

ALASKA LEGISLATURE COMMITTEE FILES 2001-2002 86/2

10464 HOUSE STATE AFFAIRS

HJR

35

ALASKA STATE LEGISLATURE

REPRESENTATIVE
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House of Representatives
House District 34

SPONSOR STATEMENT

HJR 35

Title: Relating to urging the United States Congress to amend the tax code to permanently repeal the death tax

HJR 35 requests that Alaska's Congressional delegation "support, work to pass, and vote for the permanent repeal of the death tax."

Since 1996 Congress has voted twice to repeal this 85-year-old tax. Currently, there are two major pieces of legislation being considered by Congress to repeal the tax (H.R. 330 and S. 275).

There is significant economic evidence to support the repeal of this regressive tax. A study completed by William W. Beach, a John M. Olin Fellow in Economics, has shown this tax disproportionately hurts:

- ◇ Women & minorities
- ◇ Farmers
- ◇ Workers
- ◇ Low-income people
- ◇ Small Businesses

Further, this same study found that this tax is more costly to collect than the revenue it generates. A 1994 analysis clearly demonstrated that "total compliance costs (including economic disincentives) amount to 65 cents for every dollar collected." The additional compliance costs means that in 2000 the \$27.8 billion collected actually cost the American taxpayers \$36.4 billion.



Key Issue: Taxes

Time to Repeal Federal Death Taxes: The Nightmare of the American Dream

by William W. Beach



[Link to: | Full Text | PDF \(315k\) |](#)

No. 1428

April 4, 2001

In 1996, few in Washington or around the country believed that repealing the estate, or death, tax was possible. Today, not only does it appear likely, but support in Congress is strong. The House is now considering a bill, H.R. 8, which the Ways and Means Committee passed on March 29, 2001, to phase out federal death taxes over a 10-year period. The leading reform legislation in the Senate is S. 275, the Estate Tax Elimination Act of 2001. This bill proposes to repeal all federal death taxes immediately, to exempt about \$3 million in family assets from capital gains taxation, and to tax intergenerational wealth transfers above this amount at the long-term capital gains tax rate of 20 percent. The leading immediate repeal bill in the House is H.R. 330, the Family Heritage Preservation Act, which already enjoys 179 cosponsors just two months after its introduction.

Produced by the
Thomas A. Roe Institute for
Economic Policy Studies

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Bolstered by President George Bush's own tax proposal that includes death tax repeal as a major element, Congress should make eliminating the death tax a priority this year. By majorities consistently above 60 percent since the last presidential campaign began, voters support death tax repeal. Evidence is growing that the death tax:

- **Reduces economic growth**, which hurts the jobs and incomes of the very people wealth redistribution was intended to aid;
- **Increases the cost of capital**, slowing research and development and investment in assets that would increase worker productivity and wages;
- **Keeps interest rates higher** on home loans and other major purchases;
- **Raises very little revenue**--in fact, the death tax may cost the government and

- taxpayers more in administrative and compliance fees than it raises in revenue; and
- **Leads to tax evasion.** Wealth distribution tax policy encourages well-to-do and middle-class families to find legal ways to avoid the tax collector.

The economic cost of the estate tax is many times greater than the revenue it produces, and its reach into American households extends far beyond those few who pay it. Every day, Americans make social and economic decisions with the estate tax in mind. Investing in a business is one way to save--for some families, the only way. Every available dollar goes into the family dry-cleaning business, restaurant, or trucking company, because the business creates an asset for their children and incomes for the owners. All of the financial security provided by these businesses is put at risk if the owner dies with a taxable estate.

Small-business owners, particularly minority owners, suffer anxious moments wondering whether the business they hope to hand down to their children will be destroyed by the death tax bill. Factories drone on with worn-out equipment that would be replaced if capital costs fell. Women whose children are grown struggle to find ways to re-enter the workforce without upsetting the family's estate tax avoidance plan. Rich people buy vacations and fine art rather than start new businesses and create more jobs, because the government will claim more than half of everything they cannot spend.

The Effects of Death Tax Repeal. While support for death tax repeal is growing, evidence that doing so would have good effects is also mounting. A new Heritage Foundation econometric simulation of estate tax repeal finds that it would lead an increase of 142,000 jobs per year over the next 10 years, growth in inflation-adjusted disposable income by an average of \$22 billion, and enough new taxable income that total federal revenues would fall by less than half the amount expected. This study confirmed the findings of a previous Heritage analysis in 1996.

A study conducted in 1993 by Richard Wagner of George Mason University found similar effects. Within eight years of eliminating the tax, annual production would increase by \$80 billion, creating an additional 250,000 jobs and \$640 billion more in capital stock. More recently, a study by the Institute for Small and Emerging Business found that immediate estate tax repeal and the introduction of capital gains taxes on intergenerational wealth transfers would see employment rise by an average of 131,000 per year, after-tax disposable income for average income households increase by an average of \$18.1 billion after inflation, and inflation-adjusted GDP jump four-tenths of a percent. Federal revenues, the study predicts, would recover from the "loss" of estate tax revenue by the fifth year following repeal.

Gary and Aldonna Robbins published similar results for the Institute for Public Innovation in 1999. Using the Fiscal Associates Tax Model, they found that death tax repeal would likely result in average employment gains of 112,000 jobs, federal revenues would recover completely by the seventh year, and much of this strong growth in revenue would come from the boost given to the nation's capital stock. Moreover, U.S. capital would be higher by almost \$1.5 trillion following repeal than it will be without it.

Certainly, given the relatively small amount of annual federal revenues raised, the complex estate and gift tax cannot be justified as playing an important role in financing the government. In fact, the unified estate and gift tax brings in less than 2 percent of total federal revenues.

Conclusion. The policy of using the estate tax to redistribute economic power leads to a distorted distribution of consumption and a less productive economy. Both of these unexpected outcomes worsen the economic condition of the less economically powerful. It is time for Congress to repeal this immoral tax on productivity, the nightmare of the American dream. Eliminating the estate tax will stimulate the economy, provide more jobs, and promote investment in the kind of equipment that elevates productivity and supports higher wages for American families today and increases long-term prosperity.

--William W. Beach is the John M. Olin Fellow in Economics and Director of the Center for Data Analysis at The Heritage Foundation.



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| Full Text | PDF (315k) |

Note: PDF version contains both the Executive Summary and the Full Text and is optimized for Adobe Acrobat 4.0.



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House SP CMTE WRLD TRADE & STATE/FED RELATIONS Minute



Apr 08, 1999

HJR 34-REPEAL ESTATE AND GIFT TAX

Number 0038

CHAIR BARNES announced that the first order of business was House Joint Resolution No. 34, relating to the federal estate and gift taxes. She asked Representative Coghill to come forward and testify on HJR 34.

Number 0090

REPRESENTATIVE COGHILL, JR., Alaska State Legislature, came forward to testify. He stated that HJR 34 was a resolution asking the federal government to speed up the process of H.R. 86 which would repeal the Internal Revenue Code of 1986, Subtitle B, and essentially eliminate the so-called "Death Tax". He said that HJR 34 was in existence because the estate tax in Alaska is tied directly to the Death Tax. He indicated that "any dollar that we get from the Death Tax or from the estate tax is directly tied to that federal law; for example, if we repeal our estate tax, then it all goes to the federal government."

REPRESENTATIVE COGHILL further explained that there is a motion in the United States Congress to repeal the Death Tax in order to ensure that American children receive the inheritance they are entitled to. He stated that HJR 34 is a way to convey that "from Alaska we think that taxing people after they have worked and actually paid taxes on the inheritance that they have is bad policy". He asked that the federal estate and gift tax be repealed in an expeditious manner.

REPRESENTATIVE COWDERY asked if limits existed on inheritance in Alaska. He wondered if it was "\$600,000 per person before a tax comes into place."

Number 0289

REPRESENTATIVE COGHILL replied that he understood it to be 20 percent of the federal tax. However, he believed that the federal tax would depend on the wage. The federal tax could range from 35 percent to 55 percent depending on the size of the estate.

REPRESENTATIVE COWDERY rephrased his question to ask whether or not there was an exact dollar limit on the size of the estate.

REPRESENTATIVE COGHILL responded that he did not believe a dollar limit existed.

REPRESENTATIVE GREEN agreed with Representative Coghill's response. He wondered if an exact dollar limit existed for state tax, though.

REPRESENTATIVE COGHILL replied that the computation at the state level is just 20 percent of whatever the federal requirement is.

Number 0415

SCOTT KOHLHAAS, Membership Chairman, Alaska Libertarian Party, testified via teleconference from Anchorage in support of HJR 34. He read the following testimony into the record:

I am here today with a song in my heart to support House Joint Resolution No. 34. The estate tax is a confiscatory tax. It is a tax on dead people. It is a double tax because they have already paid taxes on it. People spend their whole lives accumulating whatever they can and the government decides: "No. This is not going to go to their children. This will go to us."

When I grew up, my dad used to tell me: "Scott, we are better than Russia because in Russia you cannot own property, but here you can." I believed in that. I thought we were different, and I thought we were better, but then I grew up and I learned about things like the property tax and the inheritance tax and the gift tax. I learned that our government, too, believes that really they own everything and that it should all go back to them eventually.

I have been thinking that if the government feels they have assets - who cares? It is the people without assets that are voting us in. Then I see something like this sponsored by Representatives Coghill and Barnes, and I have hope again. I am here to ask you to vote for HJR 34 and help move along H.R. 86. Let's get rid of the estate and gift taxes.

CHAIR BARNES asked if any of the committee members had questions. There were no questions.

Number 0590

REPRESENTATIVE COWDERY made a motion to move HJR 34 with a zero fiscal note out of committee and asked for unanimous consent. There being no objections, HJR 34 moved from the House Special Committee on World Trade and State/Federal Relations.

Bill Root: _____ Display Bill Root



TO REPORT PROBLEMS WITH BASIS INQUIRY

LIVE KTOO STREAMS 

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Senate STATE AFFAIRS Minute



Apr 29, 1999

HJR 34-REPEAL ESTATE AND GIFT TAX

REPRESENTATIVE COGHILL, sponsor of HJR 34, stated his original intent was to repeal the estate tax in Alaska, but it is a sponge tax, therefore Alaska receives only a portion of what the federal government gets. HR 86 is making its way through Congress at this time. HJR 34 expresses support for HR 86 which would do away the inheritance tax.

SENATOR GREEN moved HJR 34 from committee with individual recommendations. There being no objection, HJR 34 was moved from committee.

Bill Root: _____ [Display Bill Root](#)



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ALASKA

National Federation of Independent Business

Statement of Support

of HJR 35

Permanent Repeal of Death Tax

January 28, 2002

The Alaska Chapter of the National Federation of Independent Business has 2,500 members, making it the largest small-business advocacy group in the state.

NFIB has long advocated for full repeal of the Death Tax, and on June 7th, 2002, President Bush signed into law a Death Tax Repeal which will be phased in to finally accomplish total repeal by 2010. However, the bill sunsets on December 31, 2010. (A summary of the new law's provisions can be found at: <http://www.house.gov/jct/x-50-01.pdf>)

Some people think the Death Tax only hits the super-rich. Often the victims hardest hit by the Death Tax are middle-class hard-working Americans ... small business owners and their employees. Originally intended to prevent the concentration of wealth that worried our founding fathers and later intended to raise revenue during wartime, the Death Tax in its current form is destructive to America's entrepreneurs. In addition to the tax itself, thousands of small businesses are impacted each year by expensive fees paid to attorneys, accountants and life insurers necessary to prepare for an eventual Death Tax debt.

The legislative agenda of NFIB for state and federal issues is determined by ballot. The ballot is a poll of the membership on a series of issues. Ballot results have shown that **89 percent of NFIB members favor full and total repeal of the Death Tax.**

NFIB/Alaska urges support for HJR 35.

Submitted by Thyas Shaub on behalf of NFIB/Alaska.

FISCAL NOTE

**STATE OF ALASKA
2001 LEGISLATIVE SESSION**

Fiscal Note Number: _____
 Bill Version: HJR 35
 (H) Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: HSTA for LAA
 Title: Relating to urging the United States Congress BRU: _____
to amend the tax code to repeal the de Component: _____
 Sponsor: Representative James Component Number: _____
 Requester: H(STA)

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)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2001) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This resolution has no fiscal impact on state spending.

Prepared by: Rynnieva Moss

Phone 465-3719

Representative John Coghill
 Committee Chair

Date 1/25/2002

**HOUSE OF REPRESENTATIVES
COSPONSOR REQUEST**

TO: CHIEF CLERK

Please add my name as cosponsor
to the following:

HJR 35

*Use one slip for each request.



Member's Signature

1-29-02

Date

Send to Chief Clerk before consideration
of the daily calendar.

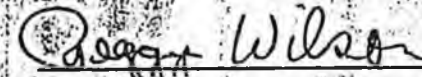
**HOUSE OF REPRESENTATIVES
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to the following:

HJR 35

*Use one slip for each request.



Member's Signature

1-29-02

Date

Send to Chief Clerk before consideration
of the daily calendar.

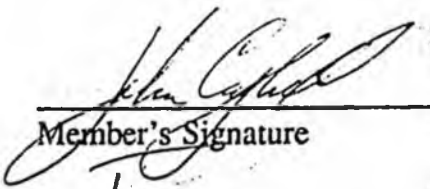
**HOUSE OF REPRESENTATIVES
COSPONSOR REQUEST**

TO: CHIEF CLERK

Please add my name as cosponsor
to the following:

HJR 35

*Use one slip for each request.



Member's Signature

Jan 29, 02
Date

Send to Chief Clerk before consideration
of the daily calendar.

S B

5 5

Bill History/Action Display



BILL: SB 55

SHORT TITLE: PIONEERS' AND VETERANS'
HOME/ADVISORY BD

BILL VERSION: CSSB 55(RLS)

SPONSOR(S): RLS BY REQUEST OF THE GOVERNOR

CURRENT STATUS: (H) STA
THEN FIN

STATUS DATE: 05/13/02

TITLE: "An Act changing the name of the Alaska Pioneers' Home to the Alaska Pioneers' and Veterans' Home and of the Alaska Pioneers' Homes Advisory Board to the Alaska Pioneers' and Veterans' Home Advisory Board; relating to housing and services for veterans; relating to the advisory board for the home; making other amendments to the statutes relating to the home; and providing for an effective date."

[Full Text](#)
[Fiscal Notes](#)

Committee Action with Bill History

Jrn-Date	Jrn-Page	Action
01/23/01	0148	(S) READ THE FIRST TIME - REFERRALS
01/23/01	0148	(S) STA, HES, FIN
01/23/01	0149	(S) FN1: ZERO(ADM)
01/23/01	0149	(S) GOVERNOR'S TRANSMITTAL LETTER
04/19/02	2857	(S) STA RPT CS 1DP 2NR NEW TITLE
04/19/02	2857	(S) NR: THERRIault, STEVENS;
04/19/02	2857	(S) DP: DAVIS
04/19/02	2857	(S) FN2: (ADM); FN3: (ADM)
04/30/02	3038	(S) HES RPT 2DP 1NR
04/30/02	3038	(S) DP: LEMAN, DAVIS; NR: WILKEN
04/30/02	3038	(S) FN2: (ADM)
04/30/02	3038	(S) FN3: (ADM)
05/11/02	3331	(S) FIN RPT CS 1DP 7NR 1AM NEW TITLE
05/11/02	3331	(S) NR: DONLEY, KELLY, GREEN, AUSTERMAN,
05/11/02	3331	(S) HOFFMAN, OLSON, WARD; DP: WILKEN;
05/11/02	3331	(S) AM: LEMAN
05/11/02	3331	(S) FN FORTHCOMING
05/12/02	3404	(S) RULES TO CAL W/CS 1OR 5/13 NEW TITLE
05/12/02	3404	(S) FN4: (ADM)
05/13/02	3431	(S) READ THE SECOND TIME
05/13/02	3431	(S) RLS CS ADOPTED UNAN CONSENT
05/13/02	3431	(S) ADVANCED TO THIRD READING UNAN CONSENT
05/13/02	3431	(S) READ THE THIRD TIME CSSB 55(RLS)
05/13/02	3432	(S) PASSED Y20 N-
05/13/02	3432	(S) EFFECTIVE DATE(S) SAME AS PASSAGE
05/13/02	3432	(S) ELLIS NOTICE OF RECONSIDERATION

- 05/13/02 [3432](#) (S) RECON TAKEN UP SAME DAY UNAN CONSENT
- 05/13/02 [3433](#) (S) PASSED ON RECONSIDERATION Y20 N-
- 05/13/02 [3433](#) (S) EFFECTIVE DATE(S) SAME AS PASSAGE
- 05/13/02 [3508](#) (S) TRANSMITTED TO (H)
- 05/13/02 [3508](#) (S) VERSION: CSSB 55(RLS)
- 05/13/02 [3692](#) (H) READ THE FIRST TIME - REFERRALS
- 05/13/02 [3692](#) (H) STA, FIN
- 05/13/02 [3692](#) (H) REFERRED TO STATE AFFAIRS

Similar Subject Match or Exact Subject Match

BOARDS & COMMISSIONS

FUNDS

GRANTS

PIONEERS' HOMES

SENIOR CITIZENS

VETERANS

Bill Root:

Display Bill Root



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LIVE KTOU STREAMS



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FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: 4
Bill Version: CS SB 55 (Rules)
(S) Publish Date: 5/12/02

Revision Date/Time (Note if correction) _____ Dept. Affected: Admin
Title An Act relating to the AK Pioneers' BRU AK Longevity Programs
Homes... Component Pioneers' Home
Sponsor Governor
Requester (S) Rules Component No. 1950

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	2,832.0	2,832.0	2,832.0	2,832.0	2,832.0	2,832.0
Travel						
Contractual	117.6	117.6	117.6	117.6	117.6	117.6
Supplies	50.4	50.4	50.4	50.4	50.4	50.4
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0

CAPITAL EXPENDITURES	250.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES (1156)	1,500.0	1,550.2	1,600.4	1,650.6	1,700.8	1,751.0
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FUND SOURCE

1002 Federal Receipts*	V.A. Per Diem Payments to veterans are included in 1118 PHR.					
1003 GF Match						
1004 GF	1,750.0	1,449.8	1,399.6	1,349.4	1,299.2	1,249.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
1118 Pioneers Home Receipts **	1,500.0	1,550.2	1,600.4	1,650.6	1,700.8	1,751.0
TOTAL	3,250.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0

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	73	73	73	73	73	73
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

\$1.5 million is included in this fiscal note and will provide the funding to fill an additional 50 beds for a total of 550 beds. This will result in 115 beds having a preference for veterans. Currently there are 95 veterans who are residents of the Pioneers Home System.

* Federal Veterans Administration per diem payments to individual veterans that are then paid to the Pioneers' Homes for services are included in the Pioneers Homes Receipts**. These payments are estimated to commence on July 1, 2002 - amounting to \$818,500 in increased receipts in FY 2003 and increasing to \$1.07 million in FY 2008.

Prepared by: James Kohn, Director Phone 465-2159
Division Alaska Longevity Programs Date/Time 05/11/02
Approved by: Jim Duncan, Commissioner Date 5/12/2002
Agency Department of Administration

S B

65



SENATOR DAVE DONLEY
ALASKA STATE LEGISLATURE

MEMORANDUM

To: Representative John Coghill, Chair
House State Affairs Committee

From: Senator Dave Donley

Date: April 2, 2001

Re: CS for Senate Bill 65

I request that CS for Senate Bill 65 "An Act requiring a study regarding equal pay for equal work of certain state employees" be scheduled for a hearing in the State Affairs Committee at your earliest convenience.

SB 65 requires the Department of Administration to conduct a survey that will help us determine whether gender is a determinant in setting compensation for state employees.

Enclosed is a copy of the sponsor statement, a sectional analysis, the fiscal note from the Senate Rules Committee, a definitions sheet and an information packet.

If you or your staff should have any questions, please contact myself at x3892 or Jomo Stewart of my staff at x2705.

HR: March 27, 2001
April 2, 2001

DD/jlps

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Vice-Chair: Senate Judiciary Committee

Member: Legislative Budget and Audit Committee • Legislative Council



SENATOR DAVE DONLEY

ALASKA STATE LEGISLATURE

SPONSOR STATEMENT COMMITTEE SUBSTITUTE FOR SENATE BILL 65 (FIN) (3/14/01)

"An Act requiring a study regarding equal pay for equal work for certain state employees."

SB 65 requires the State of Alaska to conduct a study to determine if gender plays a role in state employee compensation. The State of Alaska has never performed a pay equity study. SB 65 provides a mechanism to assure the state is in compliance with federal law. If two workers do the same or similar job, it is illegal under federal law to pay each different wages based solely on their gender. Unfortunately, there is research showing that wage disparities between the sexes may exist in Alaska state government today. We know that on average Alaskan women working for the state are being paid less than men are. What we do not know is why. Only a pay equity study can answer that question. Only a pay equity study can determine where pay discrepancies may exist.

State employees should be paid based on the value of the work they perform, not based on whether they are men or women. Equal pay for equal work requires equal compensation for jobs that require substantially the same level of skills, effort and responsibility and are performed under similar working conditions. This is the where the study should be focused. We need to be sure our process for classifying positions is not influenced by gender.

"Equal Pay for Equal Work" should not be confused with "Equal Pay for Same Work", where a female worker is entitled to be paid the same as a male worker of the same job classification, or "Comparable Worth", the theory that jobs of equivalent overall value to the employer or to society should be compensated equally, even if the jobs are dissimilar in content.

Passage of SB 65 is, in itself, the right thing to do. But for those who are concerned about the costs to the state, there is another reason to support SB 65. Failure to address this situation could expose the state to expensive, time-consuming and divisive litigation.

Alaska should learn from mistakes made in other states. In Washington, legislators ignored evidence that women in state government were paid less than men and refused to enact legislation to correct this injustice. After years of litigation, Washington state

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SB 65 - Sponsor Statement

employees achieved pay equity through court action. The ultimate cost to the state was much higher than it would have been if the legislature had dealt with the problem.

Other states have been successful in voluntarily dealing with the problem of women being paid less than men for equal work. The approach used by other states, and set out in SB 65, is to first identify if there are instances in which the state is illegally paying women less than men. If the study finds such instances, then the state can develop phased strategies to eliminate gender discrimination.

The Division of Personnel has attached a \$50,000 Fiscal Note to SB 65 for FY02. This is the estimated cost for a contracted study to independently review the state's pay formula and its application.

SB 65 promotes fairness in the workplace and recognizes the valuable work that is being performed by the men and women in our state government. In the long run, the passage of SB 65 could save the state a great deal of money.

DD/kk



SENATOR DAVE DONLEY

ALASKA STATE LEGISLATURE

SECTIONAL ANALYSIS Senate Bill 65 (Pay Equity) (3/9/01)

"An Act requiring a study regarding equal pay for equal work for certain state employees."

Section 1. Sets out legislative findings and purpose.

Rationale: Explains existing state law and explains the parameters of the proposed study as being equal pay for equal work.

Section 2. Requires the Department of Administration to conduct a study to determine whether gender is a determinant in setting compensation for state employees. It also sets a time limit for the study to be completed by January 15, 2003.

Rationale: It is currently illegal under federal law to pay two workers who do the same or similar job different wages based solely on their gender. There is research showing that women working for state government are, on average, paid less than men. This legislation will require the state to conduct a pay equity study so that we may be sure our process for classifying positions is not influenced by gender. SB 65 also provides a time frame for completing the study.

Failure to enact this legislation could leave the state vulnerable to expensive, time-consuming and divisive litigation.

DD/kk

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Vice-Chair: Senate Judiciary Committee

Member: Legislative Budget and Audit Committee • Legislative Council

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: CSSB 65(FIN)
(S) Publish Date: _____

Revision Date/Time (Note if correction) _____ Dept. Affected Administration
Title "An Act requiring a study to determine if gender BRU Centralized Admin Svcs
is a determinant in state employee compensation" Component Personnel
Sponsor Senator Donley
Requester Senate Rules Component Number: _____

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual	50.0					
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	50.0	0.0	0.0	0.0	0.0	0.0

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

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	50.0					
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	50.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY99) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The FY 02 costs are estimated for a contracted study to independently review the state's pay formula and its application.

If the study reveals (a) source(s) of bias, the Department of Administration estimates a full-scale study will cost between \$500,000 and \$750,000

Prepared by Senate Rules Committee

Phone 465-4993

Approved by: Senator Drue Pearce, Chair

Date 3/20/01



SENATOR DAVE DONLEY

ALASKA STATE LEGISLATURE

**What The Study Required by SB 65 Will Do
An Explanation of the Difference Between:
Equal Pay for Same Work; Comparable Worth; Equal Pay for Equal Work
(3/2/01)**

SB 65 proposes the state do a pay equity study. The intent of the sponsor is that this study specifically examine the question of "equal pay for equal work" among Alaska State Employees. Following is an explanation of the difference between "equal pay for same work," "comparable worth" and "equal pay for equal work."

Equal Pay for Same Work: Under federal and state law a female worker is entitled to be paid the same as a male worker of the same job classification. We currently follow this practice in Alaska.

Comparable Worth: This term refers to the theory that jobs of equivalent overall value to the employer or to society ought to be compensated equally, even if the jobs are dissimilar in content. The comparable worth issue has tended to focus on the existence of the male/female pay gap and the desire that it be eliminated, rather than on the causes of the gap and the best methods for dealing with those causes.

Equal Pay for Equal Work: This principle requires equal compensation for jobs that require substantially the same skills, effort and responsibility and are performed under similar working conditions. This is the where the study should be focused. We need to be sure our process for classifying positions is not influenced by gender.

For instance, a recent pay equity study conducted for the State of Vermont found that terminology was a factor in determining job classifications. The "dirty" aspects of work were typically recognized in male jobs such as garbage collector or mechanic but missed in female jobs such as nurse or maid. The danger that meter readers face going into people's homes was recognized, but not the danger faced by public health nurses who go into those same homes (and stay longer). They felt terms should be used which are equally valid to female and male jobs (e.g., "tools" is more typically associated with male jobs while "equipment" is more likely to be associated with both men's and women's work). Overall, the Vermont study determined their system was not "broken" but merely needed to be updated and modified.

DD/kk

Co-Chair: Senate Finance Committee

Vice-Chair: Senate Judiciary Committee

Member: Legislative Budget and Audit Committee • Legislative Council



SENATOR DAVE DONLEY

ALASKA STATE LEGISLATURE

Senate Bill 65 OVERVIEW OF BACK-UP INFORMATION

- 1) ALASKA ECONOMIC TRENDS published a study in its February 1999 issue entitled *The Gender Gap in Earning*. Utilizing information provided by the Department of Labor, the study found that on average women employed in Alaska earned 35% less than their male counterparts in terms of real wages in spite of the fact that women worked minutely more calendar quarters than men. The last date for which data was available for this particular study was 1997. Unlike the study SB65 proposes, the 1999 study did not seek to ascertain the potential causes for the wage discrepancies and only noted their existence.

- 2) The Washington v. Minnesota comparison is included to illustrate the dangers incurred by a state by not acknowledging that it may have an inequitable pay system. Note the concluding statements of both columns. The failure of Washington's legislature to proactively address the state's gender biased pay inequities led not only to expensive litigation but the substantial fiscal shock of forced wage rectification. Minnesota, on the other hand, voluntarily changed its state employee wage system through legislation and had the opportunity to smoothly implement the necessary corrections at a more reasonable cost.

- 3) This graph is included only to show that the discrepancy between male and female wages in both the public and private sectors is a situation that persists. The gaps in income within state and local government did close between 1997 and 1999 (in state government by 0.7% and in local government 2.2%) but it is unlikely that the sexes have reached wage-parity in the past year.

DD/jlps

Co-Chair: Senate Finance Committee

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The Gender Gap in Earnings

by Jeff Hadland
Economic

Females earned 65 cents for every dollar males earned in 1997

Women in Alaska earn less than men, on average. In 1997 Alaska females had wage and salary earnings only 65 percent as much as Alaska males, earning \$19,070 versus average male earnings of \$29,339. (See Exhibit 1.) Females make up 47 percent of total workers. They earned less than males in every geographic area of the state, in every major industry, in every age group, and most occupations.

Why is there a discrepancy in earnings? Within the same occupation, annual earnings differentials between the sexes may be the result of differences in training and experience, likelihood of seeking full-time versus part-time work, and even discrimination. None of these factors can be quantified or measured at this time and are not examined in this report. What we do know is that the average number of calendar quarters worked for males and females is virtually identical—3.24 quarters for males, 3.25 quarters for females.

Some females may improve their earnings by training for or searching for jobs in higher paying occupations currently dominated by males. Of course, career decisions must be made while considering the overall job outlook, number of positions currently filled and an assessment of the job seeker's ability.

Alaska's gender gap unchanged from 1995

From 1990 to 1995, Alaska's gender gap narrowed from to 61.2% to 65.6%, a significant

improvement. This trend did not continue into 1997. The overall income and worker percentages for male and female workers remained relatively stable from 1995 to 1997 despite a strong economy, low unemployment and an increase in employment opportunities. Although the percentage of workers that were female increased slightly and females kept a slightly greater percentage of total earnings, average earnings for females declined in both absolute and relative terms from 1995 to 1997.

(Continued on page 6)

Employment and Earnings By gender, 1990-1997

		1990	1995	1997
Employment Distribution (Percent)	Male	52.7	53.0	52.8
	Female	47.3	47.0	47.2
Total Wage Distribution (Percent)	Male	64.5	63.3	63.2
	Female	35.5	36.7	36.8
Average Annual Earnings	Male	\$27,655	\$29,261	\$29,339
	Female	16,934	19,182	19,070
	All Workers	22,580	24,527	24,490
Ratio Female to Male Avg. Wage		61.2	65.6	65.0

APPENDIX I. COMPARISON OF PAY EQUITY ACTIVITIES IN THE STATE OF WASHINGTON & THE STATE OF MINNESOTA

The following information is excerpted from "Fair Pay - What's the Real Cost?" published by the National Committee on Pay Equity.

WASHINGTON: INACTION/ LITIGATION

Study Shows Pay Gap

In 1974, the State of Washington, with a total workforce of 30,000, performed a job evaluation study. The study showed that jobs held mostly by women were underpaid.

State Does Not Act

No steps were taken to correct the gap.

Inaction Prompts Lawsuit

AFSCME filed charges under Title VII of the Civil Rights Act. Only after the lawsuit was filed did the legislature begin correction. In 1983, nine years after the original study, the state passed legislation committing the state to pay equity by 1993.

Cost Would Have Been 5% of Payroll

The cost of correcting the gap was estimated at 5% of payroll.

Court Rules State Discriminated

In late 1983, a U.S. district court found the state guilty of discrimination.

Back Pay Awarded, Cost Rises

The judge awarded immediate wage corrections to employees in female jobs and back pay going back 5 years. The back pay award resulting from the state's refusal to make corrections voluntarily would have increased the cost for Washington State to over 25% of state payroll.

Litigation Continues

The state appealed the court decision and the U.S. Circuit Court of Appeals overturned the lower court's decision.

Settlement Reached

AFSCME and the State of Washington agreed to a financial settlement of \$106 million over a five-year period, rather than continuing litigation with an AFSCME appeal to the U.S. Supreme Court.

MINNESOTA: VOLUNTARY ACTION

Study Shows Pay Gap

In 1979, the State of Minnesota, with a total workforce of 30,000, performed a job evaluation study. The study showed that jobs held mostly by women were underpaid.

State Acts

The Minnesota Legislature responded by requiring pay equity in the state workforce.

Cooperative Process Established

In 1981, the Council on the Economic Status of Women established a Task Force on Pay Equity.

The Task Force issued a report showing the undervaluation of female jobs.

Cost is 4% of Payroll

The total cost of the correction was identified to be 4% of the state's payroll.

Legislature Phases In Correction

In March 1982, a bill passed which provided for a 4-year phased-in correction of inequities.

Increases Bargained

The first installment of the appropriation for wage increases was made in January 1983: \$21.7 million to cover the first two years of the phase-in. The actual distribution of this amount was negotiated through the usual collective bargaining process.

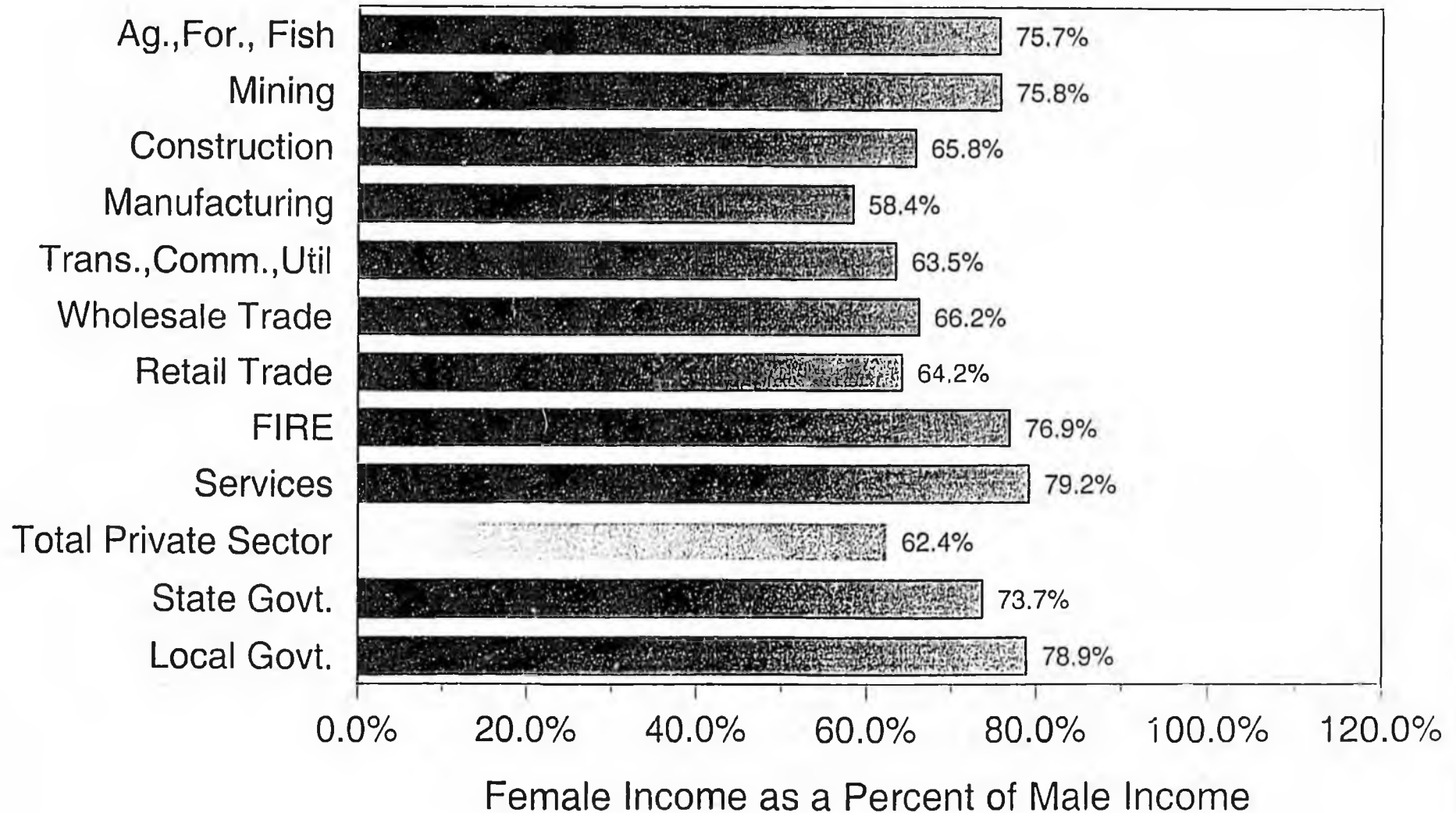
Final Implementation

The final installment of the appropriation for pay equity adjustments was made in the spring of 1985: \$11.7 million to complete pay equity implementation. These were negotiated and adjustments were made to eligible employees in July 1986.

The total cost of pay equity was 3.7 percent of payroll.

A University of Minnesota study of pay equity implementation found that more than 80 percent of the state employees surveyed strongly supported the pay equity program.

Female/Male Average Annual Wage Income Ratios by Industry, Alaska, 1999



Source: Alaska Dept. of Labor and Workforce Development, Research and Analysis

Bill History/Action Display



BILL: SB 65

SHORT TITLE: PAY EQUITY FOR STATE EMPLOYEES

BILL VERSION: CSSB 65(FIN)

SPONSOR(S): SENATOR(S) DONLEY, Taylor, Ward, Cowdery, Davis, Ellis, Therriault, Elton, Lincoln, Pearce

REPRESENTATIVE(S) Kerttula, Fate, Guess, McGuire

CURRENT STATUS: (H) STA

STATUS DATE: 03/26/01

THEN FIN

HEARING: (H) STA Apr 12 8:00 AM CAPITOL 102 TELECONFERENCE

TITLE: "An Act requiring a study regarding equal pay for equal work of certain state employees."

[Full Text](#)

[Fiscal Notes](#)

Committee Action with Bill History

Jrn-Date	Jrn-Page	Action
02/01/01	<u>0246</u>	(S) READ THE FIRST TIME - REFERRALS
02/01/01	<u>0246</u>	(S) STA, FIN
02/08/01	<u>0313</u>	(S) COSPONSOR(S): WARD
02/09/01	<u>0327</u>	(S) COSPONSOR(S): COWDERY
02/14/01	<u>0367</u>	(S) STA RPT 4DP 1NR
02/14/01	<u>0367</u>	(S) DP: THERRIAULT, HALFORD, PEARCE, DAVIS;
02/14/01	<u>0367</u>	(S) NR: PHILLIPS
02/14/01	<u>0367</u>	(S) FN1: (ADM)
02/14/01	<u>0374</u>	(S) COSPONSOR(S): DAVIS, ELLIS, THERRIAULT,
02/14/01	<u>0374</u>	(S) ELTON, LINCOLN
03/13/01	<u>0633</u>	(S) FIN RPT CS 4DP 5NR NEW TITLE
03/13/01	<u>0633</u>	(S) DP: DONLEY, KELLY, WILKEN, WARD;
03/13/01	<u>0633</u>	(S) NR: GREEN, AUSTERMAN, HOFFMAN, OLSON,
03/13/01	<u>0633</u>	(S) LEMAN
03/13/01	<u>0633</u>	(S) FN1: (ADM)
03/23/01	<u>0784</u>	(S) RULES TO CALENDAR 3/23/01
03/23/01	<u>0784</u>	(S) FN2: (S.RLS/ADM)
03/23/01	<u>0787</u>	(S) READ THE SECOND TIME
03/23/01	<u>0787</u>	(S) FIN CS ADOPTED UNAN CONSENT
03/23/01	<u>0787</u>	(S) COSPONSOR(S): PEARCE
03/23/01	<u>0787</u>	(S) ADVANCED TO THIRD READING UNAN CONSENT
03/23/01	<u>0787</u>	(S) READ THE THIRD TIME CSSB 65(FIN)
03/23/01	<u>0788</u>	(S) PASSED Y17 N1 E2
03/23/01	<u>0792</u>	(S) TRANSMITTED TO (H)
03/23/01	<u>0792</u>	(S) VERSION: CSSB 65(FIN)
03/26/01	<u>0721</u>	(H) READ THE FIRST TIME - REFERRALS

- 03/26/01 0721 (H) STA, FIN
- 03/26/01 0721 (H) REFERRED TO STATE AFFAIRS
- 03/26/01 0737 (H) CROSS SPONSOR(S): KERTTULA
- 04/06/01 0891 (H) CROSS SPONSOR(S): FATE
- 04/09/01 0912 (H) CROSS SPONSOR(S): GUESS, MCGUIRE

Similar Subject Match or Exact Subject Match

- LABOR
 - LABOR RELATIONS
 - PUBLIC CORPORATIONS
 - PUBLIC EMPLOYEES
 - RIGHTS
 - SALARIES & ALLOWANCES
 - UNIVERSITIES
 - WOMEN
-

Bill Root: Display Bill Root

BASIS HAS BEEN RE-PROGRAMMED THIS YEAR



TO REPORT PROBLEMS WITH BASIS INQUIRY

Return to Basis Main Menu (22 Legislature)

Return to Legislature Home Page

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 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

April 12, 2001

SUBJECT: HCS CSSB 65(STA)
((Equal pay study))

TO: Representative John Coghill, Jr., Chair
House State Affairs Committee
Attn: Rynniva Moss

FROM: Teresa B. Cramer *TBC*
Legislative Counsel

Enclosed is the House Committee Substitute you requested. Please note that the Legislative Findings and Purpose in sec. 1(a) are no longer accurate. The statute cited in the findings, AS 18.80.220(a)(5), applies only to questions of equality of wage payments between employees of different sexes. It states:

(a) Except as provided in (c) of this section, it is unlawful for . . .

(5) an employer to discriminate in the payment of wages as between the sexes, or to employ a female in an occupation in this state at a salary or wage rate less than that paid to a male employee for work of comparable character or work in the same operation, business, or type of work in the same locality[.]

Employment discrimination based on race is prohibited in AS 18.80.220(a)(1), which makes it unlawful for an employer to refuse to employ or to discriminate against a person in compensation or in a term, condition, or privilege of employment because of a person's race.

Please let me know if you would like another version of this HCS prepared.

TC:jhb
01-035.jhb

Motion to Rescind our action on

AMENDMENT #1 *to CSSB 65(FIN)*

TO: CSSB65 "An Act requiring a study regarding equal pay for equal work of certain state employees."

OFFERED IN STATE AFFAIRS (schedule for hearing April 12th, 8:00am)

Page 1, line 8, after "sexes, or"
Insert: "races."

Page 1, line 8, after "employ"
Delete: "a female"
Insert: "one worker"

Page 1, line 9, after "paid to"
Delete: "a male"
Insert: "another"

Page 2, Line 4, after "gender"
Insert: "or race"

Page 2, Line 9, after "GENDER"
Insert: "AND RACE"

Page 2, Line 10, after "gender"
Insert "or race"

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MEMORANDUM

April 12, 2001

SUBJECT: HCS CSSB 65(STA)
(Equal pay study)

TO: Representative John Coghill, Jr., Chair
House State Affairs Committee
Attn: Rynnieva Moss

FROM: Teresa B. Cramer *TBC*
Legislative Counsel

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Please let me know if you would like another version of this HCS prepared.

TC:jhb
01-035.jhb

ALASKA STATE HOUSE OF REPRESENTATIVES

Interim Address:
119 N. Cushman, Suite 211
Fairbanks, AK 99701
(907)-456-5081
Fax# (907)-456-8245



Session Contact:
(907)-465-3719
FAX# (907)-465-3258
State Capitol
Room 416

REPRESENTATIVE JOHN COGHILL

Date: April 12, 2001
To: Terri Kramer, Leg Legal
From: Rynnieva Moss, Legislative Aide *R. Moss*
Re: Committee Substitute

House State Affairs passed a committee substitute with the attached amendments.
Could you order a committee substitute to reflect these changes?

Thank you.

S B

9 3



ALASKA STATE LEGISLATURE
SENATOR RANDY PHILLIPS
Senate District L

Session (Jan-May)
State Capitol, Rm 103
Juneau, AK 99801
(907) 465-4949
(907) 465-4979 Fax
Toll Free Anchorage Area
800-478-4950

Interim
P.O. Box 142
Eagle River, AK 99577
(907) 694-4949
(907) 694-4948 Fax

MEMORANDUM

TO: Members of the House of Representatives

SPONSOR: Senator Randy Phillips *REP*

Senate Bill 93: "An Act relating to the Arctic Winter Games Team Alaska Trust; and providing for an effective date."

SB93 establishes the Arctic Winter Games Team Alaska Trust, to provide a consistent funding source for the State of Alaska's ongoing commitment to the Arctic Winter Games and Team Alaska.

The Arctic Winter Games Team Alaska Trust Fund establishes a separate endowment trust of the state consisting of:

- ◆ Appropriations to the trust;
- ◆ Donations to the trust; and
- ◆ Income earned on investments of trust assets.

Under the leadership of Governor Walter J. Hickel, the Arctic Winter Games were founded 30 years ago. During this time, the state has provided support for annual membership dues and for Team Alaska as it participates in the biennial Games. However, the funding has not been maintained at a consistent level and requires ongoing annual appropriations.

The Arctic Winter Games Alaska Trust would simplify the current funding mechanism and provide stability to the state's commitment to the Games. This will be particularly important as the Games are held in Nuuk, Greenland in 2002 and Northern Alberta in 2004, requiring a greater financial burden on participants who cover many of the costs themselves or through sponsorship programs.

- ◆ Team Alaska: 350 Athletes and coaches from every corner of Alaska
- ◆ Over 40 Alaskan cities, towns and villages participate
- ◆ Second largest winter amateur sporting event in the world
- ◆ Funding mechanism utilizes the Children's Trust Fund approach
- ◆ Funding sources: State of Alaska, Federal and private

For thirty years the Arctic Winter Games have served as an outstanding forum for promoting international diplomacy, friendship and cultural understanding between countries that call the arctic regions "home".



ALASKA STATE LEGISLATURE
SENATOR RANDY PHILLIPS
Senate District L

Session (Jan-May)
State Capitol, Rm 103
Juneau, AK 99801
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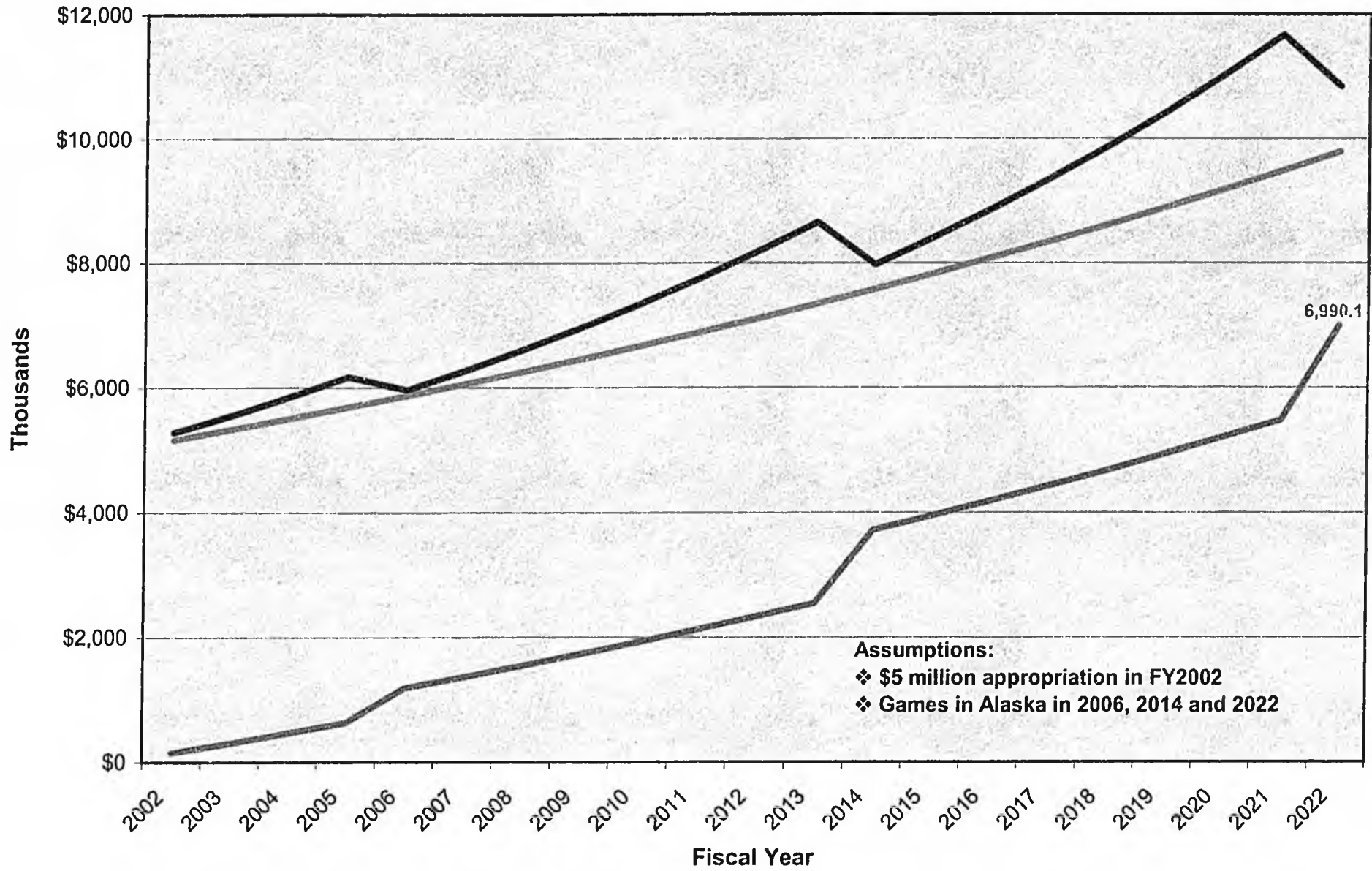
SB 93 Arctic Winter Games
Sponsor Statement

The purpose of SB 93, establishing the Arctic Winter Games Team Alaska Trust, is to provide a consistent funding source for the State of Alaska's ongoing commitment to the Arctic Winter Games and Team Alaska.

Under the leadership of Governor Walter J. Hickel, the Arctic Winter Games were founded 30 years ago. During this time the state has given support for annual membership dues and for Team Alaska as it participates in the biennial Games. However, the funding has not been maintained at a consistent level and requires ongoing annual appropriations.

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Arctic Winter Games Team Alaska Trust



Assumptions:
 ❖ \$5 million appropriation in FY2002
 ❖ Games in Alaska in 2006, 2014 and 2022

— Ending MV - - - Inflation Adjusted Value of \$5 million — Cumulative Support of Games

Arctic Winter Games Team Alaska Trust
Assume 5% Payout Allowed By Statute

CHANGE YELLOW AMOUNTS ONLY

(Years that games are estimated to be in-State are in Blue)

Principal Assets	Warning Condition	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2018	2020	2021	2022
		Beginning Assets		-	5,274.8	5,554.8	5,853.2	6,171.3	5,955.4	6,270.4	6,605.9	6,963.5	7,344.8	7,751.8	8,186.2	8,650.2	7,971.9	8,402.5	8,861.6	9,351.5	9,874.4	10,432.9
Original Endowment		5,000.0																				
Fundraising																						
Total Investment Return		424.8	434.9	458.3	483.2	509.8	491.0	517.2	545.2	575.1	607.0	641.0	677.3	716.1	657.9	693.9	732.2	773.2	816.9	863.6	913.6	967.0
Annual Team Alaska Withdrawal (Beg of Year)		(150.0)	(154.9)	(159.9)	(165.1)	(170.5)	(176.0)	(181.7)	(187.6)	(193.7)	(200.0)	(206.5)	(213.2)	(220.2)	(227.3)	(234.7)	(242.3)	(250.2)	(258.4)	(266.8)	(275.4)	(284.4)
Every 8-9 year Host Committee Withdrawals (Beg of Year)	If red it is < cost of games					(555.2)								(1,174.3)								(1,516.7)
Ending Assets		5,274.8	5,554.8	5,853.2	6,171.3	5,955.4	6,270.4	6,605.9	6,963.5	7,344.8	7,751.8	8,186.2	8,650.2	7,971.9	8,402.5	8,861.6	9,351.5	9,874.4	10,432.9	11,029.8	11,668.0	10,833.9
Inflation Adjusted Endowment Value (3.25%)		5,162.5	5,330.3	5,503.5	5,682.4	5,867.1	6,057.7	6,254.6	6,457.9	6,667.8	6,884.5	7,108.2	7,339.2	7,577.8	7,824.0	8,078.3	8,340.9	8,611.9	8,891.8	9,180.8	9,479.2	9,787.3
5% of Average MV (prior 3 year ending)		250.0	263.7	270.7	278.0	293.0	299.7	306.6	313.9	330.7	348.6	367.7	388.0	409.8	413.5	417.1	420.6	443.6	468.1	494.3	522.3	552.2
Estimated Game Costs Each Year (Inflation Adjusted)		800.0	826.0	852.8	880.6	909.2	938.7	969.2	1,000.7	1,033.3	1,066.8	1,101.5	1,137.3	1,174.3	1,212.4	1,251.8	1,292.5	1,334.5	1,377.9	1,422.7	1,468.9	1,516.7
Ending MV Greater (Less) Than Inflation Adj Value	If negative	112.3	224.5	349.7	488.9	88.4	212.7	351.3	505.6	677.1	867.3	1,078.0	1,311.0	394.2	578.5	783.3	1,010.6	1,262.5	1,541.1	1,849.0	2,188.8	1,046.7
Cumulative 5% less Cumulative Withdrawals	If negative	100.0	208.9	319.7	432.6	-	123.7	248.5	374.8	511.7	660.2	821.4	996.2	11.5	197.7	380.0	558.3	751.6	961.4	1,189.0	1,435.8	186.9
PRINCIPAL VARIABLES																						
Broad market allocation		50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
INCREMENTAL CHANGE (+ or -)																						
Fixed income allocation		30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
INCREMENTAL CHANGE (+ or -)																						
International Equity allocation		20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
INCREMENTAL CHANGE (+ or -)																						
Broad market return (1)		9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%
INCREMENTAL CHANGE (+ or -)																						
Fixed income return (1)		6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%
INCREMENTAL CHANGE (+ or -)																						
International Equity return (1)		9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%
INCREMENTAL CHANGE (+ or -)																						
Total Weighted Return		8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%
Inflation Rate (1)		3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%

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ALASKA STATE LEGISLATURE
SENATOR RANDY PHILLIPS
Senate District L

Session (Jan-May)
State Capitol, Rm 103
Juneau, AK 99801
(907) 465-4949
(907) 465-4979 Fax
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Interim
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Eagle River, AK 99577
(907) 694-4949
(907) 694-4948 Fax

Senate Bill 93

"An Act relating to the Arctic Winter Games Team Alaska Trust; and providing for an effective date.

Sponsor:

Senator Randy Phillips

Sponsor Statement

The purpose of SB 93, establishing the Arctic Winter Games Team Alaska Trust, is to provide a consistent funding source for the State of Alaska's ongoing commitment to the Arctic Winter Games and Team Alaska.

Under the leadership of Governor Walter J. Hickel, the Arctic Winter Games were founded 30 years ago. During this time the state has given support for annual membership dues and for Team Alaska as it participates in the biennial Games. However, the funding has not been maintained at a consistent level and requires ongoing annual appropriations.

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MEMORANDUM

TO: House State Affairs Committee

SPONSOR: Senator Randy Phillips ^{REP}

Senate Bill 93: "An Act relating to the Arctic Winter Games Team Alaska Trust; and providing for an effective date."

SB93 establishes the Arctic Winter Games Team Alaska Trust, to provide a consistent funding source for the State of Alaska's ongoing commitment to the Arctic Winter Games and Team Alaska.

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- ◆ Appropriations to the trust;
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For thirty years the Arctic Winter Games have served as an outstanding forum for promoting international diplomacy, friendship and cultural understanding between countries that call the arctic regions "home".

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

TONY KNOWLES, GOVERNOR

P.O. BOX 110400
JUNEAU, ALASKA 99811-0400
TELEPHONE: (907) 465-2300
FACSIMILE: (907) 465-2389

March 16, 2001

The Honorable Randy Phillips
State Capitol Room 103
Juneau, AK 99801-1182

Dear Senator Phillips:

You have asked for a brief explanation of how the Department of Revenue will manage the Arctic Winter Games Trust Fund under SB 93.

The bill instructs the Department to manage the trust so that:

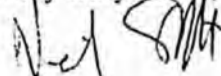
- The trust will be able to pay 5% of its total value (averaged over three years) each year; and
- The trust will be inflation-proofed.

To accomplish these goals, the treasury division will invest the trust in a mix of assets that targets a "real" rate of return over time of about 5.25 percent. In the long run, we expect the earnings of the trust will approximately equal 5.25 percent plus the inflation rate. Thus, by targeting earnings of 5.25 percent, and paying out 5 percent, we will inflation-proof fund, meet the payout requirement, with a small cushion for error.

The bill provides that Team Alaska can receive more than 5 percent in years when Alaska hosts the games, but only if Team Alaska has taken less than 5 percent in previous years. The total payout will never exceed the total amount that would have been paid if Team Alaska had received 5 percent per year.

Under the bill, money will be made available to Team Alaska through a yearly appropriation of the three-year average value of the trust, computed at the beginning of the fiscal year. If you have additional questions, please call me or the staff of the treasury division.

Very truly yours,



Neil Slotnick
Deputy Commissioner of Revenue

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES



Arctic Winter Games

Team Alaska

February 15, 2001

Dear Legislators,

Thirty two years ago, the State of Alaska, in a cooperative effort with the Yukon and Northwest Territories, created the Arctic Winter Games as a means to promote friendly competition and social interaction between northern countries. The first games were held in 1970, and since that time, the Games have been held every two years at various locations throughout the north. With nineteen sports as well as cultural displays and performances from each participating region, the Arctic Winter Games have become the northern world's greatest amateur event.

Arctic Winter Games Team Alaska (AWGTA) is a non-profit corporation that carries out the state's mission by selecting team members, coaches, and support staff from throughout Alaska. AWGTA purchases team uniforms, sports equipment, makes the travel arrangements and ensures the care and well being of the athletes during the competition. All of this is accomplished with just one paid employee (the Chef de Mission) and dozens of volunteers, including the eleven member board of directors, who are selected from the interior, southcentral and southeast regions of Alaska.

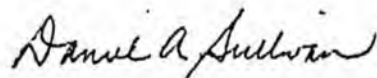
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SB 93 creates the Arctic Winter Games Team Alaska Trust as a means to guarantee the future of this thirty year success story. Properly endowed, (estimate \$5,000,000) the Trust will generate sufficient revenues to finance future costs of Team Alaska and also generate sufficient revenues to assist the host cities when it is Alaska's turn to stage the Arctic Winter Games, approximately once every decade. In 1996, for example, the Arctic Winter Games were held in Eagle River and the state contributed \$800,000 to the Host Society. Grants to Team Alaska average approximately \$225,000 for each set of games.

Over the next twenty years, the state of Alaska will receive over \$500,000,000 from the tobacco settlement. This settlement was reached because it was proven that the tobacco companies marketed their product to America's youth. We have a moral obligation to see that some of that settlement money goes back to our youth. There is no better cessation program than youth athletics. There is no more efficient statewide delivery system offering athletic opportunity for our youth than AWGTA.

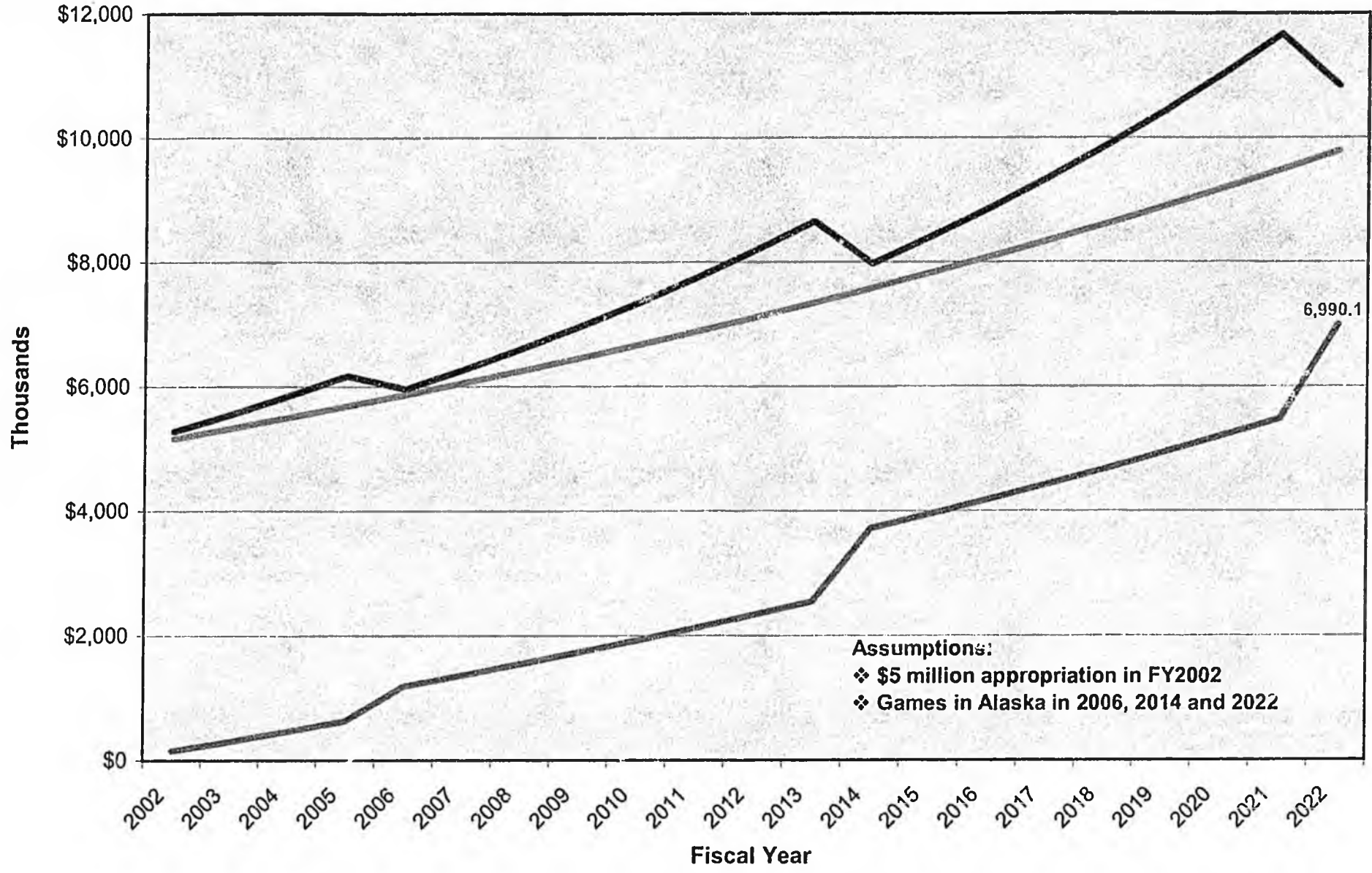
Please, support SB 93 and when it comes time to fund the trust that it creates, please say yes once again to Alaska's youth. You will not only be removing a recurring expense from the state budget, but you will guarantee the future of an event that has had a positive impact on thousands of young people from every corner of Alaska. Thank you for your consideration.

Sincerely,



Daniel A. Sullivan
Development Director

Arctic Winter Games Team Alaska Trust



Ending MV
 Inflation Adjusted Value of \$5 million
 Cumulative Support of Games

Arctic Winter Games Team Alaska Trust
Assume 5% Payout Allowed By Statute

CHANGE YELLOW AMOUNTS ONLY

(Years that games are estimated to be in-State are in Blue)

Principal Assets	Warning Condition	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Beginning Assets		-	5,274.8	5,554.8	5,853.2	6,171.3	5,955.4	6,270.4	6,605.9	6,963.5	7,344.8	7,751.8	8,186.2	8,650.2	7,971.9	8,402.5	8,861.6	9,351.5	9,874.4	10,432.9	11,029.8	11,668.0
Original Endowment		5,000.0																				
Fundraising																						
Total Investment Return		424.8	434.9	458.3	483.2	509.8	491.0	517.2	545.2	575.1	607.0	641.0	677.3	716.1	657.9	693.9	732.2	773.2	816.9	863.6	913.6	967.0
Annual Team Alaska Withdrawal (Beg of Year)		(150.0)	(154.9)	(159.9)	(165.1)	(170.5)	(176.0)	(181.7)	(187.6)	(193.7)	(200.0)	(206.5)	(213.2)	(220.2)	(227.3)	(234.7)	(242.3)	(250.2)	(258.4)	(266.6)	(275.4)	(284.4)
Every 8-9 year Host Committee Withdrawals (Beg of Year)	If red it is < cost of games					(555.2)								(1,174.3)								(1,516.7)
Ending Assets		5,274.8	5,554.8	5,853.2	6,171.3	5,955.4	6,270.4	6,605.9	6,963.5	7,344.8	7,751.8	8,186.2	8,650.2	7,971.9	8,402.5	8,861.6	9,351.5	9,874.4	10,432.9	11,029.8	11,668.0	10,833.9

Inflation Adjusted Endowment Value (3.25%)		5,162.5	5,330.3	5,503.5	5,682.4	5,867.1	6,057.7	6,254.6	6,457.9	6,667.8	6,884.5	7,108.2	7,339.2	7,577.8	7,824.0	8,078.3	8,340.9	8,611.9	8,891.8	9,180.8	9,479.2	9,787.3
5% of Average MV (prior 3 year ending)		250.0	263.7	270.7	278.0	293.0	299.7	306.6	313.9	330.7	348.6	367.7	388.0	409.8	413.5	417.1	420.6	443.6	468.1	494.3	522.3	552.2
Estimated Game Costs Each Year (Inflation Adjusted)		800.0	826.0	852.8	880.6	909.2	938.7	969.2	1,000.7	1,033.3	1,066.8	1,101.5	1,137.3	1,174.3	1,212.4	1,251.8	1,292.5	1,334.5	1,377.9	1,422.7	1,468.9	1,516.7
Ending MV Greater (Less) Than Inflation Adj Value	If negative	112.3	224.5	349.7	488.9	88.4	212.7	351.3	505.6	677.1	867.3	1,078.0	1,311.0	394.2	578.5	783.3	1,010.6	1,262.5	1,541.1	1,849.0	2,188.8	1,046.7
Cumulative 5% less Cumulative Withdrawals	If negative	100.0	208.9	319.7	432.6	-	123.7	248.5	374.8	511.7	660.2	821.4	996.2	11.5	197.7	380.0	558.3	751.6	961.4	1,189.0	1,435.8	186.9

PRINCIPAL VARIABLES																						
Broad market allocation		50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
	INCREMENTAL CHANGE (+ or -)																					
Fixed income allocation		30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
	INCREMENTAL CHANGE (+ or -)																					
International Equity allocation		20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
	INCREMENTAL CHANGE (+ or -)																					
Broad market return (1)		9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%
	INCREMENTAL CHANGE (+ or -)																					
Fixed income return (1)		6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%
	INCREMENTAL CHANGE (+ or -)																					
International Equity return (1)		9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%
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Total Weighted Return		8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%
Inflation Rate (1)		3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%

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ALASKA STATE LEGISLATURE
SENATOR RANDY PHILLIPS
Senate District L

Session (Jan-May)
State Capitol, Rm 103
Juneau, AK 99801
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Interim
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Senate Bill 93

"An Act relating to the Arctic Winter Games Team Alaska Trust; and providing for an effective date.

Sponsor:

Senator Randy Phillips

Sponsor Statement

The purpose of SB 93, establishing the Arctic Winter Games Team Alaska Trust, is to provide a consistent funding source for the State of Alaska's ongoing commitment to the Arctic Winter Games and Team Alaska.

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TO: House State Affairs Committee

SPONSOR: Senator Randy Phillips ^{REP}

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STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

TONY KNOWLES, GOVERNOR

P.O. BOX 110400
JUNEAU, ALASKA 99811-0400
TELEPHONE: (907) 465-2300
FACSIMILE: (907) 465-2389

March 16, 2001

The Honorable Randy Phillips
State Capitol Room 103
Juneau, AK 99801-1182

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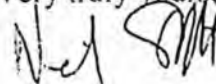
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Deputy Commissioner of Revenue



Arctic Winter Games

Team Alaska

February 15, 2001

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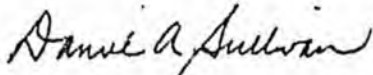
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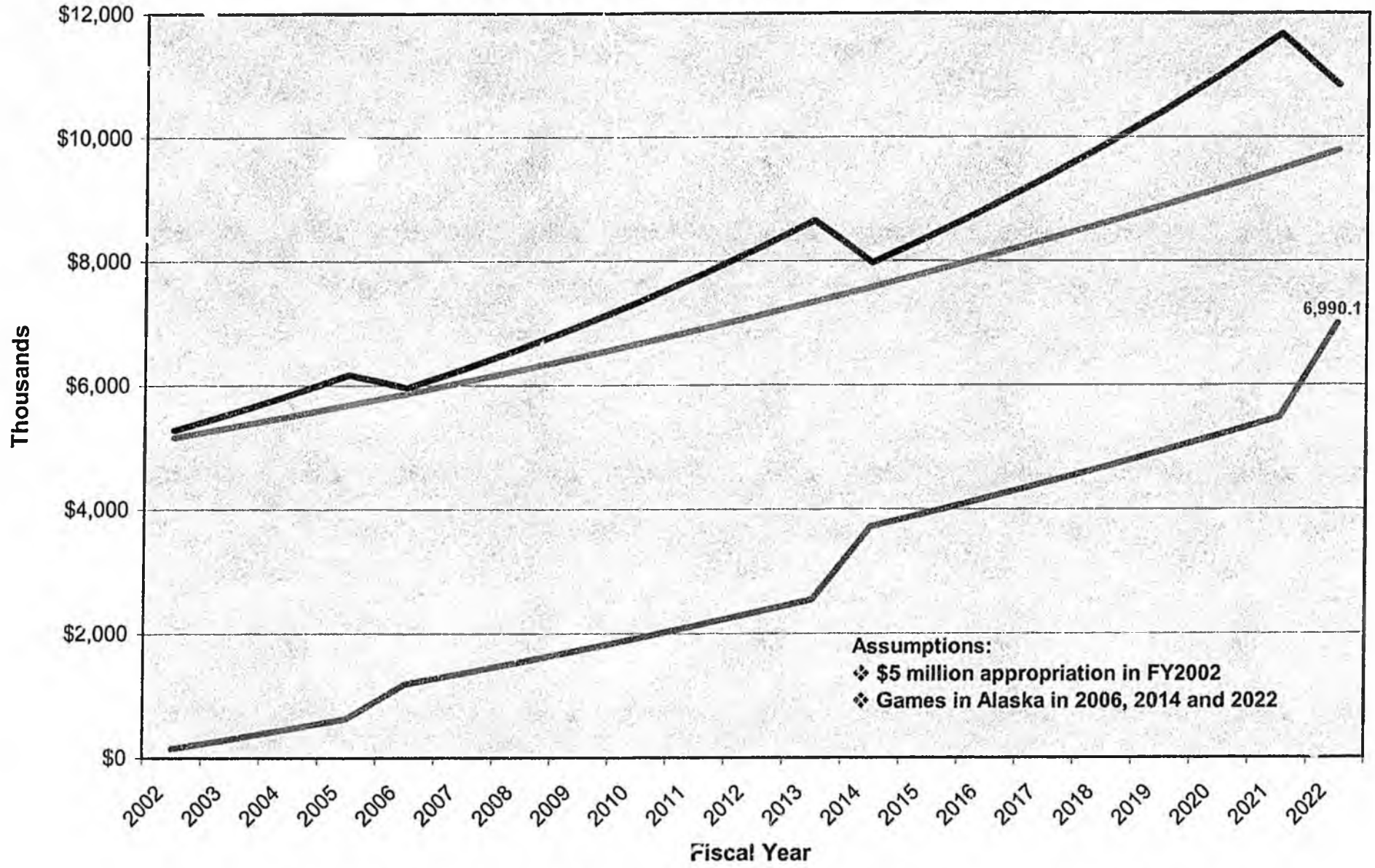
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Sincerely,



Daniel A. Sullivan
Development Director

Arctic Winter Games Team Alaska Trust



Assumptions:
 ❖ \$5 million appropriation in FY2002
 ❖ Games in Alaska in 2006, 2014 and 2022

— Ending MV — Inflation Adjusted Value of \$5 million — Cumulative Support of Games

Arctic Winter Games Team Alaska Trust
Assume 5% Payout Allowed By Statute

CHANGE YELLOW AMOUNTS ONLY

(Years that games are estimated to be in-State are in Blue)

Principal Assets	Warning Condition	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
		Beginning Assets		-	5,274.8	5,554.8	5,853.2	6,171.3	5,955.4	6,270.4	6,605.9	6,963.5	7,344.8	7,751.8	8,186.2	8,650.2	7,971.9	8,402.5	8,861.6	9,351.5	9,874.4	10,432.9	11,029.8
Original Endowment		5,000.0																					
Fundraising																							
Total Investment Return		424.8	434.9	458.3	483.2	509.8	491.0	517.2	545.2	575.1	607.0	641.0	677.3	716.1	657.9	693.9	732.2	773.2	816.9	863.6	913.6	967.0	
Annual Team Alaska Withdrawal (Beg of Year)		(150.0)	(154.9)	(159.9)	(165.1)	(170.5)	(176.0)	(181.7)	(187.6)	(193.7)	(200.0)	(206.5)	(213.2)	(220.2)	(227.3)	(234.7)	(242.3)	(250.2)	(258.4)	(266.8)	(275.4)	(284.4)	
Every 8-9 year Host Committee Withdrawals (Beg of Year)	If red it is < cost of games					(555.2)								(1,174.3)								(1,516.7)	
Ending Assets		5,274.8	5,554.8	5,853.2	6,171.3	5,955.4	6,270.4	6,605.9	6,963.5	7,344.8	7,751.8	8,186.2	8,650.2	7,971.9	8,402.5	8,861.6	9,351.5	9,874.4	10,432.9	11,029.8	11,668.0	10,833.9	

Inflation Adjusted Endowment Value (3.25%)		5,162.5	5,330.3	5,503.5	5,682.4	5,867.1	6,057.7	6,254.6	6,457.9	6,667.8	6,884.5	7,108.2	7,339.2	7,577.8	7,824.0	8,078.3	8,310.9	8,611.9	8,891.8	9,180.8	9,479.2	9,787.3
5% of Average MV (prior 3 year ending)		250.0	263.7	270.7	278.0	293.0	299.7	306.6	313.9	330.7	348.0	367.7	388.0	409.8	413.5	417.1	420.6	443.6	468.1	494.3	522.3	552.2
Estimated Game Costs Each Year (Inflation Adjusted)		800.0	826.0	852.8	880.6	909.2	938.7	969.2	1,000.7	1,033.3	1,066.8	1,101.5	1,137.3	1,174.3	1,212.4	1,251.8	1,292.5	1,334.5	1,377.9	1,422.7	1,468.9	1,516.7
Ending MV Greater (Less) Than Inflation Adj Value	If negative	112.3	224.5	349.7	488.9	88.4	212.7	351.3	505.6	677.1	867.3	1,078.0	1,311.0	394.2	578.5	783.3	1,010.6	1,262.5	1,541.1	1,849.0	2,188.8	1,046.7
Cumulative 5% less Cumulative Withdrawals	If negative	100.0	208.9	319.7	432.6	-	123.7	248.5	374.8	511.7	660.2	821.4	996.2	11.5	197.7	380.0	558.3	751.6	961.4	1,189.0	1,435.8	186.0

PRINCIPAL VARIABLES		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Broad market allocation		50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
	INCREMENTAL CHANGE (+ or -)																					
Fixed income allocation		30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
	INCREMENTAL CHANGE (+ or -)																					
International Equity allocation		20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
	INCREMENTAL CHANGE (+ or -)																					
Broad market return (1)		9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%	9.20%
	INCREMENTAL CHANGE (+ or -)																					
Fixed income return (1)		6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%
	INCREMENTAL CHANGE (+ or -)																					
International Equity return (1)		9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%	9.80%
	INCREMENTAL CHANGE (+ or -)																					
Total Weighted Return		8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%	8.495%
Inflation Rate (1)		3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%

(1) Return and inflation assumptions are per Callan Associates, consultant used by Alaska State Pension Board, Treasury and APFC

The 2000 Arctic Winter Games

*Celebrating 30 years of international sports
competition, social exchange and cultural
exhibition among the northern nations.*

1970-2000



ARCTIC
WINTER
GAMES



TEAM
ALASKA

Contributor Information Package
Presented by
ARCTIC WINTER GAMES TEAM ALASKA

*FROM THE DESK OF
GOVERNOR WALTER J. HICKEL*



Dear Friends,

Thirty years ago, I had the honor of working with leaders from the Yukon and Northwest Territories of Canada to create the Arctic Winter Games, an international sporting competition between Alaska and our northern neighbors. From the beginning, however, the Arctic Winter Games have encompassed far more than just sports. Indeed, for thirty years they have served as an outstanding forum for promoting friendship and understanding between countries who call the arctic regions their home.

From humble beginnings, the Arctic Winter Games have become one of the most admired amateur sporting events in the world. There are nearly 2,000 athletes and coaches, eighteen sporting events, and exhibitions and performances that showcase our unique northern culture. Participating contingents now include two regions of Russia, four Canadian provinces and territories, Greenland and Alaska. The Games are held every two years, hosted on a rotating basis among the various regions.

The 2000 Arctic Winter Games will be held March 5-11 in Whitehorse, Yukon Territory. The young athletes of Team Alaska need your help. I ask that you read the enclosed materials and join me in supporting Team Alaska. There are sponsorship opportunities for every budget and I am confident you will find your participation in this great Alaskan tradition to be a truly rewarding experience.

Sincerely yours,

A handwritten signature in cursive script that reads "Walter J. Hickel".

Governor Walter J. Hickel
Honorary Chairman, Team Alaska 2000



TEAM ALASKA

The 350 athletes and coaches that comprise Team Alaska come from every corner of the state. In fact, over 40 Alaska cities towns and villages will have athletes participating in the 2000 Arctic Winter Games. Over the thirty year history of the Games, over 4,000 athletes have been members of Team Alaska, and many thousands more have participated in the tryouts. No other event involves such a diverse cross section of Alaskans. The Arctic Winter Games...truly an All Alaskan event!



Communities Represented in the 1998 Arctic Winter Games

Anchorage	Ester	Ketchikan	Talkeetna
Barrow	Fairbanks	Kodiak	Tok
Bethel	Fort Wainwright	Nikiski	Toksook Bay
Chugiak	Girdwood	Ninilchik	Trapper Creek
Copper Center	Glennallen	Nome	Valdez
Delta Junction	Healy	North Pole	Wasilla
Dillingham	Homer	Palmer	Willow
Douglas	Juneau	Platinum	Wrangell
Eagle River	Kasigluk	Seward	
Eielson AFB	Kenney Lake	Soldotna	

WHERE DO ARCTIC WINTER GAMES ATHLETES COME FROM?

YOUR TOWN!



AMATEUR ATHLETICS AT ITS FINEST

During the twelve months before the 2000 Games, Team Alaska's leader (the Chef de Mission) and his sport coordinators begin selecting athletes from throughout the state to fill roster spots on the eighteen sports teams. Some athletes are chosen through tryouts while others are nominated for participation by coaches in their home towns. The Arctic Winter Games feature as many athletes and events as the Winter Olympics! The Games are unique in that they provide one of the few opportunities in the world of sports for developing athletes to compete at the international level.



THE EIGHTEEN ARCTIC WINTER GAMES SPORTS

- Alpine Skiing
- Snowboarding
- Arctic Sports (Dene)
- Arctic Sports (Inuit)
- Badminton
- Basketball
- Cross Country Skiing
- Curling
- Dog Mushing
- Gymnastics
- Ice Hockey
- Indoor Soccer
- Ski Biathlon
- Snowshoeing
- Snowshoe Biathlon
- Speed Skating
- Volleyball
- Wrestling

Team Alaska and the other participating delegations include a cultural contingent which performs throughout the host community during the week of the Games. The visiting contingents also perform in the "Cultural Gala", one of the highlights of the Games.



SPONSORSHIP OPPORTUNITIES

We have developed sponsorship opportunities appropriate for all budgets. Please join with other Alaska businesses and lend your support to Team Alaska. Thanks!

CATEGORY

SPONSORSHIP AMOUNT

OFFICIAL SPONSOR

\$40,000

TEAM SPONSOR (2)

\$20,000

EVENT SPONSOR (4)

\$10,000

Event sponsors can choose from one of the following four categories. Sponsorship includes all events in that category.

Ice sports

Hockey
Speed Skating
Figure Skating
Curling

Snow sports

Alpine Skiing
Snowboarding
Xcountry Skiing
Ski Biathlon
Snowshoe Biathlon

Gym sports

Badminton
Basketball
Gymnastics
Indoor Soccer
Volleyball
Wrestling

Traditional Sports

Inuit Games
Dene Games
Dog Sledding
Snowshoeing

CULTURAL SPONSOR

\$10,000

CORPORATE SPONSOR (8)

\$5,000

ATHLETE SPONSOR (350)

\$500

If more convenient for your budget, sponsorships can be paid over two years. All contributions to Arctic Winter Games Team Alaska, a 501 (c) (3) non-profit corporation, are fully tax deductible.



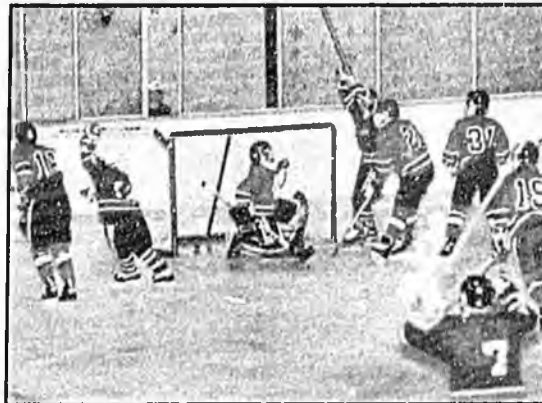
SPONSORSHIP REWARDS

All sponsors will receive recognition appropriate for the level of support provided. Highlights of the recognition program include:

- Prominent thank you ads in the Anchorage, Juneau and Fairbanks newspapers
- Recognition in the sections of the newspapers that acknowledge community supporters
- Right to use the Team Alaska logo and your sponsor category in your advertising
- Special invitation to the sports and VIP events
- Opportunity to present medals to Team Alaska athletes
- Recognition in the Team Alaska newsletter
- Recognition on the Team Alaska website
- Team Alaska appreciation photo and plaque
- Patches on the Team Alaska uniform
- Banners with your name and logo at event locations
- Team Alaska merchandise packages
- Commemorative pin sets



You will also receive the best reward of all - the knowledge that you have helped Alaska's young athletes enjoy the experience of a lifetime. The Games are a positive reward for young adults on the path to even greater achievements.



TEAM ALASKA BOARD OF DIRECTORS & STAFF

Arctic Winter Games Team Alaska is a 501(c)(3) non-profit corporation, founded in 1970. The Corporation is governed by a twelve member Board of Directors who are selected from various regions around the state. The corporation's primary mission is to organize and transport the Team Alaska athletes to the host community and to supervise their participation in the Games. Since the Arctic Winter Games are held every two years, and at different locations, the organizational process never really stops.

The State of Alaska is one of the charter members of the Arctic Winter Games and the Lt. Governor is the official government representative before the Arctic Winter Games International Committee. The International Committee selects the cities who will host the Games and provides guidance to the host community. Alaska also has two standing board members on the International Committee.

Arctic Winter Games Team Alaska Board of Directors

Interior Region

Randy Pitney, President
Joe Nava, Vice President
Joe Adams, Secretary
Bonnie Williams
Phyllis Tate

South Central Region

Dixie Waddell, Regional Vice President
Chris Spoerhase
Gary Matthews
Joe Crosson
(1 seat vacant)

Southeast Region

George Smith, Regional Vice President
Jim Powell

International Committee

Wendell Shiffler
John Rodda

Government Representative

Lt. Governor Fran Ulmer

Staff

John Estle, Chef de Mission
Dan Sullivan, Development Director



SPECIAL THANKS TO THE 1998 ARCTIC WINTER GAMES SUPPORTERS

Team Alaska's successful mission to Yellowknife, Canada for the 1998 Arctic Winter Games is due to the generous contributors listed below. Thank you for your support!

PLATINUM CLUB

State of Alaska
Chugiak-Eagle River Foundation
Beaver Sports

GOLD CLUB

MACtel
Ak. Northwest Natural Gas Transportation Co.

SILVER CLUB

Hickel Investment Co.
Alyeska Pipeline Service Co.
Optimist Club of Fairbanks
Frontier Flying Service
Yute Air Alaska
ERA Aviation
Reeve Aleutian Airways, Inc.

BRONZE CLUB

Wendy's Alaska
Fairbanks Memorial Hospital
Arctic Slope Regional Corporation
Birch Horton Bittner and Cherot
Boondox Lions Club
Tanana Valley Sportsman Club
Fairbanks Youth Sports
Chugiak Area Business Association
Chugiak-Eagle River Chamber of Commerce

JADE CLUB

Piquiniq Management Corporation
MAPCO
Dr. Denis Corral
Internet Alaska
Tesoro Alaska
J.M. Walsh Company
Fairbanks Choice Lions
Fairbanks Midnight Sun Lions
Costco Wholesale



OTHER CONTRIBUTORS

PTI Communications	Princess Tours
Anchorage Indoor Soccer Arena	Sam's Club
Mike Mueller Gunsmith	Kennecott Minerals
Wendell and Judy Shifflet	Rac's Harness Shop
Jim and Susie Gonski	Alaska Serigraphics
Dan and Lynette Sullivan	Ak Tent and Tarp
John Rodda	Killoran Communications
Soren Orley	Alaska Gun and Ammo
The Reckie Family	Dr. and Mrs. Lee Payne
Carl Zuendel	Ed Nash
Fred Meyers Stores	Rhett Skelton
Arctic Circle Enterprises	Bernard Simon
Kathleen McLean	Terry Martin
Steve Kalmes	Omar Evans
Sharon Wolf	Bobbi Holst
Robert Lovdahl	Dr. And Mrs Richard Enders
Gary and Barbara Marton	Msgr. Sandra Adams
Hona Wright	Fred Walatka
Roseanne Gilfillan	

THIRTY YEARS IN REVIEW

- 1970 - Yellowknife, NT:** The first Arctic Winter Games are officially opened by Canadian Prime Minister Elliott Trudeau. A great tradition begins!
- 1972 - Whitehorse, Yukon:** The second Games feature contingents from Quebec and Greenland, with observers from Russia and Labrador as well.
- 1974 - Anchorage, Alaska:** The largest city north of 60 on the North American continent hosts the third games.
- 1976 - Shefferville, Quebec:** The host city was tiny Shefferville, a French speaking mining town. The size of all contingents was reduced to suit the available facilities.
- 1978 - Hay River/Pine Point:** Held in two locations, the first passenger rail service was implemented in the NT to enable competitors to commute between the two communities.
- 1980 - Whitehorse, Yukon:** Hosting for the second time, Whitehorse set a new standard for Games organization. Expanded cultural programs were one of the highlights.
- 1982 - Fairbanks, Alaska:** The Games return to Alaska and the organizers put on a great show, with the entire community lending support.
- 1984 - Yellowknife, NT:** A new arena in Yellowknife allows for indoor opening and closing ceremonies. Alaska arrives in the first 747 ever to land in Yellowknife.
- 1986 - Whitehorse, Yukon:** A small contingent from Northern Alberta joins the Games, as well as a contingent from Northern Quebec. The growth of the Games continues.
- 1988 - Fairbanks, Alaska:** Northern Alberta officially joins the International Committee and expands its team. Laser lights and ice sculptures add to the show.
- 1990 - Yellowknife, NT:** The Greenland contingent grows to 50 athletes and the Magadan region of Russia sends a cultural delegation.
- 1992 - Whitehorse, Yukon:** The Games enjoy national television coverage in Canada. The Greenland and Northern Alberta teams expand and Russia sends its first competitors.
- 1994 - Slave Lake, Alberta:** The small town of Slave Lake proved wonderful hosts as more sports and athletes than ever before participate in the Games.
- 1996 - Chugiak-Eagle River, Alaska:** A beautiful setting at the base of the Chugiak mountains, outstanding facilities and great weather make for a tremendous success. Athletes from both the Tyumen and Magadan regions of Russia make their mark.
- 1998 - Yellowknife, NT:** The Games return to the Northwest Territories for the last time before division creates two new territories. Experience shows as the organization of the Games is top notch.
- 2000 - Whitehorse, Yukon:** Hosting for the fifth time, Whitehorse will stage a great set of Games for the 30th anniversary of this great northern tradition. The last Games of the millenium.

FUTURE SITES

- 2002 - Nuuk, Greenland:** The Games will travel further east than ever before as Greenland hosts for the first time. Logistics will be a great challenge for the new hosts.
- 2004 - Northern Alberta**
- 2006 - Alaska**

ARCTIC
WINTER
GAMES



TEAM
ALASKA

Contact: Dan Sullivan
3400 Sagan Circle
Anchorage, AK 99517
Phone: (907) 243-0071
Fax: (907) 243-0998

SB

103



Official Business

Alaska State Legislature

State Capitol
Juneau, AK 99801-1182

Senate Bill 103

“An Act relating to election campaigns and legislative ethics; and providing for an effective date.”

SPONSOR: Senate State Affairs Committee

SPONSOR STATEMENT:

Senate Bill 103 is largely a clean-up bill to address conflicts and concerns that have arisen in the campaign finance and legislative ethics statutes. It also puts into law administrative rulings made by the Alaska Public Offices Commission (APOC) and informal advice given by the Legislative Ethics Committee. This legislation is different from last year's HB 225. It does not contain what were the more controversial elements of that bill.

SB 103 makes the following changes:

- Clarifies that multiple groups controlled by a single candidate be treated as a single group for purposes of the contribution limit in AS 15.13.070(b)(1)
- Adds thank you advertisements to list of permissible uses of unused campaign funds
- Increases the total value of personal property which may be retained by a candidate
- Provides that money held by public entities may be used to influence the outcome of a ballot proposition or question under limited circumstances
- Clarifies and further defines contributions
- Adds new exceptions to and clarifies the prohibition on use of public assets and resources by legislators and legislative employees for nonlegislative purposes and certain previously prohibited public political uses

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: SB 103
(S) Publish Date: 2/28/01

Revision Date/Time (Note if correction): _____ Dept. Affected: Administration
Title: "An act relating to election campaigns and legislative ethics" BRU: Alaska Public Offices Commission
Sponsor: Senate State Affairs Component: _____
Requester: Senate State Affairs Component Number: 70

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services	10.0	10.0	0.0	0.0	0.0	0.0
Travel	2.1	0.0	0.0	0.0	0.0	0.0
Contractual	18.7	23.2	23.2	23.2	21.0	21.0
Supplies	0.6	0.6	0.6	0.6	0.6	0.6
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	31.4	33.8	23.8	23.8	21.6	21.6

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

1002 Federal Receipts						
1003 GF Match						
1004 GF	31.4	33.8	23.8	23.8	21.6	21.6
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	31.4	33.8	23.8	23.8	21.6	21.6

Estimate of any current year (FY2001) cost: 0.0

POSITIONS

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

ANALYSIS: (Attach a separate page if necessary)

See Page 2

Prepared by: Brooke Miles Phone 276-4176
Division: Alaska Public Offices Commission Date/Time 2/21/01 12:00 AM
Approved by: Jim Duncan, Commissioner Date 2/22/01
Agency: Department of Administration

For distribution information, call the Governor's Legislative Office

Fiscal Note Analysis
SB 103

This is staff's estimate of the fiscal impact of SB 103. The Commission will not have an opportunity to review the proposed legislation and staff's recommendations for a fiscal note until their next meeting on March 28 – 30, 2001.

SB 103 increases the amount of surplus campaign goods that may be taken by a candidate for personal use from \$2500 to \$5000 and provides that candidates may also retain campaign photographs, seasonal greeting cards and campaign signs. It also removes legislators from the restrictions on using public resources to support or oppose ballot propositions, amends the definition of "contribution" to exclude the professional services of accountants and attorneys given to political parties, and provides that issue polls are not contributions when given to a candidate unless they are specifically designed to benefit the candidate.

This draft fiscal note reflects the costs to the Commission for conducting statewide seminars to educate candidates, groups, and political parties about the changes; revising manuals, forms, and database structures; and responding to informal inquiries advisory opinion requests, and complaints.

Personal services costs reflect overtime for current employees, or part-time temporary clerical support to amend reporting materials and conduct training for the Anchorage municipal elections and the 2002 state and municipal election cycles.

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: CSSB103 (JUD)
(S) Publish Date: 3/23/01

Revision Date/Time (Note if correction): _____ Dept. Affected: Administration
Title: "An act relating to election campaigns" BRU: Alaska Public Offices Commission
Component: _____

Sponsor: Senate State Affairs
Requester: Senate Finance Component Number: 70

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services	52.5	52.5	52.5	52.5	52.5	52.5
Travel	4.1	0.0	0.0	0.0	0.0	0.0
Contractual	21.7	23.2	23.2	23.2	21.0	21.0
Supplies	0.6	0.0	0.6	0.6	0.6	0.6
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	78.9	76.3	76.3	76.3	74.1	74.1

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	78.9	78.9	76.3	76.3	74.1	74.1
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	78.9	76.3	76.3	76.3	74.1	74.1

Estimate of any current year (FY2001) cost: 0.0

POSITIONS

Full-time	0	0	0	0	0	0
Part-time	2	2	2	2	2	2
Temporary	0	0	0	0	0	0

ANALYSIS: *(Attach a separate page if necessary)*

See Attached

Prepared by: Brooke Miles Phone 276-4176
Division: Alaska Public Offices Commission Date/Time 3/20/01 10:40 AM
Approved by: Jim Duncan, Commissioner Date 3/21/01
Agency: Department of Administration

For distribution information, call the Governor's Legislative Office

Fiscal Note Analysis
SB 103 #2

This is staff's estimate of the fiscal impact of CSSB 103(JUD). The Commission will not have an opportunity to review the proposed legislation and staff's recommendations for a fiscal note until their next meeting on March 29th and 30th, 2001.

SB 103 will result in additional costs to the Commission. The bill increases the amount of surplus campaign goods that may be taken by a candidate for personal use from \$2500 to \$5000 and provides that candidates may also retain campaign photographs, seasonal greeting cards and campaign signs.

In addition, the bill makes changes to AS 15.13 and to the legislative ethics act that will permit legislators and legislative staff to expend public funds in support of or opposition to a ballot question that amends the constitution. This will likely result in public inquiries and complaints requiring investigation by commission staff. It also amends the definition of "contribution" to exclude all professional services provided voluntarily to candidates and groups. This will result in both public inquiries and third party complaints requiring commission staff investigation and commission adjudication.

This draft fiscal note also reflects the costs to the Commission for conducting statewide seminars to educate candidates, groups, and political parties about the changes; revising manuals, forms, and database structures; and responding to informal inquiries, and advisory opinion requests.

Personal services costs reflect a permanent part time Paralegal Assistant I to assist the current investigator position, a permanent part-time Administrative Clerk I to provide support, and overtime for current employees to amend reporting materials and conduct training for the Anchorage municipal elections and the 2002 state and municipal election cycles.