

ALASKA LEGISLATURE COMMITTEE FILES, 2003-2004 8672

11355 SENATE STATE AFFAIRS

Subsection (b) adds a requirement that the hearing follow the procedures in the Administrative Procedure Act, AS 44.62.330 - 44.62.630, except where the statutes applying to the commission provide otherwise.

Subsection (c) provides for the amendment of an accusation only upon a showing of good cause, and it requires that an amendment naming a different discriminatory practice be supported by substantial evidence and that the parties be provided an opportunity to resolve the practice in conciliation before the hearing may proceed.

Subsection (d) establishes the burden of proof at a hearing by requiring that the elements of an accusation or defense be proven by a preponderance of the evidence.

Subsection (e) authorizes the commission to issue a summary decision without a hearing in the same manner that a court may issue a summary judgment -- when the facts are not in dispute and the party petitioning for a summary decision is entitled to an order as a matter of law.

Section 6: Amends the remedial provisions in 18.80.130(a) to authorize the commission to order a remedy after a hearing or after considering a petition for a summary decision. It clarifies the remedial authority of the commission by providing that the commission may not order awards of noneconomic or punitive damages in any cases.

Paragraph (1), addressing employment, is amended to set out the specific remedies that the commission can award to remedy a discriminatory employment practice. To the remedies of hiring, reinstatement or upgrading an employee with or without back pay, it adds the remedy of payment of front pay for a period of two years in special

circumstances: if hiring, reinstatement or upgrading of an employee cannot be accomplished because the employer does not have an appropriate vacancy; if the employer's discriminatory conduct made the employee incapable of returning to work; or if the relationship between the employer and employee has so deteriorated that they cannot work together. The paragraph adds a duty to mitigate. An order for either front pay or back pay must be reduced by the amount that the employee could have earned if the employee made a reasonable and diligent effort to obtain comparable employment.

- Section 7: Makes conforming amendments to 18.80.130(c).
- Section 8: Adds a provision tying the rate of interest when the commission awards interest to the legal rate in AS 09.30.070.
- Section 9: Makes conforming amendments to 18.80.140.
- Section 10: Makes conforming amendments to 18.80.270.
- Section 11: Adds a definition of "complainant" to the definition section in 18.80.300.
- Section 12: Adds a paragraph to the Administrative Procedure Act adding the commission to the list of agencies that the Act's hearing provisions cover.
- Section 13: Applies the law prospectively, to complaints filed after it is enacted.
- Section 14: Authorizes the commission to begin adopting regulations to implement the changes before the effective date of the act and provides that the regulations may not take effect before the act's effective date.
- Section 15: Provides an immediate effective date for section 14, which authorizes the commission to begin procedures to adopt regulations.

Section 16: Provides an effective date of July 1, 2004.

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES

SB354

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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 25, 2004

The Honorable Gene Therriault
President of the Senate
Alaska State Legislature
State Capitol, Room 111
Juneau, AK 99801-1182

Dear President Therriault:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill that would amend the investigation and procedure laws of the State Commission for Human Rights (commission). The bill would amend the investigation and hearing procedures to enhance efficiency and to give the commission more enforcement discretion to increase its effectiveness in combating unlawful discrimination.

The bill would add a new statutory provision, AS 18.80.112, to provide the staff of the commission with greater authority to evaluate complaints of discrimination and to choose the complaints that it pursues to hearing before the commission. The purpose of the amendment is to reverse the Alaska Supreme Court's decision in Department of Fish and Game v. Meyer, 906 P.2d 1365 (Alaska 1995), that a hearing is mandatory if a complaint is supported by substantial evidence. The court concluded that the state human rights laws did not give the commission staff discretion to discontinue action on a complaint after an investigator found substantial evidence of unlawful discrimination. *Id.*, at 1373. The effect of this decision was to require the commission to commit its resources to any complaint supported by substantial evidence without regard to such factors as the weakness of the evidence, the strength of an employer's affirmative defenses, or the significance of the alleged violation. Providing the commission with genuine prosecutorial discretion would allow the commission to commit its resources to complaints it determines merit pursuit, based on such factors as, for example, the strength of the evidence, the severity of the alleged violation, an employer's history before the commission, or the complaint's value in establishing precedent guiding future conduct.

The discretion of the staff of the commission would also be expanded to allow it to compromise a claim for damages in the conciliation (or prehearing) phase of the procedures. The bill would avoid conflicts between staff's exercise

The Honorable Gene Therriault

February 25, 2004

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of its expanded discretion to compromise, dismiss, or pursue a complaint and the concerns of the victims of unlawful discrimination by allowing a complainant to opt out of commission procedures. A complainant may withdraw the complaint at any time before the executive director of the commission makes the decision to go to hearing and, after withdrawal, pursue the claim independently of the commission in another forum.

The bill also would change the hearing procedures. These changes include requiring the commission to follow the procedures in the Administrative Procedure Act, AS 44.62.330 - 44.62.630, unless AS 18.80 provides a different procedure. The bill would eliminate from AS 18.80 some duplicative procedural requirements that are addressed in the Administrative Procedure Act, such as the admissibility of evidence and the requirement that testimony be under oath. Another change would be the addition of a provision similar to a motion for summary judgment in the civil rules of court to allow a summary decision on the law if the facts are not disputed. The reason for allowing a summary decision would be that it is a faster procedure than a hearing, and it would provide a sufficient opportunity to be heard on the legal issues when the facts are not in dispute. The bill would add a provision tying the rate of interest when the commission awards interest to the legal rate in AS 09.30.070 to bring the commission into conformity with other administrative agencies and the courts. It would limit amendments to a complaint after a case is referred for hearing to ensure that all changes are supported by substantial evidence and that a respondent has an opportunity to address all charges informally before being required to defend them in a formal hearing. The bill would move the statute of limitations for bringing a claim from regulation (6 AAC 30.230) to statute.

Finally, the bill would amend AS 18.30.130, which addresses the authority of the commission to remedy unlawful discrimination, to establish that the appropriate remedy for unlawful employment discrimination normally would be to restore the actual benefit that was deprived -- hiring, promotion, or reinstatement to a position. In the unusual case where the relationship is so poisoned that the employee cannot return to work, the bill would allow an award of up to two years of compensation, minus the wages that the employee should be able to earn. Additionally, under the bill the commission would be able to order training regarding discriminatory practices.

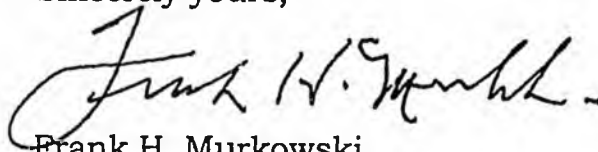
This bill, by increasing the commission's discretion in handling complaints, would enable the commission to allocate its diminishing resources to cases in which the commission could be the most effective in addressing and eliminating unlawful discrimination. By streamlining commission procedures,

The Honorable Gene Therriault
February 25, 2004
Page 3

the bill would help contain costs and ensure that the procedures are equitable to both complainants and the persons, businesses, labor organizations, and employment agencies charged before the commission with unlawful discrimination.

I urge your prompt and favorable action on this bill.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Frank H. Murkowski". The signature is written in a cursive style with a large initial "F" and a long horizontal stroke at the end.

Frank H. Murkowski
Governor

Enclosure

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 354
 (S) Publish Date: 2/27/04

Revision Date/Time (Note if correction): _____ Dept. Affected: OOG
 Title "An Act relating to complaints filed RDU Executive Operations
with the State Commission for Human Rights.." Component Human Rights
 Sponsor Rules Committee
 Requester Governor Component No. 1

Expenditures/Revenues (Thousands of Dollars)

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

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

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

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

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

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)
 This legislation has no fiscal impact on the Alaska Human Rights Commission.

Prepared by: Gail Fenumiai, Asst. Admin. Director LP Phone 465-3885
 Division: Office of the Governor, Administrative Services Date/Time 2/24/04 9:17 AM
 Approved by: Paula Haley, Executive Director Date 2/24/2004
 Agency: Alaska Human Rights Commission

SB

356

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 356
 (S) Publish Date: 2/27/04

Revision Date/Time (Note if correction): _____ Dept. Affected: LAW
 Title "An Act relating to qualifications of voters, voter registration, voter residence, precinct boundary...." RDU CIVIL
 Component Labor & State Affairs
 Sponsor Rules Committee
 Requester Governor Component No. _____

Expenditures/Revenues (Thousands of Dollars)

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

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

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

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

Estimate of any current year (FY2004) cost: 0.0

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

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill updates Title 15, the elections statutes, to reflect the current practices of the division of elections and to bring the statutes into compliance with recent court decisions and federal law.

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

Prepared by: Kathryn A. Daughetee, Director Phone 465-3673
 Division: Administrative Services Date/Time 2/12/04 2:36 PM
 Approved by: Kathryn Daughetee for Gregg D. Renkes, Attorney General Date 2/12/2004
 Agency: Department of Law

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: SB 356
(S) Publish Date: 2/27/04

Revision Date/Time (Note if correction): _____ Dept. Affected: OOG
Title An Act relating to qualifications of voters, RDU Elections
voter registration and residence, precinct boundary mod... Component Elections
Sponsor Rules Committee
Requester Governor 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	14.1		14.1		14.1	
Travel						
Contractual	13.9		13.9		13.9	
Supplies						
Equipment	53.5		5.0		5.0	
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	81.5	0.0	33.0	0.0	33.0	0.0

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

1002 Federal Receipts						
1003 GF Match						
1004 GF			33.0		33.0	
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (HAVA Election Fund)	81.5					
TOTAL	81.5	0.0	33.0	0.0	33.0	0.0

Estimate of any current year (FY2004) cost: 0.0

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

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The Division of Elections anticipates the cost for expanding early voting to statewide locations will be approximately \$81.5. The initial cost of \$81.5 to expand Early Voting will be funded from federal dollars from the Help America Vote Act of 2002. In future years, the Division will need an increase from GF appropriations of \$33.0 to maintain the level of service for expanding Early Voting during an on Election year. This incremental increase is needed to support future personnel, contractual and equipment services under the Division's primary and general budget.

Prepared by: Leonard G. Jones
Division: Division of Elections
Approved by: Laura A. Glaiser, Director
Agency: Office of the Lt. Governor, Division of Elections

Phone 465-3051
Date/Time 2/23/04 3:30 PM
Date 2/23/2004

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SB356
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February 25, 2004

The Honorable Gene Therriault
President of the Senate
Alaska State Legislature
State Capitol, Room 111
Juneau, AK 99801-1182

Dear President Therriault:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill relating to the state's elections statutes.

This bill would update statutes on qualifications of voters, voter registration, voter residence, precinct boundary modification, recognized political parties, voters unaffiliated with political parties, early and absentee voting, ballot counting, voting by mail, initiatives, referendums, recalls, and definitions.

The updates are necessary to reflect current practices of the Division of Elections and to bring the statutes into compliance with recent court decisions and federal law.

Section 1 of the bill would amend two provisions in AS 15.05.020 on rules for determining the residence of a voter. It would amend AS 15.05.020(2) to clarify that "temporary work sites" do not constitute a dwelling place; this provision formerly referenced "construction camps." Section 1 also would amend AS 15.05.020(10) to reference the official voter registration "record," rather than "card."

Section 2 of the bill would amend AS 15.07.060(a)(4) on required registration information, to specify that the applicant must provide the applicant's Alaska residence address.

Section 3 of the bill would amend AS 15.10.090 on notice of precinct boundary designation and modification, to require that notice be published on the Division of Elections' Internet web site, to provide that written notice need not be posted in a physical place if notice is published in a newspaper, and to reduce the number of places where notice is posted from three places to one place.

The Honorable Gene Therriault
February 25, 2004
Page 2

Section 4 of the bill would amend AS 15.15.350(a), on the general procedure for a ballot count, to require that the accounting for all ballots prepared by the election board include the number of ballots returned to the elections supervisor for destruction.

Sections 5 and 6 of the bill would amend AS 15.20.064 on early voting, to allow the director of elections to designate other locations, in addition to election supervisor offices, for early voting.

Section 7 of the bill would amend AS 15.20.066(b) on absentee voting by electronic transmission, to lower the number of witnesses required from two to one.

Sections 8 and 9 of the bill would amend AS 15.20.081(d) on absentee voting by mail or electronic transmission, to lower the number of witnesses required from two to one, and AS 15.20.081(h) to change the reference to military addresses from "APO or FPO address" to an "overseas voter qualifying under AS 15.05.011."

Section 10 of the bill would amend AS 15.20.800 on voting by mail to specify that a ballot will not be sent to a voter whose address has been identified as undeliverable.

Section 11 of the bill would add a proposed new section, AS 15.20.910, on voting system standards, incorporating recent federal requirements under the Help America Vote Act.

Section 12 of the bill would amend AS 15.45.030 on the form of the application for an initiative petition, to require additional information from the sponsors.

Section 13 of the bill would amend AS 15.45.060 on designation of sponsors for an initiative, to specify that sponsors support the bill proposed by the initiative application.

Section 14 of the bill would amend AS 15.45.090 on preparation of petitions, to require the printed name and date of birth of those signing an initiative petition. This section also would require that initiative petitions be sequentially numbered, and removes the requirement that the lieutenant governor keep a record of petitions delivered to sponsors. These amendments are proposed to comply with the state Superior Court's decision in the case of *Hinterberger v. State*, 3AN-03-4092 CI (October 21, 2003).

The Honorable Gene Therriault
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Page 3

Section 15 of the bill would add a proposed new section, AS 15.45.105, to specify the qualifications of an initiative petition circulator.

Section 16 of the bill would amend AS 15.45.120 on the manner of signing and withdrawing a name from an initiative petition, to require additional information from initiative petition signers.

Section 17 of the bill would amend AS 15.45.130 on the certification of circulators for an initiative petition, to reference the proposed new section on qualifications of an initiative petition circulator, and to delete the requirement that the circulator's name be prominently displayed on the petition. This latter requirement has not been enforced for some time in order to comply with the United States Supreme Court opinion in *Buckley v. American Constitutional Law Foundation*, 525 U.S. 182 (1999), under advice from a formal opinion of the state attorney general's office, 2000 Op. Att'y Gen. No. 3 (September 22).

Section 18 of the bill would amend AS 15.45.200 on display of the proposed law, to reduce the number of copies of a law proposed by an initiative displayed in the polling place from three to one.

Section 19 of the bill would amend AS 15.45.270 on the form of the application, to conform the requirements for a referendum application to those required for an initiative application.

Section 20 of the bill would amend AS 15.45.290 on designation of sponsors, to conform the requirements for a referendum sponsor to those required for an initiative sponsor.

Section 21 of the bill would amend AS 15.45.320 on preparation of a petition, to conform the requirements for a referendum petition to those required for an initiative petition.

Section 22 of the bill would add a proposed new section, AS 15.45.335, to set out the qualifications for a circulator of a referendum petition.

Section 23 of the bill would amend AS 15.45.340 on circulation, to incorporate the prohibitions and penalties applicable to initiative petitions and apply these to circulation of referendum petitions.

Section 24 of the bill would amend AS 15.45.350 on the manner of signing and withdrawing a name from a petition, to require additional information for signing a referendum petition.

The Honorable Gene Therriault
February 25, 2004
Page 4

Section 25 of the bill would amend AS 15.45.360 on the certification of circulators, to conform the requirements for circulation of a referendum petition to those required for circulation of an initiative petition.

Section 26 of the bill would amend AS 15.45.430 on display of the act being referred to in the referendum, to reduce the number of copies of the act displayed in the polling place from three to one.

Section 27 of the bill would amend AS 15.45.500 on the form of the application, to specify similar requirements for a recall application to those required for an initiative application, including deleting the requirement that recall petition circulators be registered voters.

Section 28 of the bill would add a proposed new section, AS 15.45.515, on the designation of sponsors for a recall application using language similar to the statute on initiative petition sponsors.

Section 29 of the bill would amend AS 15.45.560 on preparation of the recall petition, to impose requirements similar to the requirements for an initiative petition.

Section 30 of the bill would add a proposed new section, AS 15.45.575, on qualifications of circulators to set out the qualifications for circulation of a recall petition.

Section 31 of the bill would amend AS 15.45.580 on circulation, to add requirements on circulation of a recall petition similar to those for circulation of initiative petitions.

Section 32 of the bill would amend AS 15.45.590 on the manner of signing and withdrawing a name from a petition, to require additional information from recall petition signers.

Section 33 of the bill would amend AS 15.45.600 on certification of circulators for a recall petition, to add similar requirements to those for circulation of an initiative petition.

Section 34 of the bill would amend AS 15.45.680 on display of grounds for and against recall, to reduce the number of copies displayed in the polling place from three to one.

The Honorable Gene Therriault
February 25, 2004
Page 5

Section 35 of the bill would add a proposed new section, AS 15.60.003, to set up categories for voters who are unaffiliated with political parties.

Section 36 of the bill would add a proposed new section, AS 15.60.008, to set out the requirements for recognized political party status.

Section 37 of the bill would amend the definition of "political party" in AS 15.60.010(21) to use the election for any statewide office, rather than solely the Office of Governor, as the benchmark for attaining the voter support necessary for political party status.

Section 38 of the bill would amend AS 15.60.010 by adding new definitions of "re-registration" and "statewide office" for the purposes of AS 15 on elections.

Section 39 of the bill would provide that the changes made by sections 12 - 34 of the bill apply to an application for an initiative, referendum, or recall that is filed with the lieutenant governor on or after the effective date of the bill.

Section 40 of the bill would provide that the elections statutes, as they existed before the amendments made by sections 12 - 34 of this bill, would apply to an initiative, referendum, or recall for which the application was filed before the effective date of the bill.

Section 41 of the bill sets out a revisor's instruction related to the addition of proposed AS 15.20.910 in section 11 of the bill.

Section 42 of the bill would establish an immediate effective date for the bill.

I urge your prompt and favorable action on this measure.

Sincerely yours,


Frank H. Murkowski
Governor

Enclosure

SB

380

SENATE COMMITTEE REPORT First Committee of Referral

DATE: 3/26/04

FURTHER: Finance

Date of 5-Day Notice: 4/13/04
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 4/21/04

State Affairs Committee considered SENATE BILL NO. 380

SB 380 STATE LEASE AND CONTRACT EXTENSIONS

"An Act relating to the extension under the State Procurement Code of terms for leases for real estate and certain terms for certain state contracts for goods and services; and providing for an effective date."

and recommends:

- be replaced with _____ CS SB 380 (STA)
- adopt previous _____ CS _____
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:	
<input type="checkbox"/>	Same Title
<input checked="" type="checkbox"/>	New Title
House Bill:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
<u>DOA</u>	<u>4/19/04</u>			<input checked="" type="checkbox"/>	<u>1</u>

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<u>John J. Caudrey</u>			<input checked="" type="checkbox"/>	
<u>Bob K. ...</u>			<input checked="" type="checkbox"/>	
CHAIR: <u>[Signature]</u>			<input checked="" type="checkbox"/>	

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 380
 () Publish Date: 3/25/2004

Revision Date/Time (Note if correction): _____ Dept. Affected: Administration
 Title A bill relating to the State Procurement Code RDU Leases
lease and contract extensions... Component Leases
 Sponsor Rules
 Requester Governor Component No. 81

Expenditures/Revenues (Thousands of Dollars)

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

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

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

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Various in all state agencies						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

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

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would provide lease and contract extensions for real property up to a maximum extension of 10 years if a minimum cost saving of at least five percent below market rates on the rent due under the lease are achieved; or a contract for goods or services for up to a maximum extension of five years if a minimum cost savings of at least five percent may be achieved on the price established in the contract. While the bill allows for greater flexibility and greater potential savings, it is not possible to quantify them. No additional funds will be necessary as a result of this bill.

Prepared by: Vern Jones, Chief Procurement Officer Phone 465-5684
 Division: General Services Date/Time 4/19/04 8:36 AM
 Approved by: Kevin Jardell, Deputy Commissioner Date 4/19/2004
 Agency: Administration

LEGAL SERVICES

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

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Mail Stop 3101


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

MEMORANDUM

April 20, 2004

SUBJECT: CSSB 380() relating to real estate lease extensions
(Work Order No. 23-GS2150\D)

TO: Senator Gary Stevens
Chair, Senate State Affairs Committee
Attn: Katrina

FROM:  Theresa L. Bannister
Legislative Counsel

This memo accompanies the committee substitute draft described above.

Coverage of Judicial Branch. Please be aware that the draft's coverage of the judicial branch may raise a separation of powers issue. Because the section applies notwithstanding the other provisions of the chapter, it may override a conflicting procurement procedure on the specific subject that the judicial branch has or decides to adopt under AS 36.30.030. In addition, the proposed sec. 36.30.083 establishes a reporting requirement for the judicial branch. These may not be large problems because the new extension language is permissive, not mandatory, and, with regard to the reporting requirement, because the legislature has oversight authority when it comes to state money matters. However, I wanted you to be aware of the issue.

If I may be of further assistance, please advise.

TLB:med
04-426.med

Enclosure

23-GS2150D
Bannister
4/20/04

CS FOR SENATE BILL NO. 380()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

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

A BILL
FOR AN ACT ENTITLED

1 **"An Act relating to time extensions under the State Procurement Code for real property**
2 **leases; and providing for an effective date."**

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

4 *** Section 1.** AS 36.30.083 is repealed and reenacted to read:

5 **Sec. 36.30.083. Lease extensions authorized.** (a) Notwithstanding any other
6 provision of this chapter, the department, the Board of Regents of the University of
7 Alaska, the legislative council, or the court system may extend a real property lease
8 that is entered into under this chapter for up to 10 years if a minimum cost savings of
9 at least 10 percent below the market rental value of the real property at the time of the
10 extension would be achieved on the rent due under the lease. The market rental value
11 must be established by a real estate broker's opinion of the rental value or by an
12 appraisal of the rental value.

13 (b) The department, the University of Alaska, the court system, and the
14 Legislative Affairs Agency shall submit individually an annual report to the

1 Legislative Budget and Audit Committee detailing the leases extended and the cost
2 savings achieved by that entity under (a) of this section. The reports are due
3 August 31 of each year.

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

6 **APPLICABILITY.** Notwithstanding the changes made by sec. 1 of this Act, the state
7 agencies affected by this Act may continue to act on or consider a provision of a solicitation,
8 notice of intent to award, or response to solicitation made before the effective date of sec. 1 of
9 this Act, to the extent that the provision is not inconsistent with a provision of sec. 1 of this
10 Act.

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

13 **FIRST LEASE EXTENSION REPORT.** Notwithstanding AS 36.30.083(b), as
14 repealed and reenacted by sec. 1 of this Act, the first lease extension report under
15 AS 36.30.083(b) is due August 31, 2005, and must cover fiscal year 2005.

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

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



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

SB380
P.O. BOX 110001
JUNEAU, ALASKA 99811-0001
(907) 465-3500
FAX (907) 465-3532
WWW.GOV.STATE.AK.US

March 24, 2004

The Honorable Gene Therriault
President of the Senate
Alaska State Legislature
State Capitol, Room 111
Juneau, AK 99801-1182

Dear President Therriault:

Under the authority of article III, section 18 of the Alaska Constitution, I am transmitting a bill relating to the extension of terms for leases and terms for contracts for goods and services under the State Procurement Code.

This bill would make several changes to the State Procurement Code. Section one of the bill would authorize the state to negotiate lease rate reductions on existing leases in exchange for certain term extensions when favorable lease rates are available. The current process only authorizes lease extensions if the property owner agrees to either (1) reduce the lease rate by ten percent and perform modifications to bring the property into Americans with Disabilities Act compliance, or (2) reduce the lease rate by 15 percent. The problem is, the current process does not take into account whether the current lease rate is already below market. Due to market conditions and current lease rates, this high discount is often not acceptable to property owners.

Many of our current lease rates are already below market and leave the lessor unwilling to meet the 10 or 15 percent reduction to extend the lease. In fact, only a small percentage of lease extensions have been negotiated under the existing provisions. The only option left for the state is to issue a new request for proposals. Often this results in additional moving costs and market rates, which can represent a substantial increase in costs to the state.

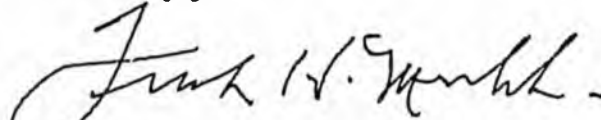
The method proposed in this bill would ensure that the state receives the best value for its leasing dollars. Lease extensions would only be authorized where the rates are a minimum of five percent below market. This would allow the state to maintain its presence in leases which are already well below market rates. Additional savings beyond the five percent would be negotiated depending on a number of factors such as location, current market value, existing vacancies, and market trends.

The Honorable Gene Therriault
March 24, 2004
Page 2

The bill also would authorize term extensions for up to five years for contracts for goods and services provided a minimum cost savings of at least five percent could be achieved on the price of the goods or services as set in the current contract. Under present law, at the end of the contract term, contracts for goods or services must be resolicited through a competitive process or a new contract awarded based upon alternative procurement methods regardless of price reductions that may be offered by the contractor if the contract were extended.

I urge your prompt and favorable action on this measure.

Sincerely yours,

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

Frank H. Murkowski
Governor

Enclosure

SR

3

SENATE COMMITTEE REPORT

First Committee of Referral

DATE: 2/16/04

FURTHER: Finance

DATE TURNED
IN TO OFFICE: 3/12/04

State Affairs Committee considered SENATE RESOLUTION NC. 3

SR 3 COMMEMORATING SEN. FRANK FERGUSON

Relating to commemoration of Senator Frank R. Ferguson and other distinguished Senators.

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	New Title
House Bill:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
<i>leg.</i>	<i>3/16/04</i>			✓	

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	Do PASS	Do NOT PASS	No REC	AMEND
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
CHAIR: <i>[Signature]</i>	✓			

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SR 3
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Legislature
 Title: "Relating to commemoration of Senator BRU: Legislative Council
Frank R. Ferguson and other distinguished Senators" Component: Council and Subcommittees
 Sponsor: Senator Olson
 Requestor: Senate 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
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
-----------------------------	------------	------------	------------	------------	------------	------------

CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
-------------------------------	------------	------------	------------	------------	------------	------------

FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (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)

SR 3 honors Senator Frank R. Ferguson and resolves that a commemorative panel be established outside the Senate Finance Committee Room for the listing of Senators who are specially recognized by the Alaska State Senate for the value of their contributions to the Alaska State Legislature. The purchase of the panel will be absorbed within existing budgets. This legislation has zero fiscal impact on the Legislative Affairs Agency.

Prepared by: Karla Schofield, Deputy Director
 Division: Administrative Services
 Approved by: Pamela Varni, Executive Director
 Agency: Legislative Affairs Agency

Phone: 465-6626
 Date/Time: 3/8/04 3:33 PM
 Date: 3/8/2004

Alaska State Legislature

Out of Session:
PO Box 531
Golovin, Alaska 99762
(907) 443-5599

In Session:
State Capitol, Suite 510
Juneau, Alaska 99801-1182
(800) 597-3707
(907) 465-3707
(907) 465-4821 Fax

SENATOR DONALD C. OLSON

DISTRICT T

Alakanuk
Ambler
Anaktuvuk Pass
Atkasuk
Barrow
Brevig Mission
Browerville
Buckland
Chevak
Deering
Diomedea
Elim
Emmonak
Gambell
Golovin
Hooper Bay
Kaktovik
Kiana
Kivalina
Kobuk
Kotlik
Kotzebue
Koyuk
Mountain Village
Noatak
Nome
Noorvik
Nuiqsut
Nunam Iqua
Pilot Station
Pitka's Point
Point Hope
Point Lay
Savoonga
Scammon Bay
Selawik
Shaktolik
Shishmaref
Shungnak
St. Mary's
St. Michael
Stebbins
Teller
Unalakleet
Wainwright
Wales
White Mountain

SR 3, Commemorating Senator Ferguson and Other Senators

By Senator Olson

I introduced SR 3 for two purposes. Senator Ferguson passed away this summer and is revered in the district as one of the state's most skilled legislators. The principal purpose of SR 3 is to give some recognition of Senator Ferguson and his contributions to the state and its citizens.

The second purpose acknowledges that the usual practice of naming committee rooms or other places in the capitol building is limited. The resolution requests that a large plaque be placed in the capitol where Senator Ferguson's name will appear and the names of other distinguished senators can be added in the future.

SCR

4

**SENATE COMMITTEE REPORT
First Committee of Referral**

DATE: 2/19/03

FURTHER:

Date of 5-Day Notice: 3/27/03
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 3/7/03

State Affairs Committee considered SENATE CONCURRENT RESOLUTION NO. 4

SCR 4 AVALANCHE AWARENESS MONTH

Relating to Avalanche Awareness Month.

and recommends:

- be replaced with _____ CS SCR 4 (S. STA)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:

- same title
- new title

House Bill:

- same title
- technical title
- new: SCR # _____

NEW FISCAL NOTE(S):

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
S. STA	3/7/03		✓	1

Department	Date	Fiscal	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>John J. Gaudreau</i>	✓			
<i>Paul ...</i>	✓			
CHAIR: <i>[Signature]</i>	✓			

23-LS0565VD
Kurtz
3/6/03

CS FOR SENATE CONCURRENT RESOLUTION NO. 4()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATORS GREEN, Wilken, Ogan, Cowdery, Guess, Ben Stevens, Taylor, Bunde, French, Dyson, Lincoln, Wagoner, Seekins, Elton, Olson, Therriault

A RESOLUTION

1 Relating to Avalanche Awareness Month.

2 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

3 WHEREAS Alaskans live, work, and play in and on the edge of the wilderness; and
4 WHEREAS Alaskans spend twice as much time enjoying the abundance and variety
5 of Alaska's winter recreational opportunities as most other Americans spend in winter
6 recreational activities; and

7 WHEREAS many of the state's popular winter recreation areas are subject to
8 avalanche danger; and

9 WHEREAS many Alaskans are not properly educated or equipped to recognize and
10 respond to avalanches; and

11 WHEREAS Alaska has the highest avalanche death rate per capita in the nation; over
12 70 Alaskans have died in Alaska avalanches since 1968, and 28 have perished since 1999; and

13 WHEREAS education on the recognition of avalanche risks, response to avalanches,
14 and the use of appropriate equipment could reduce avalanche-related tragedies that create
15 undue hardships and great personal loss for families and communities;

16 BE IT RESOLVED that the Alaska State Legislature proclaims the month of

1 November 2003 as Avalanche Awareness Month; and be it

2 **FURTHER RESOLVED** that the Alaska State Legislature urges schools, community
3 groups, and other public and private agencies and individuals to observe Avalanche
4 Awareness Month with appropriate activities that increase the public's awareness of avalanche
5 dangers, how to respond to avalanches, and the use of appropriate equipment in avalanche
6 areas.

7 **COPIES** of this resolution shall be sent to the Honorable Frank Murkowski,
8 Governor; to Aedene Arthur, Backcountry Avalanche Awareness and Response Team; to
9 Doug Fesler and Jill Fredston, co-directors, The Alaska Mountain Safety Center, Inc.; to Bill
10 Glude, Southeast Alaska Avalanche Center; to the Honorable William Tandeske,
11 Commissioner, Department of Public Safety; to the director, Division of Alaska State
12 Troopers, Alaska Department of Public Safety; to the mayors, chiefs of police, and fire chiefs
13 of the Municipality of Anchorage, Fairbanks North Star Borough, Denali Borough, Haines
14 Borough, City and Borough of Juneau, Ketchikan Gateway Borough, Matanuska-Susitna
15 Borough, City and Borough of Sitka, City of Cordova, City of Fairbanks, City of Palmer, City
16 of Petersburg, City of Seward, City of Skagway, City of Valdez, and City of Wasilla; to the
17 operators of the ski areas at Eaglecrest, Alyeska, Alpenglöw, Hilltop, Moose Mountain, Ski
18 Land, Birch Hill, and Cordova Ski Hill; and to legislative communication offices for
19 statewide distribution.

ALASKA STATE LEGISLATURE



Interim:
600 East Railroad Avenue
Wasilla, Alaska 99654
(907) 376-3370
(907) 376-3157 Fax

Session:
State Capitol
Juneau, Alaska 99801-1182
(907) 465-6600
(907) 465-3805 Fax

SENATOR LYDA GREEN
SENATE DISTRICT G

SPONSOR STATEMENT FOR SCR4

A Resolution relating to Avalanche Awareness Month

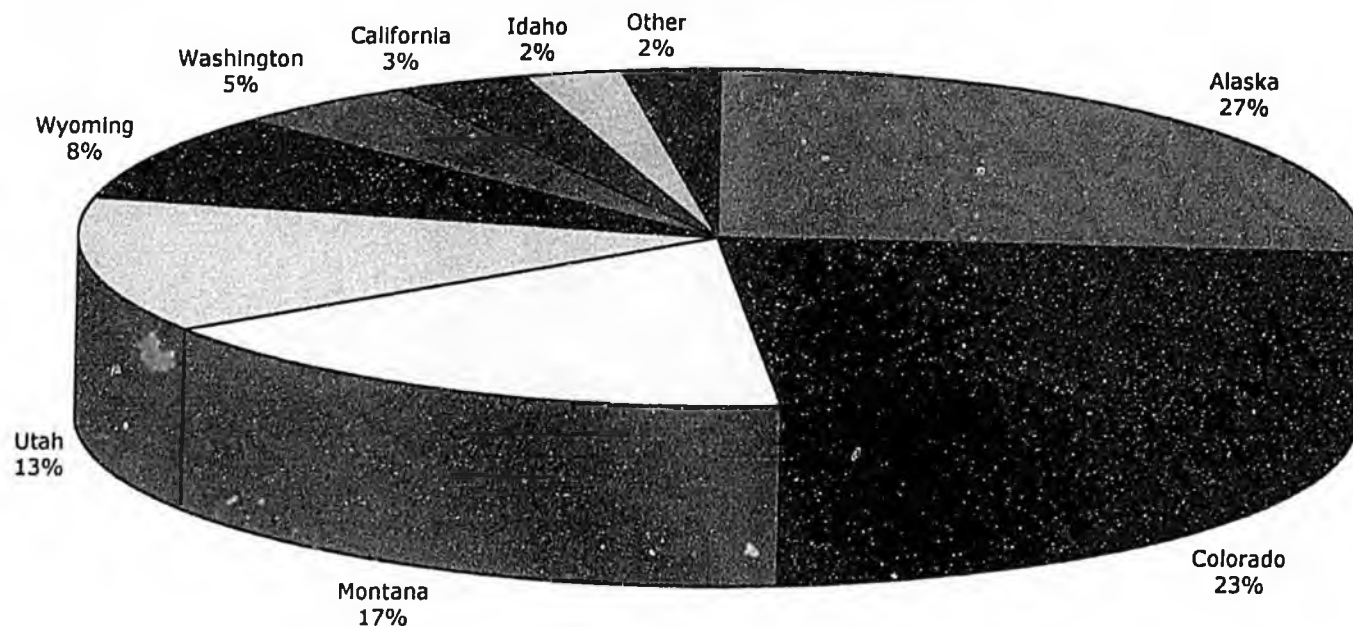
Alaska is avalanche country. Each year Alaska loses more people to avalanches than any other state, regardless of population. During the last four winters alone, 31 Alaskans have died in avalanches. This winter, school buses on Thane road in Juneau were hit two times by avalanche dust clouds. It is chilling to think of the possible outcomes. While often little can be done to prevent the occurrence of an avalanche, much can be done to prevent the loss of life from avalanches.

Senate concurrent Resolution 4 would proclaim November 2003 as Avalanche Awareness Month. This proclamation would raise public awareness of the hazards associated with avalanches, and the opportunities to participate in avalanche safety training at the beginning of the winter recreational season. It is hoped that public participation in avalanche safety programs will be increased and that this increased participation will result in saved lives during the winter.

US Avalanche Fatalities by State, 1998-2002

N=121

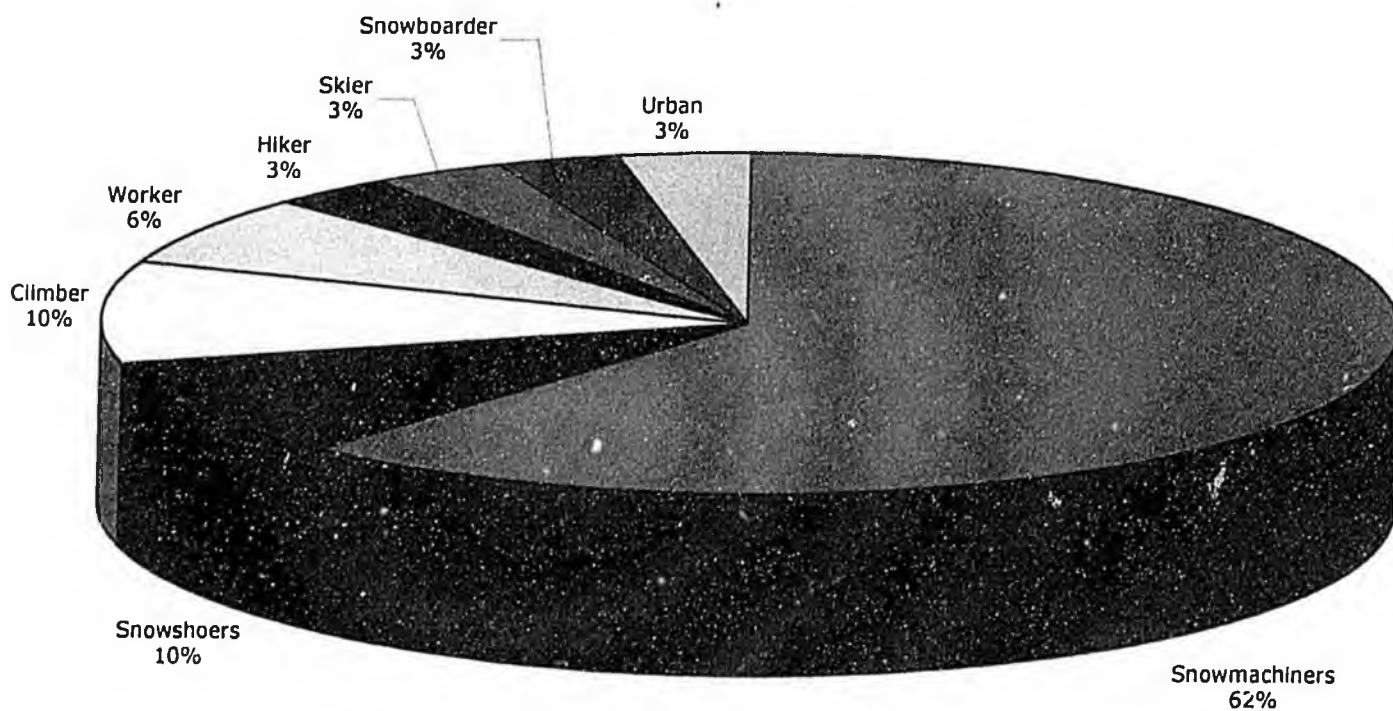
Compiled by Southeast Alaska Avalanche Center, 06-24-02



Alaska Avalanche Fatalities by Activity 98-02

N=31

Compiled by Southeast Alaska Avalanche Center, 06-24-02



FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SCR 4
 (S) Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: _____
 Title AVALANCHE AWARENESS MONTH BRU _____
 Component _____
 Sponsor Senator Green Component No. _____
 Requester Senate State Affairs Committee

Expenditures/Revenues (Thousands of Dollars)

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

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

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

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

FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY2003) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: SENATE STATE AFFAIRS COMMITTEE
 Division _____
 Approved by: Senator Gary Stevens, Chair
 Agency _____

Phone 465-4522
 Date/Time 3/4/03 2:03 PM
 Date 3/4/2003

SCR

6

**SENATE COMMITTEE REPORT
First Committee of Referral**

DATE: 3/17/03

FURTHER: Finance

Date of 5-Day Notice: 4/2/03
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 4/9/03

State Affairs Committee considered SENATE CONCURRENT RESOLUTION NO. 6

SCR 6 LOCATION OF NEW SEAFOOD LAB

Relating to the location of the state's new seafood laboratory.

and recommends:

Senate Bill:

same title

new title

House Bill:

same title

technical title

new: SCR # _____

be replaced with _____ CS _____ (_____)

adopt previous _____ CS _____ (_____)

attached amendment(s)

adopt Letter of Intent by _____ Committee

further referral to _____ Committee

NEW FISCAL NOTE(S):

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
STA	4/9/03		✓	1

Department	Date	Fiscal	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>John Caproni</i>			✓	
<i>John Caproni</i>	✓			
<i>John Caproni</i>			✓	
CHAIR: <i>John Caproni</i>			✓	

SCR 4

Seafood and Food Safety Laboratory Replacement Alaska Seafood International or Lease Purchase Comparison

The Department of Environmental Conservation and the Department of Transportation and Public Facilities hired Livingston Slone to determine the cost of constructing the lab in a portion of Alaska Seafood International (ASI). This analysis was completed March 31, 2003.

Costs

- As prepared, the construction costs are similar.
- The ASI estimated construction costs do not include the modifications necessary to eliminate restrictions on other tenants. For example, a separate foundation system would allow other tenants to operate vibration causing equipment.

Issues

- Due to the sensitive nature of lab equipment, other current or future tenants in ASI will be limited in the type of vibration causing equipment they can operate.
- Similarly, other ASI tenants may not perform work that produces extensive chemical fumes.
- A lease for the lab will be for the life of the building, meaning AIDEA or the State will always have occupancy rights to the lab portion of the building.

Financing Concerns

- The Department of Revenue has stated that Certificates of Participation (COP) are not a recommended option for funding construction of the lab in ASI.
- The Governor is introducing a bill to fund lab construction using COPs, in case that option is chosen. If ASI is the preferred alternative, a general fund appropriate will be necessary and the Governor's bills will not be needed.

Contacts

- Department of Environmental Conservation, Kristin Ryan - Director, Division of Environmental Health, 269-7644; Mike Maher - Director, Division of Information Services, 465-5256.
- Department of Revenue, Deven Mitchell, Debt Manager, 465-3750
- Department of Transportation and Public Facilities, Matt Tanaka, Project Manager, 266-2175
- Alaska Industrial Development and Export Authority, Jim McMillan, 269-3030
- Livingston Slone, Tom Livingston, 562-2058

Seafood and Food Safety Laboratory Replacement

4/3/03

	State owned building on State owned land	ASI building modificati
Funding Options	Certificates of Participation	GF Appropriation
Additional Capital Required		
Design ^(DOT/PF)	0.0	950.6 ⁽¹⁾
Construction ^(Livingston Slone Inc)	10,678.8	8,600.2
Contingencies ^(DOT/PF)	1,524.1	1,978.6
Equipment and Fixtures	1,264.0	1,264.0
Administration and other ^(DOT/PF)	618.1	581.0
Total	14,085.0	13,374.4

(1) Balance of \$1,300.0 design appropriation redirected to ASI design costs (~\$650.0 if decision by 4/15/03)

Additional Annual Operating Expenditures

Operations and Maintenance	200.0	200.0
Lease ^(AIDEA)		312.5
Annual Debt Service ^(DOA)	1,300.0	
paid by other funding sources		
Total	1,500.0	512.5

Contact: Kristin Ryan, Director, Division of Environmental Health, 269-7644

MEMORANDUM

STATE OF ALASKA
Department of Revenue

TO: Mike Maher
Administrative Services Director
Department of Environmental Conservation

DATE: March 28, 2003

FROM: Deven Mitchell
Debt Manager

TELEPHONE: 465-3750

SUBJECT: Food and Safety Laboratory Financing

The Department of Revenue has been asked to explain what impacts there might be from issuing Certificates of Participation to fund construction of a new Food and Safety Laboratory in the Alaska Seafood International (ASI) building. This is not a new matter for the Department as the Department of Environmental Conservation has been attempting to replace the lab over the past several years using different financing options. The type of financing that has been proposed in each of the last three legislative sessions is called Certificates of Participation. How this type of financing works is a lease is created and investors are asked to participate (Certificates of Participation (COPs)) in the lease. This means that the state can offer an investment that pays interest semi-annually until it matures at some point during the lease life, and use the investors' money to build the proposed facility. The lease payments are subject to annual appropriation by the legislature and as a result the COPs have achieved credit ratings one level below the state's general obligation ratings.

The lease in the COP structure is created by giving a trustee bank (that is obligated to act on behalf of COP purchasers) a title position on the facility being financed and the state entering a lease for the facility (in the amount of the annual interest and principal payments to investors). A failure to pay would result in the trustee bank claiming the facility on behalf of COP holders and either obtaining an alternate use or liquidating the facility to pay COP holders.

Folks have proposed using roughly 5 percent of the ASI facility to house the proposed Food and Safety Laboratory. If the cost of building the lab are funded with COPs it will require the Alaska Industrial Development and Export Authority (AIDEA) give a title interest to a trustee on the ASI building and the ground upon which it resides. From a credit perspective this is a significant credit enhancement as a failure to appropriate on the lab not only causes a loss of use of the proposed laboratory for the state, but also a loss of use of the entire ASI building. From AIDEA's perspective this financing would impact the ability to sell the ASI building (due to the title interest), and possibly also impact the rental value of the remaining 95% of the building due to the inability of AIDEA to provide a guarantee on space availability (in the event of a payment default by the state).



ALASKA STATE LEGISLATURE

SENATOR THOMAS H. WAGONER
CHAIR, SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
VICE-CHAIR, SENATE RESOURCES COMMITTEE

SPONSOR STATEMENT SCR 6 – LOCATION OF NEW SEAFOOD LAB

Two current issues pertain to this resolution. One is that the existing seafood lab in the Mat-Su will be closed soon and needs to be replaced.

The other is that the Alaska Industrial Development and Export Authority (AIDEA) currently owns a 250,000 square foot underutilized state-of-the-art seafood processing facility in Anchorage.

The funding history for replacement of the lab began in FY 1999 with a \$145,700 appropriation for a feasibility study. In FY 2001, at a cost of \$240,000, the Department of Environmental Conservation contracted for a conceptual design. A state-owned parcel adjacent to the Anchorage Department of Health and Social Services public health lab was determined as the most accessible and economical site for a new lab. In FY2002, an appropriation of \$1.3 million was allocated for a complete design.

This year, the legislature is being asked to approve a bond bill for construction costs of some \$14.285 million.

This resolution suggests that a better use of state funds would be to incorporate the proposed lab into the existing AIDEA owned building that currently houses Alaska Seafood International (ASI).

AIDA has provided \$50 million for constructions and long-term financing for the processing building and retains a 29% equity position in ASI and ownership of the plant and land underlying the plant.

The State could realize substantial cost savings by construction of the lab within this existing state owned facility.

SS SJR 6 – S(STA) 3-18-03 mj

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SCR 6
 (S) Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: _____
 Title Location of New Seafood Lab BRU _____
 Component _____
 Sponsor Senator Wagoner
 Requester Senate State Affairs Committee Component No. _____

Expenditures/Revenues (Thousands of Dollars)

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

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

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

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

FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY2003) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: SENATE STATE AFFAIRS COMMITTEE
 Division _____
 Approved by: Senator Gary Stevens, Chair
 Agency _____

Phone 465-4522
 Date/Time 4/7/03 11:42 AM
 Date 4/7/2003

SCR

8



Alaska State Legislature

Please enter into the record my testimony to the Senate State Affairs

committee name

Committee on SB 167 & SCR 8 / Introduction of measures
bill # / subject

Date, January 20, 2004

Testimony in SUPPORT of SB 167 and SCR 8.

I would like to begin my testimony by referring to Alaska State Statute Sec. 44.62.312, the state policy regarding meetings.

(a) It is the policy of the state that

(1) the governmental units mentioned in AS 44.62.310 (a) exist to aid in the conduct of the people's business;

(2) it is the intent of the law that actions of those units be taken openly and that their deliberations be conducted openly;

(3) the people of this state do not yield their sovereignty to the agencies that serve them;

(4) the people, in delegating authority, do not give their public servants the right to decide what is good for the people to know and what is not good for them to know;

(5) the people's right to remain informed shall be protected so that they may retain control over the instruments they have created."

These words were true when written and still applicable today. How do these words apply to the legislature? It should mean that **ALL** actions taken by the legislature and governor be open, honest and transparent.

The procedure of introducing legislation "by committee" is **not** being open, honest or transparent. It has been used many times in the past as a method for introducing controversial legislation so people would not get their "dirty hands". While this may be a politically acceptable practice to some, it is considered an abomination to the people the legislature is sworn to serve, and clearly contrary to the state statute quoted above. There may be some legitimate reasons for introduction of legislation "by committee", but those reasons are far outweighed by the failure to comply with statutes governing meetings held by elected officials to conduct the people's business.

Please help restore faith in our political process by passing SB 167 and SCR 8 out of the Senate so the House will have time to do the same prior to session end.

Thank you.

Signed: Mike McBride

Testifier

Self

Representing (optional)

PO Box 6 Kenni, Alaska 99611-0006

Address

(907) 776 5444

Phone number

ALASKA STATE LEGISLATURE



SENATOR GRETCHEN GUESS

Sponsor Statement **SB 167 and SCR 8**

"An Act relating to introduction of measures in the legislature; and providing for an effective date."

"Proposing amendments to the Uniform Rules of the Alaska State Legislature relating to the introduction of measures; and providing for an effective date for the amendments."

The purpose of these two bills is to eliminate committee bills, and allow only sixty-one people to introduce legislation: sixty legislators and the Governor. No other entity could introduce legislation.

Currently, each member or members of the legislature can introduce bills. Additionally, any committee can introduce bills with the majority of the committee members agreement. Governor's bills are introduced by the Rules Committee.

These bills would streamline the process and make the process more transparent to voters. If an idea is good enough for introduction, it should have an individual and individual's name on the bill. To voters looking in from the outside, committee bills are confusing – people do not know who is placing the idea for consideration and often all members of committee are considered co-sponsors (whether they agree with the bill or not).

Although at one time committee bills may have had a purpose in our process, I believe it is time to reevaluate the process. We should do all we can to make the legislative process clear to all Alaskans. I believe these bills provide a good first step.

I would appreciate your consideration of these bills.

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SCR 8
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Legislature
Title "Proposing amendments to the Uniform BRU Legislative Council
Rules of the Alaska Legislature relating to the....." Component: Session Expenses
Sponsor Senator Guess Legal and Research Svcs
Requestor Senate State Affairs Component No. 782

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
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
-----------------------------	------------	------------	------------	------------	------------	------------

CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
-------------------------------	------------	------------	------------	------------	------------	------------

FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (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	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

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

Prepared by: Karla Schofield, Deputy Director
Division: Administrative Services
Approved by: Pamela Varni, Executive Director
Agency: Legislative Affairs Agency

Phone 465-6626
Date/Time 1/19/04 8:14 AM
Date 1/19/2004

SCR

12

SENATE COMMITTEE REPORT

DATE: 5/19/03

FURTHER:

DATE TURNED
IN TO OFFICE: 3/26/04

State Affairs Committee considered SENATE CONCURRENT RESOLUTION NO. 12

SCR 12 BOROUGH INCORPORATION: UNORG AREAS

Requesting the Local Boundary Commission to consider borough incorporation for certain unorganized areas.

and recommends:

be replaced with _____ CS _____ (_____)

adopt previous _____ CS _____ (_____)

attached amendment(s)

adopt Letter of Intent by _____ Committee

further referral to _____ Committee

Senate Bill:

same title

new title

House Bill:

same title

technical title

new: SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
DCED	3/24/04		✓	

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>		✓		
CHAIR: <i>[Signature]</i>	✓			

Testimony on SCR 12 to Senate State Affairs Committee
by DENNY KAY WEATHERS
Hawkins Island, Alaska in Prince William Sound
DATE: March 25, 2004
Oppose SCR 12

Mr. Chair;

I see you as well as Senator Cowdry are cosponsors of SCR 12. I myself have been testifying on these borough bills for many years, and once again I will address a borough bill...

SCR 12 as written is misleading and misconstrued. as in;

Pg. 1 lines 4-6. If you read the Alaska's Constitution A Citizen's Guide hereinafter referred to as Guide published for the Legislature you will find on page 12, first paragraph the explanation of the last phrase of Article 1. Inherent Rights "All persons having corresponding obligations to the people and the state," The Guide says the above phrase; "is novel and has yet had no specific legal application or interpretation."

Pg. 1 lines 10-15. It was not the people of the unorganized borough that created the REAA nor were we allowed to vote on it. IT WAS CREATED BY THE LEGISLATURE. The REAA is just another government creation to suck up government money all in the name of children. The old program (CCS) was much more realistic and cost productive.

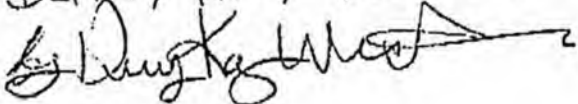
Pg. 1. lines 29-31 and Pg 2. lines 1-3. There is no legal application or interpretation for "CORRESPONDING OBLIGATIONS" as of yet but it should be noted that the so called PUBLIC SERVICES received in organized boroughs, municipalities and cities are not received in most of the remainder of Alaska's unorganized borough, we have NO road improvements, water supply, sewer systems, fire protection, school facilities, power companies, school buses, extra curricular activities, ice rinks, swimming pools, track and field, computer labs ect. but part of the raw fish tax from our unorganized borough goes to the States general fund which in turn is used within the organized boroughs.

Pg. 2. lines 27-28. This is a false, Art. X Sec. 1. Please see your constitution and read for yourself Art. X Sec. 1. it does not say anything about "encourages organization of boroughs. In fact if you go to pg. 92 of the Guide you will find at the bottom of the page the following...

[Also by implication, boroughs in those areas with insufficient population, wealth, and other prerequisites for local self-government are to remain "unorganized." The legislature has not created several unorganized boroughs; rather it considers all areas of the state outside of organized boroughs to be one large unorganized borough.]

Pg. 3. lines 1-3. This wording is not to be found within Art. X Sec. 12. Please let me know if the legislature is using a new or different constitution.

Thank you for allowing me to testify.

DENNY KAY WEATHERS




Alaska State Legislature

Please enter into the record my testimony to the Senate State Affairs Committee
 committee name
 committee on SCR 12 , dated March 25, 2004 .
 bill/subject

See Attached

Signed: *Ruth A. Abbott*
 Testifier
myself
 Representing (Optional)
HC 60 Box 4225 Delta Id, AK 99737
 Address
895-2002
 Phone No.

THE
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LEGISLATIVE AFFAIRS AGENCY
INFORMATION & TELECONFERENCING

PO Box 845

Tok, AK 99780

Phone: 883-5020 Fax: 883-5021

Date: 3/25/04

Please accept the enclosed original(s) of written testimony for the SSTA
teleconferenced hearing that was scheduled on 3/25/04

A copy of this testimony was transmitted to your committee via fax on 3/25/04

Thank you.

Tok LIO

Original mailed 3/26/04



Watching Over the Last Frontier
Preserving Alaska's Constitution



SCR-12 is based on information that was presented in the LBC's report of Feb 2003, "Unorganized Areas of Alaska that meet Borough Incorporation Standards". This report is fundamentally flawed with the inclusion of outdated information, inconsistent facts and inaccurate figures, along with speculation and guess based on bias by the staff of the DCED. Of particular interest, is that of the 2000 federal census data that was used. The census recovery for rural Alaska was less than 43 percent. Only 1 out of 6 samples was returned. Because of that, unrealistic data was used in determining the economic capacity of the 8 unorganized areas, i.e. the population trends; per capita income and personal income; per capita property values and land use development; employment and unemployment figures as well as the poverty levels; hence, all the charts and graphs that were published in the report were based on the inaccurate census information. According to the transcript from the LBC Feb 8, 2003 teleconference, the commissioners are in agreement with the disparaging census figures, yet did nothing to shed light on this painful admission; as a matter of fact, there was no mention of this in the final report that was presented to the Legislature. In addition, per the public testimony provided; one would, without a doubt, draw the conclusion that there was considerable opposition to the report and moreover, to the actual facts and figures that the DCED used in publishing the report.

The draft was presented for public review beginning on January 27, 2003, and ended when the Commission held it's **only** statewide public hearing on February 8, 2003. 13 days to study the 370 draft copies that were distributed throughout the State, and more importantly; to less than 1 percent of the people living in the 8 model boroughs (approximately 34,478). In addition, during the public hearing, 75 individuals from only 27 communities were able to testify for only 180 seconds each. Of those that testified, the majority commented on the delays of the LBC staff (DCED) in getting the report to the communities in time for adequate review, and more importantly so; the inconsistencies

and inaccuracies of the figures used in determining the standards of borough incorporation.

SCR-12 is a ~~legislative~~ legislative attempt to compel the LBC to make recommendations that the Alaska State Legislature circumvent long established procedures that have worked well for the last 45+ years. Several communities, when they felt it was the right time to do so, have been successful when they voluntarily used these procedures to form local governments.

In conclusion, this committee has no choice but to vote **NO** against SCR-12 based on the obviously inaccurate and blatantly flawed 2003 Borough report. The majority of public comment has been overwhelmingly against mandatory borough incorporation; the facts and figures that Senator Wilken uses in sponsoring SCR-12 are seriously deficient and lack credible merit. Vote no on SCR-12.

Respectfully yours,

Jeff Gayazza

A handwritten signature in black ink, appearing to read "JEFF GAYAZZA", written over a horizontal line.



**LEGISLATIVE AFFAIRS AGENCY
INFORMATION & TELECONFERENCING**

PO Box 845

Tok, AK 99780

Phone: 883-5020 Fax: 883-5021

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Thank you.

Tok LIO

Original mailed 3/26/04

(7)

My name is Glen Marunde and I am a 43 year resident of Tok, Alaska. My wife Dorothy and I have raised five children here in Tok. I make my living as an electrical and mechanical contractor. My work has taken me all over the State from Juneau to Adak to the North Slope to Valdez.

In November of 2000, the DCED published a booklet entitled "Background on Boroughs in Alaska." The booklet was written by Mr. Dan Bockhorst, a local government specialist on the the LBC Staff.

On page 14 under the heading of Borough Incorporation Procedures, Mr. Bockhorst states, "Current law expressly provides that borough incorporation proposals may only be initiated by voters." Then he points out "The following describes the voluntary incorporation process set out in current law"

The process states that incorporation proposals are initiated by at least 14% of those who voted in the last State General election.

Next, extensive public notice that a petition has been filed with the LBC.

The next step calls for public access to a complete set of petition documents.

Next comes a 7 week period for individuals and organizations to file comments with the LBC to either support or oppose the petition

Next comes a 2 week period for the petitioner to file a brief with the LBC.

Next comes a 4 week period for interested persons to comment on a DCED preliminary report.

(2)

Then comes an opportunity to review DCEDs final report at least three weeks prior to a LBC hearing on the matter

Next comes the opportunity to participate at the LBC hearing on the matter.

Then comes opportunity to review a written decision statement setting out the basis for the decision by the Commission. Then comes opportunity to seek reconsideration of the Commissions decision,

Next a requirement for review of the proposal under the ~~W~~Federal Voting Rights ~~k~~Act.

And finally Submission of a proposition to the vote of the proposed borough which requires approval from a majority of the area wide vote.

What a thorough, fair, and beautiful method to establish a new borough! What a wonderful process to comply with Article I, Section 2 of our constitution which states "All political power is inherent in the people. All government originates with the people, is founded on their will only, and is instituted for the good of the people as a whole"

The stature that dictates this process was passed by the ~~the~~ Legislature. And has been woking well to date,

1961

Now, also on page 14 of the LBC publication it is stated thaaae "However, it must be stressed that the Legislature has overridden those laws in the past to compel certain areas to organize," And now, some in the 23rd Legislature are seeking thru SCR-12 ~~and~~ ~~seeking~~ to override a statue passed by the ~~second~~ Legislature.

IN 1961

(31)

The method by which SCR-12 would impose mandatory bouroughs is in to opposition to, and in defiance of what Art I, Section 2 of our constitution so clearly states. SCR-12 would establish a borough government founded not upon their will only as called for in Art I, Section 2, but totally against their will, andd to make matters mush , much worse would form new governments without the vote of a single elected person.

By what authority can the 23rd Legislature ignore and override statute set down by 2nd ^{nd Legislature} Legislature???. By what authority can the 23rd Legislature and/or the LBC establish mandatory boroughs with a process that is diametricly opposite of what existing statute statute sets out and what Art 1; Section 2 so very clearly states??

Committee members, please protect our constitution and do show respect\ for and do not override a valid, current and workable statute ~~and~~ vote, do not pass on SCR-12.

→ Please

Sen. Wilken loves to make it sound as though there are no revenues going to the state from our area and thus we are not supporting our local public school in any way. And then he likes to be so presumptuous as to insinuate that since we are not supporting our school financially, we are also less interested and involved in the function of the school.

Sen. Wilken, you are wrong on all accounts, but then you know the secret to getting something done is to shout long enough and hard enough that we are depriving our children, and you will get all the politically correct ears to listen, whether based in truth or not.

The fact is, over \$4,000,000 is collected every year in taxes for the state for Pump Station #9 and pipeline access through our REAA. The size of the community has more to do with the involvement of the residents in their local school. In general, the smaller to community, the more the involvement. Therefor, it would seem that Delta would be more involved than, say, Fairbanks, no matter how much money is involved.

I have in my hand a copy of the Delta Wind dated Nov.6, 2003. In it our school superintendent, Dan Beck, comments on the lack of expected growth in school attendance. The school administrators expected a growth rate between the 2003 and 2004 fiscal years of more than 150 students. Instead the rate grew by "just over four students". Don't as me how you get "just over four", but that's how the paper reads. So what happened? There is a misconception about the so-called economic growth going on in the area. Ten years ago we had Ft. Greely. Then we didn't, now we have the Missile Defense. So what has really changed? You cannot compare the current influx of construction workers in the area to real, long term growth. Most of the jobs are going to out of town people with little stake in settling down here. Once their jobs are done, they will be going back home. The situation is similar with the Pogo Mine. It provides a few local people with work for the two months that the ice road is operational, by little else.

I also have in my hand a Fairbanks North Star Borough Tax Foreclosure List from March 4, 2002. It is 24 pages long with aprox.70 entries per page. That is over 1,500 listings. Our community has a large population of retired people, people on public assistance, and a high ratio of immigrants.

We are not retreating from society or shrinking from responsibility, but rather are choosing to live in an area that exchanges the "benefits" of a borough for smaller government.

Ruth Abbott



Alaska State Legislature

Please enter into the record my testimony to the Senate State Affairs Committee
committee name

committee on SCR 12 , dated March 25, 2004 .
bill/subject

SEE ATTACHED

Signed: Frederick W. Sheen FREDERICK W. SHEEN
Testifier

Representing (Optional)

P.O. Box 909 DELTA JUNCTION, AK 99737

Address

907-895-4675

Phone No.

Subject: SCR 12 Borough Incorporation
Fred Sheen PO Box 909 Delta Junction Alaska 99737 907-895-4675
President of the Delta Chamber of commerce acting as a private citizen

1. To incorporate to the Canadian border is an area too vast and is approximately the size of the state of NY with a total of 19 communities. The cost to run schools in such a vast area would be enormous.
2. Diverse populations such as Eagle Tok Northway & Delta should not be incorporated. The populations range from native communities to military communities like Delta.
3. Local boundary commission findings in the borough Incorporation Standards are flawed to say the least.
 - a. The average home value 144,044 for Delta not true. I work for a power company and visit all the homes in the area at least once a month. My wife and mother in-law are realtors. Most of the homes in this area are well over 20 years and in poor condition and not up to code. The report fails to state how home and property values were calculated. It has been stated that they just took an aerial photo and calculated by square footage of roofs. There is no recorder's office in Delta and no compilation of property values has ever been attempted.
 - b. Page 69 sites Missile Defense and pogo mine as obvious assets to the community. We haven't found a way yet to tax missiles. The Pogo projected life of the mine is only 10 years. The price of gold will determine the mine's viability which is market driven and uncertain. The production would also be large at first and then taper off. As for missile defense is entirely politically motivated and very controversial. The BRAC closure of Fort Greeley proved no industry wanted to come to Delta even if that property was leased at a much reduced rate. It also proved the military here was the only real industry as many people lost their jobs and homes and moved on.
 - c. The lack of infrastructure is the biggest factor of all. The full and true value of property of 469 million is a very arbitrary number. Most of the Delta area is remote with no roads power or communications. So basically this type of property is useless and worth nothing. You can not say an acre of land east of the gristle river is worth 2000 an acre with no infrastructure and no road to get to power or communication. The main offices of the major contractors are either temporary or based in Fairbanks or Anchorage because of lack of infrastructure.
 - d. The Local Boundary Commission does not give us any real figures or options for taxation and their effects on the communities. The report only claims that we could support our schools but doesn't state how.
4. Gary Wilken states that we need pay our fair share. I argue that the two pump stations and 83 miles of pipeline valued at 210.7 million pays our share! In

addition Gary claims the Fairbanks Northstar Borough residents has to pay 19,469,081 to support their schools what we doesn't mention is this is only 1/3 of the total costs of the schools the state pays the rest. Why don't they have to pay for all their own schools? I think the main driver here is the spotlight is on us now because billions of dollars are coming into the state through GBMD project which benefits everyone. We don't want to be like Fairbanks that taxes everything and then wants more. The short feast we are having will taper off after construction is complete. This looks very temporary and Fort Greeley will never have as many troops as it did in its peak.

5. The City of Delta has started a charter for its own REAA boundary a home rule borough because we don't want to be lumped together with 18 other communities.
6. Article 7 of The Alaska State Constitution Section 1 Public Education states this; The legislature shall by general law establish and maintain a system of public schools open to all children of the state, and may provide for other public educational institutions. Schools and institutions so established shall be free from sectarian control.
7. I urge you to vote No to SCR 12

Sheen 7/2



Alaska State Legislature

Please enter into the record my testimony to the Senate State Affairs Committee
committee name

committee on SCR 12 , dated March 25, 2004 .
bill/subject

See attached

Signed:

P. R. Miller

Testifier

Veterans Group Seniors, Common Sense

Representing (Optional)

POB 384 Delta Jct, AK 99737

Address

907 995-4493

Phone No.

Once upon a time - this is the way to start a fairy tale, isn't it? There was a future Borough named Deltana, or Gateway, or something else.

The story goes like this. One morning the Deltana Borough District Attorney's office called and asked me to stop by to help in the problem of one of my property lines. I told the Deltana Borough District Attorney's Clerk that I'd stop by after I went for my mail.

As I left my house, I noticed the nice curbs and the wide smooth sidewalks. I stopped for the stop sign and noticed that the grass had been recently cut around the red fire hydrant. I turned the corner and slowed for a Deltana Borough Public Works truck and crew working in a stormsewer. As I got closer to the Deltana Borough Public Park, I saw that there were some prisoners from the Deltana Borough Jail under the watchful eye of a Deltana Borough Deputy Sheriff, cutting grass and trimming the shrubbery. Further down the street, another detail of Deltana Borough prisoners were painting the Bleachers in the Deltana Borough Ball Park.

I arrived at the Deltana Borough Courthouse and parked in the Deltana Borough Administrative Building parking lot. I didn't use the handicapped area as I felt good walking across the nice smooth paved surface. I continued to the Deltana Borough District Attorney's office where the Clerk showed me in to the Deltana Borough District Attorney's office.

The problem was that one of my boundary line was being disputed and he was asked to investigate. He suggested that I go to the Deltana Borough Recording Office and get copies of my property description and that of the disputed line. The Deltana Borough Recording Clerk gave me the necessary data and some Deltana Borough forms that I would need. The Deltana Borough Recording clerk also suggested that I go to the Deltana Borough Surveyors Office for any data that he might have that was not recorded.

I filed the forms and left the paperwork at the Deltana Borough District Attorney's office and left for home. Along the way I noticed the new SUV with the Deltana Borough logo of the Deltana Borough Department of Corrections on the side. Wondered what the number would be on the top. This SUV was parked next to a Deltana Borough pick-up truck from the Deltana Borough Department of fish and Game.

I decided if I could my drivers license renewed early and went to the Deltana Borough Department of Motor Vehicles. I was too early! At the Deltana Borough Department of Motor Vehicles I noted the new Deltana Borough Department of Motor Vehicles Driving Instructors car

I decided to take the scenic route home, and saw the new Deltana Borough Department of Sanitation Incinerator and power plant, several Deltana Borough Department of Sanitation solid waste collection trucks were in evidence. I hit a couple of pot holes and wondered when the Deltana Borough Department of Highways would be around to repair them. As I got near to the Deltana Borough animal shelter there were a couple of Deltana Borough animal control officers having a time with a big huskie. Good luck!

I got home and my answering machine had calls from the Deltana Borough Library, Deltana Borough Museum, Deltana Borough fire marshal, Deltana Borough Borough Department of Tourism and Marketing and Deltana Borough Office of Terrorism and Security. I checked my mail and had letters from Deltana Borough of Soil and Conservation, Deltana Borough Farm and Home Office, Deltana Borough Winter Sports Center, Deltana Borough Department of Water Conservation, Deltana Borough Athletic Association, Deltana Borough School Board, and the Deltana Borough Junior College.

About this time I run out of what a real borough is and what is presented is not a borough!

So the MORAL of this all is what we will be getting is not a borough in the best of definitions. Remember since 1946 with the inception of FM Radio and Television, boroughs were obsolete.

Thanks for your time.

PR Miller



Alaska State Legislature

Please enter into the record my testimony to the Senate State Affairs Committee

LEGISLATIVE INFORMATION OFFICE
PO BOX 1189
DELTA JCT., AK 99737
PHONE: (907) 895-4236
FAX: (907) 895-5017

FACSIMILE TRANSMITTAL SHEET

TO:	Senate State Affairs	FROM:	Elizabeth A. Sarver <i>EAS</i>
COMPANY:	Alaska State Legislature	DATE:	3/25/2004
FAX NUMBER:	465-3517	TOTAL NO. OF PAGES INCLUDING COVER:	11
PHONE NUMBER:		SENDER'S REFERENCE NUMBER:	
RE:	Senate State Affairs Teleconference	YOUR REFERENCE NUMBER:	



Alaska State Legislature

Please enter into the record my testimony to the Senate State Affairs Committee
committee name

committee on SCR 12 , dated March 25, 2004 .
bill/subject

See Attached

Signed: *Ruth A. Abbott*
Testifier

myself
Representing (Optional)

HC-60 Box 4225 Delta Id., AK 99737
Address

895-2002
Phone No.

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Ruth Abbott



Alaska State Legislature

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committee name

committee on SCR 12 , dated March 25, 2004 .
bill/subject

SEE ATTACHED

Signed: Frederick W. Shoben FREDERICK W. SHOBN
Testifier

Representing (Optional)

P.O. Box 909 DELTA JUNCTION, AK 99737

Address

907-895-4675

Phone No.

Subject: SCR 12 Borough Incorporation
Fred Sheen PO Box 909 Delta Junction Alaska 99737 907-895-4675
President of the Delta Chamber of commerce acting as a private citizen

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2. Diverse populations such as Eagle Tok Northway & Delta should not be incorporated. The populations range from native communities to military communities like Delta.
3. Local boundary commission findings in the borough Incorporation Standards are flawed to say the least.
 - a. The average home value 144,044 for Delta not true. I work for a power company and visit all the homes in the area at least once a month. My wife and mother in-law are realtors. Most of the homes in this area are well over 20 years and in poor condition and not up to code. The report fails to state how home and property values were calculated. It has been stated that they just took an aerial photo and calculated by square footage of roofs. There is no recorder's office in Delta and no compilation of property values has ever been attempted.
 - b. Page 69 sites Missile Defense and pogo mine as obvious assets to the community. We haven't found a way yet to tax missiles. The Pogo projected life of the mine is only 10 years. The price of gold will determine the mines viability which is market driven and uncertain. The production would also be large at first and then taper off. As for missile defense is entirely politically motivated and very controversial. The BRAC closure of Fort Greeley proved no industry wanted to come to Delta even if that property was leased at a much reduced rate. It also proved the military here was the only real industry as many people lost there jobs and homes and moved on.
 - c. The lack of infrastructure is the biggest factor of all. The full and true value of property of 469 million is a very arbitrary number. Most of the Delta area is remote with no roads power or communications. So basically this type of property is useless and worth nothing. You can not say an acre of land east of the gristle river is worth 2000 an acre with no infrastructure and no road to get to power or communication. The main offices of the major contractors are either temporary or based in Fairbanks or Anchorage because of lack of infrastructure.
 - d. The Local Boundary Commission does not give us any real figures or options for taxation and their effects on the communities. The report only claims that we could support our schools but doesn't state how.
4. Gary Wilken states that we need pay our fair share. I argue that the two pump stations and 83 miles of pipeline valued at 210.7 million pays our share! In

addition Gary claims the Fairbanks Northstar Borough residents has to pay 19,469,081 to support their schools what we doesn't mention is this is only 1/3 of the total costs of the schools the state pays the rest. Why don't they have to pay for all their own schools? I think the main driver here is the spotlight is on us now because billions of dollars are coming into the state through GBMD project which benefits everyone. We don't want to be like Fairbanks that taxes everything and then wants more. The short feast we are having will taper off after construction is complete. This looks very temporary and Fort Greeley will never have as many troops as it did in its peak.

5. The City of Delta has started a charter for its own REAA boundary a home rule borough because we don't want to be lumped together with 18 other communities.
6. Article 7 of The Alaska State Constitution Section 1 Public Education states this; The legislature shall by general law establish and maintain a system of public schools open to all children of the state, and may provide for other public educational institutions. Schools and institutions so established shall be free from sectarian control.
7. I urge you to vote No to SCR 12

Sheep 192



Alaska State Legislature

Please enter into the record my testimony to the Senate State Affairs Committee
committee name

committee on SCR 12 , dated March 25, 2004 .
bill/subject

See attached

Signed: P. C. Miller
Testifier

VETERANS SENIORS, COMMON SENSE
Representing (Optional)

POB 384 BETHLEHEM, AK 99737
Address

907 895-4493
Phone No.

Once upon a time - this is the way to start a fairy tale, isn't it? There was a future Borough named Deltana, or Gateway, or something else.

The story goes like this. One morning the Deltana Borough District Attorney's office called and asked me to stop by to help in the problem of one of my property lines. I told the Deltana Borough District Attorney's Clerk that I'd stop by after I went for my mail.

As I left my house, I noticed the nice curbs and the wide smooth sidewalks. I stopped for the stop sign and noticed that the grass had been recently cut around the red fire hydrant. I turned the corner and slowed for a Deltana Borough Public Works truck and crew working in a stormsewer. As I got closer to the Deltana Borough Public Park, I saw that there were some prisoners from the Deltana Borough Jail under the watchful eye of a Deltana Borough Deputy Sheriff, cutting grass and trimming the shrubbery. Further down the street, another detail of Deltana Borough prisoners were painting the Bleachers in the Deltana Borough Ball Park.

I arrived at the Deltana Borough Courthouse and parked in the Deltana Borough Administrative Building parking lot. I didn't use the handicapped area as I felt good walking across the nice smooth paved surface. I continued to the Deltana Borough District Attorney's office where the Clerk showed me in to the Deltana Borough District Attorney's office.

The problem was that one of my boundary line was being disputed and he was asked to investigate. He suggested that I go to the Deltana Borough Recording Office and get copies of my property description and that of the disputed line. The Deltana Borough Recording Clerk gave me the necessary data and some Deltana Borough forms that I would need. The Deltana Borough Recording clerk also suggested that I go to the Deltana Borough Surveyors Office for any data that he might have that was not recorded.

I filed the forms and left the paperwork at the Deltana Borough District Attorney's office and left for home. Along the way I noticed the new SUV with the Deltana Borough logo of the Deltana Borough Department of Corrections on the side. Wondered what the number would be on the top. This SUV was parked next to a Deltana Borough pick-up truck from the Deltana Borough Department of Fish and Game.

I decided if I could my driver's license renewed early and went to the Deltana Borough Department of Motor Vehicles. I was too early! At the Deltana Borough Department of Motor Vehicles I noted the new Deltana Borough Department of Motor Vehicles Driving Instructors car.

I decided to take the scenic route home, and saw the new Deltana Borough Department of Sanitation Incinerator and power plant, several Deltana Borough Department of Sanitation solid waste collection trucks were in evidence. I hit a couple of pot holes and wondered when the Deltana Borough Department of Highways would be around to repair them. As I got near to the Deltana Borough animal shelter there were a couple of Deltana Borough animal control officers having a time with a big huskie. Good luck!

I got home and my answering machine had calls from the Deltana Borough Library, Deltana Borough Museum, Deltana Borough fire marshal, Deltana Borough Department of Tourism and Marketing and Deltana Borough Office of Terrorism and Security. I checked my mail and had letters from Deltana Borough of Soil and Conservation, Deltana Borough Farm and Home Office, Deltana Borough Winter Sports Center, Deltana Borough Department of Water Conservation, Deltana Borough Athletic Association, Deltana Borough School Board, and the Deltana Borough Junior College.

About this time I run out of what a real borough is and what is presented is not a borough!

So the MORAL of this all is what we will be getting is not a borough in the best of definitions. Remember since 1946 with the inception of FM Radio and Television, boroughs were obsolete.

Thanks for your time.

PR Miller



Alaska State Legislature

Please enter into the record my testimony to the Senate State Affairs Committee
committee name

committee on SCR 12, dated March 25, 2004
bill/subject

Attached is the front page of the
March 2002 Foreclosure List for the
Fairbanks North Star Borough. It continues
for 24 pages with an average of 70
listings per page.

Signed: Russell Brouder
Testifier

Self
Representing (Optional)

P.O. Box 1048, Delta Jet, AK 99737
Address

(907) 895-4328
Phone No.

Fairbanks North Star Borough

FORECLOSURE LIST

CERTIFICATION

I, MONA LISA DREXLER, the duly appointed and qualified Municipal Clerk of the Fairbanks North Star Borough, Alaska, do hereby certify that the foregoing 2002 Delinquent Real Property Tax Foreclosure List, for the 2001 & prior tax years, is a true and correct roll of the delinquent real property taxes, subject to foreclosure, of the Fairbanks North Star Borough, City of Fairbanks and City of North Pole, Alaska for the year stated.

DATED THIS 04TH DAY OF MARCH, 2002

**MONA LISA DREXLER, CMC
MUNICIPAL BOROUGH CLERK**

NOTICE OF FORECLOSURE OF REAL PROPERTY TAX LIENS

NOTICE IS HEREBY GIVEN that on the 04th day of March, 2002, the Fairbanks North Star Borough, Alaska, filed in the Superior Court, Fourth Judicial District, a certified copy of the foreclosure list for delinquent real property tax in the Fairbanks North Star Borough for the years 2001 and prior, together with a petition for Judgment and Decree of Foreclosure, Case No. 4FA-02- 00523

The Judgment and Decree of Foreclosure asks that Real Property Tax Liens against each parcel of the hereinafter described Real Property situated in the Fairbanks North Star Borough, Alaska, be foreclosed for the tax years 2001 and prior; that the Court give Judgment and Decree for the delinquent tax, penalty, interest and costs appearing to be due on the several parcels of real property hereinafter described: that the court enter an order authorizing that the several parcels of land against which Judgment and Decree of Foreclosure be entered; be sold to said Fairbanks North Star Borough for the respective amounts of taxes, penalty, interest and costs for which the properties are severally liable; and that said Judgment and Decree be entered not less than thirty (30) days after the last date of publication of this notice.

SAID FORECLOSURE LIST of delinquent taxes stating the names of the persons or reputed persons appearing on the latest assessment records as the respective land owners, a description of the property, amount of delinquent tax, penalty, interest and costs, plus any outstanding prior year charges is as follows:

For Information call FNSB Collection Office 459-1441

LN	Owner Name/Parcel ID	Tax Amt	Penalty	Interest	Fees	01 Total	Prior Yrs	Grand Tot
16488	A & P CONSTRUCTION INC INIE 26 2600	5,466.00	546.60	215.64	30.00	6,258.24	14,879.25	21,137.49
40708	AI ROOFING & INSULATION INC ETRO INDUSTRIAL 03 11	2,484.82	248.48	98.02	30.00	2,861.32		

PAN	Owner Name/Parcel ID	Tax Amt	Penalty	Interest	Fees	01 Total	Prior Yrs	Grand Tot
0450600	ADAMS ALTHEA TIMBERPARK. ESTAT 01 16	144.96	14.50	5.71	30.00	195.17	245.32	440.49
0450618	ADAMS ALTHEA							

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For information call FNSB Collection Office 459-1441

02/28/2002 PAN	SUMMARY FORECLOSURE REPORT Owner Name/Parcel ID	Tax Amt	Penalty	Interest	Fees	01 Total	Prior Yrs	Grand Tot
0216488	A & P CONSTR UCTION INC IN IE 26 2600	5,466.00	546.60	215.64	30.00	6,258.24	14,879.25	21,137.49
0140708	A1 ROOFING & INSULATION INC METRO INDUSTRIAL 03	2,484.82	248.48	98.03	30.00	2,861.33	3,992.71	6,854.04
0038431	ABBOTT JOHN W ETAL TOWNSITE 95 10A	669.16	66.92	26.39	30.00	792.47	888.91	1,681.38
0038440	ABBOTT JOHN W ETAL TOWNSITE 95 10B	462.78	46.28	18.25	30.00	557.31	639.43	1,196.74
0307742	ABEL BARBARA FILEDRIVER P ARK 05	929.36	92.94	36.66	30.00	1,088.96	0.00	1,088.96
0450448	ADAMS ALTHEA TIMBERP ARK EST AT 01	105.42	10.54	4.15	30.00	150.11	200.22	350.33
0450456	ADAMS ALTHEA TIMBERP ARK EST AT 01	105.56	10.56	4.16	30.00	150.28	200.36	350.64
0450464	ADAMS ALTHEA TIMBERP ARK EST AT 01	105.98	10.60	4.18	30.00	150.76	200.85	351.61
0450472	ADAMS ALTHEA TIMBERP ARK EST AT 01	104.22	10.42	4.11	30.00	148.75	198.85	347.60
0450499	ADAMS ALTHEA TIMBERP ARK EST AT 01	104.18	10.42	4.11	30.00	148.71	198.80	347.51
0450502	ADAMS ALTHEA TIMBERP ARK EST AT 01	104.18	10.42	4.11	30.00	148.71	198.80	347.51
0450529	ADAMS ALTHEA TIMBERP ARK EST AT 01	104.18	10.42	4.11	30.00	148.71	198.80	347.51
0450537	ADAMS ALTHEA TIMBERP ARK EST AT 01	141.74	14.17	5.59	30.00	191.50	241.62	433.12
0450553	ADAMS ALTHEA TIMBERP ARK EST AT 01	131.42	13.14	5.18	30.00	179.74	229.88	409.62

02/28/2002 PAN	SUMMARY FORECLOSURE REPORT Owner Name/Parcel ID	Tax Amt	Penalty	Interest	Fees	01 Total	Prior Yrs	Grand Tot
0450600	ADAMS ALTHEA TIMBERP ARK EST AT 01	144.96	14.50	5.71	30.00	195.17	245.32	440.49
0450618	ADAMS ALTHEA TIMBERP ARK EST AT 01	125.08	12.51	4.93	30.00	172.52	222.66	395.18
0450626	ADAMS ALTHEA TIMBERP ARK EST AT 01	110.66	11.07	4.36	30.00	156.09	206.20	362.29
0450642	ADAMS ALTHEA TIMBERP ARK EST AT 01	129.40	12.94	5.10	30.00	177.44	227.54	404.98
0450669	ADAMS ALTHEA TIMBERP ARK EST AT 01	130.22	13.02	5.13	30.00	178.37	228.49	406.86
0450677	ADAMS ALTHEA TIMBERP ARK EST AT 01	117.78	11.78	4.64	30.00	164.20	214.29	378.49
0450685	ADAMS ALTHEA TIMBERP ARK EST AT 01	118.28	11.83	4.66	30.00	164.77	214.88	379.65
0450707	ADAMS ALTHEA TIMBERP ARK EST AT 01	129.22	12.92	5.09	30.00	177.23	227.37	404.60
0450758	ADAMS ALTHEA TIMBERP ARK EST AT 02	104.30	10.43	4.11	30.00	148.84	198.92	347.76
0450766	ADAMS ALTHEA TIMBERP ARK EST AT 02	104.30	10.43	4.11	30.00	148.84	198.92	347.76
0450774	ADAMS ALTHEA TIMBERP ARK EST AT 02	104.30	10.43	4.11	30.00	148.84	198.92	347.76
0450782	ADAMS ALTHEA TIMBERP ARK EST AT 02	106.94	10.69	4.21	30.00	151.84	201.95	353.79
0450821	ADAMS ALTHEA TIMBERP ARK EST AT 02	106.92	10.69	4.21	30.00	151.82	201.93	353.75
0450847	ADAMS ALTHEA TIMBERP ARK EST AT 02	108.48	10.85	4.27	30.00	153.60	203.68	357.28

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