

HOUSE / SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2783	
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INTRODUCTION

In the past few years the State of Alaska Legislature has taken an active role in promoting the development of telecommunications throughout the State. It has funded the purchase of over one hundred small earth stations (SES) for installation in rural and bush areas in conjunction with RCA Alascom (subsequently Alascom after purchase by P P & L), and the State has participated in the establishment of a telephone network for message toll service (MTS) for rural Alaska. The Legislature has also funded an experimental television demonstration project and numerous studies as to how telecommunications may bring added benefits to the residents of the State. In addition, the entire State of Alaska telecommunication program, with the active support of the Legislature, is in the process of being upgraded.

The subject of this report is the development of instructional telecommunications for all of Alaska. A study funded by the Eleventh Legislature (First Session) under SCR 35, reported on the feasibility of utilizing instructional television throughout the State.⁽¹⁾ As a result of that report, the Eleventh Legislature (Second Session) passed HCSSB 165 (FCC). This Act, as approved by the Governor 2 July 1980 (SLA 1980 Chapter 174) appropriated in excess of \$7,700,000 in capital and operating expenses to the Department of Transportation and Public Facilities (DOTPF), Department of Education (DOE), the University of Alaska (UA), and the Alaska Public Broadcasting Commission (APBC) for the development of state-supported educational telecommunications and related matters throughout the State of Alaska. An additional \$800,000 was appropriated to the Geophysical Institute of the University of Alaska for the development of a "quick look" remote sensing project.⁽²⁾ The \$7,700,000 includes purchases of studio transmitter links, microwave interconnects, video downlink retrofits, small earth stations, ITV interconnects, satellite uplinks for the Alaska Public Radio Network, satellite transponder service, ITV production costs, services of telecommunications coordinators, and an ITV pilot project.

The progress of the various departments and organizations in implementing the law will be detailed in later sections.

1. A Report on the Feasibility of Telecommunications for Instruction in the State of Alaska; Alaska Dept. of Education, University of Alaska, and Alaska Public Broadcasting Commission. February 15, 1980.
2. Laws of Alaska, 1980, Chapter 174 HCSSB 165 (FCC) pp 1-5.

This program is being continually updated. Enclosed as Appendix "B" is a printout of this information as of December 2, 1980. Although there have been many attempts during the past few years to assemble this information in a useable format, this appears to be a very useful document. It will, certainly, contain some errors and omissions, but as the program is continually being updated with new information these will gradually be eliminated.

This group apparently had some concerns as how DOTPF was to spend funds under SLA 1980 Chapter 174. To this end, Mr. John Bates, Deputy Commissioner, wrote a memo to the Attorney General on 24 July 1980, requesting advice and assistance. On 3 September 1980, Mr. Jack McGee, Assistant AG, Transportation Section, Department of Law, provided a memorandum to Mr. Bates detailing the legal ramifications of Chapter 174 SLA 1980 as far as DOTPF is concerned. Except in one area, DOTPF can purchase or lease equipment needed. In that area (the services of an additional satellite transponder) funds will lapse before the transponder is required. The AAG suggested that legislative action would be required early in the session to extend the time before the appropriation would lapse. However, it is believed that if money is encumbered on items that have a long lead time on procurement that funds need not lapse. There is a severe shortage of transponders available and advance requests or orders for service are required, thus DOTPF has placed an order for a transponder on the SATCOM F2 spacecraft as of 1 August 1981, thus encumbering the funds. DOTPF has also ordered downlink conversions at forty-two communities and uplink conversions at Juneau, Anchorage, and Fairbanks. Copies of these documents are available from the House of Representatives Research Agency upon request. Send requests to the attention of Ms. Ann DeVries. The state as per Chapter 174, SLA 1980 Section 1 (2) and 1 (5) through the Division of Communications is in the process of purchasing small earth stations and station transmitter links (STL). In addition, the Division of Communications is in process of procuring Federal Communications Commission licenses as required for equipment authorized in Chapter 174 SLA 1980 Sections 1 (2), 1 (3), 1 (5) and 3 (3).

It would be noted that obtaining licenses from the FCC is no trivial problem. Although traditionally the FCC has taken a very liberal and lenient view towards the development of telecommunications in the state, the process of obtaining licenses (and waivers where necessary) is a very slow one. As mentioned in a previous report, the FCC is in a somewhat confused state at this time. The Division of Communications staff is moving with as much haste as is possible, and there seems

3. Telecommunications Report, Glenn M. Stanley, House of Representatives Research Agency, November, 1980, pp 5-6.

PROGRAM ORGANIZATION

Because of the complexity of the program, covering projects as it does, in several organizations, a lead agency, the University of Alaska, was chosen to coordinate the activities. The organization of the project was detailed in a joint memorandum to Mr. Robert Ward, Commissioner of the Department of Transportation and Public Facilities (DOTPF) from President of the University of Alaska (UA), Dr. Jay Barton, and Commissioner of Education, Dr. Marshall Lind, Department of Education (DOE) dated 14 August 1980. This document (included as Appendix "A") gives in detail the operating policies and procedures for DOE, DOTPF, and UA in the implementation of the program.

Ms. Jane P. Demmert, Director of the U of A Instructional Telecommunication consortium (UAITC), Division of Community Colleges, Rural Education and Extension (CCREE) serves as project leader for the U of A; Mr. Steve Hole is Instructional Television Administrator; Ms. Jennifer Wilke is Instructional Television Coordinator for DOE; Mr. Ted McIntire is the Telecommunications Planner for DOTPF. Mr. Mel Hoversten, Director of Division of Communications (DOTPF), who will be responsible for procurement and construction of required telecommunication facilities, and Mr. Bill McCaughan, Director of Media Services, Anchorage Community College (ACC) are the main players in the ITV and Audio Teleconferencing program. Ms. Demmert will serve as point of contact between DOE, DOTPF and U of A.

To assist the various organizations, there are groups such as The Instructional Television Task Force (ITVTF) comprised of eleven members from various parts of the state who are involved with education. In addition, there is the University of Alaska ITV Advisory Committee with twelve members, one from each campus.

In summary, then, the U of A, DOTPF, and DOE have jointly agreed to an organization, delegated responsibility, appointed staff, and are functioning to implement the program.

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES ACTIVITIES

There are two groups in DOTPF that are active in the implementation of SLA 1980, Chapter 174. Mr. John Bate, Deputy Commissioner for Planning and Research, has on his staff a group of telecommunications planners. Mr. Ted McIntire of that group is actively pursuing this program. Mr. McIntire and staff have prepared a computer program which lists communities of Alaska, giving their population, existing telecommunications facilities, breaks out both existing and planned state television services, gives the best information available on the power situation in the community and lists the community by ITV Region.

2. (continued)

expect to obtain 10 pilot programs in time for classroom testing in April, and operation in September. Six of these programs will be with teacher guides and four will be public service programs. An RFP has been issued for a TV guide for selected prime time shows. Monthly guides will be issued.

3. Offer of grants to local educational agencies (school district level). Thus far, the following grants have been awarded:

- | | |
|--|-------|
| a. Student video production | 6 ea. |
| b. Teacher training with or without credit | 3 ea. |
| c. Equipment only | 3 ea. |
| d. T.V. viewing skills | 1 ea. |
| e. Bicultural programs | 1 ea. |
| f. Miscellaneous | 1 ea. |

The grant review process for those grants is aided by the ITV Task Force. A list of Task Force members is included as Appendix "C". The author attended part of a Task Force meeting where various proposals for grants were evaluated. The agenda for that meeting, the RFP for grants to be reviewed and a list of responses is available from the House of Representatives Research Agency, Attn: Ann DeVries, should they be desired. It was clear that the evaluation of the grant request was being carried out in a thoroughly professional manner.

Since the DOE program is extensive, there are many projects under way and a detailed review of each of them would be beyond the scope of this report. Suffice it to say that it is clear that DOE has put a very high priority on the ITV program and has assigned competent people to conduct it. It appears that the program selection and acquisition is well advanced. Test programs will be run and evaluated this year, and next year's program should be available by fall of 1981.

UNIVERSITY OF ALASKA

The University of Alaska is funded under SLA 1980 Chapter 174, Section 5 (1,2,3) and Section 10 in the amount of \$1,650,200 to (1) expand their computer network to all community colleges, (2) train teachers (presumably by instructional television), (3) for telecommunications production and acquisition, and (4) for the Northern Remote

little doubt that the necessary construction permits (FCC CP's) will be issued. It may, however, be necessary to request permission from the FCC to procure equipment at the State of Alaska's risk before the CP's are in hand, so that construction may be accomplished in time for the proposed startup date for ITV of 1 September 1981. In the light of past experience in obtaining licenses, this would not seem to be an undue risk.

Although funds for audio teleconferencing equipment were appropriated to DOTPF, it was determined that the appropriate technical expertise for their procurement was existent in the U of A, Anchorage Community College Media Services Department, directed by Mr. Bill McCaughan. An agreement was reached between the groups and an interdepartmental transfer of funds was arranged. Unfortunately, a serious delay in this transfer occurred when it was felt by some that this was an attempt to circumvent procurement practices. The problem was resolved, but an administrative delay of about six weeks occurred. However, it is now anticipated that equipment will be in place for a full system turnup on 31 March 1981, with some sections in operation in late January. It is clear that no malfeasance was involved and the choice of hardware is sound.

In summary, the DOTPF is proceeding as rapidly as possible to obtain equipment and services as required under SLA 1980 Chapter 174. It is working closely with other state agencies and it would appear at this time that equipment will be installed and operative in a reasonable time.

DEPARTMENT OF EDUCATION

The administrator for the ITV program in the Department of Education is Mr. Steve Hole, ITV Administrator. He is assisted by Ms. Jennifer Wilke, ITV Coordinator. SLA 1980 Chapter 174, Sections 4, 6, 7 appropriates \$1,620,500 to DOE for ITV production for K through 12 programs on Alaska topics, monthly TV guides for teachers, teacher training, a pilot project on video disk technology, an ITV education pilot project in the NANA region, and for grants to local education agencies for the ITV program.

DOE is obtaining program material for use in the ITV program in three ways:

1. Direct procurement of materials from the Alaska Review. Sixteen programs have been ordered.
2. Requests for proposals (RFP's) have been issued and some contracts have been issued to professional producers. Filming has started. They

ALASKA PUBLIC BROADCASTING COMMISSION

Under Section 2, Chapter 174, SLA 1980, \$253,000 was appropriated to the Alaska Public Broadcasting Commission (APBC) for (1) Satellite uplinks to interconnect all public radio stations in Alaska, (2) construct a studio for the Alaska Public Radio Network (APRN) and (3) to provide a grant to the Reven Radio Foundation Public Radio Station. These funds have been disbursed. Planning is progressing on Section 1 and requests for proposals are being prepared. An attempt is being made to utilize some of the funds as matching funds to obtain a grant from the National Telecommunication and Information Agency (NTIA) in the U. S. Department of Commerce. The Alaska Public Radio Network has used the funds provided under Section 2 (2) and are occupying the new studio. Funds under Section 2 (3) were used as matching funds for an NTIA grant which has been received.

GEOPHYSICAL INSTITUTE UNIVERSITY OF ALASKA

\$800,000 was appropriated under Section 10, Chapter 174, SLA 1980 to the Geophysical Institute, University of Alaska for project "Quick Look" in the Northern Remote Sensing Laboratory.

The Geophysical Institute has a long history of involvement with remote sensing from satellites. The first session of the Eleventh Legislature funded a study to determine the usefulness of obtaining immediate data from both the Landsat satellite system and from a military satellite. Although the satellites do pass over Alaska on a regular basis, the time to obtain data from these satellites is of the order of several weeks or months. The funds appropriated under Section 10 were to obtain and install a highly sophisticated system to obtain data from the Landsat satellite system. The equipment is to be installed at the NASA Gilmore Creek (Fairbanks) Tracking Station to obtain these data on a real time basis. The basic system is very expensive (of the order of \$650,000). Requests for proposals have been issued and a contract was awarded to Mconald Detweiler and Associates. Bid opening was on 24 August 1980, and delivery is expected in late 1981. It is expected that the system will be operational in February, 1982.

Sensing Laboratory of the Geophysical Institute of the University of Alaska for project "Quick Look."

Responsible staff members are Ms. Jane Demmert, Director of the U of A Instructional Telecommunications Consortium (UAITC), Mr. Bill McCaughan, Director of the Media Services Department, Anchorage Community College, Mr. John Miller, Director of Northern Remote Sensing Laboratory for project "Quick Look" and Mr. Walt Parker, Consultant, U of A A.

Meetings were held with Ms. Demmert and Mr. McCaughan concerning the program and its direction.

A considerable amount of time and effort was spent on the selection of sites and priorities. These are detailed in the Appendix to Appendix "A" of this report.

Plans for the audio teleconferencing portion of the project are well advanced and equipment is on order. Initial startup is planned for early in 1981 with full operation planned by 31 March. At present, teleconferencing will be conducted by message toll service (long distance telephone) access to an eighty position bridge at the Media Service Center at the Anchorage Community College. When volume warrants leased lines between centers will be used.

Programming on the audio teleconferencing network will be both instructional and administrative. It is not intended that the audio teleconferencing network will be used as a substitute for long distance telephone service. Administrative uses will be limited to those instances where many users will confer together rather than a one on one situation. On the programming side, the service will be supplemented by tapes, slides and other support material and discussions will be interactive. Of course, the network will be used eventually as the two-way audio portion of the full video-audio network

Video programming is planned for use in the Fall of 1981 with canned direct instruction (tapes previewed in advance and used on call), direct live instruction, and general educational programming from Public Broadcasting System. Some programs have already been selected and evaluation is progressing. At present an August 1981 startup is projected.

Work is progressing on the computer linkup of all U of A campus, and arrangements are being made to connect the U of A and DOE computer system. The University of Wisconsin Center for Instructional Systems is under contract to assist in planning the computer part of this program. It is planned to use computer aided instructions (CAI) and to incorporate micro processors in local systems.

ITV DOWNLINK and MINI-TV INTERCONNECT

FY 1981

Site priorities to be installed and operational no later than August 1, 1981, for reception of ITV program channel:

Uplink Sites

1. Kotzebue
Nome
McGrath
Barrow
Kodiak

St. Mary's
Seward
Tok
Whittier

Reg. Centers/MES

6. Chistochina
Cordova
Cold Bay
Fort Yukon
Iliamna
King Salmon
Naknek
Sand Point
Tanana
Unalaska
Valdez
Yakutat

NANA Region

2. Ambler
Buckland
Deering
Kiana
Kivalina
Kobuk
Noatak
Noorvik
Selawik
Shungnak

Bering Straits Region

5. Elim
Gambell
Golovin
Koyuk
St. Michael
Savoonga
Shaktolik
Shishmaref
Stebbins
Teller
White Mountain

Southeast Region

3. Angoon
Craig
Haines
Hoonah
Hydaburg
Kake
Ketchikan
Klukwan
Petersburg
Pelican
Sitka
Skagway
Wrangell

The following sites are not listed in the Act by name, but their inclusion is considered to be within legislative intent of developing regional instructional telecommunications service. These sites are priorities for inclusion during FY 1981 in developing this regionally-based networking:

- | | |
|---------------------|-----------------------------------|
| 7. Aleutian Region: | Adak |
| Bering Straits: | Brevig Mission
Diomed
Wales |
| Kenai Penin. Boro: | Homer |
| Mat-Su Boro: | Palmer/Wasilla |
| Southeast: | Klawock
Metlakatla |

Uplink Sites

4. Aniak
Bethel
Dillingham
Unalakleet

Other Reg. Centers

- Copper Center
Delta Junction
Glenallen
Holy Cross
*Kenai (Soldotna)
Mountain Village
Nenana

Yukon Koyukuk Region: Galena

* Kenai is named in the Act; the K-12 and higher education agency offices for the Borough are located in Soldotna, where interconnect service would be needed.

ITV DOWNLINK and MINI-TV INTERCONNECT (cont'd)

FY 1982

The following sites, by region, complete the service priorities based on the funds available in the Act. Completion of these sites would be necessary ASAP throughout FY 1982, based on the highest possible level of field activity.

Aleutian Region

Akutan
Atka
False Pass
King Cove
Nelson Lagoon
Nikolski
St. Paul
St. George

Bristol Bay Region

Aleknagik
Ekwok
Koliganek
Togiak

Chignik Bay
Chignik Lagoon
Egegik
Iguigig
Ivanof Bay
Nondalton
Pedro Bay
Perryville
Pilot Point
Port Heiden

Iditarod Region

Anvik
Grayling
Nikolai
Shageluk
Takotna
Telida

Kodiak Island Borough

Akhiok
Karluk
Larsen Bay
Old Harbor
Ouzinkie
Port Lions

North Slope Borough

Anaktuvuk Pass
Kaktovik
Nuiqsut
Point Hope
Wainwright

Southeast Region

Tenakee

Yukon Flats

Arctic Village
Birch Creek
Chalkytsik
Circle
Rampart
Stevens Village
Venetie

Yukon Koyukuk Region

Allakaket
Hughes
Huslia
Kaltag
Koyukuk
Manley Hot Springs
Minto
Nulato
Ruby

The following sites are not listed in the Act by name, but their inclusion is considered to be within legislative intent of developing regional instructional telecommunications service. These sites are priorities for inclusion during FY 1982, in developing comprehensive in-region networking:

North Slope Borough

Atkasuk
Pt. Lay

Prince William Sound Region

Tatitlek

AUDIO CONFERENCING SERVICES

Audio conferencing system design is to include dial-up interconnection to selected audio conferencing terminals, through bridging at the University of Alaska's Instructional Telecommunications Consortium Center on the Anchorage Community College campus. Operating costs for system implementation are expected to be equipment purchase or lease, maintenance, and operations personnel, as well as all related long-lines charges for conference calling.

A maximum number of terminals are to be purchased and installed, as listed. Location of each conference terminal in the communities is yet to be determined, but can generally be expected to include higher education and public school district administrative offices, and individual higher education and K-12 school buildings, as locally preferred. Installation schedule is ASAP.

FIRST PRIORITY:

Capacity Required:
12 participants per terminal

Community Location and (#) of terminals estimated:

Anchorage (12)
Fairbanks (8)
Juneau (8)
Kotzebue (4)

Primary Centers:

Adak (2)
Barrow (2)
Bethel (3)
Copper Center (2)
Delta Junct. (3)
Dillingham (3)
Ft. Yukon (2)
Galena (2)
Glenallen (1)
Holy Cross (1)
Ketchikan (4)
Kodiak (4)
McGrath (2)
Nenana (2)
Nome (4)
Palmer (2)
Sitka (3)
Soldotna (2)
Tok (2)
Valdez (2)
Wasilla (1)

Secondary Centers:

Aniak (1)
Cold Bay (2)
Cordova (2)
Eagle River (1)
Homer (1)
King Cove (2)
Mtn. Village (1)
Naknek (2)
Petersburg (2)
St. Mary's (1)
Sand Point (2)
Seward (2)
Unalaska (2)
Whittier (1)

Capacity Required:
6 participants per terminal

Community Location and (#) of terminals estimated

FIRST PRIORITY:

NANA Region
(1) all communities

SECOND PRIORITY:

Installation parallel to ITV downlink and mini-TV interconnection priorities (pages 8-9)

1. remaining Southeast communities
2. Bering Straits Region
3. remaining MES sites
4. Priority sites #7 FY 81 (not in Act for mini-TV)
5. FY 1982 ITV interconnect communities

APPENDIX "B"

TY	TELEPHONE	STATE TO SERVICE	SOURCE	STATUS	TY REGION
	EXISTING	EXISTING/PLANNED			
000	2000	---	MILITARY	ADEQUATE	ALBUQUERQUE
000	113 SES	---	PRIVATE	INADEQUATE	ALBUQUERQUE
000	372 VHF-MF	---	PRIVATE	INADEQUATE	CALISTO
000	294 VHF-MF	---	PRIVATE	INADEQUATE	CALISTO
000	74 SES	---	PRIVATE	INADEQUATE	OLEUTIAN
000	324 SES	---	GOV	INADEQUATE	CALISTO
000	17	---	COMMUNITY	INADEQUATE	YUKON/FLATS
000	270 VHF-MF	---	UTILITY	ADEQUATE	SEATTLE
000	172 SES	---	COMMUNITY	ADEQUATE	SEATTLE
000	317 VHF-MF	---	GOV	ADEQUATE	SEATTLE
000	150 SES	---	UTILITY	ADEQUATE	SEATTLE
000	800	---	UTILITY	ADEQUATE	SEATTLE
000	300000	---	UTILITY	ADEQUATE	SEATTLE
000	470	---	UTILITY	ADEQUATE	SOUTHEAST
000	310	---	UTILITY	ADEQUATE	SOUTHEAST
000	272	---	UTILITY	ADEQUATE	CALISTO
000	183	---	UTILITY	ADEQUATE	SOUTHEAST
000	100 SES	---	GOV	ADEQUATE	YUKON/FLATS
000	171 SES	---	SCHOOL	UNKNOWN	YUKON/FLATS
000	30	---	SCHOOL ONLY	UNKNOWN	YUKON/FLATS
000	54 SES	---	UTILITY	ADEQUATE	SEATTLE
000	183 VHF-MF	---	COMMUNITY	UNKNOWN	CALISTO
000	40	---	MILITARY	ADEQUATE	ALBUQUERQUE
000	300	---	UTILITY	ADEQUATE	W. SLOPE
000	52 SES	---	SCHOOL	UNKNOWN	YUKON/FLATS
000	52 SES	---	SCHOOL ONLY	UNKNOWN	YUKON/FLATS
000	3400	---	UTILITY	ADEQUATE	CALISTO
000	60 VHF-MF	---	UTILITY	ADEQUATE	YUKON/FLATS
000	30	---	UTILITY	ADEQUATE	YUKON/FLATS
000	448	---	UNKNOWN	---	YUKON/FLATS
000	40 VHF-MF	---	SCHOOL ONLY	UNKNOWN	YUKON/FLATS
000	114	---	SCHOOL ONLY	UNKNOWN	YUKON/FLATS
000	172 VHF-MF	---	COMMUNITY	ADEQUATE	YUKON/FLATS
000	67	---	PRIVATE	ADEQUATE	YUKON/FLATS
000	41	---	LOGGING	UNKNOWN	YUKON/FLATS
000	125 SES	---	LOGGING	ADEQUATE	YUKON/FLATS
000	40 SES	---	PRIVATE	UNKNOWN	YUKON/FLATS
000	92 SES	---	SCHOOL ONLY	UNKNOWN	YUKON/FLATS
000	182	---	COMMUNITY	ADEQUATE	CALISTO
000	47 SES	---	GOV	ADEQUATE	CALISTO
000	79 VHF-MF	---	PRIVATE	ADEQUATE	YUKON/FLATS

COMMUNITY	POP	TELECOMM EXISTING	STATE TV SERVICE EXISTING/PLANNED	POWER SOURCE	CAPACITY	ITV REGION	
CHIGNIK LAGOON	25	SES	----	ITV	PRIVATE	ADEQUATE	BRISTOL BAY
CHIGNIK LAKE	117	SES	----	----	PRIVATE	INADEQUATE	BRISTOL BAY
CHINIAK BAY	73	----	----	----	PRIVATE	ADEQUATE	KODIAK
CHISTOCHINA	33	MW	RO/TV	*ITV	COMMUNITY	UNKNOWN	COPPER RIVER
CHITINA	40	SES	TV	----	PRIVATE	UNKNOWN	COPPER RIVER
CHUATHBALUK	94	VHF-MR	----	RO/ITV	PRIVATE	UNKNOWN	CALISTA
CHUGIAK	3224	MW	----	----	UTILITY	ADEQUATE	ANCHORAGE
CIRCLE	55	SES	----	ITV	PRIVATE	UNKNOWN	YUKON FLATS
CIRCLE HOT SPRINGS	36	----	----	----	UNKNOWN	----	YUKON FLATS
CLARKS POINT	70	VHF-MR	----	----	SCHOOL ONLY	UNKNOWN	BRISTOL BAY
CLOVER PASS	261	----	----	----	UTILITY	ADEQUATE	SOUTHEAST
COFFMAN COVE	220	----	----	----	LOGGING	ADEQUATE	SOUTHEAST
COHDE	500	----	----	----	UTILITY	ADEQUATE	KENAI
COLD BAY	200	MR	----	*ITV	UTILITY	ADEQUATE	ALEUTIAN
COOPER LANDING	280	MW	RO/TV	----	UTILITY	ADEQUATE	KENAI
COPPER CENTER	251	MW	----	*RO/ITV	UTILITY	ADEQUATE	COPPER RIVER
CORDOVA	3000	MR	TV	*ITV	UTILITY	ADEQUATE	P.W.M. SOUND
CORNER BAY	80	VHF-MW	----	----	LOGGING	ADEQUATE	SOUTHEAST
COUNCIL	25	SES	----	----	PRIVATE	INADEQUATE	BERING ST.
CRAE BAY	50	VHF-MW	----	----	LOGGING	ADEQUATE	SOUTHEAST
CRAIG	467	MW	----	*RO/ITV	UTILITY	ADEQUATE	SOUTHEAST
CROOKED CREEK	100	SES	TV	ITV	PRIVATE	UNKNOWN	CALISTA
DANGER BAY	140	----	----	----	LOGGING	ADEQUATE	KODIAK
DEERING	110	SES/XCHG	----	*ITV	COMMUNITY	ADEQUATE	NANA
DELTA JUNCTION	703	MW	----	*RO/ITV	UTILITY	ADEQUATE	DELTA-GATEWAY
DILLINGHAM	1320	SMR	TV	*ITV/UPLINK	UTILITY	ADEQUATE	BRISTOL BAY
DIONEDE	139	VHF-MW	TV	*----	SCHOOL	UNKNOWN	BERING ST.
DOT LAKE	42	MW	----	RO/ITV	UTILITY	ADEQUATE	DELTA-GATEWAY
DUTCH HARBOR	250	MR	----	----	COMMUNITY	ADEQUATE	ALEUTIAN
EAGLE	124	VHF-SES	----	ITV	PRIVATE	UNKNOWN	DELTA-GATEWAY
EAGLE RIVER	2500	MW	----	----	UTILITY	ADEQUATE	ANCHORAGE
EAGLE VILLAGE	60	SES	----	ITV	COMMUNITY	ADEQUATE	DELTA-GATEWAY
EDNA BAY	112	----	----	----	LOGGING	ADEQUATE	SOUTHEAST
EEK	186	SES	----	RO/ITV	AVEC	ADEQUATE	CALISTA
EGEGIK	148	VHF-MR	----	*RO/ITV	UTILITY	ADEQUATE	BRISTOL BAY
EIGHT FATHOM BIGHT	999999	VHF-MW	----	----	LOGGING	ADEQUATE	SOUTHEAST
EKUK	51	VHF-MR	----	----	PRIVATE	UNKNOWN	BRISTOL BAY
EKWOK	109	SES	----	ITV	SCHOOL	UNKNOWN	BRISTOL BAY
ELFIN COVE	30	VHF-MW	----	----	PRIVATE	UNKNOWN	SOUTHEAST
ELIM	225	SES	----	*ITV	AVEC	ADEQUATE	BERING ST.
EMMONAK	545	SES	TV	ITV	AVEC	ADEQUATE	CALISTA

COMMUNITY	POP	TELECOMM EXISTING	STATE TV SERVICE EXISTING/PLANNED	POWER SOURCE	CAPACITY	ITV REGION	
ENGLISH BAY	100	MU	----	RO/ITV	UTILITY	ADEQUATE	KENAI
FAIRBANKS	45000	MW	----	*ITV/UPLINK	UTILITY	ADEQUATE	FAIRBANKS
FALSE PASS	60	SES	----	ITV	PRIVATE	ADEQUATE	ALEUTIAN
FORT YUKON	270	MR	TV	*ITV	UTILITY	ADEQUATE	YUKON FLATS
FRESHWATER BAY	50	VHF-MU	----	----	LOGGING	ADEQUATE	SOUTHEAST
GAKONA	98	MW	----	----	UTILITY	ADEQUATE	COPPER RIVER
GALENA	631	MR	----	*----	PRIVATE	ADEQUATE	YUKON/KOYUKUK
GAMBELL	375	SES	TV	*ITV	AVEC	ADEQUATE	BERING ST.
GIRDWOOD	144	MU	----	----	UTILITY	ADEQUATE	ANCHORAGE
GLENHALLEN	363	MU	RO/TV	*ITV	UTILITY	ADEQUATE	COPPER RIVER
GOLOVIN	118	SES	----	*ITV	PRIVATE	UNKNOWN	BERING ST.
GOODNEWS BAY	248	SES	----	----	AVEC	ADEQUATE	CALISTA
GRAYLING	120	SES	TV	ITV	AVEC	ADEQUATE	IDITAROD
GUSTAVUS	70	VHF-MU	----	----	PRIVATE	UNKNOWN	SOUTHEAST
HAINES	1980	OTHER	RO/TV	*ITV	UTILITY	ADEQUATE	SOUTHEAST
HALIBUT COVE	30	VHF-MU	----	----	UTILITY	ADEQUATE	KENAI
HEALY	79	MU	----	RO/ITV	UTILITY	ADEQUATE	RAILBELT
HOLY CROSS	285	SES	TV	*ITV	AVEC	ADEQUATE	IDITAROD
HOMER	1500	MU	----	*----	UTILITY	ADEQUATE	KENAI
HOONAH	866	MW	RO/TV	*ITV	UTILITY	ADEQUATE	SOUTHEAST
HOOPER BAY	590	SES	TV	ITV	AVEC	ADEQUATE	CALISTA
HOPE	70	MU	----	RO/ITV	UTILITY	ADEQUATE	KENAI
HOUSTON	375	MU	----	----	UTILITY	ADEQUATE	HAT-SU
HUGHES	85	SES	TV	ITV	COMMUNITY	INADEQUATE	YUKON/KOYUKUK
HUSLIA	216	SES	TV	ITV	AVEC	ADEQUATE	YUKON/KOYUKUK
HYDABURG	387	VHF-MU	RO/TV	*ITV	UTILITY	ADEQUATE	SOUTHEAST
HYDER	60	OTHER	----	----	UTILITY	ADEQUATE	SOUTHEAST
IGIUGIG	30	SES	----	ITV	SCHOOL	UNKNOWN	BRISTOL BAY
ILIAMNA	102	SMR	----	*ITV	PRIVATE	UNKNOWN	BRISTOL BAY
IVANOF BAY	30	SES	----	ITV	PRIVATE	UNKNOWN	BRISTOL BAY
JUNEAU	20000	MR	CABLE	*ITV/UPLINK	UTILITY	ADEQUATE	SOUTHEAST
KACHEMAK	141	MU	----	----	UTILITY	ADEQUATE	KENAI
KAKE	679	MW	TV	*RO/ITV	UTILITY	ADEQUATE	SOUTHEAST
KAKTOVIK	131	VHF-MU	RO/TV	ITV	UTILITY	ADEQUATE	N. SLOPE
KALSKAG	126	VHF-MR	----	----	AVEC	ADEQUATE	CALISTA
KALTAG	200	SES	TV	ITV	AVEC	ADEQUATE	YUKON/KOYUKUK
KARLUK	90	SES	----	ITV	COMMUNITY	UNKNOWN	KODIAK
KASAAN	38	SES	----	----	UTILITY	ADEQUATE	SOUTHEAST
KASIGLUK	280	VHF-MR	----	----	AVEC	ADEQUATE	CALISTA
KASILOF	71	MU	----	----	UTILITY	ADEQUATE	KENAI
KENAI	4421	MW	----	*RO/ITV	UTILITY	ADEQUATE	KENAI

COMMUNITY	POP	TELECOMM EXISTING	STATE TV SERVICE EXISTING/PLANNED	SOURCE	POWER CAPACITY	ITV REGION
ANNY LAKE	145	MU	----	UTILITY	ADEQUATE	COPPER RIVER
ATCHIKAN	8293	MU	CABLE	PRO/ITV	UTILITY	SOUTHEAST
RIANA	314	SES/XCHG	TV	*ITV	AVEC	NANA
KING COVE	527	SES/XCHG	TV	ITV	COMMUNITY	ALEUTIAN
KING SALMON	300	MR	----	*ITV	UTILITY	BRISTOL BAY
KIPNOK	370	SES	TV	ITV	COMMUNITY	CALISTA
KIVALINA	208	SES/XCHG	TV	*ITV	AVEC	NANA
KLADUCK	241	MU	----	*----	UTILITY	SOUTHEAST
KLUKWAN	130	WIRELINE	----	*RO/ITV	UTILITY	SOUTHEAST
KOBUK	60	SES	----	*ITV	SCHOOL ONLY	NANA
KODIAK	5754	MR	TV	*ITV/UPLINK	UTILITY	KODIAK
KOKHANOK	90	VHF-MR	----	----	PRIVATE	BRISTOL BAY
KOLIGANEK	142	SES	TV	ITV	SCHOOL	BRISTOL BAY
KONGIGANAK	200	SES	----	ITV	PRIVATE	CALISTA
KOTLIK	288	SES	----	ITV	SCHOOL	CALISTA
KOTZERUE	2431	MR	TV	*ITV/UPLINK	UTILITY	NANA
KOYUK	160	SES	----	*ITV	AVEC	BERING ST.
KOYUKUK	125	SES	----	TV/ITV	SCHOOL	YUKON/KOYUKUK
KUPREANOF	42	----	----	----	PRIVATE	SOUTHEAST
KUETHLUK	408	VHF-MR	----	----	UTILITY	CALISTA
KWIGILLINGOK	150	SES	----	ITV	SCHOOL	CALISTA
LABOUCHRE BAY	300	VHF-MU	----	----	LOGGING	SOUTHEAST
LARSEN BAY	50	SES	TV	ITV	PRIVATE	KODIAK
LEEDOCK	75	VHF-MR	----	----	SCHOOL	BRISTOL BAY
LIFE VILLAGE	65	VHF-MR	----	----	PRIVATE	IDITAROD
LITTLE NAUKATI	99999	----	----	----	LOGGING	SOUTHEAST
LOWER KALSKAG	200	VHF-MR	----	----	AVEC	CALISTA
MANLEY HOT SPRINGS	60	SES/XCHG	----	ITV	PRIVATE	YUKON/KOYUKUK
MANOKOTAK	225	VHF-MR	----	----	COMMUNITY	BRISTOL BAY
MARSHALL	226	SES	----	ITV	AVEC	CALISTA
MEKORYUK	250	SES	TV	ITV	AVEC	CALISTA
MENTASTA LAKE	68	MU	----	RO/ITV	COMMUNITY	DELTA-GATEWAY
MESHIK	66	SES	TV	----	UNKNOWN	BRISTOL BAY
METLAKATLA	1120	MU	----	*----	UTILITY	SOUTHEAST
MEYERS CHUCK	50	MU	----	----	LOGGING	SOUTHEAST
MINCHUMINA	99999	SES	----	----	UNKNOWN	IDITAROD
MINTO	200	SES	TV	ITV	AVEC	YUKON/KOYUKUK
MOOSE PASS	200	MU	----	----	UTILITY	KENAI
MOUNT EDGECUMBE	835	MU	----	----	UTILITY	SOUTHEAST
MOUNTAIN VILLAGE	513	SES	TV	*ITV	AVEC	CALISTA
MURGRAH	350	MR	TV	*ITV/UPLINK	UTILITY	IDITAROD

COMMUNITY	POP	TELECOMM EXISTING	STATE TV SERVICE		POWER SOURCE	CAPACITY	ITV REGION
-----	-----	-----	EXISTING/PLANNED		-----	-----	-----
WABESNA	40	-----	-----	-----	UNKNOWN	-----	BERING ST.
WAKNEK	200	VHF-MR	-----	*ITV	UTILITY	ADEQUATE	BRISTOL BAY
WAPAKIAK	313	VHF-MR	-----	ITV	PRIVATE	UNKNOWN	CALISTA
WAPASKIAK	210	VHF-MR	-----	ITV	PRIVATE	ADEQUATE	CALISTA
WAKATI BAY	140	-----	-----	-----	LOGGING	ADEQUATE	SOUTHEAST
WEETS BAY	99977	-----	-----	-----	LOGGING	ADEQUATE	SOUTHEAST
NELSON LAGOON	30	SES	-----	ITV	COMMUNITY	UNKNOWN	ALEUTIAN
NENANA	486	MW	-----	*RO/ITV	UTILITY	ADEQUATE	YUKON/KOYUKUK
NEW STUYAHOK	230	SES	-----	ITV	AVEC	ADEQUATE	BRISTOL BAY
NEUMHALEN	105	VHF-MR	-----	-----	PRIVATE	MARGINAL	BRISTOL BAY
NEWTOK	154	SES	-----	ITV	COMMUNITY	MARGINAL	CALISTA
NIGHTMUTE	125	SES	-----	ITV	PRIVATE	MARGINAL	CALISTA
NIKOLAEVSK	160	VHF-MW	-----	-----	UTILITY	ADEQUATE	AKH:T
NIKOLAI	100	VHF-MR	RO/TV	ITV	COMMUNITY	UNKNOWN	IDITAROD
NIKOLSKI	55	SES	-----	ITV	UTILITY	ADEQUATE	ALEUTIAN
NINILCHIK	134	MW	-----	RO/ITV	UTILITY	ADEQUATE	KENAI
NOATAK	282	SES/XCHG	TV	*ITV	AVEC	ADEQUATE	NANA
NOME	2585	MR	TV	*ITV/UPLINK	UTILITY	ADEQUATE	BERING ST.
NONDALTON	226	VHF-MR	-----	*RO/ITV	PRIVATE	INADEQUATE	BRISTOL BAY
NOORVIK	527	SES/XCHG	TV	*ITV	AVEC	ADEQUATE	NANA
NORTH KENAI	3489	MW	-----	-----	UTILITY	ADEQUATE	KENAI
NORTH POLE	461	MW	-----	-----	UTILITY	ADEQUATE	FAIRBANKS
NORTHWAY	160	MW	-----	RO/ITV	UTILITY	ADEQUATE	DELTA-GATEWAY
NUQSUT	150	SES	TV	ITV	UTILITY	ADEQUATE	N. SLOPE
NULATO	300	SES	TV	ITV	AVEC	ADEQUATE	YUKON/KOYUKUK
OLD HARBOR	303	SES	TV	ITV	AVEC	ADEQUATE	KODIAK
OSCARVILLE	45	VHF-MR	-----	-----	SCHOOL	UNKNOWN	CALISTA
OUZINKIE	160	VHF-MR	-----	*RO/ITV	COMMUNITY	ADEQUATE	KODIAK
PALMER	1643	MW	-----	*-----	UTILITY	ADEQUATE	HAT-SU
PAULOFF HARBOR	39	-----	-----	-----	UNKNOWN	-----	ALEUTIAN
PAXSON	391	MW	-----	-----	PRIVATE	UNKNOWN	COPPER RIVER
PEDRO BAY	60	SES	-----	-----	COMMUNITY	UNKNOWN	KENAI
PELICAN	169	VHF-MW	CABLE	*RO/ITV	UTILITY	ADEQUATE	SOUTHEAST
PERRYVILLE	101	SES	TV	ITV	COMMUNITY	ADEQUATE	BRISTOL BAY
PETERSBURG	3137	MW	TV	*RO/ITV	UTILITY	ADEQUATE	SOUTHEAST
PILOT POINT	70	SES	TV	ITV	PRIVATE	UNKNOWN	BRISTOL BAY
PILOT STATION	312	SES	TV	ITV	AVEC	ADEQUATE	CALISTA
PITKAS POINT	70	VHF-SES	-----	-----	AVEC	ADEQUATE	CALISTA
PLATON	55	VHF-MR	-----	-----	COMMUNITY	UNKNOWN	CALISTA
POINT BAKER	50	SES	-----	-----	PRIVATE	INADEQUATE	SOUTHEAST
POINT HOPE	408	SES	TV	ITV	UTILITY	ADEQUATE	N. SLOPE

18-81

COMMUNITY	FOP	TELECOMM EXISTING	STATE TV SERVICE EXISTING/PLANNED		SOURCE	POWER CAPACITY	ITV REGION
POINT LAY	51	VHF-MW	RO/TV	----	UTILITY	ADEQUATE	N. SLOPE
PORT ALEXANDER	51	SES	----	----	PRIVATE	UNKNOWN	SOUTHEAST
PORT ALICE	135	----	----	----	LOGGING	ADEQUATE	SOUTHEAST
PORT ALSWORTH	60	SES	----	----	PRIVATE	ADEQUATE	BRISTOL BAY
PORT GRAHAM	125	SES	----	TV	UTILITY	ADEQUATE	KENAI
PORT HEIDEN	66	VHF-SES	TV	ITV	COMMUNITY	ADEQUATE	BRISTOL BAY
PORT LIONS	227	SES	----	RO/ITV	UTILITY	ADEQUATE	KODIAK
PORT MOLLER	37	----	----	----	UNKNOWN	----	ALEUTIAN
PORT PROTECTION	999999	VHF-SES	----	----	LOGGING	ADEQUATE	SOUTHEAST
PORTAGE CREEK	75	MW	----	----	UTILITY	ADEQUATE	ANCHORAGE
QUINHAGAK	395	SES	----	----	AVEC	ADEQUATE	CALISTA
RANFART	53	SES	----	ITV	SCHOOL	UNKNOWN	CALISTA
RED DEVIL	81	SES	----	ITV	PRIVATE	UNKNOWN	CALISTA
ROWAN BAY	50	VHF-MW	----	----	LOGGING	ADEQUATE	SOUTHEAST
RUBY	206	SES	TV	ITV	PRIVATE	UNKNOWN	YUKON/KOYUKUK
RUSSIAN MISSION	160	SES	----	ITV	PRIVATE	ADEQUATE	CALISTA
SAND POINT	779	SMR	TV	*ITV	PRIVATE	MARGINAL	ALEUTIAN
SAVOONGA	380	SES	TV	*ITV	AVEC	ADEQUATE	BERING ST.
SCAMMON BAY	215	VHF-MR	----	----	AVEC	ADEQUATE	CALISTA
SELAWIK	521	SES/XCHG	TV	*ITV	AVEC	ADEQUATE	NANA
SELDOVIA	500	MW	----	ITV	UTILITY	ADEQUATE	KENAI
SEWARD	2130	MW	RO/TV	*RO/ITV	UTILITY	ADEQUATE	KENAI
SHAGELUK	200	SES	TV	ITV	AVEC	ADEQUATE	IDITAROD
SHANUTOLIK	160	SES	----	*ITV	AVEC	ADEQUATE	BERING ST.
SHANON POINT	125	VHF-MR	----	ITV	AVEC	ADEQUATE	CALISTA
SHANSHAREF	310	SMR	----	*ITV	AVEC	ADEQUATE	BERING ST.
SHUNGNAK	200	SES/XCHG	TV	*ITV	AVEC	ADEQUATE	NANA
SITKA	4207	MW	TV	*ITV	UTILITY	ADEQUATE	SOUTHEAST
SKAGWAY	858	OTHER	TRANSLATOR	*RO/ITV	UTILITY	ADEQUATE	SOUTHEAST
SKWENTHA	16	----	----	----	SCHOOL	UNKNOWN	MAT-SU
SLEETHUTE	180	SES	TV	ITV	SCHOOL ONLY	UNKNOWN	CALISTA
SOLDOTNA	1800	MW	----	*----	UTILITY	ADEQUATE	KENAI
SOUTH NAKNEK	154	VHF-MR	----	----	UTILITY	ADEQUATE	BRISTOL BAY
ST. GEORGE	125	SES	TV	ITV	PRIVATE	ADEQUATE	ALEUTIAN
ST. JOHNS HARBOR	50	----	----	----	LOGGING	ADEQUATE	SOUTHEAST
ST. MARYS	500	SES/XCHG	TV	*ITV	AVEC	ADEQUATE	CALISTA
ST. MICHAEL	220	SES	----	*ITV	AVEC	ADEQUATE	BERING ST.
ST. PAUL	500	SES	TV	ITV	PRIVATE	ADEQUATE	ALEUTIAN
STEBBINS	200	VHF-SES	----	*RO/ITV	AVEC	ADEQUATE	BERING ST.
STERLING	460	MW	----	----	UTILITY	ADEQUATE	COPPER RIVER
STEVENS VILLAGE	75	SES	----	ITV	SCHOOL	UNKNOWN	YUKON FLATS

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11/19/80

COMMUNITY	POP	TELECOMM EXISTING	STATE TV SERVICE EXISTING/PLANNED		POWER SOURCE CAPACITY		ITV REGION
STONEY RIVER	90	SES	TV	ITV	PRIVATE	UNKNOWN	CALISTA
SUTTON	76	MW	----	----	UTILITY	ADEQUATE	NAT-SU
TAKOTNA	50	VHF-MR	RO/TV	ITV	UTILITY	ADEQUATE	IDITAROD
TALKEETNA	182	MW	----	RO/ITV	UTILITY	ADEQUATE	NAT-SU
TANACROSS	150	WIRELINE	----	RO/ITV	UTILITY	ADEQUATE	DELTA-GATEWAY
TANANA	500	SMR	TV	*ITV	UTILITY	ADEQUATE	YUKON/KOYUKUK
TATITLEK	111	SES	TV	----	SCHOOL ONLY	UNKNOWN	P.W. SOUND
TELIDA	85	SES	TV	ITV	SCHOOL	MARGINAL	IDITAROD
TELLER	240	MW	----	*RO/ITV	UTILITY	UNKNOWN	BERING ST.
TENAKEE SPRINGS	109	SES	TV	ITV	PRIVATE	UNKNOWN	SOUTHEAST
TETLIN	125	VHF-MW	----	----	COMMUNITY	UNKNOWN	DELTA-GATEWAY
THORNE BAY	443	MW	----	----	LOGGING	ADEQUATE	SOUTHEAST
TOGIAK	450	SES	TV	ITV	AVEC	ADEQUATE	BRISTOL BAY
TOK	214	MW	----	*RO/ITV	UTILITY	ADEQUATE	DELTA-GATEWAY
TOKSOOK BAY	300	SES	----	ITV	AVEC	ADEQUATE	CALISTA
TRAPPERS CREEK	350	VHF-MW	----	----	COMMUNITY	ADEQUATE	NAT-SU
TULUKSAK	231	VHF-MR	----	----	COMMUNITY	UNKNOWN	CALISTA
TUNTUTULIAK	229	VHF-MR	----	----	PRIVATE	UNKNOWN	CALISTA
TUNUNAK	299	SES	----	ITV	AVEC	ADEQUATE	CALISTA
TWIN HILLS	67	VHF-SES	----	----	PRIVATE	UNKNOWN	BRISTOL BAY
TYONEK	235	VHF-MW	----	RO/ITV	UTILITY	ADEQUATE	KENAI
UNALAKLEET	201	SMR	TV	*ITV/UPLINK	UTILITY	ADEQUATE	BERING ST.
UNALASKA	700	MR	TV	*ITV	COMMUNITY	UNKNOWN	ALEUTIAN
VALDEZ	8253	MR	TV	*ITV	UTILITY	ADEQUATE	P.W. SOUND
VENETIE	151	SES	TV	ITV	COMMUNITY	MARGINAL	YUKON FLATS
WAINWRIGHT	351	VHF-MW	RO/TV	ITV	UTILITY	ADEQUATE	N. SLOPE
WALES	117	VHF-MR	----	*----	AVEC	ADEQUATE	BERING ST.
WASILLA	2184	MW	----	*ITV	UTILITY	ADEQUATE	NAT-SU
WHALE PASS	190	-----	----	----	LOGGING	ADEQUATE	SOUTHEAST
WHITE MT	116	VHF-SES	----	*ITV	SCHOOL	UNKNOWN	BERING ST.
WHITTIER	300	WIRELINE	RO/TV	*RO/ITV	UTILITY	ADEQUATE	P.W. SOUND
WILLOW	38	MW	----	RO/ITV	UTILITY	ADEQUATE	NAT-SU
WOODY ISLAND	41	VHF-MR	----	----	UTILITY	ADEQUATE	KODIAK
WRANGELL	3152	MW	TV	*RO/ITV	UTILITY	ADEQUATE	SOUTHEAST
YAKUTAI	500	MR	TV	*ITV	UTILITY	ADEQUATE	SOUTHEAST

Appendix "C"

INSTRUCTIONAL TV TASK FORCE

Membership List

12/4/80

NAME - CITY

AGENCY

Darby Anderson
Juneau

Department of Education
(Commissioner's representative)

Kathy Brown
Anchorage

Alaska Association of Student Government

Carl Heyeno
Dillingham

Rural Alaska TV Network Council

Mike Johnson
Juneau

Alaska Association of School Boards

Emily Kemak
Fairbanks

Alaska Association of Elementary Principals

Fred Kent
Sand Point

Alaska Association of School Administrators

Lou Marsh
Anchorage

Parent-Teachers' Association

Judy Monroe
Anchorage

ITV Advisory Committee

June Nelson
Kotzebue

State Board of Education

Mark Shellinger
Fairbanks

NEA-Alaska

Guy Stringham
Shungnak

Alaska Association of Elementary Principals

Letter of Intent (SSHB138)

It is the intention of the Twelfth Alaskan Legislature to provide instructional television (ITV) and an entertainment station (television satellite demonstration project-TVDP) to every Alaskan community, with at least 25 permanent residents, which wants this service. We expect these services to be provided in the most cost effective manner possible.

We know that technology in the field of telecommunications is continually improving at a rapid rate, and, in many cases, this results in a reduction in prices. It is therefore our intention that, in the process of implementing SSHB138, various engineering designs be explored to find the site-specific design which will save the state the most money over the life cycle of the receiving and retransmitting system involved, while at the same time, providing good service. It may be possible to save money and provide good service, to some communities without installing an earth station there, but by using cable or line of sight transmission (eg. translator or microwave) from an earth station in a nearby community. For example, Platinum may receive service from Goodnew Bay; Nunapitchak and Atmautluak may receive service from Kasigluk. Akiak and Akiachak may receive service

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This legislature beleives that the free enterprise system, which involves competition between interested parties, tends to result in the lowest prices for goods and services. We therefore favor the use of open bidding to procure equipment and installation services mandated by SSHB138, where this procedure is to the best advantage of the state. We are aware of a successful bidding method which has been used by the Dept. of Transportation and Public Facilities, Division of Communications in the past, whereby equipment procurement was put out to bid in a lot order, to take advantage of quantity pricing, and installation bid requests were put out on a site by site basis. We consider this a good method in that it allows numerous small companies to bid on installation contracts, and therefore, it is likely to result in making available low cost bid options to the state.

It is also the intent of this legislature that only state liscensed electrical contractors be allowed to bid on state installation contracts. We expect this to result in high quality workmanship, and hence, result in savings to the state in the long run, due to reduced maintenance costs.

The intent of this legislature, in providing receivers for TVDP programming in six Southeastern communities (sub-...)

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The intent of this legislature, in providing receivers for TVDP programming in six Southeastern communities (subsection 8), is to take TVDP programming off the microwave curcuit, thereby freeing it for KTOO-Public Broadcasting System programming.

HOUSE FINANCE COMMITTEE

April 1, 1981

2:06 p.m.

(Technical problems --
meeting not recorded.)

PRESENT

All members of the Committee were in attendance except Representative Rogers. (Representative Meekins arrived later in the meeting.) Present to provide testimony: Representative Brown; Lance Younquist, Executive Director, Real Estate Commission; Sandra Stringer, representing Senator Charlie Parr; Fred Muller, Deputy Commissioner, Personnel Management, Department of Administration; and Ron Lorensen, Deputy Attorney General.

HB 148

Chairman Cotten called the meeting to order and brought HB 148 up for consideration.

HB 148 -- "An Act making a supplemental appropriation to the Department of Commerce and Economic Development for the Real Estate Commission; and providing for an effective date."

Representative Malone advised that last year the Commerce Committee, in its Sunset review of the various activities of Occupational Licensing, identified one area where they thought if a separate staff were provided their functions could be removed from Occupational Licensing and allow them to attend to their administrative functions. He said what they did was set up a separate staff for the Real Estate Commission; however, the funding for the law was not approved by the Legislature even though the law was passed approving the Commission. He recommended that the Committee report the bill out.

Representative Freeman MOVED AND ASKED UNANIMOUS CONSENT THAT HB 148 be reported out. Representative Montgomery OBJECTED for the purpose of asking a question. He asked why the Executive Director's salary is increasing \$7.0.

REPRESENTATIVE BROWN explained the Executive Director has been operating at a Range 18 which is extremely low for this position. He said they are suggesting it be moved to a Range 22. Representative Montgomery asked why the increase is being requested on a supplemental bill. Representative Malone said he believes they are anticipating that the position will be reclassified. Representative Brown explained that last year they greatly increased the responsibilities of the Executive Director.

He said it would be very unusual to have a person in that position be only a range 18. Representative Montgomery maintained that a supplemental request should not provide for a position salary increase. Representative Malone said if the fiscal note had been approved last year there would have been no need for this supplemental, and the reclassification would have taken effect when the budget was signed into law. He said what they are doing with this bill is "playing catch-up". Chairman Cotten said he didn't see how making an appropriation to the Department of Commerce and Economic Development could be construed as approving a pay raise.

MR. LANCE YOUNGQUIST, Executive Director, Real Estate Commission, explained that last year the Commission recommended the position be raised to a range 224. He explained in the Occupational Licensing budget it was at a Range 18. Representative Montgomery asked if the person had been paid at a range 18 until now. Mr. Youngquist said yes. There was further discussion on the salary increase.

Representative Freeman pointed out that he has made a motion to move the bill. Chairman Cotten asked if there was any objection to reporting the bill out of Committee. There being NO OBJECTION, HB 148 was reported out with a "do pass" recommendation.

SB 139

Chairman Cotten advised the next bill to be considered would be SB 139.

SB 139 -- "An Act making a special appropriation to the Department of Health and Social Services for two positions at the Fairbanks Northern regional laboratory; and providing for an effective date."

MS. SANDRA STRINGER, Administrative Aide to Senator Parr, explained there was an error in the Department of Health and Social Services budget that caused these two positions to be omitted, and this bill would re-establish those positions. There was brief discussion on what these people do.

Representative Adams MOVED AND ASKED UNANIMOUS CONSENT that SB 139 be reported out. There being no objection, SB 139 was reported out with a "do pass" recommendation.

RECESS

Chairman Cotten called for a recess at 2:15 p.m. and recalled the meeting to order at 2:30 p.m.

HB 296

Chairman Cotten announced the next bill to be considered would be HB 296.

HB 296 -- "An Act making a supplemental appropriation to the Department of Public Safety; and providing for an effective date."

MR. FRED MULLER, Deputy Commissioner of Personnel Management, Department of Administration, explained the bill makes a supplemental appropriation to cover the 1980-1981 arbitration amounts -- 10.1% for 1980 and 8.8% for 1981.

Representative Moss asked who is included. Mr. Muller explained this is primarily members of the Association. He said this is not a negotiated pay increase; it is arbitrated.

Representative Moss MOVED AND ASKED UNANIMOUS CONSENT that HB 296 be reported out. Chairman Cotten objected to give Committee members an opportunity to have their questions answered.

In answer to a question from Representative Rogers, Mr. Muller explained in the agreement they have with the Public Safety officers -- they are not allowed to strike -- they are given the right of binding arbitration. He explained that took place in May 1980, but it was not until June 1980 that the final settlement came down. Representative Rogers asked how many people this contract covers, and Mr. Muller said about 350. There was brief discussion on the amounts for salaries.

(Representative Meekins arrived at this time.)

Representative Haugen asked what the salary was for a starting state trooper. Mr. Muller said he didn't know, but he would find out and provide that information to Representative Haugen.

Chairman Cotten pointed out the JUSTICE Budget has had a budget amendment submitted by the Governor for about \$5 million that would reflect the pay raise granted by this arbitration. He said the question before the Committee is whether or not they should honor the arbitration and appropriate the amount assigned.

Chairman Cotten asked if there was any objection to reporting HB 296 out of Committee. There being NO OBJECTION, HB 296 was reported out with a "do pass" recommendation.

There was brief discussion on what contracts are up for negotiation, and the Legislature's role in such negotiations.

HB 294

HB 294 -- "An Act making a supplemental appropriation to the Department of Law; and providing for an effective date."

MR. RON LORENSEN, Deputy Attorney General, Department of Law, explained this is their annual supplemental appropriation request to pay off a variety of judgments and litigations the state is involved in.

Chairman Cotten asked what happens if the State wins and the judge assigns us the judgment. Mr. Lorensen explained the amount is normally paid directly to the Department of Law and transferred to the General Fund. Chairman Cotten asked if he knew what the receipts were for the same period of time covered by the bill. Mr. Lorensen said he didn't, but he would compile that information and provide it to the Committee.

Representative Rogers asked if there are any more judgments since March 9th. Mr. Lorensen said he has been made aware of some which were not included in this bill. There was brief discussion on some of the cases. Representative Haugen requested complete information on the Christensen vs. State case. Mr. Lorensen said he would help Representative Haugen get the information from the Department of Transportation and Public Facilities.

Chairman Cotten asked Mr. Lorensen to put together the amount for the additional judgments for inclusion in this bill. HB 294 was HELD for additional information.

ADJOURNMENT

The meeting adjourned at 3:05 p.m.

(Meeting not recorded.)

HOUSE FINANCE COMMITTEE

April 2, 1981

1:35 p.m.

{Technical difficulties--beginning of meeting not recorded.}

PRESENT

Chairman Cotten called the meeting to order at 1:35 p.m. All members of the Committee were present. Representatives Adams, Moss, Rogers, Meekins and Carney arrived later in the meeting. Also in attendance: Loren Rasmussen, Chief of Claims, Design & Construction, Department of Transportation & Public Facilities; Ronald Lorensen, Deputy Attorney General, Department of Law; Craig Tillery, Attorney with Alaska Legal Services, Anchorage; Palmer McCarter, Director, Division of Local Government Assistance, Department of Community & Regional Affairs; Elmer Lindstrom and Bob Grogan, Fiscal Analysts, Division of Legislative Finance.

HB 294

Chairman Cotten advised the first order of business is consideration of HB 294:

HB 294 - "An Act making a supplemental appropriation to the Department of Law; and providing for an effective date."

Representative Haugen provided background information on the Hidden Falls Salmon Fish Hatchery claim and the problems encountered by the contractor, Christiansen & Associates, due to faulty information provided by the State's consultant hired to do the preliminary work-up on the site. (See Attachments 1 & 2)

(Representatives Adams and Moss arrived at this time.)

Representative Haugen introduced Loren Rasmussen, who would provide additional information on the Hidden Falls Hatchery claim.

(Representative Rogers arrived at this time.)

Mr. Rasmussen advised the claims section of the Department of Transportation was established to determine what produces claims, identify them, and to try to bring them to a logical conclusion. Answering questions from the Committee, he said the State contracted out to a consultant, Chuck Pool & Associates, who did the preliminary study. They are not suing the consultant at this time, he said; eventually, DOT-PF Commissioner Bob Ward will make that judgement, along with the Attorney General's Office. He indicated they have done business with that particular consultant before.

Representative Montgomery asked if the consultant has insurance covering omissions and errors. Mr. Rasmussen replied that is one recommendation to look at and noted they have, in other instances, sued the consultants. Representative Montgomery wondered if this was settled by an arbitrator, and Mr. Rasmussen indicated the settlement was negotiated just prior to trial.

(Representative Meekins arrived at this time.)

Representative Haugen stated he has researched this matter and feels, if the consultant was at fault, the State should pursue a case against him. He also pointed out the State is paying interest on this.

Testifying before the Committee, Ron Lorensen advised a private attorney is involved in this case, and they are still looking at whether there is a basis for pursuing a case against this independent consultant. He explained there is a question of relative degree of negligence involved. Some assumptions were made on soil conditions, he said, and it was a matter of weighing the potential of a construction season.

(Representative Carney arrived at this time.)

During discussion, Mr. Lorensen advised the State hired William Council's firm to look into this matter. He indicated the initial claim raised against the State was for \$2.3 million; and the analysis made was that the State's exposure was in the neighborhood of \$1.3 million, and they proceeded on that basis.

Describing some of the problems involved, Representative Haugen stated, "The contractor found he couldn't even get on the beach. Then they ran into an archeological site." A lot of pre-engineering work was not done, he said. Expressing his anger, he stated he did not wish to see this type of situation happen again.

Representative Montgomery inquired if passage of the bill would affect the decision on whether to bring a suit or not. Mr. Lorensen replied it would not have any effect on the State's right to pursue a case against the consultant.

(Representative Freeman left the meeting at this time.)

Mr. Lorensen distributed to the Committee copies of a letter (see Attachment 3) relating to three additional cases pending against the State totaling \$8,400.

AMENDMENT

Chairman Cotten moved the addition of \$8,400 be reflected in the figure on line 10 of HB 294, making the total appropriation \$964,400. There being no objection, the amendment was adopted.

CSHB 294 (FINANCE) REPORTED OUT

Representative Meekins moved to report out a Finance Committee Substitute for HB 294, as amended. Representative Moss objected. He stated his objection was to the inclusion of the \$12,000 judgment awarded in the Zobel case, indicating he feels "We don't owe that money until the U.S. Supreme Court rules." The question was called for, and the motion carried (8 in favor; Representative Moss opposed). CSHB 294 (Finance) was reported out of Committee with a "do pass" recommendation.

{HFC 81-29, Side 1, #431}

HB 4

Chairman Cotten advised the next bill to be addressed by the Committee is HB 4:

HB 4 - "An Act providing for reimbursement of taxes paid to a municipality for real property owned and occupied as a permanent place of abode; and providing for an effective date."

The Finance Committee used the Community & Regional Affairs Committee Substitute for HB 4 as a base.

AMENDMENT No. 1

Representative Malone distributed copies of his proposed amendment (see Attachment 4), which he explained as a different approach to local tax credit and a wider distribution than CSHB 4 (C&RA) allows. He stated the amendment is intended to replace the entire bill, with the possible exception of the effective date clause. A resident would have to present reasonable proof of residency in the form of affidavits, etc., he said, and the local tax credit would have to be payable to residents, with the Department adopting reasonable regulations.

During discussion, Representative Meekins wondered about running into a constitutional problem; i.e., if a person did not pay any taxes, would he/she be eligible for a tax credit? Representative Rogers commented this would satisfy equal protection within the State of Alaska and added he supports the amendment. Chairman Cotten stated he feels, "We are no longer talking about a property tax relief plan but are talking about distribution." Representative Malone indicated that is the basic intent of the amendment and again stated he feels it is a better approach than the C&RA CS. Representative Meekins wondered "if we want to take this property tax bill and turn it into another relief bill."

Representative Moss said the only tax in his district is the gasoline tax. Representative Malone indicated it would be legal to use the tax credit for the federal motor vehicle tax. In answer to the comment by Representative Moss that this amendment changes the whole idea of the original bill, Representative

Malone responded, "You don't have to justify anything. Every person in Alaska would be eligible to apply for this." Noting it does change the idea of the original bill, Representative Rogers stated he feels, "One of the biggest advantages is it has the best chance of surviving the other two branches of government."

Representative Haugen commented, if this has to be shown as taxable income, it would not be advantageous for some people. Since this applies to every citizen, Representative Buchholdt asked why not use \$1,000 or \$2,000. Representative Malone indicated \$250 is an arbitrary figure based on the fiscal note. Probably what should be done, he said, is "add up all the local taxes paid in Alaska and divide that by the population," and that would come out to the actual dollar cost per year on an average basis of those Alaskans who pay to support local government.

There was further discussion on whether this would be equitable. Services provided by first class boroughs versus second class boroughs was mentioned by Representative Rogers, as well as the matter of absentee landlords brought up by Representative Meekins.

For the record, Representative Malone moved his amendment. Representatives Cotten and Meekins objected. Representative Meekins indicated he would vote against the amendment because it is "mixing apples and oranges", and there should be a distinction between the two different concepts--distribution and property tax relief. He stated he feels property tax is extremely unfair because it is not correlated to ability to pay. The two issues should be kept separate, he said.

Chairman Cotten announced he would call a recess from 2:45 p.m. until 4:00 p.m., in order that the University audio-visual teleconference could be held in the Finance Committee room. He advised consideration of HB 4 would resume then and that hearings on SB 125am would be rescheduled. Representative Rogers requested the vote on Representative Malone's amendment be tabled until after the recess. There was no objection.

HB 366

Chairman Cotten advised HB 366 is the next bill to be addressed by the Committee:

HB 366 - "An Act making a special appropriation to the Alaska State Housing Authority for purchasers of houses built under the Bartlett Act housing program; and providing for an effective date."

{Tape HFC 81-29, Side 2, #001}

Representative Adams, a sponsor of the bill, gave a brief overview of the situation prompting introduction of the bill. He advised there are 282 families in 16 rural villages involved. He explained, "These houses were totally inaccurately constructed

and designed and could not be adequately heated." He introduced Craig Tillery from Alaska Legal Services in Anchorage, representing the home-buyers in these cases.

Mr. Tillery advised there are actually two parts to the lawsuit: one involving the Department of Housing & Urban Development (HUD), and the other against the Alaska State Housing Authority (ASHA). He stated they settled the first part, and the agreement with HUD was that HUD would construct or replace each house if the owner so wished; and this would be administered through the Regional Housing Authority. "No one is getting that house free," he said, "they are going to have to pay for it." They recently entered into an agreement with ASHA, he continued; and under that agreement, homeowners will get entitlement to the old house. Then HUD can get site control and proceed this construction season, he said. He noted ASHA has agreed not to oppose legislation to refund money the home-buyers paid in and specifically permitted them to come to the Legislature and ask for that money.

Representative Buchholdt asked how many houses are involved, and Mr. Tillery replied 346 homes were originally constructed and will be rebuilt. He explained \$30 million is roughly what it will cost, and \$20 million has been made available. ASHA does not have the money right now, he stated, to pay the homeowners, which is why he believes the State should appropriate to ASHA. Representative Buchholdt said she doesn't understand why the State is responsible to ASHA. Mr. Tillery explained this was essentially a State-run program, that the money was appropriated by Congress, and HUD virtually had very little to do with this. He indicated HUD merely acted as a conduit; ASHA constructed the houses.

During discussion, Mr. Tillery advised neither inflation nor interest were included in the calculation of these figures. He added this decision was reached two to three years ago, and inflation was probably not considered.

(Representative Carney left the meeting at this time.)

During further discussion, Mr. Tillery explained this is a lump sum, but will be exactly what each family paid in, plus each family will receive title to the house. Rehabilitation of the houses is not an option, he added, they will have to be destroyed. Representative Haugen asked when the houses were built, and Mr. Tillery stated the program was in 1969-70, and they were built during the 1970-71 construction season.

(Representative Freeman returned to the meeting at this time.)

HB 366 REPORTED OUT

Representative Moss moved to report out HB 366. Chairman Cotten objected for purposes of discussion. In answer to a question from Representative Haugen, Mr. Tillery replied the general

contractor was paid by ASHA. Representative Montgomery asked if the families are still living in these houses, and Mr. Tillery indicated yes, most are. There being no further objection, it was so ordered. HB 366 was reported out of Committee with individual recommendation.

RECESS

(Chairman Cotten called a recess at 2:45 p.m., in order that the University of Alaska audio-visual teleconference could be held in the Finance Committee room. Chairman Cotten reconvened the meeting at 4:10 p.m. All Committee members were present. Representatives Buchholdt and Moss arrived later in the meeting.)

HB 4

Chairman Cotten again brought HB 4 up for consideration. There was further discussion on Representative Malone's amendment.

Representative Rogers indicated he feels the decision should rest with the local governments as to the amount of tax relief. He further stated he feels that "it will not survive court challenge and that we will see 'Zobel III'." He advised he has talked with attorneys that believe it does violate the public purposes section.

Representative Freeman spoke in favor of the amendment, stating he feels it is a question of equitable distribution. He said he believes it is important that each citizen "own an equal share of the State's money. Give it to them," he said, "if they don't want to use it to pay taxes, fine; if they do, fine." He advised he feels "It is not proper or fair or legal to discriminate against any citizen of the State." His objection to the bill, he said, is that this is not an equitable situation. For instance, he noted, "In Anchorage only about 30% of the people own their own homes."

(Representative Buchholdt joined the meeting at this time.)

Chairman Cotten disagreed, stating if each taxpayer receives a rebate, it is equitable; but a flat distribution for each resident is unfair. Most people own their own homes, he continued, and with the renter inclusion he feels that each person will benefit.

AMENDMENT No. 1 (FAILED)

The question was called for, and the motion failed (3 in favor; 7 opposed.)

AMENDMENT No. 2

Representative Carney moved an amendment on page 2, line 12, after "means a dwelling" insert "and property of record upon

which it is situated"; and page 2, line 15, after "assessor" insert "." and delete through line 18.

AMENDMENT No. 3 (AMENDMENT TO AMENDMENT No. 2--WITHDRAWN)

Representative Rogers indicated he would support this amendment with the following revision: page 2, line 12, after "means a dwelling" insert "and outbuildings necessary to convenient use of the dwelling"; then Representative Carney's amendment. Representatives Malone and Meekins objected.

Representative Meekins stated he is opposed to this because he feels it only makes the inequity greater and will only benefit the wealthy if all the acreage is associated. Representative Rogers advised his amendment to the amendment speaks only to the outbuildings adjoining an abode. For instance, he said, an attached garage is already included, and with this amendment and unattached garage would now also be included, which he thinks is fair.

AMENDMENT No. 4 (PROPOSED)

Representative Malone indicated he favored the amendment, but proposed a second amendment (see Attachment 5). He stated he does not think homeowners should be discriminated against regardless of how much money or improvements are put into a home.

In support of his amendment, Representative Carney advised one of the reasons he thinks this should apply to property of record is because the tax is based on this.

Representative Rogers indicated he is convinced by Representative Meekins argument not to allow the surrounding land to be included. He withdrew his amendment to the amendment. Chairman Cotten objected; then withdrew his objection.

Chairman Cotten asked Palmer McCarter to address this question regarding the outbuildings. Mr. McCarter advised, "if it sits on a 640 acre tract of land, then it would include the 640 acres of land." There was discussion on the fiscal impact regarding improvement value and land value.

Mr. McCarter requested the Committee include a firmer definition requiring some limitation to "place of abode or dwelling". He indicated they have had some problem with this; one such area is the senior citizen tax exemption. He pointed out they made the same request of the C&RA Committee, and the definition in that CS was drafted by the Department.

Chairman Cotten advised it is the Committee's intent to exempt taxes and refund only on the residential portion of the property--not property for commercial uses. If the size of property is unlimited, he continued, then commercial uses would have to be included. In interpreting Representative Carney's

amendment, he commented, the exempt portion would include all the land the dwelling sits on. There was further discussion.

Since the agriculture lands tax deferment has been raised and if this program were adopted, Mr. McCarter added, there would effectively no longer be a need for this program as all the farms would receive 100% exemption as opposed to the tax deferment.

[Tape HFC 81-30, Side 1, #001]

In response to Chairman Cotten's inquiry, Mr. McCarter advised Title 29.53 and 29.73 deal with the senior citizen tax exemption.

Representative Buchholdt brought up the question of commercial value language applying to people on homesteads and if they have the potential of being subsidized for commercial value. It was decided this language did not apply to homesteads.

Representative Rogers indicated he would join Representative Meekins in voting against this amendment because agriculture lands receive preferential treatment through the tax deferment program.

Representative Malone argued in favor of an amendment that does not discriminate against those homeowners who prefer a smaller house as compared with those who own a larger dwelling and include a lot of improvements.

Representative Carney stated he feels this becomes very involved unless you stay with "property of record". He also pointed out the agriculture tax break applies only to people who are actually farming and does not apply to those developing farms.

AMENDMENT No. 2 (FAILED)

The question was called for, and the motion failed (4 in favor; 5 opposed; 1 abstention).

AMENDMENT No. 5 (FAILED)

Representative Rogers moved the following amendment: page 1, line 13, after "municipality for" insert "residential improvements to"; page 2, line 12, after "means a dwelling" insert "and outbuildings necessary to convenient use of the dwelling"; page 2, line 15, after "assessor" insert "." and delete through line 18. Chairman Cotten objected. "What this does," Representative Rogers stated, "is limit the rebate to the land and not the home." Representative Malone stated he opposed the amendment. The question was called for, and the motion failed (Rogers in favor; 7 opposed).

AMENDMENT No. 6 (AMENDED BY AMENDMENT No. 8)

Chairman Cotten moved an amendment on page 2, line 17, delete; page 2, line 18, after "five acres" insert "." and delete remainder of line.

AMENDMENT No. 7 (AMENDMENT TO AMENDMENT No. 6--WITHDRAWN)

Representative Rogers moved an amendment to the amendment: page 2, between lines 18 & 19, add "For purposes of this section, 'urban' means municipality with a population greater than 100,000." Representative Rogers then withdrew his amendment to the amendment.

AMENDMENT No. 8 (AMENDED AMENDMENT No. 6--PASSED)

Representative Malone moved an amendment to the amendment: page 2, line 17, after "more than" insert "one-hundred and sixty acres." and delete through line 18. Representatives Cotten and Meekins objected. The question was called for, and the motion carried (6 in favor).

AMENDMENT No. 9 (PROPOSED)

Representative Carney then proposed the language ^{the first portion} from his original amendment (see Amendment No. 2).

ADJOURNMENT

Representative Montgomery moved the meeting adjourn until 8:30 a.m. tomorrow morning. There being no objection, it was so ordered. Chairman Cotten announced the Committee would continue consideration of HB 4 at that time. The meeting adjourned at 5:07 p.m.

Tape HFC 81-29, Side 1, #431 - End
 Side 2, #001 - End
HFC 81-30, Side 1, #001 - #399

March 9, 1981

The Honorable Jim Duncan
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill which would make a supplemental appropriation to the Department of Law, civil division, to pay miscellaneous judgments against the state.

Miscellaneous judgments against the state have exceeded the \$15,000 appropriated for that purpose for FY 81. The FY 81 appropriation was fully spent by September 1980, and since that time nine additional judgments have been made against the state. This appropriation would cover the costs of legal action and court awards in those nine cases.

The amount needed for one of the cases is \$881,400 (92 percent of the total appropriation request), and arose from the Hidden Falls hatchery project. Erroneous site condition information caused delays in the construction of the hatchery. This resulted in increased construction costs above the original amount of the contract, and the court approved a settlement between the parties awarding money to the contractor.

The interest being paid for these judgments varies from 8 percent to 10 1/2 percent. I urge immediate enactment of this bill.

Sincerely,

S/SSH

Jay S. Hammond
Governor

MEMORANDUM

State of Alaska

TO: Ron Lehr, Director
Division of Budget and
Management
Office of the Governor

DATE: January 7, 1981

FILE NO:

TELEPHONE NO: 465-3695

FROM: WILSON L. CONDON
ATTORNEY GENERAL

SUBJECT: Supplemental Appropriation--
FY 81 Judgments

By: *Richard I. Pegues*
Administrative Officer

The Department of Law anticipates submitting a supplemental judgment request of approximately \$940,595 to settle judgments against the state for FY 81. Unpaid settlements, to date, are as follows:

<u>Case</u>	<u>Amount</u>		
Thomas v. Croft	\$23,200 ✓	23,199	23.2
Kimura v. ABC Board	1,215 ✓	1,215	1.2
Gardiner v. CFEC	1,000 ✓	998	1.0
Tyonek v. State	10,675 ✓	10,674	10.7
Hutcherson v. Labor	265		
Copeland v. CFEC	1,340 ✓	1,337	1.3
Gjosund v. F&G	9,530 ✓	9,527	9.5
Zobel v. Williams	12,000	14,264	14.3
Christiansen & Assn. v. State	881,370	881,367	881.4
<i>BAILLY vs. Thomas & BEIRNE</i>		13,353	13.4
		<u>955,934</u>	

Additional judgment claims may occur before the legislature limits their consideration of supplemental requests. Please let us know when the request cutoff will take place, once this information becomes available to you.

RIP:cjs

*To Typist
2/17/81*

RECEIVED

JAN 8 1981

GOV. & MGMT.

MEMORANDUM

State of Alaska

TO: Ron Lehr, Director
Division of Budget and
Management
Office of the Governor

DATE: February 17, 1981

FILE NO:

TELEPHONE NO:

FROM: WILSON L. CONDON
ATTORNEY GENERAL

SUBJECT: FY 81 Supplemental
Appropriation-Judgments

Richard I. Pegues
By: Richard I. Pegues, Director
Administrative Services Division

As you know, the Department of Law each year receives an appropriation of \$15,000 to pay miscellaneous judgments which covers costs and fees awarded in court settlements against the state. This initial appropriation was fully expended in September, 1980. Since that time, nine additional judgments have been made against the state totalling \$955,930.84, including interest. Of this amount, a single judgment of \$881,367 was awarded as a result of a contract claim against the Department of Transportation of Public Facilities arising from the construction of a state owned salmon hatchery at Hidden Falls, on Baranof Island. The major portion of this claim represents contractor construction costs rather than court costs and attorney fees. The state's counsel, in this matter, has concluded that the contractor's claim of \$2.5 million would have resulted in a liability to the state somewhat in excess of \$1.0 million, if the case had gone to full trial. Counsel therefore negotiated this settlement which all parties agreed was equitable.

The remaining eight judgments, in total amount, are similar to past years' experience where, in FY 80, we paid \$62,800 for judgments and, in FY 79, when we paid \$75,300 for judgments.

Interest paid varies by actual judgment. Some claims receive 8.0 percent, others receive 10.5 percent and some do not receive interest depending upon the specific conditions of the judgment award. The maximum interest allowed is now 10.5 percent and this limit was increased from 8.0 percent in mid-year. Interest, where it applies, has been computed from date of award through May 31, 1981.

Attached for your review and transmittal to the legislature are: a summary of the judgments, showing the amount of the award and interest; copies of the judgments, together with relevant correspondence, and; the supplemental budget request forms.

RIP:cjs

Attachments

KNOWN OUTSTANDING JUDGMENTS AS OF 2/17/81

<u>CASE</u>	<u>AMOUNT</u>	<u>INTEREST</u>	<u>TOTAL DUE</u>
Thomas v. Croft	19,797.15	3,401.20	23,198.35
Kimura v. ABC Board	1,140.00	74.75	1,214.75
Gardner v. State	997.60		997.60
Tyonek v. State	10,000.00	673.92	10,673.92
Copeland v. CFEC	1,250.00	86.40	1,336.40
Gjosund v. F & G	9,022.51	504.41	9,526.92
Christenson, Raber, Kief & Assc. v. State	835,000.00	46,367.00	881,367.00
Bailey v. Thomas & Beirne	12,817.50	535.05	13,352.55
Zobel v. Williams	<u>13,707.35</u>	<u>556.00</u>	<u>14,263.35</u>
TOTAL	\$903,732.11	\$52,198.73	\$955,930.84

MEMORANDUM

State of Alaska

TO: Richard I. Pegues
Administrative Officer
Department of Law

DATE: February 3, 1981

FILE NO: J-22-367-79

TELEPHONE NO: 465-3603

FROM: William F. Cummings *W.F.C.*
Assistant Attorney General
Transportation Section
Department of Law - Juneau

SUBJECT: Supplemental Appropriation
to Fund the Settlement of
Christiansen, Raber, Kief
and Associates v. State
IJU-79-164; Hidden Falls
Construction Contract Claim

As you are aware, the Department of Law is seeking a supplemental appropriation in the amount of \$881,367 to fund the settlement of Christiansen, Raber, Kief and Assoc. v. State. In this memorandum you will find an analysis of the rationale behind the settlement.

William T. Council was retained to represent the state in the litigation. In the course of preparing the case for trial he came to the conclusion that the state could not escape liability for the contractor's claims and that reasonable attempts should be made to settle the case. Mr. Council ultimately settled the case for \$835,000, which is a lump sum figure inclusive of compensation, pre-judgment interest, costs and attorney's fees. By the terms of the settlement, C.R.K. would receive interest at the rate of 8% per annum until paid.

The settlement with C.R.K. was made with my concurrence and that of the Attorney General in accordance with AS 44.23.020. It is a settlement which is in the best interests of the state. Further, it represents reasonableness on the part of the state and the contractor. These aspects will be clear when the background of the claim is explored below.

The Hidden Falls Fish Hatchery is located on Baranof Island. The project involved piping water from a lake down a more or less vertical rock face to a hatchery building where the salmon eggs would be incubated, reared, and eventually released as fry. There were no facilities at the job site of any sort, e.g., docks, crew quarters, or storage areas. The only access available was via float plane or barge. All construction materials and equipment were shipped from Seattle.

The contract was awarded to Christiansen, Raber, Kief and Associates in November, 1977, for approximately \$3.2 million. Work commenced in January, 1978. The contractor mobilized its forces under the assumption that a land-based camp was feasible. This assumption was reasonably based upon the representations contained in the plans.

The contractor attempted for approximately six weeks to construct a land-based camp at the site and to accomplish other earthwork. However, the contractor experienced soil conditions at the site which were much different than indicated in the plans, i.e., there was more overburden to be wasted than the plans indicated and much of the material taken from the structure excavation could not be used for construction purposes, nor was it suitable for the construction of a camp. Finally, the contractor demobilized its forces to Sitka and returned with a floating camp.

After the contractor's return, the work on the site proceeded in a more or less orderly fashion. However, it was behind schedule due to the initial problems experienced getting the job under way and the changed conditions experienced in the earthwork. The delays experienced were to impact the remainder of the job.

In the contractor's amended complaint, \$2.5 million in additional compensation was sought. This represents compensation for the changed conditions claims, i.e., the extra costs of camp construction and earthwork, claims for extra items of work, and delay and impact claims for itself and its mechanical subcontractor. The contractor would be also entitled to pre-judgment interest, costs and attorney's fees should it prevail on its claims.

In preparing the case for trial, it became clear that the state could not escape liability for the contractor's claims due to the representations found in the plans. The central question in the case became determining how much the contractor was entitled to receive. An offer of judgment was made in the amount of \$600,000 plus interest, costs and attorney's fees. The interest would have amounted to approximately \$96,000 and the costs and attorney's fees pursuant to Civil Rule 82 would have been \$60,000, which brought the total settlement package to \$756,000. This computation did not provide compensation for the contractor's delay claims. The contractor responded with an informal offer to settle the case for \$835,000 plus post-judgment interest with the understanding that an initial

payment be made from available funds with the balance funded through a supplemental appropriation. That offer was accepted and judgment was entered against the state. It is likely that had the state gone to trial, the contractor would have obtained a judgment well in excess of \$1,000,000 plus interest, costs and attorney's fees.

The funds for the construction of this hatchery were appropriated in 1976. As referenced above, the contract was awarded in the fall of 1977. During that period the state, assisted by its design consultants, selected the site for the facility and accomplished the design work necessary for the construction of the facility. Given the information available at the time, it was reasonably decided that the facility could be designed and constructed without elaborate, expensive and time consuming soils studies. In hindsight, that decision was a mistake.

In analyzing the events which led to the contractor's claims and the subsequent settlement of the case, lawyers have 20/20 hindsight. There were decisions made by the state and its design consultants which led to the contractor's problems. However, when the overall design process is considered and the constraints of time and money during that process are considered, those decisions were not unreasonable. It would have been possible to do a more exhaustive soils analysis on the site which would have raised the cost of designing the project but, more significantly, would have consumed valuable time. Had those soils studies been made, the project probably would have been delayed until the 1979 construction season, thereby increasing the cost of the project.

WFC/ml

MEMORANDUM

State of Alaska

TO: Ron Lorensen
Deputy Attorney General
Department of Law

DATE: November 24, 1980

FILE NO: J-22-367-79

TELEPHONE NO: 465-3603

FROM: William F. Cummings
Assistant Attorney General
Transportation Section
Department of Law - Juneau

SUBJECT: Supplemental Appropriation
to fund the settlement of
Christiansen & Assoc. v.
State; 1JU-79-164 (Hidden)
Falls Fish Hatchery Contract
Claim

Attached you will find the stipulation which settles this case and the judgment entered by the court. By the terms of the settlement, the state is obligated to pay the plaintiff \$835,000 plus 8% interest until paid. The \$835,000 represents a lump sum payment of compensation, prejudgment interest, costs and attorney's fees. Under the terms of the settlement, the state was required to pay the contractor all that it could out of presently available funds with the balance funded from a supplemental appropriation. On November 21, 1980, \$115,000 was delivered to plaintiffs' counsel. Of the principal amount, \$720,000 remains to be paid.

The Department of Fish and Game provided the \$115,000 to fund the initial payment. It was agreed that the \$115,000 would be replaced via a supplemental appropriation.

A supplemental appropriation in the amount of \$881,367 is required to fund the settlement. It is based upon the following calculations:

Principal Amount	\$835,000
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Interest

Interest on \$835,000 at 8% per annum for the period November 1 through November 21, 1980	\$ 4,175
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Interest on \$720,000 at 8% per annum for the period November 22, 1980 through August 15, 1981	\$ 42,192
--	-----------

Total Interest	\$ 46,367
----------------	-----------

Total Amount of Supplemental Appropriation	\$881,367
--	-----------

Ron Lorensen
November 24, 1980
Page 2

In these calculations it is assumed that the funds would not be available until the new fiscal year and that a certain amount of time would be necessary to get the money "on the books" so that it could be paid to the contractor.

The disbursement of the funds will result in a transfer to the Department of Fish and Game in the amount of \$115,000 as outlined above. The remainder would consist of a payment to the contractor of \$720,000 plus accrued interest to the date of payment. Any funds not paid as interest could be returned to the general fund.

WFC/mt

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

POUCH K - STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3600

April 2, 1981

The Honorable Samuel R. Cotten
Chairman
House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Representative Cotten:

I am pleased to provide the fiscal information which you requested yesterday, during the House Finance Committee's review of HB 294.

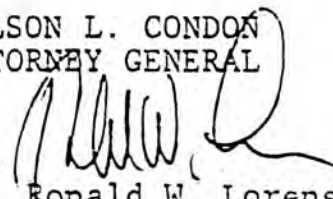
Three additional judgments against the state, totalling \$8,400, have been received by the department since February 1, 1981. Amending HB 294, to include these judgments, will allow us to pay these claims somewhat prior to July 1, 1981, when our regular judgments appropriation for FY 82 becomes available. Copies of these new judgments are attached for your review.

The Department of Law collected and deposited to the general fund \$194,850.92 in costs, fees, penalties and liquidated damages during the twelve months of FY 80, as a result of litigation undertaken by the Civil Division. The amount collected during the first eight months of FY 81, July 1, 1980 through February 28, 1981, totals \$209,889.37.

Please let me know if I can provide any further information.

Very truly yours,

WILSON L. CONDON
ATTORNEY GENERAL

By: 
Ronald W. Lorensen
Deputy Attorney General

RWL:cjs

CSHB 4

by Malone

/

Pl L10

Delete all existing material and insert:

ARTICLE 6

29-53-500 Local Tax Credit

- an annual*
- (a) Each eligible person may apply for ☒ local tax credit of \$250.
 - (b) A resident of the State is eligible for the local tax credit from the State through the Department of Community and Regional Affairs.
 - (c) The Department of Community and Regional Affairs shall adopt regulations for application for and payment of the local tax payment.

AMENDMENT CSHB 4

by Malone

2

P1 L18-19

add a new subsection (c).

- (c) a municipality may adopt automatic reimbursement procedures in consultation with the department. An eligible person may apply for automatic reimbursement to that person on forms provided by the municipality as provided in this section.

4th
amendment
proposed only
not moved

P2 L10

add a new subsection (c)

- (c) develop and provide for automatic reimbursement procedures in cooperation with participating municipalities.

P2 L16-17-18

Delete existing language after the word "dwelling", and insert:

limited to not more than one hundred and sixty
acres.

hf0403810840

HOUSE FINANCE COMMITTEE

April 3, 1981

8:40 a.m.

{Tape HFC 81-30, Side 1, #399}

PRESENT

Chairman Cotten called the meeting to order at 8:40 a.m. All members of the Committee were present, except Representative Moss. Representative Buchholdt arrived later in the meeting. Also in attendance: Palmer McCarter, Director, and Terry Earley, State Assessor, Division of Local Government Assistance, Department of Community & Regional Affairs; Elmer Lindstrom, Fiscal Analyst, Division of Legislative Finance.

HB 4

Chairman Cotten brought HB 4 up for consideration:

HB 4 - "An Act providing for reimbursement of taxes paid to a municipality for real property owned and occupied as a permanent place of abode; and providing for an effective date."

The Committee used the Community & Regional Affairs Committee Substitute for HB 4 as a base.

AMENDMENT No. 1

Recapping for the Committee, Chairman Cotten advised, when the meeting adjourned yesterday afternoon, Representative Carney had proposed an amendment: page 2, line 12, after "means a dwelling" insert "and property of record upon which it is situated". Chairman Cotten moved that amendment.

AMENDMENT TO AMENDMENT No. 1

Representative Carney moved an amendment to the amendment changing "property" to "lot or tract". There was no objection. The question was called for, and the amendment failed (2 in favor; 4 opposed).

(Representative Buchholdt arrived at this time.)

Representative Rogers pointed out that Amendment No. 6 by Chairman Cotten was amended by Amendment No. 8 by Representative Malone at yesterday's meeting. There was discussion. Chairman Cotten stated the ruling is there is no amendment to Section 29.53.520.

(Representatives Rogers and Haugen left the meeting at this time.)

AMENDMENT No. 2

Representative Meekins moved the following amendment: page 2, line 2, delete "am occupying" and insert "occupied".

During discussion, Mr. McCarter indicated there was debate in the C&RA Committee on this, and he believes it used to read "have occupied".

(Representative Haugen rejoined the meeting at this time.)

Representative Haugen wondered why the State has to administer this; why couldn't it be handled by receipt through the local governments. Mr. McCarter indicated he has no objection its being handled this manner, but noted there would be considerable fiscal impact.

Representative Meekins stated the intent of his amendment is not one of policy but one of a technical nature. He indicated he feels the current language is not adequate.

(Representatives Rogers and Malone joined the meeting at this time.)

After brief discussion, Representative Meekins withdrew his amendment.

Representative Carney indicated it might be easier to amend language on page 3, line 26, where a person would certify in his claim for rebate that his taxes are paid for the year.

AMENDMENT No. 3

Representative Meekins moved a second amendment on page 4, line 2, delete "1981" and insert "1982". Representatives Rogers and Adams objected. Voicing strong opposition, Representative Adams stated this is a rape of the rural resources and of the State wealth. Representative Rogers stated he opposes this amendment because it would double the fiscal impact for Anchorage and double the inequity.

During discussion, Representative Freeman stated, "This bill is an out-and-out turkey. The basic premise is wrong to start with, but I'm going to vote for it, because I don't think it stands a chance of becoming law." He asked if this will be taxable income, and Chairman Cotten and Representative Meekins indicated, "certainly". "Then why don't we just give it to the municipalities and let them pass it on to the residents," Representative Freeman continued. "You should at least be equitable about it. At least that way, you wouldn't be making a contribution to the federal government. It will be a bookkeeping nightmare," he said. Chairman Cotten commented this has been tried before.

Representative Rogers commented on how he feels this should be carried out. Referring to itemized deductions, he said he was not sure this would be taxed as income on unearned income. He stated he feels it does increase the inequity, but he can see some reasons for it. Representative Rogers withdrew his objection.

During further discussion, Representative Meekins said he thinks it is necessary with this format to have a retroactive clause, and indicated he still supports the amendment.

{Tape HFC 81-30, Side 2, #001}

Representative Rogers distributed an information sheet (see Attachment 1) from the State Assessor's Office that was requested at yesterday's meeting. Last year the Legislature passed a new revenue sharing formula, he said, giving more to residents with a higher tax rate. He stated he feels, if this bill is combined with last year's revenue sharing bill, it will create an incentive for municipalities to raise their tax rates because they receive more revenue sharing from the State if they do. An analysis on what the effect on the economy is and "how much goes to the residents and how much to Uncle Sam" is needed, he said.

There was discussion on this being on a per capita or per property basis. Representative Carney indicated he feels it would go from sales tax to property tax to sales tax. Representative Rogers disagreed, indicating he has had contact with some communities regarding substituting sales tax for property tax. State Assessor Terry Earley responded both sales tax and property tax are on a per capita basis. Representative Carney stated he feels, "constituents would rather see this go for services, instead of cash, because most cash goes to Uncle Sam." Representative Buchholdt suggested getting a ruling from the IRS on this. Representative Rogers commented, perhaps a way out of this is to "make sure local governments have the authority to exempt all residential property. We are doing quite a bit on revenue sharing," he said; "then we could leave it up to the people. If these two go together, then the decision is up to them." He stated he feels "this creates a climate for tax relief, but it is still their decision." There was further discussion on columns 6 and 7 of the information sheet.

The question was called for, and Amendment No. 3 was adopted (8 in favor).

Chairman Cotten posed the question of allowing municipalities to exempt property tax to Mr. McCarter. Mr. McCarter indicated this would be covered under Title 53.025, dealing with the "The Oil Wealth Boroughs".

AMENDMENT No. 4

Representative Adams moved the following amendment (see Attachment 2) on page 2, line 9:

Alaskan residents living outside areas that have no property taxes will be eligible to receive \$250.00 through the Department of Community & Regional Affairs to their respective communities or direct payments to the community residents by local election approval.

AMENDMENT TO AMENDMENT No. 4

Representative Carney moved to amend the amendment to include "all Alaskan residents" get \$250.00.

Representative Buchholdt objected. Representative Rogers referred to the definition that was discussed at yesterday's meeting.

AMENDMENT No. 5

Representative Adams moved a second amendment (see Attachment 2) on page 4, line 1:

Only revenues derived from resources within 100 miles of community or within borough boundaries, whichever is greater, may be used to fund tax relief as property tax.

Discussion followed. Representative Malone suggested perhaps a subcommittee on HB 4 was in order and volunteered to sit on the subcommittee. Chairman Cotten agreed the bill needs further work and indicated he would take Representative Malone's suggestion under advisement.

HB 4 HELD

ADJOURNMENT

Representative Meekins moved to adjourn the meeting. There being no objection, it was so ordered. The meeting adjourned at 9:35 a.m.

Tape HFC 81-30, Side 1, #399 - End
Side 2, #001 - #535

B-24 FISCAL ANALYSIS

Residential

Residential Revenue

PER CAPITA PER CAPITA
RESIDENT. SALES

TOTAL OF
(7) & (8)

Value 80	Value 81	79 Revenue	80 Revenue	81 Revenue	REVENUE	PER CAPITA	TOTAL OF
3706407929	4124861384	44568133	49599875	55199700	270.15	1273.85	1544.00
52622459	5856591	42771	47599	52972	31.44	136.55	21.44
761704273	547720655	8018461	8923745	9931236	104.90	141.06	355.96
18743624	20859729	87511	97391	10838	56.53	214.17	270.50
311089937	346210877	3371803	3752480	4176135	172.49	136.16	303.65
540370726	601378581	3402244	3786357	4213831	105.20	75.59	240.79
171425652	190779608	1652069	1838588	2046164	142.04	213.03	355.07
105683906	117615619	1041885	1159514	1290423	107.73	-0-	107.73
300010421	333881598	2204318	2453186	2730150	117.80	-0-	117.80
15408101	17147625	106053	118026	131852	14.22	248.83	263.05
95460155	106237604	300216	334110	371831	42.32	241.20	283.52
17579323	19564028	236939	263689	293460	105.56	312.33	417.89
2928294	3258888	31124	34638	38549	65.67	182.59	248.26
9782031	10896422	86643	96429	107311	64.80	255.16	319.96
978211	1088657	10548	11739	13064	17.82	121.58	139.40
2270659	2526350	20107	22377	24903	49.51	141.15	190.66
17896920	19917482	241220	268459	298762	103.31	194.91	298.22
1075488	1196910	7248	8066	8977	40.62	321.87	362.49
21804730	24266484	241382	268634	298962	93.51	289.59	383.10
13335669	14841266	96447	107336	119454	136.21	288.32	424.53
1765532	1964560	22210	24718	27508	21.00	648.85	669.85
40671665	45263495	218324	242972	270404	66.50	-0-	66.50
23119517	25729710	231382	257505	286677	86.19	196.43	282.62
1306744	1454278	16068	17882	19901	45.02	133.48	178.50

Rogers
4-3-81

SB - 24

FISCAL ANALYSIS

⑦

⑧

TOTAL OF

⑦ + ⑧

	Residential			Residential			PER CAPITA	PERCAPITA	
	Value 79	Value 80	Value 81	Revenue 79	Revenue 80	Revenue 81	RESIDENT. REVENUE	SALES REVENUE	
ANCHORAGE	3330405184	3706407929	4124861384	44568133	49599875	55199700	270.15	1273.85	1544.00
Bristol Bay	4728600	5262459	5856591	42771	47599	52972	31.44	126.55	31.44
Fairbanks North Star Borough	684431910	761704273	847700655	8018461	8923745	9931236	164.90	141.06	355.96
Haines Borough	16842146	18743624	20859779	87511	97391	108382	56.33	214.17	270.50
City & Boro of JUNEAU	279530000	311088937	346210877	3371803	3752480	4176135	172.49	136.16	308.65
Kenai Penin Boro	485551915	540370726	601378581	3402244	3786357	4213837	165.20	75.59	240.79
Ketchikan Gateway Boro	154035090	171425652	190779608	1652069	1838588	2046164	142.04	213.03	355.07
Kodiak Island Boro	94962626	105683906	117615619	1041885	1159514	1290423	107.73	-0-	107.73
Niit-Su Boro	269575363	300010421	333881598	2204318	2453186	2730150	117.80	-0-	117.80
North Slope Boro	13845000	15408101	17147625	106053	118026	131852	14.22	248.83	263.05
City & Boro of Sitka	85776040	95460155	106237606	300216	334110	371831	42.32	241.20	283.52
Cordova	15795959	17579323	19564028	236939	263689	293460	105.56	312.33	417.89
Craig	2593706	2928294	3258898	31124	34638	38549	65.67	182.59	248.26
Dillingham	8664332	9782031	10886422	86643	96424	107311	64.80	255.16	319.96
King Cove	878975	978211	1088651	10548	11739	13064	17.82	121.58	139.40
Norana	2010682	2270059	2526350	20107	22377	24903	49.51	141.15	190.66
Nome	16081337	17896920	19917482	241220	268459	298762	103.31	194.91	298.22
Polican	966383	1075488	1196910	7248	8066	8977	40.62	321.87	362.49
Petersburg	19592713	21804730	24266484	241382	268634	298962	93.51	289.59	383.10
Sitka	11982810	13335669	14841266	96447	107336	119454	136.21	288.32	424.53
Unalakleet	1586425	1765532	1964860	22210	24718	27508	21.00	648.85	669.85
Valdez	3654560	40671665	45263495	218324	242972	270404	66.50	-0-	66.50
Wrangell	20774119	23119517	25729710	231382	257505	286577	86.19	196.43	282.62
Yakutat	1174181	1306746	1454278	16068	17882	19901	45.02	133.48	178.50

AMENDMENTS TO CSHB 4 (State Affairs)

By Meekins

Page 2, line 2 delete "am occupying" insert "occupied"

Page 4, line 2 delete "1981" insert "1980" ^{URBAN Rip-off}

^{15 MONTHS}

TACTIC: Rape
STATE WEALTH

Adopted ^{Amended}
4/3/81
#1 MOVED PAGE 2 LINE 9

ALASKAN RESIDENTS LIVING OUTSIDE AREAS THAT HAS
NO PROPERTY TAXES WILL BE ELIGIBLE TO RECEIVE \$250 "
THROUGH THE DEPT. OF CEA TO THEIR RESPECTIVE COMMUNITIES

~~RESIDENTS~~ ~~TO PROVIDE MUNICIPAL SERVICE AS AREAS THAT CHANGE~~
PROPERTY TAX OR DIRECT PAYMENTS TO THE COMMUNITY RESIDENTS
BY LOCAL ELECTION APPROVAL.

MOVED PAGE #4 LINE 41

#2 ONLY REVENUES DERIVED ^{FROM} RESOURCES WITHIN 100 MILES OF
COMMUNITY OR WITHIN BOROUGH BOUNDARIES; WHICHEVER IS
GREATER; MAY BE USED TO FUND TAX RELIEF AS PROPERTY
TAX.

A. Help develop Resources around Locals

B. Why hope the hard areas ^{for their resources} if we are not
going to treat ^{the rural residents} Equal - ^{from} derived from their own's resources.

HOUSE FINANCE COMMITTEE

April 3, 1981

1:40 p.m.

(HFC 81-31, side 1 #001.)

PRESENT

All members of the Committee were in attendance. (Representatives Malone, Carney, Rogers and Buchholdt arrived later in the meeting.) Present to testify were: Representatives Gardiner and Clocksin; Mitch Gravo, Lobbyist, Municipality of Anchorage; Terry Earley, State Assessor, Division of Local Government Assistance, Department of Community and Regional Affairs; and Marie Matsuno, Deputy Commissioner, Department of Community and Regional Affairs.

HB 4

Chairman Cotten called the meeting to order and appointed the following SUBCOMMITTEE to review HB 4 ("An Act providing for reimbursement of taxes paid to a municipality for real property owned and occupied as a permanent place of abode; and providing for an effective date."): Representatives Cotten, Rogers and Adams.

SB 125 am

The next bill to be considered was SB 125 am.

SB 125 am -- "An Act making supplemental appropriations to the Department of Community and Regional Affairs and the Department of Revenue for programs which provide state financial assistance to municipalities or other recipients; and providing for an effective date."

Chairman Cotten asked how much the municipality of Anchorage is scheduled to receive. MR. MITCH GRAVO, Lobbyist, Municipality of Anchorage, said \$25 million. Chairman Cotten questioned the total budget for the Municipality for 1980. Mr. Gravo provided the following information:

Utilities	\$9.5 million
General Government	117.9 million
School budget	144.1 million

Mr. Gravo advised the general government budget is broken down as follows:

State funds	21.4 million
Federal funds	8.2 million
Tax supported funds	51.0 million
Fund balance	9.9 million
Other fees	18.9 million
Misc.	8.5 million

Mr. Gravo advised the School budget is broken down as follows:

State funds	104.5 million
Federal funds	4.4 million
Tax support	26.1 million
Misc.	9.1 million

Chairman Cotten said he is interested in the General Government budget and the \$51 million tax support funds that go into it, and the \$26 million tax support funds that go into the school budget. Mr. Gravo advised the total property tax collected in 1980 was \$77 million. He gave the following figures for 1981:

Utilities	\$103.0 million
General Government	143.5 million
School budget(proposed)	156.5 million

General Government is broken down as follows:

State funds	25.1 million
Federal funds	8.2 million
Tax supported funds	66.3 million
Fund balances	13.8 million
Other fees	21.3 million
Misc.	8.8 million

The proposed school budget is broken down as follows:

State funds	119.8 million
Federal funds	3.2 million
Tax supported funds	26.1 million
Misc.	7.1 million

Chairman Cotten asked if the taxpayers will be paying the same number of dollars in 1981 as they are in 1980. Mr. Gravo said yes.

(Representative Malone arrived at this time.)

There was brief discussion on the figures. Mr. Gravo said it comes out to about a 3.90 mill decrease for the citizens of Anchorage.

Representative Meekins said he is skeptical of what will happen with this appropriation. He asked if there has been an actual

commitment by the Borough Assembly of what they will do with it. Mr. Gravo advised the Assembly is on record that the money will be used for property tax reduction. He said Mayor Sullivan has gone on record indicating he will reduce property tax with the full amount. He is committed to using all the money from SB 125 to reduce property tax for this year.

Representative Meekins asked how much goes to the hospitals. Mr. Gravo said between \$7 million and \$9 million. He commented that amount is set statutorially and has to pass through.

(Representatives Carney and Rogers arrived at this time.)

Representative Haugen asked if this was going to be a continuing program or a one time deal. Chairman Cotten said the Governor's Office intends to fully fund revenue sharing and municipal assistance. He said it would be a continuing program.

Representative Meekins MOVED AND ASKED UNANIMOUS CONSENT that HCS SB 125 (CRA) be reported out of Committee. Representative Malone OBJECTED to ask a question. He said section 3 of the bill appropriates \$780.0 for disposition to Alaskan native villages, and the Memo to Representative Grussendorf from Senator Sackett indicates that \$13,000 would be provided to 60 villages. He commented that not all Alaskan villages are included on that list; and he asked, if this appropriation is made, what is the intent -- to prorate the amount or just give funds to those villages listed in the Memo.

MR. TERRY EARLEY, State Assessor, Department of Community and Regional Affairs, said the list was developed based on the villages that actually applied for funding under that section of the law. He said if other villages would apply, they would be eligible. Representative Malone asked if the funds would be prorated then. Mr. Earley said yes, if another village applied during the required time period. He explained for the FY 81 entitlement the filing period ended December 31. Representative Malone commented that maybe some people didn't know this money was available, so they didn't apply. Mr. Earley said they notified all of the villages last summer that they would be eligible for revenue sharing for the first time. He said 90 villages would have been eligible. He doesn't know why the other 30 didn't apply, although he said in some cases it may be because no one lives in that village anymore -- they're just "paperwork villages".

Chairman Cotten asked if every village involved knew they were eligible. Mr. Earley said "right". Chairman Cotten if they didn't apply if it was past the deadline for applying. Mr. Earley said yes. Representative Malone asked if there was any procedure for late applications or if there had been any late applicants. Mr. Earley said there haven't been any. He commented they have a procedure that gives extra benefits for applying early. He said the reason for that is they can't give

anyone any money until they figure out what everyone is entitled to.

Representative Malone REMOVED HIS OBJECTION to reporting the bill out of Committee. There being NO FURTHER OBJECTION, HCS SB 125 (C&RA) was reported out with a "do pass" recommendation.

RECESS

Chairman Cotten called for a recess at 1:55 p.m. and recalled the meeting to order at 2:06 p.m.

SSHB_41

The next bill to be considered was SSHB 41.

SSHB_41 -- "An Act relating to the health of residents of the state; and providing for an effective date."

Representative Buchholdt advised that a packet of material explaining the CS SSHB 41 (HESS) was presented to Committee members prior to today's meeting. (Copy of packet in original bill file.) Representative Buchholdt said this is not a new bill; a similar bill was introduced a few years ago, and it made it through the House that time. She said in 1977 she asked Legislative Affairs Research to compile information on health coverage, and they prepared the booklet "Third Party Health Coverage in Alaska" (copy in packet). Representative Buchholdt explained the intent of the legislation is to provide health insurance coverage for every individual in the state who wishes to participate in the program. She said section one of the bill provides for co-payments -- the state may pay for all or part of the premium. Representative Buchholdt said she does have one concern regarding the changes made in the HESS Committee. She said the section regarding co-payments was amended to include coverage for payments of premiums for those covered under public health and other federally funded programs. She said there is also going to be a proposal to do an interim committee study of this particular program.

REPRESENTATIVE GARDINER, District 1, advised his testimony will be on the basic issue of why he feels this legislation is needed. He said there is a group of people in the state who are not covered by any kind of insurance. He said there are programs to provide insurance for poor people; the people who work for unions and government have some kind of health insurance coverage; the Native people have Native health services. He said it comes down to an ad hoc group of people who work at the wrong jobs and, therefore, receive no health insurance coverage. He commented these people probably could go out and buy health coverage on their own, but the cost is prohibitive. He said this bill sets up a health insurance plan that would be open to qualified Alaskans that basically don't have a health insurance policy. He explained people would be required to pay part of the premium based on their income. He said persons of higher income could

still qualify for the coverage, but they may have to pay 100% of the premium. He said even those people would still be getting a good deal because they would be part of a group policy.

Representative Gardiner said amendments made in last year's bill and the recommendation of the HESS Committee and others is that the existing medical programs be funneled into this program. He said it would probably be more efficient to funnel those programs through this one.

Representative Gardiner pointed out the basic plan for the health insurance really doesn't have any cost this year because you can't just set up a program such as this immediately. What is proposed in this bill is a logical implementation of the program. He explained the bill allows Administration to go out and study and develop information on the program. He said they need to develop information on who will want to be covered. He explained that information is needed in order to get an accurate cost figure. He commented further. Representative Gardiner said they are looking at a period of 1 1/2 years before they actually have a policy to be issued under this program, so there will be a larger fiscal note next year if funding is approved.

In terms of basic support, Representative Gardiner said it makes sense to consider doing this. He said 80% of our citizens have decent health care plans; 20% don't have that. He said they are talking about middle-class Alaskans, people who have jobs and pay their bills, but "are working for the wrong employer" when it comes to health insurance.

Chairman Cotten said one complaint he has heard is that current groups may decide to abolish their own health insurance program so people can take advantage of the state's plan. He asked Representative Gardiner to comment on that. Representative Gardiner said what they are talking about here is a very basic health coverage plan. He said most group programs include dental, optical and other benefits. He said if they provide a basic plan no one will want to bail out of a good plan and get into a more basic one. He said this could be a problem if the state were providing a plan that was better than the one they had. He said this bill also requires most people to pay a portion of the premium. There was brief discussion.

(Tape change, HFC 81-31, side 2.)

Representative Gardiner commented further on those who presently have no insurance coverage. He said they are basically people just starting out in the job market, who don't have any additional money for insurance.

REPRESENTATIVE CLOCKSIN, Chairman, House HESS Committee, encouraged the Committee to approve the HESS CS. He said his Committee has spent a considerable amount of time on the legislation. He explained the bill is developed into four parts:

- (1) A comprehensive health insurance plan (a) to be established with minimum benefit standards; and (b) to provide a cost sharing or subsidy program.
- (2) The addition of alcohol and drug treatment to the State's health benefit package.
- (3) It authorizes the Commissioner to contract out payments of health care benefits. He explained that would only be implemented when it is determined to be economically feasible. He said the second subparagraph (page 8, line 9) provides for interim payments or advance payments to large vendors, i.e. hospitals that develop a large number of bills which could create cash flow problems.
- (4) Expansion of the existing medicaid program of the State. He explained the HESS Committee amended the bill because of concern that the Medicaid program would change under the Reagan Administration. He advised that page 9, lines 16-24 say the State is going to pick up all optional benefits as they existed on March 1, 1981. He said these are additional services that have not been provided to date by the program or the Department.

There was brief discussion on the Department of Health and Social Services position paper. Representative Clocksin said the Department's recommendation was to phase in the Medicaid changes; the HESS Committee's judgment was if they were going to cause a major upheaval in a program, it would be best to do it all at once. He commented further on the changes to the Medicaid program.

Representative Clocksin briefly explained the HESS Committee Substitute.

Representative Clocksin said the Department of Administration has submitted proposed amendments to the bill (see attachment #2) which split up the reporting and administration of the plan between the departments of Administration and Health and Social Services. He said these amendments were never proposed to the HESS Committee.

Representative Rogers questioned the definition of base income where it states the family median income will be determined by the federal Office of Human Development Service. He said this sounds like the type of program that will be cut out by the Reagan Administration, and he asked if the HESS Committee had an alternative to that Office. Representative Clocksin said that was a good point.

Representative Clocksin commented on secondary coverage for groups in the state who do not have adequate insurance now. He said the HESS Committee felt it was unfair and discriminatory not to provide coverage for those people as well (those on Medicare, Indian Health care, etc.). He commented if they only include

primary coverage, no Alaska native would be eligible for the coverage. He said they have two clear-cut choices: either to go with secondary coverage and provide insurance for everyone; or just go with primary coverage. There was brief discussion.

Chairman Cotten advised SSHB 41 would be HELD for further discussion at a meeting next week.

SSHB 150

The next Bill to be considered was SSHB 150:

SSHB 150 -- "An Act making a special appropriation to the Department of Community and Regional Affairs, senior citizens housing development fund to develop senior citizen housing; and providing for an effective date."

MS. MARIE MATSUNO, Deputy Commissioner, Department of Community and Regional Affairs, said the Department does support the bill. She said the Governor does support having the program in their Department.

Chairman Cotten said his only question is regarding the \$225,000 for the study. He asked what the study would entail and who would do it. Ms. Matsuno said they have always felt there was a need for a housing study, not just for the elderly but of all housing in the State. Chairman Cotten asked where the \$225,000 figure came from and Ms. Matsuno said from the members of the Legislature that introduced the bill. Chairman Cotten requested further information on the study and its cost.

Representative Rogers asked for further information on the \$24 million -- he asked the Department to develop a list of which projects will be ready to go in the next fiscal year. He said it would be a mistake to set aside money for projects that are not ready to go. He asked that they also provide information on which projects require needs assessments. Ms. Matsuno said there are requests in for use of all this money. She said it is sometimes difficult to assess. She explained they believe in local control, and it is up to the local people to set their own time frame and to do the planning. There was brief discussion.

Chairman Cotten said SSHB 150 would be held until Monday's meeting.

ADJOURNMENT

The meeting adjourned at 3:00 p.m.

HFC 81-31, side 1, #001 to end
HFC 81-31, side 2, #001 to 632

Attachment #1

IMPACT ON ANCHORAGE 1981 MILL LEVIES OF SUPPLEMENTAL APPROPRIATION
TO FULLY FUND STATE FY1981 STATE REVENUE SHARING AND MUNICIPAL ASSISTANCE

<u>Taxing District</u>	<u>1981 Approved Budget</u>	<u>With FY1981 Supplemental</u>	<u>Mill Levy Decrease</u>
Anchorage (former city)	12.48 mills	8.58 mills	3.90 mills
Hillside/Rabbit Creek	8.55 mills	6.34 mills	2.21 mills
Spenard/Muldoon/ Sand Lake/Oceanview	13.03 mills	9.13 mills	3.90 mills
Girdwood	6.74 mills	4.55 mills	2.19 mills
Glen Alps	13.09 mills	10.18 mills	2.91 mills
Eagle River	9.90 mills	6.88 mills	3.02 mills
Chugiak	9.45 mills	6.43 mills	3.02 mills
Eagle River/Chugiak Valley	8.45 mills	5.99 mills	2.46 mills
Other Outside Bowl	5.61 mills	4.40 mills	1.21 mills

Note: The above mill rates include a 3.93 mill levy for the Anchorage School District (same mill levy as in 1980).

SUPPLEMENTAL APPROPRIATION (STATE TOTAL):

Municipal Assistance	\$45.1 million
State Revenue Sharing	<u>18.4 million *</u>
	\$63.5 million

* $\$4.6 + \underline{13.8} = \$18.4$

Exhibit B

4/3/81

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

POUCH C
JUNEAU, ALASKA 99811

Ph: 465-2200

April 3, 1981

Honorable Samuel R. Cotten
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Representative Cotten:

We suggest the following amendments to CSSSHB41 (HESS).

- I. Add the phrase "of Health and Social Services" after "Commissioner" on page 2, line 19 of the bill.
- II. Section 2 should be amended to read as follows:

*Section 2, (a) The Commissioner of administration shall report by the 30th day of the Second Session of the Twelfth State Legislature on:

(1) proposed minimum benefit standards and estimated actuarial costs of the state comprehensive health plan (AS 18.27);

(2) a proposed plan for

(A) implementation of AS 18.27.010;

(B) informing the public of benefits under AS 18.27.010;

(3) recommendations for amendments relating to implementation of AS 18.27.

(b) The commissioner of health and social services shall report by the 30th day of the Second Session of the Twelfth State Legislature on:

481

- (1) the anticipated number of participants in the cost sharing program and projected cost to the state.
- (2) a proposed plan for
 - (A) implementation under AS 18.27.020;
 - (B) eligibility determinations under AS 18.27.020;
 - (C) payment of the state share of premium costs and copayment deductibles incurred under AS 18.27.020;
 - (D) informing the public of benefits under AS 18.27.020.
- (3) recommendations for amendments relating to implementation of AS 18.27.

III. In Section 1, subsection (d) of AS 18.27.020 be changed to read as follows:

(d) The commissioner of administration shall establish minimum benefit standards and guidelines for determining benefit equivalence for the certification of plans under (a) (1) of this section and shall establish a fund known as the state comprehensive health plan fund to provide group insurance benefits under AS 18.27.020 and he shall maintain an adequate system of accounts and records. Based on actuarial advice, the commissioner of administration shall determine the premium rates and appropriations required to support the benefits under AS 18.27.010 and, to the greatest extent practicable, the administrative expenses of the program and shall accordingly, from time to time, adjust premium rates. Disbursements from the state comprehensive health plan fund shall be used to pay administrative expenses under AS 18.27.010 and to pay premiums and claims in accordance with the insurance policies and contracts in force under this section. Money paid to the state comprehensive health plan fund shall be retained in the fund until the commissioner determines that a surplus exists. The commissioner or one or more designees shall act as administrator of the fund. When in the opinion of the commissioner there is on hand in the state comprehensive health plan fund a surplus over and above the current demands on the fund, the surplus, or so much of it as the commissioner considers advisable, may be invested under AS 39.35.110.

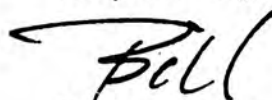
April 3, 1981

The commissioner shall be responsible for the administration and underwriting of the state comprehensive health plan. All contracts for underwriting or claims servicing shall be based on competitive proposals.

- IV. *Section 3. Coverage under AS 18.27.010 and cost sharing under AS 18.27.020 shall begin on January 1, 1983.

Additional suggestions will no doubt surface as we continue to work with this proposal; those mentioned here are fundamental.

Respectfully,



W. R. Hudson
Commissioner

WRH/kw

cc: Paul B. Arnoldt
Director
Division of Retirement & Benefits

HOUSE FINANCE COMMITTEE

April 6, 1981

8:45 a.m.

(Tape HFC 81-32, side 1 #001.)

PRESENT

All Members of the Committee were in attendance except Representatives Malone and Buchholdt. Present to testify were: Louise Krane, Department of Community and Regional Affairs; and Dove Kull, Chair, Senior Citizen Advisory Board, City/Borough of Juneau.

HB 150

Chairman Cotten called the meeting to order and brought HB 150 up for consideration:

HB 150 -- "An Act making a special appropriation to the Department of Community and Regional Affairs, senior citizens housing development fund to develop senior citizen housing; and providing for an effective date."

Chairman Cotten said this bill was held over because there were questions on how much the Department could expend in grants and other appropriations this year. Representative Rogers referred to a list of projects received from the Department and said that not all the projects will necessarily be ready for construction this season. Representative Rogers said he would recommend lowering the figure to \$20 million which would probably adequately cover all the needs for construction during this summer and next spring.

Chairman Cotten asked who operates the centers and what are the operating arrangements. MS. LOUISE KRANE, Department of Community and Regional Affairs, said they have multiple financing arrangements. She said part of the financing comes from rent, and part from Office on Aging funds.

There was discussion on the various projects. Ms. Krane explained for the Anchorage project they will primarily be using federal funds. She said she has already seen the preliminary designs for the Ninilchik and Kenai facilities. She said the other projects will be ready to go this summer/fall. Representative Haugen commented that Petersburg is advertising for bids right now. There was brief discussion on the St. Mary's facility. Ms. Krane commented the housing needs survey would help the Department take an activist approach in housing needs. She explained that right now they have to wait for the communities to come to them. Representative Meekins said it

would appear they need to set some sort of standards and make some decisions on priorities.

Chairman Cotten asked what they expect to do with the \$225,000 for the housing needs study. Ms. Krane said she thinks that amount is more than adequate to perform the study. She suggested the State needs to do a housing survey of all the housing programs to find out where the gaps are. She said perhaps the entire study could be done for \$225,000. There was brief discussion.

Representative Rogers wondered if the federal subsidy for senior citizen housing would continue. Ms. Krane said she thinks the program is going to be "shaved", but no one knows how much. She said she thinks the last cuts will be to the elderly and handicapped.

Chairman Cotten asked how much difference it would have if the fund had \$16 million in it right now or had to wait until July 1. Ms. Krane said it would not have an adverse affect if they had to wait until July 1 for the funds.

Representative Rogers expressed concern that better time tables are not available on the projects. He said it appears "we are doing this by the seat of our pants". He said he is also concerned that the aggressive communities get the funding while the non-aggressive don't. Chairman Cotten asked if they could provide more detailed information about each of the projects. Ms. Krane asked if this was under the assumption that the Legislature wanted the projects on line and already planned before they fund them; as opposed to the way they have done it in the past where the communities got a pre-commitment for the projects. Chairman Cotten said they wanted a better time frame. He said they would like to know what is happening for the next 18 months. Representative Adams said he would like to see some long range planning regarding operating expenses -- he wonders if the federal subsidy and rental fees will continue to meet the operating costs of facilities.

DOVE M. KULL, Chair, Senior Citizens Advisory Board, City/Borough of Juneau, presented a position paper on HB 150. (See attachment #1.)

Chairman Cotten announced HB 150 would be HELD pending receipt of additional information.

HB 138

The next bill to be considered was HB 138.

SSHB 138 -- "An Act making special appropriations to the Department of Administration for telecommunications; and providing for an effective date."

Chairman Cotten announced it is his intent to not pass SSHB 138 out of Committee at this point, but to include it as part of the capital budget.

Representative Rogers presented proposed amendments to the bill. (See attachment #2.) He explained sections 1 and 2 of the amendment could be either operating or capital, section 3 is strictly capital, and section 4 is mostly capital with some operating.

Representative Rogers presented an informational sheet on instructional television programs. (See attachment #3.)

Representative Haugen presented proposed amendments to the bill. (See attachment #4.)

Representative Meekins said he is very much in favor of improved teleconferencing and instructional television. However, he said he has never fully understood what we are doing and what the alternatives are. He said there seems to be a lot of controversy on this subject. Chairman Cotten requested that Representative Meekins meet with Ron Merrit (consultant to Legislature on Telecommunications) on his questions, and then have Mr. Merrit prepare a short explanation of alternatives that should be considered, etc.

Representative Adams presented proposed amendments to the bill. (See attachments #5 and #6.) He also presented information on telecommunications alternatives. (See attachment #7.)

ADJOURNMENT

The meeting adjourned at 9:50 a.m.

HFC 81-21, side 1, #001 to end

NB/50
POSITION PAPER ON SB311 - SENIOR CITIZEN HOUSING

Why 25 million dollars? And why all State funding? The answers are to meet statewide housing needs of the elderly and to permit us to determine our own eligibility rules. We can not do this by using part HUD money.

HUD Section 8 defines eligibility: for persons 62 and over and mentally and physically handicapped adults, that is, 18 years and over. The needs of these three groups are not the same and their life styles differ.

Alaska is not providing suitable housing facilities for the semi-independent elderly. Appropriate housing for the frail, or at-risk elderly, is not only an Alaskan concern. It is a national concern.

Dr. Robert Butler, Director of the National Institute on Aging, has stated repeatedly that 25% of the elderly persons in nursing homes do not need that level of care. Unnecessary placement results in trauma for the person and exorbitant expense for the one who pays the cost.

\$4,000 a month is the cost in Juneau.

\$6,000 a month in Anchorage.

Are the frail elderly to become paupers because their state has not provided a better plan of care? A plan to meet their needs! With the cost of nursing home care skyrocketing, who can afford unnecessary placements?

Claude Pepper, our grand old man in Congress, in Public Law 96-234, suggested doing something with congregate housing and services. A plan of this type is becoming a reality in Juneau.

We are building a residential environment around congregate housing. A gerontological architect as consultant is designing built-ins for 3,000 sq. ft. for ancillary services, as parallel bars, whirlpool bath, nurse's examining room with fixtures and supplies. A program of physical, speech, and occupational therapy will be provided for; also kitchen equipment with items for proper nutrition and holistic health approach, ceramics, stress counseling, etc.

When this SB311 passes, State funding can provide subsidized rent as a fourth of the tenant's adjusted income.

Alaska is ready for this plan. Alaska has three statewide health and social services programs. The Department of Health and Social Services, Public Health Services, and the Native Corporations have the personnel resources to develop this plan throughout Alaska.

POSITION PAPER ON SB311 "AN ACT MAKING A SPECIAL APPROPRIATION
TO DEVELOP SENIOR CITIZEN HOUSING."
PAGE 2

In connection with this appropriation, Alaska needs a statute to provide the authority to the Department of Health and Social Services and Community and Regional Affairs to work together to create a residential environment around congregate housing for the frail elderly who do not live in their own homes. It will help the elderly to maintain control over their own lives and not be placed unnecessarily into a wheel chair with resulting loss of control.

OTHER HOUSING THAT MEETS SPECIAL NEEDS.

Alaska set a precedent in 1959 for the elderly with special needs. For instance, a family that believed in the values of an extended family, asked the Department of Welfare for help in keeping a blind grandmother in her daughter's home. The Department increased the monthly old age assistance check for a period of months to provide materials for the sons to build a special room for grandma. This was her room in which she could move about without fear of misplacement of its furnishings. She kept her artifacts near her and continued to work at her skills with skins and beads. This was less expense for the State and less trauma for the aged grandmother. Her sons constructed her room to meet her special needs.

RECOMMENDATION

Mr. Chairman and members of the Committee, in 1979 during five hearings of the State Council on Services to the Elderly, two issues stood above the rest for special attention: the need for improved and expanded home support services, and the need for a single agency to coordinate all of the programs for the aging, and set priorities.

SB311 can provide home support services in congregate housing in their own communities.

I recommend this bill be passed.

Dove M. Kull

Dove M. Kull, MSW, ACSW
Chairperson of the Senior Citizen Advisory Board of the
Mayor and Assembly of Juneau

DOL figures show a low income family comparable budget in Anchorage is 64% higher than average of U.S. - all other Alaskan communities have a higher cost of living)

- 3) Enforce equal pay for equal jobs in community
- 4) Allow more career training
- 5) Change formula for funding:

"Per Capita Income" should be adjusted by cost of living (this should apply to all federal programs using "per capita income."

(3) A tax credit be given to employers in private industry for hiring older workers, and That job service centers under the DOL be requested to designate a person as an Older Worker Specialist on staff in each of the larger communities, and That the federal and state governments investigate job sharing opportunities especially for "gradual" retirement, and make these opportunities available to potential retirees; (4) The Alaska State Legislature appropriate the sum of one million dollars for employment and training of Alaska senior citizens 55 years of age and on low or moderate incomes.

Resolution
/

IV IV A

(1) Legislation be enacted to provide the authority to the Department of Health and Social Services and the Department of Community and Regional Affairs to develop a residential environment around congregate housing and assist communities in developing appropriate programs of health and social services for the frail or at-risk elderly twenty five per cent of whom are placed unnecessarily in nursing homes because of lack of suitable planning and resources; (2) The Alaska Legislature appropriate \$25,000,000 for housing (all State money to avoid the restrictions of HUD) a part of which will be to construct congregate housing with residential environment for the frail elderly.

V V A

A procedure be developed by the University of Alaska to provide academic credit to those senior citizens who provide training for secondary and post-secondary students.

(1) New Section - The sum of 750,000 is appropriated from the general fund to the Department of Education for

(1) grants to local educational agencies for equipment purchase and local or student productions; and

(2) secondary instructional television program productions

(2) New Section - the sum of 956,500 is appropriated from the general fund to the Department of Education for the purposes of developing instructional television course work for vocational education on renewable resources topics in Alaska, to be allocated as follows;

-456,500 for Vocational Instructional TV programs and productions for fisheries

-284,500 for vocational Instructional TV programs and productions for agriculture -

-215,500 for Vocational Instructional TV programs and productions for forest and lands management

(3) New Section - the sum of 1,756,000 is appropriated from the general fund to the University of Alaska for

(1) grants to local University of Alaska units for equipment purchase and local or regional productions;

(2) local, regional and statewide priorities of distance

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(2) local, regional and statewide priorities of distance delivered curriculum development; and

(3) statewide production support of instructional television

(4) New Section - the sum of 1,482,386 is appropriated from the general fund to the University of Alaska for

(1) purchase and installation of a 2-way cable distribution system for instructional television on the campuses of Anchorage, Fairbanks, and Juneau; and

(2) the purchase and installation of a monitor system for instructional television in Juneau and Fairbanks;

SUPPORT FOR INSTRUCTIONAL TELEVISION PROGRAM PRODUCTION & PROJECTS
FY 1981

GRANTS. HCSSB 165 (1980) provided \$850.0 to the Department of Education for grants to local education agencies to support instructional television activities. DOE issued Requests for Proposals in six categories and received a total of 43 proposals from 21 school districts. In December, the following 12 project grants were awarded: Balance of funds in 2nd RFP now issued, proposals due 3/6/81. Grants awarded to date are:

STUDENT VIDEO PRODUCTION:

Fairbanks North Star Borough Schools, Taylor Elementary, for productions by students in Gifted & Talented Program.

Craig City Schools, for a one semester video production course in high school.

Unalaska City Schools, to extend the "Cuttlefish" journalism class to include video production skills.

Bering Straits Schools, for a combined bilingual/TV production class for programming on Siberian Yupik culture.

TEACHER EDUCATION & INSERVICE:

Kodiak Island Borough Schools, for credit courses in film analysis and critical TV viewing skills, and non-credit teacher workshop.

EQUIPMENT PURCHASE:

Craig City Schools to install a 3-channel closed circuit cable TV system in elementary and high school.

Northwest Arctic Schools to provide ITV equipment to all district schools.

Yakutat City schools for ITV viewing and off-air recording of ITV.

CRITICAL TV VIEWING SKILLS MODEL CURRICULUM:

Anchorage School District to test critical TV viewing skills materials with 60 seventh graders, and inservice all 7th grade language arts teachers.

BICULTURAL PROGRAM PRODUCTION:

Lower Kuskokwim Schools for production of bilingual ITV programming on Yupik winter subsistence skills with 4 participating villages.

OPEN (Local Priority Projects):

Northwest Arctic Schools for purchase of broadcast rights to films, and production of programs to introduce Inupiaq heritage curriculum to district schools and residents.

Juneau School district for ITV programs on problem-solving skills related to alcohol and its abuse in Alaska, in cooperation with UA Center for Educational Rehabilitation Studies.

NORTHWEST ARCTIC SCHOOLS received additional grant award of \$150,000 for

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NORTHWEST ARCTIC SCHOOLS received additional grant award of \$150,000 for development as a pilot ITV region & completion of Kotzebue studio.

ITV COURSE PRODUCTION. Operating funds provided by the DOE and UA in HCSSB 165 have permitted the instructional design and some initial production of instructional television programs and print materials on Alaska studies topics:

Department of Education

- 1) US!, a 16-program series on Alaska for elementary students.
- 2) Four programs in a series on Alaska children in different regions of the state, to illustrate differing life styles.
- 3) Pilot program and series design in Alaska geography, elementary level.
- 4) Pilot program and series design in Alaska jobs/careers, junior high.
- 5) Design for Alaska history secondary series.
- 6) Design for Alaska economics secondary series.

University of Alaska

Instructional design and development has begun for four multi-media courses:

- 1) Basic Business Skills; 2) ANCSA; 3) Fisheries; and 4) Natural Resource Management.

PROPOSED SUPPORT FOR ITV PROGRAM PRODUCTION AND LOCAL GRANTS

FY 1982

DEPARTMENT OF EDUCATION 750.0

- 1) Grants to LEA's for equipment purchase
and local or student productions..... 500.0
- 2) Secondary ITV program productions 250.0

UNIVERSITY OF ALASKA 750.0

- 1) Grants to local UA units for telecommuni-
cations equipment purchase and local/
regional productions 250.0
- 2) Statewide distance-delivered curriculum
development:
 - a) Local UA unit priorities 250.0
 - b) Statewide UA curriculum priorities 250.0





Official Business

Alaska State Legislature

House of Representatives

Pouch V
State Capitol
Juneau, Alaska 99811

April 1, 1981

TO: Rep. Sam Cotton

FROM: Rep. Ernie Haugen *E.H.*

RE: A Committee Substitute for SSHB 138 in House Finance

Listed below are proposed amendments which will provide television services to these communities. The additional cost will be \$15,000 per location.

Page 2, line 4:

After "Aleknagik," insert "Angoon"

Page 2, line 4:

After "Iliamna," insert "Kake"

Page 2, line 4:

After "Pelican," insert "Petersburg"

Page 2, line 4:

After "Tooksook Bay," insert "Wrangell"

Attachment #4

442

4/6/81

A M E N D M E N T

Offered in the HOUSE

By Adams

TO: Sponsor Substitute for House Bill No. 138

Page 1, line 10:

Delete "\$7,055,850" and insert "\$7,501,850"

Page 1, line 13:

Delete "\$3,160,000" and insert "\$3,476,000"

Page 1, line 19:

Delete "Naknek, Napaskiak, Newhalen, Pitkas Point,"

Page 1, line 20:

After "Metlakatla," insert "Meyers Chuck,"

Page 1, line 20:

After "Port Moller," insert "Port Protection,"

Page 1, line 20:

After "Moose Pass," insert "Naknek, Napaskiak, Newhalen, Paxson,
Pitkas Point,"

Page 1, line 21:

After "Sheldon Point," insert "Talkeetna,"

Page 1, line 26:

Delete "\$742,000" and insert "\$768,500"

Page 2, line 3:

After "Point Baker," insert "Port Alexander,"

Page 2, line 14:

Delete "Atkasuk" and insert "Atkasook"

Page 2, line 20:

Delete "Atkasuk" and insert "Atkasook"

Page 2, line 26:

Delete "\$1,027,000" and insert "\$855,000"

Page 2, line 29:

Delete "Corner Bay"

Page 3, line 1:

After "Freshwater Bay," insert "Hobart Bay,"

Page 3, line 1:

Delete "Big Naukati,"

Page 3, line 2:

Delete "Tuxekan Bay,"

Page 3, following line 3:

Insert new paragraph to read:

"(11) \$275,500 to purchase and install replacement equipment for the public television distribution system in the Lower Yukon-Kuskokwim Region."

Change funding information accordingly.

Unalakleet Telecommunications

Unalakleet Installation	\$ 48,305
Yearly Lease	<u>87,756</u>

1. Unalakleet Earth Station \$136,061 line item appropriation total

2. Unalakleet Radio Station Building
 \$300,000 line item appropriation total

The Unalakleet Earth Station installation will cost \$48,305 and the yearly lease will total \$87,756.

The radio station building will cost \$300,000 and will include uplink with the satellite, building construction, and equipment.

Adams

Telecommunications Alternatives

I. Instructional Television (ITV)

Current System: Mailed video tapes plus a T.V. channel shared with the Television Demonstration Project (TVDP). (ITV gets 4 hours in the morning, each week day).

New System (Coming on line in Summer 1981): Mailed video tapes, dedicated ITV channel, plus lots of extras.

According to an analysis of the costs of tape versus television distribution (submitted to the legislature by the Office of the Governor, Office of Telecommunications in 1977) 3500 tapes per year are necessary for each hour of programming in order to serve 160 sites. This volume would put a considerable burden on the bush mail service. The analysis also showed that while the costs of television distribution drops sharply with the number of hours of programming, the cost of tape distribution diminishes only slightly. Television distribution for 160 sites became cheaper than tape distribution at two hours of programming a day. Although most of the costs have gone up since 1977, the "trends and bread-even points..." established in the report are still reasonably accurate," according to Ted McIntire, a planner at DOT/PF, telecommunications unit.

ITV is a more reliable service than mailed tape service. It allows real time and live broadcasts. Combined with the audio-conferencing network, this allows participation in classes from remote locations. ITV allows interested persons to learn at home. Such services as "local off-air taping," "on demand scheduling," and "automatic off-air recording," allows broadcasts to be taped for later showing and, thus allows educators to have input on scheduling and programming on a regional basis.

Funding under HCSSB 165 (1980) was adequate to provide ITV for 124 communities (both urban and rural). SSHB 138 would add 110 communities, bringing the total to 234. SSHB 138 would also provide an entertainment station (TVDP) to all of these communities which do not have this or a commercial station.

Following the Governor's line item vetos, HCSSB 165 appropriated \$7,500,000 for ITV, plus program production costs, audioconferencing, computer system expansion, and support services. SSHB 138 (without amendments) would add \$8,063,850 for ITV, and entertainment TV. This brings the entire expenditure to

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Current System: Mailed video tapes plus a T.V. channel shared with the Television Demonstration Project (TVDP). (ITV gets 4 hours in the morning, each week day).

New System (Coming on line in Summer 1981): Mailed video tapes, dedicated ITV channel, plus lots of extras.

According to an analysis of the costs of tape versus television distribution (submitted to the legislature by the Office of the Governor, Office of Telecommunications in 1977) 3500 tapes per year are necessary for each hour of programming in order to serve 160 sites. This volume would put a considerable burden on the bush mail service. The analysis also showed that while the costs of television distribution drops sharply with the number of hours of programming, the cost of tape distribution diminishes only slightly. Television distribution for 160 sites became cheaper than tape distribution at two hours of programming a day. Although most of the costs have gone up since 1977, the "trends and bread-even points..." established in the report are still reasonably accurate," according to Ted McIntire, a planner at DOT/PF, telecommunications unit.

ITV is a more reliable service than mailed tape service. It allows real time and live broadcasts. Combined with the audio-conferencing network, this allows participation in classes from remote locations. ITV allows interested persons to learn at home. Such services as "local off-air taping," "on demand scheduling," and "automatic off-air recording," allows broadcasts to be taped for later showing and, thus allows educators to have input on scheduling and programming on a regional basis.

Funding under HCSSB 165 (1980) was adequate to provide ITV for 124 communities (both urban and rural). SSHB 138 would add 110 communities, bringing the total to 234. SSHB 138 would also provide an entertainment station (TVDP) to all of these communities which do not have this or a commercial station.

Following the Governor's line item vetos, HCSSB 165 appropriated \$7,500,000 for ITV, plus program production costs, audioconferencing, computer system expansion, and support services. SSHB 138 (without amendments) would add \$8,063,850 for ITV, and entertainment T.V. This brings the entire expenditure to \$15,563,850 for the two years. According to the feasibility study for ITV (produced for the Legislative Council, February 1980), a total of 285 communities fit the criteria of having at least 25 residents and a public school. Hence, to complete this system, about 50 communities would need to be added.