

ALASKA LEGISLATURE COMMITTEE FILES, 2003-2004 8672

11058 HOUSE STATE AFFAIRS

# STATE OF ALASKA



*Interim:*  
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Fairbanks, Alaska 99701  
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*Session:*  
State Capitol Building  
Juneau, Alaska 99801  
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## REPRESENTATIVE JIM HOLM DISTRICT 9

HB 461

### "EMERGENCY SERVICES DISPATCH/911 SURCHARGE"

## Sponsor Statement

19 February

Enhanced 9-1-1 technology is sweeping the nation. This enhanced emergency service provides a faster, more efficient means of rescue to the citizens of Alaska. Enhanced 9-1-1 immediately provides the dispatcher with the identity and physical location of a caller. Bottom line: Enhanced 9-1-1 can save lives.

Municipalities have no way to fully cover the costs of this essential dispatch service. Currently AS 29.35 gives a municipality the ability to cover the cost of the Enhanced 9-1-1 equipment through a surcharge of only sixty-five cents. This does not cover the cost of the dispatch or the labor. The burden of the cost for this service is borne by local property taxes and state revenues.

This bill will shift some of the costs to the users of this service and provide substantial relief to stretched municipal budgets. Municipalities will have the option to charge phone users through a surcharge on their phone bill. Local governments are more capable of responding to the specific needs of their community. These adjustments will be a great stride toward the goal of local control for city and borough governments.

# LEGAL SERVICES

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

(907) 465-3867 or 465-2450  
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State Capitol  
Juneau, Alaska 99801-1182  
Deliveries to: 129 6th St., Rm. 329

## MEMORANDUM

February 18, 2004

**SUBJECT:** Sectional summary (HB 461)

**TO:** Representative Jim Holm  
Attn: Matthew Rudig

**FROM:** Tamara Brandt Cook  
Director *TBC*

**Sec. 1.** Prevents an action from being brought against a municipality based on the exercise of a duty in connection with an emergency services dispatch system unless the action is also based on an intentional act of misconduct or on an act of gross negligence. Note that under existing law "municipality" is defined to include a public corporation established by a municipality and a village.

**Sec. 2.** Technical change to list of home rule limitations to accommodate changes made in bill sections 3 - 8.

**Sec. 3.** Permits a municipality to provide an emergency services dispatch system and impose a surcharge for that service. Increases enhanced 911 surcharges that a municipality may impose.

**Secs. 4 - 9.** Treats emergency services dispatch service areas, surcharges, and collections in the way the existing provisions cover enhanced 911 service areas, surcharges, and collections. Permits a telephone company to retain an amount of the collected emergency services dispatch surcharge for costs of the collection under the same terms that now apply to enhanced 911 collections.

**Sec. 10.** Adds a definition of "emergency services dispatch."

TBC:med  
04-204.med

<b>Proposed Telephone Surcharge Amenment</b>		
January 29, 2004	<b>Current Fairbanks E-911 Surcharge:</b>	<b>Proposed Current E-911 Surcharge plus Dispatch Surcharge</b>
<b>Surcharge Income</b>		
E-911 monthly surcharge per line	\$ 0.65	\$ 0.75
Proposed new Dispatch surcharge		\$ 1.45
Total	0.65	\$ 2.20
ACS Lines	47,000	
GCI Lines	9,500	
Cell Phones	28,500	
Total Lines	85,000	
Monthly Income	\$ 55,250.00	\$ 187,000.00
less rebate to providers	\$ 552.50	\$ 1,870.00
Net per month	\$ 54,697.50	\$ 185,130.00
Net per year	\$ 656,370.00	\$ 2,221,560.00
<b>Total Income</b>	<b>\$ 656,370.00</b>	<b>\$ 2,221,560.00</b>
<b>Expenses</b>		
<i>E-911 System Expenses</i>		
Annual E-911 tech & system costs	\$ (350,000)	\$ (350,000)
Annual set aside for equipment replacement	\$ (250,000)	\$ (250,000)
<i>Dispatch Centers Expense</i>		
City of Fairbanks Center	\$ (1,200,000)	\$ (1,200,000)
AST (est)	\$ (1,100,000)	\$ (1,100,000)
UAF	\$ (600,000)	\$ (600,000)
North Pole*	\$ (175,000)	\$ (175,000)
Fairbanks Int'l Airport	\$ (175,000)	\$ (175,000)
Local Annual set-aside for equipment**	\$ (830,000)	\$ (830,000)
<b>Total Expense***</b>	<b>\$ (4,680,000)</b>	<b>\$ (4,680,000)</b>
<b>Net Local Share of Costs</b>	<b>\$ (4,023,630)</b>	<b>\$ (2,458,440)</b>
*North Pole and Fairbanks considering contractual arrangement		
**Grants have in the past covered this cost; no guarantee of future funding.		
***Includes state funds used at Fairbanks AST and Fairbanks Int'l Airport		
<b>Note: Interior Agencies are considering a combined Regional Dispatch Center to reduce expenses.</b>		

HB 461

**ALASKA FIRE CHIEFS ASSOCIATION  
04-01**

**RESOLUTION IN SUPPORT OF AMENDMENT OF THE ALASKA STATUTES TO  
AUTHORIZE MUNICIPALITIES TO INCREASE THE PHONE SURCHARGE TO PAY  
THE COSTS OF EMERGENCY SERVICES DISPATCH**

**WHEREAS**, dispatch centers are an essential part of providing emergency police, fire, and emergency medical services; and

**WHEREAS**, Alaska Statutes section 29.35.131 authorizes smaller Alaskan municipalities to enact a surcharge of up to \$0.75 per month upon telephone lines to pay for the expense of enhanced 911 services; and

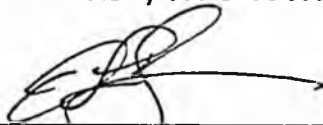
**WHEREAS**, as currently written, AS 29.35.131 does not authorize a surcharge for the operating costs of emergency dispatch centers; and

**WHEREAS**, authorization for municipalities to increase the phone surcharge to pay the cost of dispatch centers in an appropriate amount will provide desperately needed revenue to operate dispatch centers.

**NOW, THEREFORE, BE IT RESOLVED THAT THE ALASKA FIRE CHIEFS ASSOCIATION SUPPORTS AMENDMENT OF STATE LAW TO AUTHORIZE A COMMUNITY OPTION FOR LOCAL INCREASE OF THE TELEPHONE SURCHARGE TO PAY THE COST OF OPERATION OF DISPATCH CENTERS UP TO THE AMOUNT ALLOWED BY STATE LAW.**

**BE IT FURTHER RESOLVED, THAT THE ALASKA FIRE CHIEFS SUPPORTS HOUSE BILL 461 AS PROPOSED BY REPRESENTATIVE JIM HOLM, WHICH WOULD AUTHORIZE AN INCREASED SURCHARGE.**

**ADOPTED, THIS 10TH DAY OF FEBRUARY, 2004**



---

**Dave Tyler, President  
Alaska Fire Chiefs Association**



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**Warren B. Cummings,  
Attest, First Vice President**

Introduced by:

Mayor Thompson  
Council Member Johnson  
Date: February 23, 2004

**RESOLUTION NO. 4112**

**A RESOLUTION IN SUPPORT OF HOUSE BILL 461 AND  
SENATE BILL 335, WHICH WOULD ALLOW MUNICIPALITIES  
TO LEVY A MONTHLY SURCHARGE ON TELEPHONE  
SERVICES TO PAY FOR GENERAL EMERGENCY SERVICES  
DISPATCHING AND FOR ENHANCED 911 SERVICE**

**WHEREAS**, public safety is one of the mandates in the state; and

**WHEREAS**, an enhanced 911 automatically provides dispatchers with the identity and location of callers; and

**WHEREAS**, local dispatch centers are now paid mostly through local taxes; and

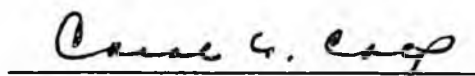
**WHEREAS**, it is common around the Country for 911 dispatch centers to be funded by telephone surcharges.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Fairbanks that the City Council supports passage of House Bill 461 and Senate Bill 335.

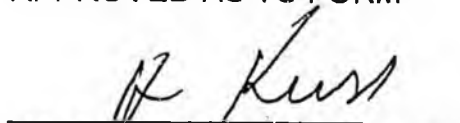
**Passed, Approved and Effective this 23rd day of February, 2004**

  
Steve M. Thompson, City Mayor

ATTEST:

  
Carol L. Colp, City Clerk

APPROVED AS TO FORM

  
Herbert P. Kuss, City Attorney



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April 7, 2004

Representative Jim Holm  
Alaska State Legislature  
State Capitol  
Juneau, AK 99801

Re: HB 461

Dear Representative Holm,

Thank you for sponsoring HB 461, which would expand the surcharge local government may levy on telephone users for E-911 and emergency dispatch services. The increased user fee, if enacted by a municipality, will improve that local government's ability to promptly respond to life and health threatening emergencies.

Although emergency communications technology has improved considerably in recent years, the added costs combined with reduced state shared revenues has made it difficult for emergency service providers to keep up with the advancements. HB 461 would provide another tool available to help improve these services.

We understand there are concerns which have been voiced by some of the telecommunications carriers regarding E-911 surcharges. We believe most of their issues can be resolved through consumer education and appropriate cost reimbursement to the carriers. We also believe any basic objection to a surcharge for 911 services is outweighed by the service provided through the surcharge funds.

Not all areas of Alaska are covered by 911 service. According to a Denali Commission survey, 164 communities within Alaska have no 911 service. The AML also supports the use of a portion of the surcharge to help municipalities and telephone service providers develop a statewide coordinated plan with the goal of eventually expanding the availability of 911 service to all parts of Alaska.

Thanks again for introducing this bill and we offer our support in helping to secure its passage.

Sincerely,

Kevin Ritchie  
Executive Director

**CITY OF FAIRBANKS***Steve M. Thompson, Mayor*800 CUSHMAN STREET  
FAIRBANKS, ALASKA 99701-4615

OFFICE: 907-459-6793

FAX: 907-459-6787

smthompson@ci.fairbanks.ak.us

April 29, 2004

Representative Weyhrauch  
State Capitol, Room 102  
Juneau, AK 99801-1182

fax: 907-465-2273

**RE: House Bill 461, E911 Emergency Services Dispatch**

Dear Representative Weyhrauch:

The City of Fairbanks supports House Bill 461. Version "z" as discussed this morning, will help us recover more of the cost of E-911 and dispatch service.

We believe that every wireline phone capable of making an E-911 call should be billed for the service, rather than the billing address for the phone. However, because version "z" removes the maximum surcharge, and instead authorizes each municipality to make the case locally for the appropriate surcharge, this flaw is not as significant as it once was.

Some of the other valid points made today (development of a statewide system, E-911 inside office buildings with a private branch exchange, etc.) can be addressed in the future. Version "z" makes a great step forward in that it will help recover the actual costs of E-911 and emergency dispatch service.

Our thanks to Representative Holm for sponsoring this bill, and to your committee for taking the time to address it. We will be available tomorrow morning should there be questions.

Sincerely,

A handwritten signature in cursive script that reads "Steve M. Thompson".

Steve M. Thompson  
City MayorCc: House State Affairs Committee Members  
Interior Delegation  
Honorable Jim Whittaker, Borough Mayor  
Jeff Jacobson, North Pole Mayor

Fairbanks City Council Members

**House State Affairs Committee Members:**

Representative Weyhrauch, Chair

Representative Holm, Vice Chair

Representative Coghill

Representative Lynn

Representative Seaton

Representative Berkowitz

Representative Gruenberg

**HB**

**466**

# HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: February 16, 2004

FURTHER REFERRALS: Finance

Date of Committee Action: 3/8/04

The STATE AFFAIRS Committee considered:

HB 466

HOUSE BILL NO. 466

PERMANENT FUND INVESTMENTS

"An Act relating to investments of Alaska permanent fund assets; and providing for an effective date."

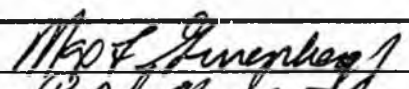
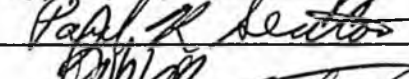
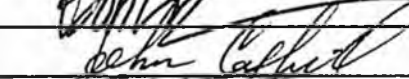
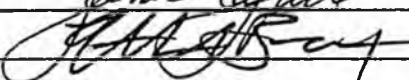
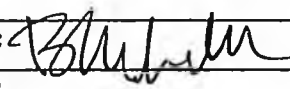
Recommends it be replaced with  HCS or  CS for HB 466 (STA)  
 For Senate Bills with new title:  Technical Title  New Title: HCR \_\_\_\_\_  Same Title  New Title

- 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>REV</u>	<u>1</u>			<input checked="" type="checkbox"/>

<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
	Gruenberg	<input checked="" type="checkbox"/>			
	SEATON	<input checked="" type="checkbox"/>			
	LYNN		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
	Coghill	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>
Chair: 	Wehrhau	<input checked="" type="checkbox"/>			
Chair:					

**CS FOR HOUSE BILL NO. 466(STA)**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**TWENTY-THIRD LEGISLATURE - SECOND SESSION**

**BY THE HOUSE STATE AFFAIRS COMMITTEE**

**Offered:**  
**Referred:**

**Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE LEGISLATIVE BUDGET AND AUDIT COMMITTEE**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to investments of Alaska permanent fund assets; authorizing the Board**  
2 **of Trustees of the Alaska Permanent Fund Corporation to loan permanent fund assets**  
3 **to the Alaska Natural Gas Development Authority for use in developing North Slope**  
4 **natural gas resources and in transporting the natural gas, and relating to those loans;**  
5 **and providing for an effective date."**

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

7 **\* Section 1.** AS 37.13.120(e) is amended to read:

8 (e) The corporation may not borrow money or guarantee from principal of the  
9 fund the obligations of others except as provided in this subsection. With respect to  
10 [REAL PROPERTY] investments of the fund, the corporation may, through an entity  
11 in which the investment is made, borrow money if the borrowing is without recourse  
12 to the corporation and the fund.

13 **\* Sec. 2.** AS 37.13.120(k) is amended to read:

1 (k) The board shall establish and from time to time as necessary modify  
 2 guidelines for the investment of the assets of the fund. Before adoption of any  
 3 guidelines, the guidelines shall be reported to the Legislative Budget and Audit  
 4 Committee for review and comment. Notwithstanding (g), (h), and (i) of this section  
 5 or the percentage investment limitations under (i) of this section and so long as doing  
 6 so satisfies the prudent-investor rule under (a) of this section, the board may invest up  
 7 to 15 [FIVE] percent of the total assets of the fund in either or a combination of the  
 8 following:

9 (1) other types of investments not specifically listed in (g) of this  
 10 section;

11 (2) categories of investment subject to the percentage investment  
 12 limitations established in (i) of this section, even though investing additional assets in  
 13 a category will cause the aggregate investment in the category to exceed the applicable  
 14 percentage limitation.

15 \* **Sec. 3.** AS 37.13.120 is amended by adding a new subsection to read:

16 (q) In addition to investments made under (g) of this section, the board may  
 17 make loans of fund assets to the Alaska Natural Gas Development Authority for use in  
 18 developing North Slope natural gas resources and in transporting the natural gas. The  
 19 amount and terms of each loan made under this subsection shall be established by the  
 20 board.

21 \* **Sec. 4.** AS 41.41 is amended by adding a new section to article 2 to read:

22 **Sec. 41.41.205. Loans from permanent fund.** The authority may enter into  
 23 loan agreements with the Alaska Permanent Fund Corporation under AS 37.13.120(q).  
 24 Money from a loan may be used only to carry out one or more of the purposes listed in  
 25 AS 41.41.010(a)(1) - (4).

26 \* **Sec. 5.** This Act takes effect immediately under AS 01.10.070(c).

AMENDMENT

*Adopted  
3/8/04*

OFFERED IN THE HOUSE

BY REPRESENTATIVE WEYHRAUCH

TO:

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Page \_\_\_\_, line \_\_\_\_:

Insert new bill sections to read:

**\*\* Sec. \_\_\_\_.** AS 37.13.120 is amended by adding a new subsection to read:

(q) In addition to investments made under (g) of this section, the board may make loans of fund assets to the Alaska Natural Gas Development Authority for use in developing North Slope natural gas resources and in transporting the natural gas. The amount and terms of each loan made under this subsection shall be established by the board.

**\* Sec. \_\_\_\_.** AS 41.41 is amended by adding a new section to article 2 to read:

**Sec. 41.41.205. Loans from permanent fund.** The authority may enter into loan agreements with the Alaska Permanent Fund Corporation under AS 37.13.120(q). Money from a loan may be used only to carry out one or more of the purposes listed in AS 41.41.010(a)(1) - (4)."

# Alaska State Legislature

## House of Representatives

*Session:*

Alaska State Capitol  
Juneau, AK 99801-1182  
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Toll Free: (866) 465-4940



*Interim:*

716 W. 4th Avenue  
Anchorage, AK 99501-2133  
Phone: (907) 269-0123  
Fax: (907) 269-0124  
E-mail: Rep.Max.Gruenberg@legis.state.ak.us

## Representative Max Gruenberg

March 5, 2004

Robert Storer  
Executive Director  
Alaska Permanent Fund Corporation  
P.O. Box 25500  
Juneau, Alaska 99802-5500

Re: HB 466

Dear Mr. Storer:

Thank you for agreeing to take the time to answer questions regarding HB 466. The bill makes three major changes to Permanent Fund investment policy. Under current law, the fund's authority to borrow money is limited to investments in real property. This bill would remove that limitation. The bill would also increase from 5 to 15% the amount of the fund that may be invested under the "basket clause" which authorizes investments not specifically listed in AS 37.13.120(g). Finally, the bill would allow investments under the basket clause in futures contracts and in certain debt instruments with a history of default (commonly called "junk bonds").

These changes raise important policy issues and I have several questions relating to them. Since you have informed me that the Permanent Fund Corporation is no longer interested in pursuing proposed amendment No 1 this session, I will not direct questions to that issue but do have several general questions concerning the long-term goals of the fund.

### **Leverage or Borrowing by the Fund**

1. The ability of the Fund to borrow through other entities needs to be explained and understood by the committee. Please describe how leverage or borrowing would be used in investments outside of real estate.

2. What would be the effect on fees paid by the Fund? Aren't they magnified by borrowing?

3. How does the use of leverage alter your expected return? Standard Deviation? Asset Allocation?

4. Why does a Fund that lends nearly 40% of its assets need to borrow money at higher rates than it can make on those assets?

5. You testified that the real estate portfolio is leveraged 15 percent and that this was a conservative level. Are you measuring this at the individual investment level, the manager level or at the total portfolio level? Which is the most important level of risk determination? What is industry standard on non-real estate financial leverage by public and private funds of the size of the fund?

6. What, if any, limits should the legislature place on the use of leverage? How does the prudent investor standard apply to this discretion?

7. Have you modeled various outcomes with leverage? If so, please provide the results.

8. Are you aware of situations in which a large public fund has refused to repay a non-recourse obligation? Did the failure to pay have any adverse consequences? Would you as the executive director recommend the same course of action under similar facts and circumstances?

9. Does the fund already have the authority under the basket clause to borrow for non-real property investments?

10. What controls are in place to assure that the borrowing will be ultimately positive for the fund and the State of Alaska? How can you be sure that your successor will employ the same types of controls?

### **Increased Percentage Allocated to Basket Clause**

1. What types of asset classes would you add under this expanded authority?

2. What allocation to illiquid investments do you consider prudent under the current statute?

3. Do you need this expanded authority to achieve a 5 percent real return? Does the current statute provide sufficient latitude to achieve a 5 percent real return while maintaining prudent diversification?

4. Could you and would you go to a 70 percent investment level in stocks if you had this authority?

### **Futures and Junk Bonds**

1. Junk bonds have historically been in and out of favor with investors. How would you describe their appeal as we close the first quarter of 2004? How does this compare to the late 80's and late 90's?

2. Is this the right time to make an allocation to junk bonds given the level of debt that exists in the market place?

3. If junk bonds are to be part of the portfolio, what allocation (\$ and %) is the right amount given the risk posture of the fund?

4. How much does it cost to manage junk bonds and how does this compare to managing investment grade bonds?

5. Could you achieve your objectives with respect to bonds by amending AS 37.13.120(g)(7) to authorize investments in bonds with lower quality ratings than the "investment grade" rating now required by statute?

6. Since the Fund can already use futures contracts for the purpose of hedging investments that it currently holds, what is the purpose of your proposed change?

7. Aren't futures contracts considered a very speculative investment? How would this be consistent with the requirement of AS 37.13.120 that all assets of the fund be invested in income-producing investments?

8. Isn't the risk of loss in futures trading potentially greater than the initial investment?

9. Under what circumstances would a prudent investor invest in futures contracts for anything other than hedging purposes?

### **Long-Term Goals of the Fund**

1. Please provide a history of the targeted returns of the APFC for the total fund portfolio and a brief description of why changes were instituted.

2. At the Conference of Alaskans you stated that the ability to achieve a 5% distribution was based on a median case from the Fund's consultant's capital market

projections. Please provide us with the median case assumptions and outcomes as well as alternatives. Also, please clearly identify the Fund's current policy. If it is helpful to you; the format of the following chart would provide me the necessary information I'm looking for:

Alternative Asset Policies: Current Policy and Median Case Alternatives				
	Current Policy	A	B	C
U.S. Equity	____%	____%	____%	____%
Non-U.S. Equity	____%	____%	____%	____%
Fixed Income	____%	____%	____%	____%
Other (please show real estate, private equity, etc.)	____%	____%	____%	____%
	100%	100%	100%	100%
Expected Return	____%	____%	____%	____%
Expected Risk	____%	____%	____%	____%

3. The Department of Revenue and Permanent Fund web sites<sup>1</sup> provide the following information on returns for the State's three principal diversified funds – all of which are governed by the prudent investor standard. Only the Permanent Fund has additional constraints in the form of the percentage limitations on categories of investment. As of 9/30/03 the five, three and 12 month returns for the three funds are reported to be:

	5 year	3 year	1 year
APFC	4.71%	.68	16.59
TRS	4.48%	(-1.20)	17.20
PERS	4.44	(-1.18)	17.03

Please confirm that these figures are correct and provide the figures on the 10 year return for the three funds updated to year end if possible. Also, please provide the targets for these three funds for the fiscal year ending 2003 (actual and in basis points). Please be prepared to discuss the reasons for the difference in long term performance of each of these funds and how they performed compared to their target returns.

<sup>1</sup> <http://www.revenue.state.ak.us/treasury/ASPIB/results.htm>  
<http://www.apfc.org/financials/index.cfm>  
[http://media.apfc.org/iceimages/financials/2003\\_9\\_Mgt.pdf](http://media.apfc.org/iceimages/financials/2003_9_Mgt.pdf)

4. Please describe the asset allocation that produces the "least risky" portfolio designed to achieve a 5% real rate of return assuming a 3% inflation rate under both the current statutory limitations and under a prudent investor rule without those limitations. For purposes of the prudent investor analysis, it would be particularly useful to see a mix that is more aggressive than current policy, however. A suggested mix might include: U.S. equities 50%, non-U.S. equities 15%, fixed income (both investment grade and junk bonds) 20%, private equity 15%. This mix is just a suggestion, please use whatever mix you feel would be appropriate.

5. Please provide a chart describing projected assets of the Permanent Fund in one column and projected payouts over the next 20 years assuming that a five percent payout occurs as proposed by the Fund using both the current investment policy and the "least risky" scenario described above.

6. What is the probability that the fund will be able to make a 5% payout in the future without the necessity of invading the inflation adjusted corpus or "principal" of the fund?

7. Please describe the possibilities that exist under the two scenarios above that the Fund will lose "value" over the next twenty years. My definition of "lose value" is the likelihood in terms of percentages that the current fund would lose value after reasonable assumptions for inflation proofing. Please identify the source of all assumptions. I would appreciate your response in the following format:

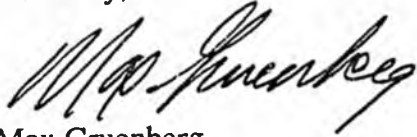
Probability of a Safe Future for Fund's Corpus		
Year	Current Statutory Policy	Prudent Investor Policy
2010	___%	___%
2020	___%	___%
2025	___%	___%

I think these questions raise important issues that relate not just to HB 466, but to all other proposals now being discussed with respect to the future of the Permanent Fund. I am sure that your answers would be of interest to other members of the legislature and many other Alaskans. For that reason, I am providing copies of this letter to other all members of the legislature and to the press. I would appreciate it if you would copy all other members with your response.

I understand you may not be able to provide written responses to all of these questions before the next hearing on HB 466 and I would appreciate it if you would supplement your response as you are able to.

Thank you for your assistance in this matter. I look forward to hearing from you.

Cordially,

A handwritten signature in cursive script, appearing to read "Max Gruenberg".

Max Gruenberg  
State Representative

cc: Members of the Legislature



## **Alaska Permanent Fund Corporation**

P.O. Box 25500 Juneau, Alaska 99802-5500

(907) 465-2047

### **Sponsor statement for HB 466**

#### **Background**

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

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

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

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

#### **House Bill 466**

HB 466 achieves two objectives. The first is to provide clean-up language for AS 37.13.120(e) and (k), in part by explicitly stating that the investments restricted under AS 37.13.120(h) and (j) are allowed under the basket clause. According to transcripts of committee hearings, the Legislature was aware when it created the basket clause, that it would be used for these types of alternative investments. The change in this bill would clean up the discrepancy in language between the sections while still maintaining the original legislative intent.

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

# FISCAL NOTE

**STATE OF ALASKA**  
**2004 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
 Bill Version: HB 466  
 ( ) Publish Date: \_\_\_\_\_

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

**Expenditures/Revenues** (Thousands of Dollars)

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

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

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

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

Estimate of any current year (FY2004) cost: 0.0

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

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

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

Prepared by: Robert D. Storer, Executive Director Phone 465-2047  
 Division Alaska Permanent Fund Corporation Date/Time 2/24/04 9:43 AM  
 Approved by: Steve Porter, Deputy Commissioner Date 2/6/2004  
 Agency Department of Revenue



# Alaska Permanent Fund

House State Affairs Committee

House Bill 466

Investment Flexibility

ACCOUNTABILITY

TO ALASKANS, FOR ALASKANS



# Summary of Fund's statute changes

**1980 – SB 161, Sponsored by Sen. Tim Kelly, Sen. George Hohman, Sen. Mike Colletta, and Sen. John Sacket**

SB 161 created the Alaska Permanent Fund Corporation to manage the Permanent Fund and started the existing statutory list of allowed investments. This list extended beyond the Fund's initial investment limitation of Treasury bonds to include corporate bonds, certificate of deposits and bankers acceptances. The list initially allowed the Permanent Fund to invest in shares of savings and loan associations, but this provision has since been removed.

**1982 – SB 684, sponsored by Gov. Jay Hammond**

SB 684 allowed the Permanent Fund to invest in common stocks, partial ownership of real estate properties (not to exceed 40%), loans for commercial real estate and deposits of US dollars held overseas.

**1989- HB 69, sponsored by Gov. Steve Cowper**

HB 69 gave the APFC authority to invest in non-domestic (International) stocks and bonds.



## Summary of statute changes (cont.)

### **1992 – SB 39, sponsored by the Senate Finance Committee**

SB 39 gave the APFC authority to invest in A rated corporate bonds to a maximum of 5%. Prior to this change, the Fund could only be invested in bonds rated AA or higher.

### **1994 – HB 373, sponsored by Legislative Budget and Audit**

HB 373 allowed the Fund to own up to 100% in real estate properties worth less than \$150 million, and up to 67% in properties worth greater than \$150 million.

### **1996 – HB 525, sponsored by the House Finance Committee**

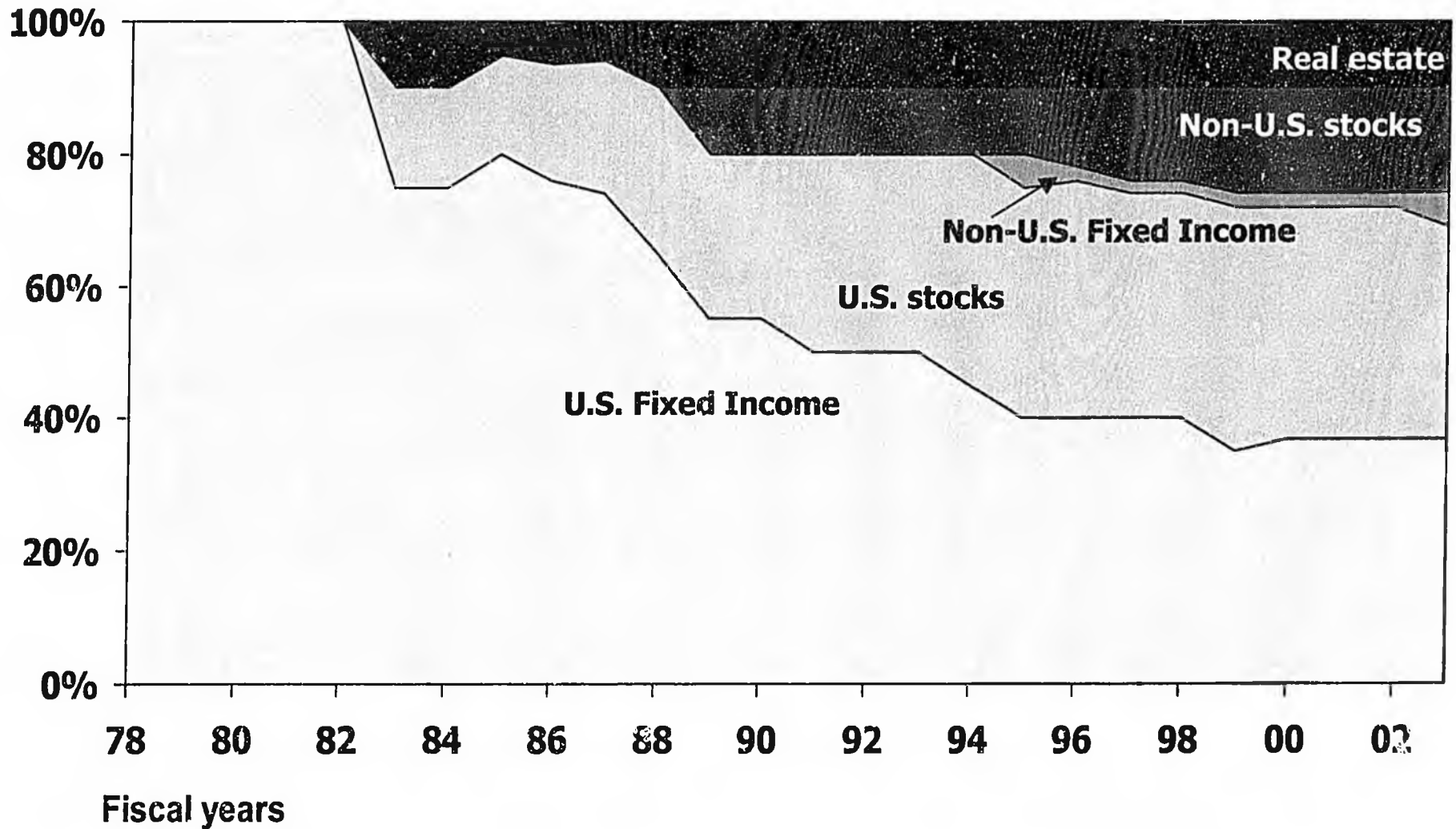
HB 525 gave the APFC authority to invest in corporate bonds rated BBB or higher.

### **1999 – SB 156, sponsored by the Senate Finance Committee**

SB 156 allowed the Fund to leverage real estate investments and increased asset allocation limit for stocks to 55% of the total market value of the Fund. SB 156 also created the “basket clause” that allows up to 5% of the Fund to be invested in alternative investments or to be applied to existing asset allocations to expand their limits.



# Fund's historical asset allocation



ACCOUNTABILITY

TO ALASKANS, FOR ALASKANS



# Benefits of proposed changes

- Investment flexibility
- Increased returns
- Increased diversification



## Potential questions

- Too much risk?
- How will the Board of Trustees use this flexibility?
- Derivatives?



## Fund's asset allocation and control bands

Domestic equities	37% +/- 7%
<u>International equities</u>	<u>16% +/- 5%</u>
Total equities	53% +/- 5%
Domestic bonds	32% +/- 7%
<u>Non-Dollar bonds</u>	<u>5% +/- 2%</u>
Total bonds	37% +/- 5%
Total real estate	10% +/- 2%

ACCOUNTABILITY

TO ALASKANS, FOR ALASKANS

HB

467



# ALASKA STATE LEGISLATURE

REPRESENTATIVE BRUCE WEYHRAUCH



ALASKA  
STATE CAPITOL  
JUNEAU, ALASKA  
99801-1182

(907) 465-3744  
FAX (907) 465-2273

STATE AFFAIRS COMMITTEE

March 23, 2003

## LETTER OF INTENT

It is the intent of the House State Affairs Committee to urge the Alaska Commemorative Coin Commission, established by HB 467 to consider a design contest by participants of all ages in the process of developing the quarter honoring the State of Alaska.

A handwritten signature in black ink that reads "Bruce Weyhrauch".

Representative Bruce Weyhrauch  
Chair, House State Affairs Committee

# Alaska State Legislature

## House of Representatives



Official Business

State Capitol  
Juneau, AK 99801-1182

### SPONSOR STATEMENT FOR HB 467 BY: Representative Tom Anderson

**TITLE:** "An Act establishing the Alaska Commemorative Coin Commission to develop the design concepts and to make recommendations regarding the final design of the Alaska quarter under the 50 States Commemorative Coin Program Act; and providing for an effective date."

House Bill 467 follows the federal authorizing legislation, the "50 States Commemorative Coin Program Act", and establishes the 11-member Alaska Commemorative Coin Commission. Over a ten-year period from 1999 through 2008, the United States has and will annually issue five quarter dollar coins with state designs displayed on the reverse side of the coins. Each state has an opportunity to develop and submit designs representative of the state. A quarter honoring the State of Alaska is scheduled to be issued in 2008.

The Alaska Commemorative Coin Commission will consist of 11 members, of which 6 will be public members appointed by the governor. The presiding officer from the Alaska House of Representatives and the Alaska Senate will appoint a majority and a minority member from each body. The governor or designee will occupy the 11<sup>th</sup> seat.

The Office of the Governor will initiate a public process to solicit narrative design concepts for the Alaska quarter. The commission shall review and consider all of the narrative design concepts it receives and will submit to the United States Mint not less than three, and not more than five, design concepts for the Alaska quarter. When the United States Mint provides the State of Alaska with its final designs, the commission will review the designs and make final recommendations to the governor.

The calendar year in which the Alaska quarter is to be issued will coincide with events leading to celebration of the 50<sup>th</sup> anniversary of Alaska statehood.

I urge your support of this important piece of legislation.

# 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

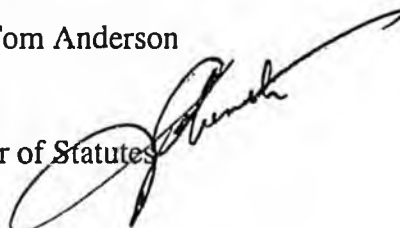
## MEMORANDUM

February 25, 2004

**SUBJECT:** House Bill 467, establishing the Alaska Commemorative Coin Commission to make recommendations regarding the final design of the Alaska state quarter -- sectional analysis (Work Order No. 23-LS1678\A)

**TO:** Representative Tom Anderson

**FROM:** Jack Chenoweth  
Assistant Revisor of Statutes



Jim Shine has asked for preparation of a sectional analysis of the above-captioned bill.

Now starting its sixth year of coin circulation, most people are familiar with the designs on the United States quarter that commemorate the various states. Under the schedule for coin issuance, the program is set to end at the end of 2008, with the Alaska commemorative coin scheduled to be issued in the second half of 2008.

**Bill section 1** describes the purpose of the Act. It notes the key provision of the federal authorizing legislation, the 50 States Commemorative Coin Program Act, that requires each state governor to initiate a concept selection process that would culminate in selection of a final design.

**Bill section 2** establishes the 11-member Alaska Commemorative Coin Commission, with the governor to appoint 6 members and authorizing the governor himself or his designee to take a seventh seat, and allowing the presiding officers of each chamber to appoint a majority and a minority member from each chamber. The bill section also contains other boilerplate provisions covering vacancies, reimbursement for expenses, and quorum requirements.

**Bill section 3** spells out in general terms the commemorative coin selection process for the Alaska quarter, beginning with the solicitation of a design process, the review, consideration and recommendation of between three and five of the design concepts received, and the eventual selection of a final recommended design. Under the federal authorizing Act, the governor shall approve the final recommendation that would serve as the design for the Alaska commemorative quarter. There is a specific provision that reminds the commission that, in 2008, the year of the quarter's issuance and circulation, the state will be approaching the 50th anniversary of Statehood.

Representative Tom Anderson  
February 25, 2004  
Page 2

**Bill section 4** terminates the Alaska Commemorative Coin Commission January 1, 2009.

**Bill section 5** gives the measure a January 1, 2005, effective date.

A copy of the federal Act mentioned in the bill's purpose provision is enclosed. Its bill sections 1 - 3 are relevant.

JBC:med  
04-233.med

Enclosure

# FISCAL NOTE

**STATE OF ALASKA**  
**2004 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: HB 467  
 () Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: OOG  
 Title "An Act establishing an Alaska RDU Executive Operations  
Commemorative Coin Commission..." Component Executive Office  
 Sponsor Representative Anderson  
 Requester House State Affairs Component No. 6

**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		25.4	25.4			
Travel		6.9	15.1			
Contractual		5.0	1.5			
Supplies		1.5	1.5			
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>38.8</b>	<b>43.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF		38.8	43.5			
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>38.8</b>	<b>43.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

**POSITIONS**

Full-time					
Part-time		1	1		
Temporary					

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

This fiscal note requires the Office of the Governor to provide the Commemorative Coin Commission with support for the 11-member commission.

The personal services estimate is for a Range 14 half-time position to provide support for the Commission. Transportation costs are based on an assumption that the Commission will have one organizational meeting and two planning meetings in FY06. In FY07 it is assumed the Commission will have four meetings in different locations of the state to review designs and submit recommendations to the Governor.

The contractual cost estimate is for statewide advertising for the solicitation process for narrative design concepts from the public.

Prepared by: Gail Fenumiai, Asst. Admin. Director Phone 465-3885  
 Division: Office of the Governor, Administrative Services Date/Time 3/16/04 1:53 PM  
 Approved by: Linda J. Perez, Director Date 3/16/2004  
 Agency: Office of the Governor, Administrative Services

THE  
FOLLOWING  
DOCUMENT(S)  
ARE  
POOR  
ORIGINAL  
COPIES

PUBLIC LAW 105-124 [S. 1228]; December 1, 1997

**50 STATES COMMEMORATIVE COIN PROGRAM ACT;  
UNITED STATES \$1 COIN ACT OF 1997**

*For Legislative History of Act, see Report for P.L. 105-124 in  
U.S.C.C. & A.N. Legislative History Section.*

An Act to provide for a 10-year circulating commemorative coin program to commemorate each of the 50 States, and for other purposes.

*Be it enacted by the Senate and House of Representatives of  
the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "50 States Commemorative Coin Program Act".

**SEC. 2. FINDINGS.**

The Congress finds that—

(1) it is appropriate and timely—

(A) to honor the unique Federal republic of 50 States that comprise the United States; and

(B) to promote the diffusion of knowledge among the youth of the United States about the individual States, their history and geography, and the rich diversity of the national heritage;

(2) the circulating coinage of the United States has not been modernized during the 25-year period preceding the date of enactment of this Act;

(3) a circulating commemorative 25-cent coin program could produce earnings of \$110,000,000 from the sale of silver proof coins and sets over the 10-year period of issuance, and would produce indirect earnings of an estimated \$2,600,000,000 to \$5,100,000,000 to the United States Treasury, money that will replace borrowing to fund the national debt to at least that extent; and

(4) it is appropriate to launch a commemorative circulating coin program that encourages young people and their families to collect memorable tokens of all of the States for the face value of the coins.

**SEC. 3. ISSUANCE OF REDESIGNED QUARTER DOLLARS OVER 10-YEAR PERIOD COMMEMORATING EACH OF THE 50 STATES.**

Section 5112 of title 31, United States Code, is amended by inserting after subsection (k) the following new subsection:

**"(l) REDESIGN AND ISSUANCE OF QUARTER DOLLAR IN COMMEMORATION OF EACH OF THE 50 STATES.—**

**"(1) REDESIGN BEGINNING IN 1999.—**

**"(A) IN GENERAL.—**Notwithstanding the fourth sentence of subsection (d)(1) and subsection (d)(2), quarter dollar coins issued during the 10-year period beginning in 1999, shall have designs on the reverse side selected

Dec. 1

COMMEM

in accordance with this sub-  
of the 50 States.

"(B) TRANSITION PROVIS-  
agraph (A), the Secretary i  
quarter dollars in 1999 w  
before the redesign requi:  
an inscription of the yea  
a smooth transition into t  
subsection.

"(2) SINGLE STATE DESIG  
side of each quarter dollar is  
referred to in paragraph (1)  
50 States.

"(3) ISSUANCE OF COINS C  
EACH OF THE 10 YEARS.—

"(A) IN GENERAL.—Th  
coins issued during each y  
to in paragraph (1) shall b  
in the order in which suc  
of the United States or  
as the case may be.

"(B) NUMBER OF EA  
YEAR.—Of the quarter do  
of the 10-year period r  
Secretary of the Treasu  
of such factors as the S  
prieate, the number of qu  
with each of the 5 design:

"(4) SELECTION OF DESIG  
" (A) IN GENERAL.—

under this subsection for  
" (i) selected by  
with—

" (I) the Gov  
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the State may

" (II) the Co

" (ii) reviewed b  
Advisory Committe

" (B) SELECTION AN  
quarter dollars may be  
design selection and  
Secretary in the sole di

" (C) PARTICIPAT  
participation by State  
engravers of the Unite  
general public.

" (D) STANDARDS.—  
Nation's coinage and  
which the citizens of  
the Secretary shall not  
design for any quarter

" (E) PROHIBITION  
head and shoulders p  
or dead, and no portr  
in the design of any

50 States  
Commemorative  
Coin Program  
Act.  
31 USC 5101  
note.

31 USC 5112  
note.

December 1, 1997

**COIN PROGRAM ACT;  
ACT OF 1997**

for PL. 105-124 in  
any Section.

the coin program to commemo-

of Representatives of  
included,

Commemorative Coin

al republic of 50 States  
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the individual States,  
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United States has not  
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people and their families  
the States for the face

DOLLARS OVER 10-YEAR  
THE 50 STATES.

s Code, is amended by  
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R DOLLAR IN COMMEMO-

anding the fourth sen-  
bsection (d)(2), quarter  
-year period beginning  
ie reverse side selected

in accordance with this subsection which are emblematic of the 50 States.

"(B) TRANSITION PROVISION.—Notwithstanding subparagraph (A), the Secretary may continue to mint and issue quarter dollars in 1999 which bear the design in effect before the redesign required under this subsection and an inscription of the year '1998' as required to ensure a smooth transition into the 10-year program under this subsection.

"(2) SINGLE STATE DESIGNS.—The design on the reverse side of each quarter dollar issued during the 10-year period referred to in paragraph (1) shall be emblematic of 1 of the 50 States.

"(3) ISSUANCE OF COINS COMMEMORATING 5 STATES DURING EACH OF THE 10 YEARS.—

"(A) IN GENERAL.—The designs for the quarter dollar coins issued during each year of the 10-year period referred to in paragraph (1) shall be emblematic of 5 States selected in the order in which such States ratified the Constitution of the United States or were admitted into the Union, as the case may be.

"(B) NUMBER OF EACH OF 5 COIN DESIGNS IN EACH YEAR.—Of the quarter dollar coins issued during each year of the 10-year period referred to in paragraph (1), the Secretary of the Treasury shall prescribe, on the basis of such factors as the Secretary determines to be appropriate, the number of quarter dollars which shall be issued with each of the 5 designs selected for such year.

"(4) SELECTION OF DESIGN.—

"(A) IN GENERAL.—Each of the 50 designs required under this subsection for quarter dollars shall be—

"(i) selected by the Secretary after consultation with—

"(I) the Governor of the State being commemorated, or such other State officials or group as the State may designate for such purpose; and

"(II) the Commission of Fine Arts; and

"(ii) reviewed by the Citizens Commemorative Coin Advisory Committee.

"(B) SELECTION AND APPROVAL PROCESS.—Designs for quarter dollars may be submitted in accordance with the design selection and approval process developed by the Secretary in the sole discretion of the Secretary.

"(C) PARTICIPATION.—The Secretary may include participation by State officials, artists from the States, engravers of the United States Mint, and members of the general public.

"(D) STANDARDS.—Because it is important that the Nation's coinage and currency bear dignified designs of which the citizens of the United States can be proud, the Secretary shall not select any frivolous or inappropriate design for any quarter dollar minted under this subsection.

"(E) PROHIBITION ON CERTAIN REPRESENTATIONS.—No head and shoulders portrait or bust of any person, living or dead, and no portrait of a living person may be included in the design of any quarter dollar under this subsection.

"(5) TREATMENT AS NUMISMATIC ITEMS.—For purposes of sections 5134 and 5136, all coins minted under this subsection shall be considered to be numismatic items.

"(6) ISSUANCE.—

"(A) QUALITY OF COINS.—The Secretary may mint and issue such number of quarter dollars of each design selected under paragraph (4) in uncirculated and proof qualities as the Secretary determines to be appropriate.

"(B) SILVER COINS.—Notwithstanding subsection (b), the Secretary may mint and issue such number of quarter dollars of each design selected under paragraph (4) as the Secretary determines to be appropriate, with a content of 90 percent silver and 10 percent copper.

"(C) SOURCES OF BULLION.—The Secretary shall obtain silver for minting coins under subparagraph (B) from available resources, including stockpiles established under the Strategic and Critical Materials Stock Piling Act.

"(7) APPLICATION IN EVENT OF THE ADMISSION OF ADDITIONAL STATES.—If any additional State is admitted into the Union before the end of the 10-year period referred to in paragraph (1), the Secretary of the Treasury may issue quarter dollar coins, in accordance with this subsection, with a design which is emblematic of such State during any 1 year of such 10-year period; in addition to the quarter dollar coins issued during such year in accordance with paragraph (3)(A)."

#### SEC. 4. UNITED STATES DOLLAR COINS.

(a) SHORT TITLE.—This section may be cited as the "United States \$1 Coin Act of 1997".

(b) WEIGHT.—Section 5112(a)(1) of title 31, United States Code, is amended by striking "and weighs 8.1 grams".

(c) COLOR AND CONTENT.—Section 5112(b) of title 31, United States Code, is amended—

(1) in the first sentence, by striking "dollar,;" and

(2) by inserting after the fourth sentence the following: "The dollar coin shall be golden in color, have a distinctive edge, have tactile and visual features that make the denomination of the coin readily discernible, be minted and fabricated in the United States, and have similar metallic, anti-counterfeiting properties as United States coinage in circulation on the date of enactment of the United States \$1 Coin Act of 1997."

(d) DESIGN.—Section 5112(d)(1) of title 31, United States Code, is amended by striking the fifth and sixth sentences and inserting the following: "The Secretary of the Treasury, in consultation with the Congress, shall select appropriate designs for the obverse and reverse sides of the dollar coin."

(e) PRODUCTION OF NEW DOLLAR COINS.—

(1) IN GENERAL.—Upon the depletion of the Government's supply (as of the date of enactment of this Act) of \$1 coins bearing the likeness of Susan B. Anthony, the Secretary of the Treasury shall place into circulation \$1 coins that comply with the requirements of subsections (b) and (d)(1) of section 5112 of title 31, United States Code, as amended by this section.

(2) AUTHORITY OF SECRETARY TO CONTINUE PRODUCTION.—If the supply of \$1 coins bearing the likeness of Susan B. Anthony is depleted before production has begun of \$1 coins

United States \$1  
Coin Act of 1997.  
31 YSC 5101  
note.

31 USC 5112  
note.

which bear a design which of subsections (b) and (d)(1) of section 5112 of title 31, United States Code, as amended by this Act, the Secretary of the Treasury may continue to issue coins bearing the likeness of Susan B. Anthony under section 5112 (as in effect on the date of enactment of this Act) until such time as the supply of such coins is depleted.

(3) NUMISMATIC SETS.—The Secretary of the Treasury may issue \$1 coins in any numismatic set before the date on which this section are placed in circulation.

(f) MARKETING PROGRAM.—

(1) IN GENERAL.—Before the Secretary is authorized under this section to issue coins, he shall adopt a program to promote the sale of such coins to commercial enterprises, may States, and local government.

(2) STUDY REQUIRED.—The Secretary shall conduct a study on the feasibility of such a program and report thereon in accordance with section 5112.

(3) REPORT.—Not later than 1 year after the date of the Treasury shall submit a report on the results of the study conducted under paragraph (2).

#### SEC. 5. RULE OF CONSTRUCTION

Nothing in this Act or in any other law shall be construed to evidence an intent to limit the printing or circulation of \$1 denomination.

#### SEC. 6. FIRST FLIGHT COMMEMORATIVE

(a) COIN SPECIFICATIONS.—

(1) DENOMINATIONS.—The Secretary shall issue in this section referred to the following coins:

(A) \$10 GOLD COIN

each of which shall—

(i) weigh 16.74 grams;

(ii) have a diameter of 23.25 millimeters;

(iii) contain 0.4238 grams of gold.

(B) \$1 SILVER COIN

each of which shall—

(i) weigh 26.73 grams;

(ii) have a diameter of 26.5 millimeters;

(iii) contain 0.0750 grams of silver.

(C) HALF DOLLAR COIN

half dollar coins each of which shall—

(i) weigh 11.34 grams;

(ii) have a diameter of 23.25 millimeters;

(iii) be minted in the same quantities as coins contained in section 5112 of title 31, United States Code.

(b) LEGAL TENDER.—The coins shall be legal tender, as provided in section 5112 of title 31, United States Code.

(c) SOURCES OF BULLION.—The Secretary shall obtain silver for minting coins under this section from available resources, including stockpiles established under the Strategic and Critical Materials Stock Piling Act.

ITEMS.—For purposes of [redacted] under this subsection [redacted] ems.

Secretary may mint and [redacted] of each design selected [redacted] and proof qualities appropriate.

standing subsection (b), [redacted] such number of quarter [redacted] under paragraph (4) as appropriate, with a content copper.

he Secretary shall obtain [redacted] paragraph (B) from avail- [redacted] established under the [redacted] Piling Act.

THE ADMISSION OF ADDI- [redacted] is admitted into the [redacted] period referred to in para- [redacted] may issue quarter [redacted] subsection, with a design [redacted] during any 1 year of such [redacted] quarter dollar coins issued [redacted] paragraph (3)(A)."

be cited as the "United

e 31, United States Code, [redacted] ms". [redacted] 12(b) of title 31, United

g "dollar,"; and

sentence the following: [redacted] color, have a distinctive [redacted] that make the denomina- [redacted] e minted and fabricated [redacted] ar metallic, anti-counter- [redacted] coinage in circulation on [redacted] l States \$1 Coin Act of

e 31, United States Code, [redacted] sentences and inserting [redacted] ury, in consultation with [redacted] igns for the obverse and

tion of the Government's [redacted] of this Act) of \$1 coins [redacted] thony, the Secretary of [redacted] ion \$1 coins that comply [redacted] (b) and (d)(1) of section [redacted] amended by this section.

CONTINUE PRODUCTION.— [redacted] the likeness of Susan B. [redacted] n has begun of \$1 coins

which bear a design which complies with the requirements of subsections (b) and (d)(1) of section 5112 of title 31, United States Code, as amended by this section, the Secretary of the Treasury may continue to mint and issue \$1 coins bearing the likeness of Susan B. Anthony in accordance with that section 5112 (as in effect on the day before the date of enactment of this Act) until such time as production begins.

(3) NUMISMATIC SETS.—The Secretary may include such \$1 coins in any numismatic set produced by the United States Mint before the date on which the \$1 coins authorized by this section are placed in circulation.

(f) MARKETING PROGRAM.—

(1) IN GENERAL.—Before placing into circulation \$1 coins authorized under this section, the Secretary of the Treasury shall adopt a program to promote the use of such coins by commercial enterprises, mass transit authorities, and Federal, State, and local government agencies.

(2) STUDY REQUIRED.—The Secretary of the Treasury shall conduct a study on the progress of the marketing program adopted in accordance with paragraph (1).

(3) REPORT.—Not later than March 31, 2001, the Secretary of the Treasury shall submit a report to the Congress on the results of the study conducted pursuant to paragraph (2).

#### SEC. 5. RULE OF CONSTRUCTION.

Nothing in this Act or the amendments made by this Act shall be construed to evidence any intention to eliminate or to limit the printing or circulation of United States currency in the \$1 denomination.

#### SEC. 6. FIRST FLIGHT COMMEMORATIVE COINS.

(a) COIN SPECIFICATIONS.—

(1) DENOMINATIONS.—The Secretary of the Treasury (hereafter in this section referred to as the "Secretary") shall mint and issue the following coins:

(A) \$10 GOLD COINS.—Not more than 100,000 \$10 coins, each of which shall—

- (i) weigh 16.718 grams;
- (ii) have a diameter of 1.06 inches; and
- (iii) contain 90 percent gold and 10 percent alloy.

(B) \$1 SILVER COINS.—Not more than 500,000 \$1 coins, each of which shall—

- (i) weigh 26.73 grams;
- (ii) have a diameter of 1.500 inches; and
- (iii) contain 90 percent silver and 10 percent copper.

(C) HALF DOLLAR CLAD COINS.—Not more than 750,000 half dollar coins each of which shall—

- (i) weigh 11.34 grams;
- (ii) have a diameter of 1.205 inches; and
- (iii) be minted to the specifications for half dollar coins contained in section 5112(b) of title 31, United States Code.

(b) LEGAL TENDER.—The coins minted under this section shall be legal tender, as provided in section 5103 of title 31, United States Code.

(c) SOURCES OF BULLION.—The Secretary shall obtain gold and silver for minting coins under this section pursuant to the authority

31 USC 5112  
note.

31 USC 5112  
note.

31 USC 5112  
note.

of the Secretary under other provisions of law, including authority relating to the use of silver stockpiles established under the Strategic and Critical Materials Stockpiling Act, as applicable.

(d) DESIGN OF COINS.—

(1) DESIGN REQUIREMENTS.—

(A) IN GENERAL.—The design of the coins minted under this section shall be emblematic of the first flight of Orville and Wilbur Wright in Kitty Hawk, North Carolina, on December 17, 1903.

(B) DESIGNATION AND INSCRIPTIONS.—On each coin minted under this section there shall be—

- (i) a designation of the value of the coin;
- (ii) an inscription of the year "2003"; and
- (iii) inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(2) SELECTION.—The design for the coins minted under this section shall be—

(A) selected by the Secretary after consultation with the Board of Directors of the First Flight Foundation and the Commission of Fine Arts; and

(B) reviewed by the Citizens Commemorative Coin Advisory Committee.

(e) PERIOD FOR ISSUANCE OF COINS.—The Secretary may issue coins minted under this section only during the period beginning on August 1, 2003, and ending on July 31, 2004.

(f) SALE OF COINS.—

(1) SALE PRICE.—The coins issued under this section shall be sold by the Secretary at a price equal to the sum of—

- (A) the face value of the coins;
- (B) the surcharge provided in paragraph (4) with respect to such coins; and

(C) the cost of designing and issuing the coins (including labor, materials, dies, use of machinery, overhead expenses, marketing, and shipping).

(2) BULK SALES.—The Secretary shall make bulk sales of the coins issued under this section at a reasonable discount.

(3) PREPAID ORDERS.—

(A) IN GENERAL.—The Secretary shall accept prepaid orders for the coins minted under this section before the issuance of such coins.

(B) DISCOUNT.—Sale prices with respect to prepaid orders under subparagraph (A) shall be at a reasonable discount.

(4) SURCHARGES.—All sales shall include a surcharge of—

- (A) \$35 per coin for the \$10 coin;
- (B) \$10 per coin for the \$1 coin; and
- (C) \$1 per coin for the half dollar coin.

(g) GENERAL WAIVER OF PROCUREMENT REGULATIONS.—

(1) IN GENERAL.—Except as provided in paragraph (2), no provision of law governing procurement or public contracts shall be applicable to the procurement of goods and services necessary for carrying out the provisions of this Act.

(2) EQUAL EMPLOYMENT OPPORTUNITY.—Paragraph (1) does not relieve any person entering into a contract under the

authority of this section to equal employment opportunities 5134 and 5136 of minted under this subject items.

(i) DISTRIBUTION OF STATES

(1) IN GENERAL.—

States Code, all surcharges the sale of coins issued by the Secretary purposes of—

(A) repairing Wright Brothers Carolina; and

(B) expanding maintaining the Wright Brothers Banks of North Carolina programs and expenditures

(2) AUDITS.—The Secretary shall have the right to audit and other data of the Secretary to the expenditures of

(j) FINANCIAL ASSURANCE actions as may be necessary for coins under this section United States Government

Approved December 1,

LEGISLATIVE HISTORY—S.

SENATE REPORTS: No. 105-  
fairs).

CONGRESSIONAL RECORD,  
Nov. 9, considered and p  
Nov. 13, considered and

law, including authority  
blished under the Strate-  
is applicable.

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wvk, North Carolina, on

IFTIONS.—On each coin  
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words "Liberty", "In God  
America", and "E Pluribus

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2004.

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of machinery, overhead  
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shall make bulk sales of  
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with respect to prepaid  
shall be at a reasonable

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\$10 coin;

\$1 coin; and  
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NT REGULATIONS.—

vided in paragraph (2), no  
ement or public contracts  
nent of goods and services  
ions of this Act.

UNITY.—Paragraph (1) does  
nto a contract under the

authority of this section from complying with any law relating  
to equal employment opportunity.

(h) TREATMENT AS NUMISMATIC ITEMS.—For purposes of sec-  
tions 5134 and 5136 of title 31, United States Code, all coins  
minted under this subsection shall be considered to be numismatic  
items.

(i) DISTRIBUTION OF SURCHARGES.—

(1) IN GENERAL.—Subject to section 5134 of title 31, United  
States Code, all surcharges received by the Secretary from  
the sale of coins issued under this section shall be promptly  
paid by the Secretary to the First Flight Foundation for the  
purposes of—

(A) repairing, refurbishing, and maintaining the  
Wright Brothers Monument on the Outer Banks of North  
Carolina; and

(B) expanding (or, if necessary, replacing) and  
maintaining the visitor center and other facilities at the  
Wright Brothers National Memorial Park on the Outer  
Banks of North Carolina, including providing educational  
programs and exhibits for visitors.

(2) AUDITS.—The Comptroller General of the United States  
shall have the right to examine such books, records, documents,  
and other data of the First Flight Foundation as may be related  
to the expenditures of amounts paid under paragraph (1).

(j) FINANCIAL ASSURANCES.—The Secretary shall take such  
actions as may be necessary to ensure that minting and issuing  
coins under this section will not result in any net cost to the  
United States Government.

Approved December 1, 1997.

LEGISLATIVE HISTORY—S. 1228:

SENATE REPORTS: No. 105-130 (Comm. on Banking, Housing, and Urban Af-  
fairs).

CONGRESSIONAL RECORD, Vol. 143 (1997):

Nov. 9, considered and passed Senate.  
Nov. 13, considered and passed House.

**HB**

**476**

# HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: February 16, 2004

FURTHER REFERRALS: Finance

Date of Committee Action: April 6, 2004

The STATE AFFAIRS Committee considered:

HB 476

HOUSE BILL NO. 476

AK STATEHOOD CELEBRATION COMMISSION

"An Act establishing the Alaska Statehood Celebration Commission; and providing for an effective date."

Recommends it be replaced with  HCS or  CS for HB 476 (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
LEG				✓
GOV		✓		

<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
	Greenberg			✓	
	SKATTON	✓			
	LINN	✓			
	Coghill	✓			X
Chair:	Weyhrauch			X	
Chair:	Weyhrauch			X	

**CS FOR HOUSE BILL NO. 476( )**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**TWENTY-THIRD LEGISLATURE - SECOND SESSION**

**BY**

**Offered:**  
**Referred:**

**Sponsor(s): REPRESENTATIVE ANDERSON**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act establishing the Alaska Statehood Celebration Commission; and providing for**  
2 **an effective date."**

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

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

6 **PURPOSE OF THE ACT.** January 2009, will mark the 50th anniversary of Alaska's  
7 admission as the 49th state of the United States of America. It is fitting that the occasion be  
8 marked by a celebration commensurate with the state's magnificent heritage and in ways that  
9 reflect upon the opportunities that 50 years of Statehood have brought to the state and the  
10 people. Appropriate recognition of those benefits and scheduling of a statewide celebration  
11 to commemorate the occasion will require advance research, planning, and preparation. To  
12 that end, an Alaska Statehood Celebration Commission is established and its powers and  
13 duties set out.

14 **\* Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to

1 read:

2 ALASKA STATEHOOD CELEBRATION COMMISSION. (a) The Alaska  
3 Statehood Celebration Commission is established. The commission consists of nine  
4 members, determined as follows:

5 (1) the governor shall appoint four public members of the commission, of  
6 whom one member shall be a resident of and be appointed from each of the four judicial  
7 districts in the state;

8 (2) the speaker of the house of representatives shall appoint one member of  
9 the house of representatives who is a member of the majority caucus and one member of the  
10 house of representatives who is a member of the minority caucus, in consultation with the  
11 leadership of that caucus;

12 (3) the president of the senate shall appoint one member of the senate who is a  
13 member of the majority caucus and one member of the senate who is a member of the  
14 minority caucus, in consultation with the leadership of that caucus; and

15 (4) the governor or the governor's designee.

16 (b) The governor shall designate the chair and vice-chair of the commission.

17 (c) If a member of the commission resigns or is otherwise unable to perform the  
18 duties of a member of the commission or if a legislator member of the commission is no  
19 longer a member of the legislative body from which the member was appointed, the officer  
20 responsible for appointing that member shall appoint a replacement member as soon as  
21 possible.

22 (d) Members of the commission are entitled to the expenses, travel, and per diem  
23 allowances provided by law for members of boards and commissions under AS 39.20.180.

24 (e) A majority of the members of the commission composes a quorum. The  
25 commission may approve measures, make recommendations, and take other action based on a  
26 vote of a majority of the quorum that is present.

27 \* Sec. 3. The uncodified law of the State of Alaska is amended by adding a new section to  
28 read:

29 POWERS AND DUTIES OF THE ALASKA STATEHOOD CELEBRATION  
30 COMMISSION. (a) The Alaska Statehood Celebration Commission shall plan and  
31 administer all official state activities leading up to and relating to the 50th anniversary of

1 Alaska Statehood and, to that end, shall

2 (1) organize and adopt rules for the conduct of its business;

3 (2) prepare a timetable and budget for completion of its responsibilities under  
4 this Act; and

5 (3) advise the governor and, annually, at the beginning of each regular session,  
6 the legislature on all activities relating to the 50th anniversary of Alaska Statehood.

7 (b) The commission may

8 (1) appoint subcommittees, which may include persons who are not members  
9 of the commission; individuals not members of the commission who serve on subcommittees  
10 may, subject to appropriation, be reimbursed for necessary expenses incurred in performance  
11 of their services to the commission under this Act;

12 (2) engage in joint projects with any municipality, civic organization, or other  
13 entity to accomplish the purpose of this Act;

14 (3) subject to appropriations made for the purpose, employ persons and incur  
15 expenses as may be required to carry out the purposes of this Act; and

16 (4) accept gifts and grants from the federal government and from public and  
17 nonpublic sources and, subject to appropriation by the legislature, expend those gifts and  
18 grants to carry out the purposes of this Act.

19 (c) The commission shall initiate a public process to solicit ideas concerning

20 (1) appropriate ways in which to celebrate the 50th anniversary of Alaska  
21 Statehood; and

22 (2) one or more projects that the commission may encourage, sponsor, or  
23 support that would serve as a permanent legacy or reminder to commemorate the occasion.

24 (d) In carrying out its responsibilities under this Act, the commission shall encourage  
25 and involve participation by all Alaskans in the 50th anniversary of Statehood celebration and  
26 commemoration.

27 (e) The Office of the Governor shall provide the commission with all reasonable and  
28 necessary staff support, but the governor may delegate or assign this obligation to another  
29 agency.

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

1           UNAUTHORIZED REPRESENTATION OF ASSOCIATION WITH ALASKA  
2 STATEHOOD CELEBRATION COMMISSION. A person may not use, display, or publish  
3 any name, title, or device that tends to indicate that the person is affiliated with or is supported  
4 or sponsored by the Alaska Statehood Celebration Commission without the written  
5 authorization of the commission.

6       \* **Sec. 5.** Sections 1 - 4 of this Act are repealed January 31, 2010.

7       \* **Sec. 6.** This Act takes effect January 1, 2005.

# 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 3, 2004

**SUBJECT:** Sectional Summary of CSHB 476( ); An Act establishing the Alaska Statehood Celebration Commission (Work Order No. 23-LS1744\D)

**TO:** Representative Tom Anderson  
Attn: Jim Shine

**FROM:** George Utermohle *GU*  
Legislative Counsel

You have requested a sectional summary of CSHB 476( ), [Draft Version D]; An Act establishing the Alaska Statehood Celebration Commission.

As a preliminary matter, note that a sectional summary of a bill is not an authoritative interpretation of the bill. The bill itself is the best statement of its contents.

Section 1 of the bill sets out the purpose of the bill to establish a commission to plan and prepare for a celebration of the 50th anniversary of Alaska Statehood.

Section 2 of the bill establishes the Alaska Statehood Celebration Commission consisting of four public members, four legislative members, and the governor or the governor's designee and provides for operations of the commission.

Section 3 of the bill sets out the powers and duties of the commission in regard to the celebration of the 50th anniversary of Alaska Statehood.

Section 4 of the bill prohibits persons from asserting an affiliation with the commission unless the commission has authorized the affiliation in writing.

Section 5 of the bill provides that the provisions of the bill are repealed January 31, 2010.

Section 6 of the bill provides that the bill takes effect January 1, 2005.

If I may be of further assistance, please advise.

GU:med  
04-369.med

# 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

February 25, 2004

**SUBJECT:** Sectional Summary of HB 476; An Act establishing the Alaska Statehood Celebration Commission (Work Order No. 23-LS1744A)

**TO:** Representative Tom Anderson  
Attn: Jim Shine

**FROM:** George Utermohle *GU*  
Legislative Counsel

You have requested a sectional summary of HB 476; An Act establishing the Alaska Statehood Celebration Commission.

As a preliminary matter, note that a sectional summary of a bill is not an authoritative interpretation of the bill. The bill itself is the best statement of its contents.

Section 1 of the bill sets out the purpose of the bill to establish a commission to plan and prepare for a celebration of the 50th anniversary of Alaska Statehood.

Section 2 of the bill establishes the Alaska Statehood Celebration Commission consisting of 12 public members, four legislative members, and the governor or the governor's designee and provides for operations of the commission.

Section 3 of the bill sets out the powers and duties of the commission in regard to the celebration of the 50th anniversary of Alaska Statehood.

Section 4 of the bill prohibits persons from asserting an affiliation with the commission unless the commission has authorized the affiliation in writing.

Section 5 of the bill provides that the provisions of the bill are repealed January 31, 2010.

Section 6 of the bill provides that the bill takes effect January 1, 2005.

If I may be of further assistance, please advise.

GU:mdr  
04-070.mdr

# Alaska State Legislature

## House of Representatives



Official Business

State Capitol  
Juneau, AK 99801-1182

### **SPONSOR STATEMENT FOR HB 476**

#### **BY: Representative Tom Anderson**

**TITLE:** "An Act establishing the Alaska Statehood Celebration Commission; and providing for an effective date."

January 2009 will mark the 50<sup>th</sup> anniversary of Alaska's admission as the 49<sup>th</sup> state of the United States of America. It is important the State of Alaska recognize this landmark with a celebration of the state's magnificent heritage and to reflect upon the opportunities that 50 years of Statehood have brought to the state.

The Alaska Statehood Celebration Commission shall consist of 17 members, of which 12 shall be public members appointed by the governor. The presiding officer from the Alaska House of Representatives and the Alaska Senate will appoint a majority and a minority member from each body. The governor himself or his designee will occupy the 17<sup>th</sup> seat.

The Alaska Statehood Celebration Commission shall plan and administer all official state activities leading up to the 50<sup>th</sup> anniversary of Alaska Statehood. The commission will initiate a public process to solicit ideas about the celebration.

In addition, the commemorative quarter honoring the State of Alaska will be issued in the same calendar year in which the Alaska Statehood Celebration occurs.

I urge your support of this important piece of legislation.

# FISCAL NOTE

**STATE OF ALASKA**  
**2004 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: HB 476  
 ( ) Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Legislature  
 Title "An Act establishing the Alaska Statehood Celebration Commission; and providing for an effective.." BRU Leg Council/Leg Operating  
 Component: Session  
 Sponsor Representative Anderson Legislative Operating Budget  
 Requestor House State Affairs Component No. 783

**Expenditures/Revenues** (Thousands of Dollars)

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

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

<b>CAPITAL EXPENDITURES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
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<b>CHANGE IN REVENUES ( )</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
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**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)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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)

This legislation has zero fiscal impact on the Legislative Affairs Agency.

Prepared by: Karla Schofield, Deputy Director Phone 465-6626  
 Division: Administrative Services Date/Time 3/29/04 2:50 PM  
 Approved by: Pamela Varni, Executive Director Date 3/29/2004  
 Agency: Legislative Affairs Agency

**HB**

**496**

# HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: February 16, 2004

FURTHER REFERRALS:

Date of Committee Action: March 26, 2004

The STATE AFFAIRS Committee considered:

HB 496

HOUSE BILL NO. 496

YOUTH VOTE AMBASSADOR PROG/ELECTION BDS

"An Act creating the Youth Vote Ambassador Program and relating to that program; authorizing the members of the program to be appointed to serve on election boards; relating to qualifications for appointment to election boards; and providing for an effective date."

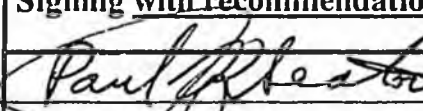
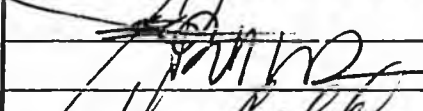
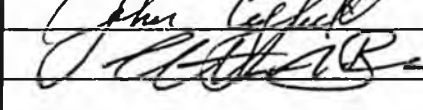

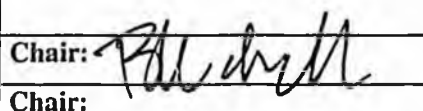
Recommends it be replaced with  HCS or  CS for HB 496 (STA)  
 For Senate Bills with new title:  Technical Title  New Title: HCR \_\_\_\_\_  Same Title  New Title

- attach amendments
- add new referral to \_\_\_\_\_ Committee
- Letter of Intent \_\_\_\_\_ Committee

- List of Abbrev for Depts.:
- ADM
  - CED
  - COR
  - CRT
  - EED
  - DEC
  - DFG
  - GOV
  - ISS
  - 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>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
	SEATON				✓
	Helen LYNN			X	✓
	Coghlin	✓			
	BorKonitz				—
Chair: 	Neufuss			X	
Chair:					

23-LS1766H  
Kurtz  
3/25/04

**CS FOR HOUSE BILL NO. 496( )**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**TWENTY-THIRD LEGISLATURE - SECOND SESSION**

**BY**

**Offered:**  
**Referred:**

**Sponsor(s): REPRESENTATIVES DAHLSTROM, McGuire**

**A BILL**  
**FOR AN ACT ENTITLED**

1 **"An Act creating the youth vote ambassador program and relating to that program;**  
2 **authorizing the members of the program to be appointed to serve on election boards;**  
3 **relating to qualifications for appointment to election boards; and providing for an**  
4 **effective date."**

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

6 **\* Section 1. AS 15.10 is amended by adding a new section to read:**

7 **Sec. 15.10.108. Youth vote ambassador program. (a) The youth vote**  
8 **ambassador program is established in the division of elections.**

9 **(b) In order to serve as a member of the youth vote ambassador program, an**  
10 **individual must**

11 **(1) be a student age 16 or older**

12 **(A) enrolled in a public or private high school program in this**  
13 **state; or**

14 **(B) being educated in the student's home by a parent or legal**

1 guardian in this state under AS 14.30.010(b)(12);

2 (2) volunteer to serve in the youth vote ambassador program and be  
3 appointed to the youth vote ambassador program by the director of elections; and

4 (3) if appointed, agree to complete a program of training as determined  
5 by the director of elections.

6 (c) An election supervisor may appoint a member of the youth vote  
7 ambassador program to serve on a precinct election board appointed under  
8 AS 15.10.120. A program member who is appointed to serve on an election board  
9 under this subsection serves under the supervision of the chairperson for that board.

10 (d) A member of the program who is appointed under (c) of this section is  
11 compensated as provided in AS 15.15.380 only for service on the election board of the  
12 precinct.

13 (e) A member of the program may provide unpaid volunteer services related to  
14 education and outreach on state elections as directed by, and under the supervision of,  
15 the director of elections.

16 (f) In this section, "program" means the youth vote ambassador program.

17 \* Sec. 2. AS 15.10.120(a) is amended to read:

18 (a) An election supervisor shall appoint in each precinct within the election  
19 supervisor's district an election board composed of at least three qualified voters  
20 registered to vote in that precinct. If the election supervisor is unable to locate  
21 three qualified individuals registered to vote in that precinct who are willing and  
22 able to serve on the election board, the election supervisor may appoint any  
23 qualified individual registered to vote in the election district in which the precinct  
24 is located. If the election supervisor is unable to locate three qualified individuals  
25 registered to vote in the precinct or in the district who are willing and able to  
26 serve on the election board, the election supervisor may appoint any qualified  
27 individual registered to vote in this state. In addition to the three qualified voters  
28 registered to vote in the precinct, district, or state, an election supervisor may  
29 also appoint not more than two members of the youth vote ambassador program  
30 established in AS 15.10.108 to serve on a precinct election board.

31 \* Sec. 3. AS 15.10.120(c) is amended to read:

1 (c) An election supervisor shall appoint one nominee of the political party of  
2 which the governor is a member and one nominee of the political party that received  
3 the second largest number of votes statewide in the preceding gubernatorial election.  
4 [THE ELECTION SUPERVISOR SHALL APPOINT AT LEAST ONE  
5 ADDITIONAL QUALIFIED INDIVIDUAL REGISTERED TO VOTE IN THAT  
6 PRECINCT.] If a party district committee or state party central committee of the  
7 party of which the governor is a member or the party that received the second largest  
8 number of votes statewide in the preceding gubernatorial election fails to present the  
9 names prescribed by (b) of this section by April 15 of a regular election year or at least  
10 60 days before a special election, the election supervisor may appoint any qualified  
11 individual registered to vote [IN THAT PRECINCT].

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

# FISCAL NOTE

**STATE OF ALASKA**  
**2004 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: HB496  
 () Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: OOG  
 Title An Act creating the Youth Vote Ambassador RDU Elections  
 Program \_\_\_\_\_ Component Elections  
 Sponsor Representative(s) Dahlstrom, McGuire  
 Requester State Affairs Committee Component No. 21

**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						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
-------------------------------	--	--	--	--	--	--

**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)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)  
 This bill has no fiscal impact on the Division of Elections.

Prepared by: Leonard G. Jones Phone 465-3051  
 Division Division of Elections Date/Time 3/26/04 8:24 AM  
 Approved by: Laura A. Glaiser, Director Date 3/26/2004  
 Agency Office of the Lt. Governor, Division of Elections

**Subject: House Bill 496**

**Date:** Thu, 25 Mar 2004 09:33:10 EST

**From:** JNovakKS@aol.com

**To:** hsta@legis.state.ak.us

**CC:** whitney\_brewster@gov.state.ak.us

Memorandum:

TO: Ginny Austerman

FM: Joe Novak

RE: Testimony on behalf of House Bill 496

I am currently a high school principal in Shawnee, Kansas. This district is a growing suburb of Kansas City. The state legislature in Kansas passed a similar bill several years ago. It allows 16 year old students and older the ability to work the polls on all election days. Students in Kansas can also help setup and break down polling places before and after each election. Much like your bill, students who are interested must attend and are paid for a full day of training prior to working the polls. I see two distinct advantages to this law in Kansas and applaud Representative Weyrauch's efforts to pursue this in your state.

1. 68% of voters in the age bracket 18-26 did not vote in the 2002 election. When asked about why young people do not vote, two top reasons included that they did not know how to register and then vote, and, politicians do not listen to young people. I submit that politicians do not listen because young people do not vote.

Your House Bill 496 will assist in breaking that cycle in Alaska. In working the polls and learning more about the voting process, more young people will start to vote and during more local elections.

2. Adding young people to the polls has helped to create intergenerational relationships. Older, established poll workers have taken young students under their wings to "show them the ropes." In doing this, we have opened up a whole new line of communication in our community thus putting more meaning back into the lives of older Americans. This has helped to bring senior citizens back into our schools in a variety of ways.

Finally, may I suggest that a provision of your bill strongly encourage high schools to become registration sites for potential voters. The more students are around and active in the process, the more they will tend to exercise their civic responsibility for years to come.

Joe Novak

Education Outreach Director - Freedoms Answer

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## REPRESENTATIVE NANCY DAHLSTROM

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Representative\_Nancy\_Dahlstrom@legis.state.ak.us

## SPONSOR STATEMENT HOUSE BILL 496 *Youth Vote Ambassador Program*

House Bill 496 presents us with a unique opportunity to enliven the interest of young people in the political process and in their rights and responsibilities as citizens.

The intent of this bill is threefold:

- To increase awareness and interest in voting among Alaska's young people,
- To allow for meaningful student involvement in elections; and
- To relieve the shortage of election workers.

Youth Vote Ambassadors, high school students 16 years and older would assist at the polls as part of elections boards. These Ambassadors would be appointed and trained by an election supervisor and supervised by an elections board chairperson.

Currently, 74% of states have laws that allow for Election Day workers under 18 years of age. In Alaska, legislation is necessary to create the Young Vote Ambassadors Program since current law requires members of the election board be qualified voters.

In an attempt to reverse the 25-year decline in voter participation among those within the 18-24 age group, HB 496 plants the seed of civic responsibility at an early age and encourages more young people to become action in the political process.

This legislation also amends the qualifications for appointment to a precinct election board by removing the requirement that the appointee must be registered to vote in that precinct. This changes allows a qualified voter anywhere in the state to serve on any precinct's election board. This provides more flexibility to the election supervisors as they seek qualified individuals to serve in this important function.

I greatly appreciate the committee's favorable support of this legislation. Thank you.

washingtonpost.com

## Too Young to Vote but Old Enough to Run an Election

Facing Shortage of Poll Workers, Md. and D.C. Join List of Jurisdictions Hiring High School Students

By Colleen Jenkins  
Washington Post Staff Writer  
Thursday, August 29, 2002; Page A20

For most 17-year-olds, the Maryland primary election will mean one thing: a day off from school. But Jennifer Clark of Waldorf will forgo sleeping late on Sept. 10 to help run an election she isn't old enough to vote in.

The high school senior is among dozens of 16- and 17-year-olds enlisted this fall for the first time by election boards in Maryland and the District, where officials are desperate to remedy a shortage of election judges and poll workers.

The strategy has emerged as a key change since the 2000 presidential debacle in Florida. More than a dozen states are recruiting high school students who haven't reached legal voting age but are willing to work a long day for about \$6 an hour.

Experts expect that list to grow.

"The positive responses that we have heard from the states that have done it indicate that a number of states will be trying to do the same thing in the future," said Doug Lewis, executive director of the nonpartisan National Election Center.

In the past, election boards relied largely on stay-at-home moms and senior citizens to work as election judges, said Montgomery County election director Margaret Jurgensen. But as more women entered the workforce and more seniors busied themselves with other activities, officials were forced to find alternatives.

Florida's messy election proceedings just illuminated the problem, said Tim Storey, an elections analyst for the National Conference of State Legislatures.

"One of the things that came to light is that there is a real problem getting enough qualified poll workers to handle a complex job," he said. "States have to recruit more than 1.2 million poll workers to meet the demand around the country in a presidential election."

Maryland election officials estimate that at least 18,000 election judges are needed statewide to run this fall's elections. Prince George's County still needs about 600 poll workers; Montgomery, about 550.

A similar squeeze is being felt nationwide. To help, congressional staffers are working on the Help America Vote Act, an election reform bill with provisions to employ both high school and college students as poll workers nationwide.

Most states still require poll workers to be either registered voters or of legal voting age, but at least 18 states allow 16- and 17-year-olds to work the polls, Storey said. Long Beach, Calif., implemented a student poll worker program as early as 1997.

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The qualifications for young poll workers vary by state. Typically, they must be high school seniors in good academic standing, enrolled in a class about government and chosen by school counselors and teachers.

Area lawmakers have approached the concept with caution. Virginia allows high school students to serve only as pages during elections; they cannot touch ballots or voting machines, said State Board of Elections spokeswoman Jean Jensen.

"We may get to the point where the shortage is severe enough that the legislature might reconsider, but this is all we have on the books right now," she said.

In Washington, 16- and 17-year-olds won't be in place to assist poll workers until the November election, said elections spokesman Bill O'Field. They will receive either community service credit or a stipend for their work, but election officials still are hammering out details on the length of shifts and how much the students will earn.

Maryland lawmakers have extended the opportunity only to 17-year-olds. But unlike states that restrict young workers' duties, Maryland lets students serve as full election judges.

They will earn the same wages and perform the same tasks as their older counterparts: setting up voting booths, signing in voters, handing out ballots and answering voting procedure questions.

Prince George's tested the idea in 2000, when election board officials hired eight high school seniors. The pilot's success persuaded the General Assembly to expand the program throughout the state for the 2002 primary and general elections.

Fallon Loving, 19, was in the first Prince George's class of 17-year-old election judges two years ago. For her, it was a chance to make some money and see firsthand a civic process she knew little about.

Though older poll workers in some states have been wary to have younger workers around, Loving said her colleagues treated her well.

"I tend to fit in with the more older crowd anyway," she said. "They said it was nice to have someone young around."

In Charles County, Clark will earn \$125 for rising before dawn and spending approximately 14 hours at a polling place; no more than two 17-year-olds will work at each site. Pay for election judges varies across Maryland; Clark's peers will receive \$150 in Howard County, \$125 in Prince George's and \$100 to \$115 in Montgomery.

"I would do it even if I wasn't getting paid," Clark said. "I've always been pretty interested [in elections], ever since I was little. It will look good on college résumés."

The teenagers won't completely solve the shortage of poll workers. But local election officials said getting students involved before they head off to college could provide them with valuable experience and the counties with a future stock of workers.

Plus, not being registered voters, the students can fill openings for either political party at the polls, said Howard County election director Robert J. Antonetti Sr., who oversaw the pilot program as director of Prince George's elections two years ago.

"I'd love to see some of them in charge of a polling place someday," he said.

Serving as an election judge will bring the political experience full circle for Jonathan Exum, a 17-year-old from Largo. He campaigned during previous election seasons for his uncle, state Sen. Nathaniel Exum (D-Prince George's), and he spent this summer working as an intern on the Prince George's Board of Elections staff.

Exum isn't interested in a political life for himself, but he sees value in learning about the election process -- even if it does require an early wake-up call.

"You're not going to learn anything sitting in bed," he said.

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**For Immediate Release:**

October 1, 2003

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609-292-4791

**Office of The Attorney General**  
- Peter C. Harvey, *Attorney General*  
**Division of Elections**  
- Ramon de la Cruz, *Director*

**State, Non-Partisan Group Announce New Effort to Spur Youth Voter Turn-out; Approximately 2,000 High School Students Will Train as Paid Poll Workers**

[www.njelections.org](http://www.njelections.org)

TRENTON – Attorney General Peter C. Harvey and Division of Elections Director Ramon de la Cruz announced today that approximately 2,000 New Jersey high school students -- many of them not yet of voting age -- will be trained and certified to serve as paid poll workers on Election Day this year through a joint initiative involving the State, county elections officials and Freedom's Answer, a national, non-partisan civic awareness group.

"Through this initiative, thousands of high school students across New Jersey will gain exposure to the voting process on Election Day," said Attorney General Harvey. "Although students will be paid to work at the polls, this is not a jobs program. Rather, this program is designed to encourage young people to become more aware of the electoral process, to become involved and, ultimately, to go out and vote. Voting is the heart of our democracy, and it is vital that we teach young people the importance of this fundamental constitutional right."

According to Division of Elections Director de la Cruz, the statewide Student Poll Worker Initiative involves the cooperative efforts of the Division of Elections, Freedom's Answer, the New Jersey Association of Elections Officials and local school districts in all 21 counties.

During a related kick-off event in the Assembly Chambers at the State House today, de la Cruz was joined by representatives of Freedom's Answer and the other participating entities, as well as approximately 50 participating high school students from Mercer and Passaic counties.

De la Cruz explained that, through the Student Poll Worker Initiative, high school students across New Jersey will undergo training and certification in the duties of election board workers – commonly known as poll workers. He noted that, under a bill signed into law by Governor James E. McGreevey in December 2002, students must be at least 16 years old to work at the polls.

Students who are 16 or 17 and have successfully completed their training can work a half-day at the polls and earn \$100. Students who are 18 or older can work a full day and earn \$200.

The actual recruitment and selection of students to be trained to work the polls on Election Day this year is being handled by county-level elections officials in conjunction with Freedom's Answer and local school districts.

"Students who become involved in this initiative will learn the responsibilities of poll working inside and out – in

some cases a year or two before they can actually vote," said de la Cruz. "Of course, the ultimate goal is to plant the seeds of civic responsibility -- to encourage more young people to become aware of the voting process, to have them understand how it works, and to have them participate."

Cole H. Kleitsch, State Director of Freedoms Answer NJ, said that many young people "are missing even basic information about their rights and responsibilities as citizens, and a lack of participation by young voters remains a problem." He added that a lack of voter participation among citizens of every age remains a concern throughout the United States.

"We can't just 'talk the talk' about democracy. We have to walk the walk," said Kleitsch. "By encouraging students who are too young to vote to serve as poll workers, we increase the likelihood of them becoming the kind of engaged, informed and active citizens that are crucial to a healthy democracy."

Among the attendees at today's State House kick-off event were participating students from Trenton High School, Clifton High School and Rosa Parks High School in Paterson.

In addition to touring the State House, students heard remarks by State Senator Thomas H. Kean, Jr. and State Assemblyman Alfred L. Steele, co-sponsors of the law that allows 16-and-17-year-old students to serve as paid poll workers.

Students also heard remarks from Dr. Alan Rosenthal, Professor of Public Policy at the Eagleton Institute of Politics at Rutgers University, and from Mercer County Board of Elections Chairman Dominic Magnolo.

In a related ceremony, Secretary of State Regina L. Thomas presented three National Association of State Boards of Education awards related to New Jersey's 2002 Student/Parent Mock Election Day program held in November 2002.

The awards have been given by the NASBE to Governor McGreevey, Attorney General Harvey and Division of Elections Director de la Cruz in recognition of their "outstanding leadership in promoting voter education." New Jersey led the United States in participation in the 2002 National Student/Parent Mock Election Day initiative with 100,000 ballots cast.

###

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*This is the first 12 pages of a 56-page report  
by the Youth Vote Coalition. If you would like  
the full report, please let Rep. Dahlstrom's office know.*

# NEW MILLENNIUM BEST PRACTICES SURVEY

July 2003

Last updated: November 12, 2003

*Compiled by Colin J. Moffett  
& Kay Albowicz for*



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## EXECUTIVE SUMMARY

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### **The Issue: Declining Voter Turnout and Civic Participation Among Youth**

Young people are not participating in civic life in large numbers these days, and the candidates are not paying attention. Nationwide, roughly 33 percent of 18-to-24-year-olds turned out to vote in 2000--arguably the closest and most contentious presidential election in modern history. This alarmingly low turnout record--part of a twenty-five year trend of decline--gives many state election officials cause for alarm. When those numbers are coupled with the fact that most high school students have never set foot inside of a polling place, the future of American democracy seems pretty bleak.

Determined to curb this decline in youth participation, the National Association of Secretaries of State (NASS) established the New Millennium Young Voters Project in 1998 to try and re-engage more young people in the democratic process. NASS began by conducting a national, nonpartisan study, which revealed that young people ages 18-24 are dropping out of the electoral process because they lack interest, trust, and knowledge when it comes to American government. They don't see their citizenship as an opportunity for involvement, they don't know how or where to get the information or skills they need for greater participation in civic life, and above all, they just don't make it to the polls on Election Day.

The 1998 NASS New Millennium Report also showed that traditional motivational strategies aren't working well with this age group. Consequently, NASS is constantly trying to identify new and innovative ways to provide our country's young people with the information and skills they need to become motivated, educated and informed citizens. The association seeks out these model election outreach programs to share with the nation's secretaries of state.

No organization represents the perspectives of today's youth more than the Youth Vote Coalition, the nation's largest, nonpartisan coalition for groups dedicated to increasing civic participation across the nation. We are grateful for their participation in this endeavor. Together, NASS and Youth Vote reviewed the youth-oriented voter outreach efforts of every state elections office and highlighted the best and most original work. The result is a consistent overview of the outreach work of the states, as well as a glimpse of the most innovative program ideas of 2003.

Additionally, NASS and Youth Vote gathered information on how the states are working to meet the challenges of the new Help America Vote Act, a federal election reform law with a number of deadlines that will take effect in 2004. Some of the law's provisions, such as the voter identification requirement for first-time voters, will have a direct impact on young people. The bill also contains federal funds earmarked to help states fortify their youth voter outreach efforts. This survey provides a quick overview of what's ahead in terms of state HAVA planning and outreach to young voters.

Overall, the survey results provide just a small snapshot of the young voter outreach work taking place around the country. A wide variety of other government, academic, and nonprofit organizations are carrying out this kind of work with commendable results. It is important for these organizations to have a clearinghouse where they can obtain state election contacts and other resources. NASS and Youth Vote hope the content of this document will help serve that purpose.

Best,

Mary Kiffmeyer, Minnesota Secretary of State  
*2003-2004 NASS President*

Veronica De La Garza  
*Executive Director, Youth Vote Coalition*

## STATISTICAL SUMMARY

### Youth Outreach Programs:

72% of states conduct youth outreach of some variety.

### Partnerships:

The most popular partnerships are with the National Student/Parent Mock Elections, Kids Voting USA, and Rock the Vote.

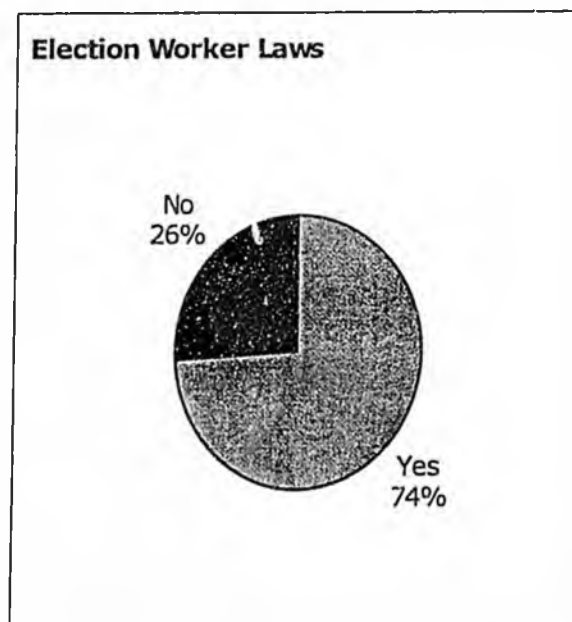
Capitol Forum	10%
Close Up Foundation	23%
Kids Voting USA	54%
NASS Vote America	28%
National Student/Parent Mock Election	67%
Newspapers in Education	10%
Rock the Vote	38%
Smackdown Your Vote	31%
Youth Vote Coalition	10%
Youth-e-Vote/Freedoms Answer	21%
YMCA Youth	15%
Vote for America	5%

### Working with local/county election offices to help promote voting:

85% of Secretary of State offices partner with local/county offices to help promote voting among young people.

### Election Day workers under 18:

74% of states have laws that allow for Election Day workers under the age of 18.



**Partnering with Schools:**

87% of state offices partner with schools to promote voting among young people.

**Partnering with Community Organizations:**

80% of state offices partner with community organizations to promote voting among young people.

**Methods of reaching Youth about Voting:**

56% of state offices use Citizenship Presentations to reach out to young voters;  
69% of state offices use Internet Resources to reach out to young voters;  
38% of state offices display voting equipment to potential young voters;  
67% of state offices use PSA's and/or Radio spots to reach out to young voters;

**Ages of Focus:**

59% of state offices work with Elementary age youth to promote voting;  
90% of state offices work with High School age youth to promote voting;  
72% of state offices work with College age youth to promote voting;

**Same-day Registration:**

Only 13% of states have same-day registration laws, and 31% of the states that do not have same-day registration have put forward legislative proposals to do so.

**Same-day Registration****HAVA Voter Education Programs:**

72% of state offices plan to introduce new voter education programs for teens/or twenty-somethings as a result of HAVA funding.

## STATES BY STATE LIST OF POLL WORKER LAWS

*\*This list includes only those states and U.S. territories that responded to the survey*

States with election laws that allow Poll Workers under the age of 18		
Alabama		x
Alaska		x
Arizona		x
Arkansas	x	
California	x	
Colorado	x	
Connecticut	x	
Delaware		x
Florida	x	
Georgia	x	
Hawaii	x	
Idaho	x	
Illinois	x	
Indiana	x	
Iowa		x
Kansas	x	
Maine	x	
Maryland	x	
Michigan	x	
Minnesota	x	
Mississippi	x	
Missouri	x	
Montana	x	
Nebraska	x	
Nevada	x	
New Hampshire	x	
New Mexico		x
North Carolina	x	
North Dakota	x	
Ohio		x
Pennsylvania	x	
Rhode Island		x
South Carolina	x	
Texas		x
Utah	x	
Vermont	x	
Washington	x	
West Virginia	x	
Wyoming		x

## STATE-BY-STATE LIST OF SAME-DAY REGISTRATION

*\*This list includes only those states and U.S. territories that responded to the survey*

States with Same-day Registration		
Alabama		x
Alaska		x
Arizona		x
Arkansas		x
California		x
Colorado		x
Connecticut		x
Delaware		x
Florida		x
Georgia		x
Hawaii		x
Idaho	x	
Illinois		x
Indiana		x
Iowa		x
Kansas		x
Maine	x	
Maryland		x
Michigan		x
Minnesota	x	
Missouri		x
Mississippi		x
Montana		x
North Carolina		x
North Dakota		x
Nebraska		x
New Hampshire	x	
New Mexico		x
Nevada		x
Ohio		x
Pennsylvania		x
Rhode Island		x
South Carolina		x
Texas		x
Utah		x
Vermont		x
Washington		x
West Virginia		x
Wyoming	x	

## STATE BEST PRACTICES

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### **2002 New Millennium Program Ideas**

#### **School Civics Education Curriculum & Activities**

Florida: Hernando County "Make Freedom Count" School Program

Illinois: "Let's Vote" Elementary School Election Program

Missouri: Responsible Missourians Initiative

Nebraska: Statehood Birthday Parties

Several States: Statewide School Voting Equipment Tours

#### **Registration & Voter Education Efforts**

Georgia: "Take Your Grandchild to Vote" Campaign

Michigan Online Citizens' Guide to Voting Systems

Montana: Election History Trunk Tour

Ohio: "Expect More in 2004" Tour

Oregon: Community "Engagement" Parties

Utah: Statewide College Council

Vermont: Town Government Coloring Book

Washington Voters Pamphlet Cover Art Competition

West Virginia SHARES Mock Election Program

Several States: Secretary of State Young Speakers Bureau

Several States: "Citizenship" Badges

#### **Poll Worker Recruitment & Training Programs**

California: Ventura County Adopt-a-Poll Program

Colorado: Student Poll Worker Training Program

North Carolina: College "Civics Training" Program

Several States: Youth Vote Ambassadors

## 2003 Programs Overview

### School Civics Education & Curriculum Materials

Alaska: Let's Vote Alaska  
Arkansas: Talk Back  
California: C.I.V.I.C.S  
Maine: Fostering Youth Involvement  
Mississippi: Promote the Vote  
Missouri: Responsible Missourians Initiative  
Texas: Project V.O.T.E.  
West Virginia: SHARES

*The following State Board of Elections offices also produce statewide school civics materials:*

Illinois: Let's Vote (elementary only)  
South Carolina: Kids Fun Book (elementary only)

### Student Poll Worker Training & Recruitment Programs

Many secretaries of state assist their county clerks and registrars in recruiting and training young people for Election Day work. However, the following state offices have produced an actual program for these purposes:

Arkansas  
Colorado  
Georgia  
Kansas  
Minnesota  
Mississippi  
Montana  
Utah (in development)  
West Virginia

*The following State Board of Elections offices also coordinate student poll worker training programs:*

Illinois  
North Carolina  
Oklahoma

## **2002 New Millennium Program Ideas**

Arizona: X-treme Voter Guide

California: Voter Registration Theme Week

California: Santa Barbara County Student Poll Worker Program

Connecticut: Classroom Visitation Program

Delaware: The Democracy Project (for teachers)

Georgia: What Do You Think? Program

Illinois: Project Next Generation

Maine: Vote in Honor of a Vet Program

Minnesota: Election Judge Trainee Program

Ohio: "Vote" Youth PSA Campaign

Pennsylvania: Voter Hall of Fame

## STATE PROFILES

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### STATE OF ALABAMA

**Secretary of State:** Nancy L. Worley

P.O. Box 5616

Montgomery, AL 36103

Phone (334) 242-7205

Fax (334) 242-4993

Email: [nworley@sos.al.gov](mailto:nworley@sos.al.gov)

**Youth Outreach Coordinator:** Vicki O. Balogh

**State Election Director:** Stephanie Daniels and Ward Sullivan

**Youth outreach program?** Yes

**State law allows Election-day workers under the age of 13?** No

**Poll worker/Election Day volunteer recruitment program for youth?** No

**Same-day Registration?** No

**This office works with the following national outreach partners:**

National Student/Parent Mock Election; Smackdown Your Vote

**This office coordinates its own statewide outreach program:**

In Alabama, universities and high schools are distribution points for mail-in registration forms. The secretary and her staff visit several schools systems between January and May for Government Day activities. The secretary also mailed a letter to every school system's government teachers, a mailing that included voter registration forms and voter education materials.

**This office reported the creation of the following new HAVA-related youth initiatives:**

The Office of Secretary of State will be working with the media to develop PSA's specifically targeted to increase voter participation among young people. The secretary will also be developing a teen/20 something website page for voter education.



## Young Workers Could Solve Poll Problems

St. Louis Post-Dispatch. 1/10/2002.  
Matt Blunt and Gerald Tirozzi.

The electoral reform bill passed last month by the U.S. House of Representatives aims to overcome several obstacles to successful elections. Fixing the system involves challenges in the technology, the process and the people.

The first two are important to fix -- and costly. But most election officials at the state and local level will tell you that their greatest challenge is recruiting the people -- finding trained and motivated poll workers for Election Day. The nation's high schools should be seen as a resource to develop poll workers. But young people leaving high school tend not to vote. Since 1972, the first year 18-year-olds were allowed to vote, their participation has steadily declined -- dipping below 30 percent for the first time in the 2000 election.

It's not apathy. Most young people are highly motivated for community volunteer service and tend to be well informed. But they are in a vicious cycle: They don't vote, so the politicians ignore them, so they don't vote and so forth. But there might be a fairly simple, inexpensive and exciting solution for the shortage of poll workers and the lack of voting among young adults.

A little publicized provision of the election reform bill is designed to turn college students into nonpartisan poll workers. And another provision would create the Help America Vote Foundation to facilitate recruiting high school students to help out on Election Day by working at the polls or doing whatever election judges want them (and train them) to do.

No college, high school, student or election official would be required to take part. But what a wonderful opportunity to engage our young people in the political process and provide friendly faces at the polls!

This technologically savvy generation can explain the voting machines to those who need an explanation. They can help new and elderly voters understand the process. They can assist disabled voters who need help to get to the polling place. Some can even serve as translators.

Some states still have laws requiring poll workers to be at least 18 and registered

voters. Such laws would keep most high school students from working inside the polling place, but younger students could still offer support.

Other states, because of the difficulty of recruiting new poll workers, have been experimenting with recruiting both college and high school students. Missouri used such a law to allow 16-year-olds in the polling place for the first time in Jackson County, and it has worked.

For too long, our political system has seemed to forget about young people. Using students as poll workers empowers a new generation to be part of solving a problem all too obvious in the 2000 Election Day marathon.

Congress still has much to do. The cost of the full House-passed electoral reform package is \$2.65 billion (for new machines and grants to the states for process changes). The bill to recruit and train college and high school poll workers is \$10 million -- or less than a small fraction of 1 percent of the total.

The biggest problem can be solved for the least money.

We serve on the board of a nonpartisan organization called Youth Voter Corps, which will try to earn a contract to organize the high school program. The National Association of Secondary School Principals and the National Association of Students Councils will encourage student participation. The Center for Civic Education will develop materials. And America's Promise and the Points of Light Foundation will promote the program at the community level across the country.

In short, we're ready to go.

But the Senate must pass the legislation -- and the funds must be included in the supplemental appropriation for this fiscal year. The elections of 2002 can be another exercise in frustration at the polls, or they can be a breath of fresh air. The biggest difference may be whether our young people will be engaged, trusted and welcomed.

NOTES: COMMENTARY; Matt Blunt is Missouri's secretary of state and co-chair of the New Millennium Project of the National Association of Secretaries of State. Gerold Tirozzi is executive director of the National Association of Secondary School Principals. They serve on the executive board of the Youth Voter Corps.

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