

ALASKA LEGISLATURE COMMITTEE FILES 2001-2002 86/2

10350 HOUSE LABOR & COMMERCE

Chapter 8

2000 UMC	2000 IMC	Analysis
801.0 General	801.1 Scope 801.2 General	IMC refers to ICC Fuel Gas for Venting of gas fired appliances. Though there are some similarities, they are mostly different with the IMC getting into specifics. UMC mentions Category I through IV appliances.
802.0 Types of Venting Systems Required		802.4 UMC and 801.11 IMC are similar. Other than that, no comparable provisions in IMC.
803.0 Install and Const Rqmts	802.1 General 801.8 Abandoned Openings 803.5 Manual Dampers	Similar elements found scattered in the IMC chapter.
804.0 Location and Support of Venting Systems	802.7 Support of Vents	UMC more prescriptive.
805.0 Length Pitch and Clearances	No comparable provision.	
806.0 Vent Termination	804	Different requirements; UMC has Table 8-1. No similar table in IMC. IMC has requirements for horizontal terminations.
807.0 Vents for Wall Furnaces Requiring a Type BW Gas Vent	No similar provision.	
808.0 Size of Gravity System	No similar provision.	
809.0 Multiple Appliance Venting Systems	803.7 Connectors Serving Two or More Appliances	The UMC provides some level of detail on this issue.
810.0 Existing Systems	801.18 Existing Chimneys and Vents	

Chapter 8 (Continued)

2000 UMC	2000 IMC	Analysis
811.0 Draft Hoods	No similar provision.	
812.0 Types of Chimneys	805 Factory Built Chimneys	UMC requires spark arrestor for solid/liquid fuel appl. unless excepted. No such requirement in IMC.
813.0 Masonry Chimneys	No comparable provisions.	
815.0 Connectors 815.2 Chimney Connector 815.3 Vent Connector	803 Connectors	Significant difference; UMC provisions are extremely prescriptive in this area. UMC breaks it down into chimney connectors and vent connectors.
Table 8-2 Chimney Selection Chart	No comparable table.	
Table 8-3 Vent Selection Chart	No comparable table.	
Table 8-4 Vent Selection Chart	No comparable table.	
Table 8-5 Clearances to Combustibles	No comparable table.	

Summary:

There are significant differences in the provisions for chimneys and vents between the UMC and the IMC. The UMC chapter is highly detailed and has three tables at the end of the chapter. By contrast, the IMC chapter refers to the listing or the standard. For fuel gas provisions, IMC refers user to the ICC Fuel Gas Code.

Chapter 9

2000 UMC	2000 IMC	Analysis
901.0 Scope	901.0 Scope	UMC scope is different from IMC. IMC refers to ICC Fuel Gas Code. UMC section specifically refers to warm air heating systems, vented decorative appliances, floor furnaces, unit heaters and room heaters.
Part I-Warm-Air Heating Systems		No comparable provision in IMC.
904.0 Prohibited Installations	303 Equipment and Appliance Location 306 Access and Service Space	Similar - not identical. UMC more prescriptive.
906.0 Return and Outside Air	918 Forced-Air Warm Air Furnace	These are similar with some differences. Section 906.2, which calls for a separation only, appears in the UMC chapter.
907.1 Duct Size		Same as in 918 IMC.
907.2 Surgical Rooms		No comparable provision in IMC.
908.0 Attic Furnaces		No comparable provision.
909.0 Warm Air		No comparable provision.
910 Furnaces in Roofs or Exterior of Buildings		No comparable provision.
Part II Vented Decorative Appliances, Floor Furnaces, Vented Wall Furnaces, Unit Heaters and Room Heaters		Unvented fuel burning heaters are prohibited by the UMC and allowed by the IMC. This is a significant difference.
914.0 Vented Wall Furnace		IMC refers code user to listing.
915.0 Unit Heaters		
916.0 Room Heaters		

Chapter 9 (Continued)

2000 UMC	2000 IMC	Analysis
Part III 917.0 Ranges 918.0 Open top Broiler 919.0 Direct Gas-Fired Make-up Heaters and Industrial Air Heaters		
920.0 Ceramic Kilns	923 Small Ceramic Kilns	UMC details clearances, hood requirements and exterior installations. IMC refers to manufacturer's instructions.
Part IV Incinerators	907 Incinerators and Crematories	IMC refers to the listing while UMC is extremely descriptive providing detailed provisions.

Summary:

Though the titles of the two chapters are the same, the content is hardly the same. In most instances, in the IMC chapter the standard for the equipment is referenced without any further details. The UMC has additional prescriptive provisions. This is true for floor furnaces, vented wall furnaces, unit heaters and room heaters. The UMC prohibits the use of unvented heaters. The IMC allows them.

UMC contains clearances for cooking ranges and requirements for open top broiler units. The IMC relies on this information coming from the listing and the manufacturer's instructions.

Chapter 10

2000 UMC	2000 IMC	Analysis
1001.1 Scope	1002.0 Scope	Similar except UMC specifically excludes water heaters under 120 gallons and less than 200,000 BTU rating from this chapter.
1004.0 Definitions	No comparable provision.	
1006.0 Detailed Requirements	1003 Pressure Vessels	UMC sections deals with boilers and pressure vessels. UMC provides detail on stack dampers.
1007. Expansion Tanks	1009 Hot Water Boiler Expansion Tank	Similar. Provisions for open and closed type systems are different.
1008.0 Relief Valve Discharge	1006.6 Safety and Relief Valve Discharge	UMC section more detailed. IMC refers to ICC Plumbing Code for low-pressure systems.
1009.0 Shutoff Valves	No similar provision.	
1010.0 Gas Pressure Regulator	No similar provision.	
1011 Low Water Cutoff	1007 Boiler Low Water Cutoff	UMC section more detailed and allows for an exception when serving 6 or less dwelling units.
1012.0 Combustion Regulators-safety valves	No comparable section.	
1013 Automatic Boilers	No comparable provision.	No comparable table for Table 10-3 in the IMC.
1014 Clearance for Access	No comparable provision.	
1015 Boiler Rooms and Enclosures		
1015 Boiler Rooms and Enclosures		

Chapter 10 (Continued)

2000 UMC	2000 IMC	Analysis
1017.0 Floors		
1018 Chimney and Vents	No comparable provision.	
1019.0 Drainage		
1020.0 Fuel Piping		
1022.0 Operating Adjustments and Instruction		
1023.0 Inspections and Tests		UMC requires a warning notice before testing is completed. UMC also allows a registered professional engineer to do the testing. IMC simply refers you to the standard.
1024 Operating Permit	No comparable provision.	
1025 Maintenance Inspection	No comparable provision.	
1026.0 Operation and Maintenance of Boilers	No comparable provision.	

Summary:

The two chapters are similar. However the UMC contains a definitions section. UMC has Tables 10-1, 10-2, and 10-3 dealing with expansion tank capabilities and controls for automatic boilers. The IMC has no comparable tables. The UMC has additional provisions dealing with maintenance and operation of boilers.

Chapter 11

2000 UMC	2000 IMC	Analysis
1101.0 Scope	1101 General	UMC has two parts Part I deals with refrigeration systems, etc. Part II is Cooling Towers. The IMC chapter is formatted differently using standard references.
1102.0 Refrigerants	1102.1 General Systems Requirements	
1103 Refrigerant Classification	1103.1 Refrigerant Classification	Both refer to ASHRAE 34; IMC in the code, UMC in Chapter 16.
1104.0 Classification of Refrigeration Systems	1103.2 Occupancy Classification	Significant differences UMC classifies in table 11-2 into high and low probability systems.
1105.0 Requirements for Refrigerant and Refrigerant Use		No comparable provision.
1105.1 System Selection		No comparable provision.
1105.2 Volume of Occupied Space	1102.1/3 IMC	UMC refers to 11-1 IMC to Table 1103.1 (governed by the ICC Fire Code) UMC has 2 exceptions.
1105.3 Refrigerated Process and storage Areas	1104.2.2 Industrial Occ. and Refrig. Rooms	
1105.4 Refrigerant Purity	1102.2.2 Purity	Similar.
1106.2 Supports and Anchorage	No comparable provision.	
1106.3 Access through Condensate Disposal	No comparable provisions.	
1107.0 Refrigeration Machinery Rooms	1105 Machinery Room General Rqmts.	UMC is specific within code text as to when a refrigeration machinery room is required. The requirements are different.

Chapter 11 (Continued)

2000 UMC	2000 IMC	Analysis
1107.2 Dimensions	No comparable provisions.	
1107.4 Refrigeration Vapor Alarms	1105.3 Refrig. Detector (governed by ICC Fire Code)	UMC has the provisions in the code; IMC refers user to ICC Fire Code.
1107.7 Special Requirements	1106.2 Elevated Temp	Similar though UMC has two exceptions.
1108.0 Refrigeration Mach. Rm. Ventilation	1105.6.3 Qty-Normal Ventilation	Some of provisions are similar but UMC provides additional formulae to calculate minimum airflows and max. temp. increases.
1108.3 Distribution of Ventilation 1108.4 Intermittent Control of the Ventilation System 1108.5 Emergency Control of the Ventilation Systems 1108.6 Central Control of Ventilation Systems 1108.7 Vent Discharge 1108.8 Fans 1108.9 Ventil. Intake		No comparable provisions in this chapter of the IMC.
1109.0 Refrigeration Machinery Room Equipment and Controls		No comparable provisions.
1110.0 Refrigerant Piping Containers Valves		UMC divides into ferrous and non-ferrous materials IMC deals with type of piping material individually. UMC does not mention aluminum.

Chapter 11 (Continued)

2000 UMC	2000 IMC	Analysis
1111.0 Erection of Refrigerant Piping 1112.0 Refrigerant Control Valves 1113.0 Pressure Limiting Devices 1114.0 Pressure Relief Devices 1115 Pressure Relief Device Settings 1116.0 Marking of Pressure Relief Devices 1117.0 Over Pressure Protection 1118.0 Discharge Piping 1119.0 Special Discharge Requirements		There are no provisions that directly compare in IMC.
Table 11-1	Table 1103.1	Tables are different. IMC has an expanded list based on ASHRAE 34.
Table 11-2 Table 11-3	No similar tables.	
Part II-Cooling Towers	No comparable provisions in IMC.	

Summary:

There are several differences in the chapter. In size alone, the UMC chapter is about double the size of the IMC chapter. The reason being that the UMC in keeping with its philosophy has several prescriptive provisions so as to allow the user to have all the information needed in the chapter. The IMC refers to both the ICC Building and Fire Code extensively and defers to standards for requirements such as refrigerant control valves. Table 11-1 and Table 1103.1 are the not same-the IMC refrigerant list being longer. The IMC chapter requires access to several other documents.

Chapter 12

2000 UMC	2000 IMC	Analysis
1201.0 Scope	1201.1 Scope	UMC specifies scope as piping where pressure /temperature in excess of 160 psig and 250°F.
1201.2.1 Materials and Construction	1202 Material	UMC is more prescriptive in this section specifying permissible materials in code text. IMC has materials and standards in tabular form. IMC allows PEX, PEX-AL-PEX. No specific mention in UMC of these materials.
1201.2.2 Fabrication of Joints	1203 Joints and Connections	Similar though UMC provides additional information. Joints for plastic piping in IMC.
1201.2.4 Changes in Direction	No comparable provision.	
1201.2.6 Hangers and Supports	No comparable provision.	
1201.2.7 Installation	No comparable provision.	
1201.2.8 Pressure Testing	1208 Tests	Similar requirements except IMC contains requirements for ground source heat pump loop systems.
Part II- Hydronic Panels	No comparable provision.	There are multiple sections in the UMC dealing with the installation of hydronic piping, including requirements for underground and outside of buildings and trenching.

Chapter 12 (Continued)

Summary:

The material in both chapters is presented differently. The IMC allows for the use of more kinds of plastic for hydronic systems. Hydronic panels are included in the UMC. Overall the UMC chapter is more detailed. The differing philosophies in the formulation of codes are reflected in this chapter.

Chapter 13

Summary:

Chapter 13 of the 2000 UMC refers the user to Appendix B, Chapter 13 of the 2000 UMC where fuel gas provisions (reproduced from the 2000 Uniform Plumbing Code) can be found. The IMC references the ICC Fuel Gas Code, a separate document.

Chapter 14

Summary:

Chapter 14 of the 2000 UMC is process piping. There is no equivalent chapter in the 2000 IMC.

Chapter 15

Summary:

This chapter references Section 1206.0 Heat Sources of the 2000 UMC and the Uniform Solar Energy Code. IMC has a short chapter containing solar provisions.

Chapter 16

Summary:

UMC 2000 has two parts. Part I has standards adopted as part of the code (8 in all). Part II lists other referenced standards that are listed alphabetically by title. IMC 2000 in its chapter lists standards by promulgating agency.

Appendices

Summary:

The UMC 2000 has Appendix A, B, C and D. Appendix A contains 8 standards. Appendix B contains Fuel Gas Piping, Installation and Testing of Gas or Fuel Fired Equipment, Installation and testing of Oil (liquid) Fuel Fired Equipment. Appendix C has sizing tables for venting systems. IMC has 2 appendices - one for combustion air openings and one for chimney connector pass throughs.



February 28, 2002

Representative Lisa Murkowski
 State Capital, Room 406
 Juneau, AK 99801-1182

Re: Mechanical Code

I would like to express my thoughts on HB 399, 486 and 487 that are to be discussed at the House L&C Committee meeting 3/1/02. I am a mechanical engineer in Fairbanks who has been following this issue for two years. I feel that the Department of Public Safety's adoption of the International set of codes is in the best interest of the state. I have been to many review meetings, local adoption review sessions and classes that discussed the International codes and I feel they are a good set of codes and an improvement from the 1997 set of Uniform codes.

I feel that the proposed legislative changes to the statutes will not be beneficial to the state. The proposed changes mandate that only one mechanical code -- issued by one group (IAMPO) -- is acceptable in the state. I have been using the International Mechanical Code and it works well with the International Building Code. The Uniform Mechanical Code by IAMPO (which I have used in the past) has many technical conflicts with the International Building Code, which would be very difficult to resolve.

I support amending the bills to allow the Department of Public Safety and other regulatory agencies to adopt the best code for the state (rather than being mandated specifically to adopt IAMPO's code). By removing the specific reference to the IAMPO code, or any other code, state agencies will be able to adopt any code available at the time of review.

The Department of Public Safety's public review process allows the construction community ample opportunity to provide input to the code adoption process. If the public review process indicates that the IAMPO code is best, the department can adopt it at that time. I do not feel that the legislature should mandate which specific codes are adopted or we risk not keeping up life safety improvements brought forth through revised codes. The legislature in the past had delegated the process of code review to state agencies for just this reason.

Please amend the house bills to remove any reference to a specific code group or year of codes.

Sincerely,

Design Alaska, Inc.

Chris Miller P.E.
 Design Alaska, Inc.
 601 College Road
 Fairbanks, AK 99701

xc: Joint Administrative Review Committee: Representative McGuire, Senator Taylor, Representative James, Senator Green, Representative Hayes, and Senator Lincoln.
 House Labor and Commerce: Representatives Murkowski, Halcro, Meyer, Kott, Rokeberg, Crawford, and Hayes.
 Senator Gary Wilken, Representative John Davies

Post-It* Fax Note	7671
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February 25, 2002

Representative Lisa Murkowski, Chair
House Labor and Commerce Committee
Alaska House of Representatives

Representative Lesil McGuire, Chair
Administrative Regulation Review Committee
Alaska House of Representatives

Representative John Harris
Alaska House of Representatives
Juneau, Alaska

Subject: HB399 & HB437 -- adoption of Uniform Mechanical Code

Dear Representatives:

On Friday, March 1st, the House Labor & Commerce Committee is scheduled to hear HB399 and HB437, relating to the adoption of the Uniform Mechanical Code. Please allow me this opportunity to present a written statement prior to the hearing.

Under state law (AS.18.56.300), AHFC is prohibited from purchasing a mortgage loan on any residential construction which begins after June 30, 1992 unless the home is built in compliance with either the state building code or local municipal codes. Both of the bills above contain amendments to the definition of "state building code" under AS.18.56.300.

It is AHFC's desire to see a state building code that provides for quality construction in compliance with universally accepted building practices. In areas of the state where there are no municipal code requirements for residential construction, construction standards to obtain AHFC financing are an incentive to improve the quality of housing stock.

These two bills affect AHFC in the following manner:

1. HB399 amends the mechanical code definition to require that homes meet the standards of the Uniform Mechanical Code to qualify for AHFC financing. The Department of Public Safety (DPS) is required to adopt a subsequent version of the Uniform Mechanical Code published by the International Association of Plumbing and Mechanical Officials when "the subsequent version meets the state's needs better."



"HOUSING FOR ALASKANS"

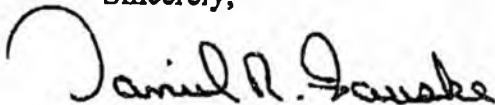


2. HB437 amends AHFC's mechanical code requirement in the same manner as HB399, but also changes state law relating to the Uniform Building Code. For AHFC financing, the specific reference to the UBC is replaced with a generic reference to the building codes adopted by the state. DPS is also charged with the same directive in HB399 to adopt the 2000 edition of the Uniform Mechanical Code published by the International Association of Plumbing and Mechanical Officials.

If the House Labor and Commerce Committee chooses to move forward with either legislation, AHFC mortgage purchases should be limited to the state code adopted under the Department of Public Safety (DPS) for both building and mechanical systems. The language in Section 3 of HB437 currently provides the best approach since it references both the building and mechanical codes.

While there is certain to be some questions regarding which codes provide better or worse standards, my interest is seeing AHFC mortgage purchases limited to whichever code is adopted by the state. If there are questions or additional information is necessary, AHFC will have staff available to testify at the hearing on Friday. Please do not hesitate to contact me if any immediate response is necessary.

Sincerely,



Daniel R. Fauske, CEO/Executive Director
Alaska Housing Finance Corporation

CC: Mike Abbott, Governor's Office



Headquarters
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February 25, 2002

Representative Lisa Murkowski, Chair
House Labor and Commerce Committee
Alaska House of Representatives
Juneau, Alaska

Representative John Harris
Alaska House of Representatives
Juneau, Alaska

Subject: HB436, relating to codes adopted by state agencies...

Dear Representative :

On Friday, March 1st, the House Labor & Commerce Committee is scheduled to hear HB 436, relating to building codes adopted by state agencies and municipalities. Please allow me this opportunity to present a written statement prior to the hearing.

HB436 proposes to forbid a state agency from adopting a safety code unless 1) all deliberations related to the adoption of the code are open to all interested parties; and 2) the code complies "to the extent practicable" with standards by the American National Standards Institute (ANSI).

Under state law (AS.18.56.300), AHFC is prohibited from purchasing a mortgage loan on any residential construction which begins after June 30, 1992 unless the home is built in compliance with either the state building code or local municipal codes. All codes related to the construction standards, plumbing standards, mechanical standards, electrical standards, or fire safety standards are adopted under state agencies, such as the Department of Public Safety and Department of Labor & Workforce Development.

In addition to the construction codes mentioned above, AHFC is further prohibited from purchasing or participating in the purchase of a loan if the construction of the building began after December 31, 1991, unless the building complies with thermal and lighting energy standards (AS.18.56.096). "Thermal and lighting energy standards" are further defined as the thermal and lighting energy standards adopted by AHFC for buildings and structures that are not public facilities (AS.44.11.040).

The Building Energy Efficiency Standard (BEES) was established by AHFC to promote the construction of energy-efficient buildings (15 AAC 155.010). BEES sets energy efficiency standards for thermal resistance, air leakage, moisture protection, and



"HOUSING FOR ALASKANS"



ventilation as they relate to efficient use of energy in buildings. All new residential homes and community-owned buildings which began construction after December 31, 1991, must comply with BEES if AHFC financial assistance or loans are provided.

There are a variety of national and international construction codes that incorporate and require energy efficiency standards, but few, if any, are appropriate for the wide range of diverse climates in Alaska. These codes were used as a baseline and a guide for establishing BEES, but modifications were made in certain instances to improve the quality of energy efficiency standards required for AHFC financing.

The International Energy Conservation Code (IECC), for example, is designed to be compatible with the international building code recently being employed throughout the country. IECC has two standards for insulation in Alaska - one for Ketchikan, one for the rest of the state. BEES, on the other hand, separates Alaska into six regions, with insulation standards for each region set according to local construction techniques, building costs, energy costs, maintenance costs, property tax costs, availability of building materials, and political boundaries.

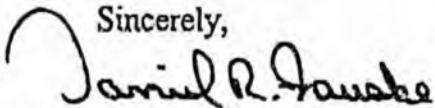
While there are many good things that national codes such as IECC can offer as a guide in deliberations regarding the development of energy efficiency standards, it should be made clear whether HB436 is intended to limit further development of BEES according to requirements in national construction standards under ANSI.

Any changes or even potential changes to energy efficiency standards can cause a tremendous amount of concern amongst homebuilders. A great deal of effort would need to take place to insure builders were aware of the potential change with plenty of lead-time. Training requirements for continuing education and certification classes would also have to be reviewed and updated.

HB436 specifically addresses all uniform construction codes, but energy efficiency standards are not specifically mentioned. Nonetheless, AHFC is listed under the definition of "state agency", and the only standard adopted by the corporation is the BEES. If the intent of HB436 is directed toward construction codes, energy efficiency standards adopted by AHFC under AS.18.56.096 and AS44.11.040 should be excluded.

Thank you for your time and attention to this matter. If there are any questions or concerns, AHFC will be available to testify at the Friday hearing. Please do not hesitate to contact me if an immediate response is necessary.

Sincerely,



Daniel R. Fauske, CEO/Executive Director
Alaska Housing Finance Corporation

CC: Mike Abbott, Governor's Office



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February 25, 2002

Representative Lisa Murkowski
Alaska State Capitol
Juneau, AK 99801-1182

RE: House Bills 399, 436, and 437

Dear Ms. Murkowski,

I have been a Mechanical Contractor working throughout the State of Alaska since 1986. I served two terms for a total of six years on the Municipality of Anchorage Board of Building Regulation Examiners and Appeals, two years as the chairman. February of 2002 was my termination date as a board member due to the term limits. I was also on the committee that reviewed and helped adapt the 1994 and 1997 Uniform Mechanical Code, and the 2000 International Mechanical Code.

I am in full support of the new international set of codes. They allow homeowners, contractors, and engineers to install and design systems that save labor and allow new listed products that the previous uniform codes have restricted. These are safe and easy to use and save the consumer money. As a contractor, the cost of construction does not matter to me. It is in my bid and the higher the cost the more money I make. I am a special interest group, and the Labor Unions are also a special interest group. It is these special interest groups that sometimes look at what is best for themselves and not the people of Alaska. The international set of Building Codes is the best choice for the State of Alaska.

I oppose house bills 399, 436, and 437 and any corresponding Senate versions, which seek to nullify adoption of the International Mechanical Code and the other codes that have been reviewed and approved by the Department of Commerce and Economic Development and the Department of public Safety. This bill will put the design and construction community into turmoil. I support the adoption of the International Mechanical Code as an integral part of the International Building Code family. I also support a simple solution to the perceived problem: Any conflicting statutory references

can be easily changed by your body to allow Occupational Licensing to test the mechanical administrators according to the code adopted by the State Fire Marshal. This can be done by adopting a bill that removes specific references to codes, editions, and publishers, and replaces with general references only to the building, electrical, fire, mechanical, etc. codes. Please act in the best interest of the majority of the citizens of Alaska, and keep the adopted International Codes in place.

Sincerely,

A handwritten signature in black ink, appearing to read "G. Klebs", written over a faint printed name.

Gary Klebs

President

Klebs Mechanical, Inc.

Attachments: Suggested substitution for House Bills 399, 436, and 437, and Senate versions.

cc: Associated Builders and Contractors

RECOMMENDED SUBSTITUTE FOR HOUSE BILL 399
AND PROPOSED SENATE VERSION

HOUSE OR SENATE BILL NO. _____
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - SECOND SESSION
BY THE HOUSE/SENATE RULES COMMITTEE BY REQUEST OF THE ADMINISTRATIVE
REGULATION REVIEW COMMITTEE

Introduced:
Referred:

A BILL

FOR AN ACT ENTITLED

An Act relating to the Mechanical; Plumbing; Swimming Pool, Spa, and Hot Tub; and Solar Energy codes; updating certain regulations adopted by the Department of Community and Economic Development relating to the codes that apply to certain construction contractors and mechanical administrators; and providing for an effective date."

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

***Section 1. AS 08.18.171(7) is amended to read:**

(7) "mechanical contractor" means a contractor whose business operations involve plumbing, pipe fitting, sheet metal, heating, air conditioning, ventilating, or sprinkler and dry chemical fire protection trades in order to install or modify mechanical piping systems, devices, fixtures, and equipment or other mechanical materials subject to the Mechanical Code adopted under AS 18.70.080:

- (A) Plumbing Code;
- (B) Swimming Pool, Spa, and Hot Tub Code;
- (C) Solar Energy Code; and
- (D) Mechanical Code

***Sec. 2 AS.08.40.270(a) is amended to read:**

- (a) Each applicant shall be examined to determine the applicant's

- (1) ability to understand plans, design specifications, and engineering terms commonly used in the mechanical field;
- (2) knowledge of mechanical installations and piping;
- (3) familiarity with the requirements of the Plumbing Code, Swimming Pool, Spa, and Hot Tub Code, and Solar Energy Code- adopted under 8ACC 63.010 and the Mechanical Code adopted under AS 18.70.080
- (4) personal skill and ability

*Sec. 3. AS 08.40.490(3) is amended to read:

- (3) "mechanical administrator" means a person who is responsible for
 - (A) installing or modifying mechanical piping and systems, devices, fixtures, equipment, or other mechanical materials subject to the Plumbing Code, Swimming Pool, Spa, and Hot Tub Code, Solar Energy Code adopted under 8ACC63.010 and the Mechanical Code adopted under AS 18.70.080; or
 - (B) certifying that an installation or modification described in (A) of this paragraph complies with the applicable codes;

*Sec. 4. AS 18.56.300(e)(3) is amended to read:

- (3) "state building code" means
 - (A) for building standards, the standards set out in the version of the Building Code adopted by the Department of Public Safety under AS 18.70.080, including the provisions of that code applicable to buildings used for residential purposes containing fewer than four dwelling units, notwithstanding the exclusion of those buildings from the Department of Public Safety's jurisdiction made by AS 18.70.080(a)(2);
 - (B) for mechanical standards, the standards set out in the Mechanical Code adopted under AS 18.70.080, including the provisions of that code applicable to buildings used for residential purposes containing fewer than four dwelling units,

notwithstanding the exclusion of those buildings from the Department of Public Safety's jurisdiction made by AS 18.70.080(a)(2);

(C) for plumbing standards, the minimum plumbing code adopted for the state under AS 18.60.705; and

(D) for electrical standards, the minimum electrical standards prescribed by AS 18.60.580

*Sec. 5. AS 18.70.080(a) is amended to read:

(a) Subject to this section, the Department of Public Safety shall adopt regulations for the purpose of protecting life and property from fire and explosion by establishing minimum standards for:

(1) fire detection and suppression equipment;

(2) fire and life safety criteria in commercial, industrial, business, institutional, or other public buildings, and buildings used for residential purposes containing four or more dwelling units;

(3) any activity in which combustible or explosive materials are stored or handled in commercial quantities;

(4) conditions or activities carried on outside a building described in (2) or (3) of this subsection likely to cause injury to persons or property.

*Sec. 6. AS 18.70.080 is amended by adding a new subsection to read:

(c) As a subsequent version of the Mechanical Code is published from time to time, the Department of Public Safety shall adopt a subsequent version of the Mechanical Code when the Department of Public Safety determines that the subsequent version meets the state's needs better than the preceding adopted version.

*Sec. 7 This act takes effect immediately under AS 01.10.070(c)



CITY OF

FAIRBANKS

Visit us on the Web at www.ci.fairbanks.ak.us/buildfbks

BUILDING DEPARTMENT

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June 8, 2001

Ross Fossberg, Code Adoption Coordinator
 Department of Public Safety
 Division of Fire Prevention
 5700 East Tudor Road
 Anchorage, Alaska 99507

FAXED
 6/8/2001
 [Signature]

Re: 2000 International Mechanical Code

Dear Mr. Fossberg:

As we understand the public comment period has been extended as a result of a request made by the Mechanical Contractors Association. During this time frame there has been significant rhetorical debate regarding the International Mechanical Code. As Building Official for the City of Fairbanks I have recommended that this code be adopted. This recommendation has been forwarded to our local Code Review Commission and is pending their review.

As a Building Official I am required to evaluate all proposed codes and amendments in light of public safety, health and welfare. *In essence, the codes are an instrument for consumer protection and consumer affordability.*

The City of Fairbanks has already formally adopted the 2000 International Fire Code. The local Code Review Commission has been reviewing the International Codes since October of 2000 and has recommended the adoption of the International Building Code, International Residential Code, International Fuel Gas Code. These codes will be presented to the City Council for final public comment and adoption.

The International Codes are internally coordinated with the other international family of codes. Adopting the Uniform Mechanical Code however will create fragmentation, time-consuming re-writing, editing and conflicts with other provisions of the International Codes.

The International Mechanical Code is a performance-based code. Providing the designer, owner and ultimate consumer with more options should not be regarded as a bad idea. The adoption of codes should not benefit a particular class of individuals or sector of industry. We hope that the State of Alaska will evaluate any code with a big picture concept for the benefit of all Alaskans.

Sincerely,

[Signature]
 Steve Shuttleworth
 Building Official

cc: Mayor James Hayes
 Code Review Commission
 Pat Cole Administrative Director
 File

**CITY OF FAIRBANKS***Steve M. Thompson, Mayor*800 CUSHMAN STREET
FAIRBANKS, ALASKA 99701-4615
OFFICE: 907-459-6793

February 27, 2002

VIA FACSIMILE: 907-465-4979Representative Lisa Murkowski
Chairman House Labor and Commerce Committee

Re: HB399 and Related Bills Regarding the Mechanical Code

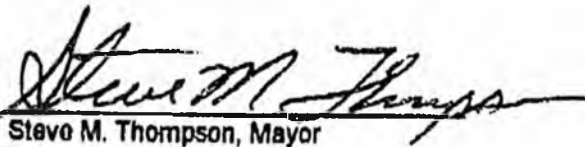
Chairman Murkowski:

We have just been informed of the existence of HB 399. We are concerned about the ramifications it will have on a home rule city. The City of Fairbanks has previously adopted the 2000 International Fire Code and on February 25, 2002, the City Council unanimously adopted the 2000 International Residential Code. It has never been our intent to adopt a mix and match assortment of construction codes for our city. We have enclosed a copy of resolution #3753 for your review. This resolution reflects the past and current city administration's policy toward the adoption of an integrated family of codes. This resolution urged the legislature to amend SB268 to include the words, "or other nationally recognized codes." This senate bill was subsequently passed with this wording. In our opinion, legislative intent was established and in good faith this city pursued the evaluation and adoption of other nationally recognized codes for local enforcement.

Our local review and public hearing process began approximately 18 months ago. A tremendous amount of time and energy has been put forth by our Code Review Commission, staff and stake holders of our construction codes. House Bill 399 will usurp this process. We are not confident that both sides of this important issue have been presented. Further, we were not aware that the State Fire Marshal's regulations were being challenged in light of the fact that the mechanical contractors were not successful in obtaining injunctive relief by the courts. We understand that a committee hearing on this matter is scheduled for this Friday March 1, 2002 at 3:15 pm. We respectfully request that the committee evaluate this bill and other equally situated bills which impact the local code adoption process.

Sincerely,

CITY OF FAIRBANKS


Steve M. Thompson, MayorCc: Interior Delegation
Joint Administrative Regulation Review Committee
House Labor and Commerce Committee ✓
Steve Shuttleworth / Building Official
encl: Resolution 3753 / letter dated 8/8/01



Alaska Professional Design Council □ PO Box 100515 □ Anchorage AK 99501-0515

February 25, 2002

MEMBER SOCIETIES

Alaska Society of Professional Engineers

Alaska Society of Professional Land Surveyors

American Congress on Surveying & Mapping Alaska Section

American Institute of Architects Alaska Chapter

American Society of Civil Engineers Alaska Section

American Society of Landscape Architects Alaska Chapter

Architecture/Engineering Marketing Association of Alaska

Consulting Engineers Council of Alaska

Professional Engineers in Private Practice Alaska Chapter

American Society of Interior Designers

Representative Lisa Murkowski
Chair, House Labor & Commerce Committee
Capitol Room 406
Juneau, AK 99811

Re: HB 436 and HB 437

Dear Representative Murkowski,

This letter is being sent on behalf of the Alaska Professional Design Council (APDC) board in opposition to HB 436, HB 437 and HB 399 as currently drafted. APDC is concerned that legislation adopting, by statute, a specific set of codes is premature, and does not give agencies the ability to determine the best code for their individual needs. In our opinion, this "broad brush" approach has the potential to create havoc in design and construction community.

APDC is a statewide umbrella organization representing engineers, architects, land surveyors, landscape architects and other design professionals. Mechanical Administrators, Contractors, and Building officials are not represented by our organization.

We appreciate your committee's willingness to look at this situation.

Sam Kito III
Chair
Legislative Liaison Committee

Ted Trueblood
President
Alaska Professional Design Council

Subject: 112011
From: Howard Patch

Sent: 11:00 AM 2/20/02

Sorry I did not write to each of you individually but living and working in Anchorage during these times, I find myself working very long hours with not much time to spare. I have been an architect since becoming registered to practice in Alaska in 1972. I have worked on 58 functioning school buildings in Alaska and another 45 buildings covering all sorts of occupancies. It has been an enriching career - architecture has always opened new horizons and as a citizen, I am proud of what has been achieved in the past 30 years all over Alaska by owners, contractors, engineers and architects working together to help build this state. I look forward to the future.

Presently, the new Dimond High School construction is proceeding quickly with between 25 and 30 million already in the ground and may finish significantly ahead of schedule. Architecturally, we at USKH are also designing airfield maintenance facilities for Ted Stevens AIA, a large K-12 school in Togiak, an upgraded Hutchison Vocational High School in Fairbanks, numerous other facilities around the state and now we are beginning to look at the new Eagle River High School.

Recently, I have been reading about HB 399. I am also becoming familiar with the 2000 International Building Code (IBC) and the other family of codes relating to it. I believe it is important for us to standardize codes across America in order to help override a tendency in a few of us to build to a reduced standard of safety and quality. I do not believe people always understand what cutting corners in building can mean, but during strategic times including times of disaster, buildings built to substandard regulations usually fail with much higher regularity.

For as long as I can remember, we have had many building codes in this country (IE: the UBC in the West, the BOCA in the Midwest, the NBC in the East, the SBCC in the Southeast, plus codes like Dade County in Miami and a special code for New York City). The IBC finally pulls us together as a nation with a national code and makes it possible for a standard of building to cross political and regional borders. I realize there will still be a few exceptions. But by-in-large, our citizens will be able to depend on one building code whether they realize it or not, so when they move to an area, or recreate in another, the same standard of care is being applied to buildings they use and depend on for life safety.

In the past, with a plethora of codes across the nation, it has been confusing for professionals involved in the building industry to apply the code from one region to the next and in some cases mistakes have been made. I believe it is also one reason the building industry has been fragmented with virtually hundreds of differing ways to accomplish similar building tasks. Having one code is like speaking a common language. While we will always be a pluralistic society with many differing ethnicities and languages spoken, I believe having a common spoken language is a positive characteristic that has made us a great nation of the world.

I believe strongly that one national code with local amendments will be so important for us as a nation to set even a better standard of care for our citizens. In many regions of the Third World, there are very few building codes or if they exist, they are applied

inconsistently. We need to set an example for the world in this regard. We do not need to step back and argue about special interest codes. We need to work together to make the IBC even better in the years to come responding to the needs of all.

I hope you will join me in supporting the International Building Code and the International family of Codes (IE: Mechanical, Plumbing, Fire and Residential) that support it and are all cross referenced out of it. I hope you will defeat HB 399 and any Senate version of it.

Howard A. Partch, AIA

Subject: Support for Adopting the International Mechanical Code

Date: Wed, 20 Feb 2002 10:21:08 -0900

From: Penny Winchester <pwinchester@rimarchitects.com>

To: "'Representative_Lisa_Murkowski@legis.state.ak.us'" <Representative_Lisa_Murkowski@legis.

Dear Representative Murkowski:

I am sending the attached letter on behalf of Scott Bohne, Architect, AIA NCARB, at RIM Architects. A signed copy is following in the mail. Thank you for your time and consideration.

<<Support of IMC2.doc>>

Penny Winchester

RIM Architects


We've moved-it's a GREAT place to be!

645 G Street, Suite 400

Anchorage, AK 99501

907-258-7777 (same phone)

907-279-8195 (same fax)

 Support of IMC2.doc	Name: Support of IMC2.doc Type: WINWORD File (application/msword) Encoding: base64 Download Status: Not downloaded with message
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February 20, 2002

Representative Lisa Murkowski
State Capitol Room 408
Juneau, AK 99801-1182

RE: SUPPORT FOR ADOPTING THE INTERNATIONAL MECHANICAL CODE

Dear Representative Murkowski:

It has come to our attention that the Mechanical Contractors Association is pressing the State of Alaska to consider adopting of the 2000 Uniform Mechanical Code (UMC) in lieu of the 2000 International Mechanical Code (IMC) as the mechanical code. The Mechanical Contractors Association has already lost their claim to stop adoption of the IMC in State Court. Unfortunately, I have a previous commitment and cannot attend this Saturday Caucus. This letter is providing our support to the Division of Fire Prevention's effort to adopt the IMC as the model for the State's Mechanical Code.

As a professional architectural firm in Alaska, (and myself as a member of the architectural code adoption committee) we are convinced the adoption of the International Codes, as proposed by the Division of Fire Preventions, is in the best interest of the State and its citizens. With the pending adoption of the 2000 International Building Code (IBC), Alaska will be adopting a new family of model building codes. This family is a carefully documented, worded, and complementary set of codes that rely on each other to provide a complete, coordinated, and complementary set of building standards. Each portion of this code relies on the associated sister code to provide a complete standard of care. By adopting the UMC instead of the IMC, we will have a disjointed code that will not be coordinated and complete. One example is the International Building Code in Section 1202.1 now refers to the IMC for change of air ratios and design purposes whenever mechanical ventilation is provided in lieu of natural ventilation. The UMC does not address this.

For many years, the development of a single set of nationally recognized building codes has been a goal of the building industry, designers, and building safety regulators alike. By adopting the International family of building codes, we will be coordinated with the rest of the United States in recognizing a national standard in building construction codes. The International family of codes is the national standard, and was written in joint cooperation with the International Council of Building Officials (ICBO), the Southern Building Code Congress International (SBCCI), and the Building Officials and Code Administrators International, Inc. (BOCA).

The International family of codes also incorporated performance criteria allowing designers and installers alternative means and methods in accomplishing the required end result. This will aid in permitting new and innovative solutions in resolving difficult situations. This criteria does not appear in the Uniform family of Codes.

Change is not easy. But the comfort of status quo should not get in the way of progress. With time, we will all learn to appreciate the performance criteria, complementary language, and national standards offered by the IMC. Staying with the uniform Mechanical Code could lead to confusion, which may lead to a life safety

Support for Adopting the IMC

February 20, 2002

Page 2

hazardous condition. In addition, not every designer and installer works exclusively in his or her local jurisdiction. Adopting the complete International family of codes will make Alaska consistent with the rest of the United States offering safety, continuity and familiarity to everyone.

RIM Architects supports adopting the International Mechanical Code as the model mechanical code for the State of Alaska. Please let us know if we may be of further assistance in conveying this message to the State regulatory authorities.

Sincerely,

RIM Architects

Scott Bohne, AIA NCARB
Architect

SAB/scs

N:\RIM ADMIN\General Office\Support of IMC2.doc

Subject: HB 399 - opposition letter

Date: Wed, 20 Feb 2002 10:10:44 -0900

From: "Douglas Green" <dgreen@mcgalaska.com>

Organization: McCool Carlson Green

To: <Representative_Pete_Kott@legis.state.ak.us>

CC: <Representative_Lisa_Murkowski@legis.state.ak.us>,
<Representative_Andrew_Halcro@legis.state.ak.us>,
<Representative_Kevin_Meyer@legis.state.ak.us>,
<Representative_Norman_Rokeberg@legis.state.ak.us>,
<Representative_Harry_Crawford@legis.state.ak.us>,
<Representative_Joe_Hayes@legis.state.ak.us>

20 FEB 2002

Representative Kott
State Capitol, Room 204
Juneau, AK 99801-1182

Rep. Kott,

I am writing, as a constituent and professional architect, to object to HB 399. It is an attempt to insert a code that is not up to date or coordinated with the other International codes already adopted by the Dept. of Public Safety, State Fire Marshall and all local Building Depts. These agencies and the majority of U.S. use the family of International Codes including a current edition of the International Mechanical Code. The International body of codes combines all previous building codes in the U.S. in a thorough, fully cross referenced volume. The code (Uniform Mechanical Code) proposed in HB 399 has been replaced by the International Mechanical Code. The code that should be changed is the Uniform Plumbing Code, listed in HB 399. This code should be replaced with the International Plumbing Code.

The Alaska Professional Design Council pushed to have the current law adopting the Uniform Plumbing Code amended to include the way for adopting other codes namely those written by the International Conference of Building Officials (ICBO or future International Code body). I feel strongly that this bill should be thrown out. What should be changed is the law adopting the Uniform Plumbing Code, this code is swimming upstream of a nationwide effort to consolidate, simplify and improve building codes.

At the very least this bill (HB 399) should provide a provision, similar to the plumbing code, to adopt other codes in the future.

Thanks for you help in this matter,

Sincerely,

Doug Green, AIA
10711 Crestview Lane
Eagle River, AK

McCOOL CARLSON GREEN
voice: (907)563-8474
fax: (907) 563-4572

Subject: URGENT - Code Adoption information for your consideration

Date: Tue, 19 Feb 2002 17:17:13 -0900

From: "Watts, Ron K." <WattsRK@ci.anchorage.ak.us>

To: "Representative_Lisa_Murkowski@legis.state.ak.us" <Representative_Lisa_Murkowski@legis.

Honorable Lisa Murkowski:

I am writing to let you know that many of us in the design, construction, building owner and operator and regulatory community vigorously oppose the proposed House Bills 399, 436, 437 and any similar senate versions in their present forms. These bills will create havoc within state government, local jurisdictions, and the building design and construction communities. As they are presently crafted, they will lock in old codes that are not coordinated with the new family of building, fire and life safety codes.

This effort is being driven by the plumbing, mechanical unions and International Association of Plumbing and Mechanical Officials (IAPMO), which is less than 20% of the total building design, and construction community. These groups are motivated by a perceived loss of control over codes and loss of money from sale of code books. Most of the offered opposition to the International codes can be dismissed on technical merits, and in fact, already have been dismissed by those involved in the code adoption process. There have been hundreds of hours volunteered by a wide variety of professionals, including those in the construction community, to achieve consensus on adoption of the International codes.

We want you to know that we are preparing a defense of the family of codes, and specifically, the aforementioned bills. We have agreement from the majority of the design, construction, and other professional organizations, and you will be receiving a copy of it in the coming days, with their relevant leadership signatures on it. The group you have been hearing from is a very narrowly focused, special interest group, that is not representing the broad needs of the Alaskan public. We sincerely hope that you will wait to hear the whole story before taking action on these bills. In addition, we have prepared a substitute bill for your consideration that we believe will solve many of the perceived problems, and serve the entire community.

Please accept our invitation to make further presentation to you and your colleagues on this very critical topic.

Sincerely,

<<...>>

Ron Watts,
Building Official
Municipality of Anchorage, Building Safety Division
907-343-8301

Subject: International Codes

Date: Thu, 14 Feb 2002 17:02:36 -0700

From: "Aho, John/ANC" <JAho@CH2M.com>

To: ""Senator_Randy_Phillips@legis.state.ak.us" <Senator_Randy_Phillips@legis.state.ak.us>, ""Senator_Loren_Leman@legis.state.ak.us" <Senator_Loren_Leman@legis.state.ak.us>, ""Senator_Dave_Donley@legis.state.ak.us" <Senator_Dave_Donley@legis.state.ak.us>, ""Senator_John_Cowdery@legis.state.ak.us" <Senator_John_Cowdery@legis.state.ak.us>, ""Representative_Brian_Porter@legis.state.ak.us" <Representative_Brian_Porter@legis.state.ak.us>, ""Representative_Lisa_Murkowski@legis.state.ak.us" <Representative_Lisa_Murkowski@legis.state.ak.us>, ""Representative_Bill_Hudson@legis.state.ak.us" <Representative_Bill_Hudson@legis.state.ak.us>, ""Representative_Joe_Hayes@legis.state.ak.us" <Representative_Joe_Hayes@legis.state.ak.us>, ""Representative_John_Davies@legis.state.ak.us" <Representative_John_Davies@legis.state.ak.us>, ""Representative_Con_Bunde@legis.state.ak.us" <Representative_Con_Bunde@legis.state.ak.us>, ""Representative_Ethan_Berkowitz@legis.state.ak.us" <Representative_Ethan_Berkowitz@legis.state.ak.us>

Dear Senator, Representative, and MOA Assembly Member:

I wish to express my opposition to HB 399 and any corresponding Senate version, which seeks to nullify adoption of the International Mechanical Code, and any other building codes that have been reviewed and approved by the Department of Safety, Occupational Licensing. This bill could potentially put the design and construction community into turmoil. A great deal of effort has been expended by scores of experts in developing the International Building Code family with emphasis on providing minimum requirements for the design of life safe facilities. I support the adoption of the International Mechanical Code as an integral part of the International Building Code family. The perceived problem of conflicting statutory references in the International Mechanical Code could be solved by changing the statute to allow Occupational Licensing to test the mechanical administrators according to the code adopted by the State Fire Marshal. Please act responsibly and vote to keep the adopted International Codes in place.

Thank you.

Dr. John L. Aho, Ph.D.
CH2M HILL
Vice President

Subject: Adoption of the International Mechanical Code

Date: Wed, 13 Feb 2002 11:30:34 -0900

From: "admin" <admin@porathtatom.com>

Organization: Porath Tatom Architects

To: <Representative_Lisa_Murkowski@legis.state.ak.us>

February 13, 2002

<?xml:namespace prefix = o ns = "urn:schemas-microsoft-com:office:office" />

Representative Lisa Murkowski
State Capital
Juneau, AK 99801-1182

Re: Adoption of the International Mechanical Code

Dear Representative Murkowski,

We oppose HB 399 and any corresponding Senate version, which seeks to nullify adoption of the International Mechanical Code, and the other codes that have been reviewed and approved by the Department of Safety, Occupational Licensing. This bill could potentially put the design and construction community into turmoil. We support the adoption of the International Mechanical Code as an integral part of the International Building Code family. We also support a simple solution to the perceived problem: Any conflicting statutory references can be easily changed by your body to allow Occupational Licensing to test the mechanical administrators according to the code adopted by the State Fire Marshal. Please act responsibly and keep the adopted International Codes in place.

Thank you for your time.

Sincerely,

Bill Tatom, Principal
Jack Bailey, AIA
Walt Bullock, AIA

BT/ju

Subject: HB 399 Objection

Date: Sun, 17 Feb 2002 13:58:26 -0900

From: the Wizard Loft <marris@atuonline.net>

To: Representative_Lisa_Murkowski@legis.state.ak.us

I oppose HB 399, and will also oppose any corresponding Senate version, which seeks to nullify adoption of the "International Mechanical Code", and the other codes that have been reviewed and approved by the Department of Safety, Occupational Licensing in our State as well as the professional design community over the course of several years.

This bill has the potential to put the design and construction community, the banking, funding, and regulatory agencies that rely on code use and adoption, that our common goal is to protect the health and welfare of the public.

I support adoption of the International Mechanical Code as an integral part of the International Code family that has emerged from combining the three major code groups throughout the United States through the efforts of thousands of professionals over several years. We must remain in the forefront of the ICC code adoption process.

I also can support a simple solution to the perceived problem of currently conflicting statutory references that can be easily changed by our body to allow Occupational Licensing to test the mechanical administrators according to the "current edition of the code adopted by the State Fire Marshal"

Please act in concert to preserve the efforts to move forward and help drag those in the legal profession act responsibly and keep the adopted International Codes in place.

James Marris AIA, CSI, ICBO
Registered Architect A-5184
Principal, Karluk Design.
1042 E 6th. Ave
Anchorage, Alaska
(907) 258-7722

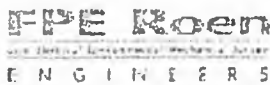
E-mail: jim@karluk.com

Fax (907) 276-0879



Consulting Engineers
Planning • Design • Construction

Formerly:



Mark W. Fryer, PE
Ronald H. Gebhart, PE
Steven M. Theno, PE
James R. Pressley, PE
Gary L. Rice, PE



LOFTUS CONSULTING ASSOCIATES, INC.
CONSULTING ENGINEERS

James J. Loftus,



Robert B. Boswell,

February 18, 2002

Honorable Lisa Murkowski
Chair; House Labor and Commerce Committee
State of Alaska

Dear Representative Murkowski:

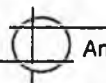
I would like to take this opportunity to express my opinion regarding pending legislation, specifically HB 399. It is my understanding HB 399 attempts to nullify the adoption of the International Mechanical Code and other International Codes which have been reviewed and approved by the Department of Commerce and Economic Development and the Department of Public Safety. I am not in favor of this action.

I am a registered professional mechanical engineer in the State of Alaska, and a practicing design professional. Adoption of an integrated series of building codes, all cross-referenced and coordinated, and adopted at both the State and Municipal level would significantly improve the understanding, successful application and uniform enforcement of important code provisions.

The International Mechanical Code is an integral part of the International Building Code family. Together they form a concise, coordinated, cross-referenced series of codes to guide the building industry and to protect the health, safety and welfare of the public. Within the Municipality of Anchorage, review and adoption of the International Building Codes was a process that involved contractors, building owners, industry representatives and design professionals. That process reached consensus approval in favor of adoption of the International Building Code series. I would encourage you to support this effort, in favor of the International Building Codes, and to reject HB 399.

Sincerely,

Steve Theno, PE
President
PDC, Inc. Consulting Engineers



Subject: HB399, 436, and 437

Date: Thu, 21 Feb 2002 14:03:23 -0900

From: Deb_Allen@URSCorp.com

**To: Representative_Andrew_Halcro@legis.state.ak.us,
Representative_Harry_Crawford@legis.state.ak.us,
Representative_Jeannette_James@legis.state.ak.us,
Representative_Joe_Hayes@legis.state.ak.us, Representative_Kevin_Meyer@legis.state.ak.us,
Representative_Lesil_McGuire@legis.state.ak.us,
Representative_Lisa_Murkowski@legis.state.ak.us,
Representative_Norman_Rokeberg@legis.state.ak.us,
Representative_Pete_Kott@legis.state.ak.us, senator_alan_austeman@legis.state.ak.us,
Senator_Ben_Stevens@legis.state.ak.us, Senator_Bettye_Davis@legis.state.ak.us,
Senator_Gene_Therriault@legis.state.ak.us, Senator_Georgianna_Lincoln@legis.state.ak.us,
Senator_Johnny_Ellis@legis.state.ak.us, Senator_John_Cowdery@legis.state.ak.us,
Senator_John_Torgerson@legis.state.ak.us, Senator_Loren_Leman@legis.state.ak.us,
Senator_Lyda_Green@legis.state.ak.us, Senator_Randy_Phillips@legis.state.ak.us,
Senator_Rick_Halford@legis.state.ak.us, Senator_Robin_Taylor@legis.state.ak.us**

I oppose HB 399, 436, and 437 and any corresponding Senate bills. As a member of the professional engineering community, it is my opinion that the State of Alaska should maintain the International Codes as the basic standard. These codes have gone through a thorough review process by the State, with the full participation of and comment by the professional engineering and architectural community.

Specific references to individual code books, editions, publishers, etc. should be removed from existing legislation, as this may prohibit easy adoption of updates, additions, or revisions to the codes in the future. Adopting codes by general reference, i.e "the latest edition of the International Building Code" will prevent the need for the legislature to periodically reevaluate and readopt the codes and will prevent the engineering community from being locked into using outdated and obsolete standards.

Deborah Allen, PE
Engineering Services Manager, Alaska
URS Corporation

NEW ADDRESS and DIRECT PHONE NUMBER:

2700 Gambell Street, Suite 200
Anchorage, AK 99503
(907)261-9712 (voice)
(907)562-1297 (fax)

Subject: Adoption of the International Mechanical Code
Date: Wed, 13 Feb 2002 11:30:34 -0900
From: "admin" <admin@porathtatom.com>
Organization: Porath Tatom Architects
To: <Representative_Lisa_Murkowski@legis.state.ak.us>

February 13, 2002

<?xml:namespace prefix = o ns = "urn:schemas-microsoft-com:office:office" />

Representative Lisa Murkowski
State Capital
Juneau, AK 99801-1182

Re: Adoption of the International Mechanical Code

Dear Representative Murkowski,

We oppose HB 399 and any corresponding Senate version, which seeks to nullify adoption of the International Mechanical Code, and the other codes that have been reviewed and approved by the Department of Safety, Occupational Licensing. This bill could potentially put the design and construction community into turmoil. We support the adoption of the International Mechanical Code as an integral part of the International Building Code family. We also support a simple solution to the perceived problem: Any conflicting statutory references can be easily changed by your body to allow Occupational Licensing to test the mechanical administrators according to the code adopted by the State Fire Marshal. Please act responsibly and keep the adopted International Codes in place.

Thank you for your time.

Sincerely,

Bill Tatom, Principal
Jack Bailey, AIA
Walt Bullock, AIA

BT/ju

Subject: POM re. HB399

Date: Wed, 20 Feb 2002 15:52:05 -0900

From: "MSchwartz" <MSchwartz@opm.mat-su.k12.ak.us>

To: <Representative_Lisa_Murkowski@legis.state.ak.us>

Dear Rep. Murkowski,

Please join me in opposition to HB399. As Facilities Coordinator of the Mat-Su School District I am responsible for planning and design of capital improvements in the Diistrict. I am also a licensed architect and have been involved in school design in this state for 25 years. Until recently we have had a problem with a mixed batch of competing and contradictory codes to govern building design in this state. The state recently adopted a coordinated and complimentary set of codes. HB399 would create chaos by replacing one code with a different one that is out of step with all the others. The reason the odd code is being promoted is that it has some provisions beneficial to a particular labor union at the expense of everybody else. HB399 is not for the public good but rather serves a very narrow special interest. Thank you very much.

Sincerely,

Michael H. Schwartz, AIA, CCS

Facilities Coordinator

Registered Voter in House District 27

"Senator_Rick_Halford@legis.state.ak.us" <Senator_Rick_Halford@legis.state.ak.us>,
 "Senator_Lyman_Hoffman@legis.state.ak.us" <Senator_Lyman_Hoffman@legis.state.ak.us>,
 "Senator_Pete_Kelly@legis.state.ak.us" <Senator_Pete_Kelly@legis.state.ak.us>,
 "Senator_Loren_Leman@legis.state.ak.us" <Senator_Loren_Leman@legis.state.ak.us>,
 "Senator_Georgianna_Lincoln@legis.state.ak.us" <Senator_Georgianna_Lincoln@legis.state.ak.us>,
 "Senator_Donny_Olson@legis.state.ak.us" <Senator_Donny_Olson@legis.state.ak.us>,
 "Senator_Randy_Phillips@legis.state.ak.us" <Senator_Randy_Phillips@legis.state.ak.us>,
 "Senator_Ben_Stevens@legis.state.ak.us" <Senator_Ben_Stevens@legis.state.ak.us>,
 "Senator_Robin_Taylor@legis.state.ak.us" <Senator_Robin_Taylor@legis.state.ak.us>,
 "Senator_Gene_Therriault@legis.state.ak.us" <Senator_Gene_Therriault@legis.state.ak.us>,
 "Senator_John_Torgerson@legis.state.ak.us" <Senator_John_Torgerson@legis.state.ak.us>,
 "Senator_Jerry_Ward@legis.state.ak.us" <Senator_Jerry_Ward@legis.state.ak.us>,
 "Senator_Gary_Wilken@legis.state.ak.us" <Senator_Gary_Wilken@legis.state.ak.us>

SUBJECT: Title 13 AAC 50.023 Mechanical Code Regulation Changes
 Adoption of the 2000 International Mechanical Code (IMC)

Honorable Senators and Representatives

I would like to take this opportunity to express my professional and personal opinions on the state adoption of the 2000 International Mechanical Code (IMC).

As a member of the Municipality of Anchorage, Board of Building Regulation Examiners and Appeals and as the chairman of the mechanical code sub-committee, I would like to state that I am professionally in favor of the State adopting the 2000 IMC. I am strongly opposed to any action that will nullify the adoption of the IMC specifically HB 399.

As a registered mechanical engineer, working in the Anchorage building design community, I have had the opportunity to be involved in the review and mechanical code adoption process of the Municipality for the last three code cycles. Although there are differences between the IMC and the Uniform Mechanical Code (UMC), our committee chose to go with the IMC by an 8 to 6 margin. In our subsequent reviews we found that there are some cases that the IMC is more stringent than the UMC. In some cases the IMC is more prescriptive than the UMC. Of course there are also examples of more stringent and prescriptive requirements in the UMC. A strong point in favor of the IMC is the prescriptive ventilation requirements and table that are not in the UMC (see Chapter 4 of both documents).

When incorporated with the other International Codes, i.e. the International Building Code (IBC), International Fuel Gas Code (IFGC), International Plumbing Code (IPC) etc., some of the short falls stated in the MCA correspondence dated May 7, 2001, really do not exist or are things that we traditionally, in the Municipality, have had to make amendments for in the UMC anyway, i.e. combustion air openings. Fuel gas piping is now covered in the IFGC, which we have also adopted within the Municipality. The IMC does not include standards, but has an entire chapter of referenced standards which would be impossible to publish as part of the code, not to mention the proprietary and legal conflicts of publishing another organization's standards.

One very important point is that the cross-references between the IBC, International Fire Code (IFC) and the IMC are numerous and extensive. This integration is by far more extensive than that between the IMC/IPC, or UMC/Uniform Plumbing Code (UPC). Within the IMC, the IPC is only cross-referenced in Chapter 10, the IBC and IFC are cross-referenced in every chapter. Since the IMC and UMC are written and formatted in such a different fashion, using the UMC will require a lot of amendments just to cover the missing items cross-referenced in the IBC and IFC. I feel that

this cross-referencing problem already exists with the adoption of the UPC, which the Municipality has done to match the State of Alaska. Adoption of the UMC in conjunction with the IBC, and IFC will exacerbate the cross-referencing problems that already exist.

The Anchorage mechanical code review sub-committee has a wide range of members from mechanical HVAC contractors, design engineers, building owners, and industry. The bottom line is that at the end of the review process all members felt comfortable with passing on the 2000 IMC, with local amendments, to the Municipal Assembly for adoption.

In closing I would like to offer my personal opinion on the matter;

1. I feel any group that is protesting the adoption of the IMC has not taken an in-depth look at the two documents. The general prescriptive approach of the IMC will allow for innovations that lead toward construction cost savings. I believe that the majority of the protest is from people with a dogmatic point-of-view that are resistant to change and have not made an in-depth comparison of the two documents.

2. I think either the IMC or the UMC are good mechanical code documents, however both are supportive documents of an entire family of codes. I strongly feel that all of the codes adopted should be of the same family as the building code and fire code, because of the integration and cross-referencing the exists between code documents of the same family.

Thank you,

Gregory Johnson, PE
PDC Engineers
Senior Associate Mechanical Engineer



ALASKA • GUAM • HAWAII • CALIFORNIA

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Anchorage, Alaska 99501
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Larry S. Cash, AIA, NCARB
James E. Dougherty, AIA, NCARB
Rolland R. Reid II, AIA, NCARB
Scott A. Bohne, AIA, NCARB
Aaron K. Joseph, NCARB
Matthew P. Vogel, Architect

www.rimarchitects.com

February 20, 2002

Representative Lisa Murkowski
State Capitol Room 408
Juneau, AK 99801-1182

RE: SUPPORT FOR ADOPTING THE INTERNATIONAL MECHANICAL CODE

Dear Representative Murkowski:

It has come to our attention that the Mechanical Contractors Association is pressing the State of Alaska to consider adopting of the 2000 Uniform Mechanical Code (UMC) in lieu of the 2000 International Mechanical Code (IMC) as the mechanical code. The Mechanical Contractors Association has already lost their claim to stop adoption of the IMC in State Court. Unfortunately, I have a previous commitment and cannot attend this Saturday Caucus. This letter is providing our support to the Division of Fire Prevention's effort to adopt the IMC as the model for the State's Mechanical Code.

As a professional architectural firm in Alaska, (and myself as a member of the architectural code adoption committee) we are convinced the adoption of the International Codes, as proposed by the Division of Fire Prevention, is in the best interest of the State and its citizens. With the pending adoption of the 2000 International Building Code (IBC), Alaska will be adopting a new family of model building codes. This family is a carefully documented, worded, and complementary set of codes that rely on each other to provide a complete, coordinated, and complementary set of building standards. Each portion of this code relies on the associated sister code to provide a complete standard of care. By adopting the UMC instead of the IMC, we will have a disjointed code that will not be coordinated and complete. One example is the International Building Code in Section 1202.1 now refers to the IMC for change of air ratios and design purposes whenever mechanical ventilation is provided in lieu of natural ventilation. The UMC does not address this.

For many years, the development of a single set of nationally recognized building codes has been a goal of the building industry, designers, and building safety regulators alike. By adopting the International family of building codes, we will be coordinated with the rest of the United States in recognizing a national standard in building construction codes. The International family of codes is the national standard, and was written in joint cooperation with the International Council of Building Officials (ICBO), the Southern Building Code Congress International (SBCCI), and the Building Officials and Code Administrators International, Inc. (BOCA).

The International family of codes also incorporated performance criteria allowing designers and installers alternative means and methods in accomplishing the required end result. This will aid in permitting new and innovative solutions in resolving difficult situations. This criteria does not appear in the Uniform family of Codes.

Change is not easy. But the comfort of status quo should not get in the way of progress. With time, we will all learn to appreciate the performance criteria, complementary language, and national standards offered by the IMC. Staying with the uniform Mechanical Code could lead to confusion, which may lead to a life safety

Support for Adopting the IMC

February 20, 2002

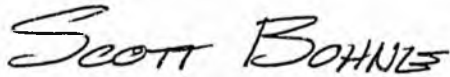
Page 2

hazardous condition. In addition, not every designer and installer works exclusively in his or her local jurisdiction. Adopting the complete International family of codes will make Alaska consistent with the rest of the United States offering safety, continuity and familiarity to everyone.

RIM Architects supports adopting the International Mechanical Code as the model mechanical code for the State of Alaska. Please let us know if we may be of further assistance in conveying this message to the State regulatory authorities.

Sincerely,

RIM Architects

A handwritten signature in black ink that reads "SCOTT BOHNE". The letters are cursive and somewhat stylized.

Scott Bohne, AIA NCARB

Architect

SAB/scs

International Codes - Adoption by State

Revised on 1/17/02

| | A= Adopted, but may not yet be effective | | | | | | X= Effective Statewide | | | | L = Adopted by Local Governments
See Jurisdiction Chart for more | | Comments |
|----------------------|--|-------|------|-----|------|-----|------------------------|------|-----|-------|---|--|----------|
| | IBC | ICCEC | IECC | IFC | IFGC | IMC | IPC | IPMC | IRC | IPSDC | IJC | | |
| Alabama | L | L | L | L | L | L | L | L | L | L | L | No state codes | |
| Alaska | X | | | X | | X | | | | | | | |
| Arizona | L | L | X | L | L | L | L | L | L | | | | |
| Arkansas | | | | L | | | A | | L | | | | |
| California | | | | | | | | | | | | | |
| Colorado | L | L | L | L | L | L | L | L | L | L | L | | |
| Connecticut | | | | | | X | X | | | | | | |
| Delaware | | | | | | | X | | | | | | |
| District of Columbia | | | | | | X | X | | | | | | |
| Florida | | | | | A | A | A | | | | | A=Effective March 1, 2002 | |
| Georgia | X | | | X | X | X | X | | X | | | | |
| Hawaii | | | | | | | | | | | | | |
| Idaho | A | | L | | | | | | | | | A=Effective July 1, 2002 | |
| Illinois | L | | L | L | L | L | L | L | L | L | L | * I-Codes adopted by Illinois to cover construction of industrialized buildings | |
| Indiana | | | | | | X | | | X | | | | |
| Iowa | L | L | L | L | L | L | L | L | L | L | L | | |
| Kansas | L* | | L | L | L | L | L | L | L | L | L | * IBC acceptable for state except for school construction | |
| Kentucky | X | | | | | X | | | X | | | | |
| Louisiana | | | | | | | | | | | | | |
| Maine | L | L | L | L | L | L | L | L | L | L | L | | |
| Maryland | X | | | | | | L | | X | | | | |
| Massachusetts | A | | | | | A | | | A | | | Effective July 1, 2002 | |
| Michigan | X | X | X | L | X | X | X | X | X | X | X | | |
| Minnesota | | | | | | | | | | | | | |
| Mississippi | L | | | L | L | L | L | | L | | | | |
| Missouri | L | L | L | L | L | X | X | L | L | L | L | | |
| Montana | | | | | | | | | | | | | |
| Nebraska | L | L | L | L | L | L | L | L | L | L | L | | |
| Nevada | | | | | | | | | | | | | |
| New Hampshire | L | | | L | L | L | X | | L | | | | |
| New Jersey | | | | | X | X | | | | | | | |
| New Mexico | L | | | | L | L | L | L | L | | | | |
| New York | | | | | | | | | | | | | |
| North Carolina | X | | X | X | X | X | X | | X | | | | |
| North Dakota | A | | | | A | A | | | A | | | Effective Summer 2002 | |
| Ohio | X | | | L | X | X | X | | X | | | | |
| Oklahoma | L | L | L | L | X* | X | X | X | X* | L | L | *Mechanical provisions only | |
| Oregon | | | | | | X | | | | | | | |
| Pennsylvania | L | | | L | L | L | L | L | L | | | | |
| Rhode Island | X | | | | X | X | X | | | | | | |
| South Carolina | X | | X | X | X | X | X | | A | | | IRC Effective July 1, 2002 | |
| South Dakota | X | | | | | | | | | | | | |
| Tennessee | | | | | | | X | L | L | | | | |
| Texas | L | L | X | L | L | X | X | L | X | L | L | Effective September 1, 2001; IRC mandated; IECC, IMC, IPC available for local adoption | |
| Utah | X | | X | X | X | X | X | | X | | | | |
| Vermont | | | | | | | | | | | | | |
| Virginia | | | | | X | X | X | | | | | | |
| Washington | | | | | | | | | | | | | |
| West Virginia | | | | | | | | | | | | | |
| Wisconsin | A | | A | | A | A | | | | | | Adoptions effective July 1, 2002 | |
| Wyoming | | | | | | L | L | | | | | | |

Notes: Abbreviations stand for the International Building Code (IBC), ICC Electrical Code (ICCEC), International Energy Conservation Code (IECC), International Fire Code (IFC), International Property Maintenance Code (IPMC), International Fuel Gas Code (IFGC), International Mechanical Code (IMC), International Plumbing Code (IPC), International Code (IPMC), International Residential Code (IRC), International Private Sewage Disposal Code (IPSDC) and International Zoning Code (IZC).

AIA Alaska

A Chapter of the American Institute of Architects



April 9, 2002

The Honorable Lisa Murkowski
House of Representatives
Room 408
Alaska State Capitol
Juneau, Alaska 99801-1182

Subj: Mechanical Code Issues; HB 436, 437

Dear Representative Murkowski:

AIA Alaska represents the majority of architects practicing in the State of Alaska. We again want to stress to you how vigorously oppose House Bills 436 and 437, and any corresponding Senate versions, which seek, either directly or indirectly, to nullify adoption of the International Mechanical Code and the other codes that have been reviewed and approved by the Department of Economic Development and the Department of Public Safety.

HB 436 has a subtle requirement for all codes adopted in the state and local jurisdictions to be approved under a special ANSI consensus industry standard, to the extent practical. For over 50 years the proprietary Uniform Codes specified in these bills have not been approved under the ANSI process but approved under a different consensus process. This bill will exclude all other codes approved under a different consensus process from being considered. That means that state or local jurisdictions could not adopt the International Building and other International Codes. Presently, there is not another building code available for adoption.

Additionally, neither the 2000 Uniform Mechanical Code nor the 2000 Uniform Plumbing Code is approved under an ANSI accredited consensus process. If HB 436 is approved, state and local jurisdictions could not adopt any of the present Uniform or International Codes. This would leave the State and local jurisdictions without a Building, Fire, Mechanical, or Plumbing Code.

HB 437 restricts code adoptions to the proprietary Uniform Codes, except the building code. In section 3, paragraph 3 (A), this bill allows adoption of a generic building code. This creates a conflict between HB 436 and 437. HB 436 restricts code approval to a certain consensus process, and HB 437 specifies a generic building code as adopted by Department of Public Safety that does not meet that specified consensus standard.

Letter to Representative Murkowski

April 9, 2002

Page 2

HB 437 section 5 paragraph (C) specifies that the Department of Public Safety can only adopt the 2000 edition of the Uniform Mechanical Code published by the International Association of Plumbing and Mechanical Officials. Since the 2000 Uniform Mechanical Code was not published under an approved ANSI consensus process, this section of HB 437 would also be in violation of HB 436.

These are both poor legislation and will put the design and construction community into turmoil. If these bills are adopted, this will mean that there will not be any legally adopted building, fire, mechanical, and plumbing codes in the State of Alaska or local jurisdictions. This is totally unacceptable and would not reflect favorably upon the legislature. These bills could conceivably stop building construction in Alaska. This has major potential ramifications in the loss of mortgage and lending funds, loss of insurance or an insurance rate increase, and loss of FEMA funding for disaster relief. This is not the road the legislature wants to go down. We support the adoption of the International Mechanical Code as an integral part of the International Code series. Having a unified series of codes in place that is specifically coordinated to work together is of paramount importance in our ability to design projects that are in the best interest of public safety.

The appropriate action is to disapprove HB 436 and 437 and remove proprietary language from present statutes. Please act in the best interest of the health, safety and welfare of the citizens of Alaska, and keep the adopted International Code series intact and in place.

Sincerely,

A handwritten signature in black ink that reads "Scott Sandlin". The signature is written in a cursive, flowing style.

Scott Sandlin, AIA
2002 President
AIA Alaska



Alaska State Legislature

Please enter into the record my testimony to the H Labor & Commerce
committee name
committee on HR 437, dated 3/15/02
bill/subject

As a Mechanical Contractor, License # 22730,
and a Mechanical Administrator, license # 093
I fully support adopting H.B. 437 and
the 2000 edition of the UMC Mechanical Code.
Our industry standard has been the UMC for
some time, and we are tested on this code for
our licensing. To adopt a different standard creates
confusion among the building trades.

Signed: Daniel B. Hardy
Testifier

Representing (Optional)
P.O. Box 874092, Wasilla
Address
907-373-2595
Phone No.



Alaska State Legislature

Please enter into the record my testimony to the H Labor + Commerce
 committee name
 committee on HB 437, dated 3/15/02
 bill/subject

As a Mechanical Contractor, Licence # 22730,
 and a Mechanical Administrator, license # 093
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 some time, and we are tested on this code for
 our licensing. To adopt a different standard creates
~~have~~ confusion among the building trades.

Signed: Daniel B. Hardy
 Testifier

Representing (Optional)
P.O. Box 874092, Wasilla
 Address
907-373-2585
 Phone No.

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 437
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title Uniform Mechanical Code BRU Alaska Housing Finance Corp.
 Component Operations
 Sponsor Representative Harris
 Requester House Labor and Commerce Component No. 110

Expenditures/Revenues (Thousands of Dollars)

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

| OPERATING EXPENDITURES | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 |
|------------------------|------------|------------|------------|------------|------------|------------|
| Personal Services | | | | | | |
| Travel | | | | | | |
| Contractual | | | | | | |
| Supplies | | | | | | |
| Equipment | | | | | | |
| Land & Structures | | | | | | |
| Grants & Claims | | | | | | |
| Miscellaneous | | | | | | |
| TOTAL OPERATING | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | |
|-----------------------------|------------|------------|------------|------------|------------|------------|
| CAPITAL EXPENDITURES | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
|-----------------------------|------------|------------|------------|------------|------------|------------|

| | | | | | | |
|-------------------------------|------------|------------|------------|------------|------------|------------|
| CHANGE IN REVENUES () | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
|-------------------------------|------------|------------|------------|------------|------------|------------|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|---|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | | | | | | |
| 1005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other (Specify Type--Do not abbreviate) | | | | | | |
| TOTAL | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

| | | | | | | |
|-----------|--|--|--|--|--|--|
| Full-time | | | | | | |
| Part-time | | | | | | |
| Temporary | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

Section 3 amends AHFC's "state building code" definition for construction standards on housing eligible for mortgage purchases. Changes to the state mechanical code would take effect 90 days after signature by the governor. Assuming the effective date would occur sometime during the upcoming construction season, there may be some confusion among inspectors and builders in the middle of the construction season regarding which code is required. There will have to be an effort on the part of AHFC and others to get out the word regarding the changes proposed in the bill. This will include changing workshop curriculum, mail-outs, advertisements, bulletins and other such notices.

These costs are anticipated to be minimal, and can be assumed with existing budgetary authority.

Prepared by: John Bitney, Legislative Liaison Phone 330-8445
 Division Alaska Housing Finance Corporation Date/Time 2/25/02 5:21 PM
 Approved by: Larry Persily, Deputy Commissioner Date 02/25/2002
 Agency Department of Revenue

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 437
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: DCED
 Title An Act adopting a version of the Uniform BRU: Occupational Licensing (117)
Mechanical Code for the state Component Occupational Licensing
 Sponsor Representative Harris
 Requester House Labor & Commerce Component No. 2360

Expenditures/Revenues (Thousands of Dollars)

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

| OPERATING EXPENDITURES | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 |
|------------------------|-------------|------------|------------|------------|------------|------------|
| Personal Services | | | | | | |
| Travel | | | | | | |
| Contractual | 40.0 | | | | | |
| Supplies | | | | | | |
| Equipment | | | | | | |
| Land & Structures | | | | | | |
| Grants & Claims | | | | | | |
| Miscellaneous | | | | | | |
| TOTAL OPERATING | 40.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | |
|-----------------------------|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | |
|-----------------------------|--|--|--|--|--|--|

| | | | | | | |
|-------------------------------|-------------|------------|------------|------------|------------|------------|
| CHANGE IN REVENUES () | 40.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
|-------------------------------|-------------|------------|------------|------------|------------|------------|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|-----------------------------------|-------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | | | | | | |
| 1005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other (1007 Interagency Receipts) | 40.0 | | | | | |
| TOTAL | 40.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

| | | | | | | |
|-----------|--|--|--|--|--|--|
| Full-time | | | | | | |
| Part-time | | | | | | |
| Temporary | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

The effect of this bill requires a change from the International Code to the Uniform Code; and therefore, the licensing tests will need to be rewritten. The testing contractor has advised that rewriting the tests will cost \$40.0 which can be completed within approximately 4 months. The interagency funding source is the Department of Public Safety.

Prepared by: Jennifer Strickler, Administrative Manager Phone (907) 465-2144
 Division Occupational Licensing Date/Time 2/28/02 5:16 PM
 Approved by: Deborah B. Sedwick, Commissioner Date 2/28/2002
 Agency Department of Community & Economic Development

HB

443

ALASKA STATE LEGISLATURE



Interim:
600 East Railroad Avenue
Wasilla, Alaska 99654
(907) 373-1842
Fax - (907) 373-4729

Session:
State Capitol Building, Room 24
Juneau, Alaska 99801-1182
(907) 465-2186
Fax - (907) 465-3818

REPRESENTATIVE VIC KOHRING
DISTRICT 26

SPONSOR STATEMENT

HOUSE BILL 443

TATTOOING AND BODY PIERCING

In 2000, the Legislature passed SB 34 to bring tattoo and body piercing practitioners under the regulation and licensing requirement of AS 08.13, Barbers and Hairdressers. The legislation established qualification and training requirements for license applicants, regulations for shop licenses, and set application deadline and initial licensing dates.

The 2000 legislation did not allow for a grace period or appeal process for missing the license application deadline. Several established practitioners missed the deadline because they were unaware of the new regulations. Shops not meeting the new requirements will have to close or cease the effected part of their business. This will result in loss of income to shop owners, practitioners, shop support staff and vendors.

This bill will extend the application period and the initial licensing date.

ALASKA STATE LEGISLATURE



Interim:
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Session:
State Capitol Building, Room 24
Juneau, Alaska 99801-1182
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REPRESENTATIVE VIC KOHRING
DISTRICT 26

SECTIONAL ANALYSIS

CS HOUSE BILL 443

TATTOOING AND BODY PIERCING

- ◆ Section 3(a)(1) extends the application deadline from July 1, 2001, to October 1, 2002.
 - This will allow practitioners who missed the original deadline additional time to file for transitional license.
- ◆ Section 2 changes the licensing requirement date for the initial member appointed to the Board from July 1, 2002, to December 1, 2002.
- ◆ Section 3(a) changes the effective date for licensing requirement, notification requirements, and DEC regulation regulations from July 1, 2002, to December 1, 2002.
 - The licensing requirement date has to be after the application deadline. Making the license and effective dates December 1, 2002, will give the department time to process the applications and administer the test before the application requirement date without unduly delaying implementation of DEC regulations or the training period for people wishing to enter the profession.

ALASKA STATE LEGISLATURE



Interim:

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Session:

State Capitol Building, Room 24
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REPRESENTATIVE VIC KOHRING
DISTRICT 26

HB 443

TATTOOING AND BODY PIERCING

Background Information

SB 34 was introduced in 1999 to regulate tattooing and body piercing practitioners by licensing them through the Division of Occupational Licensing under the Barbers and Hairdressers Board. The bill, amending AS 08.01.065 and 08.13 was signed into law May 31, 2000, with various effective dates:

- Section 31(a)(1), chapter 93, SLA 2000 set the transitional license application deadline as July 1, 2001.
- Section 32, chapter 93, SLA 2000 set the licensing requirement date for the initial member appointed to the Board as July 1, 2002.
- Section 35(a), chapter 93, SLA 2000 set the licensing requirement date for practitioners as July 1, 2002.

ALASKA STATE LEGISLATURE



Interim:
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REPRESENTATIVE VIC KOHRING
DISTRICT 26

HB 443

TATTOOING AND BODY PIERCING

Issue Statement

Several practitioners missed the application deadline set by the passage of SB 34 because they did not know of its existence. No mechanism was provided for qualified practitioners who missed the July 1, 2001, deadline.

Notices were only sent out to "obvious" business names and to persons on DCED and DEC's interested party lists. Businesses without some catch word in their title were not notified. Newspaper notices are ineffectual because most people don't go looking for them unless they already know the regulation exists.

Under these new regulations, practitioners who missed the deadline:

- will have to close their own business. This would result in:
 - loss of income for practitioner;
 - loss of income for employees;
 - loss of income for support vendors, etc.
- practitioners with many years experience might be put in the position to have to "apprentice" under a competitor with far less experience in order to qualify for a license **if**:
 - the practitioner can find a licensed practitioner willing to hire him/her;
 - there is a licensed practitioner in the area.

If the practitioner is unable to find someone to "apprentice" under, he/she would have to:

- relocate to another area where a willing licensed practitioner is available, or
- find another line of employment.

22-LS1525F
Lauterbach
3/7/02

CS FOR HOUSE BILL NO. 443()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVE KOHRING

A BILL

FOR AN ACT ENTITLED

1 "An Act retroactively extending the application and licensing deadlines and amending
2 the effective date of certain provisions relating to regulation of persons who practice
3 tattooing and permanent cosmetic coloring or body piercing; and providing for an
4 effective date."

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

6 * Section 1. The uncodified law of the State of Alaska enacted in sec. 31(a), ch. 93, SLA
7 2000, is amended to read:

8 (a) Notwithstanding AS 08.13, as amended by this Act, the Board of Barbers
9 and Hairdressers shall issue a license to practice tattooing and permanent cosmetic
10 coloring or to practice body piercing to a person who

11 (1) submits to the board by October 1, 2002 [JULY 1, 2001], the
12 proper application and fees;

13 (2) provides to the board satisfactory evidence that the person is 18
14 years of age or older and has been practicing tattooing and permanent cosmetic

1 coloring or body piercing for a fee for at least 12 of the 24 consecutive months
2 immediately preceding the person's application date; and

3 (3) demonstrates to the board adequate safety, sanitation, sterilization,
4 and aseptic techniques and knowledge of infection control practices and requirements
5 by passing a written examination approved by the board.

6 * Sec. 2. The uncodified law of the State of Alaska enacted in sec. 32, ch. 93, SLA 2000, is
7 amended to read:

8 TRANSITIONAL BOARD MEMBER. Notwithstanding AS 08.13.010, as
9 amended by sec. 3 of this Act, the initial member of the Board of Barbers and
10 Hairdressers who is appointed to fill the seat designated for a person licensed to
11 practice tattooing and permanent cosmetic coloring or body piercing need not be
12 licensed to practice tattooing and permanent cosmetic coloring or body piercing until
13 December 1 [JULY 1], 2002.

14 * Sec. 3. The uncodified law of the State of Alaska enacted in sec. 35(a), ch. 93, SLA 2000,
15 is amended to read:

16 (a) AS 08.13.070, as amended by sec. 5 of this Act, AS 08.13.180, as amended
17 by sec. 18 of this Act, AS 08.13.190(a), as amended by sec. 20 of this Act,
18 AS 08.13.215, enacted by sec. 24 of this Act, and AS 44.46.020, as amended by secs.
19 29 and 30 of this Act, take effect December 1 [JULY 1], 2002.

20 * Sec. 4. The uncodified law of the State of Alaska is amended by adding a new section to
21 read:

22 RETROACTIVITY. This Act is retroactive to July 1, 2001.

23 * Sec. 5. This Act takes effect immediately under AS 01.10.070(c).

22-LS1525J
Lauterbach
3/25/02

CS FOR HOUSE BILL NO. 443()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVE KOHRING

A BILL

FOR AN ACT ENTITLED

1 **"An Act retroactively extending the application and licensing deadlines and amending**
2 **the effective date of certain provisions relating to regulation of persons who practice**
3 **tattooing and permanent cosmetic coloring or body piercing; and providing for an**
4 **effective date."**

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

6 *** Section 1.** The uncodified law of the State of Alaska enacted in sec. 31(a), ch. 93, SLA
7 2000, is amended to read:

8 (a) Notwithstanding AS 08.13, as amended by this Act, the Board of Barbers
9 and Hairdressers shall issue a license to practice tattooing and permanent cosmetic
10 coloring or to practice body piercing to a person who

11 (1) submits to the board by October 1, 2002 [JULY 1, 2001], the
12 proper application and fees;

13 (2) provides to the board satisfactory evidence that the person is 18
14 years of age or older and practiced [HAS BEEN PRACTICING] tattooing and

1 permanent cosmetic coloring or body piercing for a fee for at least 12 [OF THE 24
2 CONSECUTIVE] months during the period beginning July 1, 1999, and ending
3 June 30, 2001 [IMMEDIATELY PRECEDING THE PERSON'S APPLICATION
4 DATE]; and

5 (3) demonstrates to the board adequate safety, sanitation, sterilization,
6 and aseptic techniques and knowledge of infection control practices and requirements
7 by passing a written examination approved by the board.

8 * Sec. 2. The uncoded law of the State of Alaska enacted in sec. 32, ch. 93, SLA 2000, is
9 amended to read:

10 TRANSITIONAL BOARD MEMBER. Notwithstanding AS 08.13.010, as
11 amended by sec. 3 of this Act, the initial member of the Board of Barbers and
12 Hairdressers who is appointed to fill the seat designated for a person licensed to
13 practice tattooing and permanent cosmetic coloring or body piercing need not be
14 licensed to practice tattooing and permanent cosmetic coloring or body piercing until
15 December 1 [JULY 1], 2002.

16 * Sec. 3. The uncoded law of the State of Alaska enacted in sec. 35(a), ch. 93, SLA 2000,
17 is amended to read:

18 (a) AS 08.13.070, as amended by sec. 5 of this Act, AS 08.13.180, as amended
19 by sec. 18 of this Act, AS 08.13.190(a), as amended by sec. 20 of this Act, and
20 AS 08.13.215, enacted by sec. 24 of this Act, [AND AS 44.46.020, AS AMENDED
21 BY SECS. 29 AND 30 OF THIS ACT,] take effect December 1 [JULY 1], 2002.
22 AS 44.46.020, as amended by secs. 29 and 30 of this Act, takes effect July 1, 2002.

23 * Sec. 4. The uncoded law of the State of Alaska is amended by adding a new section to
24 read:

25 RETROACTIVITY. This Act is retroactive to July 1, 2001.

26 * Sec. 5. This Act takes effect immediately under AS 01.10.070(c).

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 443
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Environmental Conservation
 Title Relating to tattooing and body piercing BRU Environmental Health
 Component Food Safety and Sanitation
 Sponsor Rep Kohring
 Requester House Labor and Commerce Committee Component No. 2343

Expenditures/Revenues (Thousands of Dollars)

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

| OPERATING EXPENDITURES | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 |
|------------------------|------------|------------|------------|------------|------------|------------|
| Personal Services | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Travel | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Contractual | 3.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Supplies | 0.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Equipment | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Land & Structures | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Grants & Claims | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Miscellaneous | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL OPERATING | 3.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | |
|-----------------------------|------------|------------|------------|------------|------------|------------|
| CAPITAL EXPENDITURES | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
|-----------------------------|------------|------------|------------|------------|------------|------------|

| | | | | | | |
|-------------------------------|------------|------------|------------|------------|------------|------------|
| CHANGE IN REVENUES () | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
|-------------------------------|------------|------------|------------|------------|------------|------------|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|---|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1003 GF Match | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1004 GF | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1005 GF/Program Receipts | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1037 GF/Mental Health | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other (Specify Type--Do not abbreviate) | 1.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL | 3.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

| | | | | | | |
|-----------|---|---|---|---|---|---|
| Full-time | 0 | 0 | 0 | 0 | 0 | 0 |
| Part-time | 0 | 0 | 0 | 0 | 0 | 0 |
| Temporary | 0 | 0 | 0 | 0 | 0 | 0 |

ANALYSIS: (Attach a separate page if necessary)

This bill will require public notice of a revised effective date for application and fees. A portion of this cost would be covered by interagency receipts from the Department of Commerce and Economic Development, Division of Occupational Licensing. General funds will be required to cover the remainder of the public notice cost.

Prepared by: Mary Siroky - Legislative Liaison Phone (907) 465-5355
 Division Statewide Public Services Date/Time 3/22/02 3:16 PM
 Approved by: Kurt Fredriksson - Deputy Commissioner Date 3/22/2002
 Agency Department of Environmental Conservation

March 7, 2002

Vic Kohring
State Representative
Alaska State Capitol, Rm 24
Juneau Alaska 99801

Dear Sirs:

I have been tattooing in Alaska for over fifteen years and frankly we are well overdue to be regulated.

My personal complaint is that there were applications for transitional licensing sent out to all listed "Tattoo" Facilities. Unfortunately, we failed to receive an application at my establishment, and we were unaware that said application even existed for well over a month after it was due.

Sirs, you would think that a letter that would determine the fate of a career or livelihood would be serious enough to be registered mail. Myself and my employees more than meet the criteria set for the Transitional Licensing.

It is my belief that if a person meets the requirements for any job that requires an occupational license, they should be granted that license.

It is my understanding that the outcome of House Bill #443 will determine whether or not I may continue run a successful small business. Not only am I battling for myself, but also for my employees, who are counting on me to provide them with job security

I am also battling for our clients. We were recently voted "Best in the Valley" by a readers poll in the "Frontiersmen" our local editorial.

I am one man struggling to keep my business flourishing and I would be, very dissapointed to see the "Best in the Valley" close their doors.

I am willing to give my testimony telephonically or in person if need be. Please, help me save my business and the careers of those working for me.

Sincerely,



JEFF MARTIN
Owner
Muttley's Tattoo Clinic

March 7, 2002

Vic Kohring
State Representative
Alaska State Capitol, Rm. 24
Juneau, Alaska 99801

To Whom It May Concern,

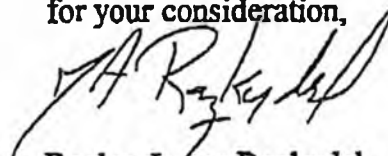
I received a package of material regarding House Bill 443 from Vic Kohring's office which addresses the need to extend the application period for Tattoo and Body Piercing.

I work at Muttley's Tattoo Clinic and am aware that we should have received the applications, but didn't. Shouldn't something of this importance have been sent "Registered Mail"?

I believe the need to regulate the industries is a valid one and perhaps even long in coming but at the same time I see no need to make sacrifices of the qualified tradesmen in our haste to implement them.

If these amendments are not excepted, what recourse do we artists and piercers who should have been notified but were not, have available to us?

Thank You
for your consideration,



Rocky, James Rozkydal



Lakeland Wintersun Luczak-Peck
Hc33 Box 3050
Wasilla, AK 99654
(907) 357-4791

March 8, 2002

Vic Kohring,
State Representative
Alaska State Capitol, Room 24
Juneau, Alaska 99801

To whom it may concern:

My name is Lakeland Wintersun Luczak-Peck, and I am an upcoming hopeful in the tattoo industry. I had recieved a package regarding House Bill #443 recently, and I noticed that if the bill does not pass, I may not begin my apprenticeship in the art of Tattoo. Currently I am employed by Jeff Martin of "Muttley's Tattoo Clinic" in Wasilla. It is my understanding that I need 12 to 24 consecutive months of training under a person with a valid practitioner's license. It is my concern that House Bill #443 is passed, so that my employer (who did not recieve his license renewal forms, due to a technicality) may remain licensed for the duration of my apprenticeship. Personally I think it would be unfair to deny my training, especially after I have already put so much into this, thus far.

Sincerely,

Lakeland Wintersun Luczak-Peck
Muttley's Tattoo Clinic Employee

March 12, 2002

Vic Kohring
State Representantive
State Capitol Building Rm 24
Juneau, Alaska 99801-1182



Dear Honorable Sirs,

Hello, my name is April Smiloff. I am writing in regards to House Bill 443. I support Bill 443. I have multiple reasons on why Bill 443 should be passed. May I ask you to take a little of your time to read over my letter of recommendation?

Tattoo and Body Piercing Regulations are in dire need, there is no denying that fact. There does need to be certain guidelines to Tattooing and Body Piercing; if not every ignorant person would practice in a very unsterile, unsafe environment.

The complicated job of regulating and writing these guidelines was dumped on the Board of Barbers and Hairdressers. We all know what happens when you start rolling a large stone down a hill without looking before you shove. I believe this has happened with Tattoo and Body Piercing regulations. It all happened very quickly, not all things were thought over thoroughly. It would take me too long to explain all of them. My point is that if you pass House Bill 443 this will give you a second glance down the hill. Therefore, the Board of Barbers and Hairdressers will have more time to think out thouroughly their law making.

In the hastiness that the Regulations have been handled so far, some people have not been properly contacted, or even had known about the proposed regulations, let alone known of the deadline. I hope these other concerned peoples have also had taken the time to write their recomendation, so you know I am not the only one.

I am able to do a telephone confarance during the hearing. If you have any questions please contact me. I thank you for taking the time to read my letter of recomendation in SUPPORTING HOUSE BILL 443.

Sincerely,

April Smiloff

March 14, 2002
Attention Vic Kohring
State representative

Bill #443

Dear committee,

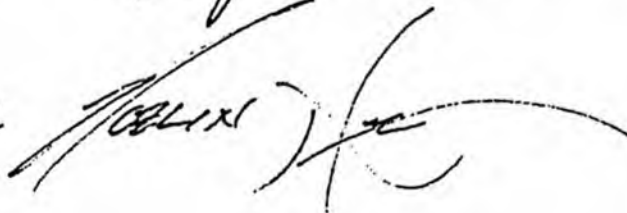
My name is Ray Bilodeau I am owner and operator of Dragon Ray's Tattoos in Anchorage, AK I also operate Dragon Ray's West of Boise, ID. I was unable to meet the July deadline due to working out of state, I would appreciate the opportunity to make application for licensing in AK, so I would support your bill #443 and would like to testify at the hearing. I also had to at high expense to myself relocate one of my Tattoo artist Noelin Wheeler to my shop in Boise because of the fast deadline that would not let him complete time apprenticeing if your bill works he would be able to return to Alaska where his family is and work in my shop. I also would be able to operate my own shop, and it would untie my hands to let me operate my business without limits and options. Please contact me for any further information at 1 208 887 7651 or 1 208 571 2447 we both would like the opportunity to testify at the committee.

3/14/02

Ray A BILODEAU



Noelin WHEELER



FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 443
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Environmental Conservation
 Title Relating to tattooing and body piercing BRU Environmental Health
 Component Food Safety and Sanitation
 Sponsor Rep Kohring
 Requester House Labor and Commerce Committee Component No. 2343

Expenditures/Revenues (Thousands of Dollars)

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

| OPERATING EXPENDITURES | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 |
|------------------------|------------|------------|------------|------------|------------|------------|
| Personal Services | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Travel | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Contractual | 3.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Supplies | 0.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Equipment | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Land & Structures | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Grants & Claims | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Miscellaneous | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL OPERATING | 3.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | |
|-----------------------------|------------|------------|------------|------------|------------|------------|
| CAPITAL EXPENDITURES | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
|-----------------------------|------------|------------|------------|------------|------------|------------|

| | | | | | | |
|-------------------------------|------------|------------|------------|------------|------------|------------|
| CHANGE IN REVENUES () | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
|-------------------------------|------------|------------|------------|------------|------------|------------|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|---|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1003 GF Match | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1004 GF | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1005 GF/Program Receipts | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1037 GF/Mental Health | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other (Specify Type--Do not abbreviate) | 1.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL | 3.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

| | | | | | | |
|-----------|---|---|---|---|---|---|
| Full-time | 0 | 0 | 0 | 0 | 0 | 0 |
| Part-time | 0 | 0 | 0 | 0 | 0 | 0 |
| Temporary | 0 | 0 | 0 | 0 | 0 | 0 |

ANALYSIS: (Attach a separate page if necessary)

This bill will require public notice of a revised effective date for application and fees. A portion of this cost would be covered by interagency receipts from the Department of Commerce and Economic Development, Division of Occupational Licensing. General funds will be required to cover the remainder of the public notice cost.

Prepared by: Mary Siroky - Legislative Liaison
 Division: Statewide Public Services
 Approved by: Kurt Fredriksson - Deputy Commissioner
 Agency: Department of Environmental Conservation

Phone (907) 465-5355
 Date/Time 3/22/02 3:16 PM
 Date 3/22/2002



ALASKA STATE LEGISLATURE

Please enter into the record my testimony to the HL+C
 Committee on HB 443 Committee Name
Bill / Subject Dated 3/27/02

As A student of tattooing, who didn't qualify at the time of TRANSITIONAL license application I would BENEFIT from the time extension but it still isn't fair to change the rules over a select few people who were not PREPARED.

If these people were PROFESSIONALS, they would have made A POINT to RESEARCH & comply to the NEW Regulations.

I AM A student and I knew about THE PROPOSED REGULATIONS

SIGNED:

William A Taylor Sr William A Taylor Sr
 Testifier

Representing

11 A BONNIE AVE FBKS 907-458 8301
 Address / Phone Number

HB

447



REPRESENTATIVE ELDON MULDER

DISTRICT 23 - MULDOON & FORT RICHARDSON

ALASKA STATE LEGISLATURE

HOUSE OF REPRESENTATIVES

"PROUD TO BE A MULDOONER"



SPONSOR STATEMENT

HOUSE BILL 447

An Act relating to interest rates that may be charged on loans by the Commercial Fishing and Agriculture Bank

House Bill 447 addresses an inequity in Alaska Statute 45.45 that inhibits the ability of the Alaska Commercial Fishing and Agriculture Bank (CFAB) to serve its mandated purpose of granting loans for Alaskan small business enterprises.

Like most states, Alaska has what is commonly called a "usury law"; a limitation on the rate of interest for certain types of loans – usually small loans. AS45.45.010 defines a small loan as one under \$25,000 and establishes a maximum annual fixed interest rate for such loans of 5.0 percent above the Twelfth Federal Reserve District discount rate.

In Alaska, conventional lending institutions – including commercial banks and credit unions - are exempt from state statutes by reason of Federal pre-emptive provisions. Because of CFAB's organizational structure as a cooperative bank, it is the only Alaskan institutional lender subject to AS45.45 and by law, cannot charge "too much" interest. In reality, any interest collected in excess of its needs is credited back to its member-borrowers.

In the past, the commercial fishing community has not generated significant demands for small loans. However, because limited entry permits have recently begun trading in a \$20,000 - \$40,000 range, there is a much greater need for small loans. CFAB's subjectivity to the existing statute along with a period of the lowest financial market rates in over twenty years, renders it unable to make significant numbers of small loans to Alaskan residents, opening the potential for a drastic shift of permit ownership demographics.

The basic purpose of HB447 is to ensure that CFAB is able to continue serving its Alaskan member-borrowers in an efficient manner and equitably compete with other lending institutions servicing their unique market.

HOUSE BILL NO. 447

**IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - SECOND SESSION**

BY REPRESENTATIVE MULDER

**Introduced: 2/19/02
Referred: Labor and Commerce**

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the interest rates that may be charged on loans by the Commercial**
2 **Fishing and Agriculture Bank."**

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

4 *** Section 1.** AS 44.81.010(a) is amended to read:

5 (a) There is established the Alaska Commercial Fishing and Agriculture Bank.
6 The exercise by the bank of the powers conferred by this chapter is considered to be
7 for a public purpose. In the exercise of its powers under AS 44.81.215(11), the bank is
8 acting as an agent under the express authority and reservations of the state as the issuer
9 of limited entry permits under AS 16.43. The bank is exempt from the provisions of
10 AS 06.05 (Alaska Banking Code) and AS 10.15 (Alaska Cooperative Corporation Act)
11 in its structure and operations and in the exercise of powers granted by this chapter,
12 and the bank is exempt from AS 45.45.010 - 45.45.090 when lending money under
13 this chapter.

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 447
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: DCED
 Title Interest Rates on CFAB loans BRU Banking Securities & Corporations (115)
 Component Banking Securities & Corporations
 Sponsor Representative Mulder
 Requester House Labor & Commerce Component No. 1233

Expenditures/Revenues (Thousands of Dollars)

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

| OPERATING EXPENDITURES | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 |
|------------------------|------------|------------|------------|------------|------------|------------|
| Personal Services | | | | | | |
| Travel | | | | | | |
| Contractual | | | | | | |
| Supplies | | | | | | |
| Equipment | | | | | | |
| Land & Structures | | | | | | |
| Grants & Claims | | | | | | |
| Miscellaneous | | | | | | |
| TOTAL OPERATING | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | |
|-----------------------------|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | |
|-----------------------------|--|--|--|--|--|--|

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

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|---|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | | | | | | |
| 1005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other (Specify Type--Do not abbreviate) | | | | | | |
| TOTAL | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY2002) cost: 0.0
 Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

| | | | | | | |
|-----------|--|--|--|--|--|--|
| Full-time | | | | | | |
| Part-time | | | | | | |
| Temporary | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

This legislation has no fiscal impact on the operations of this division.

Prepared by: Franklin T. Elder, Director Phone 907-465-2521
 Division Banking Securities & Corporations Date/Time 3/27/02 5:29 PM
 Approved by: Deborah B. Sedwick, Commissioner Date 3/27/2002
 Agency Department of Community & Economic Development

BANK EXAMINER'S REPORT

Committee

Management/Administration

99999

Management and the board of directors/trustees are evaluated against all factors necessary to operate the institution in a safe and sound manner and their ability to identify, measure, monitor, and control the risks of the institution's activities. Consideration is given to the level and quality of oversight and support provided by management and the board; compliance with regulations and statutes; ability to plan for and respond to risks that may arise from changing business conditions or initiation of new products or services, accuracy, timeliness, and effectiveness of management information and risk monitoring systems; adequacy of and compliance with internal policies and controls; adequacy of audit and internal control systems; responsiveness to recommendations from auditors and supervisory authorities; reasonableness of compensation policies and avoidance of self-dealing; demonstrated understanding and willingness to serve the legitimate banking needs of the community; management depth and succession; the extent that management is affected by or susceptible to dominant influence or concentration of authority; and the overall performance of the institution and its risk profile.

CFAB continues to be operated in a sound manner. During the last legislative session, management was successful in amending current law to gain new lending authority for activities related to tourism or natural resource extraction. Since the passage of this legislation, management has originated seven loans totaling \$2,905M. Management intends to enter these new lending markets cautiously, in order to judge the effectiveness of all guidelines and policies that either have been or are in the process of being developed.

Over the next year, CFAB will undergo a substantial management change with the anticipated retirement of two essential personnel. The chief lender is retiring from the institution after almost 18 years with the institution. The president is also planning to retire after more than 17 years with the institution. These two individuals were primarily responsible for rebuilding CFAB during the mid-80's recession. It will be a significant event for the institution to find eligible candidates as replacements, but even more significant is the loss in institutional knowledge. Prior to his retirement, the president would like to resolve important issues that are obstacles to CFAB's continued operation. One of the issues relates to the state usury law under AS 45.45.010, which subjects CFAB to an interest rate cap. Because of deterioration in the fishing industry, CFAB has experienced a decrease in loan amounts, to the point where they may fall under \$25,000. Because the usury law limits the interest rate to five percentage points above the 12th Federal Reserve discount rate on loan amounts of \$25M or less, CFAB may find itself subject to this limitation. If the cap remains, it may lead to erosion of earnings for CFAB.

The board has also changed since the last examination. Two new members, Dan Farren and Susan Springer, were elected during the last annual meeting. The board minutes indicate the board members are active in a wide range of issues that affect the institution's operation.

New policies have been adopted since the last examination. These policies address appointment of management during emergencies, fixed asset expenditures, and a CoBank borrowing resolution. Insurance and bond coverage appear satisfactory.