiating Ballot Initiatives

Dear Representatives Bunde and Williams,

Thank you for the opportunity to comment on House Joint Resolution 3 and House Bill 45, both of which deal with ballot initiatives. The Alaska Miners Association wishes to go on record in support of both of these important bills. We also wish to urge that both bills be sufficiently broad to include ballot initiatives affecting the management of any natural resource rather than be limited to fish and game resources.

We were very pleased to see these bills introduced. There are recent examples from other states where ballot initiatives have been used to block scientific management of resources. A recent and extremely egregious example occurred in Montana where a ballot initiative was crafted to eliminate all metal mining. That initiative declared that the state could not approve any permit that included the use of cyanide. Existing mines are allowed to continue operating but they can not get changes or amendments to their permits and no new mines can be permitted.

Cyanide is utilized in nearly every hardrock gold mine in the world and in most other ore milling processes in the world. Cyanide is a potentially hazardous compound but it can be managed safely and is managed safely. Cyanide also readily decomposes from CN into CO₂ (carbon dioxide) and N₂ (nitrogen) when exposed to sunlight and/or oxygen. Furthermore, there has been no industrial death from cyanide in this country during the past 100 years. Just like gasoline, chlorine for water purification and other important compounds, cyanide use, transportation and storage can be managed safely.

In Montana these facts however did not prevail when a very well funded (it now appears that the Turner Foundation was the primary source) and emotional campaign was fought in the press.

Management of all Alaska's natural resources should be based on policies established by the Legislature and then carried out by the trained professionals in the State agencies. HJR-3 and HB-45 will help insure that this process is maintained while still providing the opportunity for serious issues to be addressed by the ballot initiative process. We urge passage of these bills.

Sincerely,

Steven C. Borell, P.E.
Executive Director

cc: Governor Tony Knowles

HOUSE JOINT RESOLUTION NO. 3

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE BUNDE

Introduced: 1/19/99

Referred: Resources, Judiciary, Finance

A RESOLUTION

1 Proposing an amendment to the Constitution of the State of Alaska relating to
 2 initiatives regarding natural resources belonging to the state.

3 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

4 * Section 1. Article XI, sec. 6, Constitution of the State of Alaska, is amended to read:

5 Section 6. Enactment. If a majority of the votes cast on the proposition favor
 6 its adoption, the initiated measure is enacted, except that an initiated measure not
 7 otherwise prohibited by Section 7 of this article that relates to the utilization,
 8 development, or conservation of a natural resource belonging to the State,
 9 including land and waters, is enacted only if at least two-thirds of the votes cast
 10 on the proposition favor its adoption. If a majority of the votes cast on the
 11 proposition favor the rejection of an act referred, it is rejected. The lieutenant
 12 governor shall certify the election returns. An initiated law becomes effective ninety
 13 days after certification, is not subject to veto, and may not be repealed by the
 14 legislature within two years of its effective date. It may be amended at any time. An
 15 act rejected by referendum is void thirty days after certification. Additional procedures
 16 for the initiative and referendum may be prescribed by law.

1 * **Sec. 2.** The amendment proposed by this resolution shall be placed before the voters of
2 the state at the next general election in conformity with art. XIII, sec. 1, Constitution of the
3 State of Alaska, and the election laws of the state.

FISCAL NOTE

Bill Version: HJR 3

(H) Publish Date: 3/5/99

STATE OF ALASKA
1999 LEGISLATIVE SESSION

Revision Date/ 2/9/99 Dept. Affected Office of the Governor
 Title Constitutional Amendment relating to BRU Elective Operations
 initiatives regarding natural resources belonging to the state Component General and Primary
 Sponsor Representative Bunde
 Requester House Resources Committee Component Serial No. 22

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services						
Travel						
Contractual	1.5					
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	1.5	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
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1004 GF	1.5					
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	1.5	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY99) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This figure includes the cost of providing information about this issue in the Official Election Pamphlet, as required by AS 15.58. However, only six measures can be printed on an 8-1/2 by 14 inch ballot. If this measure requires printing an 8-1/2 by 18 inch ballot, the cost will increase by \$22.0.

Prepared by Gail Fenumial Phone 465-3935
 Division Division of Elections Date/Time 2/9/99 9:12 AM
 Approved by Lt. Governor Fran Ulmer Date 2/9/99
 Agency Office of the Lieutenant Governor

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HJR

5



REPRESENTATIVE ALAN AUSTERMAN Alaska State Legislature

P.O. Box 2368, Kodiak, Alaska 99615 (907) 486-5930 • Session: State Capitol, Juneau, Alaska 99801 465-2487

Committee Substitute HOUSE JOINT RESOLUTION NO. 5 SPONSOR STATEMENT

Updated: March 7, 2000

The adoption of House Joint Resolution 5 will allow the people of Alaska to vote for the opportunity to place a dedicated highway fund, marine highway fund and a dedicated harbor fund within the Alaska Constitution.

By establishing a dedicated fund, Alaska's citizens might be more inclined to accept an increase in the highway and marine fuel tax, if they knew the money would be spent specifically on the maintenance of our highways and harbor facilities.

All states dedicate motor fuel taxes, but states vary in whether the dedication is established by statute or constitution. In Alaska, AS 43.40.010 directs that revenues from motor fuel taxes shall be deposited in a special highway fuel tax account in the state general fund and that the legislature may appropriate funds from this account for transportation purposes. By placing this dedication in the constitution, all monies collected shall be mandated for maintenance.

Transportation is a fundamental component in society's infrastructure. A safe, viable and efficient transportation system provides a reliable corridor towards the other factors in a community's foundation. These other elements include public safety, educational opportunities, proper health care and economic growth. Proper maintenance on the transportation system ensures that all of these underpinnings of public policy will be given a fair chance of delivery and being achieved.

The maintenance portion of the Alaska Department of Transportation's budget has long been inadequately funded. This is evident across our state in the form of potholes, frost heaves, unsafe bridges, inadequate ditching that leads to flooding, little or no vegetation control, little or no sign maintenance and improper guardrail repair. In the wintertime it leads to a lack of snow removal in some areas and poor response times in other areas. It has also led to poor ice control, both on the highways and for the drainage structures, which exacerbates the conditions on the roadway. The stark reality is - people have died on the roadways of Alaska because of the lack of proper maintenance.

Although this dedication may not be enough by itself to fully fund the maintenance of our highways and harbors, it is a step in the right direction. The alternative is deferred maintenance which is considerably more expensive. As it is, the longevity baseline of some of Alaska's highways is uncertain. The lack of proper maintenance these last two decades will eventually cost the state far more than had it been done right the first time.



REPRESENTATIVE ALAN AUSTERMAN Alaska State Legislature

P.O. Box 2368, Kodiak, Alaska 99615 (907) 486-5930 • Session: State Capitol, Juneau, Alaska 99801 465-2487

Committee Substitute
HOUSE JOINT RESOLUTION NO. 5
SECTIONAL ANALYSIS

Updated: March 7, 2000

1. The first section of this resolution repeals Article IX, Section 7 of the Constitution. It readopts all provisions of Section 7 with minor stylistic changes and specifies the exact date for continuance of any dedications that existed at the date of ratification by the people of Alaska. Article IX is also amended adding three new sections.

2. The second section of this resolution adds language creating a Highway Fund-Section 18. All revenues received after June 30, 2001 from State of Alaska taxes on fuel used for vehicles used on the state's roadways, less administrative costs, shall be placed in a highway fund. The legislature may appropriate money from this fund only for the maintenance costs of these roadways that are maintained by the state or local government. This section does not apply to revenue received from taxes that the state collects on behalf of a local government. The fund shall be properly managed and all earnings shall be deposited into the fund. All other appropriations from this fund may be made with a three-fifths vote of the members of each house of the Legislature.

3. Continuing with the second section, this resolution adds language creating a Harbor Fund-Section 19. All revenues received after June 30, 2001 from State of Alaska taxes on fuel used in and on watercraft shall be placed in a harbor fund. The legislature may appropriate money from the fund only for the construction and improvement of harbor facilities maintained by the state or local government. This section does not apply to revenue received from taxes that the state collects on behalf of a local government. The fund shall be properly managed and all earnings shall be deposited into the fund. All other appropriations from this fund may be made with a three-fifths vote of the members of each house of the Legislature.

4. Continuing, this resolution adds language creating a Marine Highway Fund-Section 20. All revenues received after June 30, 2001 that is generated from the operation of the Alaska Marine Highway System, shall be placed in a marine highway fund. The Legislature may appropriate money from the marine highway fund only for the maintenance and operational costs of the marine vessels and facilities of the Alaska Marine Highway System. The fund shall be properly managed and all earnings shall be deposited into the fund. All other appropriations from this fund may be made with a three-fifths vote of the members of each house of the Legislature.

5. The third section of this resolution is the mechanism by which this resolution would be placed before the voters at the next general election for their consideration.

FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. HJR5

Revision Date/Time (Note if correction) _____ Dept. Affected Office of the Governor
 Title Constitutional Amendment: Relating to the BRU Elective Operations
creation of a highway fund and a harbor fund Component Elections
 Sponsor Representative Austerman
 Requester House Transportation Committee Component No. 21

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services						
Travel						
Contractual	1.5					
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	1.5	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	1.5					
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	1.5	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2000) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)
 This figure includes the cost of providing information about this issue in the Official Election Pamphlet, as required by AS 15.58. However, only six measures can be printed on an 8-1/2 by 14 inch ballot. If this measure requires printing an 8-1/2 by 18 inch ballot, the cost will increase by \$22.0.

Prepared by: Gail Fenuma *Gail Fenuma* Phone 465-3935
 Division Division of Elections Date/Time 1/28/00 10:57 AM
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FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. CSHJR 5(TRA)

Revision Date/Time (Note if correction) _____ Dept. Affected Office of the Governor
 Title Constitutional Amendment: Relating to the BRU Elective Operations
creation of a highway fund and a harbor fund Component Elections
 Sponsor Representative Austerman
 Requester House Judiciary Committee Component No. 21

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services						
Travel						
Contractual	1.5					
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	1.5	0.0	0.0	0.0	0.0	0.0

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

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

FUND SOURCE (Thousands of Dollars)

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Estimate of any current year (FY2000) cost: 0.0

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Part-time						
Temporary						

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Prepared by: Gail Fenumiaic *Gail Fenumiaic* Phone 465-3935
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Legislative Research Agency

130 Seward Street, Suite 218
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Phone: (907) 465-3991
Fax: (907) 463-3351

Alaska State Legislature



May 30, 1995

MEMORANDUM

TO:

FROM: Linda Brooks *LB*
Legislative Analyst

RE: **Dedicated Highway Funds in Other States**
Research Request 95.205

You requested a list of states with dedicated highway or transportation funds. According to *Earmarking State Taxes*, an April 1995 publication of the National Conference of State Legislators (NCSL), all fifty states dedicate at least a portion of motor fuel tax revenues for transportation purposes. That the NCSL lists Alaska as a state with a dedicated transportation fund may seem surprising, because Article IX, Section 7 of Alaska's Constitution prohibits the establishment of new dedicated funds.¹ However, since Alaska Statute 43.40.010 directs that revenues from motor fuel taxes shall be deposited in a special highway fuel tax account in the state general fund and that the legislature may appropriate funds from this account for transportation purposes, the NCSL holds the view that Alaska essentially has a dedicated transportation fund for all practical purposes.² New Jersey is similar to Alaska with motor fuel tax receipts first going into the general fund and then being appropriated by the legislature for transportation purposes.

¹The Alaska Constitution provides for two exceptions to the prohibition against dedicated funds. Dedicated funds in existence at the time of statehood were allowed to continue. Also, the state may establish a new dedicated fund when it is necessary to participate in a federal program.

²Alaska Statute 43.40.010 separates motor fuel tax revenues into three categories: aviation, watercraft, and all other motor fuel tax revenues. Sixty percent of aviation motor fuel tax receipts are to be returned to a municipality owning and operating or leasing and operating a municipal airport in the proportion that the aviation fuel tax revenue was collected at the airport. All other aviation fuel tax revenues are to be deposited into a special aviation motor fuel tax account in the general fund and may be appropriated by the legislature for aviation facilities. Revenues from watercraft motor fuel taxes are to be deposited into a special watercraft motor fuel tax account in the general fund and may be appropriated by the legislature for water and harbor facilities. All other motor fuel tax revenues are to be deposited into a special highway fuel tax account in the general fund and may be appropriated by the legislature for highways and ferries.

May 30, 1995

Page 2

All states dedicate motor fuel taxes, but states vary in whether the dedication is established by statute or constitution. At least twenty-three states dedicate revenues from motor fuel taxes, vehicle licensing, vehicle registration, and/or operator licensing for transportation purposes per provisions in their state constitutions. States with constitutional dedication are Alabama, Arizona, California, Florida, Georgia, Idaho, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nevada, New Hampshire, New Jersey, Oregon, Pennsylvania, South Dakota, Texas, Utah, Washington, and West Virginia. We include sections from these constitutions as Attachment A. While the constitutional provisions differ, most of these states dedicate all revenues derived from fees, excises, and/or license taxes relating to the registration, operation and use of vehicles on public highways and to fuels used for the propulsion of such vehicles to a transportation fund.

Almost all of these state constitutional provisions are silent on the subject of tax rates. However, Florida's constitution designates a "second gas tax" of two cents per gallon upon gasoline and New Jersey's constitution stipulates that there shall be credited annually to a special account in the general fund an amount equivalent to the revenue derived from two and one-half cents per gallon from the tax imposed on motor fuel. Specifying a tax rate in the constitution would make it difficult to maintain the real value of the dedicated revenues in times of inflation, since an increase in the amount of dedicated taxes would require a constitutional amendment.

Most of the constitutional provisions direct that dedicated transportation revenues are to be spent on highway and road maintenance and construction, but several states also allow their revenues to be spent on traffic law enforcement. Several states use their dedicated transportation funds for local and county roads as well as state highways. The Minnesota and Missouri constitutions specify percentages of highway tax revenues to be spent on local and county roads.

Finally, we should note that while most states dedicate 100 percent of motor fuel tax revenues for transportation purposes, some states dedicate substantially less. For example, according to fiscal year 1993 figures in the NCSL publication, *Earmarking State Taxes*, New York dedicated only 20 percent of its motor fuel tax revenues to transportation purposes. Kentucky dedicated 48 percent, New Jersey 38 percent, and Rhode Island 59. Earmarking less than 100 of motor vehicle registration or licensing fees for transportation purposes appears to be even more common. For example, instead of dedicating all revenues for transportation purposes, Arizona specifically earmarked 17 percent of vehicle licensing fees to the support of public schools in fiscal year 1993. Similarly, California dedicated 25 percent of vehicle license to the support of county health and social service programs.

We include *Highway Taxes and Fees: How They Are Collected and Distributed 1993*, published by the U.S. Department of Transportation's Federal Highway Administration as Attachment B. How states pay for highway construction and maintenance is a complex topic, and this Federal Highway Administration publication provides detailed information on highway funding practices in all fifty states. Appendix A to the NCSL's 1995 publication, *Earmarking State Taxes*, is less detailed but shows the revenues each state raised through various highway user taxes during fiscal

May 30, 1995
Page 3

year 1993 and the percentages of these revenues that were earmarked. We include the NCSL appendix as Attachment C. However, the NCSL appendix focuses on highway user *taxes* and omits information on *fees* such as operator licensing fees that might also be dedicated into state transportation funds.

We hope this information is useful to you.

Attachments



ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

P.O. Box Y, State Capitol
Juneau, Alaska 99811-3100
Mail Stop 3100
(907) 465-3991

March 9, 1989

MEMORANDUM

TO: Representative Alyce Hanley

ATTN: Shirley Armstrong

FROM: Gretchen Keiser *G. Keiser*
Legislative Analyst

RE: Dedicated Revenues in Alaska and Other States
Research Request 89.232

You requested information regarding the types of revenues that are dedicated to specific programs in other states. You also asked for a discussion of Alaska's dedicated funds and special accounts.

DEDICATION OF TAX REVENUES IN THE 50 STATES

According to a 1986 survey available from the National Conference of State Legislatures (NCSL), about 21 percent of state tax revenue was dedicated in 1984.¹ Attachment A provides several tables from the NCSL report which summarize the extent of earmarking, the type of taxes earmarked, and the purposes for which the tax revenue is dedicated. The NCSL study provides comprehensive information according to the following definitions:

- Dedication or earmarking - the designation of certain revenue for specific purposes on a continuing basis.
- Taxes - all taxes as well as licenses and motor vehicle registration fees--according to the U.S. Census Bureau's standardized tax collections data. Excluded are non-tax revenues such as user fees (e.g., park fees, higher education tuition, and hospital charges) and mineral royalties and bonuses.
- State revenues - revenues from tax which are levied by the state and not the local and federal governments.

¹S. Gold, B. Erickson, and M. Kissell, "Earmarking State Taxes," National Conference of State Legislatures, 1986, 87 pp.

Dedication, or earmarking, is widespread in state fiscal systems. The incidence of earmarking revenues for specific purposes has increased in recent years, while the portion of total state tax revenue that is dedicated has declined markedly since the mid-1950s when 51 percent of state tax revenue was dedicated. The decline in the proportion of tax revenue that is dedicated has occurred because 1) the greatest growth in state tax revenue has been experienced in less heavily earmarked taxes and 2) some states have removed substantial earmarking provisions. Alaska, along with Connecticut, Delaware, Hawaii, Louisiana and Rhode Island, earmarked five percent or less of their tax revenue in 1984. At the other extreme, Alabama earmarked 89 percent of its tax revenue for specific purposes.

In 1984, the taxes most widely earmarked were those on motor fuels, motor vehicle registration fees, general sales, alcoholic beverages, and cigarettes. Table 2 in Attachment A summarizes the frequency of earmarking major state taxes and the purposes to which these taxes were dedicated. For example, the motor fuels tax is earmarked to some extent in 48 states, while motor vehicle registration fees are earmarked in 42 states. These revenues are typically dedicated for highways and other transportation purposes. On the other hand, state revenues from general sales, alcoholic beverages, and cigarettes taxes are commonly earmarked for local governments or education (Tables 3 - 6 in Attachment A). Although not tax revenue, lottery proceeds in the majority of lottery states are also earmarked for various purposes (Table 7 in Attachment A).

ALASKA'S DEDICATED REVENUE FUNDS

Article IX, Section 7 of the Alaska Constitution prohibits the dedication of the proceeds of any state tax or license for a special purpose, except 1) revenues that were dedicated prior to ratification of the constitution, 2) mineral revenues dedicated to the Alaska Permanent Fund, and 3) revenues dedicated to funds in order to meet requirements for state participation in federal programs. According to current interpretation, the Alaska Constitution's prohibition against dedication of revenues applies to most sources of state revenue and not solely to tax and license revenue. A 1982 Attorney General's Opinion concluded that Article IX, Section 7 should also be read to contain implied exemptions for pension contributions, proceeds from bond issues, sinking fund receipts, revolving fund receipts, contributions from local government unit for state-local cooperative programs and tax receipts which the state collects on behalf of local governments.²

²Letter from Attorney General Wilson Condon to Gerald Wilkerson, legislative auditor and Carole Burger, commissioner of Administration, November 30, 1982.

In the remainder of this memorandum, I present a brief description of the dedicated revenue funds explicitly permitted under the Alaska Constitution. Fiscal data for FY 88 from the Comprehensive Annual Financial Report, prepared by the Department of Administration, is presented for each dedicated revenue fund. A previous House Research Agency memorandum (85.319) provides detailed descriptions of most dedicated revenue funds and other special accounts which exist outside of the general fund (Attachment B).

Dedicated revenue funds exempted under Article IX, Section 7 include:

- Training and Building Fund (AS 23.20.130) - derived from interest and penalty charges assessed for failure to file timely reports and pay contributions to the Unemployment Compensation Fund. The money is used by the Department of Labor for administration of the Employment Security Act and for job training programs, although any unobligated balance over \$100,000 on the last day of the fiscal year must be transferred within 20 days to the state-administered, federal Unemployment Compensation Fund.
- Fish and Game Fund (AS 16.05.100) - receives sportfishing and hunting license receipts, proceeds from state sale of furs, settlements of state claims, and money from other government units and private donors. The money is spent by the Department of Fish and Game on sportfish and game resource programs.
- University of Alaska Permanent Fund (AS 14.40.400) - consists of monies received from land and mineral lease rentals, lands sales, and bonuses and royalties on minerals from lands designated by a Congressional land grant in 1929. Income from the trust fund must be used exclusively for the School of Mines and Agricultural College.
- School Fund (AS 43.50.140) - derived from Cigarette Tax receipts and is to be used for rehabilitation, construction and repair of Alaska school facilities.
- Alaska Permanent Fund (AS 37.13.010) - receives a portion of all mineral lease rentals, royalties, royalty sale proceeds, net profit shares, and federal mineral revenue sharing payments. The annual net income is available for appropriation.
- Public School Fund (AS 37.15.110) - derived from one-half of one percent of the total receipts from the management of state lands, including proceeds of sale or annual rent of surface rights, mineral lease rentals, royalties, royalty sales, and federal mineral revenue sharing payments. The income is credited to the general fund and reserved for public schools.

Mental Health Trust Income Account (AS 37.14.011) - under 1987 legislation, will receive the equivalent of annual rentals equal to eight percent of the fair market value of lands constituting the mental health trust corpus (as originally established under the federal Alaska Mental Health Enabling Act of 1956) once the trust corpus is reconstituted by the Department of Natural Resources. The monies are to be annually appropriated first to meet the necessary expenses of the state's mental health programs and the remainder may be appropriated for other public purposes.

National Petroleum Reserve - Alaska (NPR-A) Fund. (AS 37.05.530) - consists of money received from the federal government as sharing of oil and gas revenues (bonuses and rentals) in the NPR-A. The legislative intent is that the money be made available for grants to municipalities affected by NPR-A activities, with lapsed monies deposited in the general fund, Public School Fund and Alaska Permanent Fund.

Table 1 presents FY 88 fiscal data for each of these dedicated revenue funds. In most cases, the interest earned on money in the dedicated fund accrues to the fund (i.e., Fish and Game Fund, University of Alaska Permanent Fund, Alaska Permanent Fund, Public School Fund, and the Mental Health Trust Income Account). The School Fund accrues no interest because the fund's cigarette tax revenues are appropriated annually at the beginning of the fiscal year. The NPR-A Fund receives only the federal revenues and does not retain the interest earned on money in the fund. The Annual Financial Report also indicates that the Training and Building Fund does not accrue interest earnings.

OTHER ALASKA FUNDS SEPARATE FROM THE GENERAL FUND

The Annual Financial Report lists several funds which are not part of the general fund but do not qualify under the explicit exemptions of Article IX, Section 7 for dedicated funds. Some of these funds are examples of implicit exceptions, while others do not constitute dedicated funds. These funds are briefly described below, according to categories listed in the financial report.

Special Revenue Funds. Included in this category are the Disaster Fund and the Fire Suppression Fund which are financed through legislative appropriations. This group also includes the previously mentioned Training and Building Fund, School Fund, Fish and Game Fund, and National Petroleum Reserve Fund which are dedicated funds.

Debt Service Funds. These funds are established to repay the state's bond obligations and are funded through the general fund.

TABLE 1

UNOBLIGATED REVENUE FUNDS: FY 88
(In thousands)

	Beginning Balance July 1, 1987	Additions	Deductions	Ending Balance June 30, 1988
Training and Building *	\$340	\$738	\$852	\$226
Fish and Game	536	9,367	7,605	2,298
University of Alaska Permanent Fund	11,053	1,413	663	11,803
School Fund	2,349	2,777	3,500	1,626
Alaska Permanent Fund	8,369,114	1,247,014	424,376	9,191,752
Public School Fund	80,835	12,578	7,277	86,136
Mental Health Trust Income Account	760	1,180	0	1,940
National Petroleum Reserve - Alaska Fund	28,984	1,002	25,190	4,796

* Any unobligated balance in excess of \$100,000 in the Training and Building Fund on the last day of the fiscal year must be transferred within 20 days to the state-administered, federal Unemployment Compensation Fund.

Source: State of Alaska, "Comprehensive Annual Financial Report FY 88."

Prepared by the House Research Agency, March 1989 (89.232).

Representative Hanley
March 9, 1989
Page 6

Capital Project Funds. Revenues from general obligation bond sales are deposited in these funds and are committed to the purposes of the bond proposal approved by Alaska voters.

Enterprise Funds. These funds include the numerous revolving loan funds and the International Airport Funds.

Internal Service Funds. The two funds in this category--the Highway Equipment Working Capital Fund and the Correctional Industries Fund--account for the financing of goods and services provided by one state agency to another. The Highway Equipment Working Capital Fund receives money from state agencies using state equipment fleet vehicles; the money is used to purchase new vehicles. The correctional industry program is financed by the Correctional Industries Fund.

Trust and Agency Funds. This group of funds includes several previously mentioned, dedicated revenue funds: Public School Fund, University of Alaska Permanent Fund, and the Alaska Permanent Fund. This group also includes several expendable trust funds: Budget Reserve Fund, Memorial Scholarship Fund, Alaska Housing Finance Corporation Mortgage Insurance Fund, Permanent Fund Dividend Fund, and Unemployment Compensation Fund.³ Finally, the various pension funds (Public Employees' Retirement System, Teachers' Retirement System, Military Retirement System, and Judicial Retirement System) are included in this group.

I hope this information is useful. Please contact me if you have any questions.

Attachments

³The Unemployment Compensation Fund receives all payroll taxes and other contributions collected through the Unemployment Insurance Program and can be used only to pay unemployment compensation. Although it is a dedicated fund, it is technically a federal fund administered by the state outside of the state treasury.

HJR

6

STATE BOARD OF EDUCATION POSITION ON VOUCHERS

The State Board of Education's purpose is: "to help ensure that all students will succeed in their education and work, shape worthwhile and satisfying lives for themselves, exemplify the best values of society and be effective in improving the character and quality of the world about them" (AS 14.03.015). The State Board of Education believes all children, given adequate opportunity and support, can learn, and is committed to spending public funds on an accountable system that accomplishes that purpose.

The State Board of Education believes that successful public schools are integral to our Democracy. The board is opposed to any voucher plan that would take public money from public schools and give it to private schools or non-public home schools.

Accountability

Vouchers for home school programs and private schools would provide no accountability for quality teaching and learning programs. Every child in Alaska deserves a free and public education of the best quality, and by providing public funds the state has the right to hold schools accountable.

- Every student in the Alaska public schools system will be subject to standards-based testing in reading, writing and math in grades 3, 6, 8 and at the high school level. Students will be held accountable for passing the High School Graduation Qualifying Examination in order to receive a diploma, in addition to their other graduation requirements.
- Teachers are held to standards through Alaska's teacher licensure process, and through the new standards-based evaluation process.
- Schools will be held accountable for teaching students to read, write and compute at high academic levels. The state has developed school standards that will be used in determining if a school is "distinguished," "successful," "deficient," or "in-crisis."
- School Boards are composed of elected local officials that are responsible to the public. The state board supports this level of accountability to the public.

The public deserves to know its funds are being spent on an accountable system where results are measurable and reading, writing and mathematics skills are guaranteed with a high school diploma.

Results-based decision making

There is no current proof that a voucher system that uses public funds to pay for private or home schooling will improve student learning. The board opposes this experiment on Alaska's children. The board believes in making decisions that impact students lives based on proven research. Student Standards, Educator Standards, and School Standards are based on credible research. We need to allow time to implement what we are convinced will work.

Vouchers as an income program

The State Board of Education finds making funds available to those families who are at 200% of the poverty level could be an incentive to take children out of the public school system. The board opposes any plan that would put poor families in the position of deciding to take children out of the public school system for personal financial gain.

Cost

In this time of declining revenues, a voucher system could be at incredible financial cost to Alaska. The board believes available funds should be spent on improving the public school system which is available to all children in the state. Schools are currently working to implement standards at the classroom level so their students can pass the high school graduation qualifying exam. Public school funds should not be limited further just as schools are implementing these major reforms.

Choice

The board supports increased adequate and appropriate choice within the public school system: including charter schools, correspondence programs, alternative public school programs that may include vocational education and 11-14 programs, and access to transportation to these programs. Vouchers do not ensure parental choice when private schools may choose to accept students or deny access.

DATED: 2/26/99

Susan Stitham
Susan Stitham, First Vice Chair *SK*
Alaska State Board of Education



NEA-ALASKA

Affiliated with the National Education Association

HJR 6 NEA-Alaska Position Statement

NEA-Alaska is opposed to any attempt to change the Constitution of the State of Alaska that would allow for any public funds to fund either directly or indirectly, private, religious or home school instruction.

Article VII, sec. 1, Constitution of the State of Alaska states, "no money shall be paid from public funds for the direct benefit of any religious or other private educational institution." The framers of the Constitution spent many hours in debate over this section of the constitution. The debate was not over whether to allow public funds to be spent on private and religious education, but on how the Constitution might be even more prohibitive to this type of expenditure. Clearly the founders wanted public accountability for the expenditure of public monies.

At a time when the State of Alaska is faced with a \$1 billion deficit and some argue an uncertain future, a voucher proposal extending public funding to children enrolled in private and denominational schools and home schools is an extravagance we cannot afford. Our schools are not adequately and equitably funded now.

At a time when our public schools are required to set new educational standards and will be requiring students to pass difficult graduation examinations, weakening educational opportunities of public school children by diverting fiscal resources from public school classrooms to private and home providers is counter productive. Taking money away from these efforts and giving it to students who aren't required to meet similar standards, pass tests or improve learning is inconsistent with the legislature's quality school initiative embodied in SB 36. Giving public money to private and home schools that have no accountability to the public or have no requirement to meet quality school standards is a poor exercise in fiscal and instructional responsibility.

1

How much will this proposed amendment cost? In 1997, a year for which data exists, there were 157,691 children between the ages of 5 and 19 of which 129,940 were enrolled in public school, central correspondence or Mount Edgecumbe. When factoring out an estimated 15,768 five year olds and 19 year olds who are not enrolled in kindergarten or public school, we estimate that there were over 11,900 school age children not enrolled in public schools. These children are either being educated at home, or are enrolled in private or denominational schools or are simply not being educated.

It would cost \$46.8 million to give 11,900 students a voucher the equivalent of the Base Student Allocation (\$3,940). If the voucher is increased because of the other variables that determine state aid – School Size Factor, District Cost Factor and Special Needs Factor – the expense spirals upwards radically. In comparison, during the last legislative session, \$26 million was provided districts under SB 36 of which \$13.2 million was distributed to schools to address adverse effects of the school size table, definition of schools and the district cost factor.

Costs could go up even further if a cash voucher serves as an incentive for parents to remove their children, who are enrolled in the public schools, and enroll them in either a home school or private school. The number of students who may fall in this category is unknown. However, if a student exits the public schools for home or private education with a voucher in his or her pocket, public schools will lose funding. The fixed costs of operating a school and staffing a school will continue; however, each departing student will reduce a school district's Base Student Allocation.

Which school districts will be impacted the most by cash vouchers – urban or rural? In 1996-97, the last year home schools reported enrollment, 986 students attended 483 home schools that reported to the Department of Education. Approximately 82% of the home schools were located in urban settings while the balance of 18% were in rural settings including communities like Nome, Sterling, Willow and Chevak. In 1998-99, of those private religious schools reporting, 65% of private religious schools were in urban areas with 86% of the reported total statewide enrollment for private religious schools. In 1998-99, of the only eleven private non-religious schools reporting, 73% were in urban areas with 83% of the reported total statewide enrollment for private non-religious schools. Given this distribution of home school and private enrollment, cash vouchers will have the greatest impact on urban schools where the largest number of home and private schools exists. If new funding is appropriated for a vouchered education instead of

a public education or if current funding is diverted from public classrooms to pay for the voucher, urban schools will be hurt most.

Will the state be asked to pay for the transportation costs for those who would use a voucher scheme? A significant barrier for low-income families seeking greater choices for their child's education is lack of transportation. Many families do not have the means to provide transportation for their children to attend other public school alternatives, let alone private schools. The bill seems to accommodate greater benefit to those who educate at home. That certainly has been the case in other states. Voucher tax dollars in Cleveland were used to fund taxis to provide transportation for children who were already enrolled in private and religious schools.

Vouchers are taxation without representation. Voucher schemes funnel public tax dollars into private and religious schools, yet taxpayers have absolutely no say in how voucher schools would be run. The public deserves a voice in the spending of our collective resource, especially in a voucher scheme that would dramatically increase the public burden for the cost of education.

There are other reasons that a voucher scheme is poor public policy. Currently schools are working to implement new standards, preparing students to pass exit exams and designing new curriculum and opportunities for children. We oppose weakening those efforts through vouchers.

We believe in a strong system of public education. Schools have been critical to Alaska's economic, social and cultural development. Public education is critical to our state's future and its continued development. Public schools demonstrate the very spirit of our democracy by accepting and educating all students regardless of means or position in life. If our state does not continue to inspire that purpose, our most precious resource, our children, will be wasted.

NEA-Alaska wants to provide A+ Schools for Alaska's Kids. Cash vouchers do not contribute to making our schools A+.

JOSEPHSON & ASSOCIATES

ATTORNEYS AT LAW

760 WEST SECOND AVENUE, SUITE 215

ANCHORAGE, ALASKA 99501

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JOE P. JOSEPHSON

JODY A. REAUSAW

DAN S. BAIR
OF COUNSEL

4/29

FAX COVER PAGE

TO: Hon. Pete Kott

Fax No. 907 465 2819

FR: Joe P. Josephson

DATE: 4-28-99

RE: Written Testimony of Joe P. Josephson

No. of Pages Following: 7

By FAX AND By MAIL.

The pages following contain information intended for the addressee(s) named above, and the information is confidential. In the event that any of the pages following are not received, or are distorted or unreadable for any reason in the transmittal process, please notify the office of Josephson & Associates at the number printed above.

JOSEPHSON & ASSOCIATES

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JOE P. JOSEPHSON

JODY A. REAUSAW

DAN S. BAIR
OF COUNCIL

April 28, 1999

By Facsimile to (907) 465 2819

The Honorable Pete Kott
Chair, Judiciary Committee
Alaska House of Representatives
Juneau, Alaska

Dear Mr. Chairman:

I am attaching written testimony of Joe P. Josephson regarding
House Joint Res. 6 for the consideration of the Committee.

Sincerely,

JOSEPHSON & ASSOCIATES

Gail Welt
Gail Welt
Legal Secretary
for Joe P. Josephson

Attached

JOSEPHSON & ASSOCIATES

ATTORNEYS AT LAW

**WRITTEN TESTIMONY OF JOE P. JOSEPHSON
REGARDING HOUSE JOINT RES. 6**

April 28, 1999

To: Honorable Pete Kott,
Chair, Judiciary Committee
Alaska House of Representatives

I appreciate the opportunity to submit comments in writing regarding HJR 6. My principal purpose, as an attorney who follows educational issues for NEA-Alaska and its affiliates.

But before turning to the legal perspective, I wish, as a citizen, to submit some more general comments. My general comments are my own views, and are not necessarily the views of NEA-Alaska or any of its affiliates.

General Comments.

HJR 6 is designed to overturn Alaska constitutional policy separating church and state with respect to education that has served our state well for over forty years. As a citizen and as a parent, I believe that that policy has allowed both public education and private religious schools to prosper, without church-state entanglement. In my judgment, astute observers would urge the Legislature to be very conservative in its consideration of any proposed change to the Alaska Constitution, because every reform has unintended consequences. That sense of caution is especially appropriate when an amendment would alter a time-honored provision in the state's basic charter dealing with education.

One of the likely, although unintended, consequences of HJR 6 would be its adverse effects upon the freedom and independence of Alaska private schools, once government intrudes.

A certain consequence would be to compel citizens to support sectarian doctrine with which they disagree. Ostensibly, the proposal is designed to offer more "choice" to parents (although public school systems today offer a myriad of choices). In actuality, the proposal would deny to Alaskans -- parents as well as people who have no children of school age -- the right to refrain from having the public purse used to inculcate religious doctrines which they do not hold, or which they conscientiously oppose. "The right to be let alone" is a

JOSEPHSON & ASSOCIATES

ATTORNEYS AT LAW

precious principle of American society that deserves a place at the legislative table.

Our mental picture of the religious school is often a benign one, of a school offered down the street in the basement of a friendly neighborhood church that promotes both good values and community harmony. But once Pandora's Box is opened, and public money is available for sectarian purposes, we may see public dollars flowing, under the guise of "parental choice" and "student benefit", to a variety of sects, some preaching intolerance and even hatred, but still making claim on the public's purse. Once we enter this thicket, we will find it impossible to make a garden, pruning some and fostering others, because that should not be the business of government.

Recently, Ron K. Unz, a conservative Republican from California, who ran in the 1994 gubernatorial primary election against former California Governor Pete Wilson, and who sponsored a controversial initiative against bilingual education, wrote these words:

"Our worldwide educational rivals almost universally rely upon the sort of government school system that is allegedly responsible for our own educational failings. In fact, public education in most other countries is far more centralized and government controlled, with less local flexibility and free choice than our own. If traditional government schools seem to work well everywhere else, perhaps they can be made to work here; on the other hand, vouchers would constitute a radical leap into the unknown.

"Moreover, though voucher advocates argue that competition would inevitably lead to the triumph of good schools over bad because of the "magic of the marketplace", this seems far from obvious. The success or failure of a given public school program is very difficult to quantify objectively, and most working parents cannot devote endless time to researching the matter.

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"In fact, it is easy to imagine that the schools that would win the competitive struggle for parental dollars would be those that invested most heavily in advertising and public relations and least heavily in academic content, as is often the case in the vaunted private sector. The actual physical content of most colas or sneakers is almost indistinguishable, but the Coke and Nike brands reign supreme because of massive spending on public image-making and celebrity endorsements. Although fine for the soft drink industry, this is not a desirable model for our public education system under market competition.

"Finally, the gravest danger for widespread school choice is rarely explicitly raised by either side of the debate. Unlike most other nations around the world, which are relatively homogenous in culture and race, we have just a few social institutions that bind our diversity together, and one of the most important has been a unified public school system. Under vouchers, there is a very real possibility that substantial portions of our most vulnerable populations will be drawn into Nation of Islam schools or a variety of ethnic-nationalist ideologies, which could have a lethal effect upon our already fraying social cohesion. This is not mere speculation. It is an underreported fact that Polly Williams of Milwaukee, hero of the conservative voucher movement, until recently served as a "colonel" in a local black militia that around the time of the Gulf War threatened to become a violent fifth column on behalf of Saddam Hussein."

As the father of two students in public schools, I am deeply concerned about a radical change which could weaken support for adequately funded public education, and weaken support too for important reforms within the public schools. This is practical political problem, not an ideological one. I see as another unintended consequence of the proposed radical change a loss in the momentum for better public schools, on the theory that we need not bother to improve the ones that need improvement, or maintain the quality of the ones that are

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serving very well, because we are funding a private alternative and enhancing "choice" - even if, as Mr. Unz noted, the choice may not be well informed, and even if the "choice" comes at the price of compelling Alaskans to support sectarian views that they question or oppose.

The Legal Perspective.

It may be supposed that by amending the Constitution of the State of Alaska, as suggested by HCR 6, the constitutional problems of public financing of religious schools will evaporate.

That assumption is mistaken.

Of course, it is true that on November 9, 1998, in *Jackson v. Benson*, the Supreme Court declined to review a decision by the Wisconsin Supreme Court which upheld the constitutionality of the voucher program in the City of Milwaukee, permitting use of taxpayer-funded vouchers for the education of children in religious schools. Opponents of the program had challenged the Milwaukee ordinance on the grounds that it violated the Establishment Clause of the First Amendment to the Constitution of the United States.

But the Court's refusal to take the case is *not* authority for the proposition that the Wisconsin Supreme Court was right. The Supreme Court declines to grant writs of *certiorari* for a myriad of reasons, and its determinations in that regard are not precedent.

Opponents of voucher programs, to be sure, had hoped that the Court would agree to review the decision, and so reaffirm the decision in *Committee for Public Education v. Nyquist* (1973), which struck down a private-school voucher program. On the other hand, some proponents of voucher programs hoped that the Court would consider *Jackson v. Benson*, and use the case as an opportunity to overturn *Nyquist* and pronounce voucher programs as constitutional under the First Amendment. The Court's refusal to take the Wisconsin case neither reaffirmed *Nyquist* nor overruled it. Only the Supreme Court of the United States can overturn a prior decision of the Court; the *Nyquist*

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decision has never been overturned, and the Supreme Court declined to use the Wisconsin case as an opportunity to do that.

As the Judiciary Committee may recognize, there have been in recent years other cases litigated under the Establishment Clause of the First Amendment. Almost uniformly, voucher programs have been struck down in these cases on First Amendment, Establishment Clause, grounds.

For example, in *Simmons-Harris v. Goff*, the Ohio Court of Appeals ruled that the Ohio voucher program, which allows Cleveland parents to use public tax dollars to send their children to private religious schools, violates provisions in both the federal and state constitutions. Supporters of the program have appealed that ruling to the Supreme Court of Ohio, and, pending the result in that Court, the Cleveland program continues to operate.

In Maine, parents who wanted to send their children to religious schools challenged a state law which allowed the use of public money to pay for resident children to attend neighboring public or private, nonsectarian, private schools in rural areas.

Last April, a Maine court, the Maine Superior Court of Cumberland County, upheld, in *Bagley v. Maine Department of Education*, that exclusion barring the use of public money for religious school vouchers. This case also awaits a decision of the state's highest court (the Maine Supreme Judicial Court).

A Vermont case, *Chittenden Town School District v. Vermont Department of Education*, is in the same posture, after a state court rejected efforts to expand the "tuitioning" program to include religious schools.

The highest courts of the following states have struck down, under the Establishment Clause, programs providing unrestricted tuition payments or grants for attendance at sectarian private schools: Virginia (see *Almond v. Day*, 1955); Illinois (*People ex rel. Klinger v. Howlett*, 1973); Washington (*Weiss v. Bruno*, 1973); Nebraska (*State ex rel. Rogers v. Swanson*, 1974).

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Advocates of vouchers for religious school attendance point to *Witters v. Washington Department of Service for Blind* (U. S. Supreme Court, 1986), in which the Supreme Court upheld a program of public assistance to disabled students, including students enrolled in sectarian private schools, but the benefits afforded there were attenuated, and not for the general population.

Nyquist remains the U. S. Supreme Court's last word on the constitutionality of voucher programs, and the Supreme Court reserves to itself "the prerogative of overruling its own decisions." *Agostini v. Felton* (1997). In short, only the U. S. Supreme Court can determine whether *Nyquist* still is good law.

James Madison wrote that religious education "ought not. . . to be provided for by the Government, [but]. . . left to the voluntary provisions of those who profess it." The legislature is asked to reaffirm that principle, and to focus on measures to improve the quality of public education in Alaska that can pass constitutional muster.

In summary, those who look favorably on HJR 6 should not assume that its passage, and approval by the voters, will end the constitutional debate. All voucher legislation goes to court, and no state constitutional amendment can alter the First Amendment's Establishment Clause that has served America well for over 200 years.



Joe P. Josephson



Gateway School

Opening the World of Education for Students with Dyslexia

P.O. Box 113149

Anchorage, Alaska 99511-3149

Marilyn Anderson, Headmistress
Nancy K. Smith, Director of Education

Phone (907) 522-2240

Fax (907) 344-0304

April 26, 1999

Attention: Andrew Halcro/Vic Kohring

Fax: 907-465-3818

Re: HJR 6

It is important that HJR 6 pass. We have had the opportunity to have the cyber school program at Gateway during this school year. It has facilitated students to learn technology crucial for their place in the community, the state and society at large.

Cyber School is providing a direct educational benefit to students. I believe this is an educational choice from which society will benefit. We need to pass this bill for the future workers, thinkers, and framers of society-- Alaska's children.

Sincerely,

Marilyn Anderson, Headmistress

Education within a Christian Atmosphere

SAINT ELIZABETH ANN SETON CATHOLIC SCHOOL2901 East Huffman Road
Anchorage, Alaska 99510Phone (907) 345-3712
Fax (907) 345-2910

April 23, 1999

Alaska State Capital, Room 421
Alaska State Legislature
Juneau, Alaska

Dear members of the Alaska State Legislature:

It has come to the attention of the St. Elizabeth Ann Seton, (SEAS), School Board that the State of Alaska is attempting to bar the Delta Cyber School from providing its services to students who attend private and denominational schools. The SEAS School Board would like to ask the legislature to give serious thought to this proposal as it labors with this issue.

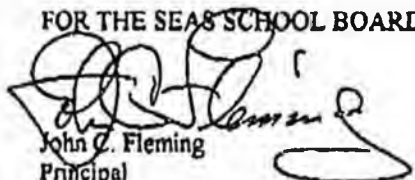
During the present school year, St Elizabeth Ann Seton sixth grade students have benefited from the Delta Cyber School program. Our sixth grade students have been working in coordination with their own teacher and the Delta Cyber School instructors in the disciplines of math, science, social studies, computer science, and spelling. By utilizing equipment and internet resources provided by the Delta Cyber School, SEAS sixth graders have been able to become proficient and discerning users of modern computer technology. Through jointly prepared lessons, which were developed by our own sixth grade teacher in conjunction with the Delta Cyber School teachers, our students have benefited from the a long distance learning delivery system.

There is no question that the provision of state of the art computers, modern software, and internet access have dramatically assisted our student in their preparation for the electronic age as well as their preparation for both junior and senior high school. The presence of Delta Cyber School at St. Elizabeth's has made all this possible. The majority of our sixth grade students go on to attend public schools where their newly attained knowledge of technology can only help to keep them even with their peers.

The direct beneficiaries of the Delta Cyber School Program are the children of Alaska. The placement of Delta Cyber School Equipment within the walls of our school serves to facilitate and expedite the educational experience. The students are able to incorporate the Delta Cyber School lessons into their daily school routine without having to leave the premises and take up valuable learning time being transported between SEAS school and a public school building.

The SEAS School Board and School Staff and the families of our sixth grade students support the Delta Cyber School purpose. The Alaskan students that are dually enrolled at SEAS and Cyber school are the real beneficiaries of the State support that provides funding for the Delta Cyber School. We encourage the legislature to continue to permit the Delta Cyber School to provide any Alaskan student, regardless of their physical location, with the services of this fine educational program.

FOR THE SEAS SCHOOL BOARD



John C. Fleming
Principal

Post-It® Fax Note	7871	Date	4/26	# of pages	1
To	Randi Lorenz	From	J.C. Fleming		
Co./Dept.	Rm 421	Co.	SEAS School		
Phone #		Phone #	345 3712		
Fax #	465-3818	Fax #	345 2910		

4-20-99

To: Representative Vic Kohring

From: Jonathan and Ruth Ewig
2325-30th Avenue
Fairbanks, Alaska 99701

RE: HJR 6 --We support this constitutional amendment which removes the discrimination clause against private, homeschool, and sectarian schools.

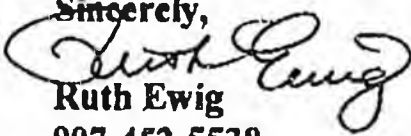
In a time when it is politically correct to be tolerant, accept diversity, and not to discriminate against groups, it is more than appropriate to delete the discrimination clause in the constitution concerning state funds and the select chosen who can receive them for educational purposes.

Public education involves the public, all of us are the public regardless of how we choose to school our children. It is not up to the state to say we will fund you but not you.

The constitution as it is, is biased toward one form of education yet other forms are statistically producing better results as far as moral citizens who are also academically successful through a diverse selection and mixture of school choices.

Removal of this clause also encourages a free market concept enabling the best at the job to get the reward.

Sincerely,


Ruth Ewig
907-452-5538

Rick Kohring: This is to express that my wife and I personally support house resolution 6. I am not expressing an opinion on behalf of the 3M company.



**LEGISLATIVE AFFAIRS AGENCY
INFORMATION & TELECONFERENCING**
600 E Railroad Ave, Suite 1, Wasilla AK 99654
Phone: (907) 376-3704 Fax:(907) 376-6180

DATE 4/26/99

Please accept the enclosed original(s) of written testimony for the House

Judiciary teleconferenced hearing that was scheduled on _____
4/26/99

A copy of this testimony was transmitted to your committee via fax on _____
4/26/99

Thank you,

Mary
MatSu LIO staff



Alaska State Legislature

Please enter into the record my testimony to the House Judiciary Committee
 committee name
 committee on HJR 6, dated 4-26-99
 bill/subject

Since nearly all school districts have a correspondence/home school support program, I do not see a need for diverting funds to an additional program.

Better to beef-up & expand the home school programs that already exist. Home schooling is a difficult job to do well; use the teachers that have experience to help the parents who want to home school - the teachers in our public schools.

Signed: Lance V. Packer
 Testifier

Representing (Optional)
PO Box 870 232, Wasilla, AK 99687
 Address
907-745-7145
 Phone No.



Alaska State Legislature

Please enter into the record my testimony to the Kohrnia - House Judicial
 committee name
 committee on HJR 6, dated 4-26-99
 bill/subject

Please use the public school system that is here in use. We have home schooling at correspondence. All is in order over 700 students use this Educational Public system now! Why not help out by increasing Public School Teachers who have been Educated & graduate from colleges. Not parents who have not had college graduation to educate their children. Support teachers & Public Schools Correctly!!

Signed: Sharon Sharvath
 Testifier

Representing (Optional)
Wasilla Ak.
 Address
376-5118
 Phone No.



Alaska State Legislature

Please enter into the record my testimony to the JUDICIARY COMMITTEE
 committee name
 committee on HJR 6, dated 4/26/99
 bill/subject

BECAUSE "OTHER PUBLIC EDUCATIONAL INSTITUTIONS"
 ARE SELECTIVE IN THEIR ADMITTANCE POLICIES,
 PLEASE DO NOT SUPPORT THE VOUCHER SYSTEM.
 STUDENTS WITH SPECIAL NEEDS CAN AND
 WILL BE SCREENED OUT, DISFUNCTIONAL
 FAMILIES WILL NOT KNOW HOW TO APPLY
 TO PRIVATE SCHOOLS. THEY WILL NOT KNOW
 HOW TO APPLY FOR VOUCHERS. OUR COUNTRY
 WAS FOUNDED GIVING EQUAL EDUCATIONAL
 OPPORTUNITY FOR ALL. THIS VOUCHER SYSTEM
 WILL DO AWAY WITH THIS. IT STINKS!

Signed: KARL LUND
 Testifier

Representing (Optional)
1055 PINION DR
 Address
WASILLA AK 99654
 Phone No.



Alaska State Legislature

Please enter into the record my testimony to the Judiciary
 committee name
 committee on HJR6, dated April 26, 1999
 bill/subject

In response to HJR6, I would like to express my opinion. Several questions come to mind:

- 1) The bill is extremely vague.
- 2) What are the requirements for an organization to be recognized by the state as a private or religious educational institution?
- 3) How much money from public funds are going to be directed towards this endeavor?
- 4) Will the money come from funds designated for the school district where the students reside, or from the state general fund?

Have you realized that as funding is cut from the public schools many programs will be cut. Parents have been forced to take their children out of public schools and enroll them in a private school because of cuts in programs in the public schools. By passing this bill many more will be forced to do the same as more and more programs are cut in the future.

Additionally, due to the vagueness of this bill, what safeguards are there to prevent people from abusing it and using it for personal gain?

As it stands, I am opposed to the bill.

Signed: Philip B Krauss Philip B. Krauss
 Testifier

 Representing (Optional)
 PO Box 876196, Wasilla, AK 99687

 Address
 (907) 745-1244

 Phone No.



Alaska State Legislature

Please enter to the record my testimony to the Judiciary
committee name

committee on HJR 6, dated 4-26-99
bill/subject

Free choice is what has made our state one of the greatest in the U.S. Sometimes, however, along with free choice comes a price. If I were to choose to fly to Seattle, it would be my choice to upgrade from coach to 1st class. Obviously, the cost involved would be mine to pay. As a former military dependent, the medical needs of my children were seen to. However, if I wanted my children to see a Dr. outside the medical care offered that would have been my choice, but I would have had to pay the price. Certified teachers now teach my children in the public school system. A wide variety of classes are offered to meet their needs from the most basic to the most advanced. Of course it would be my option to remove them from the free public educational system already in place, but if I were to choose to do so it would be at my expense. My choice, however, is to keep them in public schools, the very schools whose programs are being threatened by the bill before you. By allowing parents the option to remove funds from the public schools to private and religious educational programs you are undermining the very existence of public schools as we know them. Private and religious programs have the options of denying enrollment to whomever they want, but at whose expense? Special needs children would fall through the cracks, how can their needs be met when the funding is not there? My own children will be denied many of the choices they have now as funding is cut more and more. Please vote down this bill as it reads now, and let me go on record as saying:

I FULLY OPPOSE PUBLIC MONEY BEING USED TO FUND A VOUCHER SYSTEM!

Signed: Patricia A. Krauss
Testifier

Representing (Optional)

PO Box 876196, Wasilla, AK 99687
Address

(907) 745-1244
Phone No.



Alaska State Legislature

Please enter into the record my testimony to the Judicial
committee name

committee on HJR 6, dated April 26, 1999
bill/subject

On behalf of Tanaina Elementary PTA
I voice objection to HJR 6.

Changing our state constitution so
that a poorly conceived and thoughtless
bill (HBS) can be re-introduced
is a folly. Please be responsible
legislators and do not pass on
this resolution kill it!

Signed: Carolyn Frey, K.P. Tanaina PTA
Testifier

Tanaina Elementary PTA

Representing (Optional)

2250 Lucille Lila, Alaska 99654

Address

907-376-5034

Phone No.



Alaska State Legislature

Please enter into the record my testimony to the Judiciary committee name
 committed on HJR 6 , dated April 26, 1999
 bill/subject

As the parent of a current student in the public school system and 2 previous graduates, I am **totally opposed to this constitutional amendment (HJR6) allowing public funds for private school education.** I believe the public school system provides the most comprehensive, equal education for **EVERY CHILD** regardless of academic ability or economic standing. My child can choose from a wide selection of excellent classes taught by excellent, dedicated, certified teachers. The wide variety of class choices and excellent teachers are only possible because we as a nation long ago put our support behind making **one excellent school system for all of our youth.** Further, schools in our area offer many choices for parents and students: i.e. students can home school through the public school system, they can enroll in more than one school in order to pick and choose different offerings available at different locations, they can enroll in college courses and obtain concurrent high school/college credit, or they can enroll in specifically designed curriculum at their high school and obtain concurrent college credit. Students have the chance to take accelerated classes or get hands on vocational training in excellent programs or obtain high school credit for actual-on-the-job training. Even in times of extreme change and demand, our schools have continued to improve over time and will continue to change and improve if we support them. This amendment would gut the current public school system and make it impossible to provide a good education for **all** due to the choice of the few.

I further do not support this amendmen., because it would allow public funds for the education of a select group of students. **Private schools do not have to accept EVERY CHILD.** They are free to pick and choose who they enroll.

I further do not support this amendment because it is too vague. It is impossible for me to accurately say exactly what this amendment would allow and what it would not allow.

I feel that parents who choose to educate their children outside this diverse public school system, should do so at their own expense. **We need to support and build up what we have so carefully created, instead of constantly tearing it down.**

PLEASE VOTE AGAINST HJR6!

Signed: Carol Apenaker
 Testifier

 Representing (Optional)

811 SUSITNA DRIVE Wasilla, Alaska 99654
 Address

376-5166
 Phone No.



Alaska State Legislature

Please enter into the record my testimony to the HJR
committee name

committee on HJR#6, dated April 26th, 1999
bill/subject

As a parent of public school students I believe that voting this bill in would further harm all children that now attend public schools. I believe the monies for school vouchers for private schools/home school will if voted in will come out of funds for public schools. Kids in public schools are already suffering due to funds being cut every year. Activities such as field trips have been all but done totally away with, then the sports programs have been almost gone away with, for instance our basketball program at Wasilla Middle school in 2 years has been cut so badly due to, as we are told not enough funds. At this time I believe the next issue will be not enough funds to run our public schools, if we keep approving all these bills that is going to take away from public schools we will not have public school for the education of our grand children and their children in years to come. I opposed this bill at this time.

Signed: [Signature]
Testifier

Representing (Optional)
1600 Vaunda Wasilla 99654
Address
907-373-7908
Phone No.



Alaska State Legislature

Please enter into the record my testimony to the HOUSE JUDICIARY COMMITTEE
 committee name
 committee on HJR 6 , dated 4-26-99
 bill/subject

I believe it is significant that the largest, non-profit organization that advocates for children, National Parent Teachers Association, is actively campaigning against vouchers. PTA was founded to promote equal, quality education for ALL children. The voucher system would create a discriminating education program.

Legislators maintain that they do not have the money to even adequately fund our public schools. How then, will ~~there be~~ funding for creating, organizing, and maintaining for a voucher system? This would result in even more cuts for public education. This is "robbing Peter to pay Paul".

Choice seems to be a major argument for a voucher. In reality, parents would have little choice, for it will be ^{the} school who determines ^{which} students that can enroll. There are not enough private schools now to handle the "hundreds" who ~~can~~ would like to attend private schools. The rejected students would then have to attend the inadequately funded public schools. Finally, how will standards and accountability? Some

Signed: Cynthia M. Lee
 Testifier

Representing (Optional)

Address
745-1095

Phone No.

it is apparent that instituting a voucher system will be a costly venture which has no guarantee of ever working. There has been no framework developed to give the public an estimate of how much this will cost.

2701 Lord Baranof Drive
Anchorage, AK 99517
April 26, 1999

Rep. Vic Kohring
House Judiciary Committee members

re: HJR #6

Dear Rep. Kohring and Committee members:

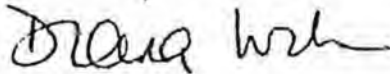
I am writing in strong support of HJR #6.

My 15 year old son is severely learning disabled, but our Anchorage School District could offer him NO special services. He was failing school until his father and I placed him in a private school for children with learning disabilities, Eaglecrest Academy. He has become a "B" student and now holds down a responsible job. At Eaglecrest, my son enrolled in the Delta Cyber School to receive on-line instruction. It is my understanding that the Attorney General is challenging the right of private school students to access this service and that passage of HJR #6 would make it easier to allow all children to benefit from publicly funded education.

My son is an Alaskan and deserves to benefit from the educational resources available in this state *whether he is enrolled in a public school or not*. Believe me, if I could put him in public school and be sure he would receive effective instruction, I would do it. But since the school district cannot teach children like my son, does he also have to be punished for his disability by depriving him of Delta Cyber School? Please pass HJR #6 and make it easier for all children to learn in the way that suits them best.

Thank you for speaking up for children not served by the public school system.

Sincerely,



Diana Weber
(907) 561-8301

ALASKA STATE LEGISLATURE



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REPRESENTATIVE VIC KOHRING
DISTRICT 26

SPONSOR STATEMENT HOUSE JOINT RESOLUTION 6 Representative Vic Kohring

House Joint Resolution 6 will bring Article VII, Section 1, into alignment with the intent of the framers of Alaska's Constitution. In December, 1955, an amendment was introduced adding "or indirect" after the word direct. This amendment was debated extensively. The following points capture the essence of these discussions. The first of three main points is from Don M. Dafoe's, Commission of Education, in a letter to the Constitutional Convention in regard to Section 1 of Article VII which stated, *"In the third sentence we have used the word "direct." It was spelled out that the maintenance and operation or other features of direct help would be prohibited. This was not intended and does not prohibit the contracting or giving of services to the individual child, for that child benefits as his part of society."* Dafoe further stated, *"We would also point out in the light of letters that have come to this floor relevant to the disbursement of funds to denominational or other private institutions, that this does not prohibit the use of funds in other educational matters, and I am sure that no one on the Committee would object to the inclusion of this work as we have given the amendment here to clarify this one statement."*

Ralph Rivers, commenting on the understanding and use of "direct," stated, *"The word "direct" is the standard treatment of that subject. He further stated, "Now when you get into the wording "or indirect", then you are getting into an argument as to whether you can even contract with a private institution for the rendering of certain public services, because they might make a profit."* Ralph further shared the committee's concern with limiting the ability to use public funds for individual students needs, *"You talk about prohibiting the disbursement of money for an indirect benefit to a parochial or private institution. You are reaching clear out to ad infinitum in the realms of logic and association."*

The final thought comes from Vic Fisher, adding a futuristic attitude to the development of Article VII, Section 1, *"I would just like to add, Mr. President, that while this Commissioner Dafoe points out education is an important field, I do not feel that when it comes to an appropriation of public funds it should receive any special, either more restrictive or more favored treatment. As Mr. White pointed out, the general stipulation is that funds be appropriated only for*

public purpose. Now it seems to me that the definition of public purpose must be made during every age in view of the conditions prevailing at that time. I think that has been one of the strong points of the Federal Constitution. The fact that it has left itself open to that kind of interpretation and, therefore, it seems that if we give favored treatment or discriminatory treatment to this education section, what are we going to do when it comes to health, welfare and just anything else that may come out. I think the public purpose provision should be the only guidance when it comes to appropriating public funds."

The amendment to insert "or indirect" failed 34 nays to 19 yeas.

These concerns are addressed in over twenty Supreme Court cases in the past four decades. For example in *Traverse City School District v. Attorney General*, the Supreme Court reviews Michigan's Constitution on the issues of common understanding, direct benefit, indirect benefit, public purpose, free exercise of religion and equal protection under the law. The Supreme Court on the definition of "direct" ruled, *"The primary rule is the rule of "common understanding" described by Justice Cooley, "A constitution is made for the people and by the people. The interpretation that should be given it is that which reasonable minds, the great mass of the people themselves, would give it...It is not to be supposed that they have looked for any dark or abstruse meaning in the words employed, but rather that they have accepted them in the sense most obvious to the common understanding."*

"Under the amendment, public funds could not be used to support the attendance of nonpublic school students at any location or institution where instruction is offered in whole or in part to nonpublic school students." The Supreme Court ruled, "This is a shocking result. It violates both the free exercise of religion and the equal protection provisions of the United States."

Michigan's Constitution uses the same wording as the Constitution of Alaska, except much more restrictive. The Supreme Court ruled that, *"The language is unconstitutional, void and unenforceable and is severable and capable of being removed from (Michigan Constitution) Article 3 Sec. 2 without altering the purpose and effect of the balance of the sentence and section."*

The third sentence in the Alaska Constitution is a violation of the free exercise of religion and equal protection under the law and is capable of being removed from Article 7, section 1 with out altering the purpose and effect of this section.

It is no longer should we have choice in education, rather what type of educational choices should we have. I encourage your support in paving the way for choice in education, pass House Joint Resolution 6.

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. HJR6

Revision Date/Time (Note if correction) _____ Dept. Affected Office of the Governor
 Title Constitutional Amendment relating to BRU Elective Operations
state aid for education Component General and Primary
 Sponsor Representative Kohring
 Requester House HESS Committee Component Serial No. 22

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services						
Travel						
Contractual	1.5					
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	1.5	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	1.5					
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	1.5	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY99) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This figure includes the cost of providing information about this issue in the Official Election Pamphlet, as required by AS 15.58. However, only six measures can be printed on an 8-1/2 by 14 inch ballot. If this measure requires printing an 8-1/2 by 18 inch ballot, the cost will increase by \$22.0.

Prepared by Gail Fenumai *Gail Fenumai* Phone 465-3935
 Division Division of Elections Date/Time 3/11/99 8:22 AM
 Approved by Lt. Governor Fran Ulmer *Fran Ulmer* Date 3/11/99
 Agency Office of the Lieutenant Governor

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HOUSE JOINT RESOLUTION NO. 6

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES KOHRING, Coghill

Introduced: 1/19/99

Referred: Health, Education and Social Services, Judiciary, Finance

A RESOLUTION

1 **Proposing amendments to the Constitution of the State of Alaska relating to state**
2 **aid for education.**

3 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 *** Section 1.** Article VII, sec. 1, Constitution of the State of Alaska, is amended to read:

5 **Section 1. Public Education.** The legislature shall by general law establish
6 and maintain a system of public schools open to all children of the State, and may
7 provide for other public educational institutions. Schools and institutions so
8 established shall be free from sectarian control. [NO MONEY SHALL BE PAID
9 FROM PUBLIC FUNDS FOR THE DIRECT BENEFIT OF ANY RELIGIOUS OR
10 OTHER PRIVATE EDUCATIONAL INSTITUTION.]

11 *** Sec. 2.** Article IX, sec. 6, Constitution of the State of Alaska, is amended to read:

12 **Section 6. Public Purpose.** No tax shall be levied, or appropriation of public
13 money made, or public property transferred, nor shall the public credit be used, except
14 for a public purpose; however, nothing in this section shall prevent payment from
15 public funds for the direct educational benefit of students as provided by law.

16 *** Sec. 3.** The amendments proposed by this resolution shall be placed before the voters of

1 the state at the next general election in conformity with art. XIII, sec. 1, Constitution of the
2 State of Alaska, and the election laws of the state.