

ALASKA LEGISLATURE COMMITTEE FILES, 2003-2004 86/2
11003 HOUSE RULES

<i>Employer</i>	<i>Lobbyist</i>	<i>Subject</i>	<i>JanFee</i>	<i>JanExp</i>	<i>FebFee</i>	<i>FebExp</i>	<i>MarchFee</i>	<i>MarchExp</i>
AK Railroad Corp.	Kubitz	Transportation	\$0.00	\$0.00	\$0.00	\$649.00	\$0.00	\$0.00
AK St. Chamber of Commerce	La Bolle	Business	\$6,667.00	\$0.00	\$6,668.00	\$0.00	\$6,668.00	\$0.00
AK St. Chamber of Commerce	Brown	Business	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AK St. Dist. Council/Laborers	Etheridge	Labor	\$200.00	\$0.00	\$500.00	\$0.00	\$500.00	\$0.00
AK Support Industry Alliance	Houle	Oil & Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$1,061.00	\$608.00
AK Telephone Assoc	Rowe	Telecommunications	\$0.00	\$0.00	\$416.00	\$0.00	\$1,300.00	\$339.00
AK Travel Industry Assoc	Peck	Tourism	\$0.00	\$0.00	\$86.00	\$0.00	\$301.00	\$775.00
AK Trailers Assoc	Kelley	Fisheries	\$1,920.00	\$0.00	\$960.00	\$0.00	\$960.00	\$0.00
AK Trucking Assoc	Dillon	Transportation	\$3,000.00	\$750.00	\$3,000.00	\$750.00	\$3,000.00	\$500.00
Allen Marine Tours, Inc.	Gorsuch	Tourism	\$0.00	\$0.00	\$0.00	\$0.00	\$525.00	\$0.00
Allen Marine Tours, Inc.	Allen	Tourism	\$0.00	\$0.00	\$0.00	\$0.00	\$1,033.00	\$309.00
Allstate Insurance Company	Mocerl	Insurance	\$0.00	\$0.00	\$480.00	\$2,600.00	\$720.00	\$1,391.00
American Heart Assoc	App	Health	\$0.00	\$0.00	\$383.00	\$610.00	\$151.00	\$0.00
American Lung Assoc of AK	Garbe	Health	\$0.00	\$0.00	\$554.00	\$341.00	\$0.00	\$0.00
American Lung Assoc of AK	Toohy	Health	\$0.00	\$0.00	\$513.00	\$230.00	\$0.00	\$0.00
Anadarko Petroleum Corp.	Hanley	Oil & Gas	\$770.00	\$812.00	\$1,155.00	\$1,621.00	\$700.00	\$747.00
ANDV&SA	Hugonin	Domestic Violence	\$165.00	\$0.00	\$385.00	\$0.00	\$494.00	\$0.00
APT	Satin	Telecommunications	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Arctic Power	Duke	Oil & Gas	\$0.00	\$0.00	\$770.00	\$1,015.00	\$1,400.00	\$800.00
ARECA	Yould	Electric Utilities	\$1,583.00	\$1,844.00	\$53.00	\$3,237.00	\$1,110.00	\$30,223.00
ASEA/AFSCME Local 52	Putman	Labor	\$0.00	\$359.00	\$4,091.00	\$0.00	\$6,884.00	\$40.00
ASH&NHA	Derr	Health	\$3,201.00	\$0.00	\$3,201.00	\$0.00	\$3,201.00	\$0.00
ASH&NHA	Fink	Health	\$1,909.00	\$0.00	\$1,909.00	\$0.00	\$1,909.00	\$0.00

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Assoc of AK School Boards	Johnson	Education	\$465.00	\$0.00	\$655.00	\$0.00	\$655.00	\$0.00
Assoc of AK School Boards	Rose	Education	\$1,375.00	\$0.00	\$1,775.00	\$0.00	\$1,775.00	\$0.00
Attorney's Title Guaranty	Wickersham	Insurance	\$1,486.00	\$1,029.00	\$1,486.00	\$0.00	\$1,486.00	\$0.00
Big Jir's Charter	Preston	Charter Issues	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BP Exploration (Alaska), Inc.	Quesnel	Oil & Gas	\$6,936.00	\$3,619.00	\$13,464.00	\$9,933.00	\$11,016.00	\$6,669.00
Catholic Community Services	Hagevig	Social Services	\$79.00	\$0.00	\$95.00	\$0.00	\$647.00	\$0.00
ChevronTexaco Corp.	Boortz	Oil & Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Chugach Electric Assoc, Inc.	Griffith	Utilities	\$0.00	\$0.00	\$1,067.00	\$0.00	\$400.00	\$1,161.00
Chugach Electric Assoc, Inc.	Thibert	Utilities	\$0.00	\$0.00	\$0.00	\$0.00	\$1,373.00	\$966.00
Chugach Electric Assoc, Inc.	Steyer	Electric Utilities	\$0.00	\$0.00	\$852.00	\$960.00	\$709.00	\$1,044.00
Conoco Phillips Alaska, Inc.	Gallagher	Oil & Gas	\$3,717.00	\$3,623.00	\$5,977.00	\$3,614.00	\$5,977.00	\$3,614.00
Conoco Phillips Alaska, Inc.	Parnell	Oil & Gas	\$2,655.00	\$2,977.00	\$3,955.00	\$5,080.00	\$4,226.00	\$6,054.00
Cordova District Fishermen	Aspelund	Fisheries	\$40.00	\$125.00	\$20.00	\$130.00	\$0.00	\$0.00
Disability Law Center of AK, Inc.	Briggs	Disability Law	\$0.00	\$0.00	\$144.00	\$0.00	\$1,050.00	\$50.00
Dobson Cellular/ Cellular One	Koehler	Telecommunications	\$0.00	\$0.00	\$231.00	\$0.00	\$0.00	\$0.00
Douglas Island Pink & Chum, Inc.	Carter	Fisheries	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DRven Corp.	Stiles	Mineral Resources	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Evergreen Resources, Inc.	Ekstrom	Oil & Gas	\$0.00	\$0.00				
ExxonMobil Corp.	Schilhab	Oil & Gas	\$0.00	\$100.00	\$0.00	\$0.00	\$1,000.00	\$853.00
ExxonMobil Corp.	Freeman	Oil & Gas	\$0.00	\$100.00	\$0.00	\$0.00	\$0.00	\$0.00
ExxonMobil Corp.	Seckers	Oil & Gas	\$0.00	\$100.00	\$2,000.00	\$949.00	\$1,000.00	\$0.00
ExxonMobil Corp.	Todd	Oil & Gas	\$3,520.00	\$2,773.00	\$7,680.00	\$6,082.00	\$3,000.00	\$7,230.00
ExxonMobil Corp.	Williams	Oil & Gas	\$150.00	\$100.00	\$800.00	\$1,623.00	\$600.00	\$1,060.00

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Forest Oil Corp.	Carlson	Oil & Gas	\$0.00	\$0.00	\$1,400.00	\$2,413.00	\$420.00	\$1,054.00
General Communication, Inc.	Tindall	Telecommunications	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
General Communication, Inc.	Warwick	Telecommunications	\$0.00	\$0.00	\$0.00	\$0.00	\$1,255.00	\$2,141.00
Household Financial Group, Ltd.	Echols	Consumer Finance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Icicle Seafoods, Inc.	Norosz	Fisheries	\$320.00	\$435.00	\$600.00	\$2,407.00	\$720.00	\$1,991.00
Kent Dawson Company	Dawson	Various	\$0.00	\$0.00	\$500.00	\$0.00	\$0.00	\$0.00
Kent Dawson Company	Schultz	Various	\$0.00	\$0.00	\$3,840.00	\$0.00	\$3,840.00	\$0.00
Marathon Oil Company	Barnes	Oil & Gas	\$0.00	\$0.00	\$234.00	\$1,360.00	\$446.00	\$1,148.00
Marathon Oil Company	Thierwechter	Oil & Gas	\$0.00	\$0.00	\$159.00	\$2,743.00	\$954.00	\$5,993.00
March of Dimes	Golden	Health	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Matanuska Electric Assoc.	Pauley	Electric Utilities	\$600.00	\$802.00	\$262.00	\$0.00	\$975.00	\$955.00
Matanuska Electric Assoc.	Babcock	Public Utilities	\$2,805.00	\$937.00	\$3,294.00	\$1,866.00	\$2,894.00	\$2,056.00
Miller Brewing Company	Hastings	Alcohol	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
National Rifle Assoc	Judy	Firearms	\$0.00	\$0.00	\$2,480.00	\$1,789.00	\$1,550.00	\$1,571.00
NCADD	Felix	Health	\$1,200.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NEA-Alaska, Inc.	Harvey	Labor/Education	\$405.00	\$0.00	\$2,670.00	\$0.00	\$1,672.00	\$26.00
NEA-Alaska, Inc.	Alcantra	Education / Labor	\$997.00	\$0.00	\$823.00	\$0.00	\$2,564.00	\$0.00
NEA-Alaska, Inc.	Kronberg	Education	\$929.00	\$0.00	\$1,300.00	\$0.00	\$511.00	\$0.00
NEA-Alaska, Inc.	Goad, Jr.	Education Funding	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Pacific Seafood Processors	Madsen	Fisheries	\$80.00	\$0.00	\$300.00	\$0.00	\$100.00	\$0.00
Pepsi Cola	Briley	Soft Drink Distribution	\$0.00	\$0.00	\$1,339.00	\$727.00	\$0.00	\$0.00
Premera Blue Cross	McRae	Health	\$94.00	\$0.00	\$94.00	\$771.00	\$188.00	\$1,209.00
Premera Blue Cross	Domeika	Health	\$225.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

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Public Safety Employees Assoc.	Fox	Retirement	\$5,533.00	\$57.00	\$5,533.00	\$84.00	\$5,533.00	\$0.00
Resource Develop Council	Owens	Resource Developme	\$895.00	\$2,703.00	\$895.00	\$161.00	\$895.00	\$161.00
Resource Develop Council	Portman	Resource Developme	\$268.00	\$54.00	\$268.00	\$154.00	\$268.00	\$54.00
Resource Develop Council	Brune	Resource Developme	\$408.00	\$207.00	\$408.00	\$107.00	\$408.00	\$107.00
Rocky Mt. Elk Foundation, Inc.	Parker	Conservation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SE AK Conservation Council	Ferry	Conservation	\$45.00	\$0.00	\$8.00	\$0.00	\$0.00	\$0.00
SE AK Conservation Council	Anderson	Conservation	\$25.00	\$0.00	\$49.00	\$0.00	\$49.00	\$0.00
SE AK Conservation Council	Lindekugel	Conservation	\$0.00	\$0.00	\$13.00	\$0.00	\$0.00	\$0.00
SE AK Fishermen's Alliance	Hansen	Fisheries	\$300.00	\$0.00	\$350.00	\$0.00	\$200.00	\$0.00
Sealaska Corp.	Harris	Native Corporation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Seulheast Conference	Schlijvens	Transportation, Natur	\$0.00	\$0.00	\$0.00	\$0.00	\$45.00	\$0.00
Southeast Conference	Gerhard	Transportation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Tanana Chiefs Conference, Inc.	Brown	Native Corp.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Tanana Chiefs Conference, Inc.	Schutt	Native Organizations	\$0.00	\$0.00	\$921.00	\$1,364.00	\$0.00	\$0.00
Teamsters Local 959	Huff Tuckness	Labor	\$684.00	\$1,297.00	\$880.00	\$1,161.00	\$4,090.00	\$2,472.00
The American Legion, Dept of AK	Hill	Veteran Issues	\$0.00	\$0.00	\$342.00	\$406.00	\$0.00	\$0.00
United Fishermen of AK	Gemmell	Fisheries	\$45.00	\$0.00	\$85.00	\$0.00	\$23.00	\$0.00
United SE AK Gillnetters	Duckett	Fisheries	\$0.00	\$0.00	\$2,000.00	\$0.00	\$0.00	\$0.00
Usibelli Coal Mine, Inc.	Boddy	Mining	\$0.00	\$0.00	\$0.00	\$0.00	\$1,030.00	\$1,176.00
Usibelli Coal Mine, Inc.	Usibelli	Mining	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
UW School of Medicine	Tryck	Health/Education	\$3,060.00	\$0.00	\$3,060.00	\$841.00	\$3,060.00	\$0.00
VECO Corp.	Allen	Oil & Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Williams AK Petroleum, Inc.	Cook	Oil & Gas	\$600.00	\$649.00	\$1,200.00	\$1,650.00	\$1,500.00	\$0.00

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		<i>Grand Total</i>	\$72,581.00	\$27,912.00	\$119,815.00	\$66,776.00	\$125,134.00	\$93,692.00

2002 EMPLOYEE / PART-TIME LOBBYISTS

Lobbyist	Employer	Salary	Expenses	Total
Alcantra, John	NEA-Alaska, Inc.	\$9,212.00	\$0.00	\$9,212.00
Allen, Bill	VECO Corporation	\$6,012.00	\$4,684.00	\$10,696.00
Babcock, Tuckerman	Matanuska Electric Associaton	\$25,138.00	\$8,042.00	\$33,180.00
Barefoot, Linda	Purdue Pharma	\$596.00	\$2,051.00	\$2,647.00
Barnes, John	Marathon Oil Company	\$3,155.00	\$1,507.00	\$4,662.00
Bedford, David	SE AK Seiners Assoc	\$1,608.00	\$0.00	\$1,608.00
Bernard, Rebecca	Trustees for AK	\$1,443.00	\$373.00	\$1,816.00
Blasco, Robert	City of Skagway	\$726.00	\$0.00	\$726.00
Blasingame, James	AK Railroad Corporation	\$0.00	\$0.00	\$0.00
Block, Richard	Christian Science Committee on Publication	\$0.00	\$0.00	\$0.00
Boddy, Charles	Usibelli Coal Mine, Inc.	\$1,485.00	\$1,494.00	\$2,979.00
Boortz, Marielle	ChevronTexaco Corporation	\$0.00	\$0.00	\$0.00
Borell, Steven	AK Miners Assoc	\$1,932.00	\$133.00	\$2,065.00
Brady, Judith	AK Oil & Gas Assoc	\$2,458.00	\$607.00	\$3,065.00
Brand, Karen	AK St. Chamber of Commerce	\$1,368.00	\$0.00	\$1,368.00
Briley, Roger	Pepsi Cola	\$1,824.00	\$1,053.00	\$2,877.00
Brune, Jason	Resource Development Council for AK, Inc.	\$4,532.00	\$2,452.00	\$6,984.00
Burke, Susan	Cornell Corrections, Inc.	\$8,773.00	\$100.00	\$8,873.00
Burke, Susan	NW CruiseShip Assoc	\$1,929.00	\$100.00	\$2,029.00
Burke, Susan	Tanana Valley Clinic	\$4,639.00	\$100.00	\$4,739.00
Burns, John	Tanana Valley Clinic	\$9,139.00	\$0.00	\$9,139.00
Carter, Jon	Douglas Island Pink & Chum, Inc.	\$0.00	\$0.00	\$0.00
Cattanach, Richard	Associated General Contractors of AK	\$1,100.00	\$2,099.00	\$3,199.00
Clark, James	AK Pulp Corporation	\$3,164.00	\$100.00	\$3,264.00

Lobbyist	Employer	Salary	Expenses	Total
Clark, James	Greens Creek Mining Company	\$540.00	\$100.00	\$640.00
Cline, David	World Wildlife Fund	\$0.00	\$0.00	\$0.00
Cook, Jeffry	Williams AK Petroleum, Inc.	\$2,240.00	\$3,151.00	\$5,391.00
Cowart, Karen	BP Exploration (Alaska), Inc.	\$16,560.00	\$18,344.00	\$34,904.00
Crockett, Marilyn	AK Oil & Gas Assoc	\$2,911.00	\$2,774.00	\$5,685.00
Dawson, V. Kent	Galena City School District	\$34,999.00	\$100.00	\$35,099.00
Derr, Laraine	ASH&NHA	\$36,585.00	\$0.00	\$36,585.00
Dillon, Frank	AK Trucking Assoc	\$23,000.00	\$3,595.00	\$26,595.00
Domeika, John	Premera Blue Cross	\$5,237.00	\$2,569.00	\$7,806.00
Duke, Kimberly	Arctic Power	\$1,939.00	\$2,019.00	\$3,958.00
Echols, Tom	Household Financial Group, Ltc.	\$0.00	\$0.00	\$0.00
Felix, Matt	Nat'l Council on Alcoholism & Drug Dependence	\$750.00	\$0.00	\$750.00
Fink, Linda	ASH&NHA	\$22,138.00	\$0.00	\$22,138.00
Fithian, Robert	AK Professional Hunters Assoc	\$960.00	\$1,645.00	\$2,605.00
Flint, Robert	AK Catholic Conference	\$6,125.00	\$0.00	\$6,125.00
Fouse, Melissa	AK Action Trust	\$4,896.00	\$1,080.00	\$5,976.00
Frankevich, Joan	National Parks Conservation Assoc	\$280.00	\$331.00	\$611.00
Gallagher, Gerald	Conoco/Phillips Alaska, Inc.	\$40,025.00	\$17,690.00	\$57,715.00
Gamble, Patrick	AK Railroad Corporation	\$707.00	\$841.00	\$1,548.00
Garbe, Christie	American Lung Assoc of AK	\$1,553.00	\$2,765.00	\$4,318.00
Geldhof, Joe	Mechanical Contractors of Fairbanks, Inc	\$0.00	\$0.00	\$0.00
Gemmell, Thomas	United Fishermen of AK	\$924.00	\$0.00	\$924.00
George, Tom	Aircraft Owners & Pilots Assoc	\$3,963.00	\$269.00	\$4,232.00
Gerhard, Loren	Southeast Conference	\$450.00	\$0.00	\$450.00
Glude, Bill	SE AK Avalanche Center	\$4,000.00	\$0.00	\$4,000.00

Lobbyist	Employer	Salary	Expenses	Total
Graham, Owen	AK Forest Assoc	\$108.00	\$0.00	\$108.00
Hagevig, Rosemary	Catholic Community Services	\$0.00	\$0.00	\$0.00
Hanley, Mark	Anadarko Petroleum Corporation	\$11,480.00	\$16,661.00	\$28,141.00
Hansen, Kathryn	SE AK Fishermen's Alliance	\$3,700.00	\$0.00	\$3,700.00
Hargraves, Darroll	AK Council of School Administrators	\$14,515.00	\$0.00	\$14,515.00
Harris, Richard	Sealaska Corporation	\$0.00	\$0.00	\$0.00
Harvey, Thomas	NEA-Alaska, Inc.	\$10,259.00	\$0.00	\$10,259.00
Hegna, Joseph	Conoco/Phillips Alaska, Inc	\$0.00	\$0.00	\$0.00
Hesse, II, John	Direct Selling Assoc	\$4,000.00	\$0.00	\$4,000.00
Hill, Dean	The American Legion, Dept of AK	\$513.00	\$404.00	\$917.00
Houle, Larry	AK Support Industry Alliance	\$0.00	\$0.00	\$0.00
Huff Tuckness, Barbara	Teamsters Local 959	\$19,091.00	\$13,254.00	\$32,345.00
Hugonin, Lauree	AK Network/Domestic Violence & Sexual Assault	\$2,380.00	\$0.00	\$2,380.00
Hurley, Michael	Conoco/Phillips Alaska, Inc.	\$8,804.00	\$23,991.00	\$32,795.00
Johnson, Bruce	Assoc of AK School Boards	\$3,750.00	\$0.00	\$3,750.00
Judy, Brian	National Rifle Assoc	\$9,350.00	\$3,498.00	\$12,848.00
Kelley, Dale	AK Trollers Assoc	\$4,512.00	\$33.00	\$4,545.00
Knudson, Kip	Era Aviation, Inc.	\$7,068.00	\$1,586.00	\$8,654.00
Konrad, Ken	BP Exploration (Alaska), Inc.	\$4,640.00	\$1,522.00	\$6,162.00
Krafft, Julie	AK Municipal League	\$6,392.00	\$0.00	\$6,392.00
Kronberg, Rich	NEA-Alaska, Inc.	\$3,501.00	\$0.00	\$3,501.00
Kubitz, James	AK Railroad Corporation	\$0.00	\$0.00	\$0.00
La Bolle, Pamela	AK St. Chamber of Commerce	\$43,340.00	\$0.00	\$43,340.00
Lessmeier, & Winters	State Farm Insurance Company	\$41,000.00	\$1,509.00	\$42,509.00
Levis, Charity	AAA Mountain West	\$0.00	\$0.00	\$0.00
Lindgren, Tina	AK Travel Industry Assoc	\$1,212.00	\$1,363.00	\$2,575.00

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Lindskoog, Wendy	AK Railroad Corporation	\$13,773.00	\$14,565.00	\$28,338.00
Luby, John	AARP	\$65,326.00	\$2,251.00	\$67,577.00
MacCay, Charlotte	Teck Cominco AK, Inc.	\$2,162.00	\$2,179.00	\$4,341.00
MacClarence, Jan	AWAIC, Inc.	\$260.00	\$277.00	\$537.00
Madden, Jerry	United SE AK Gillnetters	\$0.00	\$0.00	\$0.00
Madsen, Stephanie	Pacific Seafood Processors Assoc	\$975.00	\$0.00	\$975.00
Marley, Annette	AK Native Health Board	\$1,713.00	\$556.00	\$2,269.00
Marquez, David	VECO Corporation	\$43,500.00	\$11,649.00	\$55,149.00
Marshall, Vernon	NEA-Alaska, Inc.	\$2,409.00	\$0.00	\$2,409.00
McCune, Gerald	United Fishermen of AK	\$30,000.00	\$0.00	\$30,000.00
McRae, Jack	Premera Blue Cross	\$3,688.00	\$1,755.00	\$5,443.00
Merten, Lis	National Assoc of Chain Drug Stores	\$276.00	\$990.00	\$1,266.00
Munson, Myra	Yukon Kuskokwim Health Corporation	\$0.00	\$0.00	\$0.00
Norosz, Kris	Icicle Seafoods, Inc.	\$4,656.00	\$6,607.00	\$11,263.00
Owens, Tadd	Resource Development Council for AK, Inc.	\$10,226.00	\$4,281.00	\$14,507.00
Parker, Lisa	Agrium, Inc.	\$21,892.00	\$3,172.00	\$25,064.00
Parker, Portia	American Cancer Society, NW Division	\$0.00	\$0.00	\$0.00
Parnell, Sean	Conoco/Phillips Alaska, Inc.	\$24,300.00	\$19,704.00	\$44,004.00
Perkins, Dwight	IAPMO	\$33,335.00	\$0.00	\$33,335.00
Portman, Carl	Resource Development Council for AK, Inc.	\$3,096.00	\$1,641.00	\$4,737.00
Powell, James	Allstate Insurance Company	\$350.00	\$795.00	\$1,145.00
Prewitt, James (Frank)	Cornell Corrections, Inc.	\$44,000.00	\$11,779.00	\$55,779.00
Putman, V. Fate	ASEA/AFSCME Local 52	\$51,105.00	\$3,229.00	\$54,334.00
Quesnel, Paul	BP Exploration (Alaska), Inc.	\$47,727.00	\$32,642.00	\$80,369.00
Ritchie, Kevin	AK Municipal League	\$8,356.00	\$0.00	\$8,356.00
Rose, Carl	Assoc of AK School Boards	\$10,500.00	\$0.00	\$10,500.00

Lobbyist	Employer	Salary	Expenses	Total
Rowe, James	AK Telephone Assoc	\$8,836.00	\$2,609.00	\$11,445.00
Rudinger, Jennifer	ACLU	\$1,100.00	\$3,250.00	\$4,350.00
Satin, Susan	AK Public Telecommunications, Inc.	\$0.00	\$0.00	\$0.00
Schilhab, Robert	ExxonMobil Corporation	\$750.00	\$4,982.00	\$5,732.00
Schrader, Susan	AK Conservation Voters	\$1,866.00	\$0.00	\$1,866.00
Seckers, Daniel	ExxonMobil Corporation	\$6,400.00	\$3,032.00	\$9,432.00
Selby, Jerome	Providence Health System in AK	\$110,837.00	\$2,009.00	\$112,846.00
Shavelson, Bob	Cook Inlet Keeper	\$194.00	\$545.00	\$739.00
Shively, John	Foothills Pipe Lines, Ltd.	\$59,550.00	\$8,593.00	\$68,143.00
Silverstein, Steven	AK Railroad Corporation	\$0.00	\$0.00	\$0.00
Slocum, Brian	Tanana Valley Clinic	\$25,309.00	\$17,374.00	\$42,683.00
Stiles, Robert	DRven Corporation	\$1,736.00	\$1,475.00	\$3,211.00
Thierwechter, Douglas	Marathon Oil Company	\$1,484.00	\$10,695.00	\$12,179.00
Thorstenson, Jr., Robert	United Fishermen of AK	\$0.00	\$0.00	\$0.00
Tillinghast, Jonathan	Sealaska Corporation	\$10,913.00	\$0.00	\$10,913.00
Todd, Michael	ExxonMobil Corporation	\$30,400.00	\$27,294.00	\$57,694.00
Toohey, Michelle	American Cancer Society, NW Division	\$0.00	\$0.00	\$0.00
Tryck, Suzanne	UW School of Medicine	\$36,723.00	\$2,030.00	\$38,753.00
Turner, Amy	AK Conservation Voters	\$0.00	\$0.00	\$0.00
Usibelli, Joseph	Usibelli Coal Mine, Inc.	\$0.00	\$0.00	\$0.00
Virgin, Randy	AK Center for the Environment	\$0.00	\$0.00	\$0.00
Williams, Jack	ExxonMobil Corporation	\$575.00	\$1,193.00	\$1,768.00
Wolff, Sara	Orphan Medical, Inc.	\$490.00	\$0.00	\$490.00
Yould, Eric	ARECA	\$23,147.00	\$8,658.00	\$31,805.00
Grand Total		\$952,887.00	\$275,901.00	\$1,228,788.00

STATE OF ALASKA

Department of Administration

Alaska Public Offices Commission

FRANK H. MURKOWSKI, GOVERNOR

2221 EAST NORTHERN LIGHTS, RM 128
ANCHORAGE ALASKA 99509-4149
PHONE: (907) 276-4176
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JUNEAU, ALASKA 99811-0222
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FAX: (907) 485-4832
e-mail: *First Name_Last Name@admin.state.ak.us*

February 11, 2003

Brett Huber, Executive Director
Kenai River Sport Fishing Association
PO Box 1228
Soldotna, AK 99669

Dear Mr. Huber:

You will recall that we had a telephone conversation regarding whether your activities amount to lobbying, requiring you to register with APOC. I have considered what you said in our telephone conversation, reviewed the letter and newsletter you gave to each legislator, reviewed the lobbying statutes and regulations, and discussed this matter with our director. I have concluded that you are engaged in lobbying activities on behalf of the Kenai River Sport Fishing Association and that you have probably reached the four-hour in a thirty day limit.

AS 24.45.171(8)(A) defines lobbyist as a person who is employed and received payments including reimbursement for reasonable travel and living expenses to communicate directly with any public official for the purpose of influencing legislative or administrative action if a substantial or regular portion of the activities for which the person receives consideration is for the purpose of influencing legislative or administrative action.

AS 24.45.171(10)(D) defines payment to influence legislative or administrative action as a payment for the services of an employee for or in connection with direct communication with a public official.

If you are receiving a salary while you are talking with public officials, you are receiving a payment to lobby. The statute does not limit direct communications to a particular bill or any particular issue. The same is true if your employer reimburses your travel and per diem incurred to attend the meeting. To be considered a volunteer lobbyist and exempt from the registration requirement, you would need to be on leave from your job and pay all your own expenses.

February 11, 2003

Page 2

AS 24.45.171(6) defines influencing legislative or administrative action as promoting, advocating supporting, modifying, opposing, or delaying or seeking to do the same with respect to any legislative or administrative action by any means including but not limited to the provision or use of information, statistics, studies, or analyses in written or oral form.

Providing public officials with informational materials is one way of attempting to influence legislative or administrative action. Note that you do not have to be successful in your attempt, you merely have to make the attempt: "seeking to do the same."

AS 24.45.171(1) defines administrative action as the proposal, drafting, development, consideration, amendment, adoption, approval by any state agency of any rule or regulation.

This definition includes the work of the Board of Fish. Phone calls to and meetings with members of the Board of Fish would constitute attempts to influence administrative action.

AS 24.45.171(7) defines legislative action as the preparation, research, drafting, introduction, consideration, modification, amendment, approval, passage, enactment, defeat, or rejection of any bill, resolution, amendment, motion, report, nomination, appointment, or other matter by the legislature, by legislative committee, or by a member or employee of the legislature acting in an official capacity.

In other words, lobbying is not confined to working towards the passage or defeat of any specific piece of legislation or regulation. Lobbying can be educating public officials so that when they consider a particular issue or legislative item, they include in that consideration the information you have provided. You would not be providing public officials with the information if you did not want them to consider it when dealing with the issues that are important to your association. Thus, by providing information to public officials you are attempting to influence legislative or administrative action: lobbying.

In addition AS 24.45.171(10)(E) defines payment to influence legislative or administrative action as a payment for or in connection with soliciting or urging other persons to enter into direct communication with a public official.

If, as part of your job, you encourage other people to contact legislators or other public officials, that is also lobbying.

2 AAC 50.545(f) defines "substantial or regular" as used in the definition of lobbyist to mean a that a person who is not employed specifically as a lobbyist is considered a lobbyist if, within a 30-day period, he spends in excess of four hours in direct communication with public officials and/or legislative employees in activities directed toward influencing legislative or administrative action.

As an employee of the Kenai River Sport Fishing Association, once you have spent four hours in direct communication with public officials and/or legislative employees, you must register.

2 AAC 50545(c) defines direct communication as talking, either in person or by telephone, with any public official or legislative employee.

Thus telephone calls to Board of Fish members, legislators, other public officials and legislative staff by you are lobbying.

You told me that the Association paid for your trip down to Juneau and that it would probably pay for additional trips in the future. You said that you did not think you were lobbying because you were not working for or against any particular bill, you were providing educational information. Additionally, you stated that you do not testify during committee hearings on specific bills. As I have explained above, those are not the criteria to determine if you meet the requirement to register as a lobbyist. It is also not relevant what issues you are discussing. If the Association is paying your salary and/or pays your travel and per diem and you are engaged in direct communications with public officials, you are lobbying on behalf of the Association.

Enclosed for your convenience are a 2003 registration, and a lobbyist report packet which includes an instruction manual. If you have any questions about the information contained in this letter or how to complete and file the lobbyist registration, please let me know.

Sincerely,

ALASKA PUBLIC OFFICES COMMISSION


Tammy L. Kempton
Juneau Branch Administrator
Enclosures

c: Brooke Miles, Executive Director

SB

326

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSSB 326(STA)
(S) Publish Date: 3/5/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
Title Permanent Fund Investments RDU AK Permanent Fund Corporation
Component AK Permanent Fund Corporation
Sponsor Rules by request of LBA
Requester Senate State Affairs Committee Component No. 109

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

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

Estimate of any current year (FY2004) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The existing manager fee budget of \$40 million is sufficient to cover any changes in investments under this legislation.

Prepared by: Robert D. Storer, Executive Director Phone 465-2047
Division Alaska Permanent Fund Corporation Date/Time 2/24/04 9:37 AM
Approved by: Steve Porter, Deputy Commissioner Date 2/6/2004
Agency Department of Revenue

Sponsor statement for SB 326

Background

Alaska Statute 37.13.120 provides a list of investment guidelines for the Alaska Permanent Fund, and the Fund's Trustees make investment decisions within these guidelines. Sometimes it is necessary to update the Fund's statutes as investment practices evolve. Periodically the Trustees bring these proposed changes to the Legislature.

In 1999 the Legislature passed HB 156, a bill that made a number of necessary changes to the statutes. One change was the creation of a "basket clause" in AS 37.13.120(k). This clause allows the Trustees to invest up to 5% of the Fund in investments not included in the allowed statutory list, but that are appropriate under the prudent investor rule. The basket clause may also be used for allowed investments in which the Fund has reached its statutory limitation.

However the alternative investments allowed under the basket clause may conflict with the investments not allowed under the statutory list. AS 37.13.120(e) prevents the Fund from borrowing money against assets other than real estate to leverage an investment. AS 37.13.120(h) restricts the situations in which Fund assets may be invested in futures contracts. AS 37.13.120(j) bars investing in any debt instrument on which an interest payment has been defaulted in the preceding five years.

Many alternative investments, such as hedge funds, use one or more of the methods restricted in (e), (h) and (j) as part of their overall investment strategy. The Permanent Fund could not make these investments under current statutes, despite the fact that they might represent sound investment opportunities.

Senate Bill 326

SB 326 achieves two objectives. The first is to provide clean-up language for AS 37.13.120(e) and (k), in part by explicitly stating that the investments restricted under AS 37.13.120(h) and (j) are allowed under the basket clause. According to transcripts of committee hearings, the Legislature was aware when it created the basket clause, that it would be used for these types of alternative investments. The change in this bill would clean up the discrepancy in language between the sections while still maintaining the original legislative intent.

The second would expand the basket clause from 5% to 15%. This is necessary because the 5% limit is too small to allow the Trustees enough flexibility to keep up with changes in investment practices. For example, the Trustees are planning on placing up to 3% of the Fund in private equity investments. If these are successful investments, the value will grow to 4% or more of the Fund, leaving less than 2% of the basket clause for other investments.

*From: Legislative Budget
Audit Committee*

SB

340

CORRECTION

THE FOLLOWING DOCUMENT(S)
HAVE BEEN REFILMED TO
ASSURE LEGIBILITY OR PAGINATION



Central Microfilm Services
Department of Education & Early Development
State of Alaska

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 340
 (S) Publish Date: 2/16/04
 Dept. Affected: Health & Social Services
 RDU Juvenile Justice
 Component Delinquency Prevention

Revision Date/Time (Note if correction):
 Title RELATING TO DETENTION OF JUVENILES

Sponsor (RLS) BY REQUEST OF THE GOVERNOR

Requester _____ Component No. 248

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
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 (0)						

FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY2004) cost: _____
 Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The proposed changes to statute will have no fiscal impact on the Division of Juvenile Justice. The proposed changes will put the state in compliance with the federal Juvenile Justice and Delinquency Act (JJDA) formula grant program.

Prepared by: Karen Forrest Phone 465-2339
 Division Juvenile Justice Date/Time 02/11/2004
 Approved by: Joel S. Gilbertson, Commissioner Date 02/12/2004
 Agency Department of Health and Social Services

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: SB 340
(S) Publish Date: 2/16/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Public Safety
Title Juvenile Detention RDU Alaska State Troopers
Component AST Detachments
Sponsor Rules Committee
Requester Governor Component No. 2325

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

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

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill will amend AS 47.12.240, AS 47.30.705 and AS 47.37.170. The stated purpose of this bill is to preserve Alaska's federal formula grant receipts of approximately \$700,000 and to meet certain requirements to apply for other federal grant money. The bill, in essence, states that "emergency protective custody under these sections may not include placement of a minor in a jail or secure facility". The bill addresses minors who are taken into protective custody for mental health issues or those in protective custody due to intoxication because of drugs or alcohol.

The Department of Health and Social Service, Division of Juvenile Justice, has committed to supplying training and training materials to law enforcement officers to insure compliance with this statute.

There is no fiscal impact anticipated by the Department of Public Safety.

Prepared by: Lt. Al Storey
Division: Alaska State Troopers
Approved by: Commissioner William Tandeske
Agency: Department of Public Safety

Phone 269-4532
Date/Time 2/12/04 3:19 PM
Date 2/12/2004

Department of Health and Social Services
Division of Juvenile Justice
Information Packet for SB 340/ HB 487

- ❖ Transmittal letter from the Governor (Senate)- Dated 2/16/04
- ❖ Copy of SB 340: This bill is identical to the House version (HB 487)
- ❖ SB 340 is scheduled for the third reading in the Senate on 4/27/04
- ❖ House Committee Action on HB 487: Copy of the bill history included; passed through House Judiciary with 5 DP; Passed House Finance with 4 DP, 4 NR
- ❖ DHSS/ Division of Juvenile Justice Legislative Fact Sheet included
- ❖ Division of Juvenile Justice alternative non-secure shelter location options attached

SB 340 /HB 487 Relating to the Detention of Juveniles
Department of Health and Social Services
Division of Juvenile Justice- 4/26/04

Highlights related to the Proposed Legislation:

- ❖ Modifies AS 47.12.240, AS 47.30.705 and AS 47.37.170 to prohibit the placement of minors in a jail or secure facility who are in protective custody due to mental illness, grave disability, intoxication or incapacitation by alcohol or drugs.
- ❖ Required for DHSS/DJJ to be in compliance with the 2002 reauthorization of the federal Juvenile Justice and Delinquency Prevention Act of 1974 (JJDPA) that went into effect on October 1, 2003.
- ❖ Does not affect existing statutory provisions for the detention of minors for delinquent or "criminal-type" offenses described in AS 47.12.240. The emphasis is on ensuring that state statute comports with the federal requirements for not holding non-offenders in a locked facility when they have not committed a crime.

Background:

DHSS, DJJ receives approximately \$700,000 annually through the federal Juvenile Justice and Delinquency Prevention Act (JJDPA) formula grant program. Funds are used to pay for a variety of services, including nonsecure shelters and prevention/intervention services for juveniles. States receiving JJDP funds must meet four core juvenile justice mandates. The mandates along with the actual numerical standards for "violations" are:

- a. Deinstitutionalization of status offenders and non-offenders: 5.7 per 100,000;
- b. Separation of juveniles from adult offenders in institutions: Zero (0);
- c. Removal of juveniles from adult jails and lockup facilities: 9.0 per 100,000;
- d. Reduction of disproportionate minority contact: no statistical de minimis.

Alaska is currently out of compliance with these standards at a fairly significant rate. Violation rates for the first three core mandates in FY02 and FY03 are as follows:

- a. Deinstitutionalization: FY02 at 47.70 and FY03 at 37.82;
- b. Separation from Adult offenders: FY02 at 21.35 and FY03 at 4.1; and,
- c. Jail Removal: FY02 at 68.08 and FY03 at 47.05.

Without passage of this legislation, the Department will lose 40% of the FFY2004 grant award, or \$280,000 in the first year and an additional 40% of the FFY2005 award, for a total anticipated loss of \$560.0 in federal grant funds.

If violations of the JJDP Act are incurred once the statute is changed, the argument can be made to OJJDP that all violations were in violation of existing state law, which is an allowable "exception" to the de minimis numerical standards for monitoring compliance with the JJDP Act.

The change in state statute is consistent with best practice, i.e. juveniles should not be held in a locked facility when they have not committed a crime.

The Division will continue to work with local and state law enforcement, as well as within this Department with the Division of Behavioral Health, to further develop the alternatives that will provide the appropriate response for these juveniles.

Division of Juvenile Justice Non-Secure Shelter Grants

<u>Provider</u>	<u>Service Area</u>	<u># FY02 Clients</u>	<u># FY03 Clients</u>	<u>FY04 Awards*</u>
Fairbanks Native Association	Fairbanks	94	62	27,000
Juneau Youth Services	Juneau	39	19	15,000
Kenai Peninsula Community Care Center	Kenai Peninsula	178	163	50,000
Kodiak Youth Services Center	Kodiak	5	2	8,000
Residential Youth Care	Ketchikan	24	8	23,000
Valdez Counseling Center	Valdez	(no award)	0	6,000
Youth Advocates of Silka	Silka	19	15	12,000
North Slope Borough	Barrow	7	11	(in process)
Wrangell, City of	Wrangell	1	1	(no award)
Totals		367	281	141,000

*Funds purchase actual services and limited administrative costs only, so awards not fully expended when service is underutilized.

Working to establish or re-establish shelters in: Mat-Su Borough (provider agreement signed 1/04) Anchorage Barrow Wrangell Dillingham Kotzebue

updated 4/26/04

S B

3 5 8

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 358
 (S) Publish Date: 3/5/04

Revision Date/Time (Note if correction): _____ Dept. Affected: DCED
 Title Alaska Railroad Track Work RDU Alaska Railroad Corporation
 Component _____
 Sponsor Senate Transportation
 Requester Senate Transportation Component No. _____

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

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

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation would allow the Department of Transportation and Public Facilities to enter into an agreement with the Alaska Railroad Corporation (ARRC) for the ARRC to perform the construction of rails, ties or ballast for railroad tracks used by the ARRC. The ARRC may perform the work itself without procuring a contractor to provide the supplies, services, professional services or construction services necessary for the work.

The ARRC is a public corporation supported by revenues generated through its freight, passenger and real estate services. ARRC does not receive state subsidies for operations or capital improvements from the State.

Prepared by: Wendy Lindskoog, Director of External Affairs Phone (907) 269-2498
 Division Alaska Railroad Corporation Date/Time 3/3/04 3:23 PM
 Approved by: Edgar Blatchford, Commissioner Date 3/3/2004
 Agency Department of Community & Economic Development

SENATOR
JOHN J. COWDERY
Anchorage

Committees
Chair: Rules
Chair: Transportation
Chair: World Trade &
State Federal Relations
Legislative Council
State Affairs



January - May
State Capitol - Suite 101
Juneau - Alaska 99801-1182
Tel: 907-465-3379
Toll Free: 888-269-3879
Fax: 907-467-2069

May - December
716 AV - 4th Avenue
Anchorage, Alaska 99501
Tel: 907-269-0222
Fax: 907-269-0223

senator_john_cowdery@legis.state.ak.us

SPONSOR STATEMENT FOR SB 358

"An Act relating to performance of railroad track construction work for the Department of Transportation ... by the Alaska Railroad ..."

Senate Bill 358 pertains to certain Department of Transportation projects that include construction of railroad facilities.

In 1998, the state procurement code was amended to require that railroad facility work on a DOT project, other than signalization and flagging, be obtained through the use of a competitive bid process. Prior to 1998, DOT worked directly with the Railroad under a utility agreement.

Today, there are a minimal number of contractors in Alaska who possess the specialized equipment and skill necessary to construct *critical* track work in conformance with contract specifications.

In order to ensure that track construction conforms to performance specifications and to minimize service interruptions for railroad and highway operations, SB 358 will allow DOT to use either the competitive bid process, or work directly with the Railroad for critical track work under a utility agreement.

A Memorandum of Understanding ("MOU") was developed by DOT, the Railroad, the Alaska District Council of Laborers and the Associated General Contractors to provide reasonable limitations on the type of work DOT contracts with ARRC to perform. The MOU allows DOT to use the railroad for construction of critical track work involving railroad switches, cutovers from new track to mainline track, and construction of rail facilities where the Department's contractor is unable to perform in accordance with DOT's contract terms and construction schedule.

In addition, the utility relocation agreement between DOT and the Railroad contains provisions to assure that railroad facility work is performed in an economical manner and without delay to a contractor's schedule.

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES

MEMORANDUM OF UNDERSTANDING

This Memorandum Of Understanding ("MOU"), is entered into this fourteenth day of April, 2004, by and between the Alaska Department of Transportation and Public Facilities, hereinafter referred to as "Department", the Alaska Railroad Corporation, hereinafter referred to as "ARRC", Laborer's International Union of North America, Alaska District Council of Laborers hereinafter referred to as "Alaska District Council of Laborers" and the Associated General Contractors of Alaska, hereinafter referred to as "AGC".

RECITALS

- A. Certain Department highway construction projects necessitate relocation, removal, adjustment, protection or construction of railroad facilities.
- B. Prior to 1998, when it was necessary to relocate railroad facilities because of a proposed Department project, the Department had authority pursuant to 17 AAC 15.511 to enter into a utility relocation agreement with ARRC in accordance with 17 AAC 15.521 authorizing ARRC to perform the relocation work.
- C. In 1998, the State Procurement Code, AS 36.30, was amended to require that the services required to perform railroad facility relocation work, other than signalization and flagging, on a Department project be obtained through the use of a competitive sealed bid or proposal process.
- D. Since 1998 such railroad facility relocation work has been performed by contractors obtained by the Department through a competitive bid process.
- E. Today, there are a minimal number of contractors in Alaska who possess the specialized equipment and skill necessary to construct critical track work in conformance with contract specifications. In order to ensure that track construction conforms to performance specifications and to ensure that service interruptions are minimized for railroad and highway operations, ARRC and the Department are supporting SB 358/HB 529 which proposes to amend the State Procurement Code to give the Department the option to enter into an agreement with ARRC to perform certain railroad facility relocation work as opposed to having to put such work out to bid.
- F. AGC and Alaska District Council of Laborers are willing to support said amendment to the State Procurement Code so long as there are reasonable limitations on the type of work the Department contracts with ARRC to perform and the utility relocation agreement between the parties contains provisions to assure that such railroad facility work is performed in an economical manner and without delay to a contractor's schedule.
- G. It is the purpose of this MOU to establish the type of railroad facility relocation work that the Department may authorize ARRC to perform under a utility relocation

agreement and the terms and conditions under which such work shall be performed in the event that the State Procurement Code is amended to allow the Department to enter into an agreement with ARRC to perform railroad facility relocation work.

THEREFORE, the parties hereby agree as follows:

AGREEMENT

1. When a Department project involves the construction of rail, ties or ballast for railroad tracks used by ARRC, the Department may enter into a utility relocation agreement with ARRC to perform critical relocation work that could impair, endanger or unreasonably delay ARRC's ability to operate its trains in a safe and timely manner if not performed properly. The scope of such critical work shall be limited to performing the following categories of work: (1) cutovers to a new alignment of ARRC's mainline; (2) the installation or removal of switches on ARRC's mainline; and (3) any other construction work involving rail, ties or ballast, in situations where the Department's contractor is unable to perform railroad facility work in accordance with the Department's contract terms and construction schedule (hereinafter collectively referred to as "critical rail work").
2. The agreement between ARRC and the Department to perform critical rail work shall set out the terms of the work along with the terms of the reimbursement for the costs of the work. The agreement may, in the Department's discretion, provide for a lump-sum payment for the work. The agreement must contain a cost estimate, plans, and a scope-of-work statement as provided in 17 AAC 15.351, 17 AAC 15.361, and 17 AAC 15.371 respectively. Billing and audit of the costs of the critical rail work shall be made in accordance with the provisions of 17 AAC 15.431.
3. The agreement between ARRC and the Department to perform critical rail work shall include a provision requiring ARRC and the Department or its contractor to make every possible attempt to insure the smooth operation/coordination of both the rail traffic and construction schedule and not to interfere with the other. The agreement shall require the parties and the contractor to meet and confer at reasonable intervals to coordinate the work schedules of ARRC's personnel with the work schedule of the Department's contractor in a manner that does not unreasonably delay the performance of each party's work. Pursuant to 17 AAC 15.421(b), ARRC will also be responsible for extra costs resulting from delays to the Department contractor's operations if the railroad facilities are not relocated in accordance with the relocation agreement, except when the delays are beyond the control of ARRC.
4. Nothing in this MOU affects ARRC's right to perform signalization and flagging on Department projects as authorized by AS 36.30.015(i).
5. Unless otherwise provided herein, all notices and communications concerning this MOU shall be addressed as follows:

Alaska Department of Transportation and Public Facilities:

Contact Name: Commissioner Mike Barton
Mailing Address: 3132 Channel Drive
Juneau, AK 99801-7896
Telephone: (907) 465-3901
Fax: (907) 586-8365

Alaska Railroad Corporation:

Contact Name: Patrick Gamble
Mailing Address: P.O. Box 107500
Anchorage, AK 99510-7500
Delivery Address: 327 W. Ship Creek Avenue
Anchorage, AK 99501
Telephone: (907) 265-2414
Fax: (907) 265-2312

Associated General Contractors of Alaska:

Contact Name: Richard Cattanach
Mailing Address: 8005 Schoon Street
Anchorage, AK 99518
Telephone: (907) 561-5354
Fax: (907) 562-6118

Laborer's International Union of North America, Alaska District Council of Laborers:

Contact Name: Blake Johnson
Mailing Address: 2501 Commercial Drive
Anchorage, AK 99501
Telephone: (907) 272-4571
Fax: (907) 274-0570

or at such other address as may be designated in writing from time to time to a party by another party.

6. The parties agree to meet and attempt in good faith to resolve any problems or disputes that may arise in the performance of this agreement by negotiation between representatives of the respective parties.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding as of the dates written below.

Alaska Railroad Corporation

By: *T.K. Gable*
Its: VP/CEO
Date: 4/15/04

Alaska Department of Transportation
and Public Facilities

By: *Mike Bunker*
Its: Commissioner
Date: 4-13-04

Associated General Contractors of Alaska

By: *Kevin Egan*
Its: Executive Director
Date: 4/14/04

Laborer's International Union of North
America, Alaska District Council of
Laborers

By: *Pat B. Jr.*
Its: President
Date: 4-14-04

SB

379

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 379
 (S) Publish Date: 3/26/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title APFC Board Removal for Cause BRU AK Permanent Fund Corporation
 Component AK Permanent Fund Corporation
 Sponsor Rules
 Requester Governor Component No. 109

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

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 (FY2004) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*
 This bill institutes the "removal for cause" threshold for the four public members of the Alaska Permanent Fund Corporation Board of Trustees. It would not affect the financial operations of the Permanent Fund and therefore does not generate any costs or savings to the Fund.

Prepared by: Robert D. Storer, Executive Director Phone (907) 465-2047
 Division Alaska Permanent Fund Corporation Date/Time 2/8/04 3:17 PM
 Approved by: William Corbus, Commissioner Date 2/8/2004
 Agency Department of Revenue

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: SB 379
 (S) Publish Date: 3/26/04

Revision Date/Time (Note if correction): _____ Dept. Affected: LAW
 Title "An Act providing that public members of the RDU CIVIL
Board of Trustees of the Alaska Permanent Fund ..." Component Labor & State Affairs
 Sponsor Rules
 Requester Governor Component No. _____

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
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 (FY2004) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would give members of Alaska Permanent Fund Corporation Board of Trustees protection in that a member could only be removed for cause after a public hearing. Under existing law, the governor may remove a board member by sending a letter that sets out reasons. Existing law does not require the governor to state grounds sufficient for removal for cause. Removal for cause customarily involves removal for neglect of office, misconduct or malconduct, or conviction of a crime.

Passage of this legislation will have no foreseeable fiscal impact on the Department of Law.

Prepared by: Kathryn A. Daughhete, Director Phone 465-3673
 Division Administrative Services Date/Time 2/4/04 8:41 AM
 Approved by: Kathryn Daughhete for Gregg D. Renkes, Attorney General Date 2/4/2004
 Agency Department of Law



**Alaska Permanent Fund Corporation
Talking points for Senate Bill 379
Prepared by APFC staff, April, 2004**

- SB 379 would require sufficient cause for the removal of the four members of the Alaska Permanent Fund Corporation Board of Trustees before the expiration of their terms.
- The two cabinet members that sit on the Board of Trustees would still serve at the pleasure of the Governor.
- This change would retain the investment knowledge of the public board members.
- New members would benefit from the experience of sitting board members.
- As investment methods become more complex and sophisticated, it becomes increasingly important to maintain continuity of the board membership.
- Requiring cause before public board members could be removed would limit the amount of political pressure that could be placed on a board.
- Board members would be allowed to act as fiduciaries, and to be insulated from political influence.

SB

385

Alaska State Legislature

House of Representatives



Official Business

COMMITTEE ON RULES Representative Norman Rokeberg, Chairman

State Capitol, Rm. 214
Juneau, Ak 99801-1182
(907) 465-3764

MEMORANDUM

TO: LAA Legal Fax: 2029
FROM: Janet Seitz, House Rules *JS*
DATE: May 6, 2004
RE: SB 385 *inferred*

Please prepare a House CS for the above as follows:

These amendments are to CSSB 385 (JUD) am:

Amendment #1 as follows (2 pages): SA.11 with technical amendment to page 2, line 3 "made" to "make"

Amendment #2 as follows (3 pages) SA.9 with technical amendment to page 1, line 8, "AS 24" to "AS 26"

Amendment #3 was withdrawn

Amendment #4 as follows (1 page)

Amendment #5 as follows (1 page) (ignore the handwritten information)

This bill will probably be scheduled for Saturday's floor session but we would like to have by tomorrow morning to read across in committee reports.

Thank you.

Spiegel

5/6/04
Kott moved
Bakavich tech. amend p 2
Adopted.

23-LS1907\SA.11
Crawford
5/6/04

AMENDMENT #1

OFFERED IN THE HOUSE

TO: CSSB 385(JUD) am

*Withdrawn
Bakavich: conceptual
Resps. help to coordinate
comm. instructions
can occur across the
state*

1 Page 1, line 12:

2 Delete "sec. 20"

3 Insert "sec. 22"

4

5 Page 21, following line 3:

6 Insert new bill sections to read:

7 **** Sec. 18.** AS 26.23.170 is amended to read:

8 **Sec. 26.23.170. Communications.** The Department of Military and
9 Veterans' Affairs [ALASKA DIVISION OF EMERGENCY SERVICES] shall
10 ascertain what means exist for rapid and efficient communications in times of disaster
11 emergency. The department [DIVISION] shall consider the desirability of
12 supplementing these communications resources, or of integrating them into a
13 comprehensive state or state-federal telecommunications network or other
14 communication system or network. In studying the character and feasibility of any
15 system or its several parts, the department [DIVISION] shall evaluate the possibility
16 of multi-purpose use of it or its parts for general state and local governmental
17 purposes. The department [DIVISION] shall make recommendations to the governor
18 as appropriate.

19 *** Sec. 19.** Sec. 26.23.170 is amended by adding a new subsection to read:

20 (b) A statewide 911 coordinator is established within the Department of
21 Military and Veterans' Affairs to coordinate and facilitate the implementation of 911
22 systems throughout the state. The 911 coordinator shall

23 (1) participate in efforts to set uniform statewide standards for

1 automatic number identification and automatic location identification data
2 transmission for telecommunications systems;
3 (2) ~~made~~^{make} recommendations as necessary for implementation of basic
4 and enhanced 911 service."

5
6

7 Renumber the following bill sections accordingly.

8

9 Page 23, line 5:

10 Delete "this Act"

11 Insert "this section"

12

13 Page 23, following line 22:

14 ✓ Insert a new bill section to read:

15 "* **Sec. 27.** Section 19 of this Act takes effect March 1, 2005."

16

17 Renumber the following bill section accordingly.

18

19 Page 23, line 23:

20 ✓ Delete "This Act"

21 Insert "Except as provided in sec. 27 of this Act, this Act"

5/6/04

Let moved & amended
~~am to am #2~~ ~~Bob's subject~~ withdrawn

23-LS1907\SA.9
Finley/Crawford
5/5/04

Adopted

AMENDMENT #2

OFFERED IN THE HOUSE

BY REPRESENTATIVE

TO: CSSB 385(JUD) am

1 Page 2, line 4, through page 7, line 24:

2 Delete all material and insert:

3 **** Sec. 2.** AS 24.20 is amended by adding a new section to article 5 to read:

4 **Sec. 24.20.680. Legislative ^{oversight} review.** (a) The president of the senate and the
5 speaker of the house of representatives shall appoint members or committees of the
6 senate and the house, respectively, to ~~review~~ ^{oversee} confidential activities, plans, reports,
7 recommendations, and other materials of the Alaska division of homeland security and
8 emergency management established in AS ~~24.20.025~~ ⁶, or of other agencies or persons, ^{← technical}
9 relating to matters concerning homeland security and civil defense, emergencies, or ^{amend.}
10 disasters in the state or to the state's preparedness for or ability to mount a prompt
11 response to matters concerning homeland security and civil defense, emergencies, or
12 disasters. In making appointments under this subsection, each presiding officer shall
13 ensure that the political party membership of the members appointed by that presiding
14 officer is proportional to the political party membership of the house of the legislature
15 over which the officer presides.

16 (b) To be eligible for appointment under (a) of this section, a member shall
17 have a federal security clearance at the secret level at the time of appointment or shall
18 have an interim security clearance at the secret level at the time of appointment and
19 shall apply for and receive a federal security clearance at the secret level. Members
20 holding a federal security clearance at the secret level at the time of appointment or
21 receiving the clearance following appointment shall maintain the federal security
22 clearance at the secret level to remain qualified to serve in appointed status.

23 (c) The president of the senate and the speaker of the house of representatives

1 may condition the appointment of members under (a) of this section upon the
 2 execution of appropriate confidentiality agreements by the members or by persons
 3 assisting those members. Information and documents received by appointed members
 4 or persons assisting appointed members under a confidentiality agreement as
 5 described in this subsection are not public records and are not subject to public
 6 disclosure under AS 40.25.100 - 40.25.220.

7 (d) Appointed members who remain qualified under (b) of this section serve
 8 for the duration of the legislature during which the members are appointed. If a
 9 member is reelected or a member's term of office extends into the next succeeding
 10 legislature and the member remains qualified under (a) and (b) of this section, the
 11 member shall continue to serve until reappointed or the appointment of the member's
 12 successor.

13 (e) When a member appointed under (a) of this section files a declaration of
 14 candidacy for an elective office other than that of member of either house of the
 15 legislature, and the member has not resigned from appointed status, the member's
 16 appointed status terminates on the date that the member leaves legislative office."
 17

18 Page 22, line 16, through page 23, line 5:

19 Delete all material and insert: ✓

20 **"* Sec. 21.** AS 24.20.680 is repealed January 1, 2009. ✓

21 *** Sec. 22.** The uncodified law of the State of Alaska is amended by adding a new section to
 22 read:

23 PREPARATION AND PRESENTATION OF PROPOSED LEGISLATION. If the
 24 adjutant general of the Department of Military and Veterans' Affairs determines that
 25 additional qualifications for appointment under AS 24.20.680, added by sec. 2 of this Act,
 26 would significantly enhance the security of sensitive materials or information to be reviewed
 27 under AS 24.20.680, the adjutant general shall prepare a bill proposing amendments to
 28 AS 24.20.680, enacted by sec. 2 of this Act, for consideration by each house of the legislature,
 29 and shall deliver the bill to the Secretary of the Alaska State Senate and the Chief Clerk of the
 30 Alaska State House of Representatives not later than 30 days following the convening of the
 31 First Regular Session of the Twenty-Fourth Alaska State Legislature.

1 * **Sec. 23.** The uncodified law of the State of Alaska is amended by adding a new section to
2 read:

3 INITIAL APPOINTMENT. The President of the Alaska State Senate and the Speaker
4 of the Alaska State House of Representatives shall make the appointments required under
5 AS 24.20.680, enacted by sec. 2 of this Act, within 15 days after the effective date of this
6 Act."

5/6/04
Kertula moved
Withdrawn

OK ~~FA~~

23-LS1907SA.10
Crawford
5/5/04

OK Bruce
Weyhrauch
by SA

AMENDMENT

#3

OK Jive DMVA

TO: CSSB 385(JUD) am

- 1 Page 19, line 8:
- 2 Delete "The"
- 3 Insert "To the extent preempted by federal law[or, in the absence of federal law
- 4 preemption, if and to the extent requested by authorized federal authorities, the"

B. strike everything after law line 3

5/6/04

Kerttula moved
~~DKR objected~~
adopted

Amendment 4 to CSSB 385 (JUD)

OK JUD

OK Bruce
Weyhrauch
by GA

OK Jue
DMW

1. Page 11, line 28 - delete "threat of attacks" and insert "threat levels" ✓
2. Page 12, line 16 - delete "threats from attack" and insert "attack threats" ✓
3. Page 13, line 4 - delete "preventive" and insert "prevention" ✓
4. Page 21, lines 7-8 - delete "imminent threat of attack" and insert "a credible threat of imminent enemy or terrorist attack" ✓
5. Page 21, line 29 - delete "an imminent" and insert "a credible" ✓
Page 21, line 30 - before "enemy" insert "imminent" ✓
6. Page 22, line 6 - delete "an imminent threat of" and insert "a credible threat of an imminent" ✓

5/6/04
Kerttula moved
adopted

AMENDMENT # 5

OK [initials]
OK Bruce
Weybrauch
by GA

TO: CSSB 385 (JUD) am

Page 16, lines 24-25

Delete "avoid the checkpoint by rerouting travel;"

Insert "turn around without passing through the checkpoint;"

OK
DWA

EB: constitutional

MG: work to cure any constitutional problems
will check w / AG + legal counsel's office

Order SB385
amended
w/ attach 1/2

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSSB 385(HES)
(S) Publish Date: 4/8/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Military & Veterans' Affair
Title An act relating to homeland security BRU Homeland Security & Emergency Serv
Component Homeland Security & Emergency Serv
Sponsor Senator Fred Dyson
Requester Military & Veterans' Affairs Component No. 2657

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services	0.0	*	*	*	*	*
Travel	0.0	*	*	*	*	*
Contractual	0.0	*	*	*	*	*
Supplies	0.0	*	*	*	*	*
Equipment	0.0	*	*	*	*	*
Land & Structures	0.0	*	*	*	*	*
Grants & Claims	0.0	*	*	*	*	*
Miscellaneous	0.0	*	*	*	*	*
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	*	*	*	*	*
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CHANGE IN REVENUES ()	0.0	*	*	*	*	*
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FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time	0.0	*	*	*	*	*
Part-time	0.0	*	*	*	*	*
Temporary	0.0	*	*	*	*	*

ANALYSIS: (Attach a separate page if necessary)

The department strongly supports this legislation. It is needed for implementation for Homeland Security programs. Implementation will have no fiscal impact to the Department of Military & Veterans' Affairs.

Prepared by: John Cramer, Director
Division: Administrative Services
Approved by: Commissioner Craig Campbell
Agency: Department of Military & Veterans' Affairs

Phone (907) 465-4602
Date/Time 4/5/04 2:07 PM
Date 4/5/2004



SENATOR FRED DYSON

SPONSOR STATEMENT CSSB 385 (JUD)

(Homeland security, civil defense, emergencies, and disasters)

Updated 4-26-04 Contact: Office of Senator Fred Dyson

The primary purposes of the legislation are (1) to amend existing civil defense statutes to update them for homeland security purposes; (2) to amend existing disaster statutes to make them applicable to homeland security and outbreaks of disease, (3) to combine two divisions in the Department of Military and Veterans Affairs into a single Division of Homeland Security and Emergency Management; and (4) to establish the Homeland Security and Emergency Management Subcommittee as a legislative subcommittee of the Joint Armed Services Committee.

The civil defense chapter in the DMVA statutes, AS 26.20, was enacted in 1951 during the cold war. The bill updates this chapter to make it relevant to homeland security. It specifies that DMVA shall coordinate homeland security and civil defense functions in the state in cooperation with and with assistance from other state agencies. It authorizes DMVA to undertake certain homeland security planning and preparedness activities. It also repeals obsolete and potentially far-reaching civil defense powers and requirements.

The bill authorizes the Governor to declare an emergency to exercise specified emergency powers in the event of a terrorist attack or a credible threat of imminent attack in the state. "Credible threat" requires certification by the commissioner of DMVA, in consultation with the commissioner of the Department of Public Safety and based on specific reliable information, that there is a high probability of attack in the near future. It also authorizes the Governor to declare a disaster and exercise the Governor's disaster powers in the event of an attack or imminent threat of attack, or an outbreak of disease or an imminent threat of an outbreak, again requiring certification of the threat. Such declarations are effective for a maximum of 30 days, and the legislature also may terminate the declared emergency or disaster at any time by law.

The bill also authorizes DMVA, in coordination with DPS and the Department of Transportation and Public Facilities, to establish checkpoints along roadways serving critical property or facilities in the state (such as oil pipelines), at the direction of the Governor. This provision strikes a balance between civil liberties and important homeland security concerns. It limits checkpoints to inspection of persons and vehicles for explosives or other instruments capable of causing widespread severe injury, and it applies only to those passing the checkpoints and not to those choosing to turn around. The checkpoints can be established only when the Governor determines that a sufficiently high threat of attack exists to warrant such action (for example, when the federal homeland security threat level is raised to high or extreme). The

Governor need not wait until there is a high probability of an attack in the state, as would be required for a declaration of a homeland security emergency or a disaster.

The bill consolidates DMVA's Division of Emergency Services and its Division of Homeland Security into a single division, the Division of Homeland Security and Emergency Management. Finally, the bill establishes a new Homeland Security and Emergency Management Subcommittee, a subcommittee of the legislature's Joint Armed Services Committee to review on state activities, plans, recommendations, and other materials relating to homeland security and civil defense, emergencies, and disasters, and to report back to the legislature as necessary. The subcommittee is authorized to obtain information from state agencies relating to these matters, and members of the subcommittee must have or obtain federal security clearance at the secret level.



SENATOR FRED DYSON

SECTIONAL ANALYSIS CSSB 385 (JUD)

An Act relating to homeland security, to civil defense, to emergencies and to disasters, including disasters in the event of attacks, outbreaks of disease, or threats of attack or outbreak of disease; establishing the Alaska division of homeland security and emergency management in the Department of Military and Veterans' Affairs and relating to the functions of that division and that department; and providing for an effective date.

Updated 4/26/04 Contact: Office of Senator Fred Dyson

The primary purposes of the legislation are (1) to amend the existing civil defense chapter of the military affairs and veterans statutes (AS 26.20) to update it for homeland security purposes; (2) to amend provisions of the existing disaster chapter (AS 26.23) to make it applicable to attacks and outbreaks of disease, (3) to combine two divisions in the Department of Military and Veterans Affairs (Division of Emergency Services and Division of Homeland Security) into a single division (Division of Homeland Security and Emergency Management); and (4) to establish as a statutory subcommittee the Homeland Security and Emergency Management Subcommittee as a legislative subcommittee of the Joint Armed Services Committee.

- Section 1 states the bill's purpose of furthering the consolidation of DMVA's Division of Emergency Services and its Division of Homeland Security into a single division, the Division of Homeland Security and Emergency Management.

- Sections 2 and 23 establish a new Homeland Security and Emergency Management Subcommittee as a subcommittee of the Joint Armed Services Committee of the legislature. The subcommittee may review state activities, plans, and materials relating to homeland security, emergencies, and disasters. It shall prepare a report to each legislature and may provide additional reports and recommendations on these matters. The subcommittee may request information from the Division of Homeland Security and Emergency Management, the Governor, and other agencies or persons. Subcommittee members must have or obtain federal security clearance at the secret level to enable their receipt of classified information. The bill includes procedures for keeping information confidential. Section 21 is a sunset provision terminating the subcommittee on January 1, 2009.

- Sections 3, 5, 8, 10, 11, 12, 13, and 24 update existing statutes to make them applicable to homeland security as well as to civil defense activities. The present civil defense chapter, AS 26.20, was enacted in 1951 during the cold war. Including "homeland security" updates this chapter to reflect current homeland security concerns. The overall scope of AS 26.20 is not significantly expanded, since "civil defense" presently is defined to include "the protection and defense of the civilian population by the organized efforts of the residents of the state other than those in the military service."

- Section 4 declares the purpose of AS 26.20 and the policy of the state that all homeland security and civil defense functions in the state be coordinated by DMVA, with the cooperation and assistance of all state agencies.

- Section 5 contains similar coordination and cooperation provisions and specific statutory authority for the preparation and implementation of homeland security plans. It authorizes DMVA to advise the Governor and the legislature on homeland security and civil defense and to coordinate state agencies in providing recommendations to the Governor for response as threats of attack change. Section 5 also repeals existing statutory authority authorizing DMVA to "assume direct operational control," to "give directions to state and local law enforcement officers and agencies," and to "take any measures that it considers proper" in response to a request from the president. Finally, in the event the Governor delegates additional authority to DMVA in a disaster or homeland security emergency, section 5 authorizes DMVA to exercise such additional authority as may be delegated by the Governor.

- Section 6 establishes in statute the homeland security duties of the Division of Homeland Security and Emergency Management.

- Section 8 authorizes the Governor to declare an emergency and exercise existing powers under AS 26.20 in the event of a "credible threat of imminent attack," without having to wait for an actual attack, as is presently required. Section 8 also adds to the Governor's homeland security emergency powers certain powers presently available in a declared disaster.

- Section 9 defines "credible threat of imminent attack," which triggers the Governor's emergency powers. It requires certification by the commissioner of DMVA, in consultation with the commissioner of the Department of Public Safety, that a threat has a high probability of occurring in the near future, based on specific reliable information. Section 9 also authorizes provides that a declared homeland security emergency may not remain in effect more than 30 days unless extended by the legislature, and authorizes the legislature to terminate a declared homeland security emergency at any time by law.

- Section 10 amends the existing traffic control statute to authorize DMVA, in coordination with DPS and DOT&PF, to establish checkpoints along roadways serving critical property or facilities in the state (such as oil pipelines), at the direction of the Governor. This provision strikes a balance between civil liberties and important homeland security concerns. It limits checkpoints to inspection of persons and vehicles for explosives or other instruments capable of causing widespread severe injury, and it applies only to those passing the checkpoints and not to those choosing to turn around. The checkpoints can be established only when the Governor determines that a sufficiently high threat of attack exists to warrant such action (for

example, when the federal homeland security threat level is raised to high or extreme). The Governor need not wait until there is a high probability of an attack in the state, as would be required for a declaration of a homeland security emergency or a disaster.

- Section 14 makes it clear, to avoid confusion to regulated industries or the public, that state homeland security requirements do not apply to facilities, aircraft, vessels, and other means and modes of transportation that are subject to federal homeland security requirements, including specified aviation security requirements and maritime and land security requirements.
- Section 15 adds new definitions to the homeland security and civil defense chapter, including definitions of “attack” (meaning “the use of weapons, explosives, chemicals, biological or biochemical agents, or other instruments with the potential for major force or impact, with apparent intent to inflict widespread or severe injury to persons or property”) and “homeland security” (meaning “the detection, prevention, preemption, and deterrence of, protection from, and response to, attacks targeted at territory, population, or infrastructure in this state”).
- Section 16 authorizes the Governor to allocate or redistribute medicine and other supplies in the event of a disaster, which adds to the Governor’s existing authority to allocate or redistribute food, water, fuel and clothing in the event of a disaster.
- Section 17 adds a cross-reference to the Alaska disaster statutes, cross-referencing the civil defense and homeland security functions of the Division of Homeland Security and Emergency Management.
- Section 18 states the relationship of AS 26.20 (homeland security and civil defense) and AS 26.23 (disasters). The Governor may find it necessary to declare a disaster emergency under AS 26.23 in the event of an attack or an imminent threat of an attack. If so, this section makes it clear statutes in AS 26.23 shall govern if a conflict arises between statutes in AS 26.20 and statutes in AS 26.23.
- Section 19 authorizes the Governor to declare a disaster and to exercise the Governor’s disaster management powers in the event of an attack or imminent threat of attack or in the event of an outbreak of disease or an imminent threat of an outbreak of disease, requiring certification of the threat from the appropriate commissioners.
- Sections 3, 5, 7, 11, 13, and 20 repeal several existing statutory provisions that are obsolete and that could be viewed as giving the government unnecessary and potentially overreaching powers. These include provisions (1) authorizing the establishment of local civil defense districts, with authority to issue orders and adopt regulations (districts have not been

established and would create an unnecessary bureaucracy); (2) providing that civil defense orders and regulations adopted by the Governor, DMVA, local districts, and other authorized agencies have the "effect of law"; (3) automatically suspending conflicting laws, ordinances or regulations; (4) directing the federal government and local law enforcement to enforce civil defense orders and regulations; (5) requiring a loyalty oath from civil defense personnel; and (6) prohibiting civil defense organizations from participating in any form of political activity.

*From: House State
Affairs Referral
File*

Sec. 1:

What is the rationale for converting "emergency services" into "emergency management"? The term "Emergency Management" is broader based and fits all of functions we currently do while "Emergency Services" describes a narrow perspective of a first responder. This has long confused the local jurisdictions as most think of this title as "Emergency Medical Services". Additionally the overwhelming majority of States use the term "Emergency Management" in the title of their organizations.

What type of emergency is the division in charge of? Does it manage emergencies? If so, where and under what circumstances? Section 1 relates only to purpose and what types of emergencies we are in charge of are covered within AS 26.20 and this law is only the Civil Defense portion.

Sec 2:

Why establish a Legislative subcommittee in statute? Why is the selection process so cumbersome?

What are the requirements of a federal security clearance or interim security clearance?

Page 4: Powers and Duties of Legislative committee: how does this committee determine ability to mount prompt response "to emergencies or disasters"

- what about forest fires (urban interface leading threat to communities)
- what about oil spills
- What happens to the State Emergency Response Commission — it has the same responsibility
- Does committee review other departments' emergency plans in addition to DMVA? DNR, DEC, Econ, etc?

Page 5, line 5: what is a subcommittee of a permanent interim committee?

- Requests for Information: vague scope of authority, interesting to be able to request info from the Gov in addition to state departments
- New Sec. at line 20: can you decipher this? A lot of "it's"
- Consider how this section relates to the "secret" security clearance needed by committee members? Why is this level of "managing" secrets needed? What, if anything, could the com do if it had secret or confidential information?
- Page 7, line 17: how will the committee get staff that meet security clearance? What does it take! cost to administer management of security clearances?

Simply this section was added at the request of various Senators to create a body that has the ability to receive and review classified and sensitive information relative to HLS matters. The concern was this Division had to be able report on accomplishments made with the funding provided through legislative appropriation that may be sensitive. They further added language to provide the ability for the legislature to react quickly with necessary support as needed.

Sec. 5:

See page 9, line 28: note the frequent use of the term "coordinate" ... who is in charge? If a terror act is a crime, why isn't I in charge along with fed police agencies? Remember Exxon Valdez response — in those days DEC "coordinated" now they are statutorily mandated as the Lead state agency on oil & hazmat incidents / spills. Also, DNR is Lead state agency for tire suppression.

The DPS was fully involved in the development and revision of this bill to include this section and has no problem with the content. Coordination is allowed to give the Governor the ability to task those necessary as the Governor is who is in charge under a Unified Command Structure which is fully understood and accepted by DEC, DNR and DPS.

Sec 6:

Notice the name of the new Division: what do they "manage"? The division now provides services (grant money, arguably training and exercise services, etc) — they do not come into a community and manage a disaster response operation — the local community has that responsibility — what does this bill do to empower the new division to manage Where in this bill does it say "who is in charge"?

The role of State Emergency Management is to provide coordination and management of resources necessary to provide response and recovery. The local community does have the role of their own disaster response operation and the State only becomes involved when the local requests assistance. The State then does not take over the role of the locals but instead supports and coordinates with them as per AS 26.20. We believe this is what Management means again we do not provide the Services as first responders. The Services that are listed above are encompassed in our Emergency Management Programs and have always been referred to as programs.

Page 12; line 16— this language suggest the DMVA folks will have police powers yet they do not get police training

- line 22: establish chains of command in plans? Shouldn't the agencies with responsibility (DPS, DNR, DEC. etc) do this if they are already for law enforcement, etc.?

- line 24; what is the organized militia? Again "coordination and deployment" language, but not clear description of who is in charge?

- line 28: what background does the new division have to design local security plans? Why is the new division involved in "police function" activities? Will "planners" tell local police how to develop and execute law enforcement strategies?

--- this is a key point: the new division will condition the pass through of federal grant money to locals based on the plans that they require

- line 30; again 'coordinate' term is used ... the use of the term "homeland security activities" is very broad. Will the new division coordinate federal, state and local law enforcement activities as well?

There are no police powers given to HLS in Section 6. The investigative powers in this section are not Executive Powers exercised through law enforcement. The authority to coordinate such functions as risk assessment, defense planning, and crisis management are what is reflected in this section. The investigation envisioned in this section is a management tool focused on risk assessment and mitigation only, as agreed to by the above departments. The organized militia is defined in existing AS 26.05.030 as including the National Guard, the Naval Militia (Naval Reserve and USMC Reserve) and the Alaska State Defense Force. The bill, which authorizes DMVA to assist local and private agencies in designing homeland security plans, does not authorize DMVA to tell local police how to develop and execute law enforcement strategies.

Page 13; line 1 ..notice all the plans, why not one master plan with annex's like the state oil spill plan? The division folks say they will do this but if the statute identifies multiple plans, you will get lots of state planners and lots of plans and lots of confusion.

- ask for information on the current state emergency plan — the current DES folks like to call it a "concept" document ... compare it to any other state and you can how poor it is.

- the crux of the problem is there in no SYSTEM to manage mandated by this bill!

- Line 6: this language could be a blank check to the division on what they determine to be homeland security matters

- Line 28; more blank check language

Obviously there is disagreement between the author and the DMVA on this issue. We believe the most important focus of our emergency plan for a statewide response is to be a functional tasking document to ensure appropriate resource allocation. The other departments have steadfastly pressed for a non-directive document and in fact the Federal Government's response plan (the National Response Plan) is written in the same manner as are many other States. We also need to remember that there are various federal requirements for plans that cannot be accomplished in ONE overall plan. Further, it would be inappropriate to specify by statute the number of or form of homeland security or emergency plans or the particular emergency management system to be employed. Additionally the State Oil Spill Plan is an operational plan with a very narrow focus on one event. The challenge is to have an overall document that provides the functional framework to ensure that each operational plan has the resources needed to accomplish it's mission.

Page 15 Sec. 9 — will a special session be required for this? Why not use the current system laid out in AS 26 re: legis oversight of disasters?

- notice too the absence of any source of disaster money to fund HLS activities?

- How can a new division be created at NO COST?

- What happens as federal grant money dries up?

- How much federal money will be spent on the new division?

- Will DES's current budget be commingled with the new HLS federal dollars?

The ability to declare an emergency in this section relates to the ability of the Governor to respond to a heightened level of threat and to exercise the necessary powers under section 8. The Alaska Disaster Act under 26.23.020 provides the ability to declare a disaster after an event has occurred and provides for recovery and funding for that action. The current Division of Homeland Security is funded through Legislative Appropriation in one BRU that contains Emergency Management. There is no additional cost for creation of a new Division as that was already provided for and efficiencies were obtained by combining the two existing divisions into one.

Sec. 10;

- read (2) very closely, notice how few definitions there are
- what is a critical property or facility?
- Who runs the checkpoints? State militia? What is their training ... who are these guys and do they carry guns, can they make arrests, etc.?

The Critical Facilities for Alaska were developed by the Governor's Homeland Security Task Force and are law enforcement sensitive and should not be published in a document through definitions. Any future revisions to the Critical Facilities List would be reviewed and approved by the new Governor's Homeland Security Executive Cabinet. Section 10 was developed with the full cooperation of the DPS and DOT/PF with agreed coordination for the deployment and establishment of checkpoints.

Sec. 13:

- line 10; Notice the removal of reference to pass through to local governments (deletion of state district)
- line 22; no clear language to reference local role

The old statute was in reference to the Civil Defense laws and allowed for Civil Defense Districts that no longer exist. Civil defense districts were a layer of bureaucracy established in 1951 separate from local governments, and removal of this unnecessary layer throughout the bill enhances rather than reduces the ability of local governments to participate. The concern over lack of reference to locals is not of concern in this section as all the requirements for locals are under AS 26.23 and all pass through of funds for those activities is considered under that law and through our budget documents.

Sec. 14:

- need to get a good explanation of what is excluded from this HIS bill
- all other facilities will be subject to the new authority of I
- this is important — most of the places where there is a threat are likely excepted due to current federal requirements
- I would suggest getting a list of these locations, most would be surprised how many places now have fed. security plans required ... makes the need for new HLS powers seem questionable

This State Law does not try to override or conflict with the federal law and requirements for HLS planning activities. This law has been fully coordinated with the other departments who raised the issues of compliance with their federal regulations. This well coordinated legislative initiative meets our needs and those of our planning partners without creating conflicts.

Thoughts.

The State Emergency Response Commission was not involved in development of this legislation. The current AO re: I could be revised by the Governor if needed. I am not

aware of the Gov. pushing this bill

Be suspect of a new division being created with no dollars related to it

If the bulk of ILS activities are quasi law enforcement and security related, why isn't DPS more in the lead?

Why not review the entire state EMERGENCY MANAGEMENT SYSTEM?

There is not a system in place to effectively manage resources outside of DNR / Fire and DEC / oil spills.

There should be no problem continuing to receive federal [money is this bill is not passed. .

Why not have a panel of experts review the state of the state emergency management system and provide a comprehensive strategy to the legis for a fix.

This bill has been developed with the input and coordination of our State and federal Law Enforcement Agencies as well as the Governor's Homeland Security Executive Cabinet and external entities such as the American Civil Liberty Union, and other organizations. The SERC simply didn't need to play a role in this type of statute development, nor did any SERC members ask for SERC involvement. The Division received comments from SERC member agencies DEC, DNR, and DOT/PF and revised the bill significantly to address the concerns of each. In addition to being a public member of the SERC, Mr. Butler is the public at large member of the Governor's Homeland Security Executive Cabinet; he participated in a Homeland Security Executive Cabinet meeting on April 7, 2004 at which the bill was discussed and did not raise these concerns. Neither he nor any other SERC members requested that the SERC become involved in the legislation. The Governor can amend his A/O to change the structure of the Division however he cannot amend the outdated Civil Defense Laws through an A/O. Since those laws give us the power and responsibility to hold such outdated activities as air raid blackouts, forcible evacuation drills, shutting down infrastructure utilities for exercises and actual incident, and even control of public meetings and gatherings the Governor's Office believes this is an important updated piece of legislation to pass. The DMVA has received many accolades for the Homeland Security and Emergency Management organization and accomplishments to date.

SB

1001



Official Business

Twenty-Third Alaska Legislature
HOUSE CALENDAR
First Special Session - Third Day
Thursday - June 24, 2004

FIRST SUPPLEMENTAL

SECOND READING OF SENATE BILLS

SB 1001

"An Act relating to taxes on cigarettes and tobacco products, to tax stamps on cigarettes, to forfeiture of cigarettes and of property used in the manufacture, transportation, possession, or sale of unstamped cigarettes, to accounting for and use of part of the proceeds of the additional cigarette tax, and to licenses and licensees under the Cigarette Tax Act; relating to unfair cigarette sales; and providing for an effective date."

PENDING FINANCE HCS WITH NEW TITLE TODAY

SPECIAL ORDER OF BUSINESS

HCR 101 - Title change resolution for HCS SB 1001(FIN)

PENDING INTRODUCTION

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HCS SB 1001 (FIN)
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Various
 Title "An Act relating to Tobacco Tax..." BRU _____
 Component _____
 Sponsor (RLS) by Request of the Governor Component No. _____
 Requester House Finance Committee

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

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 (FY2004) cost: 0.0
 Check this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: *W.R. Williams* Phone 465-3424
Rep. Williams, Co-Chair Date/Time 6/24/04 2:48 PM
John Harris Date 6/24/2004
Rep. Harris, Co-Chair

STATE OF ALASKA

DEPARTMENT OF REVENUE

Tax Division

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Comparison of Major Differences Between Special Session Tobacco Tax Bill SB/HB 1001 and House Finance CS for CS for SB 368, Version W

The following major provisions are found in Special Session Tobacco Tax Bill SB/HB 1001, but not in House CS for CSSB 368 (as adopted by House Finance):

- Increases the tax on cigarettes by \$1.00 per pack of twenty. The entire \$1.00 increase would be implemented on the effective date of the bill.
- Increases other tobacco products (OTP) tax from 75% to 100% of the wholesale cost.
- Requires individuals who import other tobacco products (OTP) into Alaska for personal consumption to pay the OTP tax. This bill also requires individuals to obtain an OTP buyer's license; pay a fee of \$25 for a buyer's license; renew a buyer's license for a \$25 fee each year; and file a tax return each month.
- Requires a floor stock tax be paid on cigarettes held for sale in the state on the date of the tax rate increase.

The following major provisions are found in House CS for CSSB 368 (as adopted by House Finance), but not in Special Session Tobacco Tax Bill SB/HB 1001:

- Increases the tax on a pack of 20 cigarettes by \$.60 on the effective date of the bill (~~July 1, 2004~~^{Jan 1}) and by an additional \$.20 on July 1, 2006 and July 1, 2007, for a total increase of \$1.00 per pack by July 1, 2007.
- Levies an additional excise tax of 12.5 mills (\$.25 per pack of 20) on brands of cigarettes manufactured by companies that did not sign the tobacco Master Settlement Agreement.
- Limits the number of cigarette tax stamps that a licensee can purchase from the Department of Revenue within the three months preceding a tax increase. (Language was inserted in an attempt to limit the effects of stockpiling since the floor stock language was removed from this version of the bill.)
- Caps appeal bonds for signatories of the Master Settlement Agreement (MSA) at \$100 million. This provision is in response to tobacco litigation in Illinois and Florida in which the judgments against the tobacco manufacturers were so large that they had the potential of bankrupting the manufacturer, which, in turn, would put the states' MSA revenue payments at risk.

Comparison of Special Session Tobacco Tax Bill SB/HB 1001 & CS for CSSB 368, Version W
 Prepared: June 24, 2004, 11:45 AM

Special Session Tobacco Tax Bill SB/HB 1001	House CS for CSSB 368 Version W (As drafted by House Finance)
Section 1. This section outlines the intent by the legislature to provide funding to tobacco control programs at minimum levels recommended by the U.S. Department of Health and Human Services from tobacco tax revenues collected by the state.	Section 1. This section outlines the intent by the legislature to provide funding to tobacco control programs at minimum levels recommended by the U.S. Department of Health and Human Services from tobacco tax revenues collected by the state.
Section 2. This section increases the cigarette license fee for manufacturers from \$5 to \$50.	Section 2. This section increases the cigarette license fee for manufacturers from \$5 to \$50.
Section 3. This section increases the cigarette license fee for vending machine operators from \$25 to \$50.	Section 3. This section increases the cigarette license fee for vending machine operators from \$25 to \$50.
Section 4. This section increases the cigarette license fee for direct-buying retailers from \$25 to \$50. This increase makes the license fee the same for distributors and direct-buying retailers who are engaged in substantially similar activities.	Section 4. This section increases the cigarette license fee for direct-buying retailers from \$25 to \$50. This increase makes the license fee the same for distributors and direct-buying retailers who are engaged in substantially similar activities.
Section 5. This section is a technical correction to the wholesaler-distributor cigarette license type. This correction ensures that in-state individuals and retailers are not double taxed on product that is sold to them by an entity holding a wholesaler-distributor license.	Section 5. This section is a technical correction to the wholesaler-distributor cigarette license type. This correction ensures that in-state individuals and retailers are not double taxed on product that is sold to them by an entity holding a wholesaler-distributor license.
Section 6. This section requires unlicensed entities that bring cigarettes into the state upon which a tax stamp is not affixed to pay the cigarette excise tax and remit it to the department each month.	Section 6. This section requires unlicensed entities that bring cigarettes into the state upon which a tax stamp is not affixed to pay the cigarette excise tax and remit it to the department each month.
Section 7. This section allows individuals to personally transport up to 400 cigarettes (2 cartons) each month without incurring cigarette tax liability imposed by AS 43.50.090.	Section 7. This section allows individuals to personally transport up to 400 cigarettes (2 cartons) each month without incurring cigarette tax liability imposed by AS 43.50.090.
Section 8. This section changes the definition of a class A misdemeanor for violations of the cigarette shipping restrictions from one but fewer than 1,000 cigarettes to one but fewer than 5,000 cigarettes. This section changes the definition of a class C felony for violations of the cigarette shipping restrictions from 1,000 or more cigarettes to 5,000 or more cigarettes. The intention in raising the threshold for the class C felony is to make it consistent with the threshold for C felony theft (theft in the 2 nd degree), which requires a value of \$500. The tax due on 5,000 cigarettes under this bill (\$1.00 per pack increase) would be \$500.	Section 8. This section changes the definition of a class A misdemeanor for violations of the cigarette shipping restrictions from one but fewer than 1,000 cigarettes to one but fewer than 5,000 cigarettes. This section changes the definition of a class C felony for violations of the cigarette shipping restrictions from 1,000 or more cigarettes to 5,000 or more cigarettes. The intention in raising the threshold for the class C felony is to make it consistent with the threshold for C felony theft (theft in the 2 nd degree), which requires a value of \$500. The tax due on 5,000 cigarettes under this bill would eventually be \$500.

Comparison of Special Session Tobacco Tax Bill SB/HB 1001 & CS for CSSB 368, Version W
 Prepared: June 24, 2004, 11:45 AM

Special Session Tobacco Tax Bill SB/HB 1001	House CS for CSSB 368 Version W (As drafted by House Finance)
<p>Section 9. This section provides that any person who violates the cigarette shipping restrictions is jointly and severally liable for the cigarette excise taxes and is required, as permitted by the U.S. Constitution, to collect and remit the cigarette excise taxes to the department. This section will enhance the ability of the Department to collect taxes from out-of-state sellers who violate the state's shipping laws. Current U.S. Supreme Court precedent (<i>Quill Corp. v. North Dakota</i>) requires some in-state physical presence before states can impose excise tax collection requirements on sellers. At some point in the future, however, Congress may overrule the <i>Quill</i> decision or the Court may reconsider it, at which point the State will be in a position to be able to collect tobacco taxes from out-of-state sellers that violate the state's shipping law, even if such shippers have no physical presence in the state.</p>	<p>Section 9. This section provides that any person who violates the cigarette shipping restrictions is jointly and severally liable for the cigarette excise taxes and is required, as permitted by the U.S. Constitution, to collect and remit the cigarette excise taxes to the department. This section will enhance the ability of the Department to collect taxes from out-of-state sellers who violate the state's shipping laws. Current U.S. Supreme Court precedent (<i>Quill Corp. v. North Dakota</i>) requires some in-state physical presence before states can impose excise tax collection requirements on sellers. At some point in the future, however, Congress may overrule the <i>Quill</i> decision or the Court may reconsider it, at which point the State will be in a position to be able to collect tobacco taxes from out-of-state sellers that violate the state's shipping law, even if such shippers have no physical presence in the state.</p>
<p>Section 10. This section is a technical correction to the definition of a "buyer" that ensures that an individual bringing cigarettes into the state that were purchased from a licensed wholesaler-distributor are not again subject to tax.</p>	<p>Section 10. This section is a technical correction to the definition of a "buyer" that ensures that an individual bringing cigarettes into the state that were purchased from a licensed wholesaler-distributor are not again subject to tax.</p>
<p>Section 11. This section is a technical correction to the definition of "direct-buying retailer" that ensures that a retailer bringing cigarettes into the state that were purchased from a licensed wholesaler-distributor are not again subject to tax.</p>	<p>Section 11. This section is a technical correction to the definition of "direct-buying retailer" that ensures that a retailer bringing cigarettes into the state that were purchased from a licensed wholesaler-distributor are not again subject to tax.</p>
<p>Section 12. This section is a technical correction to the definition of "distributor" that ensures that a distributor bringing cigarettes into the state that were purchased from a licensed wholesaler-distributor are not again subject to tax.</p>	<p>Section 12. This section is a technical correction to the definition of "distributor" that ensures that a distributor bringing cigarettes into the state that were purchased from a licensed wholesaler-distributor are not again subject to tax.</p>
<p>Section 13. This section is a technical correction to the definition of "wholesaler-distributor" that ensures that entities outside the state who make sales of cigarettes into the state are properly licensed.</p>	<p>Section 13. This section is a technical correction to the definition of "wholesaler-distributor" that ensures that entities outside the state who make sales of cigarettes into the state are properly licensed.</p>

Comparison of Special Session Tobacco Tax Bill SB/HB 1001 & CS for CSSB 368, Version W
 Prepared: June 24, 2004, 11:45 AM

Special Session Tobacco Tax Bill SB/HB 1001	House CS for CSSB 368 Version W (As drafted by House Finance)
Section 14. This section increases the tax on cigarettes by 50 mills or \$1.00 per pack of 20. The increase in this tax will all go into the general fund.	Section 14. This section increases the tax on cigarettes by 30 mills or \$.60 per pack of 20 in on July 1, 2004; by 10 mills or \$.20 per pack of 20 on July 1, 2006; and by 10 mills or \$.20 per pack of 20 on July 1, 2007; for a total increase of \$1.00 per pack of 20 over the current excise tax rate. These increases in the tax will all go into the general fund.
Section 15. This section allows individuals to personally transport up to 400 cigarettes (2 cartons) each month without incurring cigarette tax liability imposed by AS 43.50.190.	Section 15. This section allows individuals to personally transport up to 400 cigarettes (2 cartons) each month without incurring cigarette tax liability imposed by AS 43.50.190.
Section 16. This section requires 8.9% of annual cigarette tax revenues levied under AS 43.50.190(a) to be deposited in the tobacco use education and cessation fund.	Section 16. This section requires the legislature to deposit 8.9% of the annual cigarette taxes deposited in the General Fund into the tobacco use education and cessation fund.
	Section 17. This section levies an additional excise tax of 12.5 mills or \$.25 per pack of 20 cigarettes on brands of cigarettes manufactured by manufacturers that did not sign the tobacco Master Settlement Agreement. This additional tax would be deposited into the General Fund.
	Section 18. This section requires that the additional tax levied under Section 17 must be paid through the use of tax stamps.
	Section 19. This section allows the Department of Revenue to limit the number of tax stamps purchased by a license during the 3 months immediately preceding a tax rate increase.
Section 17. This section increases the tax on other tobacco products from 75% to 100% of the wholesale cost and also levies the tax on other tobacco products sold or imported into the state for personal consumption.	
Section 18. This section requires that individuals that import other tobacco products into the state must have a license as a "buyer".	
Section 19. This section requires that a fee of \$25 must be paid for a tobacco products "buyer" license.	
Section 20. This section requires distributors to provide information about the type of tobacco business they are conducting to the Department of Revenue.	

Comparison of Special Session Tobacco Tax Bill SB/HB 1001 & CS for CSSB 368, Version W
 Prepared: June 24, 2004, 11:45 AM

Special Session Tobacco Tax Bill SB/HB 1001	House CS for CSSB 368 Version W (As drafted by House Finance)
Section 21. This section allows distributors and buyers to renew their tobacco products license each year for a fee of \$50 and \$25, respectively.	
Section 22. This section requires individuals who import tobacco products for personal consumption to file a return each month indicating the amount and purchase price of the tobacco products and the tax due on those tobacco products.	
Section 23. This section changes the definition of a "distributor" to include entities that sell cigarettes to individuals for personal consumption.	
Section 24. This section changes the definition of "licensee" in the tobacco products statutes to include the new "buyer" license type.	
Section 25. This section provides a definition for "buyer" in the tobacco products statutes.	
Section 26. This section allows a licensee to request that the department replace cigarette tax stamps that were lost or damaged in transit.	Section 20. This section allows a licensee to request that the department replace cigarette tax stamps that were lost or damaged in transit.
Section 27. This section allows licensees with a physical location in the state and who have been in full compliance with cigarette tax statutes for the preceding 5 years to reduce their bond requirement from 200% to 100% of their monthly purchases of stamps when payment is made on a deferred payment basis.	Section 21. This section allows licensees with a physical location in the state and who have been in full compliance with cigarette tax statutes for the preceding 5 years to reduce their bond requirement from 200% to 100% of their monthly purchases of stamps when payment is made on a deferred payment basis.
Section 28. This section allows in-state cigarette licensees to maintain unstamped cigarette inventories if the licensee is in the business of making cigarette sales to customers outside the state and the licensee is properly licensed in the other states where it makes sales.	Section 22. This section allows in-state cigarette licensees to maintain unstamped cigarette inventories if the licensee is in the business of making cigarette sales to customers outside the state and the licensee is properly licensed in the other states where it makes sales.
Section 29. This section allows in-state cigarette licensees to claim a credit for cigarette tax stamps affixed to packages of cigarettes that are sold outside the state provided the licensee is properly licensed in the other states where it makes sales and the licensee provides proof acceptable to the department that the stamped cigarettes were not consumed in Alaska.	Section 23. This section allows in-state cigarette licensees to claim a credit for cigarette tax stamps affixed to packages of cigarettes that are sold outside the state provided the licensee is properly licensed in the other states where it makes sales and the licensee provides proof acceptable to the department that the stamped cigarettes were not consumed in Alaska.

Comparison of Special Session Tobacco Tax Bill SB/HB 1001 & CS for CSSB 368, Version W
 Prepared: June 24, 2004, 11:45 AM

Special Session Tobacco Tax Bill SB/HB 1001	House CS for CSSB 368 Version W (As drafted by House Finance)
<p>Section 30. This section allows for the seizure of assets used by a person when the person commits, or the state has probable cause to believe that the person has committed, the felony of misconduct involving unstamped cigarettes or stamps in the first degree. This section further outlines the types of assets that may be seized, procedures for seizing assets, and procedures for the disposition of assets after they are seized.</p>	<p>Section 24. This section allows for the seizure of assets used by a person when the person commits, or the state has probable cause to believe that the person has committed, the felony of misconduct involving unstamped cigarettes or stamps in the first degree. This section further outlines the types of assets that may be seized, procedures for seizing assets, and procedures for the disposition of assets after they are seized.</p>
<p>Section 31. This section changes the definition of misconduct involving unstamped cigarettes in the first degree from sales of or possession with intent to sell 1,000 or more unstamped cigarettes to sales of or possession with intent to sell 5,000 or more unstamped cigarettes.</p>	<p>Section 25. This section changes the definition of misconduct involving unstamped cigarettes in the first degree from sales of or possession with intent to sell 1,000 or more unstamped cigarettes to sales of or possession with intent to sell 5,000 or more unstamped cigarettes.</p>
<p>Section 32. This section changes the definition of misconduct involving unstamped cigarettes in the second degree from sales of one but fewer than 1,000 unstamped cigarettes to sales of one but fewer than 5,000 unstamped cigarettes and from possession of one but fewer than 10,000 unstamped cigarettes to possession of <u>401</u> but fewer than 10,000 unstamped cigarettes. This section also includes importation or possession of one but fewer than <u>401</u> unstamped cigarettes as misconduct involving unstamped cigarettes in the first degree if the cigarettes are not possessed for personal consumption.</p>	<p>Section 26. This section changes the definition of misconduct involving unstamped cigarettes in the second degree from sales of one but fewer than 1,000 unstamped cigarettes to sales of one but fewer than 5,000 unstamped cigarettes and from possession of one but fewer than 10,000 unstamped cigarettes to possession of <u>601</u> but fewer than 10,000 unstamped cigarettes. This section also includes importation or possession of one but fewer than <u>601</u> unstamped cigarettes as misconduct involving unstamped cigarettes in the first degree if the cigarettes are not possessed for personal consumption.</p>
	<p>Section 27. This section makes a pack of cigarettes bearing a stamp in a denomination less than the total tax required by law, contraband. Language is needed because of additional \$.25 per pack tax on NPM product.</p>
<p>Section 33. This section allows manufacturers to offer cigarette promotions in the state provided the promotion offered at the wholesale level is the same for all wholesalers who participate in the promotion and the promotion offered at the retail level is the same for all retailers who participate in the promotion.</p>	<p>Section 28. This section allows manufacturers to offer cigarette promotions in the state provided the promotion offered at the wholesale level is the same for all wholesalers who participate in the promotion and the promotion offered at the retail level is the same for all retailers who participate in the promotion.</p>
<p>Section 34. This section makes a technical change to AS 43.50.720 so that the language in that statute conforms to changes made in Section 38 of this bill.</p>	<p>Section 29. This section makes a technical change to AS 43.50.720 so that the language in that statute conforms to changes made in Section 33 of this bill.</p>

Comparison of Special Session Tobacco Tax Bill SB/HB 1001 & CS for CSSB 368, Version W
 Prepared: June 24, 2004, 11:45 AM

Special Session Tobacco Tax Bill SB/HB 1001	House CS for CSSB 368 Version W (As drafted by House Finance)
Section 35. This section makes a technical change to AS 43.50.760(b) so that the language in that statute conforms to changes made in Section 38 of this bill.	Section 30. This section makes a technical change to AS 43.50.760(b) so that the language in that statute conforms to changes made in Section 33 of this bill.
Section 36. This section makes a technical change to AS 43.50.770 so that the language in that statute conforms to changes made in Section 38 of this bill.	Section 31. This section makes a technical change to AS 43.50.770 so that the language in that statute conforms to changes made in Section 33 of this bill.
Section 37. This section makes a technical change to AS 43.50.790(a) so that the language in that statute conforms to changes made in Section 38 of this bill.	Section 32. This section makes a technical change to AS 43.50.790(a) so that the language in that statute conforms to changes made in Section 33 of this bill.
Section 38. This section changes the calculation of cost of cigarettes as defined in the Unfair Cigarette Sales Act that went into effect January 1, 2004 as the result of the passage last session of SB 168. The Unfair Cigarette Sales Act prohibits all cigarette wholesalers and retailers from selling cigarettes below cost. This section modifies the Unfair Cigarette Sales Act by prohibiting wholesalers and retailers from reducing their cost by cash discounts received from the manufacturers. This section also requires wholesalers and retailers to obtain prior approval from the Department of Revenue before selling cigarettes at a cost below the amount posted by the Department of Revenue.	Section 33. This section changes the calculation of cost of cigarettes as defined in the Unfair Cigarette Sales Act that went into effect January 1, 2004 as the result of the passage last session of SB 168. The Unfair Cigarette Sales Act prohibits all cigarette wholesalers and retailers from selling cigarettes below cost. This section modifies the Unfair Cigarette Sales Act by prohibiting wholesalers and retailers from reducing their cost by cash discounts received from the manufacturers. This section also requires wholesalers and retailers to obtain prior approval from the Department of Revenue before selling cigarettes at a cost below the amount posted by the Department of Revenue.
	Section 34. This section, along with Sections 37 & 38, are taken from CSHB 468(JUD), which caps appeal bonds for signatories of the Master Settlement Agreement at \$100 million. This provision is in response to tobacco litigation in Illinois and Florida in which the judgments against the tobacco manufacturers were so large that they had the potential of bankrupting the manufacturer, which would put the states' MSA revenue payments at risk. This provision preserves such manufacturers' right to appeal while still securing any judgment in favor of a plaintiff injured by a manufacturers' tobacco products.

Comparison of Special Session Tobacco Tax Bill SB/HB 1001 & CS for CSSB 368, Version W
 Prepared: June 24, 2004, 11:45 AM

Special Session Tobacco Tax Bill SB/HB 1001	House CS for CSSB 368 Version W (As drafted by House Finance)
	Section 35. This section makes a conforming amendment to a contingent provision in the session law from 1997 that increased Alaska's cigarette tax to \$1.00. That contingent provision has yet to be triggered.
Section 39. This section repeals sections of the Unfair Cigarette Sales Act that conflict with the new language inserted in Section 38.	Section 36. This section repeals sections of the Unfair Cigarette Sales Act that conflict with the new language inserted in Section 33.
	Section 37. This section, along with Sections 34 & 38, are taken from CSHB 468(JUD), which caps appeal bonds for signatories of the Master Settlement Agreement at \$100 million. This provision is in response to tobacco litigation in Illinois and Florida in which the judgments against the tobacco manufacturers were so large that they had the potential of bankrupting the manufacturer, which would put the states' MSA revenue payments at risk. This provision preserves such manufacturers' right to appeal while still securing any judgment in favor of a plaintiff injured by a manufacturers' tobacco products.
	Section 38. This section, along with Sections 34 & 37, are taken from CSHB 468(JUD), which caps appeal bonds for signatories of the Master Settlement Agreement at \$100 million. This provision is in response to tobacco litigation in Illinois and Florida in which the judgments against the tobacco manufacturers were so large that they had the potential of bankrupting the manufacturer, which would put the states' MSA revenue payments at risk. This provision preserves such manufacturers' right to appeal while still securing any judgment in favor of a plaintiff injured by a manufacturers' tobacco products.
	Section 39. This section is a general severability clause.
	Section 40. This section is a minor revisor's instruction.
	Section 41. This section provides that Section 34 of this Act only takes effect if Section 37 receives the two-thirds majority vote of each house.

Comparison of Special Session Tobacco Tax Bill SB/HB 1001 & CS for CSSB 368, Version W
 Prepared: June 24, 2004, 11:45 AM

Special Session Tobacco Tax Bill SB/HB 1001	House CS for CSSB 368 Version W (As drafted by House Finance)
<p>Section 40. This section requires that a floor stock tax be paid by all persons in control or possession of cigarettes for resale at the effective date of this bill. A floor stock tax is the difference between the tax paid at the old rate and the tax due at the new tax rate. The floor stock tax applies to cigarettes only. The floor stock tax must be remitted to the Department of Revenue in six sequential monthly installments with the first installment due no later than 30 days after the effective date of this bill. The floor stock tax is needed to reduce the amount of stockpiling by retailers and distributors and the windfall they will get by collecting but not paying tax at the new rate on the stockpiled cigarettes.</p>	
<p>Section 41. This section allows the Department of Revenue to proceed to adopt regulations prior to the effective date of the bill.</p>	
<p>Section 42. This section provides an immediate effective date for Section 41.</p>	
<p>Section 43. The section provides an effective date for the remainder of the sections of the bill of September 1, 2004.</p>	<p>Section 42. The section provides an effective date of July 1, 2004.</p>

**Special Order of Business
in the House**

23-LS2035\A

HOUSE CONCURRENT RESOLUTION NO. 101

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SPECIAL SESSION

BY THE HOUSE FINANCE COMMITTEE

Introduced:

Referred:

A RESOLUTION

1 **Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State**
2 **Legislature, concerning Senate Bill No. 1001, relating to taxes on cigarettes and tobacco**
3 **products.**

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

5 **That under Rule 54, Uniform Rules of the Alaska State Legislature, the provisions of**
6 **Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, regarding**
7 **changes to the title of a bill, are suspended in consideration of Senate Bill No. 1001, relating**
8 **to taxes on cigarettes and tobacco products.**