

ALASKA LEGISLATURE COMMITTEE FILES 2007-2008

SJUD

125

Drunk Drivers Beware: System Works in Drew Co.

Source: PINE BLUFF COMMERCIAL
(Arkansas) - Thursday, July 9, 1998

Kara Tooke -
MONTICELLO/WARREN
CORRESPONDENT, MONTICELLO

If you're planning on throwing caution to the wind when it comes to consumption of alcohol and getting behind the wheel of a car, think twice before heading to Drew County.

It was one year ago this month Municipal Judge William R. "Bill" Daniels made the decision to crack down on drunk drivers by ordering all first offenders to have installed in their vehicle an Ignition Interlock system. Already Drew County is witnessing a change for the better.

The Interlock, which looks like a small portable breathalyzer and is endorsed by Mothers Against Drunk Driving (MADD), is fitted into a vehicle's dashboard. Before their car will start, the driver must blow into it. The system analyzes the sample and if even a trace of alcohol is detected, the car will not start.

A study done by the University of Maryland showed that "an interlock program reduces the risk of an alcohol traffic violation within the first year (after conviction) by about 65 percent."

"The figures show that DWIs in our court are down about 30 percent from years past," Daniels said.

Where normally eight to twelve people charged with DWI would appear on one day in his court before, Daniels said now he sees an average of five or six. He also reports a significant decrease in the number of second and third offenses.

Law enforcement has noticed a difference as well. "We've seen a decrease in DWIs on regular patrols," Sheriff Tommy Free said. "They're holding people in contempt for not installing it and there have been some lengthy jail terms imposed," he noted.

"I had one State Trooper tell me his superiors wanted to know why he hadn't been making arrests on DWI," said Daniels. "He told them they're just not out there."

Daniels decided to adopt the policy after he lost confidence in the idea that fines were an effective deterrent to drinking and driving.

"Though they had to deal with the embarrassment of court, fines didn't seem like a big enough deal to those first offenders who just made a careless mistake," said Daniels, "and those with a real problem needed to be threatened with something more burdensome and meaningful."

Daniels attributes the success of the policy to the willingness to force those with a DWI first offense to have the Interlock, as well as the severe sanctions that have been imposed for non-compliance. "The fear factor is at work," said Daniels. "If they violate the order

by refusing to have the system put on or tampering with it they're going to be looking at as much as 180 days in jail and a \$1,000 fine."

According to Superior Interlock Services Inc., of Conway which installs and maintains the systems for Drew County, 86 people were caught drinking and driving over the last year in the county and all were prohibited from driving any vehicle without an Interlock.

Of the 86 convictions, 30 units have been installed according to a report from Superior Interlock. Of those not yet in compliance, ten people claim not to own a vehicle, two live out of Arkansas where there is no service, one is in rehabilitation, another is in jail for tampering and 42 warrants are being processed for non-compliance.

"If the punishment for not following the order is strong enough, the word travels pretty quickly," said Fred M. Bowers, president of Superior Interlock. Paul Dotley, a DWI Counselor with Delta Counseling in Monticello agrees. "It's made a major impact in Drew County, and since Judge Daniels orders the interlock for first offenders, it's a great deterrent," he said.

All DWIs issued in a five-county area are referred to Delta Counseling, and Dotley says Drew "by far has dropped more than any other county." "Several area judges have shown an interest and we're hoping they will go to the Interlock as well," he said.

According to Bowers. who is working with others to push legislation allowing offenders to have their license reinstated

upon proof that their vehicle is equipped with an Interlock, the use of an Interlock is easily validated.

"National statistics show that 80 percent of those who have their license suspended drive anyway...illegally, without insurance, and with no way of knowing if they are driving drunk or not," Bowers said.

Daniels said the Interlock is logical because if violators have been proven to drive regardless of having their license suspended, "Why not offer the public some degree of protection from drunk drivers and keep them legal?"

"It allows them to keep driving to work so they can provide for their family, while keeping them in the system so their behavior can be monitored," said Bowers.

Another perk that comes with the Interlock is that it keeps potential drunk drivers out of trouble and they know it. "A few people, after going through counseling and driving with the system on their cars for a year, have decided to keep it even though they no longer have to because they realize it's cheaper than paying fines and insurance increases" said Dotley. "It becomes a crutch for them" said Bowers, "because they know they will drink and drive again, but not with an Interlock."

"My goal in establishing the Interlock as a punishment was to keep the roads safe for my family and yours, it's even better if it helps someone realize they have a real problem," said Daniels. "I'm really pleased with its effectiveness."

Alaska State Legislature



Senator Hollis French

SB 92 – Ignition Interlock Devices

Sponsor Statement

Senate Bill 92 uses modern technology to combat the chronic problem of drunk driving in Alaska. Ignition interlock devices are used across the nation to prevent individuals from starting and driving their vehicles while intoxicated. Alaska has one of the highest DUI rates per capita in the nation – and many of those convicted are multiple offenders. According to 2006 statistics, nearly a third of the DUI cases in that year involved a drunk driver who'd been convicted of the same offense in the past.

This legislation would require the use of an ignition interlock device ("IID") during the entire length of probation for repeat DUI offenders and first DUI time offenders that have a blood alcohol level over .15 upon arrest. In order for a repeat offender to legally get behind the wheel again, an ignition interlock must be installed. The cost of the device is borne by the offender.

Similarly, if a judge grants a limited license driving privilege to an offender during his or her period of license revocation, this bill requires the use of an IID for repeat offenders or first time offenders who blow over a .15.

No one will argue that Alaska needs to lower its DUI statistics. I believe that SB 92 is a proactive step in physically reducing the number of vehicles on our roads driven by drunk drivers. Please join me in supporting this legislation.

LEGAL SERVICES

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

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

MEMORANDUM

February 23, 2007

SUBJECT: Sectional Summary of SB 92 (Work Order No. 25-LS0439E)

TO: Senator Hollis French

FROM: Gerald P. Luckhaupt
Legislative Counsel 

You have requested a sectional summary of the above-described bill. As a preliminary matter, please note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill - the bill itself is the best statement of its contents.

Section 1. Amends the Alaska Uniform Traffic Laws Act to provide that a municipality may not enforce a municipal ordinance for driving while under the influence or refusal to submit to a chemical test unless the ordinance imposes ignition interlock requirements as provided in the bill.

Section 2. Amends the limited license provisions of AS 28.15.201(d) to require the use of an ignition interlock device as a condition of a limited license if the person has been previously convicted unless the person lives in a community where an ignition interlock device is unavailable.

Section 3. Amends AS 28.35.030(b) to require that all persons convicted of a second offense or greater misdemeanor driving while under the influence must use an ignition interlock device while the person is on probation for the offense after the person regains their privilege to drive.

Section 4. Amends AS 28.35.030(n) to require that all persons convicted of felony driving while under the influence must use an ignition interlock device while the person is on probation for the offense after the person regains their privilege to drive.

Section 5. Amends AS 28.35.030(r) to clarify that this subsection only applies to first offenders, which corresponds to the requirements imposed in bill sections 2 and 3.

Section 6. Adds new subsections to AS 28.35.030 that (1) clarify that the court may place a person on probation for driving while under the influence for up to 10 years and may limit the person's license during that time by requiring the person to use an ignition interlock device, and (2) allow the court to waive ignition interlock device requirements for persons who reside in a community where ignition interlock devices are unavailable.

Section 7. Amends AS 28.35.032(g) to require that all persons convicted of a second offense or greater refusal to submit to chemical test must use an ignition interlock device while the person is on probation for the offense after the person regains their privilege to drive.

Section 8. Amends AS 28.35.032(p) to require that all persons convicted of felony refusal to submit to chemical test must use an ignition interlock device while the person is on probation for the offense after the person regains their privilege to drive.

Section 9. Amends AS 28.35.032 by adding new subsections that (1) clarify that the court may place a person on probation for refusal to submit to chemical test for up to 10 years and may limit the person's license during that time by requiring the person to use an ignition interlock device, and (2) allow the court to waive ignition interlock device requirements for persons who reside in a community where ignition interlock devices are unavailable.

Section 10. Allows persons who already have a limited license at the time this bill becomes to law to continue under that limited license and its requirements.

Section 11. Provides an effective date.

GPL:ljw
07-098.ljw

Senator Hollis French

Capitol Room 417
465-3892
465-6595 fax



MEMORANDUM

Date: March 29, 2007

To: Senate Judiciary Committee

From: Sen. French

RE: SB 92 – Ignition Interlock Devices

I wanted to share a few numbers from the Division of Motor Vehicles. These numbers pertain to Administrative Actions.

Last year, there were:

- 4236 licenses revoked for a DUI.
 - Of those:
 - 3040 were first time offenders (71%)
 - 1223 were multiple offenders (29%)

- 271 who received a limited drivers license (limited to travel between home and work)
 - Of those:
 - 234 were granted to first time offenders
 - 37 were granted to repeat offenders



MADD

Activism | Victim Services | Education

Mothers Against Drunk Driving
NATIONAL OFFICE
511 E. John Carpenter Frwy., Suite 700
Irving, TX 75062-8187
Phone (214)744-MADD
Fax (972)869-2207
www.madd.org

March 13, 2007

Chairwoman Lesil McGuire
Senate State Affairs Committee
State Capitol, Room 125
Juneau, AK 99801-1182

Dear Chairwoman McGuire:

On behalf of Mothers Against Drunk Driving, I thank you for your committee's consideration of SB 92, a bill that would require ignition interlock devices for repeat DUI offenders and offenders with a Blood Alcohol Concentration of .15 or higher. MADD strongly believes that all those convicted of DUI should be required to have an ignition interlock device, and this is a very important first step in achieving that goal.

In 2005, nearly one-half of all traffic fatalities in Alaska were alcohol-related. This is a number that is well above the National average for alcohol-related traffic fatalities and it is a number that the citizens of Alaska should be outraged about. Luckily it is a number that, with current technology, we can significantly decrease, if not even eliminate. Ignition interlock devices, when used in conjunction with other effective sanctions like license suspension and treatment, have proven to decrease rates of recidivism amongst drunk drivers by up to 90%, and in turn save lives.

Unfortunately, this important technology is not being utilized to the large extent it should be, and in Alaska, it is rarely being utilized at all. We have made significant progress in reducing drunk driving over the past 25 years, but the reality is that people still choose to drive drunk and endanger the public. Every time that choice is made, the potential for an innocent life being lost is great. If these individuals are required to have interlocks, we can prevent that choice from being made again, and we can save that life.

If Alaskans are serious about saving lives and preventing injuries caused by the senseless act of drunk driving, than it is imperative that this legislation is passed. Again, thank you for your consideration of this measure and if you have any further questions, please feel free to contact me at (202) 974-2474.

Sincerely,

Kathryn Heineman
State Policy Specialist
Mothers Against Drunk Driving

Susan Molinari
Chairman

Board of Directors

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Constellation Brands, Inc.

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*Clinical Psychologist and Best Selling
Author*

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Former Secretary of the Army

Colonel Lonnie J. Westphal
*Former Vice President of IACP
Chief (Ret.) Colorado State Patrol*



March 13, 2007

The Honorable Lesil McGuire
Chairman, Senate State Affairs Committee
Senate State Affairs
Capitol Building #417
Juneau, AK 99801-1182

Dear Chairman McGuire:

The Century Council was founded in 1991 and is an independent, national not-for-profit organization headquartered in Washington, D.C. Funded by America's leading distillers (Bacardi U.S.A., Inc., Brown-Forman, Constellation Brands, Inc., DIAGEO, Future Brands, LLC, Hood River Distillers, Inc., and Sidney Frank Importing Co. Inc), the Council is dedicated to developing and implementing programs that fight drunk driving and underage drinking. To date, we have hosted nearly 2,200 community events to launch our programs across the nation bringing them to millions of parents, youth, educators, law enforcement officials and traffic safety professionals.

Through the years, The Century Council has worked extensively throughout the nation on anti-drunk driving and underage drinking efforts. Responding to a growing body of research that points to repeat offenders and hardcore drunk drivers as the source of a large and disproportionate share of highway crashes, in 1997 the Council created The National Hardcore Drunk Driver Project. The Project serves as a single, comprehensive resource to assist state legislators as well as highway safety officials, law enforcement officers, judges, prosecutors, community activists and treatment professionals in developing programs to reduce hardcore drunk driving.

At the national level, The Century Council, AAA and the National Transportation Safety Board have formed *The Coalition to Fight Hardcore Drunk Driving* to support state legislative proposals to enact comprehensive and effective solutions to the hardcore drunk driving problem. Additionally, the Council supports Mothers Against Drunk Driving and their *Campaign to Eliminate Drunk Driving*. We are pleased to be joining together with MADD to support SB 92 and offer any assistance that we can in advocating for its passage.

Hardcore drunk drivers are those who drive with a high blood alcohol concentration (BAC) of .15 or above, who do so repeatedly, as demonstrated by having more than one drunk driving arrest, and who are highly resistant to changing their behavior despite previous sanctions, treatment or education efforts.

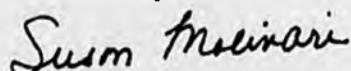
Hardcore drunk drivers are involved in the majority of alcohol-related traffic fatalities. Crash data shows that drivers with a BAC of .15 are 385 times more likely to be involved in a crash than a non-drinking driver. In Alaska, 62 percent of drivers with known BAC levels who were involved in alcohol-related traffic fatalities in 2005 had BAC levels of .15 and above according to the National Highway Traffic Safety Administration. The national average is 59 percent.

Based on our research, we believe that strong laws enabling swift identification, certain punishment and effective treatment are critical fundamental elements necessary to reduce the incidence of hardcore drunk driving. Further, we believe that these elements must be coordinated into a statewide system to be effective in this fight.

The Century Council strongly favors tiered systems that allow for more severe penalties, and treatment and aftercare for hardcore drunk drivers. The Council strongly supports SB 92 which requires the use of ignition interlock devices for repeat offenders and for those that have refused to take a breath test one or more times in the past 10 years.

We urge swift passage of this legislation that will reduce hardcore drunk driving. If there is anything that The Century Council can do, please contact Erik Strickland, Manager of Government Relations at 202-637-0077. We stand ready to help you in the fight against drunk driving.

Sincerely,


Susan Molinari

SB

95



Senator Con Bunde
Senate District P
Alaska State Legislature

Member: Senate State Affairs Committee
Member: Senate Labor & Commerce Committee
Member: Joint Legislative Committee on Ethics

Sponsor Statement

SB 95

COMPETITIVE BIDDING FOR BALLOT PREP

Each time a voter goes to the ballot box, they probably do not think much about the time, preparation work and thousands of dollars that goes into producing the very ballots upon which they are casting their vote. Recently, it has come to my attention that for the past few years, the printing of these ballots has been sole-sourced to a single company without sending this important project out to bid to all Alaskan printers.

However, according to our statute, AS 15.15.030, this practice is completely up to the discretion of the Lieutenant Governor and Division of Elections, and there exists no mandate to allow for the competitive bidding of the state's ballot printing. There are various printing businesses across the state that, I believe, should be given a chance at this project, and so I am sponsoring this legislation to level the playing field that offers a more transparent bid award process.



**Onnie Kendall
General Manager,
Service Business Printing**

Why the bill is good legislation-

- **Sole-sourcing the print work doesn't allow for other AK businesses to have the opportunity to benefit from one of the largest State of AK print jobs.**
- **Opening up the project to bid will allow all those printers capable of the scope of the project to have an opportunity to take it on.**
- **An open bid process would give the state a balanced purchase price and would open up the prospect for all capable the prospect of winning the business.**

-Diebold fee of \$5000 won't be paid unless we know the business is possible.

-Job specs – 8.5x18, app. 400,000 pieces

-Alaska product preference would help keep the work in-state.

Traditional and Digital Printing

323 East Fireweed Lane Anchorage, Alaska 99503 phone 907-276-3004 toll free in Alaska 800-576-3004 fax 907-279-3004



907-349-7508 Phone

907-349-4398 Fax

To: Senator Con Bunde
Re: Support for SB 95

Dear Senator Bunde!

I am writing in support of SB95, requiring the State Division of Elections to put the printing of the state election ballots out to competitive bid. My company has been successfully printing the same type of election ballots used by the State of Alaska for the Municipality of Anchorage for years and believe we – as well as other Alaskan printing companies – should have the opportunity to bid on, and print, the state's election ballots.

AT Publishing has been in business in Anchorage for more than 40 years and has competitively bid and printed many jobs for the State of Alaska. Few printing companies in Alaska have our capabilities and as we are already certified by Diebold to print ballots destined for their ballots readers, we strongly believe we should have the opportunity to bid on this work.

Please contact me if you have any questions.

Sincerely,

Frank Martone
Owner
AT Publishing & Printing

W E C O L O R A L A S K A

1720 Abbott Road • Anchorage, AK 99507-3443 • 800-478-0452 Toll Free • E-mail: atpub@alaska.net

00730/007 12:04 0073454320 ATTELIS-004 0000 02/00

America North Printers

April 17, 2007

To: Senator Con Bunde
Re: SB95

Dear Senator Bunde,

I am writing you in support of SB95, an effort to open up the printing of the state election ballots to competitive bid.

Until recently I was unaware, and then surprised, to learn that Alaskan printing companies were unable to bid for the printing of the state election ballots. I find this to be an unfair practice to sole-source this contract to a single printer when there are many shops in Anchorage and throughout Alaska capable of handling such a job.

If this law were changed in favor of an open bidding process, I would certainly consider spending the time and resources necessary to become a Diebold certified ballot printer and therefore submit bids for printing of the ballots.

This process should be opened up for all Alaskan printing companies.

Thank you for your time in submitting this legislation.

Sincerely,



Paul Winn
Owner

Testimony by Patrick Foster (A.T. Publishing) in Favor of SB 95
Opening the state election ballots to competitive bid

Good Afternoon!

Chairman French and Members of the Committee, my name is Patrick Foster and I have been working in the print industry in Alaska for nearly 30 years and currently work for AT Publishing & Printing in Anchorage.

I am here in support of SB 95 because I believe it is unfair that the Division of Elections sole-sources the printing of the state election ballots to a single shop on the Kenai Peninsula when there are many printing companies in Alaska fully capable of printing the ballots.

The State of Alaska uses the Diebold electronic ballot readers for the purpose of tallying results for statewide elections. Diebold requires printing companies who print ballots destined for their machines be certified by them. At the time the State of Alaska adopted the use of these ballot readers, no companies in Alaska were certified. Shortly thereafter a small Alaska printing company was certified and the Division of Elections has been handling the work to this company ever since. This is done despite the fact that a number of other Alaskan printing companies have voiced a desire to be included in the process. My company, AT Publishing, became a certified Diebold printer in 2003.

I am aware there is probably a certain "comfort level" the Division has in working with a printer that has proven to do a decent job. I make a living trying to give my customers that same comfort, and have succeeded in the recent ballot-printing contract in Anchorage. The Municipality of Anchorage went through five election cycles sole-sourcing the printing of its ballots with another printer before the decision was made to put the printing of ballots out to competitive bid. The Municipal Clerk was admittedly concerned moving forward with a new printer, but since has found the change was relatively easy and the city has benefited by paying less for the ballots. My company has been printing Anchorage's election ballots for three elections and the Municipality will be putting a new contract out for bid this year. I am certain that the State Division of Elections would develop a fine working relationship with any printing company that would be awarded the contract for printing its ballots.

There are some who claim that the complexity of the Alaska ballots is reason enough to leave things the way they are, but nothing is further from the truth. Certainly the task of printing a few hundred thousand ballots would be daunting for some small shops, and they wouldn't bid on this project anyway. But, there are many companies in Alaska fully capable of handling the volume of work in the time required and handle the packaging and shipping logistics as well. As printing jobs go, the ballots are fairly easy to produce. They do require careful imprinting and packaging, but nothing beyond the scope of many jobs produced by dozens of Alaskan printing companies each year.

Another concern is that the Division of Elections could be bogged down putting each election cycle out to bid. I would recommend that each bid be awarded for one election cycle with a performance option for a second cycle.

Opening the election ballots to competitive bid would have a variety of positive effects, including the probable savings of a substantial amount of money. Also, the money spent by the State would be spread around a little more to other businesses. The level playing field would open the door for more Alaskan printing companies to be involved, giving them the opportunity to upgrade their facilities and improve their standing in the industry. Additionally, the State would not have to put all their eggs in one basket, relying on just one printing company for the printing of the ballots.

This concludes my testimony. I would be happy to answer any questions you may have.

Additional Information:

- To be certified as a Diebold ballot printer, a printing company must send Diebold a check for \$5000 along with a small sample print job (from Diebold files). Diebold then tests the sample ballots and either approves or denies the certification. The certification process takes about two weeks.
- Over the past decade I have made a number of attempts to open the process, as have some of my colleagues in the industry only to find ourselves chasing our tails. The Division of Elections claims it is the decision of the Lt. Governor and the Lt. Governor's office has said it was up to the Division of Elections.
- The Municipality of Anchorage saved more than \$10,000 on ballot printing costs alone during the first year of its competitively awarded contract and realized more than \$35,000 in savings over a three-year period.
- In a meeting with Lt. Governor Sean Parnell in February 2007, the Lt. Governor told me he was supportive of the idea of going out to competitive bid, but was concerned that Outside companies could possibly win the bid. This issue is easily handled with the use of the Alaska Product Preference rules and creating a production timeline that would make it difficult for Lower 48 companies to accommodate. It may be possible to exclude Lower 48 companies from bidding on the ballots.

- The Division of Elections is also protected from having to seek competitive bids for the election ballots because of an exemption in the Administrative Procurement Act. This exemption should also be removed from statute.
- I have spoken with many different representatives from printing companies about the possibility of them becoming Diebold certified. Almost every one I contacted said there was no point if the State was not going to give them an opportunity to bid on the ballots. Since the Municipality of Anchorage has gone to bid on its ballots, two companies have indicated to me they were strongly considering it.
- The Municipality of Anchorage required any printing company submitting a bid for printing its ballots must be certified by Diebold prior to the bid submission. Dane Sutterfield, a procurement specialist for the Municipality of Anchorage, told me he released the bid proposals with enough time for interested printing companies to achieve the certification.

■

Alaska State Legislature

Senator Con Bunde
District P

Member : Senate Labor & Commerce Committee
Member : Senate State Affairs Committee
Member : Joint Legislative Committee on Ethics

During Session:
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Juneau, AK 99801-1182
(907) 465-4843



During Interim:
716 W. Fourth Avenue
Anchorage, AK 99501-2133
(907) 269-0181

MEMORANDUM

DATE: Monday, April 16, 2007
TO: Senator Lesil McGuire, Chair, Senate State Affairs Committee
FROM: Senator Con Bunde
RE: SB 95 Competitive Bidding for Ballot Prep
Additional information

To date, we have the following data on ballot printing procedures from these states:

Closed Bid Process:

Alaska
Iowa
S. Dakota
Oklahoma

Open Bid Process:

Louisiana
Vermont (every 4 years)

Combination of open/closed bids that vary from county to county:

Colorado, Kansas, S. Carolina, Indiana, Wisconsin, W. Virginia, Minnesota,
N. Carolina, California, Connecticut

SB

97

AMENDMENT #1

OFFERED IN THE SENATE

TO: SB 97

1 Page 4, line 14:

2 Delete "a recognized"

3 Insert "an"

4

5 Page 4, following line 18:

6 Insert a new paragraph to read:

7 "(7) "Alaska tribe" means an organized group or community in Alaska
8 that is an Indian tribe; in this paragraph, "Indian tribe" has the meaning given in 25
9 U.S.C. 450b(e) (Indian Self-Determination and Education Assistance Act);"

10

11 Renumber the following paragraphs accordingly.

12

13 Page 5, line 3:

14 Delete ";

15 Insert "."

16

17 Page 5, lines 4 - 13:

18 Delete all material.

Laws: Cases and Codes : U.S. Code : Title 25 : Section 450b

Search | Title 25

- **United States Code**
 - **TITLE 25 - INDIANS**
 - **CHAPTER 14 - MISCELLANEOUS**
 - **SUBCHAPTER II - INDIAN SELF-DETERMINATION AND EDUCATION ASSISTANCE**

Section 450b. Definitions

U.S. Code as of: 01/19/04

For purposes of this subchapter, the term -

(a) "construction programs" means programs for the planning, design, construction, repair, improvement, and expansion of buildings or facilities, including, but not limited to, housing, law enforcement and detention facilities, sanitation and water systems, roads, schools, administration and health facilities, irrigation and agricultural work, and water conservation, flood control, or port facilities;

(b) "contract funding base" means the base level from which contract funding needs are determined, including all contract costs;

(c) "direct program costs" means costs that can be identified specifically with a particular contract objective;

(d) "Indian" means a person who is a member of an Indian tribe;

(e) "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (85 Stat. 688) [43 U.S.C. 1601 et seq.], which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians;

(f) "indirect costs" means costs incurred for a common or joint purpose benefiting more than one contract objective, or which are not readily assignable to the contract objectives specifically benefited without effort disproportionate to the results achieved;

(g) "indirect cost rate" means the rate arrived at through negotiation between an Indian tribe or tribal organization and the appropriate Federal agency;

(h) "mature contract" means a self-determination contract that has been continuously operated by a tribal organization for three or more years, and for which there are no significant and material audit exceptions in the annual financial audit of the tribal organization: Provided, That upon the request of a tribal organization or the tribal organization's Indian tribe for purposes of section 450f(a) of this title, a contract of the tribal organization which meets this definition shall be considered to be a mature contract;

(i) "Secretary", unless otherwise designated, means either the Secretary of Health and Human Services or the Secretary of the Interior or both;

(j) "self-determination contract" means a contract (or grant or cooperative agreement utilized under section 450e-1 of this title) entered into under part A of this subchapter between a tribal organization and the appropriate Secretary for the planning, conduct and administration of programs or services which are otherwise provided to Indian tribes and their members pursuant to Federal law: Provided, That except as provided (1) the last proviso in section 450j(a) (12) of this title, no contract (or grant or cooperative agreement utilized under section 450e-1 of this title) entered into under part A of this subchapter shall be construed to be a procurement contract;

Related Resources

[American Indian Law Guide](#)

[American Indian Lands Summary](#)

[American Indian Law Articles and Documents](#)

[American Indian Law Discussion](#)

Law Technology Articles

[Attacking Software Piracy Overseas](#)
by Eric Sinrod

[Rethinking Patent License Agreements in the Wake of *MedImmune v. Genentech*](#)
by Andrew Zangrilli

More Law Technology

Laws: Cases and Codes : U.S. Code : Title 25 : Section 450b

Search | Title 25

- **United States Code**
 - **TITLE 25 - INDIANS**
 - **CHAPTER 14 - MISCELLANEOUS**
 - **SUBCHAPTER II - INDIAN SELF-DETERMINATION AND EDUCATION ASSISTANCE**

U.S. Code as of: 01/19/04

Section 450b. Definitions

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(c) "direct program costs" means costs that can be identified specifically with a particular contract objective;

(d) "Indian" means a person who is a member of an Indian tribe;

(e) "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (85 Stat. 688) [43 U.S.C. 1601 et seq.], which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians;

(f) "indirect costs" means costs incurred for a common or joint purpose benefiting more than one contract objective, or which are not readily assignable to the contract objectives specifically benefited without effort disproportionate to the results achieved;

(g) "indirect cost rate" means the rate arrived at through negotiation between an Indian tribe or tribal organization and the appropriate Federal agency;

(h) "mature contract" means a self-determination contract that has been continuously operated by a tribal organization for three or more years, and for which there are no significant and material audit exceptions in the annual financial audit of the tribal organization: Provided, That upon the request of a tribal organization or the tribal organization's Indian tribe for purposes of section 450f(a) of this title, a contract of the tribal organization which meets this definition shall be considered to be a mature contract;

(i) "Secretary", unless otherwise designated, means either the Secretary of Health and Human Services or the Secretary of the Interior or both;

(j) "self-determination contract" means a contract (or grant or cooperative agreement utilized under section 450e-1 of this title) entered into under part A of this subchapter between a tribal organization and the appropriate Secretary for the planning, conduct and administration of programs or services which are otherwise provided to Indian tribes and their members pursuant to Federal law: Provided, That except as provided (1) the last proviso in section 450j(a) (12) of this title, no contract (or grant or cooperative agreement utilized under section 450e-1 of this title) entered into under part A of this subchapter shall be construed to be a procurement contract;

Related Resources

- [American Indian Law Guide](#)
- [American Indian Lands Summary](#)
- [American Indian Law Articles and Documents](#)
- [American Indian Law Discussion](#)

Law Technology Articles

- [Attacking Software Piracy Overseas](#)
by Eric Sinrod
- [Rethinking Patent License Agreements in the Wake of MedImmune v. Genentech](#)
by Andrew Zangrilli
- [More Law Technology](#)

Laws: Cases and Codes : U.S. Code : Title 25 : Section 450b

Search | Title 25

- [United States Code](#)
 - [TITLE 25 - INDIANS](#)
 - [CHAPTER 14 - MISCELLANEOUS](#)
 - [SUBCHAPTER II - INDIAN SELF-DETERMINATION AND EDUCATION ASSISTANCE](#)

Section 450b. Definitions

U.S. Code as of: 01/19/04

For purposes of this subchapter, the term -

(a) "construction programs" means programs for the planning, design, construction, repair, improvement, and expansion of buildings or facilities, including, but not limited to, housing, law enforcement and detention facilities, sanitation and water systems, roads, schools, administration and health facilities, irrigation and agricultural work, and water conservation, flood control, or port facilities;

(b) "contract funding base" means the base level from which contract funding needs are determined, including all contract costs;

(c) "direct program costs" means costs that can be identified specifically with a particular contract objective;

(d) "Indian" means a person who is a member of an Indian tribe;

(e) "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (85 Stat. 688) [43 U.S.C. 1601 et seq.], which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians;

(f) "indirect costs" means costs incurred for a common or joint purpose benefiting more than one contract objective, or which are not readily assignable to the contract objectives specifically benefited without effort disproportionate to the results achieved;

(g) "indirect cost rate" means the rate arrived at through negotiation between an Indian tribe or tribal organization and the appropriate Federal agency;

(h) "mature contract" means a self-determination contract that has been continuously operated by a tribal organization for three or more years, and for which there are no significant and material audit exceptions in the annual financial audit of the tribal organization: Provided, That upon the request of a tribal organization or the tribal organization's Indian tribe for purposes of section 450f(a) of this title, a contract of the tribal organization which meets this definition shall be considered to be a mature contract;

(i) "Secretary", unless otherwise designated, means either the Secretary of Health and Human Services or the Secretary of the Interior or both;

(j) "self-determination contract" means a contract (or grant or cooperative agreement utilized under section 450e-1 of this title) entered into under part A of this subchapter between a tribal organization and the appropriate Secretary for the planning, conduct and administration of programs or services which are otherwise provided to Indian tribes and their members pursuant to Federal law: Provided, That except as provided (1) the last proviso in section 450j(a) (12) of this title, no contract (or grant or cooperative agreement utilized under section 450e-1 of this title) entered into under part A of this subchapter shall be construed to be a procurement contract;

Related Resources

[American Indian Law Guide](#)

[American Indian Lands Summary](#)

[American Indian Law Articles and Documents](#)

[American Indian Law Discussion](#)

Law Technology Articles

[Attacking Software Piracy Overseas](#)
by Eric Sivrod

[Rethinking Patent License Agreements in the Wake of MedImmune v. Genentech](#)
by Andrew Zangrilli

[More Law Technology](#)

LEGAL SERVICES

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

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

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

MEMORANDUM

April 3, 2007

SUBJECT: CSSB 97(JUD), relating to identification seals
(Work Order No. 25-LS0405\K)

TO: Senator Hollis French
Chair of the Senate Judiciary Committee
Attn: Cindy Smith

FROM: *TB*
Theresa Bannister
Legislative Counsel

This memo accompanies a draft of the bill described above.

This bill contains an equal protection issue. Since I believe that you are aware of it already, I will not go into further detail. However, if you need more information, please advise.

If I may be of further assistance, please advise.

TLB:ljw
07-187.ljw

Enclosure

SESSION ADDRESS:
Alaska State Capitol
Juneau, Alaska 99801-1182
(907) 465-4925
Fax: (907) 465-3517
Toll Free: 1-800-821-4925

Senator Gary Stevens

Alaska State Legislature

INTERIM ADDRESS:
112 Mill Bay Road
Kodiak, Alaska 99615
(907) 486-4925
Fax: (907) 486-5264



Sponsor Statement for Senate Bill 97

"An Act relating to identification seals for certain articles created or crafted in the state by Alaska Native persons; relating to the Alaska State Council on the Arts; and making certain identification seal violations unfair trade practices"

Senate Bill 97 seeks to improve the statutes governing the administration of the Silver Hand program. The Silver Hand program was created to help promote the creation, appreciation, and sale of Alaska Native art of the highest quality. Alaska Natives have a great variety of artistic traditions stretching back for millennia and which are still an important part of life today. Alaska Native art shares the cultures of Alaska Native peoples and enriches the lives of all Alaskans today. It is admired around the world, and is a vital part of the personal and community expression of Alaska Native identity. Alaska Native art is also highly valued in the marketplace, both within the state boundaries, and nationally and internationally. For so many reasons, it is good for all Alaskans to promote the creation of Alaska Native art and to ensure the legitimacy of Alaska Native art.

SB 97 will make several targeted changes to the law under which the Alaska State Council on the Arts administers the Silver Hand program. Among the changes it seeks to effect, it will delete obsolete references to agents, refers to the creations of Alaska Native artists with the term art instead of handicraft, clarifies the penalty for violating the Silver Hand laws and that sale and purchase of Silver Hand seals is prohibited, and sets out clearly the conduct related to Silver Hand seals that is not allowed.

SB 97 will take a good program and make it better. I urge your support passage of this legislation.

LEGAL SERVICES

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

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

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

MEMORANDUM

March 5, 2007

SUBJECT: Sectional Summary of SB 97 relating to identification seals for certain articles created or crafted in the state by Alaska Native persons. (Work Order No. 25-LS0405VM)

TO: Senator Gary Stevens
Attn: Doug Letch
JB

FROM: Theresa Bannister
Legislative Counsel

You have requested a sectional summary of the above-described bill. As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Section 1. Amends AS 44.27.050 to conform the description of the identification seal duties of the Alaska State Council on the Arts to the changes made in this bill.

Section 2. Amends the list of unfair trade practices in the state's unfair trade practices act to add the identification seal conduct prohibited under AS 45.65.055.

Section 3. Amends the criteria that determine who may obtain an identification seal. Amends the criteria that determine which articles the seal may be affixed to.

Section 4. Amends the description of the responsibility of the Alaska State Council on the Arts relating to identification seals. Conforms the language to other changes made in this bill and adds fee collection responsibility.

Section 5. Amends AS 45.65.030(a) to conform to other changes made in this bill and to require that a space, rather than a blank line, be included for the artist's name and the place of origin of the article.

Section 6. Amends AS 45.65.040(a) to remove the reference to an agent in order to reflect that a permit can only be issued by the Alaska State Council on the Arts.

Section 7. Amends AS 45.65.040(d) to require the Alaska State Council on the Arts to determine whether a person is eligible for the permit, as well as whether an article is eligible for an identification seal. Deletes the reference to an agent.

Senator Gary Stevens

March 5, 2007

Page 2

Section 8. Amends AS 45.65.040(e) to allow a person to report an identification seal violation and to delete the reference to agents.

Section 9. Adds a new section that describes the conduct that is prohibited when dealing with identification seals.

Section 10. Amends AS 45.65.060(a) to refer to the new sec. 45.65.055 (prohibited conduct) to describe what will be considered a misdemeanor with regard to identification seals. Adds a definition of "knowingly" and deletes "willfully."

Section 11. Amends AS 45.65.060(c) to conform the language to other changes made in the Act.

Section 12. Amends the definition to define "authentic Alaska Native art" as art that is created or crafted by an Alaska Native person.

Section 13. Amends the definition section to add definitions of "Alaska Native person," "art," "identification seal," "original," and "recognized Alaska tribe."

Section 14. Repeals certain provisions of AS 45.65.

If I may be of further assistance, please advise.

TLB:ljw

07-109.ljw

The integrity of the Silver Hand Program depends on the permit holders using the tags and labels in accordance with AS 45.65.010-45.65.070 and 3AAC 58.005- 900.

Unlawful use of the Silver Hand identification should be reported to ASCA immediately.

DEFINITIONS

"Authentic Native handicraft": an article made in the state, which is composed wholly, or in significant part, of natural materials, and which is produced, decorated or fashioned by an Alaska Native.

"Native": a resident having not less than one-quarter Eskimo, Aleut, or Indian blood. (American Indians whose tribes are indigenous to other states are not eligible for this program.)

"Natural material": material produced or existing in nature, not artificial or manufactured, and derived from lands, plants, animals or other natural resources.

"State resident" (AS43.23.095) means an individual who is physically present in the state with the intent to remain indefinitely in the state under the requirements of AS 1.10.055.

PENALTIES FOR MISUSE OF THE SILVER HAND IDENTIFICATION LABEL OR PERMIT

Sec. 45.65.060.

- (a) A person who knowingly or willfully issues the document for or affixes or attaches the identification label provided for in this chapter to an article, knowing that it is not an authentic Native handicraft, is guilty of a class B misdemeanor.
- (b) A person who knowingly or willfully sells or offers for sale an article with the label affixed or attached, knowing that it is not an authentic Native handicraft, is guilty of a class B misdemeanor.
- (c) A person who knowingly or willfully alters, changes, or counterfeits an identification label or emblem, is guilty of a class B misdemeanor.
- (d) A person who has been issued a permit under AS 45.65.030(a) is guilty of a class B misdemeanor if the person knowingly or willfully issues a permit for an article that is not an authentic Alaska Native Handicraft.

REVOCATION AND DEBARMENT

Sec. 3 AAC 58.075

- (a) The permit of a person authorized to use the Silver Hand label or the Made in Alaska emblem or to act as an agent for either the Silver Hand or the Made in Alaska program who is convicted of an offense under AS 45.65.060 is automatically revoked on the date of the conviction.
- (b) Any person who is convicted of an offense under AS 45.65.060 is barred from any further participation in either the Silver Hand or the Made in Alaska program.
- (c) After notice and opportunity for hearing, the Council will, in the Council's discretion, revoke a permit for failure to comply with the requirements of AS 45.65.010 - 45.65.070 including the payment of fees, and this chapter.

TO DOWNLOAD AN APPLICATION

Go to the ASCA website www.eed.state.ak.us to download and application to fill out by hand.

FOR MORE INFORMATION

Please direct questions concerning the Silver Hand Permit Program to ASCA. Alaskan artists may also be eligible for the Made in Alaska Program. For more information on Made in Alaska call 907/272-5634.

SILVER HAND PERMIT APPLICATION



ALASKA STATE COUNCIL ON THE ARTS
411 West 4th Avenue, Suite 1E
Anchorage, Alaska 99501-2343
Tel: (907)269-6610
Fax: (907)269-6601
Toll Free in Alaska: 1-888-278-7424
TTY: 1-800-770-8973
Email: aksca_info@eed.state.ak.us
Website: www.eed.state.ak.us/aksca



Celebrating 40 years of support for the arts in Alaska

Senator Johnny Ellis, Chair
Alaska State Senate
Chair, Senate Labor and Commerce Committee
Sent via email

March 7, 2007

Dear Senator Ellis and members of the committee:

The Alaska State Council on the Arts (ASCA) would like to lend our support to the passage of SB 97, relating to the Silver Hand Program.

This statute revision will strengthen the relationship between our agency and the Alaska Native artists we serve in many respects. One of the primary tenets of the Silver Hand program is the mark of authenticity for the over 1400 artists that our program represents, and for the thousands of visitors to our state who purchase this work every year.

A major study conducted of Alaska Native Artists last year under the auspices of the Ford Foundation found that almost 90% of the artists surveyed felt that the counterfeit native art market in the state is an enormous problem. While ASCA can't prohibit the sale of native art knock-offs, we certainly can strength our own resident's ability to sell work through our Silver Hand program, and inform the buying public about our program.

Another revision will incorporate the expansion of allowable materials that Native Artists can use in their work and still be in our program. Currently, only natural materials can be used, which means that many of our most well known contemporary Native artists are not eligible for the Silver Hand program. This revision will correct that problem.

The economic impact of the arts in Alaska is certainly worth mentioning. In 2001, the MacDowell Group did a survey of Alaska Arts and Crafts Industry – all sectors – and found that over 4,500 Alaskans earned income from arts-related activity, and in 2001, Alaska artists earned an estimated \$20 million. Total direct employment in the creative industry was approximately \$40 million in annual income, including profit and non profit sectors.

Although the consumer numbers are not conclusive, the same survey cited above indicated that 30% of Alaskans who purchased art in 2001, bought only Alaska Native work, and 56% of those consumers said they looked for the Silver Hand symbol when

buying Native art. As ASCA increases our publicity efforts and consumer education programs, we hope that this number grows.

ASCA is currently working closely with the Federal Trade Commission and the tourist industry to ensure that visitors to our state are aware of the importance of buying authentic Alaska Native art.

The revision of this statute and the strengthening of our policies will have impact in two major ways:

- 1) On the consumer side, to strengthen the education and enforcement efforts so that visitors and residents alike buy authentic Alaska Native art by increasing civil penalties;
- 2) On the artist side, to provide Alaska Native artists with more economic opportunities by shifting our emphasis to authenticating the artist and expanding the allowable art materials.

I appreciate your committee taking the time to review this legislation that is vital to our agency and to our Alaska Native artist population.

Sincerely,

Charlotte A. Fox
Executive Director



Alutiiq Museum and Archaeological Repository

215 Mission Road, Suite 101, Kodiak, Alaska 99615
(907) 486-7004 Fax: (907) 486-7048 www.alutiiqmuseum.com

Senator Gary Stevens
Legislative Session Contact
State Capitol, Room 103
Juneau, AK 99801-1182

February 27, 2007

Dear Senator Gary Stevens,

I am writing to express my sincere support for SB97. This proposed draft statute reflects an exhaustive survey, many discussions, and testimony's by Alaska Native artists about their needs in supporting and protecting Alaskan Native arts. SB97 language represents years of primary stakeholder feedback in the only state endorsed Alaska Native arts authentication program, the Silver Hand. With no cost to the state, SB97 accomplishes many critical objectives in serving a statewide constituency.

This bill establishes a relationship between Silver Hand permit holders and the Alaska State Council on the Arts, the program's administering state agency. The bill links the Silver Hand permit program to State of Alaska consumer protection and fair trade law. It also helps to strengthen agency enforcement capability's and clarifies consumer and permit holder protections. SB97 expands economic and creative opportunities for artists by including contemporary Alaska Native artists as important constituents served by the permit program. The bill allows Alaska Native artists to use all material deemed important in the creation of their art and clarifies eligible visual art mediums.

SB97 also enables Federally recognized Alaska Native Tribes to identify eligible permit holders. SB97 aligns with Federal language established in the Indian Arts and Crafts Act of 1990. SB97 empowers the state to promote and protect Silver Hand permit holders who's work represents a very significant, yet quiet, contribution to statewide commerce.

I want to thank you for updating the statutes with SB97. While this may seem like a very small act it will help the Alaska State Council on the Arts support and protect Alaska Native Artists artwork.

Quyanaasinaq, "thank you very much"

Sven Haakanson Jr., Ph.D.
Executive Director
Alutiiq Museum

Perry R Eaton
12000 Shenandoah Road
Anchorage Alaska 99516
(907) 345- 0281

Senator Gary Stevens
State Capitol, Room 103
Juneau, Alaska 99801
By fax: (9097) 465-3517

March 1, 2007

Dear Senator Stevens,

Gary, this is just a short note to let you know that I am 110% in support of SB97; the "modernization" of the Silver Hand program. What you have in front of you is the result of very diligent and solid work on the part of the Alaska State Council on the Arts in collaboration with the states Native artists. The revisions bring to the program the opportunity to be much more effective and responsive to the needs of today's Native artist, while adding no financial burden to the state.

Of all the changes proposed, I am particularly pleased with the fact that the Federally Recognized Tribes identify the eligible participants. This eliminates any specter of paternalism, removes a large administrative burden from staff, and builds on synergistic activities of other Federal and State programs and organizations.

All in all, it's a great piece of work and I strongly encourage your support to move the bill.

Perry R Eaton

110 Nicholoff Way
P.O. Box 322
Cordova Alaska 99574



ph 907.424.7903 fax 907.424.3018

Museum and Gift Gallery of the Prince William Sound, Copper River Delta and Gulf of Alaska Natives

Senator Gary Stevens
Legislative Session Contact:
State Capitol, Room 103
Juneau, AK 99801-1182
907-465-4925
fax: 907-465-3517

March 2, 2007

Dear Senator Gary Stevens,

As Director of a federally recognized tribe's Cultural Center, I would like to express my support for SB97. This is a much needed update to the respected Silver Hand program.

Our cultural center's mission is to preserve our heritage through teaching and exhibiting traditional art and skills. We accomplish this through traditional art and skills classes and the gift shop which provides a sales venue for quality produced pieces. The silver hand program has been valuable to us as authentication of our tribal artists and to help us identify the work of other native artists throughout the state. We are very aware of the confusion deceptive marketing and sales practices can create around Native-made arts and crafts and support every effort to protect authentic Alaska native art.

As a member of the Museums Alaska board of directors, I have been aware of the statewide need for revisions and some of the tremendous amount of work that has gone into these recommendations for revision through SB97. I strongly urge you to see this bill through.

Quana (Thank you!)

LaRue Barnes

LaRue Barnes
Director Ilanka Cultural Center

0017001

NORTH SLOPE BOROUGH

PLANNING DEPARTMENT

Inupiat Heritage Center
5421 North Star Street
PO Box 69
(907) 852-0422
(907) 852-4224 Fax
(907) 852-4594



March 5, 2007

Senator Gary Stevens
State Capitol, Room 103
Juneau, Alaska 99801

Dear Senator Stevens:

I am writing to express my support for SB97, a bill which links the Silver Hand permit program to the State of Alaska consumer protection and fair trade law.

Passage of this bill is extremely important as it will help strengthen agency enforcement capability and clarify consumer and permit holder protection. This bill will also help expand economic and creative opportunities for Alaska Native artists. Most importantly SB97 will help align with Federal language established in the Indian Arts and Crafts Act of 1990 and empower the state to promote and protect Silver hand permit holders.

Alaska Natives contribute significantly to statewide commerce and I strongly encourage your support to move the bill. Quyanaq.

Sincerely,

Dorcas Stein, Coordinator
Inupiat Heritage Center

cc: Commissioners, Inupiat History, Language and Culture, North Slope Borough



Senator Gary Stevens
State Capitol, Room 103
Juneau, AK 99801-1182

March 5, 2007

Dear Senator Stevens,

I am writing in support of Senate Bill SB97 that would introduce modernizations to the Silver Hand Program and which represents a thorough analysis and synthesis of needs voiced by Alaska Native artists and the expertise of Alaska State Council on the Arts. The comprehensive and collaborative nature of the revisions ensures that proposed changes will increase the both the effectiveness of the Program and the degree to which it serves Alaska Native artists. At the same time, the revisions, particularly the strengthened enforcement of the Program, will improve the economic welfare of the artists and their families, while improving their economic contribution to the state.

Sincerely,

Dawn Biddison
Assistant Curator
Smithsonian Arctic Studies Center
Alaska Regional Office
121 W. 7th Ave.
Anchorage, AK 99501
Tel: 907-343-6131
Fax: 907-343-6130
biddisondd@ci.anchorage.ak.us

ARCTIC STUDIES CENTER
Department of Anthropology
10th and Constitution N.W.
Washington DC 20560-0112
(202) 357-2682 Telephone
(202) 357-2684 Fax



Smithsonian
National Museum of Natural History

ARCTIC STUDIES CENTER
at the Rasmuson Center
121 W. 7th Ave.
Anchorage, AK 99501
(907) 343-6131 Telephone
(907) 343-6130 Fax

5

From: gary murphy [eskimogary@hotmail.com]
Sent: Friday, March 02, 2007 7:34 PM
To: Sen. Gary Stevens
Subject: Support Bill SB97

Senator Stevens, Please support Bill 197 . I am a Alaskan Native artist and fully support bill SB97. Sincerely Yours Gary R. Murphy

From: Sen. Gary Stevens
Sent: Wednesday, March 07, 2007 9:10 AM
To: Tim Lamkin
Subject: FW: SB97 Silver Hand retooling

-----Original Message-----

From: Teri Rofkar [mailto:ravenart@gci.net]
Sent: Tuesday, March 06, 2007 9:51 PM
To: Sen. Gary Stevens; Saunders McNeill; Charlotte Fox
Subject: SB97 Silver Hand retooling

Hello Gary Stevens,

Thank you for sponsoring this bill to retool the Silver Hand program. As a full time Native Artist, I am delighted to see some updated laws to fuel an economic opportunity throughout the state of Alaska. Money earned through the Native Arts most of the time contributes to a healthier financial profile for small villages, as well as the larger tourist hubs. I sat on the ASAC task force, and we are intentionally moving away from authenticating the art, which is vague and hard to enforce... while we move toward authenticating the Artists, by using existing protocols.

Streamlining the authentication process will help as we work towards tackling the big problem of counterfeit native art. A bill like this will bring us in line with Federal Laws. A recent article in AARP said that "up to half of the Native Crafts (sold in the US) are counterfeit"

stated Jill Moran, of the US Dept. of the Interior Indian Arts and Crafts Board... This problem is a national issue, and Alaskans, because of our self sufficient and CAN DO attitude are a front runner in finding creative solutions. The Silver Hand program is part of that solution.

Thank you again for taking the first step.

Gunalcheesh, Ho, Ho,

Teri Rofkar
820 Charles St.
Sitka, AK 99835

March 6, 2007

Senator Gary Stevens
Legislative Session Contact:
State Capitol, Room 103
Juneau, AK 99801-1182
907-465-4925
fax: 907-465-3517

Dear Senator Gary Stevens,

The Bering Strait Inuit Council (BSIC) is highly supportive of SB97, which would help modernize the Silver Hand Program. Our small group supports regional artists in the Northwest Territory of Alaska for the survival of unique art forms to continue for future generations. BSIC has members who are federally recognized as indigenous groups. Silver Hand Members include Siberian Yupik, Yupik and Inupiaq artists from our region.

Our regional indigenous artists depend on this program to prove the authenticity of their handmade products. We desperately need to be protected from unauthorized imitations of our style of art. Our art helps to connect us to our cultural roots of successful survival in this northern hemisphere. Our ancestors struggled throughout the winter months yet created unique carvings that linked them to spiritual survival. We still depend on subsistence activities, and the arts and crafts we create for economic development. With the continuing rising costs of modern living and the threats of coastal erosions, our artists need this protection from this proposed bill.

We look forward to working with the Alaska State Council on the Arts to bring this program into the 21st century.

Sincerely,



MaryJane Anuqsraaq Litchard
President
Bering Strait Inuit Council
P.O. Box 948
Nome, Alaska 99762
(907) 443-4248
(907) 443-4449



ALASKA
NATIVE
HERITAGE
CENTER

March 6, 2007

Senator Gary Stevens
State Capitol, Room 103
Juneau, AK 99801-1182

fax: 907-465-3517

Dear Senator Stevens:


We at the Alaska Native Heritage Center are in full support of SB97. This bill is based on surveys, discussions, and testimony in the Alaska Native arts community and builds upon a Native Artists Summit held at AFN in October 2007. At no cost to the state, SB97 accomplishes many critical objectives in serving artists statewide.

Among the bill's strengths:

- It establishes a relationship between Silver Hand permit holders and the Alaska State Council on the Arts, who administers the program.
- Critically important, it links the Silver Hand permit program to State of Alaska consumer protection and fair trade laws.
- It expands the definition of Native art to include contemporary works, which constitute a huge contribution to our state's economy and culture.
- It allows Alaska Native artists to use all materials – not just those termed “traditional” that are important in the creation of their art.
- It aligns with Federal language established in the Indian Arts and Crafts Act of 1990.
- Most importantly, it serves the needs of Alaska Native artists throughout the state.

I join many others in the Native community in support of this bill and thank you for your support as well.

Chin'an ("Thank you"),


Benjamin Ross, MBA
President and CEO

From: Gale Parsons [mailto:gparsons@prattmuseum.org]
Sent: Wednesday, March 07, 2007 11:16 AM
To: Sen. Gary Stevens
Subject: Senate Bill SB97

7 March 2007

Dear Senator Stevens and Representative LeDoux,

Thank you for crafting Senate Bill (SB97) and companion House Bill (HB161) to update the Silver Hand program statutes. The proposed changes represent long requested and important improvements to this program for Alaska Native artists. As an artist and Exhibits Director of the Pratt Museum in Homer I have been aware of the program, its importance and inadequacies since arriving in Alaska 28 years ago or since the beginning of the program. I have worked closely with Alaska Native artists through my work at the Pratt beginning in 1995 and understand the frustrations outlined in the comments below that the Bills address.

1. Establish a primary service relationship between Silver Hand artists and the Alaska State Council on the Arts. The agent arm of the permit program will be removed.
2. Strengthen enforcement capability by linking Silver Hand statues to Alaska consumer protection and fair trade practices statutes. Civil penalties for the misuse of the Silver Hand emblem will be added. Aligns with Federal language established in the Indian Arts and Crafts Act of 1990.
3. Expand economic and creative opportunities by including contemporary Alaska Native artists and the materials deemed important in the creation of their. The statutes expand the definitions section and define eligible visual art mediums.
4. Enable Federally recognized Alaska Native Tribes and ANCSA to identify eligible permit holders. Reference to blood quantum will be removed.
5. Empowers the state to promote and protect Silver Hand permit artists who's work represents a very significant economic contribution to the state.

Thank you for addressing this need.

Sincerely,

Gale Parsons

Gale Parsons, Director of Exhibits
Pratt Museum
3779 Bartlett Street
Homer, AK 99603
907-235-8635 x 36

From: Vera Crews [mailto:consult@veracrews.com]
Sent: Wednesday, March 07, 2007 1:52 PM
To: Sen. Gary Stevens
Subject: SB167

Please support SB 167 – which is meeting at the same time as I'm writing this, I think
it should accomplish these things:

1. Establish a primary service relationship between Silver Hand artists and the Alaska State Council on the Arts. The agent arm of the permit program will be removed.
2. Strengthen enforcement capability by linking Silver Hand statutes to Alaska consumer protection and fair trade practices statutes. Civil penalties for the misuse of the Silver Hand emblem will be added. Aligns with Federal language established in the Indian Arts and Crafts Act of 1990.
3. Expand economic and creative opportunities by including contemporary Alaska Native artists and the materials deemed important in the creation of their. The statutes expand the definitions section and define eligible visual art mediums.
4. Enable Federally recognized Alaska Native Tribes and ANCSA to identify eligible permit holders. Reference to blood quantum will be removed.
5. Empowers the state to promote and protect Silver Hand permit artists who's work represents a very significant economic contribution to the state.

Thanks you,
Vera Crews, Anchorage
Alaska State Council on the Arts

SILVER HAND - SB 97



This symbol is your guarantee that this is a genuine article made in Alaska handcrafted and finished by an Alaska Native artist or craftsman

Artist _____

Origin _____

Permit No. _____



ALASKA
STATE COUNCIL
ON THE ARTS

SB 104

(FILE 1)

BILL

MATERIAL

Alaska State Legislature

Senator Hollis French, Chair
State Capitol, Room 417
Juneau, Alaska 99801
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Committee Members:
Senator Charlie Huggins
Senator Bill Wielechowski
Senator Lesil McGuire
Senator Gene Therriault

Senate Judiciary Committee

Changes Made in Senate Judiciary to CSSB104(RES) Natural Gas Pipeline Project

The bill order was changed to comport with the bill order of the House companion bill, at the request of legislative drafters.

Article 1.

Inducement to Construction of a Natural Gas Pipeline

Section 43.90.010 Purposes: No changes were made to this section.

Article 2.

Alaska Gasline Inducement Act License

Section 43.90.100 Gas Project: No changes were made to this section.

Section 43.90.110 Construction Inducement:

- Language was added to clarify that the \$500,000,000 inducement is subject to appropriation by the legislature.

Section 43.90.120 Request for Applications:

- Language requiring the administration to request applications within 90 days was changed to "as soon as practicable" and a conforming amendment was made in uncodified law stating the legislature's intent that it take place within 90 days.
- A provision for an appeals process for solicitation and appeals relating to applications was deleted as the committee added language to the application requirements that applicants waive their rights to appeal.

Section 43.90.130 Application Requirements:

- Language was added to (D) to require that applicants will describe their plans to implement practices for controlling carbon emissions from natural gas systems as established by the US EPA.
- The requirements that an applicant propose and support rolled-in rates were rewritten to require that the 15 percent will apply to negotiated rates rather than just the maximum recourse rate, and that rolled in rates will include fuel costs
- Language was added better defining the provisions for a project labor agreement, and requiring that an applicant utilize the Department of Labor's job centers and internet hiring program to the extent practicable.
- Two new requirements for applicants were added: (16) requires applicants to waive appeal rights, both to the determination that no applicant merits the issuance of a license, and to the determination to license a particular applicant. New requirement (19) requires the applicant provide a more detailed delineation of the parties to an application.

Section 43.90.140 Initial Application Review: No changes were made to this section.

Section 43.90.150 Proprietary Information and Trade Secrets:

- Language was added to clarify that only information submitted by the licensee and retained by the state is subject to disclosure

Section 43.90.160 Notice, Review and Comment:

- Language was deleted that stated that applications received are "not public documents" as this was a misstatement of fact.
- Language was added clarifying that the summary provided by the applicant is a summary of confidential information.
- A new subsection was added to require that the information determined by the commissioners to be confidential would nevertheless be available to legislators, legislative auditors and legislative finance staff and their contractors on request after the person making the request signs a confidentiality agreement.

Section 43.90.170 Application Evaluation and Ranking: No changes were made to this section.

Section 43.90.180 Notice to Legislature:

- One change was made to clarify that the project rather than the application is judged on its proposed benefits.

Section 43.90.190 Legislative Approval:

- This section was redrafted to require that the legislature approve the selection of a licensee through a bill to be introduced in both bodies. The legislature must act within 60 days (this provision is a change to the Uniform Rules and will require a 2/3rds vote). If the legislature fails to approve the issuance of a license, the commissioners may not issue the license the legislature failed to approve but may request new applications.

Section 43.90.200 Certification by Regulatory Authority: No changes were made to this section.

Section 43.90.210 Amendment or Modification of Project Plan:

- Language was added that allows a project to be modified if the modification improves the net present value of the project
- Language was added that allows a project to be modified if necessary of an order issued by the Alaska Oil and Gas Conservation Commission.

Section 43.90.220 Records, Report, Conditions, and Audit Requirements: no changes to this section.

Section 43.90.230 License Violations; Damages: No changes were made to this section

Section 43.90.240 Abandonment of Project:

- The term "uneconomic" was defined in the section, and references to arbitrating abandonment were deleted.
- Language was added to require that arbitration be conducted under the substantive and procedural laws of Alaska, that judgments must be entered in a superior court in this state, that the burden of proof for any appeal of an arbitration rested with the person making the appeal, and that all arbitrators must be selected from the National Roster of the American Arbitration Association.
- The bill was changed to state that if an arbitration panel makes a final determination that the project is uneconomic, the licensee shall assign studies, data etc. to the state regardless of which party requested the arbitration.

Section 43.90.250 Gasline Inducement Act Coordinator:

- Language was added to clarify that the position was in the office of the governor, would be supported by the office of the Governor, and that the coordinator was appointed by the Governor and can be removed at the discretion of the governor.
- Language requiring confirmation of the coordinator was deleted.

Section 43.260 Expedited Review and action by state agencies: No changes in this section.

Article 3.

Resource Inducement

Section 43.90.300 Qualification for Resource Inducement:

- Reference to the tax freeze was deleted from the provisions that can be made contractual.

Section 43.90.310 Royalty Inducement:

- Language regarding protest actions by shippers if FERC roll-in rate policies change were deleted.

Section 43.90.320 Gas Production Tax Exemption:

- Tax freeze provisions were changed so that tax rates are set at the start of the first binding open season rather than at the end of it.
- Conforming language was added to remove contractual provisions for the tax freeze vouchers received by gas producers.
- Language regarding protest actions by shippers if FERC roll-in rate policies change were deleted.

Section 43.90.330 Inducement Vouchers:

- A new section was added to provide for vouchers for persons committing to firm transportation for a certain amount of gas as agreed to in a binding sales contract with a gas producer; the vouchers may then be transferred to the gas producer for that volume for the period of the contract or the period of the inducement, whichever expires first.

Article 4.

Miscellaneous Provisions

Section 43.90.400 Gasline Inducement Matching Contribution Fund: No changes were made to this section.

Section 43.90.410 Regulations: No changes were made to this section.

Section 43.90.420 Statute of Limitations:

- This section was amended to clarify the provision applies to this chapter.

Section 43.90.430 Interest: No changes were made to this section.

Section 43.90.440 Licensed Project Assurances:

- The language was amended to clarify that funds must be appropriated by the legislature; that only qualified expenditures will be reimbursed, and that existing programs to settle royalty disputes, modify royalty rates, or provide the benefits of a large project permit coordinator under existing state law does not constitute preferential treatment.

Section 43.90.450 Assignments:

- A provision was added to require that public notice, legislative notice and a 30 day public comment period precede a license transfer.
- A conforming amendment was made to address the transfer of inducement vouchers.

Article 5.

General Provisions

- A section was added as a conforming amendment to state it was the legislature's intent that a request for applications be issued within 90 days after the effective date of this act.
- A section was added to uncodified law to state the legislature's intent that the Court expedite cases relating to a pipeline under this act by giving the case priority over all other civil cases to the extent permitted under the Alaska Rules of Court.

LEGAL SERVICES

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

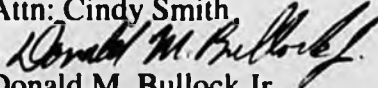
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MEMORANDUM

April 20, 2007

SUBJECT: Disagreement on whether a project is uneconomic
(CSHB 104(JUD)); Work Order No. 25-GS1060(V)

TO: Senator Hollis French
Chair of the Senate Judiciary Committee
Attn: Cindy Smith


FROM: Donald M. Bullock Jr.
Legislative Counsel

Enclosed is the final version of CSSB 104(JUD). The bill contains all of the amendments made in your committee.

Please look at page 17, lines 22 - 23. Based on the amendment to these lines made in the committee, the first sentence in sec. 43.90.240(b) reads, in part, as follows:

If the commissioners and the licensee do not agree that the project is uneconomic, the disagreement shall be settled

If the commissioners and the licensee both agree that the project is not uneconomic, there is no disagreement to be settled, but they fit within the above language. The intent of the provision is that one party thinks the project is uneconomic and the other believes it to be not uneconomic. This is the dispute that goes to the arbitration panel.

To make the sentence unambiguous, I suggest that you advise the Senate Finance Committee to change the first part of the sentence so that it reads, "If the commissioners or the licensee determine that the project is uneconomic and the other party disagrees, the disagreement shall . . ." By doing this, a disagreement over whether the project is not uneconomic is ripe for presentation to the arbitration panel.

If I may be of further assistance, please advise.

DMB:ljw
07-219.ljw

Enclosure

Alaska State Legislature

Senator Hollis French, Chair
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Committee Members:
Senator Charlie Huggins
Senator Bill Wielechowski
Senator Lesil McGuire
Senator Gene Therriault

Senate Judiciary Committee

MEMORANDUM

DATE: April 19, 2007

TO: Don Bullock

FROM: Cindy Smith

RE: CSSB10⁴ Natural Gas Pipeline Project

Please make the following changes to CSSB104(JUD) version 1060\O to reflect amendments made by the committee. Please prepare an as-passed final version.

Amendment #1: to page 3, line 6

Remove the comma after the word "assets"

Amendment#2: to page 10 at line 18: after the word "licensee" delete the phrase

"and retained under this chapter" and insert the same phrase after the word "licensee" on line 22.

Amendment #3: to page 11, line 11: after the word "summary" add the phrase "of the confidential information"

Amendment #5: to page 17, line 21 delete the word "or" and replace with "and"

Delete the word "does" and replace with "do"

Amendment #6: to page 18, line 8: after the word "commitments insert "government assistance

Then, after the word "or" insert "or other sources of"

Amendments 7,9,10, 11, 12, 15, 16, 17, 18, and 19 as attached.