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Alaska ethics laws fall short, need revision, lawmakers say

■ **CONCLUSION:** Renkes broke law by not asking for ethical determination.

By **MATT VOLZ**
The Associated Press

JUNEAU — An outside investigator shined a light on a murky area of Alaska ethics law when he found that the attorney general's potential to profit from a state business agreement did not rise to the standard for lawbreaking.

Alaska law does not say how much is too much when a state employee has a financial stake in a company.

That lack of a standard is what caused former U.S. attorney Robert Bundy to conclude that Attorney General Gregg Renkes' role in a trade agreement between Alaska and Taiwan could have benefited KFX Inc. — a company in which Renkes owned more than \$100,000 in stock — but wasn't an illegal conflict of interest.

Bundy's report to Gov. Frank Murkowski concluded, however, that Renkes broke the law by failing to ask for an ethical determination before playing a major role in the coal deal that involved technology by KFX Inc.

The lack of standards muddied Renkes' case and made it a close call, Bundy said.

"This controversy could have been avoided had a statute or regulation provided specific standards on when stock ownership constitutes a conflict of interest," Bundy's report said. "Accordingly, we recommend that the governor take steps to establish these standards."

Lawmakers agreed that changes need to be made.

"I think Bundy did a good job of outlining the black hole," said Rep. Beth Kerttula, D-Juneau. "It's incumbent on us to get this fixed and get this fixed quickly."

House Majority Leader John Coghill, North Pole, said the Legislature needs to address what he called a gray area of the law.

"The answer is yes. When, I don't know," he said. "The first thing we want to consider is that this thing runs its course before taking it up. We want to let the news die down, so we can be a little more deliberate."

Renkes owned 0.02 percent of KFX's outstanding shares, the value of which peaked at more than \$126,000.

Bundy used a 1989 attorney general's opinion to determine whether Renkes owned enough stock to be con-



DAVID J. SWEAKLEY / The Associated Press

Gregg Renkes talked about the allegations of ethics violations in Juneau on Tuesday. An investigator cleared him of some wrongdoing.

“
I think Bundy did a good job of outlining the black hole.
”

— Rep. Beth Kerttula, D-Juneau

sidered a conflict. That opinion measured excessive personal interest at owning 1 percent or more of a company's outstanding shares.

Bundy's findings ranged on that standard.

Several states — including Connecticut, Delaware, Florida, Massachusetts, New Jersey, Ohio and Pennsylvania — use a percentage of a company's outstanding shares to draw the line for conflict of interest, Bundy's investigation found. Others — Idaho, Oregon, Washington — draw the line at a certain dollar value of the stock.

And others use a combination, such as Kentucky's law of \$10,000 or 5 percent of the shares in a company.

At a news conference on Tuesday, Bundy said he would recommend \$10,000 or 1 percent as the standard for Alaska.

Murkowski has asked Bundy to draft legislation that would create a standard for Alaska.

introduced as soon as possible, regardless of the furor over Renkes, he said.

"Politics, in my opinion, shouldn't conflict with reasonable ethical review to make sure that other folks are not caught in this kind of dilemma," Murkowski said.

House Judiciary Committee member Les Gara, D-Anchorage, said the law should set limits on the dollar value of the investment, and not be based on percentage of outstanding shares.

The places that use the latter standard are protecting the interests of business, not the state, Gara said.

"Those are the states that want to let the fox guard the chicken house," Gara said.

He said under the standard used in Bundy's report, a lawmaker hypothetically could own \$15 million in Conoco Phillips stock and still be in compliance with ethics laws when deciding who builds a gas pipeline from the

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February 17, 2005

The Honorable Frank Murkowski
Governor
State of Alaska
P.O. Box 110001
Juneau, Alaska 99811-0001

Re. Proposed Revisions to the Code of Ethics

Dear Governor Murkowski:

Thank you for asking us to propose improvements to the Code of Ethics to better provide guidance on those issues raised by our investigation. Building upon our research and investigation in the Renkes matter, we have reviewed the statutory schemes from a variety of states. Although no language from any one state's statutory scheme addresses completely the issues we see, we started with language and ideas from several different statutes as the basis for our proposed revisions.

First, we would add language to AS 39.52.110 to clarify when a public officer's interest in a specific matter is insignificant. As was the case in the Renkes matter, a public officer's interest in a specific matter may derive from that officer's interest in a corporation or other organization. We believe the following language would provide additional guidance and direction for evaluating the significance of such interests.

(c) For purposes of section (b)(1), a public officer's personal or financial interest in a matter is not insignificant if a business entity may realize a reasonably foreseeable material benefit or detriment as a result of the action of the official, and the public officer--

(1) has a controlling interest in the business entity;

(2) owns more than one percent (1%) of the voting and/or equity interest in the business entity;

(3) owns more than \$10,000 of the fair market value of the business entity;

(4) is a member of the board of directors or other governing board of the business entity;

The Honorable Frank Murkowski
February 17, 2005
Page 2

(5) serves as an elected officer of the business entity; or

(6) is an employee of the business entity.

Thus, if an officer has an interest in, or relationship with, a business entity, he or she must determine whether that business entity has a material interest in the matter. We do not recommend attempting to define "material." Materiality is a well-recognized legal concept that allows for the myriad of situations encountered in the real world.

This language would best fit in subsection (c) to AS 39.52.110. The current subsection (c) would then become subsection (d). We have attached a red-lined version of this statute showing our suggested changes.

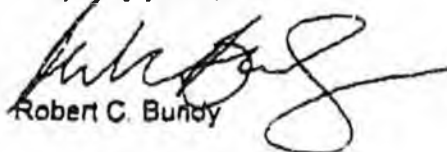
Second, we recommend further clarifying the exception for "large class of persons to which the public officer belongs" in subsection (b)(1). Mirroring the language used in the Legislative Ethics Act, AS 24.60.990(b)(1), we would add "as a member of a profession, occupation, industry, or region" to the end of this subsection such that it would read:

(b) Unethical conduct is prohibited, but there is no substantial impropriety if, as to a specific matter, a public officer's

(1) personal or financial interest in the matter is insignificant, or of a type that is possessed generally by the public or a large class of persons to which the public officer belongs as a member of a profession, occupation, industry, or region;

Thank you for the opportunity to provide our proposed revisions to you. Please do not hesitate to call if you have any questions or concerns. Of course, at your direction, we will make our research on these issues available to any state agency working on this matter.

Very truly yours,


Robert C. Bundy

BEFORE THE STATE OF ALASKA PERSONNEL BOARD

IN THE MATTER OF:

INVESTIGATION OF
ETHICS COMPLAINT
AGAINST
GREGG D. RENKES

RECOMMENDATION OF INDEPENDENT COUNSEL

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I.	Introduction	1
II.	Summary of the Facts.....	2
III.	Legal Analysis.....	7
A.	The Applicable Ethics Act Provisions.....	7
B.	General Rules of Statutory Interpretation.....	8
C.	Application of the Legal Principles to the Facts Here	10
1.	Whether a Financial Interest is "Insignificant" Should be Determined on a Case-By-Case Basis	10
2.	The Fact That Renkes Owned Less Than One Percent of KFx Stock Does Not Make His Interest in the Matter "Insignificant"	12
3.	The Fact that Renkes' Financial Interest in the Coal Negotiations was Speculative is Relevant but Not Determinative of Whether His Interest was "Insignificant"	13
4.	Whether Renkes' Financial Interest was "Insignificant" is Determined by Examining the Risk That His Judgment Would Be Affected by That Interest	17
IV.	Summary and Conclusions.....	21

I. Introduction

In the settlement agreement between former Attorney General Gregg Renkes and the Alaska Personnel Board, the parties agreed, among other things, that,

The Independent Counsel shall be permitted to complete its legal analysis of whether Renkes' ownership of stock in KFx, Inc., constituted an "insignificant" financial interest in the coal negotiations between Alaska and the Republic of China within the meaning of section 39.52.110(b)(1) of the Ethics Act.

I have not conducted an independent factual investigation regarding former Attorney General Renkes' participation in the coal negotiations between the State of Alaska and the Republic of China because I terminated my investigation after his resignation and the subsequent settlement agreement. Consequently, this legal analysis is based upon the factual information contained in the Report to Governor Frank Murkowski Regarding Investigation of Alaska Attorney General Gregg Renkes, dated January 22, 2005, prepared by attorney Robert C. Bundy ("the Bundy Report").

This has not been an easy task because the Ethics Act itself, the regulations adopted under it, and the Attorney General opinions interpreting it, do not provide any clear guidelines for determining when a public officer's financial interest in a matter is "insignificant." In my analysis of the legal question presented, I examined Alaska law regarding the interpretation of statutes, the legislative history of the Ethics Act, previous Attorney General opinions interpreting the Ethics Act, the Ethics Acts of other states, and relevant rules of professional conduct for lawyers. I have attempted to apply the Ethics Act provisions to the facts of this matter, keeping in mind that one of the purposes of the Act is to insure that "public officers conduct the public's business in a

manner that preserves the integrity of the governmental process and avoids conflicts of interest." See AS 39.52.010(a)(4).

For the reasons explained below, I have concluded that the former Attorney General's ownership of 12,000 shares of KFx stock, ranging in value from approximately \$70,000 to \$125,000, while negotiating and drafting the Alaska/Taiwan Memorandum of Understanding for the development of Alaska coal using KFx technology to process the coal, constituted a significant financial interest in the matter within the meaning of section 39.52.110(b)(1) of the Alaska Executive Branch Ethics Act.

II. Summary of the Facts

From late 2003 until the fall of 2004, former Attorney General Gregg Renkes actively participated in efforts on behalf of the State of Alaska to encourage the sale of Alaska coal to customers in Taiwan, formally known as the Republic of China. As part of those efforts, Renkes arranged for delegations of Taiwan government officials and industry representatives to visit Alaska and meet with potential suppliers and processors of coal. He also played a significant role in negotiating a Memorandum of Understanding between the State of Alaska and Taiwan that provided a formal statement of the two governments' intention to encourage Taiwan purchases of Alaska coal.

Coal from the Beluga and Chuitna fields on the west side of Cook Inlet has been largely undeveloped because the coal is sub-bituminous, a lower grade coal with a relatively low energy content and a high moisture content. One method for addressing the problem of the high moisture content of this coal is the "K-fuel process," thus

making it more commercially attractive. The K-fuel process is owned by KFx, Inc., a Denver, Colorado based corporation. KFx is in the process of constructing the first commercial-size coal processing facility to reduce the moisture content of sub-bituminous coal. By late 2003, the K-fuel process was the only coal beneficiation process approaching commercial viability.

In November 2003, Taiwan president Chen Shui-bien and a delegation of Taiwanese government and business officials met with Governor Murkowski in Anchorage to discuss Taiwan's purchase of coal from Alaska. As a result of that meeting, Governor Murkowski designated Attorney General Renkes and Margy Johnson, Director of the Office of International Trade of the Office of the Governor, as the principal contacts on further coal development discussions. Governor Murkowski also asked Renkes to contact representatives of KFx to see if they had any interest in educating the Taiwanese about KFx technology. In December 2003, Renkes contacted John Venners, one of the founders and a principal in KFx. Renkes was a personal friend of Venners as a result of his work on Senator Frank Murkowski's staff in Washington, D.C. during the time that Venners was a consultant and lobbyist on energy matters. John Venners is the brother of Ted Venners, President and CEO of KFx.

At the time Renkes contacted Venners about the possible participation of KFx in a trade agreement between the State of Alaska and the Taiwanese, Renkes owned stock in KFx. Renkes had first acquired 12,000 shares of KFx stock at \$2 per share in 2000. When Renkes contacted KFx to determine if it was interested in playing a role in the coal negotiations, his KFx stock had a market value of around \$70,000. Over the

following year it would climb to a high of \$124,680.¹ His shares represented .02 % of KFx's 54,000,000 outstanding shares.

In January 2004, while on a trip to Taiwan, Renkes met with Taiwan National Security Advisor Kang Ning-Hsiang, one of the people he had met during the Taiwan President's trip to Anchorage in November 2003. They discussed a possible trip to Alaska to further discuss development of Alaska coal. After Renkes returned to Alaska, he began actively working to put together a visit from the Taiwan delegation. Among other things, he drafted a letter for Governor Murkowski's signature addressed to Secretary General Kang, formally inviting "a team of experts from Tai Power and China Steel Corporation" to travel to Alaska to visit a potential coal mine and discuss the possibility of development. The date of the visit was set for March 2004.

During this same period of time, Renkes was regularly communicating with John Venners, his contact at KFx. Venners also was involved with Kanturk Partners, an investment group of Americans and Asians, who, among other things, were

¹ According to the Bundy Report, Renkes' stock broker purchased additional shares of KFx stock beginning in November 2003, in an account over which Renkes had no control, and without the knowledge of Renkes. Apparently the broker purchased 3,500 shares of KFx but then sold them again in the period from mid-January 2004 to late March 2004. The broker purchased 900 additional shares of KFx stock in April through June 2004, and another 200 shares in August 2004, for a total of 1,100 shares. Because of the conclusion in the Bundy Report that Renkes was not aware that his broker was purchasing KFx stock in this account, I have assumed for purposes of my legal analysis that Renkes was only aware that he owned 12,000 shares of KFx stock during the time he was representing the State of Alaska in the Taiwan trade negotiations. The value of the 12,000 shares during the period from the beginning of the trade negotiations in November 2003 until the stock was sold in October 2004, ranged from \$71,880 to a high of \$124,680.

interested in using the KFx process to beneficiate coal mined in Mainland China. Kanturk Partners drafted a letter for Renkes to send to the Taiwan representatives extolling the virtues of the K-fuel process. Renkes made some minor changes in the letter and sent it to the Taiwan representatives.

During the March 6-12, 2004, Taiwan delegation visit, Renkes represented the State of Alaska as the senior representative of the Murkowski administration. On the last day of the conference, the representatives of KFx made a presentation on the technical aspects of the K-fuel process and hosted a dinner for the Taiwan delegation.

After the meeting had concluded, Secretary General Kang sent a letter to Governor Murkowski thanking him for the State's hospitality but mentioning that the quality of Alaska coal was still an issue. Renkes forwarded that letter to John Venners of KFx. Subsequently, Secretary General Kang requested a letter from the Governor directed to the technical and security issues of developing Alaska coal. Kanturk drafted a letter touting the virtues of the K-fuel process and explaining that the development of the Beluga coal field entailed little or no risk to Taiwan customers, as that risk would be borne by the sellers and processors in Alaska. Renkes edited the letter and presented it to Governor Murkowski, who signed it.

Governor Murkowski subsequently traveled to Taiwan for the inauguration of President Chen upon his reelection. While there, Governor Murkowski, the Taiwan representatives, and Venners discussed a potential "agreement to proceed" which would commit the government of Taiwan and the State of Alaska to encourage the development of the Beluga coal reserve. Venners drafted a proposed outline of an agreement to proceed under which Taiwan would agree to purchase a minimum of four

million tons per year of KFx-processed Beluga coal, the State of Alaska would undertake to facilitate the project with infrastructure development, and Kanturk/KFx would finance and construct the K-fuel facility and secure the coal resources for its feed stock. Venners provided a copy of the outline to the Governor and to Taiwan Deputy Minister of Economic Affairs Chen.

Subsequently, at the invitation of Governor Murkowski, another Taiwan delegation visit to Alaska was arranged. It was anticipated that the visit would conclude with the signing of a Memorandum of Understanding on the purchase of coal from Alaska. On September 7, 2004, former Secretary General Kang, who had been promoted to Senior Advisor to President Chen, sent a draft Memorandum of Understanding between the State of Alaska and the Minister of Economic Affairs of the Republic of China regarding the prospective purchase of coal. The Kang draft did not mention KFx or the K-fuel process. The Governor's office forwarded the draft to Attorney General Renkes and to John Venners. Venners expressed concern about the omission of KFx/Kanturk, but Renkes advised that this was a government-to-government agreement which should not include private parties.

Renkes then undertook to revise the draft of the Memorandum of Understanding. Among other changes, he added a specific reference to the K-fuel process although he did not add Kanturk or KFx as parties.

The final draft of the Memorandum of Understanding was signed at a ceremony on September 16, 2004, in Alaska. It included the reference to K-fuel that had been inserted by Renkes. Renkes had been asked to sign the MOU, rather than the

Governor, but declined because he did not think it was appropriate, given his relationship with KFx.

In sum, the facts as developed by Mr. Bundy reveal that former Attorney General Renkes actively participated in the negotiation and drafting of the Memorandum of Understanding between the State of Alaska and the Republic of China for the development of Alaska coal that would be processed by KFx. A KFx principal and personal friend of Renkes, John Venners, also was actively involved in the negotiations leading to the Memorandum of Understanding. During the entire time of the negotiations and the drafting of the MOU, Renkes knew that he owned 12,000 shares of KFx stock, which ranged in value from \$71,880 to \$124,680.

III. Legal Analysis

A. The Applicable Ethics Act Provisions

The Alaska Executive Branch Ethics Act provides that a public officer may not "use state time, property, equipment, or other facilities to benefit personal, or financial interests," nor may he "take or withhold official action in order to affect a matter in which the public officer has a personal or financial interest." AS 39.52.120(b)(3) and (4). A financial interest is defined broadly, as including "ownership of an interest in a business." AS 39.52.96(9)(A). Thus, the literal interpretation of these provisions would preclude a public officer from engaging in public business when he intends or knows that his action will benefit any financial interest, no matter how small. However, in a section entitled, "Scope of the code," the Ethics Act provides the following guidance to enforcement of the Act:

Unethical conduct is prohibited, but there is no substantial impropriety if, as to a specific matter, *a public officer's (1) personal or financial interest in the matter is insignificant,*

AS 39.52.110 (b)(1) (emphasis added). No provision of the Act, nor any of the regulations under it, offer guidance for determining when a financial interest is "insignificant."

B. General Rules of Statutory Interpretation

The goal of statutory interpretation is to give effect to the intent of the Legislature, with due regard for the meaning that the language of the statute conveys to others. Statutory interpretation includes consideration of the statute's language, purpose and its legislative history.²

Here, the term "insignificant" in AS 38.52.110(b) has no defined meaning, and is given no plain meaning by its context. Thus, a court construing this statute would readily refer to sources other than the language of the statute in order to determine legislative purpose and intent.³ These sources include statements made in legislative

² *Alyeska Pipeline Service Co. v. DeShong*, 77 P.3d 1227, 1234 (Alaska 2003). See also *Curran v. Progressive Northwestern Ins. Co.*, 29 P.3d 829, 831 (Alaska 2001); *Bullock v. State*, 19 P.3d 1209, 1214 (Alaska 2001); *Native Village of Elim v. State*, 990 P.2d 1 (Alaska 1999) ("We interpret . . . Alaska law according to reason, practicality, and common sense, taking into account the plain meaning and purpose of the law as well as the intent of the drafters.").

³ "Because of this inherent ambiguity [in the language of the statute] we turn to the purpose of the statute and its accompanying legislative history" *Alyeska Pipeline Service Co.*, 77 P.3d at 1234.

hearings and floor debates.⁴ Unfortunately, the legislative history of the Ethics Act provides no guidance either. In interpreting a statute, Alaska courts will also consider similar statutes from other jurisdictions, and cases analyzing and applying those statutes.⁵ Ultimately, the court will adopt the interpretation of the statute that is most reasonable in light of precedent, reason and policy.⁶

A court interpreting this statute would also consider opinions issued by the Alaska Attorney General interpreting the statute. In general, Alaska courts interpreting a statute consider relevant opinions by the Attorney General, but the courts exercise their independent judgment on the appropriate construction. However, courts give additional deference to the interpretation of a statute by an agency or official who has discretion to enforce the statute, on matters that involve agency expertise or fundamental policy questions. *E.g.*, *Wendte v. State*, 70 P.3d 1089 (Alaska 2003); *Denupitii v. Unocal Corp.*, 63 P.3d 272 (Alaska 2003); *see also Myers v. AHFC*, 68

⁴ *See Alyeska Pipeline Service Co.*, 77 P.3d at 1235-37; *AHFC v. Salvucci*, 950 P.2d 1116, 1125 (Alaska 1997); *Halo v. Anchorage*, 927 P.2d 728, 732 (Alaska 1996); *Gossman v. Greatland Directional Drilling, Inc.*, 973 P.2d 93, 96-7 (Alaska 1999); *Beck v. Dep't of Transportation & Public Facilities*, 837 P.2d 105, 117 (Alaska 1992). Statements by sponsors may be particularly significant. *AHFC*, 950 P.2d at 1125; *Beck*, 837 P.2d at 117; *Lagos v. City & Borough of Sitka*, 823 P.2d 641, 643-44 (Alaska 1991); *APEA v. State*, 525 P.2d 12, 16 (Alaska 1974). Statements by legislators after passage of the statute are not relevant. *Lynden Transp. Inc. v. State*, 532 P.2d 700, 716 (Alaska 1975); *APEA*, 525 P.2d at 16.

⁵ *Gossman*, 973 P.2d at 97.

⁶ When interpreting a statute, the court may consider public policy, but "public policy cannot override a clear and unequivocal statutory requirement." *Curran*, 29 P.3d at 833.

P.3d 386, 392 (Alaska 2003). The Attorney General is charged with enforcing and interpreting the Ethics Act. On this basis, a court interpreting this statute would likely defer to the Attorney General's interpretation of this statute, as long as the Attorney General's opinion had a "reasonable basis."

C. Application of the Legal Principles to the Facts Here

1. Whether a Financial Interest is "Insignificant" Should be Determined on a Case-By-Case Basis

Turning to the question of whether Renkes' ownership of KFx stock was an insignificant financial interest in the Alaska/Taiwan coal negotiations, I first looked at prior Attorney General opinions for guidance. Contrary to the conclusion reached by Mr. Bundy, I conclude that in past cases, the Attorney General has evaluated the significance of an ownership interest on a case-by-case basis – not based solely on the percentage of stock ownership in a company.

For example, in Opinion No. 663-99-0232, 1999 WL 1454824 (Alaska A.G.), the public officer was a member of the Arts Council, which voted on the award of state grants. He also owned a fifty percent interest in a bulk mailing business, which sold bulk mail services to arts organizations that received state grant funds awarded by the Council. Thus, like Renkes here, the public officer did not have a direct financial interest in the state grants to arts organizations, but he might have benefited indirectly because of his business relationship with some of the grant recipients. In addressing the question of whether the public officer's indirect financial interest in the Arts Council grants was insignificant, the Attorney General stated,

The scope limitations under AS 39.52.110 do offer a basis for finding that certain *de minimus* financial interests fall outside the prohibitions of

AS 30.52.120, but those determinations must be made on a case-by-case basis and not through a general analysis which blends the review of many separate individual "matters" into a single determination. In examining each financial interest the Council is not seeking to determine whether [the public officer's] financial interest actually did affect his decisions in the grant process, but is rather asking "*whether a member of the public, who has no personal acquaintance with [the public officer] or the recipient organizations, could simply suggest that the financial interests are of a sufficient magnitude to affect a Council member's vote.*"

Id. at 4. The Opinion went on to instruct that in determining whether a financial interest is insignificant, the Council should take into consideration not only the size of the public officer's business (in this case \$2 million in gross annual receipts), but also the gross dollar amount of the receipts from each individual company receiving a state grant. *The Attorney General then noted that the public officer's account with one of the grant recipients in the amount of \$21,000 would be considered a "significant financial interest," whereas accounts in the \$3,000 to \$4,000 range would not.* *Id.* at 5. *See also* Opinion No. 663-88-0145, 1987 WL 121180 (Alaska A.G.) ("Of course, the Ethics Act applies on a specific case-by-case basis, and all that this opinion may accomplish is to give an outline of where potential conflicts may arise.").

Applying the logic of this Attorney General opinion, Renkes' stock ownership in KFx was significant because a member of the public with no personal acquaintance with Renkes would most likely think that his \$71,000 to \$125,000 interest in KFx, even though an indirect interest in the coal negotiations, was of sufficient magnitude to affect his decisions. In addition, the value of Renkes' interest in KFx was substantially more than the \$21,000 account at issue in the Arts Council case.

2. The Fact That Renkes Owned Less Than One Percent of KFx Stock Does Not Make His Interest in the Matter "Insignificant"

The Bundy Report relies on Opinion No. 663-89-0526, 1989 WL 266908 (Alaska A.G.), for the proposition that a public officer's ownership interest in a public corporation of less than one percent of the stock is insignificant for purposes of AS 39.52.110(b)(1). That opinion concerned whether a Permanent Fund trustee had to recuse himself from voting on the purchase of a building in Juneau because two of his children owned 200 shares of stock in a company that had an interest in the building. There, the Alaska Permanent Fund Corporation was considering the purchase of the Goldbelt Building in Juneau. According to the Permanent Fund's investment policy, its staff could only approve real estate investment proposals *over* \$5 million (and less than \$50 million). Consequently, the Fund's trustees would have to grant a waiver from its normal policy in order to allow the staff to even consider a less than normal investment.

The trustee raised the question of whether he had to recuse himself from voting on the waiver request because of his children's 200 shares of Goldbelt, Inc. (The ownership interest of the children was attributable to the trustee under the Ethics Act.) Goldbelt had loaned \$8.1 million to the partnership that owned the Goldbelt building, which was secured by a deed of trust on the building. In addition, a Goldbelt subsidiary was the general partner of the partnership that owned the building and had a 1% interest in the operating cash flow of the partnership, but did not have an equity interest in the building. (All of the partnership units were owned by others.)

The Attorney General concluded that the trustee's financial interest in the matter was insignificant within the meaning of AS 39.52.110(b)(1):

Our review of the particular circumstances of this case leads us to conclude that [the Trustee's] interest in the matter is insignificant. The impact on his children's shares even if the Alaska Permanent Fund Corporation actually invested in the property is *de minimus*.

The decision provides no other explanation for this conclusion. The opinion does not explain whether the Attorney General considered 200 shares of stock as insignificant, or whether, as the Bundy Report concludes, the 200 shares (of 272,200 total) represented less than one percent of the total Goldbelt stock, making it insignificant. The opinion simply does not explain its rationale.

The opinion does state that, "[t]o the extent [Permanent Fund] Bylaw 9.2(b) offers guidance in interpreting AS 39.52.110, it compels the same conclusion, since the threshold stock holding to constitute an "interest" prohibiting Trustee participation is one percent or more of the outstanding stock." But this statement cannot fairly be interpreted as standing for the proposition that less than one percent of stock ownership is, *per se*, an "insignificant" interest within the meaning of the Ethics Act.

3. The Fact that Renkes' Financial Interest in the Coal Negotiations was Speculative is Relevant but Not Determinative of Whether His Interest was "Insignificant"

In the Bundy Report, the insignificance determination rested in part on the fact that the effect of the coal negotiations on the value of Renkes' KFx stock was speculative. It is true that the effect of the use of K-fuel technology to process Alaska coal for Taiwan on the price of KFx stock was, and still is, highly speculative. In fact, as the Bundy Report notes, when the Alaska/Taiwan agreement was publicly announced, it had no immediate effect on the price of KFx stock.

The fact is, there is no way to know at this point in time what effect, if any, the Alaska/Taiwan coal agreement will have on the value of KFx stock. Whether the K-

fuel technology will be a commercial success is unknown. KFx is essentially a start-up company, which has not yet begun commercial processing of sub-bituminous coal, and has not earned a profit to date. It is not even expected to complete its commercial coal processing facility in Wyoming until sometime later this year. KFx's success ultimately will depend upon its ability to market its commercial coal processing technology to large numbers of high-volume customers. Thus, the current price of KFx stock is not based on a history of strong earnings, but is rather based on the expectation of investors that in the long term many large-scale users of coal will turn to KFx to process previously untapped coal resources.

As with most start-up companies, the ability of KFx to persuade those first few customers to purchase its technology is essential to persuading other customers to purchase the technology. Thus, the Alaska/Taiwan coal agreement could be extremely important to KFx's long-term success because it is one of KFx's first major "sales." On the other hand, the Alaska/Taiwan coal agreement may mean little to the overall success of KFx and therefore may have no effect on its stock price. The answer to this question is entirely speculative.

However, the fact that the effect of Alaska/Taiwan coal agreement on the value of KFx stock was speculative does not necessarily mean that Renkes' stock ownership in KFx was insignificant within the meaning of the Ethics Act. If it were, Renkes could have owned \$10 million worth of KFx stock and his "interest in the matter" would not have been significant because of the speculative effect of the coal deal on the value of his stock. Thus, the fact that Renkes could not accurately predict whether his official

actions would cause the value of his stock to rise surely cannot be the basis for determining whether his interest is insignificant.

It is no doubt true that the effect of a public officer's actions on a personal financial interest can be so remote and speculative that his judgment will not be influenced by it. But the larger the financial interest, the greater the risk that a public officer's judgment will be affected by it, even when the likelihood of financial gain is conjectural.

The overriding purpose of the restrictions in the Ethics Act is to insure that public decisions are made on the basis of sound public policy, not private financial gain. With this in mind, the ultimate issue is whether the potential gain to the public official from the transaction is significant. Several factors determine whether the potential gain is significant. The first is the nature of the public official's private financial interest. The second is the effect of the public action on the private financial interest. And the third is the likelihood that this potential effect will occur.

In the context of ownership in a corporation, the value of the stock is the starting point. If the value of the stock owned by the public official is small, and the public action will not have any significant effect on the stock's value, the potential gain is also small. Thus, if a public official owned \$1,000 in stock, and the public action is likely to increase the price of the stock by 5%, the gain of \$50 would be insignificant. But if the same public official owned \$100,000 in stock, the same 5% gain in stock price would generate a \$5,000 gain, and this could be regarded as significant.

Now suppose that the same public official owns \$1,000 in stock. There is a very remote chance that the public action will increase the stock by 100%. Although

the possible gain is \$1,000 (just as in the preceding example), the remote likelihood of gain may lead to the conclusion that the public official does not have a significant interest in the matter. On the other hand, if the public official started with \$100,000 in stock, a very remote chance of a 100% increase in stock value may be a matter of public concern, because the size of the public official's potential gain is so much higher. Even though the likelihood of a 100% increase is speculative, the larger the public officer's interest, the more likely he is to "gamble" with the public's interest as well as his own when making a public decision.

Thus, the greater the amount of a public officer's interest in a matter, the more likely that his interest should be considered significant, even when the probability of financial gain is remote. Conversely, when the probability of financial gain is high, even a small financial interest in a public matter can be considered significant under the Ethics Act. For example, in Opinion No. 663-94-0034, 1993 WL 482056 (Alaska A.G.), the Attorney General addressed the question of whether a state employee, who was also part owner of a travel agency, could direct that his employees' tickets be purchased through his travel agency. Without even addressing the amount of the state employee's ownership interest in the travel agency or the dollar value of the tickets that would be purchased, the Attorney General concluded that the employee's financial interest in the matter was not insignificant under AS 39.41.110(b)(1). The reasonable inference is that the certainty of financial gain meant that even a small financial interest was significant within the meaning of the Ethics Act.

Therefore, when the introductory guide to interpretation of the Ethics Code states that there is no substantial impropriety if a public officer's "financial interest in

the matter is insignificant," the logical interpretation is that the first consideration is the size of the financial interest. The Arts Council opinion, discussed above, Opinion No. 663-99-0232, supports this interpretation. In deciding whether the Arts Council member had a significant interest in the arts grants he voted on, a two-step analysis was applied. The first question was whether the amount of his interest in the grant – based on an assessment of the dollar amount – was significant. *Id.* at 5. If it was, then a second analysis was required, asking whether the decision to award a specific grant would "significantly affect [the public officer's] financial interest and whether such affects are likely or merely conjectural." *Id.* If it was unlikely that the member's financial interest would be affected by the award of a grant, the Arts Council member could vote on the matter, because his financial interest was insignificant. *Id.*

4. Whether Renkes' Financial Interest was "Insignificant" is Determined by Examining the Risk That His Judgment Would Be Affected by That Interest

A public officer's judgment may be affected by a personal financial interest even when the effect of his official action on that financial interest is uncertain or speculative. When there exists the mere possibility that a public officer's official action could influence the value of a large stock holding, the public officer's judgment may be clouded. The larger the stock holding, the more likely it is that the public officer's judgment will be affected. Thus, in deciding whether a public officer has a conflict of interest, the size of his financial interest in the matter is an important consideration.

This concept is implicit in the literal wording of the Ethics Act, which provides that a public officer may not "take or withhold official action in order to affect a matter in which the public officer has a personal or financial interest." *See*

AS 39.52.120(b)(4).⁷ Under this provision, a public officer is flatly prohibited from taking official action on a matter in which he has a financial interest – regardless of how that financial interest may be affected. The only limitation on this interpretation is in the introductory guide to the Ethics Code, which states that there is no substantial impropriety if a public officer's "financial interest in the matter is insignificant." The logical interpretation of these provisions, when read together, is that the determination of significance is based primarily on the amount of the financial interest.

The Ethics Act does not directly address the principle that its conflict of interest prohibitions turn on the risk that a conflicting interest will affect one's judgment rather than the likelihood of financial gain. However, we can look by analogy to the ethics rules for lawyers. The Alaska Rules of Professional Conduct prohibit a lawyer's representation of a client where the representation of the client may be materially limited by the lawyer's own interests. *See* Alaska R. Prof'l Conduct R. 1.7(b). Under Rule 1.7(b), a conflict arises whenever the lawyer's representation of a client "*may be*" materially limited in the future – not if the lawyer is actually faced with a choice between furthering his own interests and furthering the interests of his client. *Id.*

⁷ AS 39.52.120(b)(2) does state that there is no substantial impropriety if the public officer's "action or influence would have insignificant or conjectural effect on the matter." Under this provision, however, the question is whether the effect on the matter is conjectural. Here, "the matter" was the Alaska/Taiwan coal negotiations – not the value of KFx stock. The Bundy Report agrees that this section is not applicable. *See* Bundy Report at 53-54.

A lawyer's representation of a client "may be materially limited" any time the lawyer's own interests are significant enough that there is a "substantial risk" that the lawyer's own interests might affect his judgment. *See* Alaska R. Prof'l Conduct R. 1.7, cmt. ("The critical questions are the likelihood that a conflict will eventuate and, if it does, whether it will materially interfere with the lawyer's independent professional judgment in considering alternatives or foreclose courses of action that reasonably should be pursued on behalf of the client."); *see also*, Restatement (Third) of the Law Governing Lawyers, § 121, cmt. c(iii) (2000) ("There is no conflict of interest . . . unless there is a "substantial risk" that a material adverse effect will occur."). *There is a "substantial risk" where "the risk is significant and plausible, even if it is not certain or even probable that it will occur."* Restatement (Third) of the Law Governing Lawyers, § 121, cmt. c(iii) (2000) (emphasis added).

By focusing on whether a risk is significant or plausible, the Restatement rejects the notion that the lawyer's judgment must be actually or probably affected by the competing interest in order for there to be a conflict of interest that requires client consent. Indeed, if the lawyer's judgment will actually or probably be affected by the lawyer's own interest, the lawyer may not even obtain the client's consent. Restatement (Third) of the Law Governing Lawyers, § 122 (2000); Alaska R. Prof'l Conduct R. 1.7(b)(1) (stating that the lawyer may only obtain consent to a conflict where the "lawyer reasonably believes the representation will not be adversely affected").

Rather, the Restatement looks to whether the lawyer's competing interest is of such a magnitude that it might affect his judgment. Restatement (Third) of the Law Governing Lawyers, § 121, cmt. d (2000). The critical question is whether the lawyer's

financial interest is so significant that it would cause an observer to question his impartiality. *See also, id.* at § 125, cmt. c (a conflict exists where a lawyer has a financial interest "other than one so insignificant that a person of normal sensibility would be unaffected by it.").

The Bundy Report cites to one of the three examples in Restatement § 125, cmt. C, to support the proposition that Renkes' stock ownership in KFx was insignificant. That example is where a lawyer owns stock in a publicly held mutual fund that carries a diversified portfolio that has less than one percent of a certain company, and the total value of the lawyer's interest in the company is less than \$25.00. In that instance there is no conflict of interest because "the interest is so small, and the possibility of an effect on the lawyer's representation is so remote." *Id.* The analogy does not hold because Renkes' interest in KFx was considerably more than \$25.00. In contrast, Renkes' financial interest in KFx was not "so insignificant that a person of normal sensibility would be unaffected by it." Or as the Attorney General's office put it in the Arts Council case "whether a member of the public, who has no personal acquaintance with [the public officer] or the recipient organizations, could simply suggest that the financial interests are of a sufficient magnitude to affect [the public officer's] vote." Opinion No. 663-99-0232, 1999 WL 1454824 (Alaska A.G.).

In sum, to determine whether a public officer's financial interest in a matter is significant, the initial focus should be on the size of the interest. If the interest is sizable, it can still be insignificant within the meaning of the Ethics Act where the impact of the public officer's actions or decision on his financial interest is so speculative that he is unlikely to be affected by it. The presumption should be,

however, that the larger the public officer's financial interest in a matter, the more likely it is that his official actions could be influenced by his financial interest rather than the public interest.

At the time Renkes was negotiating the coal agreement as the representative of the State of Alaska, he could not have known whether his negotiations and any subsequent agreement would affect the value of his stock holdings in KFx. However, Renkes reasonably might have expected that the announcement of one of the first major agreements to process coal using the K-fuel process would cause the KFx stock price to rise. If the value of KFx stock rose only a few points per share, the effect on 12,000 shares could result in a sizable increase in the value of Renkes' portfolio. In hindsight, we know that the stock price did not rise. But in determining whether Renkes' financial interest was significant, the focus should be on the time period when the coal agreement was being negotiated – not what we now know with hindsight. At the time the agreement was being negotiated, the potential impact of the agreement on the value of Renkes' stock was speculative, but because there was a realistic possibility of significant financial gain, his judgment could have been affected by his financial interest.

IV. Summary and Conclusions

In the absence of specific dollar limitations such as those contained in the ethics statutes of other states, we are left with assessing this matter under a reasonableness standard. Paraphrasing the words of the Restatement, the question is whether Renkes' financial interest in the Alaska/Taiwan negotiations was "so

insignificant that a person of normal sensibility would be unaffected by it." *Id.* at § 125, cmt. c.

Renkes' ownership of KFx stock, *ranging in value from \$71,880 to \$124,680*, was not "so insignificant that a person of normal sensibility would be unaffected by it." The KFx stock was his single largest stock holding. The coal negotiations that Renkes engaged in as a representative of the State of Alaska included negotiations and numerous contacts with KFx representatives. KFx was an active participant in the negotiations, to the point of pressing Renkes for explicit mention of KFx and the K-fuel process in the Memorandum of Understanding. A normal person who was actively involved in these negotiations while owning between \$70,000 and \$125,000 worth of KFx stock could not avoid thinking about his interest in KFx and how it might be affected by the negotiations. Indeed, Renkes himself implicitly acknowledged that he had a significant financial interest in the Alaska/Taiwan coal agreement when he refused to sign the agreement as the representative for the State of Alaska. In his words,

. . . I was aware that before I was asked to – me signing something on behalf of the State would definitely constitute official action. And before I would do that, I would want an ethics advisor – you know, some kind of ethics opinion or some kind of advice about that, and I hadn't done that research. And so . . . I was – that left – made me uncomfortable.

And I said, "No. Margy [Johnson], I don't think I can sign it. I don't think it would be appropriate."

Statement of Gregg Renkes, p. 231 (Dec. 10, 2004).

Therefore, I have concluded that there is probable cause to believe that the former Attorney General's ownership of stock in KFx, ranging in value from \$71,830 to \$124,680, was a significant financial interest in the Alaska/Taiwan coal negotiations between Alaska and the Republic of China within the meaning of Section 39.52.110(b)(1) of the Ethics Act.

This has not been an easy decision because of the absence of clear guidance in the Alaska Ethics Act and the regulations interpreting it. The fact that another well-respected lawyer has reached a different conclusion demonstrates that reasonable minds can differ about the application of the Act to the facts here. Therefore, I join Mr. Bundy in recommending that the Legislature seriously consider amending the Ethics Act by setting specific dollar amounts of stock in publicly held companies that will be treated as significant for purposes of the conflict of interest provisions in the Act.

I also want to stress that this conclusion is not tantamount to a finding that Renkes violated the Ethics Act, because (1) the conclusion that Renkes' KFx, Inc. stock ownership was significant would not by itself enable a finding or conclusion that he violated the Ethics Act, and (2) Renkes has other defenses to the charges in the complaint which the Board has not determined on their merits. Before a finding of a violation could have been made, I would have had to (1) complete an independent investigation (AS 39.52.310(g)), (2) conclude that there was probable cause to believe that a violation had been committed and issue a formal complaint (AS 39.52.350), (3) present the evidence in a hearing before an independent hearing officer, during which Renkes would have the opportunity to defend himself (AS 39.52.360), (4) the hearing

officer would have to conclude that a violation had been committed (AS 39.52.360(h)), and (5) the Personnel Board would have to accept the findings of the hearing officer (AS 39.52.370(c)). None of these steps have been taken because of the settlement agreement that was entered into following Renkes' resignation as Attorney General.

DATED: April 8, 2005.

PERKINS COIE LLP

By _____
Thomas M. Daniel

ALASKA STATE LEGISLATURE



REPRESENTATIVE LES GARA
REPRESENTATIVE BERTA GARDNER
REPRESENTATIVE SCOTT KAWASAKI
REPRESENTATIVE MIKE DOOGAN
REPRESENTATIVE MAX GRUENBERG

Sponsor Statement

HB 58 – Executive Ethics

HB 58 is a responsible step towards making the Executive Branch Ethics Act clearer, easier to understand, and easier to follow.

Currently the Ethics Act does not spell out clearly what sorts of financial interests constitute a conflict of interest. The bill sets out a series of bright financial lines for executive branch employees. For example, current law provides no guidance whatsoever as to the size of investment that an executive branch employee may own and still take official state action that affects the investment. HB 58 declares that either \$5000 worth of stock, or one percent of a company's stock, whichever is *less*, means that the executive branch employee must not be involved in state actions that impact that investment. While it seems like common sense to have such a concrete definition, current law does not provide one.

It is important to keep in mind that the key question is whether an executive branch employee owns the financial interest and then performs an official act that affects the financial interest. Either one without the other is not a violation.

The bill also describes with particularity other sorts of forbidden financial interests. An executive branch employee may not own a controlling interest in a business, may not own an equity interest in a business worth more than \$5000, may not be a member of a company's board of directors and may not be an employee of a business.

The bill also expands the definition of "official action" to more clearly capture the day to day duties of our executive branch employees.

The state's ethics laws should be clear to executive branch employees, and to the public those employees serve. Please join me in supporting HB 58.

ALASKA STATE LEGISLATURE



REPRESENTATIVE LES GARA
REPRESENTATIVE BERTA GARDNER
REPRESENTATIVE SCOTT KAWASAKI
REPRESENTATIVE MIKE DOOGAN
REPRESENTATIVE MAX GRUENBERG

HB 58 – Executive Ethics

Sectional Analysis

Section 1

Line 10 replaces an “or” in the current statute with an “and”. The effect of the change is to add the condition that the action taken or influence exerted by the officer have an insignificant or conjectural effect on the matter.

Line 11 and 12 adds some explanatory words to the current statute to make it clearer.

Page 1, lines 12 - 14, through page 2, lines 1-16 adds a list of business interests that would be forbidden under the executive act ethics code. The construction of the list is such that any single item possessed by an officer of a member of the officer’s immediate family would be sufficient to preclude that officer from taking official action in connection with the interest.

Section 2

Lines 18 - 21 expand the definition of official action to include most of the day-to-day activities of executive branch employees.

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32° obscured

July Weather

Wind:

Hi Tide: 04:52am

Web posted January 27, 2005

Empire editorial: Dump Renkes, ethics code

Far from being the last word on Attorney General Gregg Renkes' ethics and standing as Alaska's top lawyer, Tuesday's release of a report about his actions in a state coal deal is only the start of needed change.

The end must bring both new ethics rules and a new attorney general.

Contracted by Gov. Frank Murkowski to probe Renkes' negotiations on a deal to sell Cook Inlet coal to Taiwan, former U.S. Attorney Robert Bundy found that the attorney general should have requested an ethics determination but otherwise did not break the law. That's because Alaska's law is so vague, not specifying a dollar figure that pushes a public official's investment portfolio into the realm of a conflict. Renkes' \$100,000-plus investment in and close ties to KFx, the Denver company that stood to gain from the coal agreement, apparently doesn't rise to the state's legal definition of a conflict. It should and, once state lawmakers are done, it probably will.

In the meantime, Murkowski is wrong to insist that this, along with his reprimand, closes the matter and that a state personnel board inquiry should end. Where many ethics considerations hinge on an elusive perception of cozy relations, the attorney general's sizable stake in KFx cannot be viewed as anything but a conflict. Bundy finds the conflict insignificant because Renkes' shares represented no more than .02 percent of the company's total. But the issue isn't how Renkes' shares affected the company; it's how they stood to affect him. Bundy's recommendation that the state adopt a \$10,000 investment limit for any government official potentially influencing a company's standing with the state says it all: \$100,000 is a lot of money. That much is apparent to most Alaskans, whose median income in a family of four is some \$30,000 less.

Regardless of where Renkes' investment and active promotion of KFx and the coal deal stood with the law, it is unfathomable that he would not have understood that his involvement could affect him financially. Knowing this, it was reckless to get involved officially in the first place, and it was unpardonable not to at least ask for an official opinion about that involvement. If this behavior brings only a slap on the wrist, Alaskans will be right to doubt the integrity of their government. The governor should demand the attorney general's resignation since Renkes hasn't had the integrity to offer it himself.

Further, it is imperative that this Alaska Legislature remedy the lax ethics code. The state's reliance on and support of natural resource industries and the companies

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Hi Tide: 04:59pm
o Tide: 11:00pm

that fuel them makes it doubly important that the law spell out right and wrong and assure citizens that their officials are acting on Alaskans' behalf, and not for their own bank accounts.


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Opinion

Anchorage Daily News (AK)

February 8, 2005

Author: Staff

Estimated printed pages: 4

Renkes' right move

Resignation relieves governor of unreasonable burden

Gregg Renkes did the right thing Saturday by resigning his office as attorney general. Living under an ethical raincloud for his deep involvement in both a state coal deal and a company that would have benefited from it, his credibility and effectiveness had simply washed away. Gov. Frank Murkowski lost a loyal aide and confidant, but he will not have to carry any further the burden of Mr. Renkes' continued tenure in office.

Stability and principled leadership for the Department of Law now become the governor's first priority. This is a time when old-fashioned conservative restraint will serve best. Whoever the governor appoints as attorney general must be respected across the board (in order to dampen undue partisanship), principled beyond reproach (to rehabilitate public confidence in the administration), experienced in Alaska's key policy matters (to maintain momentum on natural gas and other issues) and prudent in his or her personal conduct (to make the attorney general once again a standard-setter in the rule of law).

The next priority must be to clear up the murky waters of Alaska's executive branch ethics law. Robert Bundy, the special investigator who found that Mr. Renkes violated the Ethics Act but not the Code of Ethics, also found too many "close calls" for comfort. The governor has asked Mr. Bundy to develop clear new language to guide public employees. That language should protect the public trust first of all and public officials' financial liberties secondarily.

(In the end, Mr. Bundy's report substantially damaged Mr. Renkes in two unforeseen ways: First, it crafted a too-clever legal analysis to reach the conclusion that \$126,000 in company stock was legally "insignificant" -- a view the average person on the street just wouldn't buy. And second, it revealed that the attorney general deleted thousands of e-mails from his work computer on the very day that damaging news reports first appeared while denying he even knew of the reports -- a story that went beyond all credibility.)

Mr. Renkes was undone by his own conduct and poor judgment. The Alaska attorney general, being in an appointed position beholden to the governor, has always been a hybrid creature: part governor's attorney, part Cabinet officer, part department manager, part policy analyst and adviser, part people's lawyer. Alaska attorneys general succeed when they leave partisan politics to others (even while remaining cognizant of the Capitol's hazardous political currents) and give sound legal advice to both the governor and the people of Alaska. The job requires diligence and sure footing. Ordinarily it goes without saying that the attorney general's personal example and judgment must uphold impeccable standards of trust. With his personal lack of restraint, Mr. Renkes crossed a line that is deliberately very restrictive.

Alaska's attorney general must, in the end, personify the ethic of public service. The position is a privilege, a burden and a duty -- and, for Gov. Murkowski at this moment, an exercise in governing wisely. Finding a new attorney general who radiates public trust and good judgment -- and who can do so without breaking a sweat -- is a job one.

BOTTOM LINE: Gregg Renkes did the right thing by resigning Saturday; now the focus is on the governor to find

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Alaska State Legislature

House of Representatives

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Alaska State Capitol
Juneau, Alaska 99801-1182
1-888-465-2647 (toll free)
1-907-465-3518 (fax)


Interim address:
16 West 4th Avenue
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1-907-269-0109 (fax)

Representative Les Gara

MEMORANDUM

DATE: January 24, 2007

TO: Rep. Bob Lynn, Chair
House State Affairs Committee

FROM: Rep. Les Gara 

RE: Hearing Request for House Bill 58, Alaska Executive Ethics Act

I respectfully request that House Bill 58, relating to the Alaska Executive Ethics Act, be scheduled for a hearing in the House State Affairs Committee. Please feel free to contact me, or my aide Meagan Foster, with questions or thoughts at 465-2647.

Attached you will find a background packet for House Bill 58. This includes the current version of the bill, a sponsor's statement, and backup materials.

Thank you for your consideration.

HB

62

AMENDMENT

OFFERED IN THE HOUSE
TO: CSHB 62(MLV)

BY REPRESENTATIVE THOMAS

- 1 Page 3, line 9, following "assistance.":
- 2 Insert "If, after making a request for a supplemental appropriation, the adjutant general
- 3 determines that there are insufficient funds to pay for the tuition of all eligible applicants
- 4 under this section, the adjutant general shall pay for the tuition assistance authorized under (a)
- 5 of this section before paying for a spouse's tuition under (c) of this section."



REPRESENTATIVE BILL THOMAS

ALASKA STATE LEGISLATURE DISTRICT 5

e-mail: Representative.Bill.Thomas@legis.state.ak.us webpage: www.akrebublicans.org/thomas/

State Capitol

Juneau AK, 99801-1182

907-465-3732

888-461-3732

FAX 907-465-2652

Sponsor Statement for HB 62 Tuition Assistance for National Guard Members and Families and Providing for Free Hunting and Fishing Licenses for National Guard Members

HB 62 has three provisions, which will substantially benefit the Alaska National Guard. First, HB 62 allows Alaska National Guard members to receive free hunting and fishing licenses. This not only is an important recruiting tool, but it is also a way for the state of Alaska to show its appreciation to those who sacrifice so much to protect our country and our state.

Second, HB 62 gives a 50 percent tuition waiver to spouses of Alaska National Guard members. This is aimed at assisting with retainment of experienced and qualified soldiers. When it comes time to make the decision of whether or not to remain in the Guard, the spouse has a lot of influence on the Guard member. If the family continually makes enormous sacrifices to support these soldiers, but gets nothing in return, the pull to leave the Guard is strong. The waiver benefits families who give up so much to support their loved one while serving in the National Guard.

Finally, HB 62 solves the current funding problems of tuition waivers that are promised to Alaska National Guard members. Soldiers who have been promised higher education benefits are not always receiving them. Each year the funding is exhausted and guard members are being denied the assistance they need to continue their education. By directing the adjutant general to request a supplemental appropriation from the Legislature, the Department of Military and Veteran's Affairs can fund both the new and previously established tuition waivers.

The War in Iraq has seen the first mobilization of Alaska National Guard members into overseas combat. The commitment that these men and women make upon joining the National Guard is much more than one weekend a month and two weeks a year. The Alaska National Guard is fighting for our country and protecting our state. They deserve our support. I respectfully urge your support for HB 62.

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSHB 62(MLV)
 (H) Publish Date: 2/14/07

Revision Date/Time (Note if correction): _____ Dept. Affected: University of Alaska
 Title: Partial Tuition Assistance AK National Guard Families RDU: _____
 Component: _____
 Sponsor: _____
 Requester: Representative (s) Thomas, Kerttula Component No. _____

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
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 (FY2007) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would have no fiscal impact on the University, assuming that the adjutant general provides the additional funding to support tuition assistance for the families of the members of the Alaska National Guard.

Prepared by: Michelle Rizk
 Division: University of Alaska
 Approved by: Pat Pitney
 Agency: University of Alaska

Phone: 450-8187
 Date/Time: 2/12/07 11:00 AM
 Date: 2/12/2007

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSHB 62(MLV)
 (H) Publish Date: 2/14/07

Revision Date/Time (Note if correction): _____ Dept. Affected: Fish and Game
 Title Tuition Assistance for Alaska National Guard RDU Administration and Support
 Component Administrative Services
 Sponsor Reps Thomas and Kerttula
 Requester House Military and Veterans' Affairs (Component No. 470

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
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 (1024)	(78.5)	(78.5)	(78.5)	(78.5)	(78.5)	(78.5)
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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 (FY2007) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Fiscal note reflects estimated change in revenues to the Fish and Game Fund for complimentary sport fishing and hunting licenses to Alaska National Guard (ANG) active members. There are currently 4,300 ANG members. Based on resident sales, 50% of the ANG would purchase a sport fishing license and 25% would purchase a hunting license. Total revenue loss to Fish and Game Fund and Facility Surcharge Fund is estimated to be \$78,475.00.

Prepared by: Tom Lawson
 Division: Administrative Services
 Approved by: Denby Lloyd
 Agency: Department of Fish and Game

Phone: 465-5999
 Date/Time: 02/12/07 8:30 a.m.
 Date: 2/12/2007

FISCAL NOTE #2

STATE OF ALASKA
2007 LEGISLATIVE SESSION

BILL NO. CSHB 62(MLV)

ANALYSIS CONTINUATION

Alaska National Guard Complimentary Licenses

Types of License Sold	Number of ANG	License Fee	Revenue	% of Alaskans purchasing licenses	Total Revenue
R Fishing Lic	4300	\$24.00	\$103,200	50%	\$51,600
R Hunting Lic	4300	\$25.00	\$107,500	25%	\$26,875
Total			\$210,700		\$78,475

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 3
 Bill Version: CSHB 62(MLV)
 (H) Publish Date: 2/14/07

Revision Date/Time (Note if correction): _____ Dept. Affected: Military & Veterans Affairs
 Title Tuition Waiver for National Guard Family RDU Military & Veterans Affairs
 Component Educational Benefits
 Sponsor Representative Thomas
 Requester _____ Component No. 419

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	94.7	94.7	94.7	94.7	94.7	94.7
Miscellaneous						
TOTAL OPERATING	94.7	94.7	94.7	94.7	94.7	94.7

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

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 CF/Program Receipts	94.7	94.7	94.7	94.7	94.7	94.7
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	94.7	94.7	94.7	94.7	94.7	94.7

Estimate of any current year (FY2007) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Approximately 50% of National Guard members have qualifying family members for this program. We estimate that approximately 25% of that base will apply for the 50% undergraduate tuition waiver this program will provide.

FY07 funding level - \$378

Estimate for program usage - \$25%

Equivalents \$94.7 approximate fiscal impact to the department

We will have no fiscal impact for the free hunting and fishing licenses for active members of the AK National Guard.

Prepared by: John Cramer, Acting Deputy Commissioner
 Division: Commissioner's Office
 Approved by: Craig E. Campbell, Commissioner
 Agency: Department of Military and Veterans Affairs

Phone (907) 465-4602
 Date/Time 1/24/2007 @ 9:20 am
 Date 1/24/2007

Alaska Army National Guard

A DEPLOYED FORCE IN TRANSFORMATION

This was a banner year of activity with mobilizations and deployments. The "battle rhythm" really got underway in 2003 with the start of significant deployments. In 2006, the current operations of the Alaska Army National Guard were more challenging. The Guard hit a new "high water mark" for overseas assignments – including the combined call-ups for World War II, the Korean War, the Vietnam War, Desert Shield/Storm and the Balkans War support – with nearly 1,000 Soldiers either deployed or getting ready to go. Here are the mobilizations and deployments, by the numbers:

– A mobile training team, with Soldiers from 3rd Battalion, 297th Infantry, returned home from Afghanistan in February after completing a one-year tour.

– Eight Soldiers of the 117th Mobile Public Affairs Detachment returned home in March, upon completion of a one-year tour.

– Approximately 30 soldiers from Echo Company, 1st Battalion, 297th Aviation, returned home from a year-long tour in Kuwait and Iraq this past spring.

– More than 50 soldiers from Bravo Company, 1st Battalion, 297th Aviation, completed their one-year tour of service in Iraq this fall.

– The 1st Battalion, 297th Infantry (Scout) Headquarters, with about 80 Soldiers, mobilized in September 2005 and deployed to Iraq in November 2005. They returned this fall.

– The Headquarters element of the 207th Infantry Brigade (Scout), along with a significant portion of the 297th Support Battalion, deployed to Afghanistan in June 2006. With nearly 120 Alaskans, the Brigade directs American Forces, assigned with North Atlantic Treaty Organization troops, in the Kandahar Air Base area of southern Afghanistan. The units are programmed to return back home early next summer.

– Nearly 600 Soldiers from 3rd Battalion, 297th Infantry (Scout), from 81 Alaska communities, deployed to Kuwait in support of Operation Iraqi Freedom. The unit is expected to return home next fall.

– Two Soldiers are currently serving in Iraq with Mongolian forces. Alaska holds an active relationship with Mongolia.

– Five Soldiers with the Guard's C-12 Huron Flight Detachment deployed to Kuwait. They are expected to return home next fall.

– About 30 Soldiers from 1st Battalion, 207th Aviation, with the C-25 Sherpa fixed-wing aircraft, will deploy to Iraq this winter. The deployment is set for 5 months. The unit will return home next fall.

– Nearly 170 Soldiers, part of a security forces company, will go to Iraq next summer.

Recruiting progress hit new highs. With nearly 2,000 Soldiers located in over 80 communities across Alaska, recruiting is at record levels. By contrast, at the end of February 2005, less than 1,770 were assigned. These days, four of 10 Alaskans joining the Armed Forces enlist into the Alaska Army National Guard.

A cultural resource team aids in recruiting efforts by visiting each of the Guard's communities. Their goals include partnering with communities, increasing membership, and accomplishing the mission with the aid of tribal leaders and community members.

Transformation, Relevance and Missioning is the key to success.

– The 207th Infantry Brigade (Scout) is programmed to transform into an Infantry Brigade Combat Teams (IBCT) with a provisional status in 2007, and an activation date of September 1, 2008. The new 207th IBCT will consist of over 3,500 Soldiers, including: a headquarters, a brigade troops battalion, two infantry battalions of approximately 800 Soldiers each, a reconnaissance, surveillance and target acquisition battalion, an artillery battalion and a support battalion. It will take a unique partnering with four other states and the Territory of Guam to field this robust force structure. Alaska will host the headquarters, the brigade troops battalion, an infantry battalion and a portion of the support battalion.

– Progress with Aviators. 1st Battalion, 207th Aviation transformed to an Air Assault Battalion in 2006. Result: UH-60 Black Hawk helicopters will increase from 24 to 30 aircraft. One company, with 10 aircraft, is assigned in Hawaii.



Largest Single Deployment Since World War II. Nearly 600 Alaska Army National Guard Soldiers look three months to prepare for their Operation Iraqi Freedom deployment to Kuwait, at Camp Shelby, Mississippi. The troops will serve for 12 months boots on the ground in Kuwait. Photo: Staff Sergeant Mac Metcalfe, Alaska Army National Guard

- *Supporting what we have.* Alaska will add a Troop Command to its force structure in FY-08. That means up to 40 new positions, commanded by a Colonel, will provide leadership and administrative support for the Aviation Battalion, Medical Command, Recruiting & Retention Detachment, Regional Training Institute, the 103rd Civil Support Team, and other independent units.

- *Improving facilities and modernizing or replacing outdated Federal Scout Armories and Readiness Centers* has been a high priority since 2005. Here are some examples of the progress:

- The \$15.5 million Juneau Readiness Center was completed in August 2005. It is an innovative solution, in a joint partnership with the University of Alaska Southeast, combining the Guard's Readiness Center and the University Students Recreation Center. A new \$3 million National Guard Field Maintenance Shop is adjacent to it. A 20,000 sq. ft. controlled humidity storage facility was completed in 2006.
- A new \$24 million Bethel Readiness Center project is currently underway. Facility design is being completed and land is being secured from the city of Bethel. Initial site preparation work began in 2005. Facility construction is pending federal funding resourcing. Once construction begins, it can be completed in about two years. **Results:** Improved training and readiness facility; old Armory will be turned over to city.
- The Guard secured a long-term lease from the city of Nome for 10 acres of land to build a new Readiness Center using the existing design and plans from the Bethel Readiness Center. **Results:** Significant savings. New Nome Readiness Center is number one priority for Army's Future Year Development Plan. Once placed on the list, the project is available for congressional acceleration.
- Three controlled humidity vehicle storage buildings, at Camp Denali, are nearing completion. They'll provide 60,000 sq. ft. of storage space. **Results:** \$1.85 million project is 100 percent federally funded; it enhances the Guard's rapid response and readiness capabilities.
- \$1.5 million improvements are being added to the Kodiak Armory. The initiative began in the summer of 2006. It is projected to be complete in fall 2007. **Results:** Improved training support and space.
- The Alaska Army National Guard recently completed a master plan to develop and build a new "Collective Training Center" across from Camp Carroll, on Fort Richardson. Camp Carroll, the WWII vintage training site, is outdated and presently used by the Alaska Military Youth Academy

year-around. The new "Collective Training Center" will accommodate training requirements for the 207th Infantry Brigade Combat Team and serve mobilization requirements at Fort Richardson. Up to 1,000 Soldiers may be provided billeting, classrooms, mess halls, maintenance and storage facilities, parking, office and other support space. Alaska will finalize the master plan and submit the project to the National Guard Bureau for future year construction consideration in 2007.

Training and Readiness was the primary focus for Alaska's Army National Guard Soldiers in 2006. It was the most significant effort since the Guard was organized in 1939.

- *Alaska sent an infantry platoon, medical unit and public affairs team to Mongolia* to participate in the Khaan Quest multi-national peacekeeping exercise in August 2006. They achieved United Nations' validation as International Peacekeepers. Several Guard members became qualified multi-national trainers.

- *Alaska Army and Air Guard leaders continued developing a "Joint Staff" and Joint Operations Center at Camp Denali.* The Joint Staff capability is directly transferable to command and control of day-to-day Homeland Security & Emergency Management response missions across Alaska.

Military Support to Civil Authorities is a core value of the Alaska National Guard during disasters and emergencies - 2006 was another busy year. Here are few examples:

- *Arctic Care:* Each year, the Alaska National Guard, U.S. Army Alaska, the Air Force, Coast Guard, U.S. Public Health Service, Navy Reserve and Marine Corps Reserve test deployable medical, dental and veterinary capabilities. The focus: underserved areas within Alaska.

- *Response to wildfires* and western Alaska medical evacuations involved Alaska Army National Guard flight crews in 2006.

- *On the horizon, Soldiers are preparing Operation Jump Start* aviation and troop support during the second and third quarters of FY-2007. They will assist Arizona in protecting America's southern borders against illegal border crossings. Alaska will send up to four UH-60L Black Hawk helicopters with crews, and an Infantry Company consisting of about 100 Soldiers. Alaska and Arizona, with the assistance of the National Guard Bureau, in Washington, D.C., have executed a memorandum of agreement to facilitate the mission support.

Respectfully submitted,

Brigadier General Craig N Christensen

103rd Civil Support Team

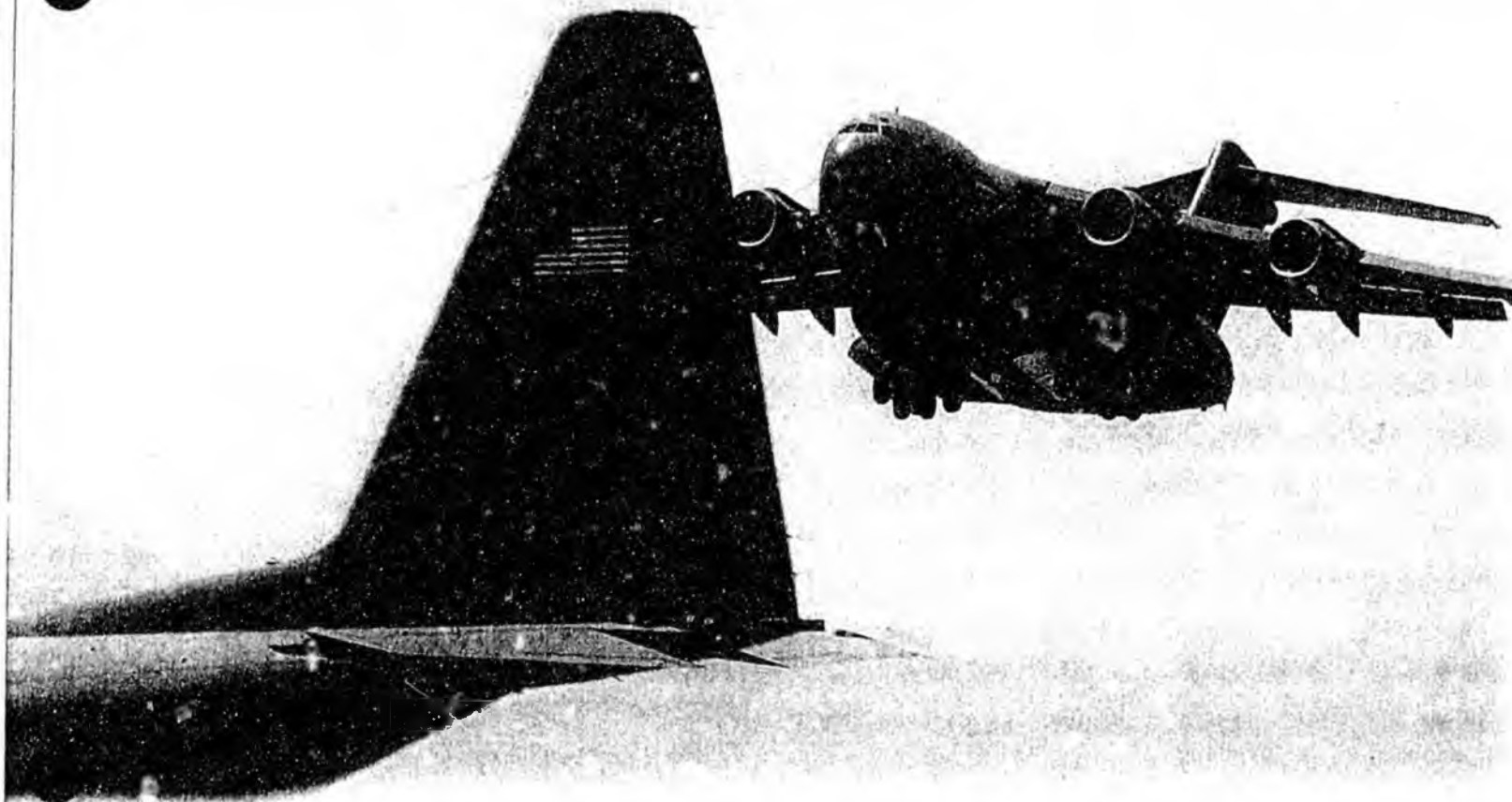
During the state fiscal year 2006, the 103rd Civil Support Team (CST), Weapons of Mass Destruction (WMD) unit provided invaluable training to local responders in Kenai, Homer, Soldotna, Ketchikan, Nome, Anchorage, Seward, Fairbanks, Palmer and Wasilla on HAZMAT, WMD and decontamination issues.

The unit deployed multiple times in support of local responders at Fort Wainwright and other areas of Alaska involving potential weapons of mass destruction and hazardous materials.

The unit deployed to assist the state of Louisiana in the aftermath of Hurricanes Katrina and Rita. They also helped U.S. Marshals with radiological substance screening.

103rd Soldiers and Airmen responded to suspected HAZMAT in a shipping container from Iraq. They assisted law enforcement officials concerning methamphetamine labs. The unit supported the visit by Secretary of Defense Donald Rumsfeld to Alaska in fall 2006. ■

Alaska Air National Guard



A YEAR OF CHANGE, CHALLENGE AND SUCCESS

Alaska's Citizen-Airmen are leading the radical changes sweeping America's entire Air National Guard. If you looked back to 2003, you'd see an Alaska Air Guard with two flying wings and not one of the unique missions it has gained over the past four years.

By far the biggest news to hit the Alaska Air National Guard was the results of the dual decisions by the Base Closure and Realignment Committee (BRAC) to close Kulis Air National Guard Base – moving its units, gear and aircraft across town to Elmendorf Air Force Base and reduce the active-duty size at Eielson Air Force Base. Here's the future:

– *C-17s coming fresh from the factory.* New aircraft and mission profiles are coming to the 176th Wing. This important reorganization brings new C-17 Globemaster III aircraft into the fourth flying unit of the Alaska Air National Guard. The aircraft will begin arriving at Elmendorf Air Force Base in June 2007.

– *More C-130s heading to the Guard.* The 144th Airlift Squadron will gain four C-130 Hercules – bringing its count to 12 birds uniquely suited for Alaska ... or Afghanistan.

– *A New Home.* A significant effort is under way at Elmendorf Air Force Base to accommodate the impending assignment of the 176th Wing. Kulis' inclusion on the BRAC list stopped all construction at the 130 acre base. The move will return well over \$100 million to the Southcentral Alaska economy from 2008 through 2011 (the year the move is scheduled to be completed).

– *Eielson Edge.* The strategic importance of Eielson Air Force Base was recognized thanks to an unparalleled grass-roots

campaign led by Governor Frank Murkowski to save the base. It became one of only two Air Force installations nationwide to be taken off the BRAC list.

The 168th Air Refueling Wing's reputation sustains Air Force confidence in the unit's abilities to accomplish current and future missions. A quick look at recent successes:

- Provided air interceptors with extended refueling as they found a. 1 escorted intruders away from Alaskan borders
- KC-135R Strato Tankers provided 2.3 million gallons (15.6 million pounds) of fuel to receiver aircraft of U.S. and coalition forces worldwide
- Continued construction and renovation projects topping more than \$44 million
- Developed a combined support policy with the 354th Fighter Wing
- Opened a new Joint Air & Army National Guard Recruiting Office in Fairbanks

Operational transformation of the Alaska Air National Guard continues. A series of complex changes are underway – possibly the greatest in the history of the Guard.

Alaskans are leading the efforts in the Global War on Terrorism. Airmen engaged in combat and combat support missions in Iraq, Afghanistan and the Horn of Africa. Alaska Air Guard aircraft tail flashes are seen on ramps in Iraq, Afghanistan, Kyrgyzstan, Qatar, Djibouti, Diego Garcia, Thailand, South Korea, Guam, Japan, Mongolia and throughout Europe.

Here is a history making example of their impact: The 144th Airlift Squadron mobilized and deployed to Afghanistan to direct

tactical airlift activities. Operating from Bagram Air Base, the 144th flies round-the-clock missions in austere, combat conditions. They deliver vital troops and supplies into highly volatile areas supporting coalition forces.

Nearly four years ago, aircrews and pararescuemen of the 10th, 21st and 212th Rescue Squadrons performed combat search and rescue missions in only a few other countries such as Uzbekistan and Afghanistan. Mission requirements are dictating a new, dynamic responsive force. The Guard remains ready to serve.

Last fall, Airmen from both Wings, along with a public affairs team, chaplains and other support members, deployed to the Deep South to help with the response and recovery efforts involved with hurricanes Katrina and Rita. They touched thousands of lives.

Unique Missions are mainstream for the Alaska Air National Guard. All but one did not belong to the Guard four years ago.

The 176th Air Control Squadron assigned to Elmendorf Air Force Base, kept watchful eyes over Alaskan skies round-the-clock. Created to defend against potential bomber attacks from now-former Cold War foes, the Air Control Squadron, today, keeps tabs not only on continued probing by the Russians, it also identifies and directs response to incursions of other unknown aircraft into Alaskan airspace.

The 213th Space Surveillance Squadron, an Alaska Air National Guard unit, has operational control of one of the key components of America's deterrence forces. They routinely interact with the Alaska Army National Guard's 49th Space & Missile Defense Battalion at Fort Greely, ensuring the safety of our nation.

The RCC is the lead coordinating agency for civil and military search and rescue activities above the 58th parallel in inland Alaska. In 2006, the RCC accomplished an extraordinary milestone, crossing the threshold of more than 4,000 missions in its 12-year existence, nearly one mission per day since its inception. The RCC has directed the saving of more than 100 Alaskans and rescued more than 100 others.

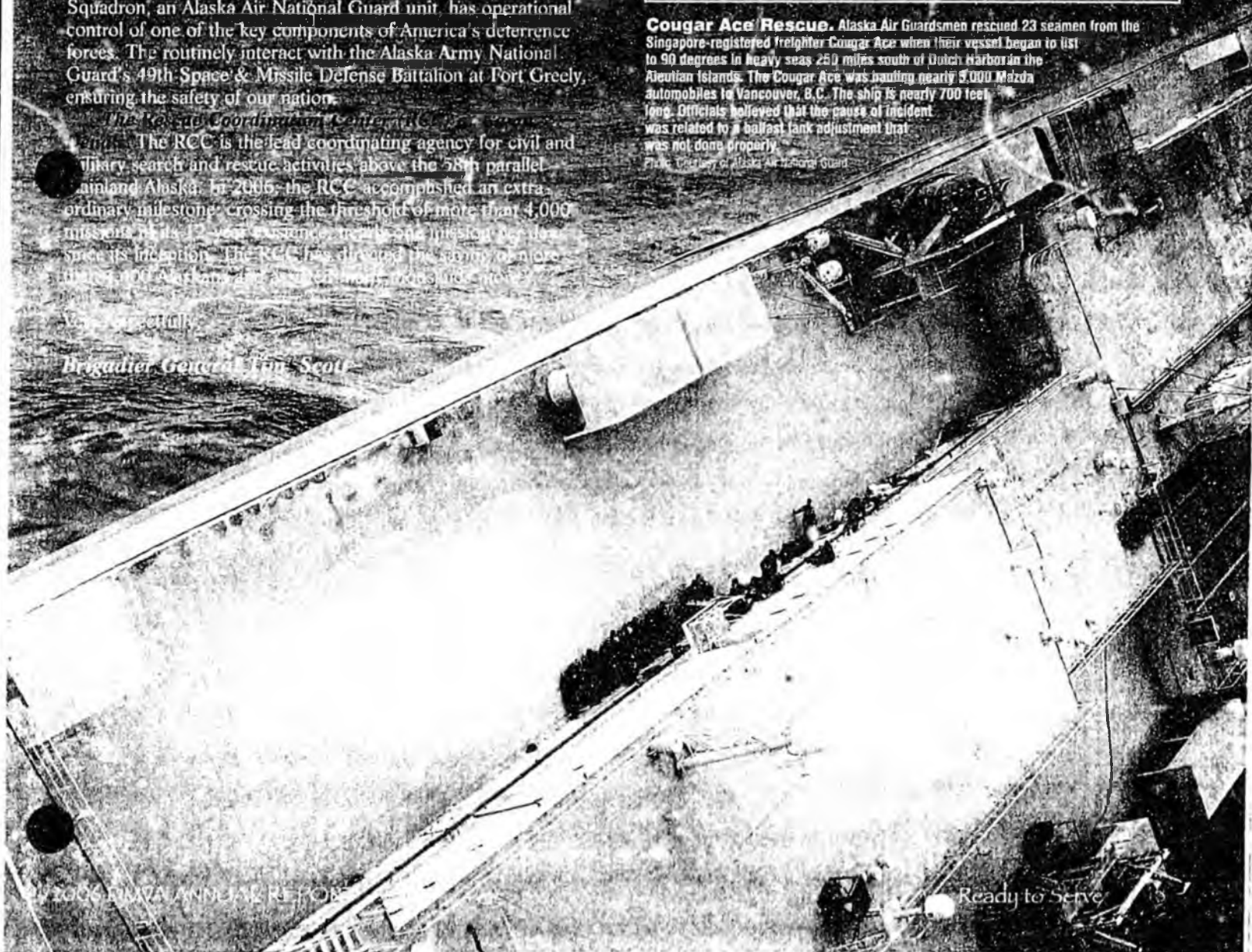
Very Respectfully,

Brigadier General Jim Scott



Cougar Ace Rescue. Alaska Air Guardsmen rescued 23 seamen from the Singapore-registered freighter Cougar Ace when their vessel began to list to 90 degrees in heavy seas 250 miles south of Dutch Harbor in the Aleutian Islands. The Cougar Ace was hauling nearly 5,000 Mazda automobiles to Vancouver, B.C. The ship is nearly 700 feet long. Officials believe that the cause of incident was related to a ballast tank adjustment that was not done properly.

Photo Courtesy of Alaska Air National Guard





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Definition of Resident/NonResident

Licenses	Resident	Nonresident	Nonresident Alien	NonResident Military
Sport Fishing:				
1 Day Sport Fishing License**	N/A	\$20	\$20	N/A
3 Day Sport Fishing License**	N/A	\$35	\$35	N/A
7 Day Sport Fishing License**	N/A	\$55	\$55	N/A
14 Day Sport Fishing License**	N/A	\$80	\$80	N/A
Annual Sport Fishing License**	\$24	\$145	\$145	\$24
Sport Fishing License for the Blind	\$0.25	N/A	N/A	N/A
Sport Fishing License Yukon Residents Only**	N/A	N/A	\$24	N/A
Hunting:				
Hunting License	\$25	\$85	\$300	\$85
Small Game Hunting License	N/A	\$20	\$20	\$25
Hunting License for the Blind	\$25	N/A	N/A	N/A
Trapping:				
Trapping License	\$15	N/A	N/A	N/A
Combination Licenses:				
Hunting and Sport Fishing License**	\$48	\$230	N/A	N/A
Hunting and 1 Day Sport Fishing License**	N/A	\$105	N/A	N/A
Hunting and 3 Day Sport Fishing License**	N/A	\$120	N/A	N/A
Hunting and 7 Day Sport Fishing License**	N/A	\$140	N/A	N/A
Hunting and 14 Day Sport Fishing License**	N/A	\$165	N/A	N/A
Hunting and Trapping License	\$39	\$250	N/A	\$250
Hunting, Trapping and Sport Fishing License**	\$62	N/A	N/A	N/A
Small Game Hunting and Sport Fishing**	N/A	N/A	N/A	\$48
Low Income Sport Fishing, Hunting and Trapping	\$5	N/A	N/A	N/A
Commercial Crewmember:				
Crewmember License	\$60	\$175	\$175	\$175
Child Crewmember License (10 or less yrs old)	\$5	\$120	\$120	N/A
7 day Crewmember License	\$30	\$30	\$30	\$30
Stamps				
King Salmon Stamp:				
1 Day Stamp	N/A	\$10	\$10	N/A
3 Day Stamp	N/A	\$20	\$20	N/A
7 Day Stamp	N/A	\$30	\$30	N/A
14 Day Stamp	N/A	\$50	\$50	N/A
Annual Stamp	\$10	\$100	\$100	\$20
Annual Stamp Yukon Residents Only	N/A	N/A	\$10	N/A
Waterfowl Stamp:				
State waterfowl stamp	\$5	\$5	\$5	\$5

Big Game Tags	Resident	Nonresident	Nonresident Alien	NonResident Military
Bison	N/A	\$450	\$650	\$225
Black Bear	N/A	\$225	\$300	\$112.50
Brown/Grizzly Bear	\$25	\$500	\$650	\$250
Caribou	N/A	\$325	\$425	\$162.50
Deer	N/A	\$150	\$200	\$75
Elk	N/A	\$300	\$400	\$150
Goat	N/A	\$300	\$400	\$150
Moose	N/A	\$400	\$500	\$200
Muskox-bull	\$500	\$1,100	\$1,500	\$550
Muskox-cow	\$25	N/A	N/A	N/A
Sheep	N/A	\$425	\$550	\$212.50
Wolf	N/A	\$30	\$50	\$15
Wolverine	N/A	\$175	\$250	\$87.50

Sport Fish Business Owner and Guide Licenses	Resident	Nonresident	Nonresident Alien	NonResident Military
Business Owner License Only	\$100	\$100	\$100	\$100
Guide License Only	\$50	\$50	\$50	\$50
Combo Business Owner/Guide License	\$100	\$100	\$100	\$100

McNeil River Bear Viewing	Resident	Nonresident	Nonresident Alien	NonResident Military
Application Fee	\$25	\$25	\$25	\$25
Guided Permit	\$150	\$350	\$350	\$350
Camp Permit	\$75	\$175	\$175	\$175

Professional Licenses	Resident	Nonresident	NonResident Alien	NonResident Military
Fur Dealer	\$150	\$500	\$500	\$500
Taxidermy	\$200	\$500	\$500	\$500
Game Mammal or Reptile Farm	\$250	\$250	\$250	\$250
Game Bird Farm	\$50	\$50	\$50	\$50

**Sport fishing license fees increased in 2006 to provide for sport fishing facilities. See Facility surcharge AS 16.05.340 for further information.



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States Provide Extended Hunting For Military and Disabled

As a compassionate gesture to active military and the disabled, many states have tipped their hat to these individuals, passing legislation that extends or modifies hunting seasons and licenses.

South Dakota H1060: Permits dependant children of resident active duty military service

persons to obtain deer and antelope hunting licenses under certain circumstances. This bill was signed by the governor in February.

South Dakota H1085: Provides for certain reduced hunting and fishing license fees for certain disabled residents who served in the armed forces reserve or national guard. This bill was signed by the governor in February.

Mississippi H1107: Waives fees for resident who is member of United States Armed Forces, National Guard or Reserves. This bill was signed into law in May.

Delaware H 326: Grants veterans who have served honorably for 90 or more consecutive days on active duty in the Armed Forces of the United States 1 year of free access to the State's parks and 1 year of free hunting and fishing licenses following the date of their honorable discharge or removal from active status. This bill has passed both houses and is ready for the governor's signature.

Mississippi had other provisions in the legislature which would have exempted disabled vets, active duty military and National Guard from requiring a license, but the bills died in committee.

Still under consideration in the state legislative process are four bills in New Jersey and one in Pennsylvania, California and Michigan.

New Jersey A1736: Authorizes free admission to State parks and forests for disabled veterans.

New Jersey A952: Authorizes free hunting, fishing, and trapping licenses and State park admission for persons with certain types of military service

New Jersey A1247: Authorizes free hunting, fishing, and trapping licenses for veterans

New Jersey A2658: Authorizes free hunting, fishing, and trapping licenses and free admission to State parks and forests for individuals with certain types of military service.

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Pennsylvania H2458: Amends the Game Code. Expands the definition and hunting privileges of military personnel.

California S1807: Eliminates the fee that the disabled veteran would be required to pay to obtain a hunting or sport fishing license. (This bill failed initially but will be reconsidered.)

Michigan S1148: Authorizes military personnel to obtain free hunting and fishing licenses from Department of Natural Resources licensing agents.

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● FAQ'S

- What Does The Guard Do In The Community?
- Who Joins The Army National Guard?
- What are the service obligations in the National Guard?
- What is the National Guard?

What Does The Guard Do In The Community?

Guard units across America play an important role in their community. The Army National Guard brings additional spending dollars into local communities.

From the assistance each soldier provides while in uniform to the work that they do in their civilian jobs, Guard members are leaders in their community. Whether it's teaching classes at local high schools, or providing events for students at local armories, Guard members think getting involved with the future of our children is essential. By providing medical support to communities through "GuardCare" or providing groups a place to hold meetings in their local armories, the Army National Guard is always there and always willing to lend a helping hand.

Who Joins The Army National Guard?

Members range from doctors and lawyers to college students and everyone in between. There are nurses, teachers, and ministers in the Army National Guard.

There are many reasons for joining the Guard. Regardless, there's a special pride that comes with serving side by side with other members of your community.

What are the service obligations in the National Guard?

Army National Guard members are required to attend one drill weekend each month and one annual training period each year. Weekend drills are usually scheduled over one weekend - a Saturday and Sunday each month but can occasionally include reporting for duty on Friday night. In addition, units have a two week annual training (AT) period every year which is usually scheduled during the summer. Initially, all personnel are required to attend initial entry training (IET), which can usually be scheduled to meet civilian occupation scheduling requirements. Duration and location of IET varies according to career specialty - a recruiter can provide specific information for each Military Occupational Specialty.

What is the National Guard?

The National Guard is one branch of the U.S. Armed Forces. The National Guard consists of both Army National Guard and Air National Guard components. The National Guard is composed of full time and part time soldiers, as well as civilians, who together serve their country. Each state and territory has its own National Guard, as provided by the United States Constitution.

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National Guard Education Benefits

State-by-State Education Benefits for Members of the National Guard

All members of the Reserves and National Guard are eligible for the Reserve Montgomery GI Bill, if:

- They are within 10 years from the date they became eligible (after initial entry training)
- Have at least a six year Reserves commitment (Must have enlisted in the Guard/Reserves for a minimum of six years)
- Have completed their initial active duty training (basic training and Technical School/AIT/A-School)
- Remain in a drill status (One weekend per month and two weeks per year)

In addition to federal education benefits (Reserve Montgomery GI Bill), all states offer additional educational benefits for members of the National Guard. These programs are operated, funded, and managed under the laws of the individual state, not the federal government. In most cases, both the Reserve Montgomery GI Bill and the Active Duty GI bill may be used at the same time with State educational programs.

Educational benefits for National Guard members offered by the individual states are shown in the chart below. It should be noted that these benefits are subject to available funds and it is not unusual for a state to suspend benefits when funding runs out. While every effort has been made to ensure the below information is current (as of August 2002), the programs are subject to individual state laws, which can be changed at anytime by state legislators. One should check with their individual state National Guard agency or National Guard recruiter for the latest information and programs.

State	Program	Limitations/Remarks
Alabama	\$500 per semester	Covers tuition, books, supplies and fees. Limit \$1,000 per year.
Alaska	100%	Can be used only at schools in the University of Alaska system.
Arizona	\$126 per credit hour	Maximum of \$2,412 per fiscal year. Military members with more than 10 years of service have priority when funds are limited.
Arkansas	\$1,000 per semester	Maximum of 4 semester per year. Can be used only at Arkansas public and private colleges and universities.
California	None	
Colorado	75%	Can be used only at selected Colorado state schools.
Connecticut	100% Tuition Waiver	Applies only to Connecticut state public universities or community-technical colleges.
Delaware	100%	100% of tuition at Delaware state institution, and an equivalent dollar amount for private institutions.
District of Columbia	\$1,000 per semester/quarter	Can be used at any approved college university or educational institution.
Florida	100% or 50%	100% for those who enlisted in the

National Guard Education Benefits

State-by-State Education Benefits for Members of the National Guard

		Florida National Guard on or after 1 July 1997, and 50% for those who entered before 1 July 1997. Applies to Florida state community colleges and universities.
Georgia	100%	Can't exceed \$2,500 per school year. Also available an \$800 loan for full-time students and a \$400 loan to part-time students. TA/loan is valid only for students in bachelor degree programs.
Hawaii	100% or 50%	100% at Hawaii state community colleges and 50% at Hawaii universities.
Illinois	100%	Any Illinois state-supported college or university.
Indiana	100%	Any Indiana state school
Iowa	50%	Iowa state universities and community colleges and selected private universities.
Kansas	100%	Any Kansas state-supported school, for any certificate, diploma or degree, up to a bachelor degree. Members are required to serve in the Kansas National Guard for 4 years after last TA payment.
Kentucky	100%	Any Kentucky state university, community college or vocational school. Only available to enlisted members.
Louisiana	100%	Louisiana state operated colleges or universities. Limited to award of bachelor degree or five academic years, whichever occurs first.
Maine	100%	Regionally accredited Maine public post-secondary schools.
Maryland	50%	Limited to six semester hours per semester. Only valid for Maryland state-supported colleges and universities. Some members may be eligible for 100% tuition assistance with certain restrictions.
Massachusetts	100%	Massachusetts state colleges and universities. Maximum of 130 credit hours, total.
Michigan	\$2,000 per academic year	Must enroll in <i>approved courses</i> at Michigan state colleges, universities,

National Guard Education Benefits

State-by-State Education Benefits for Members of the National Guard

		technical schools, and vocational/trade schools.
Minnesota	Varies	Partial tuition and textbook reimbursement.
Mississippi	\$1,000 per semester and \$500 per term	Offers \$1,000 per semester at 4-year colleges and universities and \$500 per term at community colleges. Only for O-3s and below.
Missouri	50% or 100%	100% for those with less than 10 years of service who joined before 1 April 2001. 50% for all others. Limited to 15 credit hours per semester.
Montana	75%	Montana state schools.
Nebraska	75%	Nebraska state-supported colleges, university or technical colleges.
Nevada	50%	Nevada state universities and community colleges. Must maintain at least a "C" average.
New Hampshire	100%	New Hampshire state schools and universities. Space-available basis. Must be a legal state resident.
New Jersey	100%	New Jersey state university or community college.
New Mexico	100%	State-supported schools.
New York	100%	100% in state for New York public colleges and universities or equal funds for in-state private schools.
North Carolina	\$2,000 per year	North Carolina state-approved colleges and universities. Limited to \$8,000 total benefit.
North Dakota	100%	North Dakota state colleges and universities.
Ohio	100%	Ohio state schools. Equivalent funds for private schools.
Oklahoma	100%	Oklahoma state colleges and universities. State offers some scholarships to National Guard members, as well.
Oregon	\$10,000 Student Loan Repayment	Oregon will repay up to \$10,000 in student loans.
Pennsylvania	100%	Based upon tuition rates of Pennsylvania State System of Higher Education.
Puerto Rico	Variable	Rates vary depending on number of classes being taken. National Guard

National Guard Education Benefits

State-by-State Education Benefits for Members of the National Guard

		members can transfer benefits to their spouse.
Rhode Island		National Guard members are allowed to attend one undergraduate course per semester for free, at Rhode Island state colleges or universities.
South Carolina	\$20,000 Student Loan Repayment	15% (or \$2,000, whichever is greater), each year the member is in the National Guard, on the current balance for all guaranteed student loans. Maximum repayment of \$20,000.
South Dakota	50%	South Dakota state universities or technical schools.
Tennessee	\$3,500 per year	
Texas	100%	Limited to a maximum of 12 credit hours per semester.
Utah	\$400 per semester	\$400 per semester or \$800 per year. Maximum benefit of \$4,000.
Vermont	25%	Available at select schools only. \$2,500 interest-free student loan for courses in any Vermont state school.
Virginia	50%	Maximum of \$500 per term, or \$1,000 per year.
Virgin Islands		32 free credit-hours at the University of the Virgin Islands. Available for graduate or undergraduate degree programs.
Washington	Varies	Offers tuition reductions to National Guard members at Washington State University. Some scholarships also available.
West Virginia	100%	Undergraduate degrees at any West Virginia state schools. Equivalent funds for in-state private schools.
Wisconsin	100%	Amount of tuition is based on tuition rate at the University of Wisconsin-Madison.
Wyoming	100%	University of Wyoming and selected other schools.

Note: In addition to an Air National Guard and an Army National Guard, the states of New Jersey and New York also have a state Naval Militia, and the above programs apply to those agencies, as well.

Kaci Schroeder

From: Tracy Oman [tracyoman@yahoo.com]
Sent: Tuesday, January 23, 2007 10:36 AM
To: Rep. Bill Thomas; Rep. Beth Kerttula; Rep. Bob Lynn
Cc: Rep. Bob Roses
Subject: HB 62 -TUITION WAIVER FOR NATIONAL GUARD FAMILY

Good Morning,

I am writing today to show support of HB 62. As a Military Veteran and a National Guard dependent, I was disappointed to see this bill fail in the last session. Not only will this legislation help attract and keep Guard members, it will also relieve much of the financial hardship that college tuition can put on Guard members and their dependents. Although I am a Military Veteran and already receive tuition assistance through the G.I. Bill, I have seen my fellow Guard dependents struggle and I would like to help.

Please let me know if there is anything I can do to encourage the passage of this much needed legislation.

Sincerely,

Tracy Oman
ANG Dependent
(907) 748-6892

Looking for earth-friendly autos?
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Date: 5 Mar 07

House of Representatives
Alaska State Capitol
Juneau, Alaska 99801-1182

Dear Legislators,

First of all, thank you for the hard work you are doing for our state and our country. I know it is a thankless job sometimes, and the time away from your family is irreplaceable. However, you should rest easy at night knowing that your service is appreciated. Although, it may not always be evident that your constituents care about the political system, we do! I can only hope that others voice their opinions in an attempt to be a part of our great democratic system.

Secondly, there is another group of people whose service benefits our state and our country. Like you, sometimes, their sacrifice is not appreciated or acknowledged. This group consists of the men and women of the Alaska National Guard. Their sacrifice not only consists of leaving their family for 4 months or longer, but sometimes they sacrifice their lives. Many of these citizen soldiers and airmen are full-time students or their spouses are full-time students. Additionally, many have incomes so low that they are eligible for earned income credit on their tax returns. This brings me to my point!

I strongly urge you to support HB 62 to provide a small yet deserved benefit to our National Guard members supporting our country. They are out there securing our borders and fighting our enemies in foreign lands every day. I heard a report that sixty percent of our soldiers overseas are guard and reserve members. Yet, their active duty counterparts have spouse tuition assistance while guard members do not. Please help fix this inequity and support our guard members by voting **YES for HB 62!** Thank you for your valuable time.

Sincerely,



Wayne R Oman, 1Lt, AKANG
Kulis Air National Guard Base
(907)868-4834
omacentral@yahoo.com

5 March 2007

House of Representatives
Alaska State Capitol
Juneau, Alaska 99801-1182

Dear Legislators,

I would like to thank you for your hard work for our state and country. Though it may not appear that your constituents care about the political system, we do! You may feel unappreciated for the time you spend away from family in serving our great political system, know that you are appreciated!

There is another group of people, like you, who are unappreciated or acknowledged. These people are the men and women of the Alaska National Guard. Their sacrifices for our state and country include, missing child births, children's first words/steps and the ultimate sacrifice; the loss of their lives. Many of our citizen soldiers and airmen are full-time students and/or their spouses. Many have incomes so low that they are unable to afford to cost to attend college.

I urge you to support HB 62 to provide a deserved benefit to our National Guard members serving our country and state. They are fighting our enemies in foreign countries daily. They are securing OUR borders in efforts to keep our country safe. It is reported that 60% of our soldiers overseas are guard and reserve members. Yet, their active duty counterparts have spouse tuition assistance while the guard members do not. Please vote YES for HB 62 and support our guard members and fix this inequity.

Sincerely,



Nathaniel L. McElroy, MSgt, AKANG
Kulis Air National Guard Base
(907)753-1157
nathaniel.mcelroy@gei.net



REPRESENTATIVE BILL THOMAS

ALASKA STATE LEGISLATURE DISTRICT 5

e-mail: Representative.Bill.Thomas@legis.state.ak.us webpage: www.akrebublicans.org/thomas/

State Capitol

Juneau AK, 99801-1182

907-465-3732


888-461-3732

FAX 907-465-2652

MEMORANDUM

DATE: 2-22-07

TO: Representative Lynn, House State Affairs Chairman

FROM: Representative Thomas 

RE: HB 62 Tuition Assistance for National Guard Members and Families and Providing for Free Hunting and Fishing Licenses for National Guard Members

I am requesting that the House State Affairs Committee hear HB 62 Tuition Assistance for National Guard Members and Families and Providing for Free Hunting and Fishing Licenses for National Guard Members at its earliest convenience.

HB 62 provides for free hunting and fishing licenses for active National Guard members, creates a tuition waiver program for spouses of Guard members, and requires that the Commissioner of the Department of Military and Veterans Affairs request enough money from the Legislature to fund the educational waiver program.

If you have any questions please contact my staff, Kaci Schroeder Hotch, at 465-3732.

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB62 (H) MLV
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Military & Veterans Affairs
 Title: Tuition Waiver for National Guard Family RDU: Military & Veterans Affairs
 Component: Educational Benefits
 Sponsor: Representative Thomas
 Requester: _____ Component No.: 419

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	94.7	94.7	94.7	94.7	94.7	94.7
Miscellaneous						
TOTAL OPERATING	94.7	94.7	94.7	94.7	94.7	94.7

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	94.7	94.7	94.7	94.7	94.7	94.7
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	94.7	94.7	94.7	94.7	94.7	94.7

Estimate of any current year (FY2007) cost: 00
 Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Approximately 50% of National Guard members have qualifying family members for this program. We estimate that approximately 25% of that base will apply for the 50% undergraduate tuition waiver this program will provide.

FY07 funding level - \$378.5

Estimate for program usage - 25%

Equals \$94.7 approximate fiscal impact to the department

We will have no fiscal impact for the free hunting and fishing licenses for active members of the AK National Guard.

Prepared by: John Cramer, Acting Deputy Commissioner Phone: (907) 465-4602
 Division: Commissioner's Office Date/Time: 1/24/2007 @ 9:20 am
 Approved by: Craig E. Campbell, Commissioner Date: 1/24/2007
 Agency: Department of Military and Veterans Affairs

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB62
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: University of Alaska
 Title Partial Tuition Assistance AK Nat'l Guard RDU _____
Families Component _____
 Sponsor _____
 Requester Representative (s) Thomas, Kerttula Component No. _____

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
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 (FY2007) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would have no fiscal impact on the University, assuming that the adjutant general provides the additional funding to support tuition assistance for the families of the members of the Alaska National Guard.

Prepared by: Michelle Rizk
 Division: University of Alaska
 Approved by: Pat Pitney
 Agency: University of Alaska

Phone: 450-8187
 Date/Time: 2/12/07 11:00 AM
 Date: 2/12/2007

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: HB062-DFG-DAS-02-12-07
 Bill Version: HB 62
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Fish and Game
 Title: Tuition Assistance for Alaska National Guard RDU: Administration and Support
 Component: Administrative Services
 Sponsor: Reps Thomas and Kertula
 Requester: House Military and Veterans' Affairs (Component No.: 470

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
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 (1024)	(78.5)	(78.5)	(78.5)	(78.5)	(78.5)	(78.5)
------------------------------------	---------------	---------------	---------------	---------------	---------------	---------------

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 (FY2007) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Fiscal note reflects estimated change in revenues to the Fish and Game Fund for complimentary sport fishing and hunting licenses to Alaska National Guard (ANG) active members. There are currently 4,300 ANG members. Based on resident sales, 50% of the ANG would purchase a sport fishing license and 25% would purchase a hunting license. Total revenue loss to Fish and Game Fund and Facility Surcharge Fund is estimated to be \$78,475.00.

Prepared by: Tom Lawson
 Division: Administrative Services
 Approved by: Denby Lloyd
 Agency: Department of Fish and Game

Phone 465-5999
 Date/Time 02/12/07 8:30 a.m.
 Date 2/12/2007

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

BILL NO. HB 62

ANALYSIS CONTINUATION

Alaska National Guard Complimentary Licenses

Types of License Sold	Number of ANG	License Fee	Revenue	% of Alaskans purchasing licenses	Total Revenue
R Fishing Lic	4300	\$24.00	\$103,200	50%	\$51,600
R Hunting Lic	4300	\$25.00	\$107,500	25%	\$26,875
Total			\$210,700		\$78,475

Adopted y/c

25-LS0303VA.1
Mischel
2/1/07

A M E N D M E N T

OFFERED IN THE HOUSE
TO: HB 62

BY REPRESENTATIVE THOMAS

- 1 Page 1, line 1:
- 2 Delete "families"
- 3 Insert "spouses"
- 4
- 5 Page 3, line 5:
- 6 Delete "or child"



REPRESENTATIVE BILL THOMAS

ALASKA STATE LEGISLATURE DISTRICT 5

e-mail: Representative.Bill.Thomas@legis.state.ak.us webpage: www.akrebublicans.org/thomas/

State Capitol

Juneau AK, 99801-1182

907-465-3732

888-461-3732

FAX 907-465-2652

Sponsor Statement for HB 62 Tuition Assistance for National Guard Members and Families and Providing for Free Hunting and Fishing Licenses for National Guard Members

HB 62 has three provisions, which will substantially benefit the Alaska National Guard. First, HB 62 allows Alaska National Guard members to receive free hunting and fishing licenses. This not only is an important recruiting tool, but it is also a way for the state of Alaska to show its appreciation to those who sacrifice so much to protect our country and our state.

Second, HB 62 gives a 50 percent tuition waiver to spouses of Alaska National Guard members. For the past two years the Alaska National Guard has not met its year-end membership goals. This is attributed, in large part, to the family being the decision maker for these soldiers. When the family gives up so much to support these soldiers, but gets nothing in return, the pull to leave the Guard is strong. The waiver benefits families who give up so much to support their loved one while serving in the National Guard.

Finally, HB 62 solves the current funding problems of tuition waivers that are promised to Alaska National Guard members. Soldiers who have been promised higher education benefits are not always receiving them. Each year the funding is exhausted and guard members are being denied the assistance they need to continue their education. By directing the adjutant general to request a supplemental appropriation from the Legislature, the Department of Military and Veterans Affairs can fund both the new and previously established tuition waivers.

The War in Iraq has seen the first mobilization of Alaska National Guard members into overseas combat. The commitment that these men and women make upon joining the National Guard is much more than one weekend a month and two weeks a year. The Alaska National Guard is fighting for our country and protecting our state. They deserve our support. I respectfully urge your support for HB 62.



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States Provide Extended Hunting For Military and Disabled

As a compassionate gesture to active military and the disabled, many states have tipped their hat to these individuals, passing legislation that extends or modifies hunting seasons and licenses.

South Dakota H1060: Permits dependant children of resident active duty military service

persons to obtain deer and antelope hunting licenses under certain circumstances. This bill was signed by the governor in February.

South Dakota H1085: Provides for certain reduced hunting and fishing license fees for certain disabled residents who served in the armed forces reserve or national guard. This bill was signed by the governor in February.

Mississippi H1107: Waives fees for resident who is member of United States Armed Forces, National Guard or Reserves. This bill was signed into law in May

Delaware H 326: Grants veterans who have served honorably for 90 or more consecutive days on active duty in the Armed Forces of the United States 1 year of free access to the State's parks and 1 year of free hunting and fishing licenses following the date of their honorable discharge or removal from active status. This bill has passed both houses and is ready for the governor's signature.

Mississippi had other provisions in the legislature which would have exempted disabled vets, active duty military and National Guard from requiring a license, but the bills died in committee.

Still under consideration in the state legislative process are four bills in New Jersey and one in Pennsylvania, California and Michigan.

New Jersey A1736: Authorizes free admission to State parks and forests for disabled veterans.

New Jersey A952: Authorizes free hunting, fishing, and trapping licenses and State park admission for persons with certain types of military service

New Jersey A1247: Authorizes free hunting, fishing, and trapping licenses for veterans.

New Jersey A2658: Authorizes free hunting, fishing, and trapping licenses and free admission to State parks and forests for individuals with certain types of military service.

SCI

First for Hunters

Pennsylvania H2458: Amends the Game Code. Expands the definition and hunting privileges of military personnel.

California S1807: Eliminates the fee that the disabled veteran would be required to pay to obtain a hunting or sport fishing license. (This bill failed initially but will be reconsidered.)

Michigan S1148: Authorizes military personnel to obtain free hunting and fishing licenses from Department of Natural Resources licensing agents.

Protect the Freedom to Hunt – Join SCI



- What Does The Guard Do In The Community?
- Who Joins The Army National Guard?
- What are the service obligations in the National Guard?
- What is the National Guard?

What Does The Guard Do In The Community?

Guard units across America play an important role in their community. The Army National Guard brings additional spending dollars into local communities.

From the assistance each soldier provides while in uniform to the work that they do in their civilian jobs, Guard members are leaders in their community. Whether it's teaching classes at local high schools, or providing events for students at local armories, Guard members think getting involved with the future of our children is essential. By providing medical support to communities through "GuardCare" or providing groups a place to hold meetings in their local armories, the Army National Guard is always there and always willing to lend a helping hand.

Who Joins The Army National Guard?

Members range from doctors and lawyers to college students and everyone in between. There are housewives, teachers, and ministers in the Army National Guard.

There are many reasons for joining the Guard. Regardless, there's a special pride that comes with serving side by side with other members of your community.

What are the service obligations in the National Guard?

Army National Guard members are required to attend one (1) weekend each month and one annual training period each year. Weekend training is usually scheduled over one weekend - a Saturday and Sunday, each month but can occasionally include reporting for duty on Friday night. In addition, units have a two week annual training (AT) period every year which is usually scheduled during the summer. Initially, all personnel are required to attend initial entry training (IET), which can usually be scheduled to meet civilian occupation scheduling requirements. Duration and location of IET varies according to career specialty - a recruiter can provide specific information for each Military Occupational Specialty.

What is the National Guard?

The National Guard is one branch of the U.S. Armed Forces. The National Guard consists of both Army National Guard and Air National Guard components. The National Guard is composed of full time and part time soldiers, as well as civilians, who together serve their country. Each state and territory has its own National Guard, as provided by the United States Constitution.

National Guard Education Benefits

State-by-State Education Benefits for Members of the National Guard

All members of the Reserves and National Guard are eligible for the Reserve Montgomery GI Bill, if:

- They are within 10 years from the date they became eligible (after initial entry training)
- Have at least a six year Reserves commitment (Must have enlisted in the Guard/Reserves for a minimum of six years)
- Have completed their initial active duty training (basic training and Technical School/AIT/A-School)
- Remain in a drill status (One weekend per month and two weeks per year)

In addition to federal education benefits (Reserve Montgomery GI Bill), all states offer additional educational benefits for members of the National Guard. These programs are operated, funded, and managed under the laws of the individual state, not the federal government. In most cases, both the Reserve Montgomery GI Bill and the Active Duty GI bill may be used at the same time with State educational programs.

Educational benefits for National Guard members offered by the individual states are shown in the chart below. It should be noted that these benefits are subject to available funds and it is not unusual for a state to suspend benefits when funding runs out. While every effort has been made to ensure the below information is current (as of August 2002), the programs are subject to individual state laws, which can be changed at anytime by state legislators. One should check with their individual state National Guard agency or National Guard recruiter for the latest information and programs.

State	Program	Limitations/Remarks
Alabama	\$500 per semester	Covers tuition, books, supplies and fees. Limit \$1,000 per year.
Alaska	100%	Can be used only at schools in the University of Alaska system.
Arizona	\$126 per credit hour	Maximum of \$2,412 per fiscal year. Military members with more than 10 years of service have priority when funds are limited.
Arkansas	\$1,000 per semester	Maximum of 4 semester per year. Can be used only at Arkansas public and private colleges and universities.
California	None	
Colorado	75%	Can be used only at selected Colorado state schools.
Connecticut	100% Tuition Waiver	Applies only to Connecticut state public universities or community-technical colleges.
Delaware	100%	100% of tuition at Delaware state institutions and an equivalent dollar amount for private institutions.
District of Columbia	\$1,000 per semester/quarter	Can be used at any approved college university or educational institution.
Florida	100% or 50%	100% for those who enlisted in the

National Guard Education Benefits

State-by-State Education Benefits for Members of the National Guard

		Florida National Guard on or after 1 July 1997, and 50% for those who entered before 1 July 1997. Applies to Florida state community colleges and universities.
Georgia	100%	Can't exceed \$2,500 per school year. Also available an \$800 loan for full-time students and a \$400 loan to part-time students. TA/loan is valid only for students in bachelor degree programs.
Hawaii	100% or 50%	100% at Hawaii state community colleges and 50% at Hawaii universities.
Illinois	100%	Any Illinois state-supported college or university.
Indiana	100%	Any Indiana state school
Iowa	50%	Iowa state universities and community colleges and selected private universities.
Kansas	100%	Any Kansas state-supported school, for any certificate, diploma or degree, up to a bachelor degree. Members are required to serve in the Kansas National Guard for 4 years after last TA payment.
Kentucky	100%	Any Kentucky state university, community college or vocational school. Only available to enlisted members.
Louisiana	100%	Louisiana state operated colleges or universities. Limited to award of bachelor degree or five academic years, whichever occurs first.
Maine	100%	Regionally accredited Maine public post-secondary schools.
Maryland	50%	Limited to six semester hours per semester. Only valid for Maryland state-supported colleges and universities. Some members may be eligible for 100% tuition assistance with certain restrictions.
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Michigan	\$2,000 per academic year	Must enroll in <i>approved courses</i> at Michigan state colleges, universities,

National Guard Education Benefits

State-by-State Education Benefits for Members of the National Guard

		technical schools, and vocational/trade schools.
Minnesota	Varies	Partial tuition and textbook reimbursement.
Mississippi	\$1,000 per semester and \$500 per term	Offers \$1,000 per semester at 4-year colleges and universities and \$500 per term at community colleges. Only for O-3s and below.
Missouri	50% or 100%	100% for those with less than 10 years of service who joined before 1 April 2001. 50% for all others. Limited to 15 credit hours per semester.
Montana	75%	Montana state schools.
Nebraska	75%	Nebraska state-supported colleges, university or technical colleges.
Nevada	50%	Nevada state universities and community colleges. Must maintain at least a "C" average.
New Hampshire	100%	New Hampshire state schools and universities. Space-available basis. Must be a legal state resident.
New Jersey	100%	New Jersey state university or community college.
New Mexico	100%	State-supported schools.
New York	100%	100% in state for New York public colleges and universities or equal funds for in-state private schools.
North Carolina	\$2,000 per year	North Carolina state-approved colleges and universities. Limited to \$8,000 total benefit.
North Dakota	100%	North Dakota state colleges and universities.
Ohio	100%	Ohio state schools. Equivalent funds for private schools.
Oklahoma	100%	Oklahoma state colleges and universities. State offers some scholarships to National Guard members, as well.
Oregon	\$10,000 Student Loan Repayment	Oregon will repay up to \$10,000 in student loans.
Pennsylvania	100%	Based upon tuition rates of Pennsylvania State System of Higher Education.
Puerto Rico	Variable	Rates vary depending on number of classes being taken. National Guard

National Guard Education Benefits

State-by-State Education Benefit for Members of the National Guard

		members can transfer benefits to their spouse.
Rhode Island		National Guard members are allowed to attend one undergraduate course per semester for free, at Rhode Island state colleges or universities.
South Carolina	\$20,000 Student Loan Repayment	15% (or \$2,000, whichever is greater), each year the member is in the National Guard, on the current balance for all guaranteed student loans. Maximum repayment of \$20,000.
South Dakota	50%	South Dakota state universities or technical schools.
Tennessee	\$3,500 per year	
Texas	100%	Limited to a maximum of 12 credit hours per semester.
Utah	\$400 per semester	\$400 per semester or \$800 per year. Maximum benefit of \$4,000.
Vermont	25%	Available at select schools only. \$2,500 interest-free student loan for courses in any Vermont state school.
Virginia	50%	Maximum of \$500 per term, or \$1,000 per year.
Virgin Islands		32 free credit-hours at the University of the Virgin Islands. Available for graduate or undergraduate degree programs.
Washington	Varies	Offers tuition reductions to National Guard members at Washington State University. Some scholarships also available.
West Virginia	100%	Undergraduate degrees at any West Virginia state schools. Equivalent funds for in-state private schools.
Wisconsin	100%	Amount of tuition is based on tuition rate at the University of Wisconsin-Madison.
Wyoming	100%	University of Wyoming and selected other schools.

Note: In addition to an Air National Guard and an Army National Guard, the states of New Jersey and New York also have a state Naval Militia, and the above programs apply to those agencies, as well.

Kaci Schroeder

From: Tracy Oman [tracyoman@yahoo.com]
Sent: Tuesday, January 23, 2007 10:36 AM
To: Rep. Bill Thomas; Rep. Beth Kerttula; Rep. Bob Lynn
Cc: Rep. Bob Roses
Subject: HB 62 -TUITION WAIVER FOR NATIONAL GUARD FAMILY

Good Mornir.g ,

I am writing today to show support of HB 62. As a Military Veteran and a National Guard dependent, I was disappointed to see this bill fail in the last session. Not only will this legislation help attract and keep Guard members, it will also relieve much of the financial hardship that college tuition can put on Guard members and their dependents. Although I am a Military Veteran and already receive tuition assistance through the G.I. Bill, I have seen my fellow Guard dependents struggle and I would like to help.

Please let me know if there is anything I can do to encourage the passage of this much needed legislation.

Sincerely,

Tracy Oman
ANG Dependent
(907) 748-6892

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Prices

Definition of Resident/NonResident

Licenses	Resident	Nonresident	Nonresident Alien	NonResident Military
Sport Fishing:				
1 Day Sport Fishing License**	N/A	\$20	\$20	N/A
3 Day Sport Fishing License**	N/A	\$35	\$35	N/A
7 Day Sport Fishing License**	N/A	\$55	\$55	N/A
14 Day Sport Fishing License**	N/A	\$80	\$80	N/A
Annual Sport Fishing License**	\$24	\$145	\$145	\$24
Sport Fishing License for the Blind	\$0.25	N/A	N/A	N/A
Sport Fishing License Yukon Residents Only**	N/A	N/A	\$24	N/A
Hunting:				
Hunting License	\$25	\$85	\$300	\$85
Small Game Hunting License	N/A	\$20	\$20	\$25
Hunting License for the Blind	\$25	N/A	N/A	N/A
Trapping:				
Trapping License	\$15	N/A	N/A	N/A
Combination Licenses:				
Hunting and Sport Fishing License**	\$48	\$230	N/A	N/A
Hunting and 1 Day Sport Fishing License**	N/A	\$105	N/A	N/A
Hunting and 3 Day Sport Fishing License**	N/A	\$120	N/A	N/A
Hunting and 7 Day Sport Fishing License**	N/A	\$140	N/A	N/A
Hunting and 14 Day Sport Fishing License**	N/A	\$165	N/A	N/A
Hunting and Trapping License	\$39	\$250	N/A	\$250
Hunting, Trapping and Sport Fishing License**	\$62	N/A	N/A	N/A
Small Game Hunting and Sport Fishing**	N/A	N/A	N/A	\$48
Low Income Sport Fishing, Hunting and Trapping	\$5	N/A	N/A	N/A
Commercial Crewmember:				
Crewmember License	\$60	\$175	\$175	\$175
Child Crewmember License (10 or less yrs old)	\$5	\$120	\$120	N/A
7 day Crewmember License	\$30	\$30	\$30	\$30

Stamps	Resident	Nonresident	Nonresident Alien	NonResident Military
King Salmon Stamp:				
1 Day Stamp	N/A	\$10	\$10	N/A
3 Day Stamp	N/A	\$20	\$20	N/A
7 Day Stamp	N/A	\$30	\$30	N/A
14 Day Stamp	N/A	\$50	\$50	N/A
Annual Stamp	\$10	\$100	\$100	\$20
Annual Stamp Yukon Residents Only	N/A	N/A	\$10	N/A
Waterfowl Stamp:				
State waterfowl stamp	\$5	\$5	\$5	\$5

Big Game Tags	Resident	Nonresident	Nonresident Alien	NonResident Military
Bison	N/A	\$450	\$650	\$225
Black Bear	N/A	\$225	\$300	\$112.50
Brown/Grizzly Bear	\$25	\$500	\$650	\$250
Caribou	N/A	\$325	\$425	\$162.50
Deer	N/A	\$150	\$200	\$75
Elk	N/A	\$300	\$400	\$150
Goat	N/A	\$300	\$400	\$150
Moose	N/A	\$400	\$500	\$200
Muskox-bull	\$500	\$1,100	\$1,500	\$550
Muskox-cow	\$25	N/A	N/A	N/A
Sheep	N/A	\$425	\$550	\$212.50
Wolf	N/A	\$30	\$50	\$15
Wolverine	N/A	\$175	\$250	\$87.50
Sport Fish Business Owner and Guide Licenses	Resident	Nonresident	Nonresident Alien	NonResident Military
Business Owner License Only	\$100	\$100	\$100	\$100
Guide License Only	\$50	\$50	\$50	\$50
Combo Business Owner/Guide License	\$100	\$100	\$100	\$100
McNeil River Bear Viewing	Resident	Nonresident	Nonresident Alien	NonResident Military
Application Fee	\$25	\$25	\$25	\$25
Guided Permit	\$150	\$350	\$350	\$350
Camp Permit	\$75	\$175	\$175	\$175
Professional Licenses	Resident	Nonresident	NonResident Alien	NonResident Military
Fur Dealer	\$150	\$500	\$500	\$500
Taxidermy	\$200	\$500	\$500	\$500
Game Mammal or Reptile Farm	\$250	\$250	\$250	\$250
Game Bird Farm	\$50	\$50	\$50	\$50

**Sport fishing license fees increased in 2006 to provide for sport fishing facilities. See Facility surcharge AS 16.05.340 for further information.

HB

75

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB075
 () Publish Date: _____

Revision Date/Time (Note if correction): _____
 Title "An Act relating to driver's licenses and alcohol awareness testing"
 Sponsor Rep. Ramras
 Requester (H) STA

Dept. Affected: Administration
 RDU Division of Motor Vehicles
 Component Motor Vehicles
 Component No. 2348

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
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	5.0	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	5.0	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	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
1156 Receipt Supported Services	5.0	0.0	0.0	0.0	0.0	0.0
TOTAL	5.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2007) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 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 will require that an applicant for an original Alaska Driver's License, over age 21, take and pass a separate knowledge (written) test specific to alcohol awareness. The 1-time cost is to contract with our software provider for programing this new test into our existing testing machines.

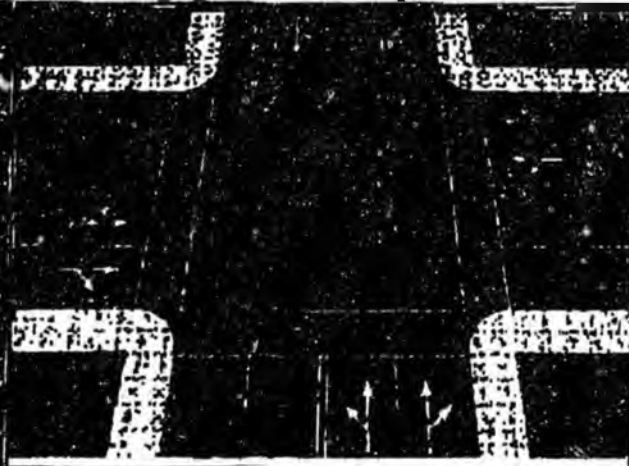
Prepared by: Duane Bannock, director
 Division: Motor Vehicles
 Approved by: Kevin Brooks, Deputy Commissioner
 Agency: Department of Administration

Phone: 465-2200
 Date/Time: 2/2/07 12:00 PM
 Date: 2/5/2007

Alaska Department of Motor Vehicles
Driver's License Test

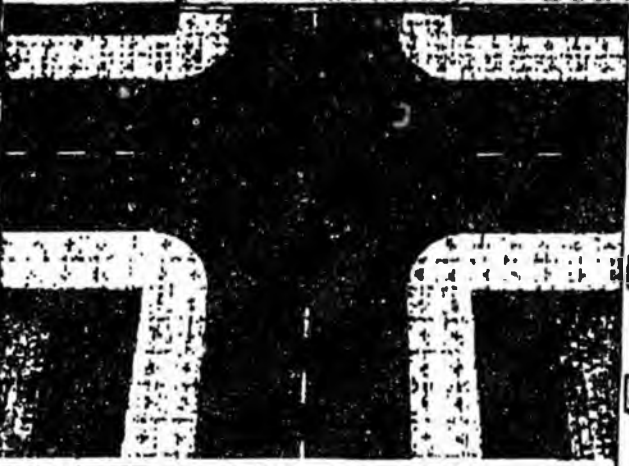
I AM A SAMPLE	123-45-7894
General Knowledge	02-06-2007
Juneau Office	English(EN)
20 Questions	25 Minutes
	16 Questions

When turning right from a two way street onto another two way street you should:



- A Get into right lane well ahead of turn
- B Look out of right side of windshield for pedestrians
- C Signal intention to turn for at least 100 feet
- D All of these

You are making left turn from a one way street to a one way street. You should:



- A Approach the intersection in the left lane, and enter either lane.
- B Approach the intersection in the left lane and enter the cross street in the left lane.
- C Approach in either lane but enter in the lane closest to the left.
- D You can not make this type of turn

Test #1

1

A solid double yellow center line means:

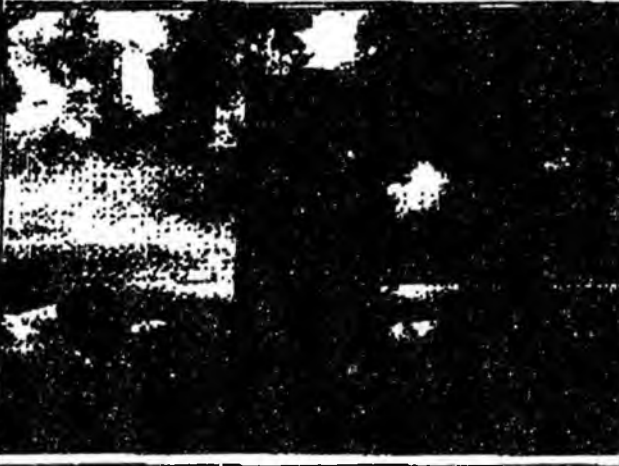


- A Passing permitted when safe
- B Residential district
- C Passing is not permitted
- D Dangerous curve ahead - reduce speed

Driving While Intoxicated (DWI) is a crime which carries mandatory jail sentence. What is the minimum jail time you will get in a first conviction for DWI?

- A 20 consecutive days
- B 96 consecutive hours
- C 10 consecutive days
- D 72 consecutive hours

You see a flashing red ball. You should:



- A Proceed only when it is safe to do so.
- B Proceed as if it were a stop sign.
- C Come to a complete stop.
- D All of these

What does the solid red arrow mean?



- A Stop and do not turn until the arrow turns to green.
- B Left turns are not permitted.
- C Stop and then proceed only when it is safe to do so.
- D None of these



The closest you can get to the back of an ambulance traveling in response to an emergency is:

- A 200 feet
- B 300 feet
- C 400 feet
- D 500 feet

What does this sign mean?



- A Merge left.
- B Winding road ahead.
- C Traffic merging in from right.
- D Keep to the right.

When approaching a school bus displaying flashing red lights, the driver should:

- A Stop, and do not move the car until the red lights go out
- B Slow down and proceed with caution
- C Stop, make sure it is safe to pass the bus, then move on
- D Blow the horn and pass slowly

One of the penalties for Driving Under the Influence (DUI) or refusal to submit to a chemical test is loss of license for not less than:

- A Six months.
- B 90 days
- C 60 days
- D 30 days

A driver approaching a stopped school bus displaying flashing amber lights should always:

- A Blow your horn and pass slowly.
- B Slow down and prepare to stop
- C Speed up and pass quickly
- D Stop, and do not start until bus has passed you

What must you do if your license has been suspended, before it is reinstated?

- A Pass any required test.
- B Provide proof of insurance (SR-22).
- C Pay a reinstatement fee.
- D All of the above.

In the event of a crash, you are required to do what right away?

- A Stop at once
- B Help anyone who may be hurt
- C Warn other traffic
- D All of the above

(3)