

ALASKA LEGISLATURE COMMITTEE FILES 2001-2002 8672

10351 HOUSE LABOR & COMMERCE

196

HB

448

LEGAL SERVICES

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

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

State Capitol
Juneau, Alaska 99801-1132
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

March 29, 2002

SUBJECT: Sectional Analysis of CSHB 448()
(Work Order No. 22-LS1407F)

TO: Representative Harry Crawford
Attn: Dave D'Amato

FROM: Barbara R. Craver *BRC*
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Residential customers may not be charged for identification in the telephone directory as a person who does not want to receive telephone solicitations (black dot service.)

Section 2. The attorney general is responsible for compiling the database of all residential subscribers with black dot service. A residential subscriber shall be able to add their phone number to the database and to withdraw it from the database by means of a toll-free telephone call. A customer is not taken off the list until the customer asks to be taken off. The cost of obtaining a copy of the database shall include the state's costs. The state shall reimburse local phone companies for their costs of collecting the information from customers. The database is confidential. The attorney general shall enact regulations to implement the database.

Section 3. Residential customers will be notified of the availability of black dot service at least once a year in their billing statements, and also by publication.

Section 4. Telephone solicitors who are required to register are also now required to purchase the database.

Section 5. Implements the requirement to purchase the database as a part of the registration process required of telephone solicitors.

Representative Harry Crawford

March 29, 2007

Page 2

Section 6. A new category of telephone solicitors, paid solicitors, are required to register with the Department of Law.

Section 7. The person making a telephonic solicitation must give the identity of the registered seller and must provide the seller's phone number before making any other communication to a person answering a telephone solicitation. This information shall be given at any time requested by a person at the number called.

Section 8. Paid solicitors are defined as those who make telephone solicitations on behalf of others. This excludes an employee who, as a part of their job, may be soliciting business for their employer.

Section 9. The attorney general is directed to begin drafting regulations.

Section 10. The new kind of black dot service is effective January 1, 2003.

Section 11. The regulations should be drafted immediately.

If I may be of further assistance, please advise.

BRC:pjc
02-036.pjc

Enclosure

Alaska State Legislature
House of Representatives

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Representative Harry Crawford
District 22

REPRESENTATIVE HARRY CRAWFORD
Sponsor Statement for HB 448

"Telemarketer" has become a dirty word in many households recently, as predatory and fraudulent telemarketing has become increasingly prevalent across the nation. Alaska has historically had a difficult time with telephone communications; however, the times are rapidly changing. Increasing connectivity has created a new set of problems for Alaskans: improper telemarketing is threatening to become a substantial problem in Alaska.

The problem with the current system is that the burden of protecting oneself from unwanted telemarketing falls on the consumer. The only recourse offered to the consumer under the current statutes is similar to a classic protection racket. The consumer, bothered at home by unwanted telemarketing calls, is forced to pay money to the phone company in order to be shielded from these calls. The consumer pays money to the telephone exchange company (there are often more than one in a city and have widely variable rates) in order to be placed on a "Do not call list" with a black dot next to their name in the phone book. The problem is, the telemarketing companies do not have to purchase these lists, and there are numerous exceptions.

HB 448, provides a solution to this burgeoning problem by making purchasing the appropriate "Do not call list" mandatory in order to do business telemarketing in this state. This bill also prohibits telephone exchange companies from charging the consumer to be placed on a DNC list. The third function of this bill is to force all paid telemarketers to register with the state; eliminating the enormous loophole of paid telemarketers operating under any one of many exemptions. Charities will retain their exempted status, provided they solicit on their own behalf, and could continue to hire paid solicitors.

The growing problem of telemarketing abuse requires an answer; and HB448 goes some way to providing that answer. Returning power to the consumer as well as protecting Alaskans from unwanted and possibly fraudulent telephone calls should be a priority for this state. It is my hope that we can join together in support of this bill.

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Juneau, Alaska 99801-1182
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MEMORANDUM

February 21, 2002

SUBJECT: Sectional Analysis of HB 448 (Work Order No. 22-LS1407\C)

TO: Representative Harry Crawford
Attn: Cody

FROM: Barbara R. Craver *BRC*
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Residential customers may not be charged for identification in the telephone directory as a person who does not want to receive telephone solicitations (black dot service.)

Section 2. The attorney general is responsible for compiling the database of all residential subscribers with black dot service. A customer is not taken off the list until the customer asks to be taken off. The cost of obtaining a copy of the database shall include the state's costs. The state shall reimburse local phone companies for their costs of collecting the information from customers. The database is confidential. The attorney general shall enact regulations to implement the database.

Section 3. Residential customers will be notified of the availability of black dot service at least once a year in their billing statements, and also by publication.

Section 4. Telephone solicitors who are required to register are also now required to purchase the database.

Section 5. Implements the requirement to purchase the database as a part of the registration process required of telephone solicitors.

Section 6. A new category of telephone solicitors, paid solicitors, are required to register with the Department of Law.

Representative Harry Crawford
February 21, 2002
Page 2

Section 7. Paid solicitors are defined as those who make telephone solicitations on behalf of others. This excludes an employee who, as a part of their job, may be soliciting business for their employer.

Section 8. The attorney general is directed to begin drafting regulations immediately.

Section 9. The new kind of black dot service is effective January 1, 2003.

Section 10. The regulations should be drafted immediately.

BRC:med
02-186.med

22-LS1407F
Craver
3/29/02

CS FOR HOUSE BILL NO. 448()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY

**Offered:
Referred:**

**Sponsor(s): REPRESENTATIVES CRAWFORD, Morgan, Porter, Kerttula, Lancaster, Hudson, Green,
Hayes, Halero, Guess, Wilson, Meyer, Croft**

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to establishing a data base of residential telephone customers who do
2 not wish to receive telephone solicitations, providing that the data base be compiled at
3 no cost to the customers, requiring telephone sellers and solicitors to purchase the data
4 base, requiring telephone sellers to identify themselves, and requiring paid solicitors to
5 register; and providing for an effective date."

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

7 * **Section 1.** AS 45.50.475(b) is amended to read:

8 (b) A local exchange telecommunications company and a company that
9 provides a telephone directory on behalf of a local exchange telecommunications
10 company shall provide for the identification in the telephone directory of those
11 residential customers who do not wish to receive telephone solicitations. The local
12 exchange telecommunications company may not impose a [REASONABLE] charge
13 for identification in the directory. [THE CHARGE SHALL BE BASED ON THE

1 COST OF PROVIDING THE IDENTIFICATION AND IS SUBJECT TO THE
2 APPROVAL OF THE REGULATORY COMMISSION OF ALASKA.]

3 * Sec. 2. AS 45.50.475(c) is repealed and reenacted to read:

4 (c) The attorney general shall establish and provide for the operation of a data
5 base that compiles a list of telephone numbers of residential subscribers who do not
6 wish to receive telephone solicitations. A residential subscriber shall be able to add
7 the subscriber's telephone number to the data base and to withdraw it from the data
8 base by means of a toll-free telephone call. A residential subscriber's notice of
9 objection shall be effective until withdrawn by the subscriber. The data base may be
10 operated by the attorney general or by another entity under contract with the attorney
11 general. The charge for the data base shall be based on the state's cost of providing the
12 identification and the administrative costs of maintaining the data base and may
13 include the cost of reimbursing local exchange telecommunications companies for
14 costs of providing the identification. Information contained in the data base
15 established under this subsection shall be used only for the purpose of compliance
16 with this section or in a proceeding or action. The information contained in the data
17 base is not open to public inspection or disclosure. To implement this subsection, the
18 attorney general shall adopt regulations that specify

19 (1) the effect of a change of telephone number on a notice of objection;

20 (2) the methods by which objections and revocations shall be collected
21 and added to the data base;

22 (3) the methods by which a person or entity desiring to make telephone
23 solicitations may obtain access to the data base to avoid calling the telephone numbers
24 of residential subscribers included in the data base;

25 (4) the fees for access to or for paper or electronic copies of the data
26 base established under this section; and

27 (5) any other matter relating to the data base that the attorney general
28 considers desirable.

29 * Sec. 3. AS 45.50.475(f) is amended to read:

30 (f) Local exchange telecommunications companies shall inform residential
31 customers of the provisions of this section. Notification shall [MAY] be made by

1 (1) annual inserts in the billing statements mailed to residential
2 customers; and [OR]

3 (2) conspicuous publication of the notice in the consumer information
4 pages of local telephone directories.

5 * Sec. 4. AS 45.50.475 is amended by adding a new subsection to read:

6 (h) A person required to register under AS 45.63.010 shall purchase the
7 appropriate data base from the attorney general or from an entity with which the
8 attorney general has entered into a contract.

9 * Sec. 5. AS 45.63.010(b) is amended to read:

10 (b) To register under (a) or (f) of this section, a person shall file with the
11 department

12 (1) a notice of intent to engage in a solicitation campaign; a separate
13 notice of intent shall be filed for each solicitation campaign;

14 (2) an irrevocable consent appointing the department the person's agent
15 for the receipt of service of process in a court action or other proceeding against the
16 person, or the successor in interest of the person, for a violation of this chapter; [AND]

17 (3) a request and payment for the appropriate data base compiled
18 under AS 45.50.475(c) of the telephone numbers of residential subscribers who
19 do not wish to receive telephone solicitation; and

20 (4) a signed statement that the person has read and will comply with
21 this chapter and the regulations adopted under this chapter.

22 * Sec. 6. AS 45.63.010 is amended by adding a new subsection to read:

23 (f) A paid solicitor shall register with the Department of Law at least 30 days
24 before making telephone solicitations for a solicitation campaign. An employee of a
25 paid solicitor who makes telephonic contact with buyers is not required to register
26 individually as a telephonic seller.

27 * Sec. 7. AS 45.63 is amended by adding a new section to read:

28 **Sec. 45.63.045. Required representations.** The telephonic seller must
29 inform each person called of the registered seller's name and telephone number before
30 making any other communications to any person or occupant of the residence called,
31 and shall provide that information at any time thereafter if requested by a person at the

1 number called.

2 * Sec. 8. AS 45.63.100 is amended by adding a new paragraph to read:

3 (7) "paid solicitor" means a person who is paid to perform a
4 solicitation campaign by telephonic means on behalf of another person who is not the
5 person's employer; an employee of a person selling or attempting to sell property or
6 services is not a paid solicitor for the person's employer.

7 * Sec. 9. The uncodified law of the State of Alaska is amended by adding a new section to
8 read:

9 TRANSITIONAL PROVISIONS: REGULATIONS. Notwithstanding sec. 10 of this
10 Act, the attorney general may proceed to adopt regulations necessary to implement
11 AS 45.50.475(c), as amended by sec. 2 of this Act. The regulations take effect under
12 AS 44.62 (Administrative Procedure Act), but not before the effective date of sec. 2 of this
13 Act.

14 * Sec. 10. Sections 1 - 5 of this Act take effect January 1, 2003.

15 * Sec. 11. Section 9 of this Act takes effect immediately under AS 01.10.070(c).

22-LS1407AS
Craver
4/18/02

CS FOR HOUSE BILL NO. 448()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES CRAWFORD, Morgan, Porter, Kerttula, Hudson, Green, Hayes, Halcro, Guess, Wilson, Meyer, Croft, Berkowitz, Lancaster, Dyson

A BILL
FOR AN ACT ENTITLED

1 "An Act relating to establishing a data base of residential telephone customers who do
2 not wish to receive telephonic solicitations, providing that the data base be compiled at
3 no cost to the customers, requiring telephonic sellers and solicitors for charitable
4 organizations to purchase the data base, requiring telephonic sellers to identify
5 themselves, and requiring telephonic solicitors to register; and providing for an effective
6 date."

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

8 * Section 1. AS 45.50.475(a) is amended to read:

9 (a) A person is in violation of AS 45.50.471(b)(41) if the person
10 (1) engages in the telephonic [TELEPHONE] solicitation of a
11 residential telephone customer of a telecommunications company and the customer is
12 identified in the data base established under (b) of this section [TELEPHONE
13 DIRECTORY AS NOT WISHING TO RECEIVE TELEPHONE SOLICITATIONS];

1 or

2 (2) originates a telephone call using an automated or recorded message
3 as a telephonic advertisement or solicitation.

4 * Sec. 2. AS 45.50.475(b) is repealed and reenacted to read:

5 (b) A data base of telephone numbers of residential subscribers who do not
6 wish to receive telephonic solicitations shall be established and maintained by an
7 administrator under contract with the attorney general. The attorney general shall
8 advertise for bids for the contract and shall include in the contract any provisions that
9 the attorney general determines are in the public interest. The administrator shall
10 make the data base available to those required to purchase the data base under
11 AS 45.63.010. The fees charged by the administrator of the data base shall cover the
12 costs of creating, updating, and maintaining the data base. The fee for a data base may
13 not exceed \$750. Fees paid to the administrator shall be considered income to the
14 administrator in the matter specified in the contract. A residential subscriber may add
15 the subscriber's personal telephone number to the data base, and may withdraw it from
16 the data base, by means of a toll-free telephone call to the administrator. A residential
17 subscriber's notice of objection to telephonic solicitations is effective until withdrawn
18 by the subscriber. Information contained in the data base shall be used only for the
19 purpose of compliance with this section or in a proceeding or action under
20 AS 45.50.471 - 45.50.561 (the unfair trade practices and consumer protection
21 statutes), AS 45.63 (telephonic solicitations), or AS 45.68 (charitable solicitations).
22 The information contained in the data base is not open to public inspection or
23 disclosure. To implement this subsection, the attorney general shall adopt regulations
24 that specify

25 (1) the effect of a change of a residential subscriber's telephone
26 number on a notice of objection to telephonic solicitations;

27 (2) the frequency with which the data base is updated;

28 (3) the methods by which a person or entity desiring to make telephone
29 solicitations may obtain access to the data base to avoid calling the telephone numbers
30 of residential subscribers included in the data base;

31 (4) the fees for access to or for paper or electronic copies of the data

1 base established under this subsection; and

2 (5) any other matter relating to the data base that the attorney general
3 considers desirable.

4 * Sec. 3. AS 45.50.475(d) is amended to read:

5 (d) A person who employs individuals to engage in telephonic
6 [TELEPHONE] solicitations is not liable for the violation of this section
7 [AS 45.50.475] if an employee solicits a residential telephone customer who is
8 identified in the data base [TELEPHONE DIRECTORY] as not wishing to receive
9 telephonic [TELEPHONE] solicitations if the person established that

10 (1) the person has adopted and implemented written procedures to
11 comply with (a) of this section including corrective actions where appropriate;

12 (2) the person has trained its personnel in the procedures established
13 under (1) of this subsection;

14 (3) the call that violated this section [AS 45.50.475] was made
15 contrary to the procedures and policies established by the person; and

16 (4) calls on behalf of the person that result in violations of this section
17 [AS 45.50.475] are infrequent.

18 * Sec. 4. AS 45.50.475(e) is amended to read:

19 (e) An individual who solicits a residential telephone customer who is
20 identified in the data base [TELEPHONE DIRECTORY] as not wishing to receive
21 telephonic [TELEPHONE] solicitations is not liable for the violation of this section
22 [AS 45.50.475] if the individual establishes that the individual did not intend to make
23 a call in violation of this section [AS 45.50.475] and did not recklessly disregard
24 information or policies and procedures that would have avoided the improper call.

25 * Sec. 5. AS 45.50.475(f) is amended to read:

26 (f) Local exchange telecommunications companies shall inform residential
27 customers of the provisions of this section. Notification shall [MAY] be made by

28 (1) annual inserts in the billing statements mailed to residential
29 customers; and [OR]

30 (2) conspicuous publication of the notice in the consumer information
31 pages of local telephone directories.

1 * Sec. 6. AS 45.50.475(g)(3) is amended to read:

2 (3) "telephonic [TELEPHONE] solicitation"

3 (A) means the solicitation by a person by telephone of a
4 customer at the residence of the customer for the purpose of encouraging the
5 customer to purchase property, goods, or services, or make a donation;

6 (B) does not include

7 (i) calls made in response to a request or inquiry by the
8 called customer or communication made during a call made by the
9 customer;

10 (ii) calls made by a charitable organization, a public
11 agency, or volunteers on behalf of the charitable organization or public
12 agency to members of the organization or agency or to persons who,
13 within the last 24 months, have made a donation to the organization or
14 agency or expressed an interest in making a donation;

15 (iii) calls limited to soliciting the expression of ideas,
16 opinions, or votes;

17 (iv) business-to-business calls; or

18 (v) a person soliciting business from prospective
19 purchasers who have, within the last 24 months, purchased from the
20 person making the solicitation or from the business enterprise for which
21 the person is calling but only if the person or business enterprise has
22 not received a written request from the prospective purchaser asking
23 that telephonic [TELEPHONE] solicitations cease; the person or
24 business enterprise is presumed to have received a written request no
25 later than 10 days after the prospective purchaser mailed it, properly
26 addressed and with the appropriate postage.

27 * Sec. 7. AS 45.50.475 is amended by adding a new subsection to read:

28 (h) A person required to register under AS 45.63.010 or AS 45.68.010(b) shall
29 purchase the appropriate data base from the attorney general or from an entity with
30 which the attorney general has entered into a contract.

31 * Sec. 8. AS 45.63.010(b) is amended to read:

1 (b) To register under (a) of this section, a person shall file with the department

2 (1) a notice of intent to engage in a solicitation campaign; a separate
3 notice of intent shall be filed for each solicitation campaign;

4 (2) an irrevocable consent appointing the department the person's agent
5 for the receipt of service of process in a court action or other proceeding against the
6 person, or the successor in interest of the person, for a violation of this chapter; [AND]

7 (3) a request and payment for the appropriate data base compiled
8 under AS 45.50.475(b) of the telephone numbers of residential subscribers who
9 do not wish to receive telephonic solicitations; and

10 (4) a signed statement that the person has read and will comply with
11 this chapter and the regulations adopted under this chapter.

12 * Sec. 9. AS 45.63.010(c) is amended to read:

13 (c) Registration under (b) of this section is not complete until the telephonic
14 seller receives an acknowledgement from the department that the seller has complied
15 with (b) of this section and the telephonic seller has the data base of telephone
16 numbers of residential subscribers who do not wish to receive telephonic
17 solicitations.

18 * Sec. 10. AS 45.63 is amended by adding a new section to read:

19 **Sec. 45.63.045. Required representations.** The telephonic seller shall inform
20 each person called of the registered seller's name and telephone number before making
21 any other communications to any person or occupant of the residence called, and shall
22 provide that information at any time thereafter if requested by a person at the number
23 called.

24 * Sec. 11. AS 45.63.080 is amended by adding new subsections to read:

25 (b) Not less than 30 days before making a telephonic solicitation, a person
26 exempt from this chapter under (a) of this section must

27 (1) file a notice of intent with the Department of Law to engage in
28 telephonic solicitation;

29 (2) purchase the appropriate data base compiled under
30 AS 45.50.475(b) of the telephone numbers of residential subscribers who do not wish
31 to receive telephonic solicitation; and

1 (3) receive an acknowledgment from the department that the seller has
2 complied with this subsection.

3 (c) A person exempt from this chapter under (a) of this section is required to
4 comply with (b) of this section each calendar year in which the person makes
5 telephonic solicitations.

6 * Sec. 12. AS 45.68.010(b) is amended to read:

7 (b) A person may not solicit contributions of money or other property for a
8 charitable organization for compensation unless the person is registered with the
9 department. A person conducting telephonic solicitations under this subsection is
10 subject to the registration requirements of AS 45.63.010.

11 * Sec. 13. AS 45.50.475(c) is repealed.

12 * Sec. 14. The uncodified law of the State of Alaska is amended by adding a new section to
13 read:

14 TRANSITIONAL PROVISIONS: REGULATIONS. Notwithstanding sec. 15 of this
15 Act, the attorney general may proceed to adopt regulations necessary to implement
16 AS 45.50.475(b), as amended by sec. 2 of this Act. The regulations take effect under
17 AS 44.62 (Administrative Procedure Act), but not before the effective date of sec. 2 of this
18 Act.

19 * Sec. 15. Sections 1 - 13 of this Act take effect January 1, 2003.

20 * Sec. 16. Section 14 of this Act takes effect immediately under AS 01.10.070(c).

CS FOR HOUSE BILL NO. 448(L&C)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES CRAWFORD, Morgan, Porter, Kerttula, Hudson, Green, Hayes, Halcro, Guess, Wilson, Meyer, Croft, Berkowitz, Lancaster, Dyson

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to establishing a data base of residential telephone customers who do
2 not wish to receive telephonic solicitations, providing that the data base be compiled at
3 no cost to the customers, requiring paid telephonic sellers to purchase the data base,
4 requiring telephonic sellers to identify themselves, and requiring telephonic solicitors
5 who are otherwise exempt from registration as telephone solicitors to file with the
6 Department of Law and purchase the data base; and providing for an effective date."

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

8 * **Section 1.** AS 37.05.146(b)(4) is amended by adding a new subparagraph to read:

9 (AAA) receipts of the Department of Law from fees for the
10 data base under AS 45.50.475;

11 * **Sec. 2.** AS 45.50.475(a) is amended to read:

12 (a) A person is in violation of AS 45.50.471(b)(41) if the person

13 (1) engages in the telephonic [TELEPHONE] solicitation of a

1 residential telephone customer of a telecommunications company and the customer is
2 identified in the data base established under (b) of this section. [TELEPHONE
3 DIRECTORY AS NOT WISHING TO RECEIVE TELEPHONE SOLICITATIONS];
4 or

5 (2) originates a telephone call using an automated or recorded message
6 as a telephonic advertisement or solicitation.

7 * Sec. 3. AS 45.50.475(b) is repealed and reenacted to read:

8 (b) A data base of telephone numbers of residential customers who do not
9 wish to receive telephonic solicitations shall be established and maintained by an
10 administrator under contract with the attorney general. The attorney general shall
11 advertise for bids for the contract and shall include in the contract provisions to
12 reimburse the attorney general for meeting the department's obligations under this
13 section and any other provisions that the attorney general determines are in the public
14 interest. The administrator shall make the data base available for a fee to those
15 persons intending to engage in telephonic solicitations, including persons required to
16 purchase the data base under AS 45.63.010 and 45.63.080. The fees charged by the
17 administrator for the data base shall cover the costs of creating, updating, and
18 maintaining the data base. The fee for a data base and updates may not exceed \$750
19 annually. Fees paid to the administrator shall be considered income to the
20 administrator in the manner specified in the contract. A residential customer may add
21 the customer's personal telephone number to the data base, and may withdraw it from
22 the data base, by means of a toll-free telephone call to the administrator. A residential
23 customer's notice of objection to telephonic solicitations is effective until withdrawn
24 by the customer. Information contained in the data base shall be used only for the
25 purpose of compliance with this section or in a proceeding or action under
26 AS 45.50.471 - 45.50.561 (the unfair trade practices and consumer protection
27 statutes), AS 45.63 (telephonic solicitations), or AS 45.68 (charitable solicitations).
28 The information contained in the data base is not open to public inspection or
29 disclosure. To implement this subsection, the attorney general shall adopt regulations
30 that specify

31 (1) the effect of a change of a residential customer's telephone number

1 on a notice of objection to telephonic solicitations;

2 (2) the frequency with which the data base is updated;

3 (3) the methods by which a person or entity desiring to make telephone
4 solicitations may obtain access to the data base to avoid calling the telephone numbers
5 of residential customers included in the data base;

6 (4) the fees for access to or for paper or electronic copies of the data
7 base established under this subsection; and

8 (5) any other matter relating to the data base that the attorney general
9 considers desirable, recognizing the cost to local exchange carriers.

10 * Sec. 4. AS 45.50.475(d) is amended to read:

11 (d) A person who employs individuals to engage in telephonic
12 [TELEPHONE] solicitations is not liable for the violation of this section
13 [AS 45.50.475] if an employee solicits a residential telephone customer who is
14 identified in the data base [TELEPHONE DIRECTORY] as not wishing to receive
15 telephonic [TELEPHONE] solicitations if the person established that

16 (1) the person has adopted and implemented written procedures to
17 comply with (a) of this section including corrective actions where appropriate;

18 (2) the person has trained its personnel in the procedures established
19 under (1) of this subsection;

20 (3) the call that violated this section [AS 45.50.475] was made
21 contrary to the procedures and policies established by the person; and

22 (4) calls on behalf of the person that result in violations of this section
23 [AS 45.50.475] are infrequent.

24 * Sec. 5. AS 45.50.475(e) is amended to read:

25 (e) An individual who solicits a residential telephone customer who is
26 identified in the data base [TELEPHONE DIRECTORY] as not wishing to receive
27 telephonic [TELEPHONE] solicitations is not liable for the violation of this section
28 [AS 45.50.475] if the individual establishes that the individual did not intend to make
29 a call in violation of this section [AS 45.50.475] and did not recklessly disregard
30 information or policies and procedures that would have avoided the improper call.

31 * Sec. 6. AS 45.50.475(f) is amended to read:

1 (f) Local exchange telecommunications companies shall inform residential
2 customers of the provisions of this section. Notification shall [MAY] be made by

3 (1) annual inserts in the billing statements mailed to residential
4 customers; and [OR]

5 (2) conspicuous publication of the notice in the consumer information
6 pages of local telephone directories.

7 * Sec. 7. AS 45.50.475(g)(3) is amended to read:

8 (3) "telephonic [TELEPHONE] solicitation"

9 (A) means the solicitation by a person by telephone of a
10 customer at the residence of the customer for the purpose of encouraging the
11 customer to purchase property, goods, or services, or make a donation;

12 (B) does not include

13 (i) calls made in response to a request or inquiry by the
14 called customer or communication made during a call made by the
15 customer;

16 (ii) calls made by a charitable organization, a public
17 agency, or volunteers on behalf of the charitable organization or public
18 agency to members of the organization or agency or to persons who,
19 within the last 24 months, have made a donation to the organization or
20 agency or expressed an interest in making a donation;

21 (iii) calls limited to soliciting the expression of ideas,
22 opinions, or votes;

23 (iv) business-to-business calls; or

24 (v) a person soliciting business from prospective
25 purchasers who have, within the last 24 months, purchased from the
26 person making the solicitation or from the business enterprise for which
27 the person is calling but only if the person or business enterprise has
28 not received a written request from the prospective purchaser asking
29 that telephonic [TELEPHONE] solicitations cease; the person or
30 business enterprise is presumed to have received a written request no
31 later than 10 days after the prospective purchaser mailed it, properly

1 addressed and with the appropriate postage.

2 * Sec. 8. AS 45.50.475 is amended by adding a new subsection to read:

3 (h) A person required to register under AS 45.63.010 or a person who is
4 exempt from registration under AS 45.63.080 shall purchase the appropriate data base
5 from the attorney general or from an entity with which the attorney general has
6 entered into a contract, as provided in AS 45.63.010 or 45.63.080.

7 * Sec. 9. AS 45.63.010(b) is amended to read:

8 (b) To register under (a) of this section, a person shall file with the department

9 (1) a notice of intent to engage in a solicitation campaign; a separate
10 notice of intent shall be filed for each solicitation campaign;

11 (2) an irrevocable consent appearing the department the person's agent
12 for the receipt of service of process in a court action or other proceeding against the
13 person, or the successor in interest of the person, for a violation of this chapter; [AND]

14 (3) a request and payment for the appropriate data base compiled
15 under AS 45.50.475(b) of the telephone numbers of residential customers who do
16 not wish to receive telephonic solicitations; and

17 (4) a signed statement that the person has read and will comply with
18 this chapter and the regulations adopted under this chapter.

19 * Sec. 10. AS 45.63.010(c) is amended to read:

20 (c) Registration under (b) of this section is not complete until the telephonic
21 seller receives an acknowledgement from the department that the seller has complied
22 with (b) of this section and the telephonic seller has the data base of telephone
23 numbers of residential customers who do not wish to receive telephonic
24 solicitations.

25 * Sec. 11. AS 45.63 is amended by adding a new section to read:

26 **Sec. 45.63.045. Required representations.** The telephonic seller shall inform
27 each person called of the registered seller's name and telephone number before making
28 any other communications to any person or occupant of the residence called, and shall
29 provide that information at any time thereafter if requested by a person at the number
30 called.

31 * Sec. 12. AS 45.63.080 is amended by adding new subsections to read:

1 (b) Not less than 30 days before making a telephonic solicitation, as defined in
2 AS 45.50.475, a person exempt from this chapter under (a) of this section shall file on
3 the form required by the department

4 (1) a notice of intent with the department to engage in telephonic
5 solicitation;

6 (2) an irrevocable consent appointing the department the person's agent
7 for the receipt of service of process in a court action or other proceeding against the
8 person for a violation of this section; and

9 (3) a request and payment for the appropriate data base compiled under
10 AS 45.50.475(b) of the telephone numbers of residential customers who do not wish to
11 receive telephonic solicitation.

12 (c) A person exempt from this chapter under (a) of this section may not
13 engage in telephonic solicitations until the person receives an acknowledgment from
14 the department that the person has complied with (b) of this section.

15 (d) A person exempt from this chapter under (a) of this section is required to
16 comply with (b) of this section each calendar year in which the person makes
17 telephonic solicitations.

18 (e) A charitable organization that is registered to make solicitations under
19 AS 45.68 and is acting in a capacity that is covered by the registration is exempt from
20 the requirements of (b) - (d) of this section.

21 (f) A violation of (b) - (d) of this section constitutes an unfair or deceptive act
22 or practice under AS 45.50.471.

23 * **Sec. 13.** AS 45.50.475(c) is repealed.

24 * **Sec. 14.** The uncodified law of the State of Alaska is amended by adding a new section to
25 read:

26 TRANSITIONAL PROVISIONS: REGULATIONS. Notwithstanding sec. 15 of this
27 Act, the attorney general may proceed to adopt regulations necessary to implement this Act.
28 The regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the
29 effective date of secs. 1 - 13 of this Act.

30 * **Sec. 15.** Sections 1 - 13 of this Act take effect July 1, 2003.

31 * **Sec. 16.** Section 14 of this Act takes effect immediately under AS 01.10.070(c).

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: CSHB 448 (L&C)
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Law
 Title "... a data base of residential telephone BRU Civil Division
customers who do not wish to receive telephonic solicitations ..." Component Fair Business Practices
 Sponsor Representative Crawford
 Requester House Labor and Commerce Committee Component No. 2206

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	18.9	3.8	3.8	3.8	3.8	3.8
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	4.7	0.8	0.8	0.8	0.8	0.8
Supplies	0.3	0.1	0.1	0.1	0.1	0.1
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	24.0	4.7	4.7	4.7	4.7	4.7

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

CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	24.0	4.7	4.7	4.7	4.7	4.7
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	24.0	4.7	4.7	4.7	4.7	4.7

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)
 CSHB 448 (L&C) requires the attorney general to contract with an administrator to establish and maintain a centralized data base of telephone subscribers who do not want to receive telephonic solicitations. Telephonic solicitors and organizations who are otherwise exempt from telephonic solicitation registration requirements, but who intend to conduct a solicitation, must use the data base. The latter organizations must file a notice of intent to conduct a solicitation with the attorney general. Fees charged to buy the "do not call" data base must cover the cost of creating, updating, and maintaining the data base, and are to be considered income to the administrator, not the state.

The cost to the Department of Law from passage of this legislation will be primarily for the development and adoption of regulations to implement the data base program and the new "notice of intent" to conduct a telephone solicitation program. Based on experience, we estimate the regulations project will require seven to nine weeks of attorney time

Prepared by: Joan M. Kasson Phone (907) 465-5370
 Division: Attorney General's Office Date/Time 4/24/02 12:54 PM
 Approved by: Kathryn Daughhetee for Bruce M. Botelho, Attorney General Date 4/24/2002
 Agency: Department of Law

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

BILL NO. CSHB 448 (L&C)

ANALYSIS CONTINUATION

at \$97.45 per hour. In addition, some direct case costs will be incurred to hold public hearings on the draft regulations for a total estimated regulations cost of \$22,000. Another \$2,000 will be required for the data base administrator procurement process. These one-time costs will be incurred in FY 2003. There will be minimal on-going costs for Consumer Protection unit communication with the administrator. We assume 20 hours of attorney time per year. An additional 35 hours of paraprofessional time per year at \$74.39 will be required to handle the new "notice of intent" workload. On-going costs will begin in FY 2004.



Honorable Lisa Murkowski
Member of the House
Alaska Capital, Room 408
Juneau, AK 99801-1182

March 21, 2002

RE: HB 448 (Crawford)

Dear Representative Murkowski:

What do Speaker of the House Brian Porter, Representatives Beth Kerttula, Carl Morgan, Bill Hudson, Ken Lancaster and Harry Crawford have in common?

Answer: they are all co-sponsors of HB 448 . . . and we encourage you to join them.

Well over half the number of people targeted by telemarketers each day are age 50 and over – and many of them are your own constituents.

AARP's perspective:

In 2002, a dozen states are waging campaigns on the important issue of Do Not Call -- good news to the tens of millions of Americans receiving unsolicited calls every day. Do Not Call efforts will mean increased privacy and decision-making power for consumers.

AARP seeks legislation that would allow consumers to put his/her name on a statewide Do Not Call list that telemarketers must purchase before doing business in the state (with penalties for noncompliance). These laws must be comprehensive and sufficiently promoted so that consumers are aware of their rights.

Legislation should accomplish several key objectives: 1) keep exemptions to a minimum; 2) include the oversight and enforcement authority of the state Attorney General; 3) be available at little or no cost, or effort; 4) include significant penalties for violations; and, 5) be updated frequently.

AARP ALASKA
PRIORITY ISSUES

Details to consider:

Do Not Call laws do not regulate the industry per se. Instead, they give consumers more control over unsolicited intrusions into their homes, and help avoid potentially fraudulent telemarketing calls – many of which are targeted toward seniors in your district.

These laws also won't stop every unsolicited call from coming to consumers who sign up for the list. Virtually all state laws have some exemptions, the most common being charities, political organizations, calls made in relation to ongoing business relationships, and calls made to existing customers. AARP recommends making these exemptions as narrow as possible, so that consumers in Alaska who choose to place their names on a Do Not Call list experience a truly significant reduction in calls.

What about Federal versus State considerations?

In February 2002, the Federal Trade Commission (FTC) announced a proposal to amend the Telemarketing Sales Rule to create a nationwide Do Not Call registry. Yet proposed FTC regulations only protect consumer privacy if telemarketers know there is a consequence to violating them. Therefore, while we support the creation of a federal list – and since states are more likely to actually enforce Do Not Calls laws – we see no reason for the federal law to preempt state law. Federal preemption of state Do Not Call laws will harm consumers in states that have elected to pass stronger Do Not Call legislation.

Further, state Do Not Call laws are more expansive than the proposed national Do Not Call registry, as the FTC does not have jurisdiction over entities such as insurance companies, banks, and common carriers. Nor will the Do Not Call registry apply to intrastate calls. At minimum, state law is needed to close these gaps in protection. Currently, the FTC's Telemarketing Sales Rule gives consumers the right to tell telemarketers to place them on a company's Do Not Call list, but this message must be given to *each individual telemarketer*. As a result, this law has been ineffective in protecting consumers from unwanted calls, as it must be done on a call-by-call basis, and is very hard to monitor.

Why should Do Not Call be a key issue for legislators?

The number of unsolicited telemarketing calls that residents of Alaska receive is staggering. These calls present a significant privacy concern for individuals who are tired of multiple, daily intrusions into their privacy.

In today's information technology age, constituents value their privacy more than ever. AARP believes that, as consumers, they have the right to be free from unsolicited calls into their homes, and that they shouldn't have to be forced to screen calls by purchasing a caller ID system or answering machine. The vast majority of Americans -- up to 97 percent according to some surveys -- agree with this position.

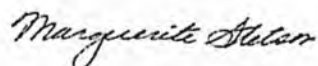
Do Not Call legislation is a non-partisan issue. HB 448 has two Democrats and four Republications as co-sponsors, including Speaker Brian Porter. We encourage you to also co-sponsor the bill.

Your interest and leadership in this consumer issue will be very much appreciated.

Should you have any questions about our position, please feel free to contact Marie Darlin (907.586.3637), Coordinator of the AARP Capitol City Task Force; Patrick Luby (907.762.3314), AARP Legislative Representative; or me (907.245.5259).

Thank you for your consideration.

Sincerely,



Marguerite Stetson
AARP Alaska
Executive Council Member for Advocacy
3009 Northwood Street
Anchorage, AK 99517-1871
907.245.5259 voice
907.245.5279 fax
ffmas@aurora.uaf.edu

cc: Speaker of the House Brian Porter
Representative Carl Morgan
Representative Bill Hudson
Marie Darlin
Patrick Luby

Representative Harry Crawford
Representative Beth Kerttula
Representative Ken Lancaster



Honorable Harry T. Crawford Jr., Member
Alaska House of Representatives
Alaska Capitol (MS 3100)
Room 426
Juneau, AK 99801-1182

RE: HB 448 (Crawford) – Support

February 21, 2002

Dear Representative Crawford:

On behalf of the 112,000 AARP members in Alaska, we would like to indicate our support for your bill HB 448, introduced on February 19, 2002.

"Do Not Call" legislation links privacy concerns and consumers' desires to stop receiving telemarketing calls. HB 448 will give consumers more control over unsolicited intrusions into their homes and help avoid potentially fraudulent telemarketing calls, which are often targeted at older persons.

HB 448 does not regulate the industry. It actually helps the telemarketing industry know who does not want to receive their calls and saves the industry time and money.

HB 448 will give us back the privacy of our dinner hour. AARP is pleased to lend our support to HB 448.

Should you have any questions about our position or if we can lend any support as the bill moves through the committees and on to the Governor's desk, please feel free to contact Marie Darlin (586-3637), Coordinator of the AARP Capital City Task Force; Patrick Luby, AARP Legislative Representative (907-762-3314); or me (907-245-5259).

Thank you for your leadership on this issue. All Alaskans will be thankful when they can eliminate unwanted and unsolicited nuisance calls.

I appreciated meeting and talking to you at our legislative reception in Juneau. It will be nice to work with you on this issue.

Sincerely,

A handwritten signature in cursive script that reads "Marguerite Stetson".

Marguerite Stetson
AARP Alaska Executive Council Member
for Advocacy

cc: Marie Darlin
Pat Luby



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State Legislatures Magazine: March 2001

Editor's Note: This article appeared in the March 2001 issue of NCSL's magazine, *State Legislatures*. To order copies or to subscribe, contact the marketing department at (303) 830-2200.

On First Reading

Pulling the Plug on Nuisance Calls

Many Americans have experienced it—a telephone call at dinnertime from a telemarketer trying to sell them something. Lots of people hate them, but the legitimate business practices of most telemarketers are protected under certain constitutional provisions.

By one estimate, the 10 largest telemarketing agencies in America have the ability to make 560 random telephone calls per second. But many Americans consider unsolicited sales calls a nuisance and an invasion of privacy.

Arkansas, Arizona, Delaware, Florida, Georgia, Hawaii, Illinois, Maine, Missouri, Nebraska, South Carolina, Tennessee and Texas have statutes that prohibit firms from soliciting people over the telephone if the consumers' names appear on a "do-not-call" list.

These lists are often similar to the national do-not-call databases and databases created and maintained by state attorneys general or by telemarketing firms.

The primary intent of the first do-not-call law, passed in Florida, was to protect the elderly.

Within one month of passing similar legislation, more than 180,000 New Yorkers had signed the registry blocking unwanted calls. Under the New York law, residents register their telephone numbers on an official do-not-call list. The law requires all telemarketing firms that make calls in New York to buy a copy of this list, and fines the firms \$2,000 each time they call a number on the list. Since October 2000, more than 300,000 New Yorkers have signed on to this registry, most of them through e-mail to the state's consumer protection agency.

Approximately 535,000 Tennesseans registered for a similar service by the end of 2000, and 110,000 citizens of Missouri signed up during the first week of registration in the Show Me state.

California, Connecticut, Delaware, Maine, Virginia and Utah considered or passed similar legislation in 2000 and 2001. A California bill permits consumers to put their telephone numbers on a

telemarketers' do-not-call list that would be maintained by the state. The Virginia Telephone Privacy Act allows consumers to sue for \$500 in state court for each violation and for as much as \$1,500 if the violation is willful.

But there is another perspective. In 1999, 5.4 million people were employed in telephone marketing, according to the Direct Marketing Association. And sales driven by the practice topped \$540 billion. Some in the industry maintain that attempts to restrict telemarketing encroach on fundamental constitutional rights.

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FEATURES

**“Do Not Call” Campaigns
Take Off in a Dozen States***by Jen Beltz*

AARP is stepping up efforts on the “Do Not Call” (DNC) front (an offshoot of the Association’s earlier telemarketing fraud campaign), and with good reason: AARP has found that well over half the number (56%) of people targeted by telemarketers each day are age 50 and over.

It hardly comes as news that unsolicited calls, even those made by valid companies or organizations, are an unwanted intrusion into the daily lives of most people receiving them. AARP studies have found that the vast majority of people – up to 97% – support our efforts to curb the frequency of these calls to their homes.

In response to this, AARP is currently working in several states to allow consumers to list their name on a statewide DNC list, which telemarketers must purchase before doing business in the state, with penalties for noncompliance. AARP staff members in the states and at headquarters are working to ensure that comprehensive laws are enacted, and then promoted sufficiently to make consumers aware of their rights. Association DNC efforts will translate into increased privacy and decision-making power for consumers.

Twelve states are waging RFP-funded DNC issue campaigns in 2002: Delaware, Michigan, Minnesota, Missouri, Nebraska, New Jersey, North Carolina, Oklahoma, South Carolina, South Dakota, Texas and Virginia. (While Alaska,

Illinois, Kansas, Kentucky and Ohio did not receive RFP funding for DNC this year, they also will be working on the issue in 2002.)

Twenty states already have DNC laws (Alabama, Alaska, Arkansas, California, Colorado, Connecticut, Florida, Georgia, Idaho, Indiana, Kentucky, Louisiana, Maine, Missouri, New York, Oregon, Tennessee, Texas, Wisconsin, and Wyoming). In several of these states, existing legislation must be strengthened to close loopholes and offer more meaningful protections. Further, more work remains for states lacking DNC legislation.

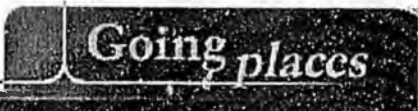
In several states, the DNC legislative climate is already heating up this year. Minnesota is a prime example. According to Michele Kimball, Minnesota State Director, AARP staff and volunteers in the state are squaring off against roadblocks set by statehouse leadership mere days into the 2002 legislative session.

Minnesota selected the DNC issue for several reasons. “The timing was right, and we wanted an issue that would raise our profile in the state – and also resonate with members and non-members alike,” she said. “Since this is a big issue that the public can really get behind – and one we think we can win – we believe it will help to lay the foundation for future advocacy successes in the state.”

Minnesota advocacy staffers aren’t shy about getting their issue on the statehouse front burner, either. “Worried that legislators might try to quietly kill a bill curbing telemarketing in Minnesota, [the] AARP is flexing its political muscle,” according to a February 21 *St. Paul Pioneer Press* article, which added that the Association is running radio and newspaper ads urging 630,000

BLACK DOT RATES AMONG ALASKA LEC'S

LOCAL EXCHANGE CO.	RATE
ACS of Alaska, Inc.	\$12.85
ACS of Anchorage, Inc.	\$6.20
ACS of Fairbanks, Inc.	\$15.00 (annual charge)
ACS of the Northland, Inc.	\$12.30
Alaska Telephone Co.	\$12.50
Bettles Telephone Co.	\$35.00
Bristol Bay Telephone Cooperative, Inc.	\$12.50
Copper Valley Telephone Coop. Inc.	\$11.00
GCI	\$5.00 Anchorage
	\$15.00 Fairbanks
	\$12.85 Juneau
GTE Alaska Inc.	\$18.60
Interior Telephone Co.	\$14.30
Matanuska Telephone Assoc., Inc.	\$0.00
Mukluk telephone Company Inc.	\$10.00
North Country Telephone Co.	\$50.00
Nushagak Telephone Cooperative, Inc.	\$0.00
OTZ Telephone Coop. Inc.	\$0.00
Summit Telephone & Telegraph Co. of Alaska, Inc.	\$12.00
United Utilities, Inc.	\$14.00
Yukon Telephone Co., Inc.	\$12.40



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Black Dot Listings

ACS Local Service

Black Dot Listings contain the telephone numbers of ACS Local Service subscribers who have decided they *do not want to be called by telemarketers*. These same numbers are listed in ACS's most recent telephone directory with black dot next to their name.

ACS incurs the costs in maintaining and furnishing this list of numbers. These costs are defrayed, part, by fees paid to secure the list. ACS Black Dot Listings are the copyrighted (©) property of ACS. The resale or redistribution of these list are only permitted with express written authorization from ACS.

All lists are provided via email or on diskette in Text format. Black Dot is regulated by the Regulatory Commission of Alaska. ACS is operating under 4 different tariffs throughout the state. There will be no updates provided on these lists throughout the year.

City	Annual Cost	Update	Customer Count
Anchorage	\$25.00	June 1 st	5,292
Fairbanks	\$50.00	October 1 st	137
Juneau	\$50.00	July 1 st	38
Kenai	\$50.00	August 1 st	73
Kodiak	\$50.00	February 1 st	4
North Pole	\$50.00	December 1 st	26
Sitka	\$50.00	July 1 st	19
NW Central Aleutians	\$50.00	June 1 st	2

If you are interested in purchasing a Do Not Call List please send your check payable to ACS to the following address:

Alaska Communications Systems, Inc
Margaret Anderson MS #52
600 Telephone Ave
Anchorage, AK 99503-6091

Email us at: manderso@acsalaska.com
Or call us at: (907) 564-3264

We accept American Express, Visa, and MasterCard and will provide the list upon receipt of payment. Please provide the name of the individual you would like the list to be mailed to. Thank you.

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FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: CSHB 448 (L&C) wd/S
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Law
 Title "... a data base of residential telephone BRU Civil Division
customers who do not wish to receive telephone solicitations ..." Component Fair Business Practices
 Sponsor Representative Crawford
 Requester House Labor and Commerce Committee Component No. 2206

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	17.3	1.6	1.6	1.6	1.6	1.6
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	4.4	0.4	0.4	0.4	0.4	0.4
Supplies	0.3	0.0	0.0	0.0	0.0	0.0
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	22.0	2.0	2.0	2.0	2.0	2.0

CAPITAL EXPENDITURES						
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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	22.0	2.0	2.0	2.0	2.0	2.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	22.0	2.0	2.0	2.0	2.0	2.0

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)
 CSHB 448 (L&C) wd/S requires the attorney general to contract with an administrator to establish and maintain a centralized data base of telephone subscribers who do not want to receive telephonic solicitations. Fees charged to telephonic solicitors to buy the "black dot" data base must cover the cost of creating, updating, and maintaining the data base, and are to be considered income to the administrator, not the state.

The cost to the Department of Law from passage of this legislation will be primarily for the development and adoption of regulations to implement the data base program. Based on experience, we estimate the regulations project will require six to eight weeks of attorney time at \$97.45 per hour. In addition, some direct case costs will be incurred to hold public hearings on the draft regulations for a total estimated regulations cost of \$20,000. Another \$2,000 will be required for the data base administrator procurement process. These one-time costs will be incurred in FY 2003. There will be minimal on-going costs for Consumer Protection unit communication with the administrator. We assume 20 hours of attorney time per year.

Prepared by: Joan M. Kasson Phone (907) 465-5370
 Division: Attorney General's Office Date/Time 4/22/02 9:57 AM
 Approved by: Kathryn Daughettee for Bruce M. Botelho, Attorney General Date 4/22/2002
 Agency: Department of Law

HB

460



Representative Eric Croft

HB 460 Sponsor Statement

In 1977, the US Supreme Court issued a ruling in a seminal antitrust case called *Illinois Brick Co. v. Illinois*. The case held that federal antitrust laws do not allow “indirect purchasers” to recover damages from “upstream” antitrust violators. The Court further held, however, that states are free to formulate their own public policy on the issue of anti trust lawsuits brought on behalf of indirect purchasers. Since the *Illinois Brick* decision, over 30 states have passed laws that allow recovery of damages by indirect purchasers under various state antitrust statutes. HB 460 would update Alaska antitrust statutes to allow the Attorney General to bring actions on behalf of indirect purchasers.

An indirect purchaser is a person who does not buy the suspect product directly from the wrongdoer. For example, suppose two drug manufacturers conspire to keep prescription drug prices high. A consumer who buys the drug from a pharmacy is an “indirect purchaser” because the pharmacy has not violated the antitrust laws. Currently, only direct purchasers, such as the distributor who bought directly from the drug manufacturer, have the option to bring suit for antitrust violations like price-fixing. Since these entities rarely pass on the overcharges they recover, indirect consumers don’t really benefit from the suit.

HB 460 also removes the requirement of proof of willfulness for treble damages, and provides for statistical methods of proof consistent with federal law. This allows the Attorney General to bring antitrust suits on behalf of Alaska’s indirect purchasers, under Alaska law in an Alaskan court, rather than federal court.

SECTIONAL ANALYSIS – HB 460

“An Act relating to actions for monopolies and restraint of trade, including proof of damages; amending Rule 82, Alaska Rules of Civil Procedure; and providing for an effective date.”

Section 1. AS 45.50.576 is amended as follows:

Sec. 45.50.576. Suits by persons injured; treble damages.

This section is being modified to remove the requirement that a defendant be found to have acted “willfully” before treble damages can be awarded. Removing this requirement will make this section consistent with other state and Federal antitrust acts. *See* 15 U.S.C. § 15a.

Subsection (b) is modified to remove duplicative language and make the section consistent with the new section added below.

Section 2. As 45.50 is amended to add a new section as follows:

Sec. 45.50.577. Enforcement by attorney general.

This new section will accomplish several things. Currently, the State of Alaska, through the attorney general, is without authority to bring an action on behalf of consumers for “indirect damages.” Indirect damages are damages that a consumer may suffer because of an antitrust violation that occurred “upstream” from the consumer transaction. For example, when a consumer purchases drugs from a pharmacy, the price may be artificially high because of an illegal deal made between two competing manufacturers. The price increase that results from this illegal agreement is passed down to the wholesaler, then to the distributor, then to the retailer, who finally passes the increase to the consumer.

The entity “directly” harmed in the above scenario is the wholesaler who bought the drugs directly from the manufacturer. Thus, under current antitrust law, the only person who can bring an antitrust action against the manufacturers is the wholesaler, or other persons who bought directly from the manufacturer (some state agencies make these direct purchases). This rule of law was enunciated in a U.S. Supreme Court decision called *Illinois Brick Co. v. Illinois*. That case left

open, however, the opportunity for individual states to enact their own laws that would allow the recovery of these “indirect” damages under state-specific antitrust statutes. In response to this case, several states have enacted such laws, called “*Illinois Brick* repealer” statutes because they repeal the effect of the *Illinois Brick* decision.

Alaska has been involved in several multi-state antitrust actions in the last several years. Ever since the tobacco litigation, states’ attorneys general have cooperated with each other to bring these actions against antitrust violators for various kinds of illegal antitrust conduct. The claims Alaska has been able to assert in these cases, however, are limited to claims on behalf of state agencies that have been directly harmed by the alleged illegal conduct. We have limited and questionable authority to make claims on behalf of consumers for their “indirect purchases” of drugs and other products. For example, Alaska lost out on several hundred thousand dollars in consumer relief recently in the “Vitamins” case. That case involved allegations of illegal contracts between vitamin manufacturers. Alaska was initially excluded from the settlement because we did not have an “*Illinois Brick* repealer.” We eventually received about \$100,000, while other states that had such a statute received about \$1 million.

This section provides that the attorney general can bring an action in superior court in the name of the state, and on behalf of consumers and nonstate governmental entities (which includes municipalities) for the recovery of both direct and indirect damages.

Subsections (a) through (c) accomplish the above.

Subsections (d) and (e) allow the recovery of costs, full reasonable attorney’s fees, and treble damages if the state is the prevailing party.

Subsections (f) and (g) require publication of the proposed action and an opportunity for a person or nonstate governmental entity to elect to be excluded from the action. Any judgment issued in the action precludes claims by anyone who does not elect to be excluded.

Subsection (h) provides that any action brought under this section cannot be dismissed without approval of the court.

Subsection (i) provides that any recovery under this section must be distributed in accordance with court instructions, and requires that everyone on

whose behalf the action was brought be given an opportunity to recover the participant's appropriate portion of the proceeds.

Subsection (j) provides that the attorney general can recover aggregate damages using accepted sampling methods approved by the court.

Section 3. AS 45.50.50 is amended by adding a new section as follows:

Sec. 45.50.579. Actions for indirect injury.

This section allows only the attorney general to bring actions for indirect injuries. This is also consistent with other state statutes that have enacted these "*Illinois Brick* repealers."

Section 4. AS 45.50.596 is amended as follows:

Sec. 45.50.586. Judgment in favor of the state as evidence in another matter.

This section is being modified to conform with the above changes.

Section 5.

AS 45.50.596 is amended by adding a new paragraph (4) that adds a definition of "nonstate governmental entity."

Sections 6 through 9:

These sections are procedural and address: (1) modification of the Court Rules to recognize the state's authority to receive full reasonable attorney's fees; (2) the effective date; and (3) the requirement that a two-thirds majority is required for passage of AS 45.50.577 (dealing with amendment of the Court Rules) to take effect.

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 460
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Law
 Title "An Act relating to actions for monopolies and BRU Civil Division
restraint of trade, including proof of damages; amending . . ." Component Fair Business Practices
 Sponsor Representative Croft
 Requester House Labor and Commerce Committee Component No. 2206

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	*****	*****	*****	*****	*****	*****

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	*****	*****	*****	*****	*****	*****

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)

HB 460 updates Alaska antitrust statutes consistent with a recent United States Supreme Court precedent to allow the attorney general to bring a cause of action on behalf of both direct and indirect purchasers. Current Alaska statutes allow a cause of action only for purchasers who buy directly from the person or manufacturer that violated antitrust statutes. Because these type of actions typically involve civil actions on behalf of numerous persons and sometimes on behalf of numerous governmental entities, the bill provides for proof of antitrust damages by way of statistical methods consistent with federal law. The bill also removes the current requirement in the antitrust statutes that any antitrust plaintiff must prove willful conduct before a court may award treble damages. Federal law does not have this requirement, encouraging plaintiffs to resolve issues important to Alaska businesses and consumers in federal court, rather than state court.

Costs and revenues associated with passage of this bill will depend on the number and complexity of actions brought by the attorney general in any given year. Both are too speculative to quantify at this time.

Prepared by: Joan M. Kasson Phone (907) 465-5370
 Division: Attorney General's Office Date/Time 4/11/02 3:57 PM
 Approved by: Kathryn Daughetee for Bruce M. Botelho, Attorney General Date 4/11/2002
 Agency: Department of Law

HB

470

ALASKA STATE LEGISLATURE

House of Representatives

COMMITTEE ASSIGNMENTS

JUDICIARY COMMITTEE CHAIRMAN
LABOR & COMMERCE COMMITTEE MEMBER
LEGISLATIVE COUNCIL MEMBER
SPECIAL COMMITTEE ON ECONOMIC DEVELOPMENT &
TOURISM MEMBER

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Representative Norman Rokeberg

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SPONSOR STATEMENT

HOUSE BILL 470

AN ACT RELATING TO COMMON INTEREST OWNERSHIP; AND PROVIDING FOR AN EFFECTIVE DATE

House Bill 470 puts into statute what is currently the practice in regards to public offering statements (POS) for what are commonly referred to as condominium developments.

AS 34.08.580 currently provides that a purchaser, prior to conveyance of title, may cancel a purchase agreement within 15 days of receipt of a public offering statement. Such cancellation is made without penalty and each payment made by the purchaser before cancellation must be refunded promptly to the purchasers. The problem occurs because a POS with a final legal description cannot be issued until the unit is built and surveyed. This technical requirement of the law effectively inhibits the "pre-sale" of smaller projects. This is especially difficult when a custom unit is being built as the buyer can cancel the agreement without penalty 15 days after that unit is built and surveyed. What happens is that high-end units, e.g., a \$500,000 custom condominium, cannot get financing due to this recision provision.

HB 470 indicates that a preliminary version of the POS that reasonably reflects the contents of the POS that is subsequently recorded may be used. It gives the customer 15 days after the receipt of the preliminary POS to cancel a contract.

This legislation is needed in order to keep the business of building custom units available as an option for a purchaser.

ED 01:02/20/02

ALASKA STATE LEGISLATURE

House of Representatives

COMMITTEE ASSIGNMENTS

JUDICIARY COMMITTEE, CHAIRMAN
LABOR & COMMERCE COMMITTEE, MEMBER
LEGISLATIVE COUNCIL, MEMBER
SPECIAL COMMITTEE ON ECONOMIC DEVELOPMENT &
TOURISM, MEMBER

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Representative Norman Rokeberg

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SECTIONAL ANALYSIS

HOUSE BILL 470

AN ACT RELATING TO COMMON INTEREST OWNERSHIP; AND PROVIDING FOR AN EFFECTIVE DATE

By Representative Norman Rokeberg

- Section 1:** Amends AS 34.08.520 [Liability for public offering statement requirements] to include "or a preliminary version of the public offering statement that reasonable reflects the contents of the public offering statement that is subsequently recorded".
- Section 2:** Amends AS 34.08.530 [Public offering statements generally] to include "or a preliminary version of the public offering statement that reasonable reflects the contents of the public offering statement that is subsequently recorded".
- Section 3:** Amends AS 34.08.580 [Purchaser's right to cancel] to include "or a preliminary version of the public offering statement that reasonable reflects the contents of the public offering statement that is subsequently recorded".
- Section 4:** Immediate effective date.

ED1:02/25/02

CS FOR HOUSE BILL NO. 470()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY

Offered:

Referred:

Sponsor(s): REPRESENTATIVE ROKEBERG

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to common interest ownership; and providing for an effective date."**

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

3 *** Section 1. AS 34.08.520(c) is amended to read:**

4 (c) A declarant or dealer who offers a unit to a purchaser shall deliver a public
5 offering statement, or a preliminary version of the public offering statement that
6 reasonably reflects the contents of the public offering statement that is
7 subsequently recorded, in the manner required by AS 34.08.580(a). The person who
8 prepared all or a part of the public offering statement is liable under AS 34.08.580 and
9 34.08.670 for any false or misleading statement set out in the statement or for any
10 omission of a material fact from the statement with respect to the portion of the public
11 offering statement that the person prepared. If a declarant did not prepare any part of a
12 public offering statement, the declarant is not liable for a false or misleading statement
13 set out in the statement or for an omission of a material fact from the statement unless
14 the declarant had actual knowledge of the statement or omission or, in the exercise of
15 reasonable care, should have known of the statement or omission.

1 * Sec. 2. AS 34.08.530(a) is amended to read:

2 (a) Except as provided in (b) of this section, a public offering statement must
3 fully and accurately contain or disclose

4 (1) the name and principal address of the declarant and of the common
5 interest community and indicate whether the common interest community is a
6 condominium, cooperative, or planned community;

7 (2) a general description of the common interest community,
8 including, in a building constructed for residential purposes with horizontal
9 boundaries, the area of the interior surface of floors available for residential purposes
10 and, to the extent possible, the types, number, and declarant's schedule for the
11 commencement and completion of construction of buildings and amenities that the
12 declarant anticipates including in the common interest community;

13 (3) the number of units in the common interest community;

14 (4) copies and a brief narrative description of the significant features of
15 the declaration, other than plats and plans, and

16 (A) any recorded covenants, conditions, restrictions, and
17 reservations affecting the common interest community;

18 (B) the bylaws and any rules or regulations of the association;

19 (C) copies of any contracts and leases to be signed by
20 purchasers at closing; and

21 (D) a brief narrative description of any contracts or leases that
22 will or may be subject to cancellation by the association under AS 34.08.360;

23 (5) any current balance sheet and a projected budget for the
24 association, either within or as an exhibit to the public offering statement, for one year
25 after the date of the first conveyance to a purchaser, and the current budget of the
26 association, the name of the person who prepared the budget, and a statement of the
27 budget's assumptions concerning occupancy, assumptions concerning the calculation
28 of the amount of reserves certified by a certified architect or engineer, and inflation
29 factors, including, without limitation,

30 (A) a statement of the amount included in the budget as a
31 reserve for repairs and replacement including the estimated cost of repair or

1 replacement cost and the estimated useful life of the asset to be repaired or
2 replaced;

3 (B) a statement of any other reserves;

4 (C) the projected common expense assessment by category of
5 expenditures for the association; and

6 (D) the projected monthly common expense assessment for
7 each type of unit;

8 (6) any services not reflected in the budget that the declarant provides,
9 or expenses that the declarant pays and that the declarant expects may become a
10 common expense of the association at a subsequent time and the projected common
11 expense assessment attributable to each of those services or expenses for the
12 association and for each type of unit;

13 (7) any initial or special fee due from the purchaser at closing, together
14 with a description of the purpose and method of calculating the fee;

15 (8) a description of liens, defects, or encumbrances on or affecting the
16 title to the common interest community;

17 (9) a description of financing offered or arranged by the declarant;

18 (10) the terms and significant limitations of warranties provided by the
19 declarant, including statutory warranties and limitations on the enforcement of the
20 warranties or on damages;

21 (11) a statement that

22 (A) within 15 days after receipt of a public offering statement
23 or a preliminary version of the public offering statement that reasonably
24 reflects the contents of the public offering statement that is subsequently
25 recorded, a purchaser, before conveyance, may cancel any contract for
26 purchase of a unit from a declarant;

27 (B) if a declarant fails to provide a public offering statement to
28 a purchaser before conveying a unit, the purchaser may recover from the
29 declarant up to 10 percent of the sales price of the unit plus 10 percent of the
30 share, proportionate to the common expense liability of the unit, of any
31 indebtedness of the association secured by security interests encumbering the

1 common interest community; and

2 (C) a purchaser who receives the public offering statement, or
3 a preliminary version of the public offering statement that reasonably
4 reflects the contents of the public offering statement that is subsequently
5 recorded, more than 15 days before signing a contract cannot cancel the
6 contract;

7 (12) a statement of any unsatisfied judgments or pending suits against
8 the association, and the status of any pending suits material to the common interest
9 community of which a declarant has actual knowledge;

10 (13) a statement that a deposit made in connection with the purchase of
11 a unit will be held in an escrow account until closing and will be returned to the
12 purchaser if the purchaser cancels the contract under AS 34.08.580, together with the
13 name and address of the escrow agent;

14 (14) any restraints on alienation of any portion of the common interest
15 community and any restrictions

16 (A) on use, occupancy, and alienation of the unit; and

17 (B) on the amount for which a unit may be sold or on the
18 amount that may be received by a unit owner on sale, condemnation, or
19 casualty loss to the unit or to the common interest community, or on
20 termination of the common interest community;

21 (15) a description of the insurance coverage provided for the benefit of
22 unit owners;

23 (16) current or expected fees or charges to be paid by a unit owner for
24 the use of the common elements and other facilities related to the common interest
25 community;

26 (17) the extent to which financial arrangements have been provided for
27 completion of improvements that the declarant is obligated to build under
28 AS 34.08.690;

29 (18) a brief narrative description of zoning and other land use
30 requirements affecting the common interest community;

31 (19) each unusual and material circumstance, feature, or characteristic

1 of the common interest community and the units; and

2 (20) in a cooperative,

3 (A) whether each unit owner will be entitled, for federal, state,
4 and local income tax purposes, to a pass-through of deductions for payments
5 made by the association for real estate taxes and interest paid the holder of a
6 security interest encumbering the cooperative; and

7 (B) a statement as to the effect on each unit owner if the
8 association fails to pay real estate taxes or payments due the holder of a
9 security interest encumbering the cooperative.

10 * Sec. 3. AS 34.08.580(a) is amended to read:

11 (a) A person required to deliver a public offering statement under
12 AS 34.08.520(c) shall provide each purchaser with a copy of the public offering
13 statement and each amendment to the statement, or a preliminary version of the
14 public offering statement that reasonably reflects the contents of the public
15 offering statement that is subsequently recorded, before conveyance of the unit,
16 and not later than the date of a contract of sale. If a purchaser is not given the public
17 offering statement, or a preliminary version of the public offering statement that
18 reasonably reflects the contents of the public offering statement that is
19 subsequently recorded, more than 15 days before execution of a contract for the
20 purchase of a unit, the purchaser, before conveyance, may cancel the contract within
21 15 days of receipt of the public offering statement or preliminary version of the
22 public offering statement.

23 * Sec. 4. This Act takes effect immediately under AS 01.10.070(c).

Land's End Resort®

FEB 26 2002

Representative Norm Rokeberg
Alaska Legislature
House of Representatives
716 West 4th Ave. Suite 350
Anchorage, AK. 99501

February 26, 2002

Dear Representative Rokeberg:

After three years of planning and permitting, Land's End Resort started development of luxury townhomes adjacent to Land's End Resort on the Homer Spit in spring 2000. We have a permit to build up to 21 units, with a total project value in excess of \$10 million. As condominiums, the project is controlled by the Uniform Common Interest Ownership Act (AS 34.08).

We completed and sold the first phase of three units in 2000, and the second phase of three units is under construction. We have employed all local labor and purchased materials locally, much of which has occurred in the shoulder months when jobs are scarce.

During the first phase, we learned of a glaring deficiency or lack of clarity in state statutes which threatens our project, indeed any project similar to ours. This uncertain language places an unforeseen and unreasonable level of risk on developers and lending institutions. Through simple clarification of language in the statute we can eliminate this uncertainty to everyone's benefit, while maintaining 100% of the consumer protection and standards of disclosure intended by existing statutes.

AS 34.08.580 provides that a purchaser of a condominium, prior to conveyance of title, may cancel a purchase agreement within 15 days of receipt of a Public Offering Statement (POS). Such cancellation is without penalty and each payment made by the purchaser before cancellation must be refunded promptly to the purchaser. This provision is designed to ensure full disclosure of all matters effecting title and finances and to allow a buyer 15 days to read and understand these facts before a purchase agreement becomes binding.

The deficiency in existing statutes is this: much of what statutes require to be disclosed within the POS cannot be precisely defined until after construction. Therefore, to be 100% compliant, a POS cannot technically be complete and delivered to a buyer until after their unit is built. Statutes give the buyer 15 days after delivery of the POS to cancel the agreement without penalty—clearly an unreasonable burden for the developer.

The law is not clear that a "draft" or preliminary POS which contains all the required disclosures, except those which cannot physically be concluded until after construction, is legally sufficient to meet the intent of AS 34.08.580. Developers deserve the security of a binding contract and cash deposit prior to constructing a \$500,000 custom home. Interim lenders require high levels of security prior to issuing construction loans. It makes sense that a POS can be issued prior to construction.

Representative Norm Rokeberg
Page 2
2/26/02

Existing statutes reflect the situation in the early 1980's, when large condominium complexes were pre-built with only a portion of the units pre-sold. Developers at that time were not increasing their risk with each additional purchase agreement, since the units were already constructed. Since the units were pre-designed and built, the POS could contain precise allocations based on as-built surveys.


With Land's End Lodges, each unit is custom built to owner's specifications. They must be pre-sold and financially guaranteed to avoid the risk to the developer of building something which the purchaser can cancel without penalty after construction.

AS 34.08.600 clearly contemplates that buyers will be executing purchase agreements prior to actual construction. However, the wording of the existing statute is sufficiently vague as to cast doubt over the legality of issuing a POS anytime prior to completion of the unit without the precise allocations, floor plans and final corresponding budget numbers which are derived from the final as-built survey. This casts uncertainty over the validity of the 15 day right of cancellation within the contract, which in turn casts doubt over the entire development.

The simple solution to this uncertainty is to clarify that developers may issue a POS prior to construction and final as-built survey, provided the disclosures are based on the most accurate data available and are substantially the same as those contained in the final recorded Declaration and as-built survey.

Thank you for your help on this matter. I am confident that this clarification will be welcome by any one familiar with condominium development, as well as by those who seek to promote fair and honest trade practices.

Sincerely,



Jon Faulkner
Land's End Resort

Sec. 34.08.530. Public offering statements generally.

(a) Except as provided in (b) of this section, a public offering statement must fully and accurately contain or disclose

(1) the name and principal address of the declarant and of the common interest community and indicate whether the common interest community is a condominium, cooperative, or planned community;

(2) a general description of the common interest community, including, in a building constructed for residential purposes with horizontal boundaries, the area of the interior surface of floors available for residential purposes and, to the extent possible, the types, number, and declarant's schedule for the commencement and completion of construction of buildings and amenities that the declarant anticipates including in the common interest community;

(3) the number of units in the common interest community;

(4) copies and a brief narrative description of the significant features of the declaration, other than plats and plans, and

(A) any recorded covenants, conditions, restrictions, and reservations affecting the common interest community;

(B) the bylaws and any rules or regulations of the association;

(C) copies of any contracts and leases to be signed by purchasers at closing; and

(D) a brief narrative description of any contracts or leases that will or may be subject to cancellation by the association under AS 34.08.360;

(5) any current balance sheet and a projected budget for the association, either within or as an exhibit to the public offering statement, for one year after the date of the first conveyance to a purchaser, and the current budget of the association, the name of the person who prepared the budget, and a statement of the budget's assumptions concerning occupancy, assumptions concerning the calculation of the amount of reserves certified by a certified architect or engineer, and inflation factors, including, without limitation,

(A) a statement of the amount included in the budget as a reserve for repairs and replacement including the estimated cost of repair or replacement cost and the estimated useful life of the asset to be repaired or replaced;

(B) a statement of any other reserves;

(C) the projected common expense assessment by category of expenditures for the association; and

(D) the projected monthly common expense assessment for each type of unit;

(6) any services not reflected in the budget that the declarant provides, or expenses that the declarant pays and that the declarant expects may become a common expense of the association at a subsequent time and the projected common expense assessment attributable to each of those services or expenses for the association and for each type of unit;

(7) any initial or special fee due from the purchaser at closing, together with a description of the purpose and method of calculating the fee;

(8) a description of liens, defects, or encumbrances on or affecting the title to the common interest community;

(9) a description of financing offered or arranged by the declarant;

(10) the terms and significant limitations of warranties provided by the declarant, including statutory warranties and limitations on the enforcement of the warranties or on damages;

(11) a statement that

(A) within 15 days after receipt of a public offering statement a purchaser, before conveyance, may cancel any contract for purchase of a unit from a declarant;

(B) if a declarant fails to provide a public offering statement to a purchaser before conveying a unit, the purchaser may recover from the declarant 10 percent of the sales price of the unit plus 10 percent of the share, proportionate to the common expense liability of the unit, of any indebtedness of the association secured by security interests encumbering the common interest community; and

(C) a purchaser who receives the public offering statement more than 15 days before signing a contract cannot cancel the contract;

(12) a statement of any unsatisfied judgments or pending suits against the association, and the status of any pending suits material to the common interest community of which a declarant has actual knowledge;

(13) a statement that a deposit made in connection with the purchase of a unit will be held in an escrow account until closing and will be returned to the purchaser if the purchaser cancels the contract under AS 34.08.580, together with the name and address of the escrow agent;

(14) any restraints on alienation of any portion of the common interest community and any restrictions

(A) on use, occupancy, and alienation of the unit; and

(B) on the amount for which a unit may be sold or on the amount that may be received by a

unit owner on sale, condemnation, or casualty loss to the unit or to the common interest community, or on termination of the common interest community;

(15) a description of the insurance coverage provided for the benefit of unit owners;

(16) current or expected fees or charges to be paid by a unit owner for the use of the common elements and other facilities related to the common interest community;

(17) the extent to which financial arrangements have been provided for completion of improvements that the declarant is obligated to build under AS 34.08.690;

(18) a brief narrative description of zoning and other land use requirements affecting the common interest community;

(19) each unusual and material circumstance, feature, or characteristic of the common interest community and the units; and

(20) in a cooperative,

(A) whether each unit owner will be entitled, for federal, state, and local income tax purposes, to a pass-through of deductions for payments made by the association for real estate taxes and interest paid the holder of a security interest encumbering the cooperative; and

(B) a statement as to the effect on each unit owner if the association fails to pay real estate taxes or payments due the holder of a security interest encumbering the cooperative.

(b) If a common interest community composed of not more than 12 units is not subject to any development rights and power is not reserved to a declarant to make the common interest community part of a larger common interest community, group of common interest communities, or other real estate, a public offering statement may but need not include the information required by (a)(9), (10) and (15) - (19) of this section and the narrative descriptions of documents required by (a)(4) of this section.

(c) A declarant promptly shall amend the public offering statement to report any material change in the information required by this section.

(§ 1 ch 95 SLA 1985)

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 470
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: DCED
 Title Common Interest Ownership BRU Banking, Securities, & Corporations (115)
 Component Banking, Securities, & Corporations
 Sponsor Representative Rokeberg
 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						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1156 RSS						
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)

The proposed legislation deals with common ownership property - condominiums, cooperatives, etc. - and would require certain disclosures to be made in writing 15 days before a consumer signs a contract or the consumer can cancel within 15 days after the disclosures are received. Any preliminary disclosure would only meet the bill's requirements if it "reasonably reflects" the disclosure subsequently filed for record.

The division does not anticipate any fiscal impact with the proposed legislation.

Prepared by: Franklin T. Elder, Division Director Phone 465-2521
 Division Banking, Securities, and Corporations Date/Time 3/4/02 2:02 PM
 Approved by: Deborah B. Sedwick, Commissioner Date 3/4/2002
 Agency Department of Community & Economic Development

HB

471

Alaska State Legislature

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ALASKA COURT SYSTEM
DEPT OF CORRECTIONS
DEPT OF LAW

Representative Joe Green
District 10

Sponsor Statement for House Bill 471

House Bill 471 proposes changes to the Alaska Industrial Development and Export Authority (AIDEA) statutes relating to the computation of the AIDEA dividend and the eligibility requirements for AIDEA's Rural Development Initiative Fund (RDIF) program. The House C&RA committee amended House Bill 471 to include a proposal to increase the maximum loan amount for the Alaska Energy Authority's (AEA) Bulk Fuel Revolving Loan Fund.

The change to the dividend statute results in a status quo dividend formula necessitated by accounting and reporting changes. Under current state law, AIDEA pays an annual dividend to the State of Alaska's General Fund, the amount of which is based on the agency's "net income" and "unrestricted net income." Alaska Statutes define these two terms as the "net income" and "unrestricted net income" included in AIDEA's audited financial statement.

New standards adopted by the Governmental Accounting Standards Board (GASB) provide that audited financial statements, such as the one produced by AIDEA, will no longer include the terms for either "net income" or "unrestricted net income." This eliminates the reference used by current statutes to define the two terms.

In addition, the new GASB standards also require that intergovernmental transfers, capital contributions and grants be included as either a revenue or expense of the governmental entity. AIDEA's dividend payments to the state will be included as an expense, causing a further reduction of the agency's "net income," and resulting in an automatic reduction of the potential dividend.

Since its inception, AIDEA has provided \$128 million in dividends, including the dividend that will be paid to the state for fiscal year 2003. In order to preserve this important source of general fund revenue, HB 471 makes the necessary changes in response to the new accounting requirements. The bill addresses both issues by defining "net income" and "unrestricted net income" using the terms to be found in future audited financial and excluding amounts attributable to intergovernmental transfers, capital contributions and grants.

AIDEA's RDIF program was designed to make commercial loans to rural businesses that did not have other financing options because of their location. HB 471 reinserts the definition of "community" and further clarifies the definition to ensure that the loans are going to the intended recipients, those who are in truly rural communities. The amended standards specify that qualifying participants must be in communities of less than 5,000 people if they are not connected to Anchorage or Fairbanks by road, rail or the Marine Highway, and less than 2,000 people if they are connected to Anchorage or Fairbanks by road or rail.

Finally, this legislation increases the maximum loan amount from the Bulk Fuel Revolving Loan Fund to \$200,000 per loan. In rural Alaska, communities purchase their fuel in bulk because it costs less to buy larger quantities of fuel than to buy in smaller increments, and the window for transporting fuel is seasonal. The 150 communities off the road system have to purchase their fuel to secure its delivery in a single shipment, working around Alaska's notorious cold weather and freezing conditions that drastically limit transportation options. This program is in high demand in rural communities. Petroleum price increases and increases in bulk fuel tank farm capacity in many communities have made the current limit of \$100,000, which was enacted in 1993, too low to accommodate the needs of many borrowers. AEA has received legislative authorization to capitalize the BFRLF with a \$5 million federal grant. This grant is expected to be finalized in April.

HB 471
AIDEA Bill
Sectional Analysis

Sections 1 and 2 – AIDEA's Dividend Program. Sections 1 and 2 of the bill amend definitions used in the statutory guidelines for the AIDEA dividend program to accommodate recent changes in governmental accounting and reporting standards. Section 1 amends the definition of "net income" and section 2 amends the definition of "unrestricted net income." Additionally, Section 4 of the bill is a transitional provision that clarifies that the amendments made in section 1 and 2 will become effective for the dividend calculated from AIDEA's audited financial statements for fiscal year 2002 - - the first audited financial statements after these changes in governmental accounting standards become effective.

Background. Since its inception, AIDEA has provided \$128 million in dividends, including the dividend AIDEA in December 2001 declared available to the state for fiscal year 2003. AS 44.88.088 provides statutory guidelines for AIDEA's dividend policy. AIDEA is to provide to the state a dividend of between 25 percent and 50 percent of AIDEA's net income for the base fiscal year, but in no event may the dividend exceed AIDEA's unrestricted net income for the base fiscal year.

AS 44.88.088(b) defines "net income" and "unrestricted net income" used in the statutory guidelines for AIDEA's dividend policy to be the amount of net income and unrestricted net income that are set out in the audited financial statements of AIDEA. AIDEA's audited financial statements comply with standards adopted by the Governmental Accounting Standards Board (GASB). Two recent changes to these governmental accounting and reporting standards alter or create ambiguity regarding how the statutory guidelines for AIDEA's dividend program would be implemented.

First, GASB Statement 34 provides that audited financial statements will no longer report any amount for either "net income" or "unrestricted net income." Without those amounts reported in AIDEA's audited financial statements, AS 44.88.088 will no longer provide clear instruction to the Board for determining the amount of the AIDEA dividend. This ambiguity will compel the Board either to attempt to calculate what

the "net income" and "unrestricted net income" would have been without GASB Statement 34, or to declare no dividend as the audited financial statements will include no amount for "net income."

Second, GASB Statement 33 requires that grants be included as either revenue or expense of the governmental entity. GASB Statement 34 requires that intergovernmental transfers be included as components of the Statement of Revenues, Expenses and Changes in Fund Net Assets. These accounting modifications will alter the calculation of AIDEA's future dividends. For example, the amount appropriated from any AIDEA dividend will be an intergovernmental transfer item that will reduce "net income" for that fiscal year. This reduction of "net income" will simultaneously reduce the amount of the AIDEA dividend that will be calculated from the audited financial statement for that fiscal year. For the first time, the payment of an AIDEA dividend will automatically reduce the amount of a future dividend.

The amendments proposed in sections 1 and 2 neutralize the impact the recent changes to governmental accounting and reporting standards in GASB Statements 33 and 34 would otherwise have on the AIDEA dividend program.

Section 3 – Rural Development Initiative Fund Program. Section 3 of the bill modifies AIDEA's rural development initiative fund program (RDIF) by making RDIF available to businesses located in communities with populations of less than 5,000 if not connected by road or rail to Anchorage or Fairbanks, or to businesses in communities with populations of less than 2,000 if connected by road or rail to Anchorage or Fairbanks. Section 3 of the bill also provides definitions for terms.

Background. The intent of the RDIF program is to provide commercial financing to businesses in the rural areas of Alaska that do not have access to standard commercial financing because of their location. While the statutory language refers to businesses located in a community of 5,000 or less, the definition of community was dropped over the years. This definition more clearly sets forth the intent of the program and will allow users of the program to use established references for determining eligibility.

Section 4 – AIDEA’s Dividend Program. Section 4 is a transitional provision that clarifies that the amendments to the statutory guidelines for AIDEA’s dividend program under sections 1 and 2 of the bill will first be used for the dividend to be calculated from AIDEA’s audited financial statement for fiscal year 2002.

Background. Sections 1 and 2 of the bill amend definitions of terms used in the statutory guidelines for the AIDEA dividend program in order to neutralize the impact of changes made in governmental accounting and reporting standards under GASB Statements 33 and 34. These provisions first become effective for the audited financial statements of AIDEA that will be prepared for fiscal year 2002. The transitional provision clarifies that the amendments will be effective for dividend to be calculated from that fiscal year 2002 audited financial statement.

Section 5 – Effective Date. Section 5 of the bill provides for an immediate effective date.

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 471
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: DCED
 Title AIDEA Programs BRU AIDEA (125)
 Component AIDEA
 Sponsor Representative Green
 Requester House Community & Regional Affairs Component No. 1234

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						
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CHANGE IN REVENUES ()						
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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)

HB 471 modifies the Alaska Industrial Development and Export Authority dividend policy statutes to reflect recent changes in governmental accounting standards. The bill also clarifies eligibility for the Rural Development Initiative Fund.

HB 471 has no fiscal impact to AIDEA.

Prepared by: Sara Fisher-Goad, Financial Analyst Phone 907-269-4623
 Division Alaska Industrial Development & Export Authority Date/Time 3/22/02 2:33 PM
 Approved by: Deborah B. Sedwick, Commissioner Date 3/22/2002
 Agency Department of Community & Economic Development

A M E N D M E N T

OFFERED IN THE HOUSE
TO: CSHB 471(CRA)

BY _____

1 Page 1, line 2:

2 Following "Authority;":

3 Insert "precluding legal action concerning certain technical assistance to rural
4 utilities; relating to powers of the authority;"

5

6 Page 2, following line 1:

7 Insert new bill sections to read:

8 **"* Sec. 2.** AS 42.45.400 is amended by adding a new subsection to read:

9 (c) This section does not create a duty in tort, and may not be the basis for an
10 action against the state, the authority, or the officers, agents, or contractors of either for
11 damages, injury, or death.

12 *** Sec. 3.** AS 44.83.080(10) is amended to read:

13 (10) to enter into contracts with the United States or any person and,
14 subject to the laws of the United States and subject to concurrence of the legislature, with
15 a foreign country or its agencies, for the financing, construction, operation, and
16 maintenance of all or any part of a power project or bulk fuel storage facility, either
17 inside or outside the state, and for the sale or transmission of power from a power project
18 or any right to the capacity of it or for the security of any bonds of the authority issued or
19 to be issued for the project;

20 *** Sec. 4.** AS 44.83.080 is amended by adding a new paragraph to read:

21 (16) to make grants or loans to a person and enter into contracts or other
22 transactions regarding the grant or loan."

23

24 Renumber the following bill sections accordingly.

1 Page 2, line 27:

2 Delete "secs. 2 and 3"

3 Insert "secs. 5 and 6"

HB

472

22-LS1519J
Bannister
3/19/02

CS FOR HOUSE BILL NO. 472()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVE GREEN

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to certain persons who buy and sell secondhand articles and to certain**
2 **persons who lend money on secondhand articles."**

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

4 *** Section 1. AS 08.76.010 is repealed and reenacted to read:**

5 **Sec. 08.76.010. Records and verification of identity.** (a) A person who is a
6 pawnbroker or a secondhand dealer shall maintain a record for at least one year of an
7 item purchased or acquired by the person as a pawnbroker or secondhand dealer if the
8 item

- 9 (1) has a serial number;
- 10 (2) has a resale value of \$75 or more; or
- 11 (3) is presented in a lot of 10 or more similar items, except for books,
- 12 in a seven-day period by one individual.

13 (b) The record required by (a) of this section must contain the following
14 information, which the pawnbroker or secondhand dealer shall record at the time of

1 each purchase or acquisition:

2 (1) the date of the purchase or acquisition;

3 (2) the name of the person conducting the purchase or acquisition;

4 (3) the name and address of the customer and a physical description of
5 the customer, including age, height, weight, race, color of hair, and color of eyes;

6 (4) a description of the item purchased or acquired that includes, for a
7 firearm, watch, camera, or optical equipment bought or acquired, the name of the
8 maker, the serial, model, or other number, and all letters and marks on the item;

9 (5) the price paid or amount loaned for the item;

10 (5) the signature of the customer and a notation by the person
11 conducting the purchase or acquisition naming the type of identification card used to
12 identify the customer under (c) of this section and giving the number of the card.

13 (c) The person actually conducting the purchase or acquisition for which a
14 signature is required under (b)(6) of this section shall verify the identity of the
15 customer by comparing the signature of the customer with the signature on a driver's
16 license, state identification card, or other identification card issued by a governmental
17 entity to the customer.

18 * Sec. 2. AS 08.76.020 is repealed and reenacted to read:

19 **Sec. 08.76.020. Manner of recording entry.** (a) A pawnbroker or
20 secondhand dealer shall record the information required by AS 08.76.010 by
21 handwriting or on a computer.

22 (b) If a pawnbroker or secondhand dealer records the information required by
23 AS 08.76.010 by handwriting, the written entry shall be made in a bound ledger,
24 appear in chronological order, and be made in ink or indelible pencil. A pawnbroker
25 or secondhand dealer may not leave blank lines between entries or make obliterations,
26 alterations, or erasures. A pawnbroker or secondhand dealer shall make corrections by
27 drawing a line in ink through the entry without destroying its legibility.

28 (c) If a pawnbroker or secondhand dealer records the information required by
29 AS 08.76.010 on a computer, then the pawnbroker or secondhand dealer shall use a
30 system that guarantees that a record cannot be eliminated after entry, including using
31 software that prevents elimination from the computer, saving printed serialized

1 receipts, or using another method acceptable to the police department or state troopers
2 to whom reports are submitted under AS 08.76.025.

3 * Sec. 3. AS 08.76 is amended by adding a new section to read:

4 **Sec. 08.76.025. Reports and availability of records.** (a) A pawnbroker or
5 secondhand dealer shall make all records required by this chapter, whether entered by
6 handwriting or in a computer, available for inspection by a law enforcement officer at
7 all reasonable times.

8 (b) A pawnbroker or secondhand dealer who is required to maintain records
9 under AS 08.76.010 shall provide a weekly report to

10 (1) the police department of the municipality where the person's
11 business is located; or

12 (2) the state troopers if the person's business is not located in a
13 municipality or is located in a municipality that does not provide police protection
14 services.

15 (c) The report required by (a) of this section must summarize all purchases
16 and acquisitions of the pawnbroker or secondhand dealer during the previous week for
17 which the information under AS 08.76.010 is required and must be on a form provided
18 by, or in a format acceptable to, the police department or the state troopers.

19 * Sec. 4. AS 08.76.030 is amended to read:

20 **Sec. 08.76.030. Criminal liability.** A person who knowingly violates
21 AS 08.76.010, [OR] 08.76.020, or 08.76.025 is guilty of a class A misdemeanor
22 [AND UPON CONVICTION IS PUNISHABLE BY A FINE OF NOT MORE THAN
23 \$500, OR BY IMPRISONMENT FOR NOT MORE THAN SIX MONTHS, OR BY
24 BOTH].

25 * Sec. 5. AS 08.76.030 is amended by adding a new subsection to read:

26 (b) In this section, "knowingly" has the meaning given in AS 11.81.900.

27 * Sec. 6. AS 08.76 is amended by adding new sections to read:

28 **Sec. 08.76.050. Property holding requirement.** A pawnbroker or
29 secondhand dealer who is subject to the reporting requirements of AS 08.76.010 shall
30 hold a purchased or acquired item for 30 days after the item is received by the
31 pawnbroker or secondhand dealer before the item may be sold or transferred to

1 another person.

2 **Sec. 08.76.095. Definitions.** In this chapter,

3 (1) "pawnbroker" means a person who engages in the business of
4 acquiring secondhand items as collateral for loans, but does not include a person
5 regulated under AS 06;

6 (2) "secondhand dealer" means a person who engages in the business
7 of purchasing secondhand articles for resale in whole or part, including a jeweler, a
8 furrier, a coin dealer, and a computer dealer, but does not include a motor vehicle
9 dealer or buyer's agent subject to AS 08.66.

Alaska State Legislature

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MEMBER, MILITARY & VETERAN AFFAIRS

BUDGET SUBCOMMITTEES:
ALASKA COURT SYSTEM
DEPT. OF CORRECTIONS
DEPT. OF LAW

Representative Joe Green

District 10

Sponsor statement for House Bill 472

"An Act relating to persons who buy and sell secondhand articles and to certain persons who lend money on secondhand articles."

When property is stolen, one of the ways the thief can profit from the items they have taken is by selling them to a pawnshop. Pawnshop owners don't accept merchandise that appears to be stolen, but it is easy for a thief to appear to be the true and rightful owner of the item in question.

To help track stolen property, Alaska State Laws require that pawnshops keep records of the items that they receive and that these records be open to any law enforcement agency that asks to see them. When municipal police or state troopers receive reports of stolen goods they can then match them to the records in the pawnshops. Unfortunately, this system requires a lot of time on the part of the officers, and it is not unusual for the property to have been sold by the pawnshop before it has been identified as stolen.

House Bill 472 would address this problem by requiring that pawnshops provide weekly reports to their local police department or state troopers listing all of the property that they have received. While officers will still have to look through the reports, it will make the process much more efficient. HB 472 also requires that pawnshops record the physical description of the person selling an item, in addition to the other identifying information that they are already required to record under statute. This will help the officers in recognizing and prosecuting people who traffic in stolen goods.

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 472
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Public Safety
 Title An Act relating to persons who buy BRU AST Detachments
and sell secondhand articles . . . Component AST Detachments
 Sponsor Representative Green
 Requester House Labor & Commerce Comm. Component No. 2325

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						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

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 bill will have no fiscal impact on the Department of Public Safety.

Prepared by: Lt. Julia Grimes Phone 269-4532
 Division Division of Alaska State Troopers Date/Time 2/28/02 4:12 PM
 Approved by: Commissioner Glenn Godfrey Date 2/28/2002
 Agency Department of Public Safety