

ALASKA LEGISLATURE COMMITTEE FILES, 2003-2004 8672
11044 HOUSE STATE AFFAIRS

STATE OF ALASKA

**REPRESENTATIVE
MIKE CHENAULT**

Interim:
145 Main St. Loop, Second Floor
Kenai, Alaska 99611
(907) 283-7223
Fax: (907) 283-3075



HOUSE OF REPRESENTATIVES

Official Business

Session:
Capitol Building, Room 432
Juneau, Alaska 99801-1182
(907) 465-3779
Toll Free: (800) 469-3779
Fax: (907) 465-2833

SPONSOR STATEMENT HB 241 - MUNICIPAL PROPERTY TAX EXEMPTION

This bill has two provisions. One is to give municipalities an option to provide an exemption up to \$50,000 on residential property taxes. This can only be done by ordinance with a vote of the people. It does not affect taxes levied in a service area.

Under current law, municipalities may exempt up to \$10,000 of the assessed value of any single residential property. Five municipalities offer this exemption, Bristol Bay Borough, Kenai Peninsula Borough, Fairbanks North Star Borough, North Slope Borough, and the City of Valdez.

The second provision is to increase the tax exemption on real property from \$10,000 to \$20,000 for a volunteer fire fighter or Emergency medical services worker.

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: HB 241
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: DCED
Title Municipal Property Tax Exemption RDU Comm Assist and Econ Dev (405)
Component Community Advocacy
Sponsor Representative Chenault
Requester House Community & Regional Affairs Component No. 2703

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: _____

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)

Current law provides that a municipality may exclude, exempt or partially exempt residential property from taxation by ordinance ratified by the voters at an election. This legislation introduces a restriction on this optional exemption such that an exclusion or exemption authorized by this subsection may not be applied with respect to taxes levied in a service area to fund the special services. This change would have no fiscal impact on the department.

Prepared by: Gene Kane, Director Phone (907) 269-4580
Division: Community Advocacy Date/Time 12/30/03 1:43 PM
Approved by: Edgar Blatchford, Commissioner Date 12/30/2003
Agency: Department of Community and Economic Development

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: HB241
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title Municipal Property Tax Exemption RDU Revenue Programs & Services
 Component Tax Division
 Sponsor Representative Chenault
 Requester House State Affairs Component No. 2476

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
 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)

*** See page 2 for discussion of possible revenue effects on the state.

Prepared by: Dan Dickinson, Director Phone 269-1033
 Division Tax Division Date/Time 1/27/04 6:25 AM
 Approved by: Steve Porter, Deputy Commissioner Date 1/27/2004
 Agency Department of Revenue

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

BILL NO. HB241

ANALYSIS CONTINUATION

This legislation would allow municipalities to exempt – by a vote of the public – up to \$50,000 in annual assessed valuation of each parcel of residential property. In addition it would allow a \$20,000 exemption for the principle residence of volunteer EMT/firefighters. Currently these optional exemptions are capped at \$10,000 each.

This could have an indirect effect on state revenues if municipalities increase their residential property assessment exemption and then increase their overall mill rate to make up for the lost revenue.

Analysis:

Assuming all municipalities with oil and gas property took advantage of the provision in this legislation and adopted a \$50,000 exemption for residential property owners plus a \$20,000 EMT/Firefighter exemption, and assuming every affected municipality raised its property tax mill rate to fully recover the revenue loss from the lower assessment valuation on residential property, then there would be some annual revenue loss to the state.

However:

It is unknown which, if any, municipalities would adopt the higher exemption rate, if adopted, whether they would allow the maximum exemption, and if the municipalities would attempt to recover all lost revenue by increasing the mill rate.

Therefore the Department of Revenue cannot accurately project what effect this legislation would have on state property tax revenues. See attached spreadsheet for further analysis.

**HB 241- Residential \$50,000 Exemption.
Estimated Effects with No Other Revenue Source**

		Residential Property Value	Mill Rates	Residential Estimated Taxes	Residential Savings	Commercial Property Value	Commercial Estimated Taxes	Comm. Tax Increase	AS 43.56 Value	Oil & Gas Est. Taxes	Oil & Gas Revenues Diverted to Local Muni.
Fairbanks North Star Borough	Pre-HB 241	\$ 150,000	0.015403	\$ 2,310		\$ 500,000	\$ 7,702		\$ 270,805,700	4,171,220.20	
	Post-HB 241	\$ 100,000	0.01758	\$ 1,758	(552.45)	\$ 500,000	\$ 8,790	\$ 1,089	\$ 270,805,700	4,760,764.21	\$ 589,544
Kenai Peninsula Borough	Pre-HB 241	\$ 150,000	0.0065	\$ 975		\$ 500,000	\$ 3,250		\$ 638,617,190	4,151,011.74	
	Post-HB 241	\$ 100,000	0.007218	\$ 722	(253.20)	\$ 500,000	\$ 3,609	\$ 359	\$ 638,617,190	4,609,538.88	\$ 458,527
North Slope Borough	Pre-HB 241	\$ 150,000	0.01856	\$ 2,784		\$ 500,000	\$ 9,280		\$ 10,463,871,080	194,209,447.24	
	Post-HB 241	\$ 100,000	0.018572	\$ 1,857	(926.80)	\$ 500,000	\$ 9,286	\$ 6	\$ 10,463,871,080	194,335,013.70	\$ 125,566
City of Valdez	Pre-HB 241	\$ 150,000	0.02	\$ 3,000		\$ 500,000	\$ 10,000		\$ 657,583,710	13,151,674.20	
	Post-HB 241	\$ 100,000	0.020741	\$ 2,074	(925.90)	\$ 500,000	\$ 10,371	\$ 371	\$ 657,583,710	13,638,943.73	\$ 487,270

Estimated total revenue loss, by municipality, if exemption is increased to \$50K

	Total	Oil & Gas Taxes	Local Tax	
Fairbanks	\$ 8,493,199	\$ 589,544	\$ 7,903,655	
Kenai	\$ 2,765,014	\$ 458,527	\$ 2,306,487	
North Slope	\$ 129,177	\$ 125,566	\$ 3,611	
Valdez	\$ 749,687	\$ 487,270	\$ 262,417	
	\$ 12,137,077	\$ 1,660,907	\$ 10,476,170	\$ 1,660,907

This worksheet estimates the effect of implementing an increase in the Homestead exemption from the current \$10K limit to \$50K. It does not include an estimate for the volunteer firefighter/emergency medical volunteer section of the legislation as those numbers are not available.

The numbers provided for residential and commercial values are hypothetical, however, the resulting revenues are reflective of actual property tax increases/decreases if there are no other revenue sources to draw from or service are not cut to correspond with overall tax revenue drop based upon the increased local exemption. The values for oil and gas are actual numbers and represent actual estimated loss of state revenue, assuming all municipalities increase the local exemption to the \$50K and no other revenue sources are identified nor are existing services cut.

The mill rates used for the "Pre-HB 241" is actual mill rates from municipalities for 2003 tax year. The mill rate used for the "Post-HB 241" is a calculated rate. The calculation was done in such a manner to raise the same revenues as the "pre-exemption" mill rates. This assumes all lost tax revenue will be raised from the property tax with no revenue from other sources.

Introduced by: Superman
Date: 04/01/03
Action: Adopted
Vote: 8 Yes, 0 No, 1 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2003-035**

**A RESOLUTION SUPPORTING THE PASSAGE OF SENATE BILL 136 AND SIMILAR
LEGISLATION WHICH RAISES THE CURRENT OPTIONAL RESIDENTIAL TAX
EXEMPTION FROM \$10,000 TO \$50,000**

- WHEREAS**, AS 29.45.050 authorizes municipalities to implement various property tax exemptions; and
- WHEREAS**, the \$10,000 maximum residential property exemption authorized by AS 29.45.050(a) has remained unchanged since 1974; and
- WHEREAS**, of the five Alaska municipalities offering this tax exemption, the Kenai Peninsula Borough is the only one to also levy a sales tax; and
- WHEREAS**, the two percent sales tax levied by the Kenai Peninsula Borough has kept the mill rate to a minimum, thus allowing the State to retain a greater share of the AS 43.56 (Oil and Gas Property) revenues; and
- WHEREAS**, in October 2002, the voters of the Kenai Peninsula Borough defeated a ballot proposition that would have exempted food from sales tax; and
- WHEREAS**, over the last decade, property owners have seen a substantial rise in assessed valuations, thereby increasing their tax bills by fifty to one hundred percent in some areas; and
- WHEREAS**, an increase in the Residential Property Tax Exemption will minimally affect state revenues and should be left to the discretion of the local governing body; and
- WHEREAS**, a minimal and stable tax rate is a primary factor in residential and economic development; and
- WHEREAS**, the Kenai Peninsula Borough Assembly has identified an increase in residential property tax exemptions as one of its 2003 legislative priorities; and
- WHEREAS**, SB 136 and similar legislation will provide a discretionary tax relief mechanism that will benefit bonafide full time residential homeowners;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. That the Kenai Peninsula Borough Assembly urges the 23rd Alaska State Legislature to enact SB 136, increasing the optional residential property exemption from \$10,000 to \$50,000.

SECTION 2. That copies of this resolution shall be provided to Senators Con Bunde, Georgiana Lincoln, Gary Stevens and Tom Wagoner, and to Representatives Mike Chenault, Mike Hawker, Carl Morgan, Paul Seaton and Kelly Wolf.

SECTION 3. That this resolution shall take effect upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 1ST DAY OF APRIL, 2003.

Pete Sprague

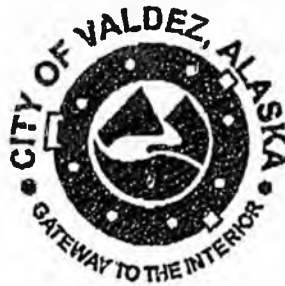
Pete Sprague, Assembly President

ATTEST:

Linda S. Murphy

Linda S. Murphy, Borough Clerk





OFFICE OF THE MAYOR

January 20, 2004

Representative Bruce Weyhrauch
Chair, House State Affairs Committee
State Capitol
Room 102
Juneau, Alaska 99801-1182


Dear Representative Weyhrauch:

The City of Valdez supports HB 241. The City currently exempts \$10,000 from assessed value of residential property.

The City's current mill rate is 20 mills. Passage of HB 241 and the implementation of the maximum exemption of \$50,000 by the City of Valdez will not impact the State's share of property tax revenue from oil and gas property located within the City limits.

On behalf of the City of Valdez, I encourage passage of the HB 241.

Sincerely,



Bert L. Cottle
Mayor



217 Second Street, Suite 200 • Juneau, Alaska 99801
Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

January 26, 2004

Representative Bruce Weyhrauch
Alaska State House of Representatives
Chair, House Community and Regional Affairs Committee
State Capitol, Room 102
Juneau, AK 99811

RE: HB 241

Dear Representative Weyhrauch:

HB 241 would allow municipalities the power to voluntarily increase the optional residential property exemption from up to \$10,000, to up to \$50,000. The original optional residential property tax exemption was set in 1970 at \$10,000. HB 241 essentially allows for an inflationary adjustment since 1970 (over 30 years). While this concept is not currently specifically addressed in the Municipal Policy Statement, the Alaska Municipal League has historically supported the concept as a purely optional tax tool for municipalities.

2004 AML Policy states:

Part I. Revenue & Finance

C. Local Taxes

2. Sales and Property Taxes:

The League supports municipal control over sales and property tax. These taxes are the principle sources of local government revenue and, therefore, require local control.

Thank you for hearing this issue, if we can assist you in any way, please call me.

Sincerely,

Kevin Ritchie
Executive Director

cc: Senate Community & Regional Affairs Committee
AML Revenue & Finance Subcommittee



answers 3's

Steve Van Sant

State Assessor

Hra-241

1/27/04

HB

243

LEGAL SERVICES

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

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

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

April 16, 2003

SUBJECT: CSHB 243(STA); draft version "D"
TO: Representative Bruce Weyhrauch
FROM: Terri Lauterbach
Legislative Counsel

TLauterbach

Enclosed is a draft version of a CS for HB 243. As you requested, there are two new sentences at the end of sec. 3 of the CS, clarifying that the material collected by the Alaska office of management and budget under the auditing function given by this bill will still be available to the legislative audit division, notwithstanding the confidential nature of the material.

If I may be of further assistance, please advise.

TML:med
03-399.med

Enclosure

CS FOR HOUSE BILL NO. 243(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

**Offered:
Referred:**

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing state agency program performance management and audit powers**
2 **in the Office of the Governor for the evaluation of agency programs; and providing for**
3 **an effective date."**

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

5 *** Section 1.** AS 37.07.040 is amended by adding a new paragraph to read:

6 (10) establish and administer a state agency program performance
7 management system involving planning, performance budgeting, performance
8 measurement, and program evaluation; the office shall ensure that information
9 generated under this system is useful for managing and improving the efficiency and
10 effectiveness of agency operations.

11 *** Sec. 2.** AS 44.19.145(a) is amended by adding a new paragraph to read:

12 (12) conduct internal audits of agencies and programs within the
13 executive branch of state government.

14 *** Sec. 3.** AS 44.19 is amended by adding a new section to read:

1 **Sec. 44.19.147. Internal audit records.** The office shall keep a complete file
2 of internal audit reports resulting from audits conducted under AS 44.19.145(a), and a
3 complete file of the internal audit work papers and other related supportive material.
4 Internal audit work papers and other related supportive material are confidential, and
5 internal audit reports are confidential until released by the governor. However, the
6 legislative audit division has the right to access these confidential reports, papers, and
7 other material in the same manner and to the same extent as provided in
8 AS 24.20.271(6) for access by the division to confidential material of state agencies.
9 The legislative audit division shall maintain the confidentiality of any reports, papers,
10 or other materials obtained from the office in the same manner as the legislative audit
11 division maintains the confidentiality of other confidential material to which the
12 legislative audit division has access under AS 24.20.271(6).

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

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 243
 () Publish Date: _____

Revision Date/Time (Note if correction): 4/16/03 1:20 PM Dept. Affected: Governor
 Title An Act establishing audit powers in the BRU OMB
Office of the Governor Component OMB
 Sponsor Rules Committee
 Requester Governor Component No. 2144

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
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 (FY2003) cost: 0.0

Check 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)

This bill would re-establish an audit function in the Office of the Governor. Funding will be provided by reallocation of existing Office of the Governor funds in the Governor's FY 04 budget; no new money will be required.

The Governor's budget request for the Office of Management and Budget, and as approved by the House, totals \$1,899,500 from the general fund. Of that amount, \$1,767,500 is in personal service costs for 23 full time positions. To help restore the internal performance audit function, the following transfers were accomplished:

Prepared by: Jay Hogan, Deputy Director Phone 465-3559
 Division OMB Date/Time 4/16/03 1:35 PM
 Approved by: Jay Hogan, Deputy Director Date 4/16/2003
 Agency OMB

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

BILL NO. HB 243

ANALYSIS CONTINUATION

Three positions were transferred from the Division of Governmental Coordination [DGC was reduced in size and transferred via Executive Order 106 to the Department of Natural Resources] to support the audit and performance evaluation function. Two were classified as Management Analysts and the third as an Internal Auditor.

Funding for the three positions transferred came from reallocations within the Division of Elections [\$196,800] and the Human Rights Commission [\$128,800].

The three "new" positions, plus two existing OMB Internal Audit positions would give the audit and performance evaluation function a staff of five full time positions. It is also envisioned that as circumstances may require, OMB Budget and Policy Analysts would assist in various audit and performance evaluations.

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

Frank H. Murkowski, Governor

P.O. BOX 110300
123 4TH ST., DIMOND COURT HOUSE
JUNEAU, ALASKA 99811-0300
PHONE: (907)465-3600
FAX: (907)465-2520

April 16, 2003

Hon. Bruce Weyhrauch, Chair
House State Affairs Committee
Alaska Legislature
Room 102, State Capitol
Juneau, Alaska 99801

Re: HB 243 - state agency performance audit powers;
confidentiality provisions

Dear Representative Weyhrauch:

We were requested to comment on section 3 of the above-referenced bill which makes internal audit reports confidential until released by the governor. The intent of this provision is to attain the level of effectiveness for internal auditors as presently provided for legislative auditors. *See* AS 24.20.301(a) and 24.20.311. The ability to make audit communications and reports confidential greatly adds to an auditor's ability to provide candid assessments of program and policy implementation.

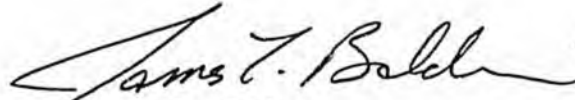
We expect that the internal audit function is likely to be less involved in post audit examinations and more in examinations of performance of assigned functions. In order to encourage candor on the part of auditors, there should be control vested in the governor as to when and if audit reports become public. It is likely that the preliminary reports of the auditors are privileged because the auditors will be advising the governor on matters of policy which would be part of the executive decision-making process. Under these circumstances the work of the auditors would be subject to the deliberative process privilege. *See Capital Info. Group v. State, Office of the Governor*, 923 P.2d 29 (Alaska 1996). However, unlike the unqualified privilege accorded to the legislature, the deliberative process privilege is qualified, meaning that it is determined by balancing the interests involved.

The bill proposes to make internal audit reports and supporting work papers confidential by law to avoid the uncertainty of the balancing process which can only be ultimately resolved in a court of law. In this way, the privilege accorded to the work product of internal auditors would be the same as accorded to legislative auditors.

Thank you for the opportunity to comment on this bill.

Sincerely,

GREGG D. RENKES
ATTORNEY GENERAL



By: James L. Baldwin
Assistant Attorney General

JLB:jn

cc: David Marquez, Assistant Attorney General, Legislative Liaison
Deborah E. Behr, Legislation Attorney
Jay Hogan, Deputy Director, OMB

STATE OF ALASKA

OFFICE OF THE GOVERNOR

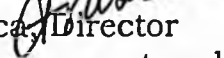
OFFICE OF MANAGEMENT AND BUDGET

FRANK H. MURKOWSKI, GOVERNOR

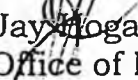
P.O. BOX 110020
JUNEAU, ALASKA 99811-0020
PHONE: (907) 465-4660
FAX: (907) 465-3008

To: The Honorable Bruce Weyhrauch
Chairman
House State Affairs Committee
State Capitol Room 102
Juneau, Alaska 99811

Date: April 9, 2003

Thru: Cheryl Frasca,  Director
Office of Management and Budget

Subject: HB 243 Scheduling

From:  Jay Hogan, Deputy Director
Office of Management and Budget

Legislative Administrative Assistant Ginny Austerman has indicated that HB 243, An Act establishing state agency program performance management and audit powers in the Office of the Governor for the evaluation of agency programs, is tentatively scheduled for hearing on Tuesday, April 15th. Please accept this as our request for the committee hearing as tentatively scheduled.

Your prompt scheduling of HB 243 is very much appreciated.

Materials requested by your staff are attached.

HB

248

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: HB 248
 (H) Publish Date: 4/4/03

Revision Date/Time (Note if correction): _____ Dept. Affected: Administration
 Title An Act relating to the annual salary of the chief BRU Centralized Administrative Services
procurement officer; and providing for an effective date. Component Purchasing
 Sponsor Rules Committee
 Requester Governor Component No. 60

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
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 (FY2003) cost: 0.0
 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 legislation will set the annual salary of the Chief Procurement Officer at range 24. The current annual salary is range 23. Funding for the increased salary cost is available in the current appropriation.

Prepared by: Vern Jones, Chief Procurement Officer Phone (907)465-5684
 Division General Services Date/Time 2/11/03 11:59 AM
 Approved by: Mike Miller, Commissioner Date 2/11/2003
 Agency Department of Administration

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB248
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Administration
 Title An Act relating to the annual salary of the chief BRU Centralized Administrative Services
procurement officer; and providing for an effective date. Component Purchasing
 Sponsor _____
 Requester State Affairs Component No. 60

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

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

FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY2003) cost: 0.0

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)

This fiscal note is for informational purposes. As explained below, the Governor's FY2004 operating budget includes adequate funding for this legislation. This legislation changes the annual salary of the Chief Procurement Officer (COP) from range 23 to range 24. The CPO has assumed the role of lead manager in the Division of General Services and the division director position (range 26) has been reclassified to to Deputy Director, range 23. The net fiscal impact of this legislation and the reclassification of the director position is an annual savings in FY2004 of \$8.2 at the salary step placement of the incumbents.

Position	Old Annual Salary	New Annual Salary
CPO range 23 / 24	79.4	84.9
Director range 26	84.8	0.0
Deputy Director	0.0	71.1
Total Old / New	164.2	156.0

Prepared by: Vern Jones, Chief Procurement Officer Phone (907)465-5684
 Division General Services Date/Time 4/16/03 4:15 PM
 Approved by: Mike Miller, Commissioner Date 4/16/2003
 Agency Department of Administration



HB 248

FRANK H. MURKOWSKI
GOVERNOR
GOVERNOR@GOV.STATE.AK.US

P.O. Box 110001
JUNEAU, ALASKA 99811-0001
(907) 465-3500
FAX (907) 465-3532
WWW.GOV.STATE.AK.US

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

April 3, 2003

The Honorable Pete Kott
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Kott:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the annual salary of the chief procurement officer.

The salary of the chief procurement officer (CPO) is set in statute in AS 36.30.010(d). The salary of the CPO is currently at range 23 of the salary schedule established in AS 39.27.011. This bill would set the annual salary of the CPO at range 24. The increase in the salary of the CPO is being requested because the CPO now will head the division of general services in the Department of Administration; the director position of that division is being eliminated. The duties normally performed by the director of general services will be undertaken by the CPO. But, because the CPO salary is set in statute, the additional duties to be performed by the CPO cannot be compensated with an increase in pay without a change in law.

The duties to be assumed by the CPO as head of the division of general services are in keeping with the statutory duties and powers of the CPO as set out in AS 36.30.010(b). Due to the expanded duties to be undertaken by the CPO as head of the division of general services, I propose that the annual salary of the CPO be increased from range 23 to range 24.

This bill will not result in an increased appropriation because the increase in the pay range for the CPO provides for an annual salary that is less than the annual salary ordinarily paid a division director.

I urge your prompt and favorable action on this measure.

Sincerely,

Frank H. Murkowski
Governor

HB

250

STATE OF ALASKA

Interim:

119 North Cushman, Rm. 205
Fairbanks, Alaska 99701
(907) 456-7423
Fax: (907) 451-9293

Session:

State Capitol Building
Juneau, Alaska 99801
(907) 465-3466
Fax: (907) 465-2937

REPRESENTATIVE JIM HOLM DISTRICT 9

SPONSOR STATEMENT

House Bill 250, State Contracts

4/14/3

Construction claims occur when the parties to the contract disagree as to whether a specific element of a project is within the scope of work defined by a construction contract. For projects undertaken by the State of Alaska, the Alaska procurement code defines a process for resolving these differences.

Ideally such a process should resolve differences in a fair and expeditious manner.

At this time, however, the perception in the construction community is that the process has slowly deteriorated so that it is no longer fair or expeditious. As now prescribed, when a contractor files a claim, the procurement officer involved with the claim initially evaluates the claim and issues a ruling on the perceived merits. If the contractor is not satisfied, an appeal is made to the procurement officer's supervisor.

There is no review by an independent party unless a contractor elects to appeal the supervisor's decision. Even then, the hearing officer is selected by the State, which raises a concern about the true independence of the hearing officers, since the State has sole discretion to maintain the hearing officer list. Delays are rampant. Justice is delayed. Contractors are forced to expend money defending their claim, but that money cannot be recovered in the process. Small contractors cannot afford to participate in the claims process because of these costs. Claims of less than \$250,000 are frequently not pursued because of the great expense involved. The entire process is ripe for review and revision.

The purpose of HB 250 is to modify the construction claims process to once again create a fair and expeditious claims process. Specifically HB 250 will modify the procurement code pertaining to construction claims in the following manner:

1. If a procurement officer does not issue a written decision by the due date, the contractor may seek arbitration.
2. On appeals of all construction claims, the parties can agree to binding arbitration.
3. The timelines for decisions have been tightened, and redundant requirements have been eliminated.
4. An arbitrator or hearing officer who does not issue a decision by the deadline is disqualified for a year.
5. Qualifications for arbitrators and hearing officers will be established by the commissioner of administration in regulation.
6. The contractor is entitled to recover some of the claims costs incurred.

Prompt passage of HB 250 will expedite contractor's claims and return fairness to the process.

STATE OF ALASKA
HOUSE OF REPRESENTATIVES

Representative Jim Holm



119 N. Cushman
Fairbanks, AK 99701
TEL 456-7423, FAX 451-9293

House District 9

State Capitol
Juneau, AK 99801
TEL 465-3466, FAX 465-2937

Sectional Analysis

CS HB 250 (L&C), State Contracts

4/14/3

NOTE: The word "CLAIM" is substituted for "CONTROVERSY" throughout the bill because "claim" is more technically correct and inclusive.

Section 1 and Section 4: Currently, if a contractor asserts a claim that cannot be resolved by agreement, the State can keep requesting more information from the contractor and thus "keep the clock running" until the State determines it has "enough" information. Section 4 allows the contractor to seek arbitration if the State does not issue a written decision by the due date. Section 1, on the other hand, allows the State to deny the claim, or a portion thereof, if the contractor does not furnish the requested information; it also prohibits the contractor from introducing new information later.

Section 2: Currently, state agencies have no penalty for missing deadlines, but if a contractor misses a deadline his claim is denied. This section places parameters on the State's deadlines, requiring the State to show good cause for an extension and allowing the contractor an opportunity to oppose the State's request for a second extension.

Section 3: "*Findings of fact about the claim*" and "*determination of any amount payable*" are added to the list of what the State's written decision must contain.

Section 5: The following new sections are added:

36.30.627 (a) provides that an appeal from the State's decision shall be resolved by binding and final arbitration

- on a claim less than \$250,000 if the contractor requests it,
- on a claim of more than \$250,000 if both the contractor and the State agree to it, or by a hearing if the contractor and the State do not agree to arbitration.

36.30.627 (b) defines what a claim includes.

36.30.629 allows the state to subpoena people and documents, and to take depositions, in hearings and arbitrations defined in this chapter.

Section 6: This section changes "controversy" to "claim" as it applies to binding and final arbitration.

Section 7: Currently, a contractor is not allowed to recover his costs or attorney fees. This new section allows the party who prevails in the case (the State or the contractor) to collect fees, and also to make a settlement offer, under the Alaska Rules of Civil Procedure.

Section 8: This substitutes "-" for "and", thus making the Commissioner's delegation powers in the appeal of a decision inclusive of all the sections 36.30.590 through 36.30.630.

Section 9: This section more clearly defines who receives the State's decisions and shortens the time frame.

Section 10: "*Controversy or claim*" becomes "*contract claim*" as regards penalties for misrepresentation.

Section 11: "*Expeditious administrative review*" becomes "*expeditious arbitration, hearing, and other administration review.*"

Section 12: A new section is added to establish a venue for arbitration or hearing and a time frame for the State to issue a final decision. It also encourages the arbitrators or hearing officers to deliver timely decisions by disqualifying for a year them if they do not. Finally, it provides that any money awarded in the decision shall be paid within 45 days.

Section 13: A new paragraph is added giving the commissioner of administration power to adopt regulations establishing the procedures for arbitration and the qualifications for arbitrators.

Section 14: This removes "hearing" from the definition of arbitration.

Sections 15, 16, and 17 are temporary "uncodified" acts establishing 1) that the bill applies to a contract entered into on or after the bill's effective date, 2) that the commissioner of administration may immediately adopt regulations to implement the bill, and 3) that "controversy" be replaced with "claim" in all applicable statutes.

Section 18 provides for the bill to become effective immediately upon passage.

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 250
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: DOT&PF
 Title State Contracts BRU _____
 Component _____
 Sponsor Holm _____
 Requester H L&C Component No. _____

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING						

CAPITAL EXPENDITURES	***	***	***	***	***	***
-----------------------------	-----	-----	-----	-----	-----	-----

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

FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY2003) cost: 0.0
 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 additional costs associated with this bill are based on historical claims costs. The baseline costs for the Rule 79 and 82 provisions, requiring the payment of Attorney fees and claims costs, are estimated at \$145,000 per year. (The historical high would have been \$341,000 per year and the low would have been \$7,300.) This baseline may be increased based on such factors as complexity of litigation, length of trial, etc. The \$145,000 has not been adjusted for Rule 68 offers of judgement as they are not easily applied. In addition to the anticipated Rule 79 and 82 costs, there will be additional attorney fees associated with litigating these awards. This is estimated at 20 hours per claim or \$6,000 per year. Most construction claims are associated with federal funded projects, however, Rule 79 and 82 costs and fees are not eligible for federal participation and would have to be paid with General Fund dollars.

Prepared by: Mark O'Brien Phone 465-3900
 Division Commissioner's Office Date/Time 4/16/03 12:04 PM
 Approved by: Mike Barton Date 4/16/2003
 Agency DOT&PF

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES



WARNING LITES OF ALASKA, INC.

591 W. 67TH AVE., ANCHORAGE, AK 99518-1555

PHONE (907) 562-2124 • FAX (907) 562-0473

April 21, 2003

Representative Bruce Wehyrauch, Chairman
House State Affairs Committee
Juneau, AK 99801-1182

Re: HB 250

Dear Representative Wehyrauch:

I am writing in support of HB 250, a bill reforming the state contract dispute resolution process.

I have been an Alaskan resident since 1956, in business since 1969. I am the immediate past president of the Associated General Contractors of Alaska. My company, Warning Lites of Alaska, Inc., has been a subcontractor on Department of Transportation projects for over 30 years. We specialize in highway sign fabrication and installation.

Over the years, we have experienced what has not always been a fair and timely process for resolving disputes between the State of Alaska and its contractors and subcontractors. I believe HB 250 is a step in the right direction to resolve this problem. The emphasis in the bill for streamlining the appeals process and promoting the impartiality of decision makers will create a more professional and effective atmosphere for partnering between the State of Alaska and its contractors and subcontractors.

Thank you for your commitment to the construction industry in Alaska.

Respectfully,

WARNING LITES OF ALASKA, INC.

Marie Wilson
President

**ASSOCIATED GENERAL CONTRACTORS of ALASKA**

8045 SCHOON STREET, SUITE 100 • ANCHORAGE, ALASKA 99518
TELEPHONE (907) 561-5354 • FAX (907) 562-6118

April 22, 2003

Representative Jim Holm
Co-Chair Transportation Committee
Alaska House of Representatives
Juneau, Alaska 998801-1182

Re: House Bill 250

Dear Representative Holm:

On behalf of the more than 600 member firms of the Alaska Chapter of the Associated General Contractors of America, I would like to express our support of House Bill 250. For more than two years, AGC has been meeting with the Alaska Department of Transportation and Public Facilities to resolve problems with the current construction claims process. HB 250 reflects the modifications that the parties agree are merited at this time.

The goals of the parties when discussions were initiated were to:

1. Streamline the system
2. Strive to improve the fairness of the process, and
3. Allow the prevailing party to recapture some of its costs associated with the claim.

AGC believes that HB 250 represents a significant improvement over the current claims process and achieves the goals set forth at the start of our deliberations.

AGC has not only worked closely with the Department of Transportation and Public Facilities, it has also sought the advice and consent of the Departments of Law and Administration. In so doing, AGC strived to minimize, if not eliminate, opposition to the bill. At this point we are unaware of any group or organization that may object to the HB 250.

FAIRBANKS
P.O. BOX 6005 • FAIRBANKS, AK 99706
TELEPHONE (907) 452-1809

SOLDOTNA
43335 KALIFONSKI BEACH ROAD, STE. 32 • SOLDOTNA, AK 99669
TELEPHONE (907) 262-8535

Accordingly, we request your support of this bill.

Sincerely,
ASSOCIATED GENERAL CONTRACTORS
OF ALASKA



Richard Cattnach
Executive Director

**GOODFELLOW BROS., INC. - GENERAL CONTRACTOR -**

CL # 1630

April 23, 2003

Alaska State Legislature
State Capitol (MS 3100)
Juneau, Alaska 99801-1182

Attention: Representative Jim Holm

Fax (907) 465-2937

Regarding: Revision to the Construction Claims Bill HB250

The construction claims bill that Associated General Contractors and the Department of Transportation and Public Facilities worked on for more than two years was introduced last week and moved from its first committee of referral. This bill attempts to speed up the claims process and allows the collection of some of the claims costs (i.e. attorney fees, accounts and claims consultants, etc.). We feel that this bill is more fair to all the parties involved in a claim. Please regard this as a letter of support for House Bill 250.

Respectfully,

Ben A. Northey
Alaska Manager



April 22, 2003

Representative Jim Holm
Alaska State Legislature
State Capitol (MS3100)
Juneau, AK 99801

2441 South Airport Place
Anchorage, Alaska 99502-1809
(907) 245-1885
Fax: (907) 245-1744

Subject: HB 250

Dear Representative Holm:

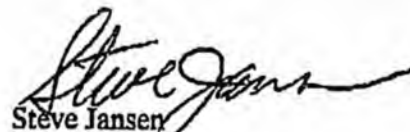
Knik Construction Co., Inc. fully supports revisions to the State of Alaska contracting methods contained within HB 250.

Knik Construction Co., Inc. has been in business since 1973 and has performed many projects for the State of Alaska during its existence. As we understand the revisions contained within HB 250, the claims process would be timelier and allow the collection of some of the claims by the contractor; such as attorney fees and claim consultants.

For these reasons Knik would encourage your support of HB 250.

Very Truly Yours,

KNIK CONSTRUCTION CO., INC.


Steve Jansen
President

SJ:img

Cc: Richard "Dick" Cattanach

HB

252

HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: May 5, 2003

FURTHER REFERRALS:

Date of Committee Action: May 7, 2003

The STATE AFFAIRS Committee considered:

HB 252

HOUSE BILL NO. 252

OCC LICENSING: TERMS OF BD & CONT. EDUC

"An Act relating to the terms of members of boards and commissions that regulate businesses and professions and to the duties of the members of the State Board of Registration for Architects, Engineers and Land Surveyors."

Recommends it be replaced with HCS or CS for HB 252 (STA)
 For Senate Bills with new title: Technical Title New Title: HCR _____ Same Title New Title

- attach amendments
- add new referral to _____ Committee
- Letter of Intent _____ Committee

List of Abbrev for Depts.:
 ADM
 CED
 COR
 CRT
 EED
 DEC
 DFG
 GOV
 HSS
 LEG
 LAW
 LWF
 MVA
 DNR
 DPS
 REV
 DOT
 UA

<u>NEW FISCAL NOTES</u>				
*Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero
<u>LED</u>				✓

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
	Dahlen	X			
	LYNN	X			
	SEATON	✓			✓
Chair:		X			
Chair:					

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 252
 () Publish Date: _____

Revision Date/Time (Note if correction):
 Title Occ Licensing: Terms of Bd & Cont. Educ.
 Sponsor Representative McGuire
 Requester House Labor and Commerce

Dept. Affected: DCED
 BRU Occupational Licensing (117)
 Component Occupational Licensing
 Component No. 2360

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
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 ()	0.0	0.0	0.0	0.0	0.0	0.0
-------------------------------	------------	------------	------------	------------	------------	------------

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other 1156 - Receipt Supported Services						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2003) cost: 0.0

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)

HB 252 specifies that a person who serves for two years or more of a term on a board is considered to have served a full term. The bill also authorizes the State Board of Registration for Architects, Engineers, and Land Surveyors to establish continuing education requirements by regulation before a license is renewed. New funds are not required to implement this bill.

Prepared by: Jennifer Strickler, Administrative Manager
 Division: Occupational Licensing
 Approved by: Edgar Blatchford, Commissioner
 Agency: Department of Community & Economic Development

Phone 907-465-2144
 Date/Time 5/1/03 3:00 PM
 Date 5/1/2003

Alaska State Legislature

Session:
State Capitol
Juneau, AK 99801
Phone: (907) 465-2995
Fax: (907) 465-6592



Interim:
716 W 4th Avenue, Suite 300
Anchorage, AK 99501-2133
Phone: (907) 269-0250
Fax: (907) 269-0249

Representative Lesil McGuire

Chair, Judiciary Committee

Sponsor Statement

HB 252

"An Act relating to the terms of members of boards and commissions that regulate businesses and professions and to the duties of the members of the State Board of Registration for Architects, Engineers and Land Surveyors."

I have introduced HB 252 by request of the State Board of Registration for Architects, Engineers and Land Surveyors (AELS Board), the regulatory board responsible for adopting regulations to ensure minimum competency of design professionals and to ensure the public health, safety and welfare is met. The AELS Board is also responsible for overseeing the scope of work practices of those professionals. Board members can serve a minimum of two full terms, and the bill would allow board members to serve a minimum of 6 years full years; and would enhance public health, safety, and welfare by allowing the AELS Board to require a mandatory continuing education program for continued professional competency. HB 252 would accomplish two things:

First, HB 252 modifies the existing term limit statute so that serving a partial term of less than two years would not represent a full term on the State Board of Registration for Architects, Engineers, and Land Surveyors defined under AS 08.48.021 but serving a partial term of two or more years would count as a full 4-year term. The AELS Board has, in the past, experienced problems with this statutory provision when a vacancy occurs but is not filled for some time. When an individual fills a partial term, it counts as a full term, no matter how short the partial term may be. This change would allow a Board member filling a partial term of less than two years, to serve the partial term, plus a full 8 years (two 4-year terms).

Second, the AELS Board requires statutory authority in order to adopt regulations concerning continuing education. The first recommendation cited in the Legislative Audit #08-20001-00 dated October 20, 2000 specified this ability be legislated to the AELS Board in order to help implement and maintain high standards in the professions they oversee. HB 52 would provide the AELS Board statutory authority under AS 08.48.101(a) to develop mandatory continuing education programs for the professions it serves. It is important to the Board that the statute not specifically mandate the Board to require a mandatory continuing education as a condition of licensure renewal, because in some instances professionals are already complying with continuing education requirements required by their professional societies. The AELS Board would work with the professional societies before developing any programs.

I would appreciate your support on HB 252.

HB

266

HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: April 14, 2003

FURTHER REFERRALS: Finance

Date of Committee Action: April 22, 2003

The STATE AFFAIRS Committee considered:

HB 266

HOUSE BILL NO. 266

ELECTIONS

"An Act relating to elections, questioned ballots and questioned voters, voter registration, training of election officials, preparation of election materials, voter identification, absentee voting, counting ballots, and the primary election; and providing for an effective date."

Recommends it be replaced with [] HCS or [x] CS for HB 266 (STA)
 For Senate Bills with new title: [] Technical Title [] New Title: HCR _____ [x] Same Title [] New Title

- [] attach amendments
- [] add new referral to _____ Committee
- [] Letter of Intent _____ Committee

List of Abbrev for Depts.:
 ADM
 CED
 COR
 CRT
 EED
 DEC
 DFG
 GOV
 HSS
 LEG
 LAW
 LWF
 MVA
 DNR
 DPS
 REV
 DOT
 UA

<u>NEW FISCAL NOTES</u>				
*Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero
<u>GOV</u>	<u>1</u>			✓
<u>ADM</u>	<u>2</u>			✓

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
<u>Paul H. Seaton</u>	SEATON	✓			
<u>William Dahlstrom</u>	Dahlstrom			X	
<u>Eric Berkowitz</u>	Berkowitz				✓
Chair: <u>Bill Hoehn</u>	Weyhrauch	X			
Chair: <u> </u>					

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES

LEGAL SERVICES

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

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

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329


MEMORANDUM

April 16, 2003

SUBJECT: Amendment A.3 to HB 266 (Work Order No. 23-GH1133\A.3)

TO: Representative Max F. Gruenberg Jr.

FROM: Jack Chenoweth
Assistant Revisor of Statutes



This addresses the second of a pair of amendments submitted yesterday by Justin Roberts. The first four of the five entries in the text of the amendment accompanying this memo replace the proposal to substitute reliance on the free access system for direct communication of the fact that a voter's ballot was or was not counted during a recent state election with a requirement that use of or reliance on the free access system supplement the current communication requirement.¹

My purpose in writing is to direct attention to the text of three provisions repealed in House Bill 266 -- AS 15.20.211(c), (d), and (e).² Those provisions address the reporting

¹ House Bill 266 is a governor's bill. Governor Murkowski's transmittal letter addresses the provisions being altered by the accompanying amendment:

[These changes] would repeal and reenact [AS 15.20.203(h) and 15.20.207(h)] to provide for a free access system for absentee [and other] voters to use to determine whether their ballot was counted. . . . The free access system would replace the current system of mailing individual notice to voters. . . .

2003 House Journal at pp. 968, 969.

² The text of those subsections reads:

Counting cross-district and certain write-in votes. . . .

(c) The director shall prepare and mail to each voter whose ballot was subject to partial counting under this section a summary of the reason that the challenge to the ballot was upheld and the ballot was subject to only a partial counting.

(d) The director shall mail the materials described in (c) of this section to the voter not later than

Representative Max Gruenberg, Jr.

April 16, 2003

Page 2

to the voter of the handling or disposition of a "partially counted" vote -- a vote, say, where the vote for governor was validly cast (and therefore counted) but the vote for the state house race was not counted, perhaps because the voter marred the ballot or marked the choice of more than one candidate. The bill proposes to repeal the requirement of communication to the voter in a partially counted vote situation. I did not have from you clear direction on how to address the provision, so I did not change what is proposed. Still, you may want to retain these provisions, especially if you understand that the free access system does not communicate the handling of a ballot that was only partially counted.

JBC:med

03-402.med

(1) 10 days after completion of the review of ballots by the state review board for a primary election;

(2) 60 days after certification of the results of a general or special election.

(e) In addition to mailing the materials under (d)(1) of this section, for a questioned voter whose questioned primary election ballot was partially counted, not later than the deadline set out in (d)(1) of this section, the director shall

(1) determine whether, from the information obtained under AS 15.07.070(h), the voter's name may be entered on the voter registration list;

(2) if the voter is eligible, register the voter in accordance with the information submitted by the voter under AS 15.07.070(h); and

(3) confirm or deny the registration by written notice mailed to the voter.

23-GH1133VD
Kurtz
4/18/03

CS FOR HOUSE BILL NO. 266(STA)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to elections, questioned ballots and questioned voters, voter
2 registration, training of election officials, preparation of election materials, voter
3 identification, absentee voting, counting ballots, and the primary election; and providing
4 for an effective date."

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

6 * Section 1. AS 15.07.055 is amended by adding a new subsection to read:

7 (e) The director shall enter into an agreement with the Department of
8 Administration and the Department of Revenue to match identifying information
9 provided by a voter who initially registers by mail or by facsimile or other electronic
10 transmission approved by the director under AS 15.07.050 with existing identification
11 records

12 (1) maintained by the administrative component of the Department of
13 Administration that administers motor vehicle and driver's license laws and by the
14 administrative component of the Department of Revenue that administers the

1 permanent fund dividend laws; and

2 (2) bearing the same identifying number, name, and date of birth
3 provided on the registration.

4 * **Sec. 2.** AS 15.07.060(a) is amended to read:

5 (a) Each applicant who requests registration or reregistration shall supply the
6 following information:

7 (1) name and sex;

8 (2) if issued, the applicant's State of Alaska driver's license
9 number or State of Alaska identification card number, or the last four digits of
10 the applicant's social security number;

11 (3) date of birth;

12 (4) address and other necessary information establishing residence,
13 including the term of residence in the state and in the district, if requested;

14 (5) [(3)] whether the applicant has previously been registered to vote in
15 another jurisdiction, and, if so, the jurisdiction and the address of the previous
16 registration;

17 (6) [(4)] a declaration that the registrant will be 18 years of age or
18 older within 90 days of the date of registration;

19 (7) [(5)] a declaration that the registrant is a citizen of the United
20 States;

21 (8) [(6)] date of application;

22 (9) [(7)] signature or mark;

23 (10) [(8)] any former name under which the applicant was registered to
24 vote in the state;

25 (11) [(9)] an attestation that the information provided by the applicant
26 in (1) - (10) [(1) - (8)] of this subsection is true; and

27 (12) [(10)] a certification that the applicant understands that a false
28 statement on the application may make the applicant subject to prosecution for a
29 misdemeanor under this title or AS 11.

30 * **Sec. 3.** AS 15.07.060(b) is amended to read:

31 (b) If the applicant has been previously registered to vote in another

1 jurisdiction, the [APPLICANT SHALL SURRENDER TO THE REGISTRATION
2 OFFICIAL ANY VOTER REGISTRATION OR IDENTIFICATION CARD OR
3 CREDENTIALS FROM THAT JURISDICTION THE APPLICANT MAY
4 POSSESS. THE] director shall notify the chief elections officer in that jurisdiction
5 that the applicant has registered to vote in Alaska and [,] request that that jurisdiction
6 [TO] cancel the applicant's voter registration there [, AND RETURN THE
7 APPLICANT'S VOTER REGISTRATION OR IDENTIFICATION CARD OR
8 CREDENTIALS, IF ANY, TO THAT JURISDICTION].

9 * **Sec. 4.** AS 15.07.060(c) is amended to read:

10 (c) Each applicant who requests [IF APPLICATION FOR] registration [IS
11 MADE] in person before a registration official [, THE APPLICANT] shall exhibit one
12 form of identification to the official, including [BUT NOT LIMITED TO] a driver's
13 license, state identification card, current and valid photo identification, birth
14 certificate, passport, or hunting or fishing license. A registration official who knows
15 the identity of the applicant may waive the identification requirement.

16 * **Sec. 5.** AS 15.07.060 is amended by adding new subsections to read:

17 (e) For an applicant requesting initial registration by mail or by facsimile or
18 other electronic transmission approved by the director under AS 15.07.050, the
19 director shall verify the information provided in compliance with (a)(2) and (3) of this
20 section through state agency records described in AS 15.07.055(e). If the applicant
21 cannot comply with the requirement of (a)(2) of this section because the applicant has
22 not been issued any of the listed numbers, the applicant may instead submit a copy of
23 one of the following forms of identification: a driver's license, state identification card,
24 current and valid photo identification, birth certificate, passport, or hunting or fishing
25 license.

26 (f) If an applicant who requests registration cannot comply with the
27 requirement of (a)(2) of this section because the applicant has not been issued any of
28 the listed numbers, the division shall assign the applicant a unique identifying number.

29 * **Sec. 6.** AS 15.07.070(b) is amended to read:

30 (b) To register by mail or by facsimile or other electronic transmission
31 approved by the director under AS 15.07.050, the director, the area election

1 supervisor, or a voter registration agency shall furnish, at no cost to the voter, forms
2 prepared by the director on which the registration information required under
3 AS 15.07.060 shall be inserted by the voter, or by a person on behalf of the voter if the
4 voter is physically incapacitated. The director may require proof of identification of
5 the applicant as required by regulations adopted by the director under AS 44.62
6 (Administrative Procedure Act). Upon receipt and approval of the completed
7 registration forms the director or the election supervisor shall forward to the voter an
8 acknowledgment [IN THE FORM OF A REGISTRATION CARD,] and the voter's
9 name shall immediately be placed on the master register [LOCATED IN THE
10 OFFICE OF THE DIRECTOR AND ON THE DISTRICT REGISTER LOCATED IN
11 THE OFFICE OF THE ELECTION SUPERVISOR]. If the registration is denied, the
12 voter shall immediately be informed in writing that registration was denied and the
13 reason for denial. **When identifying information has been provided by the voter as**
14 **required by this chapter, the election supervisor shall forward to the voter a**
15 **registration card.**

16 * Sec. 7. AS 15.07.070(d) is amended to read:

17 (d) Qualified voters may register in person before a registration official or
18 through a voter registration agency at any time throughout the year, except that a
19 person registering within 30 days preceding an election **is not eligible to** [MAY NOT]
20 vote at that election. Upon receipt and approval of the registration forms, the director
21 or the election supervisor shall forward to the voter an acknowledgment in the form of
22 a registration card, and the voter's name shall immediately be placed on the master
23 register [LOCATED IN THE OFFICE OF THE DIRECTOR AND ON THE
24 DISTRICT REGISTER LOCATED IN THE OFFICE OF THE ELECTION
25 SUPERVISOR]. Names of persons registering 30 or more days before an election
26 shall be placed on the official registration list for that election.

27 * Sec. 8. AS 15.07.070(h) is amended to read:

28 (h) The director shall design the form of the voter's certificate appearing on
29 the envelope that is used for voting **an absentee in-person or** [A] questioned ballot so
30 that all information required for registration by AS 15.07.060(a) may be obtained from
31 a voter who votes **an absentee in-person or** [A] questioned ballot. If the voter voting

1 an absentee in-person or [A] questioned ballot has completed all information on the
2 voter registration portion of the absentee in-person or questioned ballot voter's
3 certificate, the director shall place the name of the voter on the official registration list.

4 * **Sec. 9.** AS 15.10.107 is amended to read:

5 **Sec. 15.10.107. Staff training.** The director shall, before each primary
6 election in even-numbered years, provide for a comprehensive training program for
7 election officials, both the full-time members of the staff of the division of elections
8 and those who are appointed as members of election boards under AS 15.10.120 -
9 15.10.140 and other temporary election employees. The director shall [ANNUALLY]
10 prepare and, not later than March 1 [JANUARY 10], file with the lieutenant governor
11 a plan that describes the comprehensive training program for election officials to be
12 provided to those officials during that calendar year.

13 * **Sec. 10.** AS 15.15.040 is amended by adding a new subsection to read:

14 (c) The director shall provide materials, forms, and supplies for each polling
15 place, including information regarding the date of the election and hours the polling
16 place will be open, instructions on how to cast a questioned ballot, instructions for
17 first-time voters who initially registered by mail, general information on voting rights,
18 prohibitions on acts of fraud and misrepresentation, and whom to contact to report
19 violations.

20 * **Sec. 11.** AS 15.15.198(a) is amended to read:

21 (a) If a voter's name does not appear on the official registration list in the
22 precinct in which the voter seeks to vote, the election official shall affirmatively
23 advise the voter that the voter may cast a questioned ballot, and the voter shall be
24 allowed to vote a questioned ballot. At the time the voter casts a questioned ballot,
25 the voter shall be given written information stating that the voter will be able to
26 ascertain whether the ballot was counted and, if not counted, the reason the
27 ballot was not counted.

28 * **Sec. 12.** AS 15.15.225(a) is amended to read:

29 (a) Before being allowed to vote, each voter shall exhibit to an election official
30 one form of identification, including

31 (1) an official voter registration card, driver's license, state

1 identification card, current and valid photo identification, birth certificate,
2 passport, or hunting or fishing license; or

3 (2) an original or a copy of a current utility bill, bank statement,
4 paycheck, government check, or other government document; an item exhibited
5 under this paragraph must show the name and current address of the voter [, OR
6 OTHER FORM OF IDENTIFICATION AS PRESCRIBED BY REGULATION].

7 * Sec. 13. AS 15.15.225(b) is amended to read:

8 (b) An election official may waive the identification requirement if the
9 election official knows the identity of the voter. The identification requirement may
10 not be waived for voters who are first-time voters who initially registered by mail
11 or by facsimile or other electronic transmission approved by the director under
12 AS 15.07.050, and did not provide identification as required in AS 15.07.060.

13 * Sec. 14. AS 15.15.360(a) is amended to read:

14 (a) The election board shall count ballots [IN HAND-COUNT PRECINCTS]
15 according to the following rules:

16 (1) A voter may mark a ballot only by filling in, making "X" marks,
17 diagonal, horizontal, or vertical marks, solid marks, stars, circles, asterisks, checks, or
18 plus signs that are clearly spaced in the oval opposite the name of the candidate,
19 proposition, or question that the voter desires to designate.

20 (2) A failure to properly mark a ballot as to one or more candidates
21 does not itself invalidate the entire ballot.

22 (3) If a voter marks fewer names than there are persons to be elected to
23 the office, a vote shall be counted for each candidate properly marked.

24 (4) If a voter marks more names than there are persons to be elected to
25 the office, the votes for candidates for that office may not be counted.

26 (5) The mark specified in (1) of this subsection shall be counted only if
27 it is substantially inside the oval provided, or touching the oval so as to indicate
28 clearly that the voter intended the particular oval to be designated.

29 (6) Improper marks on the ballot may not be counted and do not
30 invalidate marks for candidates properly made.

31 (7) An erasure or correction invalidates only that section of the ballot

1 in which it appears.

2 (8) A vote marked for the candidate for President or Vice-President of
3 the United States is considered and counted as a vote for the election of the
4 presidential electors.

5 (9) Write-in votes are not invalidated by writing in the name of a
6 candidate whose name is printed on the ballot unless the election board determines, on
7 the basis of other evidence, that the ballot was so marked for the purpose of
8 identifying the ballot.

9 (10) In order to vote for a write-in candidate, the voter must write in
10 the candidate's name in the space provided and fill in the oval opposite the candidate's
11 name in accordance with (1) of this subsection.

12 (11) A vote for a write-in candidate, other than a write-in vote for
13 governor and lieutenant governor, shall be counted if the oval is filled in for that
14 candidate and if the name, as it appears on the write-in declaration of candidacy, of the
15 candidate or the last name of the candidate is written in the space provided.

16 (12) If the write-in vote is for governor and lieutenant governor, the
17 vote shall be counted if the oval is filled in and the names, as they appear on the write-
18 in declaration of candidacy, of the candidates for governor and lieutenant governor or
19 the last names of the candidates for governor and lieutenant governor, or the name, as
20 it appears on the write-in declaration of candidacy, of the candidate for governor or the
21 last name of the candidate for governor is written in the space provided.

22 * Sec. 15. AS 15.20.081(f) is amended to read:

23 (f) The director shall [MAY] require a voter casting an absentee ballot by mail
24 to provide proof of identification or other information to aid in the establishment of
25 the voter's identity as prescribed by regulations adopted under AS 44.62 ([THE]
26 Administrative Procedure Act). If the voter is a first-time voter who initially
27 registered by mail or by facsimile or other electronic transmission approved by
28 the director under AS 15.07.050 and has not met the identification requirements
29 set out in AS 15.07.060, the voter must provide one of the following forms of
30 proof of identification:

31 (1) a copy of a driver's license, state identification card, current

1 and valid photo identification, birth certificate, passport, or hunting or fishing
2 license; or

3 (2) a copy of a current utility bill, bank statement, paycheck,
4 government check, or other government document; an item provided under this
5 paragraph must show the name and current address of the voter [(AS 44.62)].

6 * Sec. 16. AS 15.20.081 is amended by adding a new subsection to read:

7 (i) An absentee ballot application submitted by an absent uniformed services
8 voter or by an absent overseas voter qualifying under AS 15.05.011 is valid through
9 the next two regularly scheduled general elections for federal office after the date the
10 application is submitted. In this subsection, "absent uniformed services voter" has the
11 meaning given in 42 U.S.C. 1973ff-6.

12 * Sec. 17. AS 15.20.082(a) is amended to read:

13 (a) The director shall prepare special absentee ballots under this section for
14 use in a state primary election, a state general election, and a state special election
15 when the voter notifies the director in writing that the voter expects to be living,
16 working, or traveling outside the United States at the time of the election, or in a
17 remote area of the state where distance, terrain, or other natural conditions deny
18 the voter reasonable access to a polling place at the time of the election. The
19 director shall prepare the ballot so that it may be sent to the absentee voter 60 days
20 before the date of the election. The director shall list on the ballot the different races
21 to be voted on at the particular election on a statewide basis, and, if the director
22 prepares the ballot without the names of candidates printed on the ballot, the director
23 shall provide the voter with information described in (c) of this section.

24 * Sec. 18. AS 15.20.203(b) is amended to read:

25 (b) An absentee ballot may not be counted if

26 (1) the voter has failed to properly execute the certificate;

27 (2) an official or the witnesses authorized by law to attest the voter's
28 certificate fail to execute the certificate, except that an absentee ballot cast in person
29 and accepted by an absentee voting official or election supervisor may be counted
30 despite failure of the absentee voting official or election supervisor to properly sign
31 and date the voter's certificate as attesting official as required under AS 15.20.061(c);

- 1 (3) the ballot is not attested on or before the date of the election;
2 (4) the ballot, if postmarked, is not postmarked on or before the date of
3 the election; [OR]
4 (5) after the day of election, the ballot was delivered by a means other
5 than mail; or

6 (6) the voter voted

7 (A) in person and is a

8 (i) first-time voter who initially registered by mail or
9 by facsimile or other electronic transmission approved by the
10 director under AS 15.07.050, has not provided the identification
11 required by AS 15.15.225(a), was not eligible for waiver of the
12 identification requirement under AS 15.15.225(b), and has not
13 provided the identifiers required in AS 15.07.060(a)(2) and (3) that
14 can be verified through state agency records described in
15 AS 15.07.055(e); or

16 (ii) voter other than one described in (i) of this
17 subparagraph, did not provide identification described in
18 AS 15.15.225(a), was not personally known by the election official,
19 and has not provided the identifiers required in AS 15.07.060(a)(2)
20 and (3); or

21 (B) by mail or electronic transmission, is a first-time voter
22 who initially registered by mail or by facsimile or other electronic
23 transmission approved by the director under AS 15.07.050 to vote, has not
24 met the identification requirements set out in AS 15.07.060, and does not
25 submit with the ballot a copy of a

26 (i) driver's license, state identification card, current
27 and valid photo identification, birth certificate, passport, or
28 hunting or fishing license; or

29 (ii) current utility bill, bank statement, paycheck,
30 government check, or other government document; an item
31 described in this sub-subparagraph must show the name and

1 current address of the voter.

2 * Sec. 19. AS 15.20.203(h) is repealed and reenacted to read:

3 (h) The director shall make available through a free access system to each
4 absentee voter a system to check to see whether the voter's ballot was counted and, if
5 not counted, the reason why the ballot was not counted. The director shall make this
6 information available through the free access system not less than 10 days after
7 certification of the results of a primary election and not less than 30 days after
8 certification of the results of a general or special election.

9 * Sec. 20. AS 15.20.207(b) is amended to read:

10 (b) A questioned ballot may not be counted if the voter

11 (1) has failed to properly execute the certificate;

12 (2) is a first-time voter who initially registered by mail or by
13 facsimile or other electronic transmission approved by the director under
14 AS 15.07.050, has not provided the identification required by AS 15.15.225(a),
15 was not eligible for waiver of the identification requirement under
16 AS 15.15.225(b), and has not provided the identifiers required in
17 AS 15.07.060(a)(2) and (3) that can be verified through state agency records
18 described in AS 15.07.055(e); or

19 (3) is a voter other than one described in (2) of this subsection, did
20 not provide identification described in AS 15.15.225(a), was not personally
21 known by the election official, and has not provided the identifiers required in
22 AS 15.07.060(a)(2) and (3).

23 * Sec. 21. AS 15.20.207(h) is repealed and reenacted to read:

24 (h) The director shall make available through a free access system to each
25 voter voting a questioned ballot a system to check to see whether the voter's ballot was
26 counted and, if not counted, the reason why the ballot was not counted. The director
27 shall make this information available through the free access system not less than 10
28 days after certification of the results of a primary election and not less than 30 days
29 after the certification of the results of a general or special election.

30 * Sec. 22. AS 15.20.480 is amended to read:

31 **Sec. 15.20.480. Procedure for recount.** In conducting the recount, the

1 director shall review all ballots, whether the ballots were counted at the precinct or by
2 computer or by the district absentee counting board or the questioned ballot counting
3 board, to determine which ballots, or part of ballots, were properly marked and which
4 ballots are to be counted in the recount, and shall check the accuracy of the original
5 count, the precinct certificate, and the review. The director shall count absentee
6 ballots received before the completion of the recount. For administrative purposes, the
7 director may join and include two or more applications in a single review and count of
8 votes. The rules in AS 15.15.360 governing the counting of ballots [IN HAND-
9 COUNT PRFCINCTS] shall be followed in the recount when a ballot is challenged on
10 the basis of a question regarding the voter's intent to vote for the candidate,
11 proposition, or question. The ballots and other election material must remain in the
12 custody of the director during the recount, and the highest degree of care shall be
13 exercised to protect the ballots against alteration or mutilation. The recount shall be
14 completed within 10 days. The director may employ additional personnel necessary to
15 assist in the recount.

16 * **Sec. 23.** AS 15.25.010 is amended to read:

17 **Sec. 15.25.010. Provision for primary election.** Candidates for the elective
18 state executive and state and national legislative offices shall be nominated in a
19 primary election by direct vote of the people in the manner prescribed by this chapter.
20 The director shall prepare and provide a primary election ballot for each political
21 party. A voter registered as affiliated with a political party may vote that party's
22 ballot. A voter registered as unaffiliated [NONPARTISAN OR UNDECLARED]
23 rather than as affiliated with a particular political party may vote the political party
24 ballot of the voter's choice unless prohibited from doing so under AS 15.25.014. A
25 voter registered as affiliated with a political party may not vote the ballot of a different
26 political party unless permitted to do so under AS 15.25.014.

27 * **Sec. 24.** AS 15.25.014(b) is amended to read:

28 (b) Once a political party timely submits a notice and bylaws under (a) of this
29 section and the director finds that the party has met the requirements of this chapter
30 and other applicable laws, the director shall permit a voter registered as affiliated with
31 another party to vote the party's ballot if the voter is permitted by the party's bylaws to

1 participate in the selection of the party's candidates and may not permit a voter
2 registered as unaffiliated [NONPARTISAN OR UNDECLARED] to vote a party's
3 ballot if the party's bylaws restrict participation by unaffiliated [NONPARTISAN OR
4 UNDECLARED] voters in the party's primary. However, for a subsequent primary
5 election, the party shall timely submit another notice, bylaws, documentation, and
6 other information under (a) of this section if the party's bylaws regarding who may
7 participate in the primary election for selection of the party's candidates change.

8 * **Sec. 25.** AS 15.25.060(b) is amended to read:

9 (b) A voter may vote only one primary election ballot. A voter may vote a
10 political party ballot only if the voter is registered as affiliated with that party, is
11 allowed to participate in the party primary under the party's bylaws, or is registered as
12 unaffiliated [NONPARTISAN OR UNDECLARED] rather than as affiliated with a
13 particular political party and the party's bylaws do not restrict participation by
14 unaffiliated [NONPARTISAN OR UNDECLARED] voters in the party's primary.
15 For the purpose of determining which primary election ballot a voter may use, a
16 voter's party affiliation is considered to be the affiliation registered with the director as
17 of the 30th day before the primary election. If a voter changes party affiliation within
18 the 30 days before the primary election, the voter's previous party affiliation shall be
19 used for the determination under this subsection.

20 * **Sec. 26.** AS 15.15.360(c); AS 15.20.203(i), 15.20.207(i), 15.20.207(j), 15.20.211(c),
21 15.20.211(d), and 15.20.211(e) are repealed.

22 * **Sec. 27.** This Act takes effect immediately under AS 01.10.070(c).

FRANK H. MURKOWSKI
GOVERNOR
GOVERNOR@GOV.STATE.AK.US



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

HB 266
P.O. Box 110001
JUNEAU, ALASKA 99811-0001
(907) 465-3500
FAX (907) 465-3532
WWW.GOV.STATE.AK.US

April 11, 2003

The Honorable Pete Kott
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Kott:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to elections.

This bill would amend the state election code statutes as required to comply with a recently enacted federal law, the "Help America Vote Act of 2002" (HAVA), P.L. 107-252 (H.R. 3295). The HAVA was enacted to improve the states' administration of federal elections after problems with the administration of those elections by certain states was brought to light during the 2000 presidential election. Many of the reforms set out in the HAVA are intended to protect against election fraud and to ensure that the votes of all persons entitled to vote are counted.

All of the states are required to comply with the HAVA, including amending state laws to comply. To comply with the timelines in the HAVA, this bill must be passed by the legislature and enacted into law this year. Upon certification of compliance with the HAVA, each state is eligible to receive various payments from the federal government to use in implementing the requirements of the HAVA. Alaska is projected to receive payments of approximately \$5,000,000 per year for three years to implement the HAVA.

Alaska is fortunate because our modern state election code already includes many of the requirements of the HAVA, such as a statewide voter registration information database and provisional ("questioned") voting. However, the state election code does not contain a few of the measures required by the HAVA -- this bill would make the necessary amendments. A detailed description of those amendments follows.

The Honorable Pete Kott
April 11, 2003
Page 2

First, all sections in the election code that refer to "questioned ballots" would be amended to refer to "provisional ballots." The two terms are synonymous, but the change would conform to the HAVA's use of the term "provisional" ballots.

In sec. 2 of the bill, AS 15.07.055 would be amended to add a new subsection to require the director of elections to enter into an agreement with the Department of Administration, for motor vehicle information, and the Department of Revenue, for permanent fund dividend information, to match information with the division of elections (division) for first-time voter registrants who are registering by mail, facsimile, or other electronic transmission. This amendment is required by sec. 303(b)(3)(B)(ii) of the HAVA.

Sections 3 and 6 of the bill would amend AS 15.07.060 to require that applicants for voter registration supply certain additional information -- an Alaska driver's license or identification card number, or the last four digits of the applicant's social security number, if any of those numbers have been issued to the applicant. Under the bill, an applicant also would have to provide his or her date of birth. Persons who apply for registration for the first time by mail also would have to provide one of the identifying numbers, and date of birth, that can be verified through state agency records described in sec. 2 of the bill. If such an applicant has not been issued any of the identifying numbers, the applicant may alternatively submit a copy of a photo identification. For any applicant for voter registration who has not been issued any of the required identifying numbers, the division would issue to the applicant a unique identifying number. These amendments are required by secs. 303(a)(5)(A)(i) and (ii), 303(a)(5)(B)(i), 303(b)(4)(A), and 303(b)(4)(B) of the HAVA.

The changes made by sec. 7 of the bill relate to procedures for providing a voter registration card to a voter who registers by mail, facsimile, or other electronic transmission, and are to conform to the HAVA's identification requirements for such voters.

Section 9 of the bill would amend AS 15.07.070(h) to require voter registration proof of identification information on the voter's certificate for voting an absentee in-person ballot. This amendment is required by sec. 303(b) of the HAVA.

The Honorable Pete Kott
April 11, 2003
Page 3

Section 13 of the bill would amend AS 15.15.040 to require that certain information be available at polling places, such as how to cast a provisional ballot, instructions for first-time voters, prohibitions on fraud, and how to report violations. This amendment is required by sec. 302(b)(2) of the HAVA.

Section 14 of the bill would amend AS 15.15.198 to require that a voter who casts a provisional ballot receive information on whether the ballot was counted. This amendment is required by sec. 302 of the HAVA.

Section 16 of the bill would amend AS 15.15.225 to specify the forms of identification that a voter must exhibit at the polls before voting. These amendments are required by secs. 303(b)(1) and 303(b)(2)(A)(i) and (ii) of the HAVA.

Section 18 of the bill would amend AS 15.15.360(a) on the rules for counting ballots, to provide a uniform definition of what constitutes a vote as required by sec. 302(a)(6) of the HAVA.

Section 21 of the bill would amend AS 15.20.081(f) to require that first-time voters who initially registered by mail, facsimile, or other electronic transmission and who are voting absentee by mail, must provide certain identifying information if they have not already provided identifying information specified by AS 15.07.060. Section 21 also would make it mandatory, rather than discretionary, that the director of elections, by regulation, require proof of identification for any voter who votes absentee by mail - - existing regulations already provide for that identification requirement. These amendments are required by sec. 303(b)(2)(A)(ii) of the HAVA.

Section 22 of the bill would amend AS 15.20.081 to add a new subsec. (i) to allow the absentee ballot applications of absent uniformed services voters and absent overseas voters to be valid through the next two federal elections. This amendment is required by sec. 704 of the HAVA.

Section 25 of the bill would amend AS 15.20.203(b) to specify that the absentee ballot of a first-time voter who registered by mail, facsimile, or other electronic transmission will not be counted if the proper identification has not been provided. This amendment is required by sec. 302(b)(2) of the HAVA.

The Honorable Pete Kott
April 11, 2003
Page 4

Section 26 of the bill would repeal and reenact AS 15.20.203(h) to provide for a free access system for absentee voters to use to determine whether their ballot was counted. An example of a free access system is a toll-free phone number for voters to call. The free access system would replace the current system of mailing individual notice to voters. This change is required by sec. 302(b)(2) of the HAVA.

Section 29 of the bill would amend AS 15.20.207(b) to specify that the provisional ballot of a first-time voter who registered by mail, facsimile, or other electronic transmission will not be counted if the proper identification has not been provided. This amendment is required by secs. 302(a)(5)(A), 303(b)(1), 303(b)(2)(A)(i) and (ii), and 303(b)(3)(B) of the HAVA.

Section 35 of the bill would repeal and reenact AS 15.20.207(h) to require a free access system, as described above, for voters to use to determine whether their provisional ballot was counted. This change is required by sec. 302(a)(5)(B) of the HAVA.

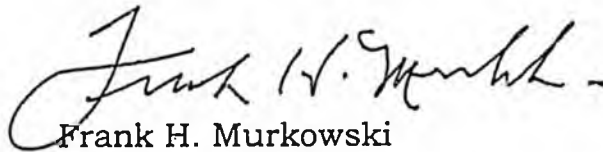
Section 41 of the bill would repeal statutes that are no longer necessary due to the changes described above.

Other changes proposed in the bill are not required by the HAVA. Section 4 of the bill would make "housekeeping" changes to AS 15.07.060(b) regarding voter registration or identification cards from another jurisdiction. Section 5 of the bill would amend AS 15.07.060(c) to allow for additional acceptable forms of identification for in-person voter registration. Section 8 of the bill would make "housekeeping" changes to AS 15.07.070(d). Section 12 of the bill would amend AS 15.10.107 to update the statute and reflect current division practices. Section 16 of the bill includes the repeal of language allowing additional forms of voter identification to be prescribed by regulation. Section 23 of the bill would amend AS 15.20.082(a), regarding special absentee ballots, to expand the group eligible to use these ballots to include persons in remote areas of Alaska; this change would duplicate the changes proposed by SB 24, introduced on January 23, 2003. Sections 25 and 29 of the bill would amend AS 15.20.203(b) and 15.20.207(b), respectively, to specify that absentee in-person ballots and provisional ballots will not be counted if the voter has not provided the proper identification and was not personally known by the election official. Sections 38 - 40 of the bill would amend statutes regarding the primary election by replacing the terms "nonpartisan" and "undeclared" with the term "unaffiliated" in identifying voters who are not affiliated with a political party, to streamline references to such voters.

The Honorable Pete Kott
April 11, 2003
Page 5

This bill must be enacted this year in order to comply with the timelines for various requirements set out in the HAVA. Therefore, I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in cursive script, appearing to read "Frank H. Murkowski".

Frank H. Murkowski
Governor

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB266
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Office of the Governor
 Title "An act relating to elections, questioned ballots BRU Elections
 and questioned voters, voter registration, training of election..." Component Elections
 Sponsor Rules
 Requester House State Affairs Component No. 21

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual	382.0					
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	382.0	0.0	0.0	0.0	0.0	0.0

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

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	382.0					
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	382.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2003) cost: 0.0
 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 FOLLOWING COSTS ARE INCLUDED IN THE GOVERNOR'S FY 2004 CAPITAL APPROPRIATION REQUEST OF 5000.0 IN FEDERAL RECEIPTS. These items are estimated expenditures that the Division will incur due to new federal election reform legislation (Help America Vote Act PL 107) as reflected by the statutory changes in the bill: Revising forms for provisional and absentee voting and new registration requirements (100.0); computer programming (80.0); estimated toll free access annual costs (2.0) and information access exchange with other state agencies(200.0).

Prepared by: Lauri Allred Phone 465-5347
 Division: Division of Elections Date/Time 4/15/03 4:16 PM
 Approved by: Laura A. Glaiser, Director/LJP Date 4/15/2003
 Agency: Office of the Lt. Governor, Division of Elections

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: HB 266
 (H) Publish Date: 4/14/03

Revision Date/Time (Note if correction): _____ Dept. Affected: Administration
 Title An act relating to elections..... BRU Motor Vehicles
 Component Motor Vehicles
 Sponsor _____
 Requester _____ Component No. 2348

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
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 (FY2003) cost: 0.0
 Check 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)

This bill will have no fiscal impact on DMV. DMV already produces a similar database copy of driver license information for the Permanent Fund Division each year. A second copy will be made at the same time for Division of Elections.

Prepared by: Charles R. Hosack Phone 269-5559
 Division Motor Vehicles Date/Time 4/10/03
 Approved by: Mike Miller, Commissioner Date 4/11/2003
 Agency Department of Administration

STATE OF ALASKA

OFFICE OF THE LT. GOVERNOR

FRANK H. MURKOWSKI, GOVERNOR

DIVISION OF ELECTIONS
P.O. BOX 110017
JUNEAU, ALASKA 99811-0017
PHONE: (907) 465-4611

HB 266

“An Act relating to elections, questioned ballots and questioned voters, voter registration, training of election officials, preparation of election materials, voter identification, absentee voting, counting ballots, and the primary election; and providing for an effective date.”

In October, 2002, President Bush signed the “Help America Vote Act,” (H.R. 3295) into law (P.L. 107-252). HAVA is the result of a bipartisan effort in Congress to make sweeping changes to federal election laws to improve the overall administration of elections, increase accessibility to those with disabilities, and also to prevent voter fraud.

Many changes required under HAVA do not require amending Alaska statute, but HB 266 includes those necessary to meet federal mandates. Changes recommended in the bill before you follow the intent of the federal law and do not place unnecessary burdens on the voter. It is imperative that these changes mandated by federal law are passed by the Legislature this year.

HB 266 also includes changes the Division recommends. The Division supports the language recommended in Senator Lincoln’s SB 24, and it has been included in this bill with her permission. Other changes regarding returning identification/voter cards to other jurisdictions, reference to a “master list,” and adding types of information that can be provided by the voter when registering in person are requested by the Division in this bill.

Perhaps the most significant change NOT mandated by the federal act, but recommended in this bill is replacing the terms “non partisan” and “undeclared” with the term “unaffiliated.” Many voters do not know the difference between the two classifications and make numerous party affiliation changes between the “non partisan” and “undeclared.” This would eliminate confusion on the part of the voter, while not affecting their access to the ballot.

The Division of Elections asks for your support of House Bill 266.

HB 266

“An Act relating to elections, questioned ballots and questioned voters, voter registration, training of election officials, preparation of election materials, voter identification, absentee voting, counting ballots, and the primary election; and providing for an effective date.”

Section 1 – changes the term “questioned” to “provisional” as it relates to the type of ballots. The terms are synonymous and are being changed to conform to the terms used in the federal law. (HAVA)

Conforming language.

Section 2 – NEW subsection requiring the Director of Elections to enter into an agreement with DMV and PFD to allow the Division to match voter information for first-time registrants who are registering by mail, facsimile, or other electronic transmission.

Required by HAVA section 303(b)(3)(B)(ii).

Section 3 - Applicants for voter registration will be required to supply additional information –
An Alaska driver's license or Alaska I.D. card (if issued)
Last four digits of the applicant's social security number (if issued)
Date of birth

Required by HAVA section 303(b)(3)(B)(i) and (ii).

Section 4 – Applicants who have been previously registered to vote in another jurisdiction would no longer be required to surrender to the registration official any voter registration or ID card or credentials from that previous jurisdiction. The Director would not be required to return that applicant's voter registration or ID card or credentials to that jurisdiction.

The Director will, however, still be required to notify the chief elections officer in that jurisdiction that the applicant has registered to vote in Alaska and to cancel the applicant's voter registration in that jurisdiction

“Houskeeping” change – the Division has not been requiring the surrender of the voter registration or ID card or credentials, nor has the Director been returning them to the election official in the previous jurisdiction, as other jurisdictions do not require that function.

Section 5 – Adds a state ID card or a valid photo identification to the list of acceptable forms of identification that can be shown when applying for registration in person.

“Houskeeping” change – adds to the options of types of identification that are acceptable.

Section 6 – NEW subsections requiring the Director to verify information provided by an applicant requesting initial registration by mail, through agency records (DMV/PFD). If an applicant cannot provide an Alaska driver's license, state id or social security number, because the applicant has not been issued any of those numbers, they may instead submit a copy of a driver's license (other than Alaska's), state I.D. card, current and valid photo I.D., birth certificate, passport, or a hunting/fishing license.

All Alaskan registrants who submit a complete voter registration form are assigned a "unique identifying number" on their voter card. This language is added to emphasize intent of HAVA.

Required by HAVA sections 303(a)(5)(A)(i) and(ii), 303(a)(5)(b)(i), 303(b)(4)(A), 303(b)(4)(B).

Section 7 – In regards to the voter registration database (master register) the phrase "located in the office of the director and on the district register located in the office of the election supervisor" is removed. The Voter Registration Election Management Database (VREMS) is the "master register" and is accessible by all regional supervisors and the Director's office.

"Housekeeping" change.

Section 8 – Removes language related to the master register and its location (same as above). Also makes a stylistic change with regard to when a voter is eligible to vote.

"Housekeeping" change.

Section 9 – Replaces the term "questioned" with "provisional or absentee in person". The information obtained on the envelope used for voting a provisional or absentee in person ballot will be the same, as that required on a voter registration form. If the voter voting such a ballot completes the information, the director is required to place the voter's name on the registration list.

Required by HAVA section 303 (b).

Section 10 - changes the term "questioned" to "provisional" as it relates to the type of ballots. The terms are synonymous and are being changed to conform to the terms used in the federal law. (HAVA)

Conforming language.

Section 11 - changes the term "questioned" to "provisional" as it relates to the type of ballots. The terms are synonymous and are being changed to conform to the terms used in the federal law. (HAVA)

Conforming language.

Section 12 – This language more accurately reflects Division practices. The Director is required to file a plan describing the training program provided to election officials every year by March 1st to the Lt. Governor. (replaces January to enable staff to determine more accurate costs related to training.) The word "annual" was removed because the training plans are based on the election cycle calendar.

"Housekeeping" change.

Section 13 - NEW subsection that requires the Director to provide materials, forms and supplies for each polling place to include-

- Hours the polling place will be open
- Instructions on how to cast a provisional ballot
- Instructions for first time voters who initially registered by mail
- General information on voting rights

04/15/03
11:44 AM

Prohibitions on acts of fraud/misrepresentations and how to report these violations

Required by HAVA section 302 (b)(2).

Section 14 - changes the term "questioned" to "provisional" as it relates to the type of ballots. The terms are synonymous and are being changed to conform to the terms used in the federal law. (HAVA)

Conforming language.

Requires that a voter who casts a provisional ballot will receive information whether the ballot was counted, and if not, why not.

Required by HAVA section 302.

Section 15 - changes the term "questioned" to "provisional" as it relates to the type of ballots. The terms are synonymous and are being changed to conform to the terms used in the federal law. (HAVA)

Conforming language.

Section 16 – Adds types of identification required at the polls before voting to
State ID card
Current and valid photo ID
An original or copy of a current utility bill, bank statement, paycheck, government check, or other government document bearing the name and current address of the voter

Identification requirements may not be waived for voters who are first-time voters who initially registered by mail, facsimile, or other electronic transmission and did not provide the identification required when registering by mail.

Required by HAVA sections 303(b)(1) and 303 (b)(2)(A)(i)and(ii).

Section 17 - changes the term "questioned" to "provisional" as it relates to the type of ballots. The terms are synonymous and are being changed to conform to the terms used in the federal law. (HAVA)

Conforming language.

Section 18 – removes the phrase "hand count precincts," thereby making a uniform definition of what constitutes a vote.

Required by HAVA section 302(a)(6).

Section 19 - changes the term "questioned" to "provisional" as it relates to the type of ballots. The terms are synonymous and are being changed to conform to the terms used in the federal law. (HAVA)

Conforming language.

Section 20 - changes the term "questioned" to "provisional" as it relates to the type of ballots. The terms are synonymous and are being changed to conform to the terms used in the federal law. (HAVA)

Conforming language.

Section 21 – Requires first-time voters who initially registered by mail, facsimile, or other electronic transmission and who are voting absentee by mail, must provide a copy of:

Driver's License or State ID card
Current and valid photo ID
Birth certificate, passport, or hunting or fishing license
A current utility bill, bank statement, paycheck, government check, or other government document bearing the name and current address of the voter

Required by HAVA section 303 (b)(2)(A)(ii).

Section 22 – NEW subsection that allows for absentee ballot applications of absent uniformed services voters and absent overseas voters to be valid through the next two general elections.

Required by HAVA section 704.

Section 23 – Requires the Director to provide "special absentee ballots" to Alaskans living, working or traveling in a remote area of the State where distance, terrain, or other natural conditions deny the voter reasonable access to a polling place.

Duplicates the language offered in Senator Lincoln's SB 24 with permission of the Senator.

Section 24 - changes the term "questioned" to "provisional" as it relates to the type of ballots. The terms are synonymous and are being changed to conform to the terms used in the federal law. (HAVA)

Conforming language.

Section 25 – Specifies that the absentee ballot of a first-time voter who registered by mail, facsimile, or other electronic transmission will not be counted if the proper identification was not provided or if the voter was not personally known by the election officials, or if the identification can not be verified by state agency records.

Required by HAVA section 303(b)(2).

Section 26 – Repeals and reenacts 15.20.203 (h) that requires the Director to notify a voter who voted an absentee ballot that their ballot was rejected. Instead, the Director is required to provide a "free access system" so those absentee voters can determine whether their ballot was counted.

A "free access system" may be a toll free number or a website address, or both. This would replace the Division's current practice of mailing this notification and is required under HAVA.

Required by HAVA section 302 (b)(2).

Section 27 - changes the term "questioned" to "provisional" as it relates to the type of ballots. The terms are synonymous and are being changed to conform to the terms used in the federal law. (HAVA)

Conforming language.

Section 28 - changes the term "questioned" to "provisional" as it relates to the type of ballots. The terms are synonymous and are being changed to conform to the terms used in the federal law. (HAVA)

Conforming language.

Section 29- changes the term "questioned" to "provisional" as it relates to the type of ballots. The terms are synonymous and are being changed to conform to the terms used in the federal law. (HAVA)

Conforming language.

Specifies that the provisional ballot of a first-time voter who registered by mail, facsimile, or other electronic transmission will not be counted if the proper identification has not been provided or did not provide identification that could be verified by state agency records.

Required by HAVA sections 302 (a)(5)(A), 303 (b)(1), 303 (b)(2)(A)(I) and (ii) and 303 (b)(3)(B).

Section 30 - changes the term "questioned" to "provisional" as it relates to the type of ballots. The terms are synonymous and are being changed to conform to the terms used in the federal law. (HAVA)

Conforming language.

Section 31 - changes the term "questioned" to "provisional" as it relates to the type of ballots. The terms are synonymous and are being changed to conform to the terms used in the federal law. (HAVA)

Conforming language.

Section 32 - changes the term "questioned" to "provisional" as it relates to the type of ballots. The terms are synonymous and are being changed to conform to the terms used in the federal law. (HAVA)

Conforming language.

Section 33 - changes the term "questioned" to "provisional" as it relates to the type of ballots. The terms are synonymous and are being changed to conform to the terms used in the federal law. (HAVA)

Conforming language.

Section 34 - changes the term "questioned" to "provisional" as it relates to the type of ballots. The terms are synonymous and are being changed to conform to the terms used in the federal law. (HAVA)

Conforming language.

Section 35 – Repeals and reenacts 15.20.207 (h) that requires the Director to notify a voter who voted a questioned/provisional ballot that their ballot was rejected. Instead, the Director is required to provide a "free access system" so those questioned/provisional voters can determine whether their ballot was counted.

A "free access system" may be a toll free number or a website address, or both. This would replace the Division's current practice of mailing this notification and is required under HAVA.

Required by HAVA section 302 (a)(5)(B).

Section 36 - changes the term "questioned" to "provisional" as it relates to the type of ballots. The terms are synonymous and are being changed to conform to the terms used in the federal law. (HAVA)

Conforming language.

Section 37 - changes the term "questioned" to "provisional" as it relates to the type of ballots. The terms are synonymous and are being changed to conform to the terms used in the federal law. (HAVA)

Conforming language.

"handcount precincts" was removed because there is a uniform definition of what constitutes a vote. (Section 18 of this bill)

Section 38 – changes the terms "non partisan" and "undeclared" to "unaffiliated". Those voters who are not affiliated with a party, would be "unaffiliated." Many voters do not know the difference between the two classifications and make numerous party affiliation changes between the "non partisan" and "undeclared." This would eliminate confusion on the part of the voter, while not affecting their access to the ballot.

"Housekeeping" change.

Section 39 - changes the terms "non partisan" and "undeclared" to "unaffiliated". Those voters who are not affiliated with a party, would be "unaffiliated." Many voters do not know the difference between the two classifications and make numerous party affiliation changes between the "non partisan" and "undeclared." This would eliminate confusion on the part of the voter, while not affecting their access to the ballot.

"Housekeeping" change.

Section 40 - changes the terms "non partisan" and "undeclared" to "unaffiliated". Those voters who are not affiliated with a party, would be "unaffiliated." Many voters do not know the difference between the two classifications and make numerous party affiliation changes between the "non partisan" and "undeclared." This would eliminate confusion on the part of the voter, while not affecting their access to the ballot.

"Housekeeping" change.

Section 41 – Repeals the following sections:

15.15.360 (c) stated that the votes described in that section are only those in handcount precincts, but in reality it is how ALL votes are treated.

Repealed because Section 18 provides for a UNIFORM definition of what constitutes a vote.

15.20.203(i) – provides when the Director will notify a voter who voted an absentee ballot that their ballot was rejected.

Repealed because the free access system addresses notification of voters and specific timelines in Section 26.

15.20.207(i) - provides when the Director will notify a voter who voted a questioned/provisional ballot that their ballot was rejected.

Repealed because the free access system addresses notification of voters and specific timelines in Section 35.

15.20.211(c) - requires the Director to notify a voter who voted a partially counted ballot that their ballot was subjected to a partial count.

Repealed because the free access system addresses notification of voters in Section 26 and 35.

15.20.211(d) - provides when the Director will notify a voter who voted a partially counted ballot that their ballot was subjected to a partial count.

Repealed because the free access system addresses notification of voters in Section 26 and 35.

15.20.211(e) - provides how the Director will notify a voter who voted a questioned/provisional ballot in regards to their voter registration status.

Repealed because Section 9 requires the Director to place the voter's name on the registration list if the voter voting such a ballot completes the information required on the registration portion of the ballot envelope.

Section 42 – Provides for an immediate effective date. The State must pass this legislation to comply with the federal act this year.



Modifications to Voter Registration Form

By January 1, 2004...

- ★ Add driver's license, last 4 SSN, and birthdate as mandatory information to application.**
- ★ Add questions requiring voters to verify that they are United States citizens and 18 years old.**
- ★ If an applicant fails to provide mandatory information the registration form will be denied and to the applicant will be given the opportunity to resubmit the application.**



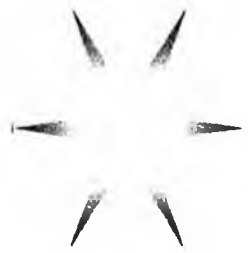
Enforcement

- ★ The Attorney General may bring civil action against any state or locality for injunctive relief to carry out the requirements of the bill.**



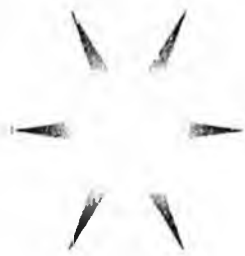
State-Based Administrative Complaint Process

- ★ **Applies to states that receive any kind of funding under the Act.**
- ★ **The procedures must be uniform and non-discriminatory.**
- ★ **Complaints must be in writing, notarized and sworn to by the complainant.**
- ★ **Complaints may be filed only for violations of the requirements in Title III of the act.**



Military and Overseas Voters

- ★ Each state is responsible for designating a single officer responsible for providing information to these voters. In Alaska this is the Director's Office.**
- ★ Ninety days after each general election the state must submit a report to the EAC on military and overseas voting participation.**
- ★ A single absentee ballot application is valid for the next two federal general elections.**



Additional Funding for Grant Programs

The Act provides funding for the following grant programs:

- ★ Access Grants \$100 million to increase access to polling places.**
- ★ Research Grants \$20 million for the research and development to improve voting technology.**
- ★ Pilot Program Grants \$10 million to test new voting system and equipment.**
- ★ Protection and Advocacy Systems \$40 million.**