

ALASKA LEGISLATURE COMMITTEE FILES 2001-2002 8672

10687 SENATE STATE AFFAIRS

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SJR

37



STATE OF WASHINGTON
OFFICE OF THE GOVERNOR

P.O. Box 40002 • Olympia, Washington 98504-0002 • (360) 753-6780 • TTY/TDD (360) 753-6466

GOVERNOR'S DIRECTIVE No. 02-01

TO: State Elected Officials
Agency Directors
Presidents of Higher Education Institutions
State Boards and Commissions

FROM: Gary Locke, Governor

DATE: February 21, 2002

SUBJECT: Directive to Freeze Hiring, Travel and Equipment Purchases

A worsening state revenue outlook requires immediate action to freeze hiring, travel, and equipment purchases. We are now looking at a deficit of more than \$1.6 billion in the 2001-03 biennial budget as a result of a lower revenue forecast and higher forecasts for public school enrollment, social service caseloads, and juvenile rehabilitation and prison populations.

Beginning February 22, 2002, all state agencies under my direction will impose a hiring freeze. Exempted from this freeze are positions that directly serve public safety and essential health and welfare activities of state government. I also call upon the presidents of higher education institutions, boards and commissions, and our separately elected officials to impose similar restrictions within their agencies and jurisdictions.

Additional exemptions from the hiring freeze may be granted as vacancies occur in critical areas in the rest of government based on a written justification provided to and approved by the director of the Office of Financial Management.

We all recognize the practical difficulties and complications of implementing a hiring freeze. While this is not going to be easy, I ask each manager to use common sense, good judgment, and creativity to aggressively accomplish the ultimate goal of this directive: to save taxpayer dollars through FTE reductions. In addition, non-essential travel and non-essential equipment purchases made with state funds are frozen until further notice.

In implementing this order, agencies shall comply with the appropriate contractual provisions of any current collective bargaining agreement made with their employees. Agencies shall also comply with guidelines and reporting requirements as directed by the Office of Financial Management in separate instructions.



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Office of Governor Gary Locke

FOR IMMEDIATE RELEASE - February 19, 2002

Contact: Governor's Communications Office, 360-902-4136

Locke may order across-the-board budget cuts

OLYMPIA – Gov. Gary Locke today said a worsening state revenue outlook will likely mean deeper budget cuts and may require him to order an across-the-board budget reduction.

"Today's announcement by the state **Office of the Forecast Council** is sobering," Locke said, referring to the official state revenue forecast downturn of \$246.8 million. "We are now looking at a deficit of more than \$1.5 billion in the 2001-03 biennial budget and that deficit may grow with tomorrow's forecast on school enrollment, rising social service caseloads and increasing prison populations."

Noting that Washington's situation is not unique, Locke said, "A national economic recession intensified by the events of September 11 has left our state and 39 others facing budget shortfalls in the billions of dollars. Today's revenue announcement means we must tighten our belts even more."

Locke said he already has taken action to impose a hiring freeze in addition to the 1,685 full-time equivalent (FTE) reductions since July. He also restricted state employee travel and imposed a freeze on equipment purchases. He added that more severe measures will be necessary to offset the serious revenue losses caused by the effect of the Sept. 11 terrorist attacks on the national and state economies.

The governor met this morning with legislative leadership and budget chairs and pledged to work with them to find a solution to the growing budget problem.

"As I have said all along, it remains my hope that the state budget be balanced without a general tax increase," Locke said.

The governor also will ask the **Legislature** to consider eliminating cost of living adjustments (COLAs) for state workers and state vendors.

Locke suggested other cost-saving options including an additional across-the-board reduction in all state agency budgets.

In addition to budget cuts, Locke suggested increasing revenue by closing outdated tax exemptions. The governor has asked the **Office of Financial Management** to review the tax exemptions and report back on its findings.

"These are difficult times but we have gotten through them before and we will get through them again if we work together," Locke concluded.

SEATTLE POST-INTELLIGENCERhttp://seattlepi.nwsourc.com/local/59009_revenue20.shtml**Locke puts a freeze on state hiring****Also possible: Tax increase, program cuts, delayed raises***Wednesday, February 20, 2002***By ANGELA GALLOWAY**

SEATTLE POST-INTELLIGENCER REPORTER

OLYMPIA -- Gov. Gary Locke yesterday imposed an immediate state hiring freeze and said the state may need to raise taxes, make sweeping program cuts and stall pay raises for state workers -- even blocking voter-mandated teacher raises -- to fill a budget gap of \$1.6 billion.

While saying it's still his "hope" that he and the Legislature can avoid a broad tax increase, such as to sales or business taxes, Locke offered his softest stance on that yet. "Any general tax increase should be a last resort," the Democratic governor said. "And I'm not prepared to say that we need to go there."

But he did say that it is time to consider repealing more state tax exemptions, as many lawmakers -- particularly Democrats -- have said for weeks.

State officials yesterday announced the third consecutive drop in the state's revenue forecast. Projected tax income over the next 16 months -- which had already dropped by \$914 million since September -- fell another \$247 million to below \$21 billion yesterday.

Today, another forecast council is expected to announce about \$100 million in unanticipated state program cost increases, such as for health care for the poor and public school enrollments.

That would bring the state's budget gap of \$1.25 billion in January up to \$1.6 billion. Most of that would have to be made up in the second year of the current \$23 billion biennial operating budget.

"It's very, very grave," said Rep. Jack Cairnes, R-Covington, a leader of the House Finance Committee.

In some corners, the news has even spurred new interest in one proposal to temporarily raise sales tax by about half a cent, dubbed the "freedom surcharge."

In addition to softened anti-tax rhetoric -- including from the GOP -- substantial spending cuts are on the table:

- Locke said he is "actively" considering across-the-board cuts of about 6 percent to all state programs -- including public schools and prisons -- although basic education would be protected. But some leading Democrats said that's too Draconian. "It's like taking a machete to the budget," said Seattle Democrat Helen Sommers, chairwoman of the House Appropriations Committee.
- Lawmakers agreed that substantial cuts to state programs would be necessary, from slashes in social services to temporary park closures, said Spokane Democratic Sen. Lisa Brown, the upper chamber's budget writer. Also, the Senate probably will propose triple the public school cuts that Locke recommended in December, and colleges probably face both tuition increases and funding cuts, she said.
- In December, Locke proposed stalling July cost-of-living raises for state employees by two months.

Yesterday, he suggested skipping altogether the 2.6 percent raises for the state's 100,000 workers next year -- saving about \$85 million but raising the specter of worker walkouts. In addition, Locke said the state might need to save \$90 million by blocking the 3.4 percent raises for public schoolteachers that voters approved in a November 2000 statewide initiative. That would require a two-thirds vote of the Legislature.

- In addition to freezing hiring, Locke froze equipment purchases and restricted state worker travel. Critical services such as prison guards and Washington State Patrol troopers are exempt from the hiring freeze, he said.

The revenue forecast was not the only bad news yesterday. The state continues to have among the worst unemployment rates in the country, with a new 8.2 percent jobless rate.

State figures also show that 65,000 jobs were lost last year, barely counting recent layoffs at The Boeing Co. Of those, 85 percent were in King County. Many were in construction and Internet-related businesses, said Chang Mook Sohn, the state's chief economist.

Unlike in the national economy, there's no indication that Washington will recover anytime soon from its recession, officials said.

"King County is clearly leading the rest of the state into a much deeper recession than any time since the 1980s," Sohn said.

It adds up to a grim political battle facing the Legislature and governor. Senate Democrats had planned to release their budget proposal next week -- but now predict delay while they hammer out unpopular spending cuts and politically painful tax increases.

And both sides staked out traditional but sobered partisan positions. Democrats said tax hikes must be on the table. Republicans said all state spending should be re-examined.

"I don't see how it is possible to tax ourselves out of this," Cairnes said. "My caucus will not look at significant tax increases until we see a good-faith effort on the part of the Democrats to control spending."

But he did not rule out at least incremental tax increases, saying, "I'm not sure we can get through this just strictly with cuts."

Rep. Lynn Kessler, Democratic majority leader, said it's time to revive proposals to expand gambling to raise more in taxes, such as a bill that would allow thousands of slot machines in mini-casinos, bars and restaurants. "We have to go scouring through and see what we can dig out," Kessler said.

And some are interested in the two- or three-year sales tax surcharge suggested by Sen. James Hargrove, D-Hoquiam, she said. "I don't know if we have to do that. We don't want to close the door on anything," Kessler said.

Brown, the budget chairwoman, yesterday introduced legislation to allow the Legislature to raise taxes and take money out of reserves by a simple majority -- rather than the two-thirds vote required by 1993's voter-approved Initiative 601.

"It just gives us some flexibility for solving the budget crisis," Brown said. "I'm just putting a couple options out there."

GOP lawmakers -- who had been calling for a state hiring freeze for months -- said it was about time Locke responded.

But the governor needs to offer more than talk on the other ideas he floated yesterday, such as state worker pay freezes, some said.

"He's been considering it for the last year. It's time to make a recommendation or not," said Rep. Barry Sehlin, R-Oak Harbor. "But I certainly endorse the ideas."

Greg Devereux, of the largest state employee's union, said walkouts are possible if the state freezes pay. Weeks ago, the union backed a hiring freeze, he added. But "eliminating (cost-of-living adjustments) is just another tax on state employees," Devereux said.

Rich Wood, spokesman for the statewide teachers' union, the Washington Education Association, said, "Now is not the time to cut public education."

The state's economic pain is most obvious in the job market. The Washington jobless rate jumped to 7.5 percent last month, fueled in part by mass Boeing layoffs.

The state job market for seasonal workers is even worse. The unemployment rate unadjusted for seasonal variations, such as holiday hiring and construction work, soared to 8.2 percent in January from 7.3 percent in December, according to state data.

Since the state economy began cooling early last year, the unemployment rate has steadily risen, from 5.5 percent last January to 7.4 percent in December, the Employment Security Department reported yesterday. The rates are adjusted for seasonal changes.

Last month, the jobless rate stood at its highest point in nine years, according to one local economist.

"The overall picture remains the same: namely, a recession more severely concentrated in the metropolitan Seattle economy than in the rest of the state," said Roberta Pauer, a Seattle-based economist for the Employment Security Department.

Pauer predicts Washington will remain mired in recession at least through this summer.

Seattle continues to experience the most severe contraction, absorbing 78 percent of the 63,700 jobs lost around the state in the past year, Pauer said.

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Alaska State Legislature

Session:
State Capitol
Juneau, AK 99801
Phone: (907) 465-2327
Fax: (907) 465-5241



Interim:
119 N. Cushman
Fairbanks, AK 99701
Phone: (907) 456-8161
Fax: (907) 456-8163

Senator Pete Kelly
District P

SJR 37 Sponsor Statement

Proposing an amendment to the Constitution of the State of Alaska relating to officers and employees of the executive branch.

The State of Alaska is facing a billion dollar deficit and unfortunately the constitutional budget reserve fund cannot fill the gap. Revenue officials project it will be drained by July 2004 if the proposed fiscal year 2003 budget is funded. This budget includes an increase of 858 full-time state positions from the current fiscal year with a price tag of \$115 million.

In the face of such an enormous budget deficit, state spending must be reduced. The most logical first step you take when you have a fiscal problem is a hiring freeze. It will be impossible for the state to sustain such an increase in state employees. A hiring freeze will reduce the number of state positions through attrition, a much better solution than forced layoffs a year down the road.

This hiring freeze will include all positions funded with general funds **except** those temporary positions needed to respond to emergencies or needed for reasons involving health and safety.

The passage of SJR 37 will put this resolution to a vote of the people and if approved, will amend the Constitution of the State of Alaska.

Alaska State Legislature

SENATOR
PETER KELLY

Mailing Address:
119 N. Cushman, Suite 201
Fairbanks, Alaska 99701
Senator_Pete_Kelly@legis.state.ak.us
(907) 456-8161



Senate

White in Juneau
State Capitol
Juneau, Alaska
99801-1182
(907) 465-2327

Senate District P

MEMORANDUM

To: Senator Gene Therriault, Chair
Senate State Affairs

From: Senator Pete Kelly, Co-Chair *Pete*
Senate Finance Committee

Date: February 21, 2002

RE: Hearing Requests for SJR37 and SJR38

Please accept this memorandum as a request to schedule both SJR37 and SJR38 for a hearing in the Senate State Affairs Committee at your earliest convenience.

I have enclosed copies of both resolutions for your review and inclusion in bill packets.

If you have any questions please contact Wendy in my office. Thank you for your consideration of this request.

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SJR 37
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: OOG
 Title Constitutional amendment BRU Elections
officers/employees of the executive branch Component Elections
 Sponsor Senator Kelly
 Requester Senate State Affairs Component No. 21

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	1.5					
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	1.5	0.0	0.0	0.0	0.0	0.0

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	1.5					
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	1.5	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 figure includes the cost of providing information about this issue in the Official Election Pamphlet, as required by AS 15.58. If this measure requires the printing of an 8-1/2 by 18 inch ballot, the cost will increase by \$22.0.

Prepared by: Gail Fenumiai, Election Administrative Supervisor Phone 465-3935
 Division: Division of Elections Date/Time 2/22/02 12:28 PM
 Approved by: Lieutenant Governor Fran Ulmer Date 02/22/2002
 Agency: Office of the Lieutenant Governor

SJR

38

SEATTLE POST-INTELLIGENCER

http://seattlepi.nwsourc.com/local/58441_welfare15.shtml

Locke cuts back welfare programs

Demand outstrips money available; subsidized child care takes a hit

Friday, February 15, 2002

By ANGELA GALLOWAY
SEATTLE POST-INTELLIGENCER REPORTER

OLYMPIA -- Gov. Gary Locke is eliminating nearly \$60 million in welfare reform programs -- partly by cutting 1,000 working poor families off subsidized child care -- to fill a new deficit in welfare money.

For years, Washington state enjoyed surpluses of \$200 million a year in its \$900 million annual budget for welfare reform, thanks to a drop in caseloads of more than 40 percent.

And the Legislature and Locke diverted much of the state's share of the surpluses into social and other programs. About \$200 million went to education, officials said.

But, in recent months, demand for the WorkFirst reform program has outstripped what's left of the money. For example, the state underestimated demand for child care assistance -- today the largest program within welfare, even surpassing cash grants -- by \$35 million over the next 18 months. In August, 43,000 families received such subsidies -- 2,000 more than anticipated.

In addition, demand in the last two months for public assistance has grown because of the recession. In December and January alone, 2,800 new families qualified for Temporary Assistance for Needy Families (TANF).

"We told them this would happen...that when the economy went down there would be more people in there," said Sen. Darlene Fairley, D-Lake Forest Park.

Yakima Republican Sen. Alex Deccio added that the state should have waited to see how the first five years of welfare reform went before raiding the surpluses.

The federally mandated program aims to move people off public assistance rolls and into jobs through training, child care and other help. About 60 percent of the money comes from the federal government and the rest is from the state.

No one will lose those TANF grants in Locke's cuts, officials said. The cuts to child care subsidies amount to \$22.6 million from an annual budget of \$300 million.

But some politicians and social service advocates say the cuts could have been prevented -- particularly cuts Locke made to child care and education programs.

"This does have grave implications -- there's no doubt," Rep. Kip Tokuda, D-Seattle, said of the cuts.

And some lawmakers say it's time to rein in the sole discretion they granted the governor in how to spend surpluses in 1997. "It's a consideration -- which I wasn't willing to say several months ago," Tokuda said.

Locke's cuts include:

Reducing income eligibility for subsidized child care from 225 percent of the federal poverty level to 200 percent, saving \$3 million. For a family of three, the top allowed income drops from nearly \$33,000 a year to \$29,260.

Increasing co-payments for child care by \$5 a month, up to between \$15 and about \$300 a month, to raise \$13.5 million.

\$7.5 million for Families That Work, which helped parents with literacy, parenting and basic job skills. Ken Miller, Locke's welfare adviser, said the program hasn't failed, but its benefits aren't enough to justify its cost in the current budget climate.

\$5.4 million for the Job Success Coach program, designed to keep people in jobs.

\$3 million for a practice job program that placed welfare reform participants in unpaid work so they could learn job skills. The program hasn't worked, Miller said.

\$3.1 million for new pilot projects. The welfare reform program was constantly trying new ways to move people from public assistance to the work force, Miller said, but can't afford to experiment now.

In addition to diverting hundreds of millions of welfare surplus dollars into the general fund, the state used them to create other programs for the poor. That's in part because federal officials warned states to spend down surpluses because they wouldn't look good in welfare reform budget talks in Congress this year, said Marty Brown, Locke's budget director.

Miller said, "There are a lot of things to use the money for and we think they were used wisely."

For example, \$24 million a year went to tuition and child care assistance for vocational students of community colleges, he said. Another \$2.4 million went to legal aid for the poor. Locke cut the legal aid yesterday.

"I can't disagree with how the state spent (that) money," said Jean Colman, director of the Welfare Rights Organizing Coalition. "I do argue with the state putting TANF dollars into some (other welfare) programs and moving those dollars into state general fund programs.

"Making it harder for families to receive assistance in a recession is just really mean-spirited."

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Alaska State Legislature

Session:
State Capitol
Juneau, AK 99801
Phone: (907) 465-2327
Fax: (907) 465-5241



Interim:
119 N. Cushman
Fairbanks, AK 99701
Phone: (907) 456-8161
Fax: (907) 456-8163

Senator Pete Kelly
District P

SJR 38 Sponsor Statement

Proposing amendments to the Constitution of the State of Alaska to information regarding proposed expenditures.

In the face of a billion dollar deficit, it is imperative that responsible budget decisions be made. Limited discretionary revenues and ever expanding demands for state spending have forced the need for prioritization.

SJR 38 will require the Administration to submit subsequent budgets with each department's activities ranked in order of value. Though it is the Legislature's responsibility to appropriate funds, the departments are better equipped to evaluate and prioritize their own activities and production. Constructive communication between the executive and legislative branches is necessary in order to facilitate the most responsible cutbacks in spending.

The passage of SJR 38 will put this resolution to a vote of the people and if approved, will amend the Constitution of the State of Alaska.

Alaska State Legislature

SENATOR
PETER KELLY

Mailing Address:
119 N. Cushman, Suite 201
Fairbanks, Alaska 99701
Senator_Pete_Kelly@legis.state.ak.us
(907) 456-8161



Senate

While in Juneau
State Capitol
Juneau, Alaska
99801-1182
(907) 465-2327

Senate District P

MEMORANDUM

To: Senator Gene Therriault, Chair
Senate State Affairs

From: Senator Pete Kelly, Co-Chair
Senate Finance Committee *Pete*

Date: February 21, 2002

RE: Hearing Requests for SJR37 and SJR38

Please accept this memorandum as a request to schedule both SJR37 and SJR38 for a hearing in the Senate State Affairs Committee at your earliest convenience.

I have enclosed copies of both resolutions for your review and inclusion in bill packets.

If you have any questions please contact Wendy in my office. Thank you for your consideration of this request.

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SJR 38
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: OOG
Title Constitutional amendment BRU Elections
information regarding proposed expenditures Component Elections
Sponsor Senator Kelly
Requester Senate State Affairs Component No. 21

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	1.5					
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	1.5	0.0	0.0	0.0	0.0	0.0

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	1.5					
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	1.5	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 figure includes the cost of providing information about this issue in the Official Election Pamphlet, as required by AS 15.58. If this measure requires the printing of an 8-1/2 by 18 inch ballot, the cost will increase by \$22.0.

Prepared by: Gail Fenuniai, Election Administrative Supervisor Phone 465-3935
Division: Division of Elections Date/Time 2/22/02 12:30 PM
Approved by: Lieutenant Governor Fran Ulmer Date 02/22/2002
Agency: Office of the Lieutenant Governor

SJR

43



Official Business

Alaska State Senate

Senate Finance Committee

Mail Stop 3100
State Capitol
Juneau, Alaska 99801-1182

Sponsor Statement Senate Joint Resolution 43

“Requesting the United States Congress to grant a two-year moratorium on requirements for certain state payments under federal programs.”

Senate Joint Resolution 43 requests that the United States Congress grant a two-year moratorium on maintenance of effort requirements on states receiving federal funds..

Alaska is facing a serious “fiscal gap.” Federal requirements for maintenance of effort for federally mandated programs inhibit the states ability to reduce or reallocate state expenditures.

This resolution, if granted, would give states more flexibility to adjust their budgets to appropriate levels without losing federal funding.

DD/mjw

Senate Joint Resolution 43, "Requesting the United States Congress to grant a two-year moratorium on requirements for certain state payments under federal programs."

DH&SS Maintenance of Effort Requirement (MOE)

<i>COMPONENT</i>	<i>FY 03 State MOE</i>
	(in thousands of dollars)
ATAP Payments	\$ 27,171.7
Tribal Assistance (Native TANF)	7,154.2
Work Services	3,279.1
Child Care	3,000.0
Public Assistance Administration	187.3
Quality Control	58.1
PA Field Services	2,047.4
Fraud Investigation	236.3
PA Data Processing	590.0
Other DH&SS (direct and indirect)	343.0
Mental Health	33,500.0
Substance Abuse	24,000.0
Maternal, Child and Family Health	4,500.0
<i>Total MOE</i>	<i>\$106,067.1</i>

Prepared by: Marilyn Wilson, Legislative Aide
to Senator Dave Donley

March 29, 2003

(S) FIN Estimate
for FY03 State MOE

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

DIVISION OF ADMINISTRATIVE SERVICES

TONY KNOWLES, GOVERNOR

P.O. BOX 110650
JUNEAU, ALASKA 99811-0650
PHONE: (907) 465-3082
FAX: (907) 465-2499

March 19, 2002

Deb Davidson
Senate Finance Committee staff
State Capitol, Room 518
Juneau, AK 99801-1182

Dear Ms Davidson:

The following information is provided in response to your request to Elmer Lindstrom.

Could you please provide me with a copy of the TANF rules requiring the maintenance of effort? Attached is Section 409 (7) of Public Law 104-193 regarding the penalties for failure of the state to maintain a certain level of historic effort for the Temporary Assistance to Needy Families program.

Would you also provide me with a breakdown of what the maintenance of effort level is for each of the programs affected by TANF? (my understanding is this would be 80% of the state share of FFY 94 AFDC).

To qualify as state maintenance of effort (MOE) for TANF the state GF expenditure must be made to or on behalf of a family eligible for ATAP. The majority of the state GF MOE expenditures help finance ATAP cash payments, Native Family Assistance state grants, ATAP eligibility determination and case management activity, work services intended to help ATAP recipients into the workforce, and child care for ATAP families working their way off welfare.

The state's TANF MOE requirement is based on the state's share of AFDC expenditures in FFY1994. In order to earn the annual TANF block grant, states must spend at least 80 percent of their FFY 1994 spending. Federal law allows designated Native organizations to operate their own TANF programs and to receive TANF grants directly from the federal government. The federal grants for Native TANF reduce the state block grant amount dollar for dollar. In addition, the required state maintenance of effort (MOE) is reduced.

For Alaska the MOE floor changed after the implementation last year of two more Native TANF programs effective October 1, 2000. The current MOE floor is approximately \$44 million that must be met to comply with federally mandated MOE. As long as the three Native organizations TCC, T&H and AVCP continue to run their own Native TANF programs and elect not to return TANF back to the state, then the annual state MOE for TANF will be about \$44 million. If a Native TANF program returns to the state, then the state MOE amount goes back up.

DHSS Letter

The amount in the following table show the approximate distribution of expenditures by component that make up the total state MOE for TANF in the Division's FY2003 budget. These values can vary because the amounts that are attributable to MOE in the Division's administrative components are determined based on a time study that introduces some variability.

Component	FY03 Gov State MOE
ATAP Payments	\$ 27,171.7
Tribal Assistance (Native TANF)	7,154.2
Work Services	3,279.1
Child Care	3,000.0
Public Assistance Admin	187.3
Quality Control	58.1
PA Field Services	2,047.4
Fraud Investigation	236.3
PA Data Processing	590.0
Other DHSS (direct and indirect)	343.0
Total MOE for TANF	\$ 44,067.1

States failing to meet the federal TANF MOE requirement are penalized by a dollar-for-dollar reduction in their annual federal TANF block grant and are required to replace lost federal dollars with state funds (with further penalties assessed if additional state funds are not provided). In the six years since the implementation of TANF, no state has violated the required MOE.

TANF is the only program administered by the Division of Public Assistance with MOE requirements. The other ongoing casework DPA manages under the Food Stamp and Medicaid programs requires state GF Match funds to earn the respective federal share of expenditures. The loss of state GFM funding results in a dollar-for-dollar reduction in federal funds that can be received.

Is TANF the only federal program with the MOE requirements?

In addition to TANF, there are other programs in the Department of Health and Social Services that have MOE requirements. Both the Division of Mental Health and Developmental Disabilities and the Division of Alcoholism and Drug Abuse have federal Substance Abuse and Mental Health Services Administration (SAMHSA) block grants that are subject to the following MOE requirement in 45 CFR part 96.134(a) that states:

“...The agency shall for each fiscal year maintain aggregate State expenditures by the principal agency for authorized activities at a level that is not less than the two year period preceding the fiscal year for which the State is applying for the grant.”

Failure to meet this maintenance of effort requirement results in a dollar reduction of federal funds for each dollar reduction in qualifying state maintenance of effort expenditures as calculated on the two-year average. The Mental Health FY02 MOE is \$33.5 million and the Substance Abuse FY01 MOE is \$24.0 million state funds.

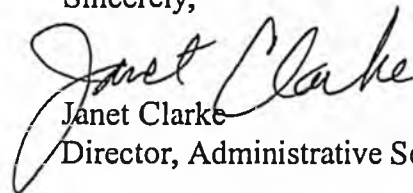
The Division of Public Health also has a maintenance of effort requirement for their Maternal, Child and Family Health block grant. The MOE is set at the level of FY89 state expenditures on Public Health programs for women and children, which is \$4.5 million.

There are also federal programs that have non-supplanting provisions. For example, Public Health's Infant Learning Program Part C funding requires that federal funds will be used to supplement the level of State and local funds expended and do not supplant those state and local funds. To meet this requirement the total amount of state and local funds budgeted for expenditures in the current fiscal year must be at least equal to the total amount of State and local funds actually expended for early intervention services for these children and their families in the most recent preceding fiscal year for which the information is available. Similarly the anticipated \$6.9 million federal funding for bioterrorism preparedness and response has a non-supplanting requirement.

Additionally numerous programs have state match requirements, which if not met, would result in a reduction in federal funds that could be utilized.

If you require clarification or additional information, please contact me at 465-1630

Sincerely,



Janet Clarke
Director, Administrative Services

Attachment

cc: Jay Livey, Commissioner
Elmer Lindstrom, Deputy Commissioner
Russ Webb, Deputy Commissioner
Jim Nordlund, Director, DPA
Walter Majoros, Director, DMHDD
Karen Pearson, Director, DPH
Peggy Bray, Administrative Manager, DPH
Randy Moore, Administrative Manager, DPA
Sharon Lowe, Administrative Manager, ADA
Laura Baker, Chief Budget Analyst, Administrative Services

"(c) **NONDISCRIMINATION PROVISIONS.**—The following provisions of law shall apply to any program or activity which receives funds provided under this part:

"(1) The Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.).

"(2) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).

"(3) The Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.).

"(4) Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.).

"(d) **ALIENS.**—For special rules relating to the treatment of aliens, see section 402 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

42 USC 609.

SEC. 409. PENALTIES.

"(a) **IN GENERAL.**—Subject to this section:

"(1) **USE OF GRANT IN VIOLATION OF THIS PART.**—

"(A) **GENERAL PENALTY.**—If an audit conducted under chapter 75 of title 31, United States Code, finds that an amount paid to a State under section 403 for a fiscal year has been used in violation of this part, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year quarter by the amount so used.

"(B) **ENHANCED PENALTY FOR INTENTIONAL VIOLATIONS.**—If the State does not prove to the satisfaction of the Secretary that the State did not intend to use the amount in violation of this part, the Secretary shall further reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year quarter by an amount equal to 5 percent of the State family assistance grant.

"(2) **FAILURE TO SUBMIT REQUIRED REPORT.**—

"(A) **IN GENERAL.**—If the Secretary determines that a State has not, within 1 month after the end of a fiscal quarter, submitted the report required by section 411(a) for the quarter, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to 4 percent of the State family assistance grant.

"(B) **RESCISSION OF PENALTY.**—The Secretary shall rescind a penalty imposed on a State under subparagraph (A) with respect to a report if the State submits the report before the end of the fiscal quarter that immediately succeeds the fiscal quarter for which the report was required.

"(3) **FAILURE TO SATISFY MINIMUM PARTICIPATION RATES.**—

"(A) **IN GENERAL.**—If the Secretary determines that a State to which a grant is made under section 403 for a fiscal year has failed to comply with section 407(a) for the fiscal year, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to not more than the applicable percentage of the State family assistance grant.

"(B) **APPLICABLE PERCENTAGE DEFINED.**—As used in subparagraph (A), the term 'applicable percentage' means, with respect to a State—

"(i) if a penalty was not imposed on the State under subparagraph (A) for the immediately preceding fiscal year, 5 percent; or

"(ii) if a penalty was imposed on the State under subparagraph (A) for the immediately preceding fiscal year, the lesser of—

"(I) the percentage by which the grant payable to the State under section 403(a)(1) was reduced for such preceding fiscal year, increased by 2 percentage points; or

"(II) 21 percent.

"(C) **PENALTY BASED ON SEVERITY OF FAILURE.**—The Secretary shall impose reductions under subparagraph (A) with respect to a fiscal year based on the degree of noncompliance, and may reduce the penalty if the noncompliance is due to circumstances that caused the State to become a needy State (as defined in section 403(b)(6)) during the fiscal year.

"(4) **FAILURE TO PARTICIPATE IN THE INCOME AND ELIGIBILITY VERIFICATION SYSTEM.**—If the Secretary determines that a State program funded under this part is not participating during a fiscal year in the income and eligibility verification system required by section 1137, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to not more than 2 percent of the State family assistance grant.

"(5) **FAILURE TO COMPLY WITH PATERNITY ESTABLISHMENT AND CHILD SUPPORT ENFORCEMENT REQUIREMENTS UNDER PART D.**—Notwithstanding any other provision of this Act, if the Secretary determines that the State agency that administers a program funded under this part does not enforce the penalties requested by the agency administering part D against recipients of assistance under the State program who fail to cooperate in establishing paternity or in establishing, modifying, or enforcing a child support order in accordance with such part and who do not qualify for any good cause or other exception established by the State under section 454(29), the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year (without regard to this section) by not more than 5 percent.

"(6) **FAILURE TO TIMELY REPAY A FEDERAL LOAN FUND FOR STATE WELFARE PROGRAMS.**—If the Secretary determines that a State has failed to repay any amount borrowed from the Federal Loan Fund for State Welfare Programs established under section 406 within the period of maturity applicable to the loan, plus any interest owed on the loan, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year quarter (without regard to this section) by the outstanding loan amount, plus the interest owed on the outstanding amount. The Secretary shall not forgive any outstanding loan amount or interest owed on the outstanding amount.

"(7) **FAILURE OF ANY STATE TO MAINTAIN CERTAIN LEVEL OF HISTORIC EFFORT.**—

Excerpt from the Federal Welfare Reform Act

"(A) IN GENERAL.—The Secretary shall reduce the grant payable to the State under section 403(a)(1) for fiscal year 1998, 1999, 2000, 2001, 2002, or 2003 by the amount (if any) by which qualified State expenditures for the then immediately preceding fiscal year are less than the applicable percentage of historic State expenditures with respect to such preceding fiscal year.

"(B) DEFINITIONS.—As used in this paragraph:

"(i) QUALIFIED STATE EXPENDITURES.—

"(I) IN GENERAL.—The term 'qualified State expenditures' means, with respect to a State and a fiscal year, the total expenditures by the State during the fiscal year, under all State programs, for any of the following with respect to eligible families:

"(aa) Cash assistance.

"(bb) Child care assistance.

"(cc) Educational activities designed to increase self-sufficiency, job training, and work, excluding any expenditure for public education in the State except expenditures which involve the provision of services or assistance to a member of an eligible family which is not generally available to persons who are not members of an eligible family.

"(dd) Administrative costs in connection with the matters described in items (aa), (bb), (cc), and (ee), but only to the extent that such costs do not exceed 15 percent of the total amount of qualified State expenditures for the fiscal year.

"(ee) Any other use of funds allowable under section 404(a)(1).

"(II) EXCLUSION OF TRANSFERS FROM OTHER STATE AND LOCAL PROGRAMS.—Such term does not include expenditures under any State or local program during a fiscal year, except to the extent that—

"(aa) the expenditures exceed the amount expended under the State or local program in the fiscal year most recently ending before the date of the enactment of this part; or

"(bb) the State is entitled to a payment under former section 403 (as in effect immediately before such date of enactment) with respect to the expenditures.

"(III) ELIGIBLE FAMILIES.—As used in subclause (I), the term 'eligible families' means families eligible for assistance under the State program funded under this part, and families that would be eligible for such assistance but for the application of section 408(a)(7) of this Act or section 402 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

"(ii) APPLICABLE PERCENTAGE.—The term 'applicable percentage' means for fiscal years 1997 through 2002, 80 percent (or, if the State meets the

requirements of section 407(a) for the fiscal year, 75 percent) reduced (if appropriate) in accordance with subparagraph (C)(ii).

"(iii) HISTORIC STATE EXPENDITURES.—The term 'historic State expenditures' means, with respect to a State, the lesser of—

"(I) the expenditures by the State under parts A and F (as in effect during fiscal year 1994) for fiscal year 1994; or

"(II) the amount which bears the same ratio to the amount described in subclause (I) as—

"(aa) the State family assistance grant, plus the total amount required to be paid to the State under former section 403 for fiscal year 1994 with respect to amounts expended by the State for child care under subsection (g) or (i) of section 402 (as in effect during fiscal year 1994); bears to

"(bb) the total amount required to be paid to the State under former section 403 (as in effect during fiscal year 1994) for fiscal year 1994.

Such term does not include any expenditures under the State plan approved under part A (as so in effect) on behalf of individuals covered by a tribal family assistance plan approved under section 412, as determined by the Secretary.

"(iv) EXPENDITURES BY THE STATE.—The term 'expenditures by the State' does not include—

"(I) any expenditures from amounts made available by the Federal Government;

"(II) any State funds expended for the medic-aid program under title XIX;

"(III) any State funds which are used to match Federal funds; or *under 403(a)(5)*

"(IV) any State funds which are expended as a condition of receiving Federal funds under Federal programs other than under this part.

Notwithstanding subclause (IV) of the preceding sentence, such term includes expenditures by a State for child care in a fiscal year to the extent that the total amount of such expenditures does not exceed an amount equal to the amount of State expenditures in fiscal year 1994 or 1995 (whichever is greater) that equal the non-Federal share for the programs described in section 418(a)(1)(A).

"(8) SUBSTANTIAL NONCOMPLIANCE OF STATE CHILD SUPPORT ENFORCEMENT PROGRAM WITH REQUIREMENTS OF PART D.—

"(A) IN GENERAL.—If a State program operated under part D is found as a result of a review conducted under section 452(a)(4) not to have complied substantially with the requirements of such part for any quarter, and the Secretary determines that the program is not complying substantially with such requirements at the time the finding is made, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the quarter and each subsequent quarter that ends before the 1st quarter

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SJR 43
(S) Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: _____
Title Maintenance of Effort on Federal Programs BRU _____
Sponsor Finance Component _____
Requester Senate State Affairs Committee Component No. _____

Expenditures/Revenues (Thousands of Dollars)

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

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

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

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

FUND SOURCE (Thousands of Dollars)

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

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

POSITIONS

Full-time						
Part-time						
Temporary						

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

Prepared by: SENATE STATE AFFAIRS COMMITTEE Phone 465-4797
Division _____ Date/Time _____
Approved by: /s/ Senator Therriault, Chair Date 4/3/02
Agency _____

HB

53

LESSMEIER & WINTERS

ATTORNEYS AT LAW

Vintage Business Park**3000 Vintage Boulevard, Suite 100**

Phone: (907) 796-4999 Fax: (907) 796-4998

TELEFAX TRANSMITTAL SHEET

Date: April 18, 2002	Re: House Bill 53 Support letter
To: David Guttenberg	Telefax No: 465 3519
From: Sheldon E. Winters	Our File No: 0015-006

Number of pages transmitted (including cover sheet): 2 **Message:**

David:

In case either I or my partner is unable to make the hearing this afternoon, enclosed is a letter of support. I hope this suffices. I will do my best to have one of us there if at all possible.

Sheldon E. Winters

CONFIDENTIALITY NOTICE

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If there are any problems with this transmission,
please call (907) 796-4999.

LESSMEIER & WINTERS
LAWYERS - LLC

MICHAEL L. LESSMEIER
GREGORY W. LESSMEIER
SHELDON E. WINTERS

VINTAGE BUSINESS PARK
3000 VINTAGE BOULEVARD
SUITE 100
JUNEAU, ALASKA 99801

TELEPHONE: (907) 796-4999
FACSIMILE: (907) 796-4998
E-MAIL: lw@pci.net

Via Telefax and Mail
April 18, 2002

Representative John Davies
State Capital Room 415
Juneau, Alaska 99801

Re: *House Bill 53*

Dear Representative Davies:

I am a lobbyist for State Farm Insurance Companies. State Farm strongly supports HB 53. State Farm has worked hand in hand with various seismic safety commissions throughout the country and have found them to be invaluable in protecting the public interest. The Alaska Seismic Hazards Safety Commission is long overdue. State Farm also appreciates the inclusion of an insurance industry representative on the commission. The insurance industry not only has expertise on insurance issues, the insurance industry has been heavily involved in seismic safety issues and has a readily-established network of experts and consultants available that could be of assistance to the Commission.

Sincerely,

LESSMEIER & WINTERS

By:


Sheldon E. Winters

SEW/tcw

0015-006/Rcp-Davies-01-SEW.wpd



**ALASKA STATE
SEISMOLOGIST**

**GEOPHYSICAL INSTITUTE
UNIVERSITY OF ALASKA**

Fairbanks, Alaska 99775-0800

Voice: (907) 474-5533

FAX: (907) 474-5618

MEMO: April 21, 1998

TO: Rep. John Davies
FROM: Dr. Roger A. Hansen
RE: Seismic Hazards Safety Commission
CC:

I would like to express my strong support for House Bill 408, "An Act establishing the Alaska Seismic Hazards Safety Commission." Because our urban areas are expanding, and because we know that measures can be taken to reduce casualties and economic losses from the next large earthquake in Alaska, it is important that we improve our mitigation efforts. Establishing an Alaska seismic hazards safety commission is an important first step in coordinating state and local efforts in this area.

Alaska spans 4,800 km of the seismically active boundary between the oceanic Pacific and continental North American plates and is one of the world's most active regions of earthquake activity associated with subduction and volcanism. Nearly the entire state is seismically active. The greatest concentration of earthquakes is along the Pacific margin where the Pacific plate is being subducted beneath southern Alaska and the Aleutian Islands. The historical record indicates that magnitude 7 and larger shocks are about three times more frequent in southern Alaska than in California. Three of the six largest earthquakes in the world this century originated in Alaska on the boundary between the Pacific and North American plates. In 1964, the eastern end of the Aleutian subduction zone spawned the moment magnitude (M_w) 9.2 Prince William Sound earthquake, the second largest earthquake of this century. Alaska's other two great earthquakes occurred in the central and western parts of the Aleutians Islands -- the 1957 M_w 8.6 Andreanof-Fox Islands earthquake and the 1965 M_w 8.7 Rat Islands earthquake. The seismicity of Alaska stems primarily from the interaction of the Pacific and North American plates. The northwestward motion of the Pacific plate relative to the North American plate is accommodated by faulting in southeast Alaska on the Queen Charlotte-Fairweather fault system (similar to the San Andreas fault), and by underthrusting and subduction of the Pacific plate along the Aleutian megathrust, which crops out on the seafloor at the Aleutian trench. The seismicity related to various tectonic elements can be divided into five distinct source zones as follows: 1) Plate-boundary earthquakes along the interface between the Pacific plate and the North American plate; 2) subsea earthquakes within the Pacific plate beneath or seaward of the trench; 3) Wadati-Benioff Zone earthquakes within the subducted part of the Pacific plate landward of the trench; 4) North American plate earthquakes; and 5) volcanic-axis earthquakes within the North American plate along the axis of active volcanoes.


Within the seismology lab at the University of Alaska Fairbanks, Geophysical Institute, there is a strong seismology program with elements of earthquake and volcano monitoring, real-time processing and notification of seismic events, participation in a Federal/State tsunami hazard mitigation initiative, interaction with the engineering community, public and community outreach to

K-12 school programs, state fairs, and public lectures, and research into a variety of seismology and earthquake hazard related subjects: i.e. earthquake prediction, tectonic systems, seismic energy propagation in complex environments like Alaska, energy attenuation from strong earthquake shaking, and structural studies into the reasons for mountain building and fault behavior.

I bring up these issues as a way to speak strongly in favor of the formation of a seismic safety commission. I see such a board as a positive extension to the scientific and technological aspects of the seismology lab currently under way. It would be very complimentary to have a body who can take the results of the many and varied investigations into seismology in Alaska and translate the basic information into a coordinated effort between the scientists, the engineering community, the building industry, and such state agencies as DOT, ADDGS, and ADES. There is clearly a need for such integration into proper land use and building codes for the very potentially dangerous areas throughout Alaska. Within the tsunami program mentioned above, we have taken the position that a small amount of mitigation effort up front, has the potential for huge savings of both lives and economic loss in the event of a large earthquake. When (not whether) the next tsunamigenic earthquake strikes in the Aleutians, thousands of lives would be at risk in Sand Point, Akutan City, and Dutch Harbor. Since these communities are some of the largest fishing ports in the entire country, hundreds of millions of dollars of fishing industry infrastructure would be damaged or destroyed. A like situation exists within our largest cities in Alaska where we have known significant potential for destructive earthquakes, yet no strong framework for mitigating the hazards ahead of time.

It is time for Alaska to take steps toward reducing future earthquake losses. We can begin by passing HB 408.

Sincerely,



Roger A. Hansen

State Seismologist

Phone: 907 474-5533

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF GEOLOGICAL & GEOPHYSICAL SURVEYS

March 16, 1998

Rep. John Davies
State Capitol, Room 422
Juneau, AK 99801-1182

TONY KNOWLES, GOVERNOR

79 UNIVERSITY AVENUE, SUITE 200
FAIRBANKS, ALASKA 99709-3645
PHONE (907) 451-5000
FAX (907) 451-5050

GEOLOGIC MATERIALS CENTER
P O BOX 772305
EAGLE RIVER, ALASKA 99577-2605
PHONE: (907) 638-0079
FAX (907) 636-0078

Dear Rep. Davies:

I would like to express my strong support for House Bill 408, "An Act establishing the Alaska Seismic Hazards Safety Commission." Seismic activity in Alaska is among the highest in the world and it is only a matter of time before another potentially destructive earthquake will strike one of our urban areas. Because these urban areas are expanding, and because we know that measures can be taken before an event to reduce casualties and economic losses, it is important that we improve our mitigation efforts. Establishing an Alaska seismic hazards safety commission is an important first step in coordinating state and local efforts in this area.

Much progress has been made in Alaska toward improving emergency-response planning, through the state Disaster Act and local preparedness exercises. However, less progress is evident in pre-disaster efforts to prevent losses and thereby reduce emergency-response needs. Such loss reduction can occur, for example, through more rigorous design and construction standards in areas more subject to earthquake damage. Although we cannot predict when and where the next large earthquake will occur, we can identify areas that will be most severely affected, and we can plan development accordingly. A seismic safety commission will help coordinate state and local efforts toward achieving these loss-reduction goals.

The California Seismic Safety Commission evolved from state advisory groups that were established as a result of Alaska's 1964 earthquake. This commission has been highly successful in initiating programs that have proven effective in reducing losses from numerous recent earthquakes. One recent article states that if there had been no seismic design standards in place prior to the 1994 Northridge earthquake, economic losses would have been 60% greater. The analysis further states that if today's standards had been strictly followed, losses would have been further reduced by 40%. Considering that the cost of complying with these standards is less than 5% of construction cost, implementing such loss-reduction measures is clearly worthwhile. Now that 34 years have passed since our last destructive earthquake, and before development expands further, it is time for Alaska to take similar steps toward reducing future earthquake losses. We can begin by passing HB 408.

Sincerely,



Rodney A. Combellick, Chief
Engineering Geology Section
Phone: 907-451-5007
Email: rod@dnr.state.ak.us

DGG: Internet site: <http://www.dggs.dnr.state.ak.us>



STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF GEOLOGICAL & GEOPHYSICAL SURVEYS

TONY KNOWLES, GOVERNOR

794 UNIVERSITY AVENUE, SUITE 200
FAIRBANKS, ALASKA 99709-3645
PHONE (907) 451-5000
FAX (907) 451-5050

GEOLOGIC MATERIALS CENTER
P.O. BOX 772805
EAGLE RIVER, ALASKA 99577-2805
PHONE: (907) 696-0079
FAX (907) 696-0078

April 16, 1998

The Honorable Gene Therriault
Alaska State Legislature
State Capitol, Room 511
Juneau, AK 99801

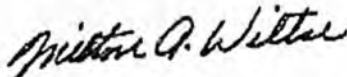
Dear Representative Therriault:

Representative Davies' recently-proposed legislation, HB 408, "An Act establishing the Alaska Seismic Hazards Safety Commission" has come at a good time to position Alaska with respect to federal disaster insurance legislation currently being drafted in Congress. While no one can predict the final form of legislation that will emerge from Washington, there is a growing resistance in Congress to federally fund recovery from disasters that might have been avoided or mitigated. This may take the form of requiring states to have seismic hazard mitigation policies or reviews of some kind in place in order to participate in federal seismic disaster recovery programs.

Alaska has long acknowledged the need for having contingency plans in place for responding to hazardous earthquakes, however, less policy attention has been given to systematic seismic hazard mitigation programs. A seismic hazards safety commission acting in coordination with Alaska's Emergency Response Commission would provide a pre-event mitigation overview now lacking in the state's efforts to protect its citizens from seismic risks.

I enclose a previous letter to Representative Davies in regard to HB 408. I believe this is good legislation for the people of Alaska.

Sincerely,



Milton A. Wiltse
State Geologist and Director

cc: Representative John Davies
Marty Rutherford, Deputy Commissioner

JOHN C LAHR

Representative John Davies
Alaska State Legislature
State Capitol, Room 422
Juneau, AK 99801-1182

Dear John,

I am writing to lend my support to your effort to establish an Alaskan Seismic Hazards Safety Commission. Given that Alaska is the most seismically active state in the US and that many areas are growing rapidly or being developed for resources that are critically needed by the entire nation, it is important that the State makes every effort to mitigate the effects of future earthquakes. The ASHSC could play an important role in focusing and coordinating private, state, and federal efforts on the most critical areas.

I certainly hope you are successful in establishing this commission.

John C. Lahr

John C. and Jan H. Lahr
john-jan@lahr.org
914 10th Street
Golden, Colorado 80401
(303) 215-9913

Creating a Seismic Safety Advisory Board

A GUIDE TO EARTHQUAKE RISK MANAGEMENT

FEDERAL EMERGENCY MANAGEMENT AGENCY
500 C Street, S.W.
Washington, DC 20472

SSC 93-03



National Seismic Safety Advisory Board Workshop

December 3 - 5, 1996

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This directory was prepared for the December 3-5, 1996
National Seismic Safety Advisory Boards' Workshop
held in Los Angeles, California.

Existing Seismic Safety Advisory Boards

Arizona

Arizona Council for Earthquake Safety
Arizona Department of Emergency and
Military Affairs
Division of Emergency Services
5636 E. McDowell Rd.
Phoenix, AZ 85008
Phone: (602) 231-6238
Fax: (602) 231-6231

Arkansas

Arkansas Earthquake Advisory Council
Arkansas Office of Emergency Services
P.O. Box 758
Conway, AR 72032-0758
(501) 329-5601
Fax: (501) 327-8047

California

Seismic Safety Commission
1900 K St., Ste. 100
Sacramento, CA 95814
(916) 322-4917
Fax: (916) 322-9476

Central United States Earthquake Consortium (CUSEC)

Central United States Earthquake Consortium
2630 E. Holmes Rd.
Memphis, TN 38118
(901) 345-0932
Fax: (901) 345-0998

Hawaii

Hawaii State Earthquake Advisory Board
Office of the Director of Civil Defense
3949 Diamond Head Road
Honolulu, HA 96816-4495
(808) 734-2161
Fax: (808) 737-4150

Illinois

Illinois Earthquake Advisory Board
Illinois Emergency Services & Disaster Agency
110 East Adams St.
Springfield, IL 62706
(217) 782-4448

Indiana

Indiana Seismic Safety Advisory Board
Indiana State Emergency Management Agency
IN GOVT CTR S/302 W. Washington St.
E208
Indianapolis, IN 46204
(317) 232-3986
FAX (317) 232-3895

Kentucky

Governor's Earthquake Hazards & Safety
Technical Advisory Panel
Kentucky Division of Div. of Disaster &
Emergency Services
EOC Building, Boone Center
Frankfort, KE 40506
(502) 564-8611

Mississippi

Mississippi Seismic Advisory Panel
Mississippi Emergency Management Agency
P.O. Box 4501, Fondren Station
Jackson, MS 39216
(601) 352-9100

Missouri

Missouri Earthquake Hazard Mitigation Panel
Missouri Emergency Management Agency
P.O. Box 116
Jefferson City, MO 65102
(314) 751-9779
FAX (314) 634-7966

Nevada

Nevada Seismic Safety Council
Division of Emergency Management
Capitol Complex
2525 South Carson St.
Carson City, NV 89710
(702) 687-4240
Fax: (702) 687-6788

New England States Earthquake Consortium (NESEC)

New England States Earthquake Consortium
501 Islington St
Portsmouth, NH 03801
(603) 430-9876
Fax: (603) 430-9875

Oregon

Oregon Seismic Safety Policy Advisory
Committee
595 Cottage St., NE
Salem, OR 97310
(503) 378-2903
Fax: (503) 588-1378

Puerto Rico

Comision de Seguridad Contra
Terremotos
Pda. 3 1/2 Ave. Munoz Rivera
Pta. de Tierra Apartado Correo 5887
San Juan, PR 00906
(809) 722-8784
Fax: (809) 725-0350

South Carolina

South Carolina Seismic Safety Consortium
Dept. of Civil Engineering
The Citadel
Charleston, SC 29401
(803) 797-4208

**Southeastern United States Seismic
Safety Consortium**

Southeastern United States Seismic Safety
Consortium
Dept. of Civil Engineering
The Citadel

Charleston, SC 29401
(803) 797-4208

Tennessee

Tennessee Seismic Safety Advisory Panel
Tennessee Emergency Management
Agency
Tennessee EOC
3041 Sidco Dr.
Nashville, TN 37204-1502
(615) 252-3311

Utah

Utah Earthquake Advisory Board
University of Utah Seismograph Stations
705 W. C. Browning Bldg.
Salt Lake City, UT 84112
(801) 581-6274
Fax: (801) 581-7065

Washington

Washington State Seismic Safety Advisory
Committee
Washington State Dept. of Natural
Resources
Geology & Earth Resources Division
P.O. Box 47007
Olympia, WA 98504-7007
(206) 902-1000
Fax: (206) 902-1785

Missouri Seismic Safety Commission

The Missouri Seismic Safety Commission's task is to review the State of Missouri's earthquake preparedness, response, mitigation and recovery issues and make a comprehensive "where we stand" report to the people of Missouri. Legislation creating the Commission was signed into being by Governor Mel Carnahan on June 25, 1993 and he has appointed fifteen distinguished Missourians to serve on this Commission. The commission has been working on the report since its confirmation, and will issue its report to the Governor and General Assembly on June 30, 1997.

Commission officers for the calendar year 1997 are:


Susan W. Clowe	American Red Cross
Marie Collins, P. E.	Metropolitan St. Louis Sewer District
William L. Durbin, P. E., <i>Secretary</i>	Woodward Clyde Consultants
Dr. Phillip L. Gould, P. E., <i>Vice-Chair</i>	Washington University
Dr. Gregory L. Hemen, P.E.	U. S. Army corp of Engineers
Dr. Robert B. Herrmann, <i>Chair</i>	Saint Louis University
Sen. Jerry T. Howard	Senator, Missouri General Assembly
Ernest H. "Bud" Hunt	Daily Dunklin Democrat
Jennifer Marion, E. I. T.	City Utilities of Springfield
Robert E. Palmer	Melville Fire Protection District
Marilyn A. Roberts	State Farm Insurance
Thomas R. Schwetye, <i>Treasurer</i>	Schwetye Architects
Phyllis J. Steckel	Geologist, Washington, Missouri
Carol J. Tharp	Platte County Emergency Management Agency
John C. Theiss, P. E.	EQE International
Rep. Larry Thomason	Representative, Missouri General Assembly
Kennard O. Whitfield	Mayor, Rock Hill

The Commission does its work primarily through four subcommittees that hold quarterly meetings at different locations. The committees are: Response, Recovery and Mitigation (Collins - Chair) Land Use Planning and Building Codes (Gould - Chair) Geotechnical Committee (Hemen - Chair) and Public Awareness and Education (Steckel - Chair).

The Commission and Committee meetings are open to the public under the Sunshine Law.

Interested persons may contact [Ed Gray](#)

Commission Publication and Useful Links

 [Return to previous page](#)



National Seismic Safety Advisory Boards in 1996

Subject: Fw: RE: Alaska seismic commission bill

Date: Thu, 18 Apr 2002 14:37:10 -0800

From: Rod Combellick <rod@dnr.state.ak.us>

To: David Guttenberg <David_Guttenberg@legis.state.ak.us>

CC: "Rep. John Davies" <Representative_John_Davies@legis.state.ak.us>, Milt Wiltse <milt@dnr.state.ak.us>

David,

Here is a message from John Aho of CH2M Hill in support of HB 53. He sent it to me because he will be tied up in a meeting this afternoon and can't testify. Can this be forwarded for reading at the hearing?

Rod

From: "Aho, John/ANC" <JAho@CH2M.com>
Subject: RE: Alaska seismic commission bill
Date: Thu, 18 Apr 2002 16:22:39 -0600

I appreciate having the opportunity to express my support of House Bill 53 for establishing an Alaska Seismic Hazards Safety Commission. Dr. Davies should be commended for ongoing interest in seismic risk mitigation and his years of effort in attempting to get this Bill enacted. I currently serve as Chairman of the Municipality of Anchorage (MOA) Geotechnical Advisory Commission, the Advanced National Seismic System Alaska Region Advisory Committee, and the MOA Seismic Microzonation Advisory Panel. In these capacities I have witnessed the changes that come about when groups of individuals work together as champions of an effort such as seismic risk mitigation. To date, these efforts have been somewhat concentrated in the Anchorage area. A State Seismic Hazards Safety Commission would provide the vehicle for coordinating pre-earthquake risk mitigation efforts and post-earthquake recovery. By voting for passage of this Bill you will take the initial steps towards providing a coordinated effort in addressing future earthquake safety, risk mitigation, and post-earthquake recovery issues. I urge you to vote for this measure, it is one that will go a long way towards making Alaska a safer place in which to live.

Dr. John L. Aho
CH2M HILL
Vice
President and Principal Project Manager

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Dr. John L. Aho
CH2M HILL
Vice
President and Principal Project Manager

Alaska State Legislature

Legislative Committees:
House Finance Committee

Legislative Budget Subcommittees:
University of Alaska
Department of Natural Resources
Department of Environmental Conservation



119 N. Cushman Street Suite 207
Fairbanks, Alaska 99701
(907) 456-8172
FAX (907) 451-9293

While in Session
State Capitol
Juneau, Alaska 99801-1102
(907) 465-4457
FAX (907) 465-3519

Representative John Davies
District 29

Date January 24, 2002

To: Senator Gene Therriault, Chair *Gene*
Senate State Affairs Committee

From: Representative John Davies *JMD*

Re: Bill Scheduling-House Bill 53 "Seismic Hazards Safety
Commission"

I am requesting that HB 53 "Seismic Hazards Safety Commission," be heard in the Senate State Affairs Committee at the earliest possible date.

HB 53 would establish the Alaska Seismic Hazards Safety Commission. The state of Alaska is on the edge of the Pacific Plate which acts like a conveyor belt, moving about six centimeters a year, the legislature needs to create a seismic commission patterned after those in other states on major fault lines. An effort needs to be made to reduce disaster potential and increase disaster preparedness, and this bill does both.

Thank you for your consideration.



FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSHB 53(MLV)
 (H) Publish Date: 3/30/01
 Dept. Affected: Natural Resources
 BRU: Minerals, Land & Water
 Component: Geological Development
 Component Number: 1031

Revision: Date/Time (Note if correction): _____
 Title: An Act establishing the Alaska Seismic Hazards Safety Commission
 Sponsor: Davies
 Requester: (H) MLV

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	1.2	1.2	1.2	1.2	1.2	1.2
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	1.2	1.2	1.2	1.2	1.2	1.2

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

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	1.2	1.2	1.2	1.2	1.2	1.2
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	1.2	1.2	1.2	1.2	1.2	1.2

Estimate of any current year (FY2001) cost: none

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Costs to DGGS resulting from HB53 would be for modest staff time (approximately one-half person-month per year) plus travel associated with meetings. Salary costs would be covered under an existing position in DGGS which has responsibilities in geologic hazards that are consistent with work on this commission. The travel costs indicated above (\$1,200 annually) assume two trips per year at an average cost of \$600 per trip.

Prepared by: Milton Wiltse Phone 907-451-5001
 Division: Geological & Geophysical Surveys Date/Time 01-Feb-01
 Approved by: Pat Pourchot Date 01-Feb-01
 Agency: Natural Resources

For distribution information, call the Governor's Legislative Office

Fiscal Note: DNR

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: C5HB 53(MLV)
 (H) Publish Date: 3/30/01

Revision Date/Time (Note if correction): _____ Dept. Affected: Office of the Governor
 Title: "An Act establishing the Alaska Seismic Hazards Safety Commission." BRU: Commissions and Special Offices
 Sponsor: Representatives Davies, Hudson, Kertt Component: Seismic Hazards Safety Commission
 Requester: HSCMVA 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	18.0	13.4	13.4	13.4	13.8	13.8
Travel	7.0	7.0	7.0	7.0	7.0	7.0
Contractual	8.0	8.0	8.0	8.0	8.0	8.0
Supplies	0.5	0.5	0.5	0.5	0.5	0.5
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	33.5	28.9	28.9	28.9	29.3	29.3

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

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	33.0	28.4	28.4	28.4	28.8	28.8
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	33.5	28.9	28.9	28.9	29.3	29.3

Estimate of any current year (FY2001) cost: 0.0

POSITIONS

Full-time						
Part-time	1	1	1	1	1	1
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Fiscal note assumes 1/4 time clerical staff to support commission activity as technical support needs will be met by existing staff in Department of Natural Resources; quarterly commission meetings -- 2 face-to-face and 2 teleconferenced. Travel costs reflect estimated meeting costs for 9 total commission members and one staff. Contractual reflects estimated postage, communication, advertising, and teleconference costs.

Fiscal note assumes existing departmental office space/equipment will be available for use by the part-time clerical staff position.

Prepared by: Michael A Nizich/man
 Division: Administrative Services
 Approved by: David Ramseur
 Agency: Office of the Governor

Phone 465-3876
 Date/Time 1/30/01 12:30 PM
 Date 01/30/2001

For distribution information, call the Governor's Legislative Office

CS FOR HOUSE BILL NO. 53(STA)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

Offered: 4/25/01
Referred: Finance

Sponsor(s): REPRESENTATIVES DAVIES, Hudson, Kerttula, Green, Foster, James

A BILL
FOR AN ACT ENTITLED

1 **"An Act establishing the Alaska Seismic Hazards Safety Commission."**

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

3 *** Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
4 to read:

5 **FINDINGS.** The legislature finds that

6 (1) although the state has made significant improvements in disaster
7 preparedness since the great earthquake of 1964, there has been little corresponding
8 improvement in measures to reduce the disaster potential of major earthquakes and,
9 consequently, to reduce dependence on disaster relief;

10 (2) there is a pressing need to provide a consistent policy framework and a
11 means for continuing coordination of programs and public safety practices related to seismic
12 hazards at all governmental levels and in the private sector; this need is not being addressed
13 by any continuing state government organization;

14 (3) through concerted efforts coordinated by a Seismic Hazards Safety
15 Commission, the state can make long-term progress toward mitigating the effects of seismic

1 hazards on persons and property, thereby reducing the costs of responding to and recovering
2 from major earthquakes.

3 * **Sec. 2.** AS 44.19 is amended by adding new sections to read:

4 **Article 13. Alaska Seismic Hazards Safety Commission.**

5 **Sec. 44.19.635. Commission established; membership.** (a) The Alaska
6 Seismic Hazards Safety Commission is established in the Office of the Governor. The
7 Office of the Governor shall provide staff support to the commission.

8 (b) The commission is composed of nine members appointed by the governor
9 for terms of three years. A member holds office until a successor is appointed. A
10 vacancy is filled for the unexpired term.

11 (c) The governor shall appoint to the commission

12 (1) a representative from the University of Alaska;

13 (2) a representative from local government;

14 (3) a representative from the Department of Natural Resources;

15 (4) a representative from the Department of Military and Veterans'
16 Affairs;

17 (5) a representative from an appropriate federal agency;

18 (6) a representative of the insurance industry; and

19 (7) three members from members of the public who are expert in the
20 fields of geology, seismology, hydrology, geotechnical engineering, structural
21 engineering, emergency services, or planning.

22 (d) The commission shall elect annually from its members a chair and vice-
23 chair. A majority of the commission may vote to replace an officer of the
24 commission.

25 (e) Six members constitute a quorum.

26 (f) Members of the Alaska Seismic Hazards Safety Commission serve without
27 compensation but are entitled to per diem and travel expenses authorized for boards
28 and commissions under AS 39.20.180.

29 **Sec. 44.19.637. Powers and duties.** (a) The commission shall

30 (1) recommend goals and priorities for seismic hazard mitigation to the
31 public and private sectors;

1 (2) recommend policies to the governor and the legislature, including
2 needed research, mapping, and monitoring programs;

3 (3) offer advice on coordinating disaster preparedness and seismic
4 hazard mitigation activities of government at all levels, review the practices for
5 recovery and reconstruction after a major earthquake, and recommend improvements
6 to mitigate losses from similar future events;

7 (4) gather, analyze, and disseminate information of general interest on
8 seismic hazard mitigation;

9 (5) establish and maintain necessary working relationships with other
10 public and private agencies;

11 (6) review predictions and warnings issued by the federal government,
12 research institutions, and other organizations and persons and suggest appropriate
13 responses at the state and local levels; and

14 (7) review proposed seismic hazard notifications and supporting
15 information from state agencies, evaluate possible socioeconomic consequences,
16 recommend that the governor issue formal seismic hazard notifications when
17 appropriate, and advise state and local agencies of appropriate responses.

18 (b) The commission may

19 (1) advise the governor and the legislature on disaster preparedness
20 and seismic hazard mitigation and on budgets for those activities and may recommend
21 legislation or policies to improve disaster preparedness or seismic hazard mitigation;

22 (2) conduct public hearings;

23 (3) appoint committees from its membership and appoint external
24 advisory committees of ex-officio members; and

25 (4) accept grants, contributions, and appropriations from public
26 agencies, private foundations, and individuals.

27 **Sec. 44.19.639. Definitions.** In AS 44.19.635 - 44.19.639,

28 (1) "commission" means the Alaska Seismic Hazards Safety
29 Commission;

30 (2) "disaster preparedness" means establishing plans and programs for
31 responding to and distributing funds to alleviate losses from a disaster as defined in

1 AS 26.23.900;

2 (3) "seismic hazard mitigation" or "mitigation" mean activities that
3 prevent or alleviate the harmful effects of seismic hazards to persons and property,
4 including identification and evaluation of the seismic hazards, assessment of the risks,
5 and implementation of measures to reduce potential losses before a damaging event
6 occurs.

7 * Sec. 3. AS 44.66.010(a) is amended by adding a new paragraph to read:

8 (20) Alaska Seismic Hazards Safety Commission (AS 44.19.635) --
9 June 30, 2005.

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

12 INITIAL TERMS. Notwithstanding AS 44.19.635, enacted by sec. 2 of this Act, three
13 initial members of the Alaska Seismic Hazards Safety Commission shall serve terms of two
14 years, and three initial members shall serve terms of four years.

15 * Sec. 5. The uncodified law of the State of Alaska is amended by adding a new section to
16 read:

17 CONSTRUCTION. This Act is not intended to transfer to the Alaska Seismic
18 Hazards Safety Commission the authorities and responsibilities of other state agencies,
19 boards, councils, or commissions or of local governments.



March 14, 2001
W.O. D00001

The Honorable John Davies
House of Representatives
State Capitol Building
Room 422
Juneau, Alaska 99801-1182

Subject: House Bill 53
Alaska Seismic Hazards Safety Commission

Dear John:

As a practicing civil engineering in the State of Alaska, I wholeheartedly support HB 53 pertaining to the establishment of a state Seismic Hazards Safety Commission. I have been practicing my profession in Alaska for over 25 years. My technical specialties are geotechnical engineering and earthquake engineering, so I routinely deal with the problems associated with seismic hazards and their mitigation throughout the state. Moreover, I have been a member of the Municipality of Anchorage Geotechnical Advisory Commission (GAC) for over 20 years (currently Vice-Chairman). In that role, my fellow commissioners and I have routinely advised the Municipality regarding identification and mitigation of seismic hazards in Anchorage.

Although major earthquakes seemingly are "rare" events, their consequences literally can be disastrous, as was demonstrated by the 1964 great Alaska earthquake. Because of the damage and loss of life that occurred in Anchorage in 1964, and due to the concerns of local engineers and earth scientists, Anchorage established the Geotechnical Advisory Commission to advise our local government officials and citizens about earthquake hazards that can affect our community. The GAC generally has been the only real resource in those matters Anchorage has been able to rely upon consistently and effectively through the years. I believe the commission has had a positive effect on how our community has developed, and how it has taken appropriate steps to mitigate the seismic hazards with which we must live. Most of these efforts have been, and continue to be, through identification and mapping of the local hazards, and recommending mitigation measures to preserve life safety and to minimize economic impacts when the next major quake impacts our city.

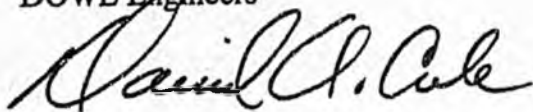
Recent earthquakes in California and the February 28, 2001, earthquake near Seattle underscore the consequences even moderate earthquakes can have in urban areas. Moreover, the benefits to a community of understanding regional and local seismic issues and taking steps to mitigate the associated hazards were clearly demonstrated again during the Nisqually (Seattle) earthquake.

I believe it is imperative that the State Legislature of one of the most seismically active regions in the world establish a statewide Seismic Hazard Safety Commission to help its citizens and those responsible for their general well being understand the seismic environment in which they live, and how best to deal with the hazards that can affect them.

The Honorable John Davies
House of Representatives
March 14, 2001
Page 2

John, I applaud your sponsorship of this bill and give it my full support. If there is anything else I can do for you in this matter, please feel free to call me.

Sincerely,
DOWL Engineers

A handwritten signature in black ink, appearing to read "David A. Cole". The signature is fluid and cursive, with the first name "David" being the most prominent.

David A. Cole, P.E.
Project Manager

D00001.RepDavies.DAC.031401.mas


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Preparedness](#)
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Reducing Earthquake Losses Throughout the United States

Seismic Maps Foster Landmark Legislation

When a powerful earthquake strikes an urban region, damage concentrates not only near the quake's source. Damage can also occur many miles from the source in areas of soft ground. In recent years, scientists have developed ways to identify and map these areas of high seismic hazard. This advance has spurred pioneering legislation to reduce earthquake losses in areas of greatest hazard.

Television cameras broadcasting the start of the 1989 World Series instead recorded the urban devastation from a major earthquake striking Northern California. Four hours after the earthquake struck, homes in San Francisco's prosperous Marina District still burned out of control from fires started by broken gas lines; the shock severely damaged or destroyed 70 residential buildings in the district. Across San Francisco Bay in Oakland, the collapse of the double-decker Cypress freeway structure trapped more than 160 people, 42 of whom died.

Both of these grim spectacles from the magnitude 7.1 Loma Prieta, California, earthquake occurred more than 50 miles from the temblor's source in areas underlain by soft soil (loose sediment, uncompacted fill, and mud). In contrast, structures built on rock and firm soil, which underlie most of San Francisco and Oakland, were largely unscathed. Near the earthquake's epicenter, however, shaking was violent enough to cause considerable damage even in areas underlain by rock and firm soil.



(Click on image for a full size version - 101K)

Buildings constructed on uncompacted fills and soft soils are especially vulnerable to earthquake shaking damage. In this photo, taken four hours after the 1989 Loma Prieta, California, earthquake had struck, homes in San Francisco's Marina District still burn out of control from fires started by broken gas lines. The district was built on artificial fill that included rubble from the great quake of 1906. Scientists can identify areas where such shaking damage is likely to be especially severe. (Photo by Martin Klimek, Marin

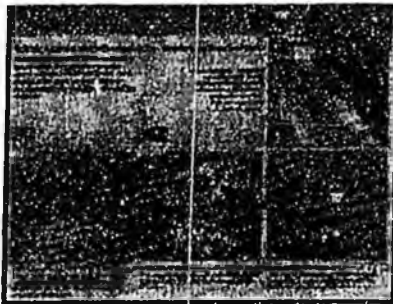
Independent Journal.)

This localization of severe shaking and damage was no surprise. It had been noted in previous San Francisco-area earthquakes, as early as 1868. Only after the devastating 1964 magnitude 9.2 Alaska earthquake, however, did the nation direct much attention toward understanding and mapping earthquake hazards. In the late 1960's, the U.S. Geological Survey (USGS) launched a program to develop methods for identifying and mapping areas of potential earthquake hazard.

An early product of this program was a series of maps showing the locations of active segments of the San Andreas Fault in California. These maps demonstrated the feasibility of identifying faults that might rupture the ground surface in future earthquakes. This capability led to new strategies to reduce losses from such ruptures. In 1972, the California Legislature passed a landmark law requiring the

identification of seismic-hazard zones along faults. In these zones, special geologic studies are required before structures can be built for human occupancy. This law has successfully prevented homes, schools, and offices from being built across active faults.

The major cause of earthquake damage, however, is strong ground shaking, not the rupture of the ground surface by faulting. Strong shaking damages or collapses weak structures over wide areas. It also triggers ground failures (fracturing, sliding, and slumping), which in turn damage or destroy structures and disrupt utility and transportation systems. In the mid-1970's, the USGS published an innovative map of the ground-shaking hazard for part of the San Francisco Bay region. This map was used by local and regional government bodies to develop seismic safety policies. The map predicted that shaking on soft ground would be several times as intense as that on nearby rock. Some engineers and scientists were skeptical of these predictions, but records of strong shaking and patterns of damage in the 1989 Loma Prieta earthquake verified the predictions. The map had correctly showed the Marina District and the area of the Cypress freeway structure as being subject to violent shaking during earthquakes.



(Click on image for a full size version - 83K)

Seismic hazard maps further legislation to reduce earthquake losses: This map sequence illustrates the shaking hazard in San Francisco for a possible repeat of the great 1906 earthquake. Such maps provide information essential for developing effective seismic safety policies and laws.

1-Effect of distance on shaking: Expected ground shaking on bedrock decreases rapidly with increasing distance from the San Andreas Fault, from very violent (red) to moderate (green).

2-Effect of ground type on shaking: The capability of ground type to amplify shaking varies from very high for mud and uncompacted fill, to moderate for sandy soil, to low for soft rock, and to none for hard rock.

3-Expected ground shaking: This map combines information from Maps 1 and 2 to show expected shaking levels throughout San Francisco.

4-Areas of most intense shaking: This map, derived from Map 3, shows in red the areas of most intense shaking where efforts to reduce earthquake losses should be focused.

Faced with the disastrous losses from the Loma Prieta shock, the California Legislature realized that stronger measures were needed to combat earthquake hazards. In 1990, the Legislature passed the California Seismic Hazards Mapping Act to assist cities and counties in protecting public health and safety against such hazards. This law requires the State Geologist to make maps of seismic hazard zones, identifying areas prone to violent shaking and ground failure. It also requires that evaluation of these potential hazards precede approval of construction projects within defined hazard zones and that buyers of real estate be notified when the property lies within such a zone. This act builds on the success of both the 1972 law and the early maps of predicted ground shaking.



(Click on image for a full size version - 72K)

Experience in many states reveals that seismic hazard maps serve diverse audiences. Users of these maps include buyers and owners of real estate, geotechnical consultants and engineers, financial institutions, utility and transportation companies, emergency managers, and government planners.

Mapping seismic hazards is especially important in urban areas of earthquake-prone regions of the United States. Such areas have large populations and huge investments in structures and lifelines that are at risk from earthquakes. Potential losses from future urban earthquakes are staggering. For example, a repeat of the 1886 Charleston, South Carolina, earthquake today would cause an estimated 2,000

fatalities and \$5 billion of damage. In the central Mississippi Valley region, projected losses from a repeat of an 1811 earthquake are 6,000 lives and \$50 billion of damage.

Crucial to reducing these potential losses is sound geologic knowledge leading to effective seismic safety policies and legislation.

Roger D. Borchardt, Robert B. Brown, Robert A. Page, Carl M. Wentworth, and James W. Hendley II

COOPERATING AGENCIES, COMPANIES, AND INSTITUTIONS

Association of Bay Area Governments California Division of Mines and Geology City of San Francisco

For more information contact:

Earthquake Information Hotline (415) 329-4085

U.S. Geological Survey, MS 977

345 Middlefield Road, Menlo Park, CA 94025

[USGS Menlo Park Earthquakes Home Page](#)

U.S. Geological Survey Fact Sheet-097-95, March 1995

Web page by [Will Prescott](#) - 1996 April 9



Existing Seismic Safety Advisory Boards

Arizona

Arizona Council for Earthquake Safety
Arizona Department of Emergency and
Military Affairs
Division of Emergency Services
5636 E. McDowell Rd.
Phoenix, AZ 85008
Phone: (602) 231-6238
Fax: (602) 231-6231

Arkansas

Arkansas Earthquake Advisory Council
Arkansas Office of Emergency Services
P.O. Box 758
Conway, AR 72032-0758
(501) 329-5601
Fax: (501) 327-8047

California

Seismic Safety Commission
1900 K St., Ste. 100
Sacramento, CA 95814
(916) 322-4917
Fax: (916) 322-9476

Central United States Earthquake Consortium (CUSEC)

Central United States Earthquake Consortium
2630 E. Holmes Rd.
Memphis, TN 38118
(901) 345-0932
Fax: (901) 345-0998

Hawaii

Hawaii State Earthquake Advisory Board
Office of the Director of Civil Defense
3949 Diamond Head Road
Honolulu, HA 96816-4495
(808) 734-2161
Fax: (808) 737-4150

Illinois

Illinois Earthquake Advisory Board
Illinois Emergency Services & Disaster Agency
110 East Adams St.
Springfield, IL 62706
(217) 782-4448

Indiana

Indiana Seismic Safety Advisory Board
Indiana State Emergency Management Agency
IN GOVT CTR S/302 W. Washington St.
E208
Indianapolis, IN 46204
(317) 232-3986
FAX (317) 232-3895

Kentucky

Governor's Earthquake Hazards & Safety Technical Advisory Panel
Kentucky Division of Div. of Disaster & Emergency Services
EOC Building, Boone Center
Frankfort, KE 40506
(502) 564-8611

Mississippi

Mississippi Seismic Advisory Panel
Mississippi Emergency Management Agency
P.O. Box 4501, Fondren Station
Jackson, MS 39216
(601) 352-9100

Missouri

Missouri Earthquake Hazard Mitigation Panel
Missouri Emergency Management Agency
P.O. Box 116
Jefferson City, MO 65102
(314) 751-9779
FAX (314) 634-7966

Nevada

Nevada Seismic Safety Council
Division of Emergency Management
Capitol Complex
2525 South Carson St.
Carson City, NV 89710
(702) 687-4240
Fax: (702) 687-6788

New England States Earthquake Consortium (NESEC)

New England States Earthquake Consortium
501 Islington St
Portsmouth, NH 03801
(603) 430-9876
Fax: (603) 430-9875

Oregon

Oregon Seismic Safety Policy Advisory
Committee
595 Cottage St. NE
Salem, OR 97310
(503) 378-2903
Fax: (503) 588-1378

Puerto Rico

Comision de Seguridad Contra
Terremotos
Pda. 3 1/2 Ave. Munoz Rivera
Pta. de Tierra Apartado Correo 5887
San Juan, PR 00906
(809) 722-8784
Fax: (809) 725-0350

South Carolina

South Carolina Seismic Safety Consortium
Dept. of Civil Engineering
The Citadel
Charleston, SC 29401
(803) 797-4208

**Southeastern United States Seismic
Safety Consortium**

Southeastern United States Seismic Safety
Consortium
Dept. of Civil Engineering
The Citadel

Charleston, SC 29401
(803) 797-4208

Tennessee

Tennessee Seismic Safety Advisory Panel
Tennessee Emergency Management
Agency
Tennessee EOC
3041 Sidco Dr.
Nashville, TN 37204-1502
(615) 252-3311

Utah

Utah Earthquake Advisory Board
University of Utah Seismograph Stations
705 W. C. Browning Bldg.
Salt Lake City, UT 84112
(801) 581-6274
Fax: (801) 581-7065

Washington

Washington State Seismic Safety Advisory
Committee
Washington State Dept. of Natural
Resources
Geology & Earth Resources Division
P.O. Box 47007
Olympia, WA 98504-7007
(206) 902-1000
Fax: (206) 902-1785

Earthquakes in Alaska

Pre-1944 Earthquake
 Post-1944 Earthquake
 Earthquake Magnitude

- 6.0 - 6.9
- 7.0 - 7.9
- 8.0 - 8.4
- 8.5 - 8.9
- 9.0 or larger

1964 Earthquake rupture zone and date of most recent rupture

Active and potentially active faults

Earthquake risk is high in much of the southern half of Alaska, but it is not the same everywhere. This map shows the overall geologic setting in Alaska that produces earthquakes. The Pacific plate (dashed line) is sliding northwest past southeastern Alaska and then slides beneath the North American plate (light blue, north and west) in southern Alaska. On Alaska Peninsula, and the Aleutian Islands. Most earthquakes are produced where these two plates come into contact and slide past each other. Major earthquakes also occur throughout much of interior Alaska as a result of stresses generated at the plate boundary.

There have been three magnitude-7 earthquakes within 50 miles of Fairbanks in the last 50 years.

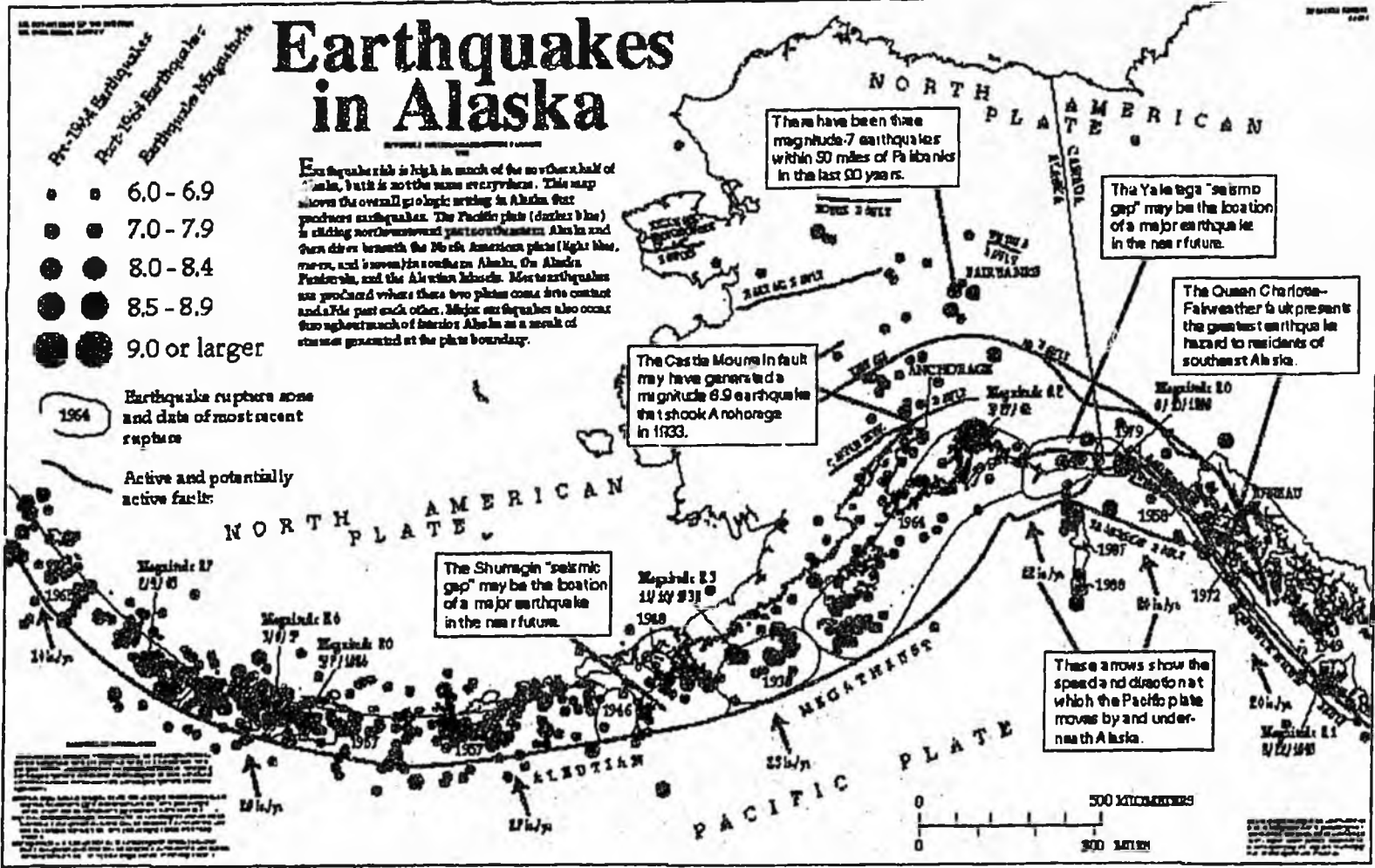
The Yakutat "seismic gap" may be the location of a major earthquake in the near future.

The Queen Charlotte-Fairweather fault presents the greatest earthquake hazard to residents of southern Alaska.

The Castle Mountains fault may have generated a magnitude 8.9 earthquake that shook Anchorage in 1933.

The Shumagin "seismic gap" may be the location of a major earthquake in the near future.

These arrows show the speed and direction at which the Pacific plate moves by and underneath Alaska.



Earthquakes Map

Alaska State Legislature

Legislative Committees:
House Finance Committee

119 N. Cushman Street Suite 207
Fairbanks, Alaska 99701
(907) 456-8172
FAX (907) 451-9293

Legislative Budget Subcommittees:
University of Alaska
Department of Natural Resources
Department of Environmental Conservation

While in Session
State Capitol
Juneau, Alaska 99801-1182
(907) 465-4457
FAX (907) 465-3519

Representative John Davies

District 29

SPONSOR STATEMENT

House Bill 53

“An act establishing the Alaska Seismic Hazards Safety Commission”

A Seismic Hazards Safety commission needs to be established to address the pressing need to provide a consistent policy framework and a means for ongoing coordination of programs and public safety practices related to seismic hazards. Currently this need is not being addressed by any continuing state government organization. The seismic Hazard Safety Commission would encourage long-term progress toward mitigating the effects of earthquakes.

Alaska is on the edge of the Pacific Plate, which acts like a relentless conveyor belt, moving about six centimeters a year. It is inevitable that there will be large earth quakes, the only question is when will they occur, not if they will occur. Although the state has made great improvements in disaster preparedness there has been little corresponding improvement in measures to reduce the disaster potential of major earthquakes and, consequently, to reduce dependence on disaster relief. Creating a seismic commission patterned after those in California, Oregon, Washington and other states on major fault lines will help address the issues. If you prepare for a major earthquake ahead of time and prepare appropriately, when the earthquake does occur less damage will result, less lives will be lost and the cost of recovery will be less.

Through ten years of experience as state seismologist I have extensive knowledge in this subject area. I have first hand experience with the difficulty if coordinating earthquake information for the university and state, federal, and municipal governments. Anchorage does have an active geo-tech advisory commission, but the state needs to strengthen that work while



broadening efforts throughout the state. A Seismic Safety Hazards Commission can provide that strength.

The scientific community is working hard on earthquake prediction, but it is not yet a reality, except in the most general sense. We can predict in a probabilistic way where earthquakes are likely to occur so we can focus resources in those areas, but in terms of knowing the date and time of occurrence of earthquakes we will not have that information for some time, if ever.

The state can mitigate possible effects of earthquakes by encouraging appropriate land use and building design so it can reduce loss of life and property, as well as the costs of recovery when earthquakes occur. It costs a lot of money to rebuild after a large earthquake and, of course there is no way to replace lost lives; so it is clearly worth spending some time and money before earthquakes occur to prepare for them. If mitigation efforts are undertaken at the time a building or subdivision is in the planning stages, the costs are relatively minor compared to retrofit or rebuilding. This commission would help our state be better prepared.

Members of the commission would be appointed by the governor to represent the university and governmental agencies, as well as members of the public who are knowledgeable in earthquake hazard mitigation. The commission would recommend to the public and governmental sector goals and priorities for reducing earthquake effects. The commission may accept grant contributions and appropriations from public agencies, private foundations, and individuals. The authority and responsibilities of other state agencies, boards, councils, commissions or local governments are not intended to transfer to the Alaska Seismic Hazards Safety Commission.

HB

67

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

website: <http://www.akrepublicans.org/Rokeberg.htm>



INTERIM:
716 WEST 4TH AVENUE, SUITE 350
ANCHORAGE, AK 99501
PHONE: (907) 269-0117
FAX: (907) 269-0119

SESSION:
ALASKA STATE CAPITOL
JUNEAU, AK 99801-1182
PHONE: (907) 465-4968
FAX: (907) 465-2040

Representative Norman Rokeberg

e-mail: Representative_Norman_Rokeberg@legis.state.ak.us

MEMORANDUM

TO: Senator Gene Therriault, Chairman
Senate State Affairs Committee

FROM: Representative Norman Rokeberg

DATE: May 5, 2001

RE: CSHB 67 (JUD)

A handwritten signature in black ink, appearing to read "Norman Rokeberg".

Please schedule CSHB 67 (JUD) for a hearing before your committee.

Attached are the following:

1. CSHB 67 (JUD)
2. Fiscal Note
3. Sponsor Statement
4. Sectional Analysis
5. Chart showing current status of taxicab liability insurance minimums in various areas of Alaska

Thank you for your consideration of this request.

FISCAL NOTE

**STATE OF ALASKA
2001 LEGISLATIVE SESSION**

Fiscal Note Number: 2
 Bill Version: CSHB 67(JUD)
 (H) Publish Date: 4/20/01

Revision Date/Time (Note if correction): _____ Dept. Affected: Administration
 Title: "An Act relating to motor vehicle liability insurance for taxicabs..." BRU: Motor Vehicles
 Sponsor: Representative Rokeburg Component: _____
 Requester: House Judiciary Component Number: 2348

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

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

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

FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
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

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

CSHB 67(JUD) has no impact on the Division of Motor Vehicles.

Prepared by: Mary Marshburn, Director Phone 269-5559
 Division: Motor Vehicles Date/Time 04/05/01
 Approved by: Jim Duncan, Commissioner Date 4/5/01
 Agency: Department of Administration

For distribution information, call the Governor's Legislative Office

ALASKA STATE LEGISLATURE

House of Representatives

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

website: <http://www.akrepublicans.org/Rokeberg.htm>



INTERIM:
716 WEST 4TH AVENUE, SUITE 350
ANCHORAGE, AK 99501
PHONE: (907) 269-0117
FAX: (907) 269-0119

SESSION:
ALASKA STATE CAPITOL
JUNEAU, AK 99801-1182
PHONE: (907) 465-4968
FAX: (907) 465-2040

Representative Norman Rokeberg

e-mail: Representative_Norman_Rokeberg@legis.state.ak.us

SPONSOR STATEMENT

CSHB 67 (JUD)

An Act relating to motor vehicle liability insurance for taxicabs.

CSHB 67 (JUD) places in state statute minimum liability insurance limits for taxicabs of:

**\$100,000 for bodily injury or death of one person in one accident;
\$300,000 for bodily injury or death of two more persons in one
accident; and \$50,000 for injury to or destruction of property of
others in one accident.**

This minimum would in no way interfere with the ability of the local government to establish higher minimums to operate in a local area; it just sets a floor for statewide levels. Prudent business practice, and some local laws, already call for liability policies but this would make sure that all Alaskans have a reasonable expectation that the cab they are utilizing is covered by minimum insurance.

Your support of this legislation would be appreciated.

ED3:04/20/2001

ALASKA STATE LEGISLATURE

House of Representatives

COMMITTEE ASSIGNMENTS:

JUDICIARY COMMITTEE, CHAIRMAN
LABOR & COMMERCE COMMITTEE, MEMBER
LEGISLATIVE COUNCIL, MEMBER
SPECIAL COMMITTEE ON ECONOMIC DEVELOPMENT &
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website: <http://www.akrepublicans.org/Rokeberg.htm>



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PHONE: (907) 465-4968
FAX: (907) 465-2040

Representative Norman Rokeberg

e-mail: Representative_Norman_Rokeberg@legis.state.ak.us

SECTIONAL ANALYSIS CSHB 67 (JUD)

An Act relating to motor vehicle liability insurance for taxicabs

- Section 1:** Amends AS 28.20.440(b)(2) to reflect new subsection on liability insurance for taxicabs.
- Section 2:** Amends 28.22.101(d) to reflect new subsection on liability insurance for taxicabs.
- Section 3:** Adds new subsection to 28.22.101 to require minimum liability insurance for taxicabs:

\$100,000 for bodily injury to or death of one person in one accident;
\$300,000 for bodily injury to or death of two or more persons in one accidents; and
\$50,000 because of injury to or destruction of property of others in one accident.

ED1:04/23/01

HB

96

FRANKLIN & ASSOCIATES

Consulting Engineers

225 East Frawley Lane
Suite 202
Anchorage, Alaska 99503-2080
(907) 277-1631
(907) 277-2939 FAX

September 28, 1999

Mr. Dale R. Lindsey
President/CEO
Petro Marine Services
234 Fourth Avenue
Seward, Alaska 99664-0389

Re: Job No. 99-049
Jesse Lee Home
Seward, Alaska

Dear Mr. Lindsey:

At your request I visited the subject complex to observe and comment on the condition of the structure and to form a preliminary opinion as to the feasibility of rehabilitating and reoccupying the complex. The structure is not occupied at this time. It is my understanding that there is interest in converting this structure into either a hotel or an office building. The following items are noted:

1. The subject complex was constructed in the 1920's as a home for orphaned boys. It was operated until 1964 when it was damaged and closed after the great Alaskan earthquake. It is divided into two buildings connected by an arcade. The west end is referred to as Jewel Guard Hall and the east building is referred to as the Balto Building. See building dimensions and photos attached. The dimensions have not been verified.
2. The structure is of wood frame with areas of one, two and three stories. The framing is typically:

Roof	-	1x board skip sheathing 2x6 at 2'-0" on center
Floors	-	wood flooring 1x board decking 2x10 at 1'-4" on center 10x10, 10x12 or 10x14 beams
Posts	-	10x10
Exterior Walls	-	1x board horizontal sheathing 2x6 studs at 1'-4" on center let-in bracing

Mr. Dale R. Lindsey
September 23, 1999
Page No. 2

Petro Marine Services
Jesse Lee Home
Seward, Alaska

Interior Walls - 2x4 studs at 1'-4" on center

Note: The framing appears to be Doug-fir. A 2x6 is typically 1-3/4" x 5-3/4". A 2x10 is typically 1-3/4" x 9-3/4".

3. The roofing is of cedar shakes applied to the 1x skip sheathing. The roofing is in poor condition. Patches are missing and the building suffers from roof leaking.
4. The interiors have been stripped to expose the framing. Where the roof is leaking the interiors have significant wood rot damage. This damage is worse in the lower floors. Portions of the floor framing have been punctured through or removed.
5. Where interior bearing walls have been removed, the floor framing has deformed.
6. The exterior wall finish is stucco placed on vertical wood lath. The stucco is cracked and in poor condition in many areas.
7. The foundation is of cast-in-place concrete. Some of the concrete exterior walls are soft. Concrete around the mechanical room area appears in relatively good condition considering its age and exposure. The reinforcing is unknown but appears light where exposed. The floor above the mechanical room is a structural concrete slab. The condition of reinforcing is unknown. Rust damage to the reinforcing should be anticipated.
8. The mechanical room has been gutted leaving the boilers and storage tanks in place with heavy rust damage.
9. The hot water piping has a draped insulation in poor condition. This insulation may contain asbestos.
10. The upper section of the concrete chimney has failed and is still on site along side the mechanical room. It was replaced with a vertical corrugated metal pipe.
11. The foundation sill plates are not treated and are rotted in many areas. The anchor bolts are unknown and vary in size where observed. Some areas appear to have 3/4 inch diameter anchors at 4'-0" on center and some areas have 3/4 inch diameter anchors at 6'-0" on center.

This structure has been gutted and abandoned and is in poor condition. The lateral load capacity of the existing structure is minimal. Considering the work effort that

would be required to re-occupy the building and considering the condition of the roof and interior framing, it is my opinion that this structure should be considered unstable. In an effort to reconstruct this building I would anticipate the following general efforts would be required:

- A. Remove and replace the roof framing with manufactured wood trusses and plywood sheathing.
- B. Reinforce all the tall walls as required.
- C. Remove and replace all rot damaged wood.
- D. Remove all exterior stucco and board sheathing and replace with plywood sheathing as required. Provide full blocking for all shear walls.
- E. Replace interior bearing walls where removed.
- F. Replace floors where removed or damaged. Reinforce floors as required.
- G. Replace all sill plates on concrete walls with treated wood plated and anchor bolts as required by design.
- H. Review all concrete structures for condition and capacity. Reinforce as required.
- I. Provide environmental abatement as required.

In addition, all architectural, mechanical and electrical work would be required as new.

The Jesse Lee Home has been granted historical status by the City of Seward. This will provide some relief to the structural requirements of the current version of the Uniform Building code but it does limit the changes that can be incorporated in the building. Considering its condition, a significant engineering effort would be required to establish the required structural capacity of the building. If the building is used as an office, additional load capacities are required. Rebuilding the subject structure will require a substantial work and material effort involving all of the basic structural components and will be a relatively expensive undertaking.

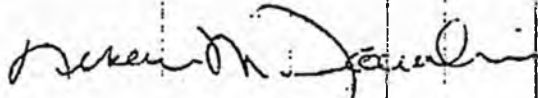
This report is limited by a single site visit and surface observation only. No testing or structural calculations have been performed. Other information on the complex is known to be available but has not been reviewed.

Mr. Dale R. Lindsey
September 28, 1999
Page No. 4

Petro Marine Services
Jesse Lee Home
Seward, Alaska

I have formed no opinions other than those stated in this report. I hope this discussion is adequate for your use at this time. If you have any questions or if I can be of further help in this matter, please do not hesitate to call.

Sincerely,

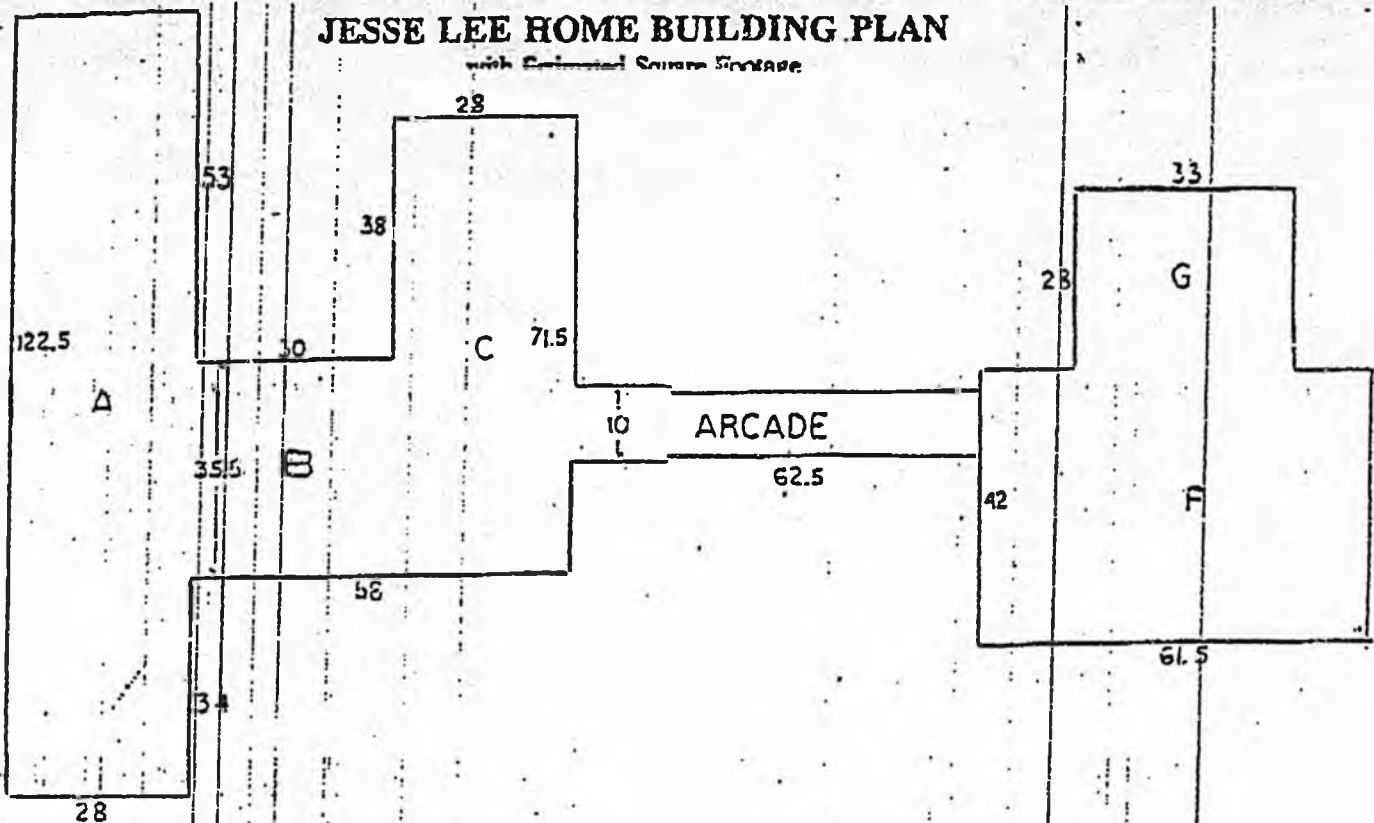


Nelson M. Franklin, PE

Attachments:
Building Dimensions
Photos

JESSE LEE HOME BUILDING PLAN

with Estimated Square Footage



Following is a square footage breakdown for the structure:

Area A	Basement	28' x 34' =	952	
	1st	28' x 70.5' + gym 28' x 52' =	3,430	
	2nd	28' x 68' =	1,904	
	Attic	15' x 122.5' =	1,838	
	TOTAL AREA A			8,124 SF
Area B	Basement	30' x 35.5' =	1,065	
	1st	30' x 35.5' =	1,065	
	2nd	30' x 35.5' =	1,065	
	Attic	30' x 20' =	600	
	TOTAL AREA B			3,795 SF
Area C	Basement	28' x 30' =	840	
	1st	28' x 71.5' =	2,002	
	2nd	28' x 34' =	952	
	Attic	28' x 34' =	952	
	TOTAL AREA C			4,746 SF
Stairs and Arcade:				530 SF
Area G	Basement	33' x 28' =	924	
	1st	33' x 28' =	924	
	2nd	18' x 28' =	504	
	TOTAL AREA G			2,352 SF
Area F	Basement	42' x 61.5' =	2,583	
	1st	42' x 61.5' =	2,583	
	2nd	42' x 61.5' =	2,583	
	TOTAL AREA F			7,749 SF
	TOTAL GROSS BUILDING AREA			<u>27,296 SF</u>

Alaska State Legislature

SESSION ADDRESS:
State Capitol
Juneau, Alaska 99801-1182
Phone (907) 465-2693
Toll Free 800-463-2693
Fax 907-465-3835

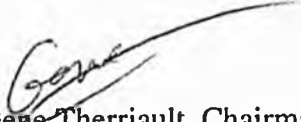



INTERIM ADDRESS:
35477 Suite 101-B Spur Hwy
Soldotna, Alaska 99669
Phone 907-260-5236
Fax 907-260-3044

Representative Ken Lancaster District 8

April 30, 2001

MEMORANDUM

To:  Senator Gene Therriault, Chairman
Senate State Affairs

From:  Representative Ken Lancaster

Subject: House Bill 96 "An Act relating to acquisition and development of the Jesse Lee Home"

I would like to request that House Bill 96 get a hearing in your State Affairs Committee as soon as possible. I do not know if your committee is still meeting, but if so I would like to have this bill scheduled. I have attached the information necessary for a hearing.

If you have any questions, please let me know.

E-Mail: Representative_Ken_Lancaster@legis.state.ak.us

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Juneau, Alaska 99801-1182
Phone (907) 465-2693
Toll Free 800-463-2693
Fax 907-465-3835

INTERIM ADDRESS:
35477 Suite 101-B Spur Hwy
Soldotna, Alaska 99669
Phone 907-260-5236
Fax 907-260-3044

Representative Ken Lancaster
District 8

SPONSOR STATEMENT

HOUSE BILL 96

"An Act relating to acquisition and development of the Jesse Lee Home; and providing for an effective date."

The Jesse Lee Home for Children is located in Seward, Alaska, and is rich in cultural history.

The home was listed on the National Register of Historic Places in 1995 for the critical role it played in serving the health care and educational needs of Alaska Native children orphaned during a wave of devastating epidemics. John Ben (Benny) Benson Jr. had a vision to design a symbol for Alaska while residing at the Jesse Lee Home. That vision became the Alaska State Flag.

The Jesse Lee Home site was honored as the location for the first official raising of the Alaska State flag on July 9, 1927. The home also housed American soldiers during World War II.

The intent of this legislation is to have an advisory committee determine the costs and procedures necessary for the State of Alaska to acquire, develop, and manage the Jesse Lee Home property. The Jesse Lee Home was badly damaged by the 1964 earthquake. It is hoped the property will be acquired by the State and managed in a manner that recognizes its place in the State's history because of the flag raising, and honoring Benny Benson for his role in designing the Alaska State flag.

E-Mail: Representative_Ken_Lancaster@legis.state.ak.us

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Listening to you – Getting things done.

SPONSOR STATEMENT HOUSE BILL 96

**“An Act relating to acquisition and development of the Jesse Lee Home;
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The home was listed on the National Register of Historic Places in 1995 for the critical role it played in serving the health care and educational needs of Alaska Native children orphaned during a wave of devastating epidemics. John Ben (Benny) Benson Jr. had a vision to design a symbol for Alaska while residing at the Jesse Lee Home. That vision became the Alaska State Flag.

The Jesse Lee Home site was honored as the location for the first official raising of the Alaska State flag on July 9, 1927. The home also housed American soldiers during World War II.

The intent of this legislation is to have an advisory committee determine the costs and procedures necessary for the State of Alaska to acquire, develop, and manage the Jesse Lee Home property. The Jesse Lee Home was badly damaged by the 1964 earthquake. It is hoped the property will be acquired by the State and managed in a manner that recognizes its place in the State's history because of the flag raising, and honoring Benny Benson for his role in designing the Alaska State flag.

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSHB 96(HES)
(H) Publish Date: 4/4/01

Revision Date/Time (Note if correction): _____ Dept. Affected: Natural Resources
Title: Acquiring Jesse Lee Home BRU: _____
Sponsor: Rep. Lancaster Component: _____
Requester: House HESS 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						
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)						
TOTAL	*	*	*	*	*	*

Estimate of any current year (FY2001) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Randall Lorenz, Committee Aide, HES Phone 465-3759

Representative Dyson Date 4/3/01
Committee Chair

AMERICA'S 11 MOST ENDANGERED HISTORIC PLACES 2001 NOMINATION

SITE INFORMATION

Name of Site	Jesse Lee Home for Children		
Address	1824 Phoenix Road		
City/State/Zip	Seward, AK 99664		
Date Built	1925	Ownership (choose one)	<input type="checkbox"/> Public <input checked="" type="checkbox"/> Private
Owner Name	Frank Irick		
Owner Address	4109 Lynn Drive, Anchorage, Alaska 99508		
Owner Phone	907-338-3164	Owner Fax	907-337-9797
Historic Designation (choose one)	<input type="checkbox"/> National Historic Landmark	<input checked="" type="checkbox"/> National Register	<input checked="" type="checkbox"/> State/Local Designation
	<input type="checkbox"/> National Register Eligible	<input type="checkbox"/> Other (explain)	

NOMINATOR INFORMATION

Name of individual/group nominating site	Seward Historic Preservation Commission		
Address	P.O. Box 167, Seward, Alaska 99664		
Phone	907-224-4048	Fax	907-224-4085
E-mail	planzone@seward.net		

RELEASE AUTHORIZATION

This form must be signed in order for the nomination to be considered.

The undersigned hereby gives to the National Trust for Historic Preservation a non-exclusive license to use, and to allow others to use, in whole or in part, in whatever manner the National Trust may desire, including (but not limited to) use for publicity, audiovisual presentation, and/or promotion, all photographs, videos, and other materials submitted to the National Trust in connection with America's 11 Most Endangered nomination. The National Trust is hereby given permission to make any editorial changes and/or additions to the materials referred to herein as it may deem necessary or desirable for production purposes. The undersigned hereby agrees that it has the authority to grant these rights, that it has obtained any such rights necessary from third parties, including without limitation, models, creators, photographers, writers and producers, and that it will hold harmless and indemnify the National Trust from and against any claim brought against the National Trust from third parties that may arise out of the violation of this paragraph.

Release authorized by

Rachel James
Signature

Rachel James, Planner
Print or type name and title
City of Seward

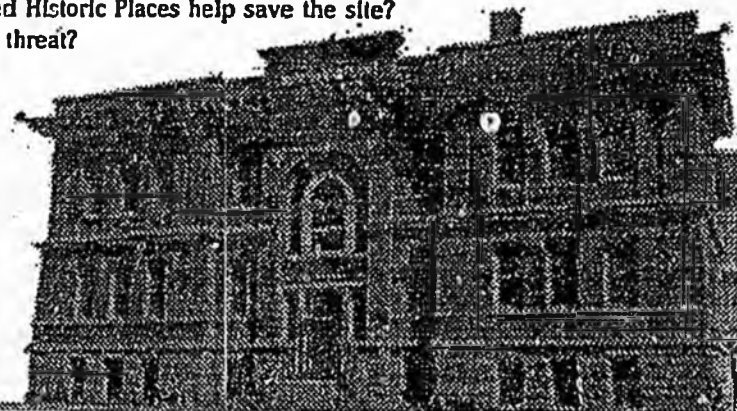
ADDITIONAL DOCUMENTS

On a separate document, please provide the following information. All questions must be answered. Also attach any supporting materials, including photographs, news articles, correspondence, etc. Please note: At least three quality 35mm slides are required.

1. Describe the site.
2. What is the site's history? Has it been nominated or been named to other lists?
3. How well known is the site? Who goes there (tourists, school children)? Is it open to the public?
4. Why is this site important? What preservation issues does it exemplify (sprawl, inner city decline, etc)? Please consider the following - how is the site unique? Why should anyone care that it is endangered?
5. Describe the threat to the site (is it due to natural disaster, poor maintenance, lack of funds, etc.)?
6. How significant is the threat (is the building about to fall, is the ship about to sink)?
7. How can the threat be eliminated (more money, change of ownership, education, legal protection, etc.)?
8. Who are the major players (are "friends of" groups, government agencies, private citizens involved)?
9. Who opposes preservation of this site?
10. How would listing this site as one of America's 11 Most Endangered Historic Places help save the site?
11. Other than listing this site, how can the National Trust alleviate the threat?
12. How has the National Trust been involved to date? What role, if any, is there for the Trust if this site is put on the list?
13. Provide any additional comments/recommendations.
14. Provide names, titles, phone/fax of all appropriate contacts.

Please submit all nomination information, along with this completed form, by **Jan. 19, 2001** to:

The National Trust for Historic Preservation
Office of Communications
1785 Massachusetts Ave., NW • Washington, DC 20036
phone (202) 588-6141 • fax (202) 588-6299 • pr@nihp.org





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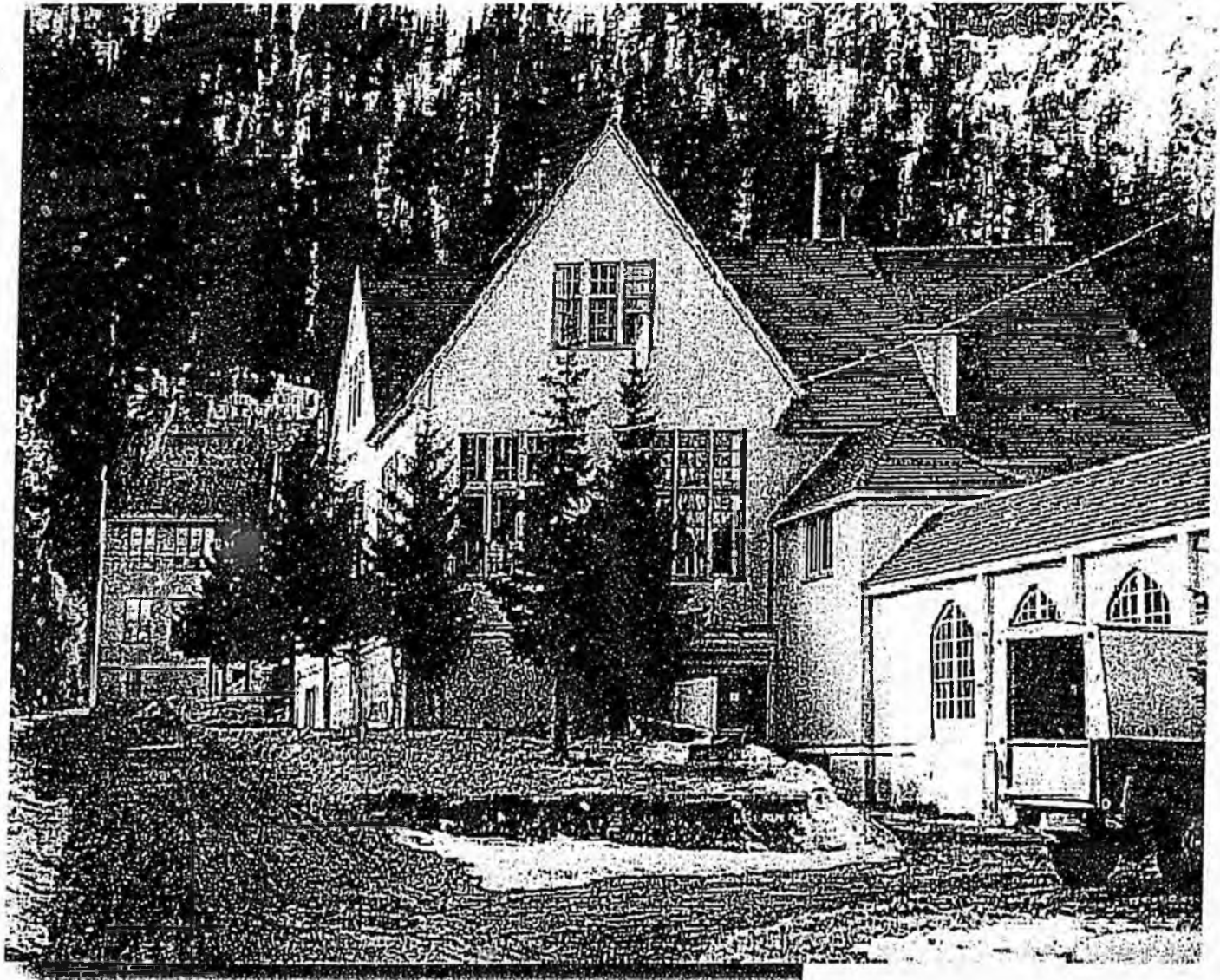
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Alaska - Seward 3 Earlier Times: Jesse Lee Home In Its Heyday

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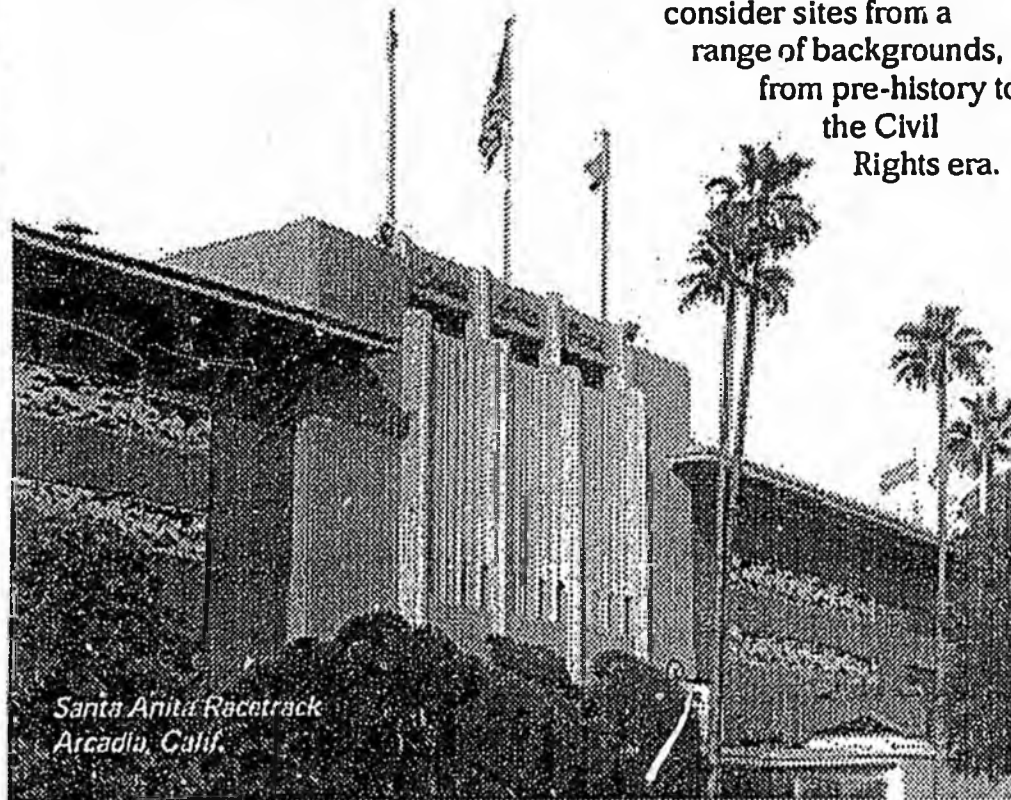


Jesse Lee Home In Its Heyday

2001 Request for Nominations

Created in 1988, America's 11 Most Endangered Historic Places is open for nominations for 2001. This is your chance to spotlight examples of American heritage threatened by neglect, deterioration, lack of maintenance, insufficient funds, inappropriate development or insensitive public policy.

Countless places are endangered. That's why you must show how your nomination is representative of other sites facing the same serious threat. We consider sites from a range of backgrounds, from pre-history to the Civil Rights era.



*Santa Anita Racetrack
Arcadia, Calif.*

**Nominations are due
no later than Jan. 19, 2001.**

Important:

- Consider contacting your National Trust Regional Office. Although the National Trust's Office of Communications maintains the list, regional staff play a key role in the decision-making process.
- **The list will be announced June 25** - so if you want attention to stop a May demolition, listing the site will not help.
- Office of Communications staff can answer your questions. Please call (202) 588-6141 or E-mail pr@nthp.org.

The National Trust for Historic Preservation is a private, nonprofit membership organization dedicated to protecting the irreplaceable. With more than a quarter million members nationwide, it provides leadership, education and advocacy to save America's diverse historic places and revitalize communities. It has six regional offices and 20 historic sites and works with thousands of local community groups in all 50 states. For more information, visit the National Trust's Web site at www.nationaltrust.org.

**JESSE LEE HOME FOR CHILDREN
AMERICA'S 11 MOST ENDANGERED HISTORIC PLACES
2001 NOMINATION**

1. Describe the Site

The Jesse Lee Home for Children has remained vacant and abandoned for nearly 40 years, yet it continues to stand, overlooking Resurrection Bay in Seward, Alaska. Although severely neglected and deteriorated, the two imposing Tudor-style buildings are a strong reminder of Seward and Alaska's history.

Jewel Guard Hall, built in 1925, was formerly a boy's dormitory with classrooms. The Balto Building built in 1936-37 housed teachers, library, theater, shops, classrooms and the physical plant.

As the surrounding residential property has seen developed with multi-family apartments and single-family homes, and the trees and brush have nearly overshadowed the site, the two remaining buildings of the Jesse Lee Home have been waiting patiently for their salvation from the ever present threat of demolition.

2. What is the sites history? Has it been nominated or named to other lists?

The historical significance of the site is based on two facts. First, the facility played a critical humanitarian role in serving health care and educational needs of Alaska's children orphaned during a devastating wave of epidemics. Secondly, the home fostered children who have distinguished themselves in a wide variety of fields. The most famous of these today is John Ben (Benny) Benson, Jr., who while residing at the Home, designed Alaska's State flag. The Jesse Lee Home in Seward was also honored as the site where the State Flag was first officially raised on July 9, 1927. The Home also housed American soldiers during World War II.

The Jesse Lee Home in Seward was one of the most prominent examples of outstanding institutional response to the massive changes that took place in Territorial Alaska during the early twentieth century. As the time the Jesse Lee Home was built in Seward in 1925, Alaska was in the midst of successive waves of epidemics and alcohol-induced disorders that devastated the Native population. Thousands of Alaska Natives died. Many others were confined in Sanitariums so that they could recover from tuberculosis. The Jesse Lee Home for Children was one of the largest and most stable institutions to care for and educate the orphaned and abandoned native children that were the result of the massive social and cultural changes that devastated great numbers of Native Alaskans.