

SCOMM

#9:198

VII Permanent Fund Questionnaire

The Permanent Fund belongs to you. What are your suggestions for use of the money? Would you please take the time to share your ideas with us by indicating your preferences for permanent fund investment proposals. For each proposal, please answer the following questions. Feel free to suggest as many proposals as you think we should consider.

1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

The Money should be invested in Govt. Insured, interest bearing paper that will have a guaranteed No loss income. This income should then be a tax credit on for-tax Share for all Alaska residents tax payers

2. What objectives are achieved by your proposal?

Very little fund Maintenance Cost — No loss of principal via No risk. Net return greatest because of little Maintenance Cost. Direct Cash benefits every Alaskan Resident + Would likely be all spent in the local economy

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

Avoid loss of principal, Avoid high cost of Govt. Administration, Avoid potential political graft, Avoids a limited few receiving all the benefits. Avoids political pork barreling

4. What may limit the effectiveness of this proposal?

Short Sighted, Narrow Minded, Tunnel Visioned individuals who see the funds as a means of political & economic bargaining for personal gain.

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

every resident of Alaska. Why should certain groups have to benefit only?

6. What groups are likely to oppose this proposal?

Politicians, Bankers, Unions, Real Estate Speculators

7. What are your suggestions for management of the Permanent Fund?

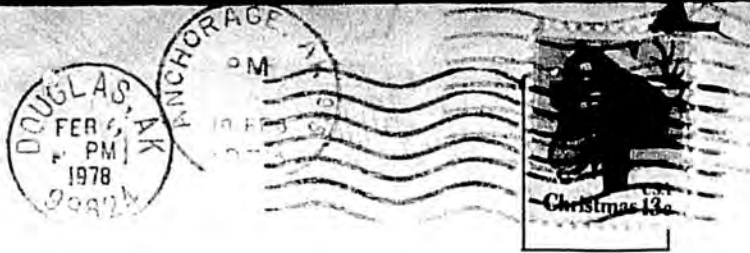
It could be managed by a few competent administrators w/ financial background probably in a small Division within the Dept. of Revenue



Note: If you would like to receive further information on the progress of this committee, please check here and correct the address if necessary.

fold so that our address is on the outside, and mail it to us.

Jon. Norvell
Box 1751
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Alaska State Legislature

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~~REP. JOE HAYES~~
Rep. Joe Hayes

House of Representatives

February 16, 1978

Mr. Jon Norvell
Box 1751
Juneau, Alaska 99802

Dear Jon:

Thank you for your comments on the Alaska Permanent Fund. We are just completing public hearings on the bills before this Committee and are working to get them on the floor of the House.

Enclosed are copies of House Bills 595, 596 and 682 that this Committee drafted after weighing the results of the questionnaire, testimony at the public hearings we held this summer and fall and input from our financial advisors. These bills incorporate some exciting ideas and I hope you will take time to read them. I might call your attention to HB 596, Sections 37.13.040 (p.7, line 5) and 37.13.130 (p. 9, line 20) which incorporate some of your suggestions.

Again thank you for your comments and please don't hesitate to make your views known again.

Cordially,

Representative Clark Gruening

Enclosures

M E M O R A N D U M

To: Mike Doogan, A.A.
House Permanent Fund Committee

From: Kathy Brown *KB*
House Finance Committee

Date: November 18, 1977

Subject: Permanent Fund Questionnaire

Attached to this memo, you will find the results of the House Permanent Fund Survey. We received twenty-nine responses and, as you will see, they defy categorization. There appear to be as many different responses as there were questionnaires.

Since there were so few, I've simply listed the responses to each question. The order of the responses listed is consistent throughout the report to provide continuity in following "the plan" proposed in each questionnaire.

1. WHAT INVESTMENT PROPOSAL DO YOU SUGGEST AND HOW IS IT INCOME PRODUCING FOR THE PERMANENT FUND?

- * Real estate and business loans within Alaska. Financing for municipal improvements.
- * That the Fund be split, and the majority of it be used for research into other nonrenewable resources, and what's left be invested in the development of renewable resources such as fisheries, logging, etc. The profits of the discoveries would be placed directly back in the Permanent Fund.
- * Was impressed by the possibilities/ alternatives suggested in the booklet "The Role of the Permanent Fund in Alaska's Future." My top priority would be loans or bond guarantees for municipalities for capital improvements.
- * 60% - 75% to finance hydroelectric power (i.e. Wantana and Devil's Canyon) and promote agriculture in Susitna, Tanana and Yukon Valleys - Rest of fund in high-yield, low-risk, "money market" investments.
- * A broadly diversified investment program with up to 20% in small technological development firms -- particularly in the fields of energy, communications, aero-space and agriculture.
- * Funds should be banked to produce interest.
- * The Permanent Fund and its income should reflect flexibility both in how it is invested and how it is spent. Perhaps a percentage should be invested outside, but I would see Alaskans getting any advantage in the choice. Increased "in Alaska" activity producing something better than subdivisions - like encouraging agriculture where feasible. Training and education for meaningful employment in appropriate ways, development of renewable resources.
- * Diversified investments - i.e. 50% invested in securities (preferably in-state), 25% utilized for loans to develop renewable resources such as fisheries programs and agricultural programs, and 25% directly benefiting Alaskans for small business and home loans. Income earned by Permanent Fund investments should be designated by law as funding for community development projects.
- * Innovative investment to stimulate and develop agriculture - growing of crops and freezing and canning of same to feed Alaskans.
- * Principle: Solid, very low-risk bonds, securities, etc.
Interest: Investment within the state, loans, etc.
- * U.S. Treasury notes.
- * Permanent Fund means permanent. Invest in blue chip, AAA, stocks and bonds.
- * Loan guarantee program for all types of loan transactions. Fees from transaction (perhaps interest overrides) would produce income.

- * Securities with highest return yet with least risk, keeping in mind inflation, deflation, liquidity, etc.
- * Stocks and bonds handled by New York, San Francisco, Chicago or European investment houses.
- * Balanced portfolio of stocks, professionally managed for high income.
- * None of the above. Return should be optimized through the best interest of our best renewable resource - people. Projects employing people, which are locally built and ultimately paid for should be encouraged.
- * Low to moderate interest loans of moderate amounts for enterprise development in rural Alaska. Invest surplus (if any) in bonds or other secure instruments.
- * Invest in hydroelectric or other power from renewable sources. Invest in moving the capital. When completed, they will all be a part of the Permanent Fund.
- * Provide loans to Native Corporations or Native Cooperatives to build fish processing plants, fishing vessels, beam trawlers, factory ships.
- * Alaska is a natural resources state and the Permanent Fund should be invested in things that will assure economic development of these resources over the long-term. The State should invest in a railroad to the interior and loans to individual prospectors.
- * 1. High-yield, low-risk securities.
2. Loans for small businesses, homes and to municipalities for capital improvements.
- * a.) Invest in blue chip or other secure stock outside of Alaska.
b.) Invest in renewable resource industries in Alaska.
- * Makes available 7 1/2 % loans to the timber industry, mining, fishing and chemical-petroleum industries.
- * Profitable development projects of all kinds which will benefit the Alaskan economy within Alaska.
- * Use up to 25% of the Permanent Fund to finance or assist federal financing of basic community facilities such as - community meeting and convention centers. Public piers, etc., at low interest. (6%)
- * Invest part or all monies within the State of Alaska for growth of Alaska.

- * I suggest a guideline for fund manager for a minimum:
 - 50% U.S. Government securities
 - 25% Alaska municipal bonds (with bonding limitations) and state bonds. Balance - blue chip and Alaska investments in resource development. Limit fund for agriculture development and exclude fish hatcheries.
- * Purchase bonds marketed by Alaska Power authority to build hydro- and geo-thermal electric generation facilities.

2. WHAT OBJECTIVES ARE ACHIEVED BY YOUR PROPOSAL?

- * Alternate source of financing for state residents.
- * With a discovery of more oil or other nonrenewable resources, it would provide more jobs for all Alaskans, not just the fishermen in Southeast Alaska. But not to exclude them, the other segment of the Fund could be used to support the fishing industry. Interest from the Fund could be available to all Alaskans as loans for any profit-making venture within reason. This being all Alaska's monies, it should be used as such, and not just to state subsidize fisheries.
- * Needed services provided, - facilities upgraded, expansion of community services. Example - hydroelectric project in Sitka.
- * Develop in areas of renewable resources for broader economic base - cheaper power in the future and less dependence on outside food sources. Rewards would be long-term.
- * Some of these companies might be brought to Alaska, providing some highly skilled jobs and taxes. The only things Alaska can export competitively are natural resources and brains. This would marry the two to some extent.
- * Fiscal responsibility.
- * People who live here can receive a bigger share of the efforts of the Government they help pay for. I don't like to see the long-term efforts of people go down for lack of interest and incentive by State government. These same businesses or industries could help when the oil supply diminishes.
- * Diversified investments maximize the income from at least half of the fund while still utilizing half for more direct benefits and opportunities to citizens and businessmen. The fund would be utilized to develop Alaskan economy and resources.
- * Jobs for Alaskans. (may even utilize prisoners) Wise use of resources - land, water. Less dependence on the lower '48 for food.
- * The Principle will never be touched and will be available for many generations; the interest will be a regular income to the State to encourage tax-producing industries and state growth.
- * Security of investment.
- * The Fund will be permanent. If it goes to loans, it will be lost. The earnings can they be used for more risky use.
- * Generate capital flow into Alaska from traditional institutions. Would create pyramid income effect as reserves could be invested to generate income. Provide capital for rural areas (outside Anchorage) where investors are difficult to find and needs greatest.

- * 1. Assurances that the Fund would be, in fact, permanent.
- 2. Availability of capital for investment guarantees, public and private, that meet rigorous investment criteria. E at least the normal market rate of return for either short or long-run considerations.
- * Protection of the Fund thereby assuring it is permanent.
- * Maximum low-risk income. Income to be applied to tax reduction on all income taxes -- goal is zero income tax.
- * Self-help, motivation and pride plus a turn over of \$'s (in-state) which are ultimately returned to the Fund.
- * 1) a. Promote gradual development in rural Alaska over a long period of time.
- b. Increase the tax base in Rural Alaska thereby reducing the tax burden on the rest of the State
- c. Will promote local government autonomy by increasing local self-sufficiency.
- d. Will diversify the economy both in terms of sources of income and geographic location.
- 2) a. Will maximize yeild on money not allocated to rural development compensation for the low yeild from rural development loans.
- * It will provide power for sale to homes, business and industrial users for many years after the gas and oil has been depleted. This will provide income so you could call it a part of the Permanent Fund.
- * Provide employment to Natives with emphasis on Alaskan control of fisheries out to the 200 mile limit. Do not loan money to fishing corporations with foreign capital in excess of 25%.
- * Perpetuation of mineral and energy exploration and assurance of an ecomonic outlet if anything is found; continued return to the State in form of taxes, rents, etc.
- * High earnings to provide money for loans which will benefit individual Alaskans.
- * a.) Maximizes income from Fund without stimulating undesirable growth within the state.
- b.) Favors establishment of stable economic base for future.
- * Ongoing high standard of living, coupled with full employment for the year-round residents of our state.
- * Reasonable rate of return on the loans but with low risk.
- * Finance for community development of public facilities necessary to develop recreation and travel industry.

- * Keeping our money working for Alaskans, develop our natural resources, mining, fishing, oil, gas and electrical powers.
- * 1. Fund security against the track record of the legislature "blowing" all current and future revenue.
2. Assistance to communities in securing funding without bonding commissions and at fair interest rates.
3. Avoid present panacea concept of fish hatcheries.
- * This is an investment in renewable resources as requested by majority of Alaskan Forum participants - the electric energy produced can be used to electrify Alaska Railroad and future mass transit systems as well as provide the type of cheap power that does not degrade the environment.

3. WHAT OBJECTIVES ARE AVOIDED BY THIS PROPOSAL?

- * Diversification to sources outside of Alaska would not be emphasized.
- * It avoids squandering of monies rightfully belonging to Alaskans, and "keeps it in the family." Unemployment rates would not increase, as jobs would be provided by the research and discovery of any non-renewable resources, and Alaska would flourish on the revenue of these.
- * Loans and bonding would be in areas of low interest and higher risk - less quick return on money.
- * None that are readily apparent.
- * Pork barrel projects. Small loans to private citizens. Special interest groups such as alcoholics.
- * We might not get all the "bucks" we could get. Quality of life is worth more than dollars in the bank. Anything we do to help people help themselves is useful.
- * May not immediately be profitable cash-wise.
- * No continual politics to face on principle; all the good expected from use of principal can be obtained by use of the interest but at a slower rate (and maybe with more forethought).
- * Waste and/or loss of funds resulting from legislative "pork barrelling."
- * The tax base and earnings from Fund will be adequate to fund the State's needs. More stimuli will be detrimental. Too much expansion does lower the unemployed figures.
- *
 1. Security of PF is provided for.
 2. Direct governmental competition with private sector.
 3. Excessive supply of money at the regional level.
- * Development of Alaska economy, giving politicians more "play money."
- * Frittering Fund away by uneconomic investments to achieve social, not economic objectives.
- * Not enough space.
- *
 - 1.)
 - a. No immediately realizable benefit to urban (majority) population.
 - b. Will not contribute to short-term development of Alaska, but will tie up potential short-term resources for long-term objectives.
 - 2.)
 - a. Sacrifices greater utilization of Permanent Fund dollars for immediate development purposes.

- * It will create employment. Then the employed people can pay for their homes and borrow money from the banks with good credit. It will prevent subsidizing a lot of projects that help to cause inflation.
- * The objective of this proposal is to avoid dominance of Alaskan fishery by foreign countries.
- * (None of significance.)
- * Little risk of big investment losses.
- * Does not directly affect Alaskan economy.
Does not maximize income to Fund.
- * Slow the growth of government, provide maximum employment, and orderly harvest of our resources.
- * None.
- * Source of income for the Permanent Fund would be less than provided for by pure commercial placement of investment.
- * Avoids the hazard of high risk actions by politicians, Arlon Tussing and fund managers. Avoids Alaska credit rating falling below New York City rating.
- * This proposal could satisfy those critics who are against too much development, because the excess energy could be sold outside by transferring it via microwave and satellite. This proposal is under consideration by Iceland - (selling their geothermal energy to another country.)

4. WHAT MAY LIMIT THE EFFECTIVENESS OF THIS PROPOSAL?

- * Might not have enough loan demand.
- * The intervention of environmentalists and those supporting non-growth.
- * The number of years needed to pay off loans.
- * Environment groups and federal government. Native Corporations and Administration (State Government) through land classification and short sightedness.
- * Objections that the high risk/high return investments in emerging technology firms are not in the best interest of the State -- witness previous outcry when the State lost a modest sum in the stock market.
- * Nothing.
- * Interests who think dollars are more important than people. Those who think they can get something for nothing. (There should be both incentives and responsibilities.)
- * Lack of imagination. One idea which should be considered is to use heat from the pipeline for greenhouses; establishment of a bakery near the wheat area large enough to ship Alaskan bread statewide.
- * Unless the federal government falters, there is nothing to limit the effectiveness of this proposal. Unless the boys dealing with the interest are politically motivated, nothing will stop the steady, consistent growth possible.
- * Cheap politicians whose primary goal is re-election.
- * The legislature!
- * A few large projects could tie up all necessary reserves. (Example - BIA program) Limitation such as inherent in federal SBA Program which limits usefulness. Lack of management which could cause inaction.
- * 1. Political pressure for non-revenue producing social goals and programs.
2. Public/political notions that the supply of money is inexhaustible.
- * Long-term international depression.
- * The portfolio must be well-managed and guidelines must be carefully set and monitored.
- * Politics.

- * 1. A lack of response or lack of opportunity to use such loans in rural Alaska.
- 2. Inflation and the accumulation of surplus income without adequate means of using the income as a hedge against inflation.
- * Running out of money from the non-renewable resources. All the rivers drying up.
- * The effectiveness of this proposal will be limited if the State Department continues to countenance heavy Japanese participation in fishing off Alaskan shores.
- * If no mineral resources are found.
- * Bad investments and poor re-pay on loans.
- * a.) None foreseen.
- b.) Availability of safe investments in renewable resource industries.
- * Preservationists, bureaucrats and fools.
- * Lack of good, independant feasibility studies. And too much red tape to obtain financing.
- * Do the projects half-way and/or lack of follow through of state-wide travel marketing.
- * Selfish politicians.
- * Unavailability of good municipal bonds and good Alaska investments.
- * The only limit to this proposal would be how much money and how many projects of this type we would be willing to finance.

5. WHICH GROUPS WOULD BENEFIT FROM THIS PROPOSAL?

- * Hopefully residents and fund itself.
- * All Alaskans.
- * Alaskans - public would benefit.
- * All Alaskans in interior and south central.
- * Stock brokers and presumably the taxpayers.
- * All Alaskans.
- * The people in Alaska who have and are working to make the State a better place in which to live - financiers as well as the fishermen and the farmer and the businessman.
- * Broad range of Alaskans could benefit from home loans as well as indirectly benefiting by the community improvements which would be financed by investment income.
- * All Alaskans who eat.
- * Principle: banks might be a place for some investment and let the private sector take the risk in providing loans (so many benefit -- but interest rate should be lower since there would be an excess of money on the market).
- * All Alaskans.
- * All Alaskans indirectly, - Directly brokers.
- * Business community, municipalities, financial institutions, labor, etc.
- * 1. In the long-run, all.
2. In the short-run, those who have the expertise and other capabilities to offer projects and proposals that meet the investment criteria - (rates of return, etc.) Managers and professionals.
- * Alaskan people, financial houses.
- * Whole population, particularly taxpayers.
- * Communities.
- * 1. a.) Fishermen, small time loggers, individual farmers, small entrepreneurs, local governments, transportation enterprises initially.
b.) Eventually -- majority of Alaska's population through the spin-off effects of balanced development through the State.

2. a.) Possibly individual taxpayers even initially if surplus income available for direct or indirect tax relief.

- * All the people. Note the western states. Washington and Oregon. are very dependent on hydroelectric power.
- * The Natives would benefit most. They are effectively frozen out of the off-shore fishing and remain as a result the largest group of Alaskans living below the poverty level.
- * All Americans.
- * Financiers, investors and individual Alaskans.
- * a.) Financiers and brokers outside of Alaska and all Alaskans.
b.) Those involved or proximal to renewable resources and all Alaskans.
- * All of the working class people.
- * All of Alaska.
- * General business community in each area where facilities are developed and labor because of the high degree of labor requirements in the service business involved in travel.
- * All Alaskans.
- * The future citizens after the exploitation of non-renewable resources. Current communities bonding problems and costs.
- * An investment in these types of energy would benefit all Alaskans. Not only would the Permanent Fund realize a return on the bonds purchased from the Alaska Power Authority, but the selling of excess energy would bring income into the State treasury. Also -- construction of these projects would cut unemployment as well as generate matching fund money from the federal government.

6. WHAT GROUPS ARE LIKELY TO OPPOSE THIS PROPOSAL?

- * Banks and other commercial lending institutions.
- * Sierra Club, Friends of the Earth and other assorted posy-sniffers.
- * Environmental, banking, economists, some legislators and the Alaskans who want a handout in reduced taxes or money.
- * Ultraconservatives and ultraliberals.
- * Unions, Do-gooders
Politicians
People who do not intend to live here permanently
- * Financiers - money people. People whose projects or ideas were rejected. Those who feel that outright grants should be given, rather than as investment activity.
- * Proponents of maximum yeild on 100% of fund investment.
- * Can't think of any. Even proponents of no-growth should be sympathetic.
- * Those that see the state getting involved more and more in the direct development of the state's businesses; those that would squander the income (principle) as was done with the 900 million.
- * Each greedy group, be it local government, educators, bush communities, native corporations, large and small businesses, etc., who can't get their hand in the cookie jar.
- * Most groups. They will want cheap home loans, social distribution, etc.
- * Conservationists, protectionists and anti-development groups.
- *
 1. Primary research organizations
 2. Those associated with non or low-revenue producing sectors or organizations.
 3. Those associated with churches, charities and labor groups.
- * Chamber of Commerce, elected officials.
- * People who want to expand funding of "social services" in the state.
- * Self-interest money groups.
- *
 1. a.) Large business enterprises
b.) Urban populations which may be more concerned about short-term benefits.
 2. a.) Large business enterprises who want more immediate use of fund income and principle for subsidy purposes.

- * Oil companies and environmentalists. Also stock brokers.
- * Japanese, Canadian and out of state fishermen.
- * Groups advocating preservation of all lands. .
- * Resource speculators and developers.
- * a.) Alaskan financiers, brokers and businessmen.
b.) Those involved in nonrenewable resource industries.
- * Alaska Conservation Society, Friends of the Earth, Sierra Club, and any other group that wants a high standard of living, but are not realistic enough to be willing to pay for it.
- * Anti-developers, preservationists, environmentalists.
- * Environmentalists.
- * Legislators with their pork barrel projects. Arlon Tussing and other economists. Bonding houses.
- * This proposal would be opposed by private power people.

7. WHAT ARE YOUR SUGGESTIONS FOR MANAGEMENT OF THE PERMANENT FUND?

- * Emphasis on Alaska loans - provision for disaster loans (comparable to SBA disaster loan programs).
- * To use as little of the principle as possible, and utilize the interest in the way most beneficial for the betterment of all Alaskans.
- * Board of 7 with 2 appointed by Legislature, 2 appointed by Governor, and three elected (one every two years) for a 6 year term - the appointees to be reviewed every 2 years.
- * Establish a trust fund with say five trustees -- two named by the Governor, two by the Legislature and one by the Supreme Court. They would retain the necessary financial managers and consultants needed to carry out the management mandate of the voters as determined by statewide referendum.
- * Use of the interest only for renewable resources - fishing, logging, etc., and large projects for the benefit of all Alaskans such as power dams, air strips, transportation, etc., also tax reduction.
- * Appointment by Governor, confirmed by Legislature. Should include a range of interests; have periodic (like six month) reports to Governor, Legislature, people; have periodic opportunities for input for possible changes in direction, etc., It might be wise for a percentage of either Fund or income to use two management schemes. Goals should be widely known and how well those goals were reached should be the main criteria to how well the management scheme performed its task.
- * Policy board and investment committee should include representation from the public at large not just bankers, etc., and have available to them expertise from other than board members. Members should be confirmed by the legislature to avoid partisan appointments and legislation should provide for required reports to the public the legislature, the Governor, etc., regarding all phases of the operation.
- * I suggest that the principle be invested in government bonds, secure stocks, etc., Only the low risk items should even be considered. It would be appropriate to buy as many of these low risk items as possible within the state -- the general idea being to get cash into the state banks for them to loan out. The state banks, with an excess of cash, would take the greater risks on loans to people and firms but the interest should be lower than usual since there would be an excess of cash. The interest on the principle would be utilized in all the ways this booklet suggested -- but the changes to Alaska would be slower and the state would be kept out of the market to a greater degree.

- * Permanent Fund Managers appointed by Governor and confirmed by legislature, for staggered, long-terms (such as Federal Reserve Board), legislature to appropriate funds for specified purposes (if investments other than U.S. treasury notes are deemed advisable), but for two year period, not for one year.
- * Professional with a charge that investments be considered on a long-term basis. Not like the last go around. Politicians must not be able to influence the investment decisions because of pressure from people because there is a temporary downward adjustment in the market.
- * Greater use of citizens and business community rather than professional lobbyist, consultants and out of state experts.
- * 1. Hire a Board consisting of at least one member from
 - a.) each basic resource/industry sector.
 - b.) the national, international and regional financial community.
- 2. Have "the board" establish rate of return
- 3. Let State and local government be involved strictly as advisors to the board.
- * Should be done by one or several international finance houses.
- * Legislature should determine, but it should be professionally, not politically accomplished.
- * Board of Directors _____ establishes priorities and sets policy

|
 Manager _____ Implements
 | Policy & goals Board members should be elected
 | based on population ratio.
 Support
- * 1. The management should be under the control of a Commission of not less than five or more than seven people.
- 2. The Commission should be appointed by the Governor for a period of six years with consent of the legislature and provision for overlapping terms.
- 3. The Commission should select it's own Executive Director and hire its own staff.
- 4. Membership should include at least two (of five total) consumers or consumer advocates -- perhaps similar to the APUC.
- * Find and use good examples of management from other States. That is if you can find any good ones. Do not start a permanent bureaucracy.
- * Should be managed by a board of nine persons, each elected for a three year term; terms not to overlap; voters to elect a chairman, vice-chairman, and members; candidates to release their complete record of qualifications to voters. Management should NOT be by the Administration or the Legislature. Members should not be appointed.

- * Advisory committee appointed by the Governor, approved by the Senate, coming from all areas and fields of interest (bankers, social workers, housewives, businessmen, etc), serving for no more than one term of four years.
- * An appointed committee with staggered terms representing a broad diversity of public interests. (i.e. business people, environmentalists, educators, bush residents, subsistence live-ers, etc.)
- * 100% of the income from non-renewable resources be deposited in the fund and only the interest from the time deposits be used as outlined above.
- * An apolitical board of directors appointed by the Governor and confirmed by the Legislature. Permanent position not subject to changes in Administration or Legislature. Board to have financial legal, management, economists, etc. - non-political.
- * Get it out from the hands of politicians.
- * 1. Allow legislature annually to determine use of income from Permanent Fund.
- 2. Prepare legal guidelines for manager and allow him freedom within those guidelines.
- * 1. Establish our own bank, as has been done so successfully in North Dakota.
 - a.) Invest money by purchasing Alaskan municipal state bonds.
 - b.) By handling our own money we would not have to pay large commissions to the commercial banks for this service. A projection should be made as to how much it will cost the State for commercial bank services.
 - c.) Less chance for private banks to direct these state funds into (in-house) loans.
 - d.) Alaskan municipal and State bonds purchased by the Permanent Fund could be used for low-cost housing, day care centers and nursing homes. Certainly our Alaskan Citizens qualify first in importance as a renewable resource.
- 2. Members of the Board handling fund shall serve not longer than four years with staggered terms and not to be served consecutively.
- 3. The Managers and board members of Permanent Fund and their relatives shall not have a financial interest in any loans made or bank handling fund money.
- 4. The managers and board members of Permanent Fund shall not own stock in or be paid by an Alaskan Bank, Savings and Loan, Finance Company or Credit Union.
- 5. The Manager of the Permanent Fund shall agree not to take a job with any state financial institution for five years after leaving the position of Manager.
- 6. The Permanent Fund should be audited at regular intervals by a national auditing firm on a bid basis with report to the Legislature.
- 7. The Permanent Fund meetings shall be open to the public as much as possible and services purchased by the Permanent Fund shall be on a bid basis. Managers and trustees shall not have a business interest in any corporation providing services to PF.

VII Permanent Fund Questionnaire

The Permanent Fund belongs to you. What are your suggestions for use of the money? Would you please take the time to share your ideas with us by indicating your preferences for permanent fund investment proposals. For each proposal, please answer the following questions. Feel free to suggest as many proposals as you think we should consider.

1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

I suggest to consider a few funds for a minimum
50% U.S. Govt Securities
25% - Alaska municipal bonds (or something similar) + State Bonds
Balance - Some area of Alaska - something like the Pipeline Dev.
Limit fund for Agriculture & exclude
F.S.D. & other similar

2. What objectives are achieved by your proposal?

1. Funds would be spread over a wide range of investments
2. Funds would be spread over a wide range of investments
3. Funds would be spread over a wide range of investments

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

1. Funds would be spread over a wide range of investments
2. Funds would be spread over a wide range of investments
3. Funds would be spread over a wide range of investments

4. What may limit the effectiveness of this proposal?

1. Funds would be spread over a wide range of investments
2. Funds would be spread over a wide range of investments
3. Funds would be spread over a wide range of investments

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

1. Funds would be spread over a wide range of investments
2. Funds would be spread over a wide range of investments
3. Funds would be spread over a wide range of investments

6. What groups are likely to oppose this proposal?

1. Funds would be spread over a wide range of investments
2. Funds would be spread over a wide range of investments
3. Funds would be spread over a wide range of investments

7. What are your suggestions for management of the Permanent Fund?

1. Funds would be spread over a wide range of investments
2. Funds would be spread over a wide range of investments
3. Funds would be spread over a wide range of investments

1977

Special Committee on the Alaska Permanent Fund
528 West Fifth Avenue, Suite 270
Anchorage, Alaska, 99501

FIRST CLASS MAIL

Urban C. Nelson
Box 202, Route 1
Juneau, AK 99801



II Permanent Fund Questionnaire

The Permanent Fund belongs to you. What are your suggestions for use of the money? Would you please take the time to share your ideas with us by indicating your preferences for permanent fund investment proposals. For each proposal, please answer the following questions. Feel free to suggest as many proposals as you think we should consider.

1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

Purchase bonds issued by Alaska Power Authority
for a Hydro and Geo-Thermal Electric generation facilities

2. What objectives are achieved by your proposal?

This is an investment in the state's future
and will provide a steady stream of income
to the state's treasury.

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

There are no objectives avoided by this proposal.
The investment is in the state's future and will provide a steady stream of income to the state's treasury.

4. What may limit the effectiveness of this proposal?

The only limit to the effectiveness of this proposal is the amount of money available for investment.
The investment is in the state's future and will provide a steady stream of income to the state's treasury.

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

The investment is in the state's future and will provide a steady stream of income to the state's treasury.
The investment is in the state's future and will provide a steady stream of income to the state's treasury.

6. What groups are likely to oppose this proposal?

There are no groups likely to oppose this proposal.
The investment is in the state's future and will provide a steady stream of income to the state's treasury.

7. What are your suggestions for management of the Permanent Fund?

See enclosed sheet
The investment is in the state's future and will provide a steady stream of income to the state's treasury.



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7. Establish our own bank, as has been done so successfully in North Dakota.

A. - Invest money by purchasing Alaskan Municipal + State bonds.

B. - By handling our own money we would not have to pay large commissions to the commercial banks for this service. A projection should be made as to how much it will cost the state for commercial banks services.

C. Less chance for private banks to divert these state funds into (in-house) loans.

d. Alaskan Municipal + State bonds purchased by the Permanent fund could be used for low cost housing, day care centers, nursing homes. Certainly our Alaskan Citizens qualify first in importance as a renewable resource.

2. Members of the board handling fund shall serve not longer than four years with staggered term + not to be served consecutively

3. The Managers + board members of Permanent fund and their relatives shall not have a financial interest in any loans made or bank handling fund money.

4. The managers + board members of Permanent fund shall not own stock in or be paid by an Alaskan Bank, Savings + Loan, Finance Company or Credit Union.

5. The manager of the Permanent Fund shall agree not to take a job with any state financial institution for five years after leaving the position of manager.

6. The Permanent Fund should be audited at regular intervals by a national auditing firm on a bid bases, with report to legislature.

7. Permanent fund meetings shall be open to the public as much as possible and services purchased by the Permanent Fund shall be on a bid basis.

Managers & trustees shall not have a business interest in any corporation providing services to the Permanent Fund

Hal Johnston

Address:

7927 Cranberry St.

Anchorage, AK. 99502



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FIRST CLASS MAIL

Hal Johnston
7927 Cranberry St.
Anchorage, Alaska 99502

VII Permanent Fund Questionnaire

The Permanent Fund belongs to you. What are your suggestions for use of the money? Would you please take the time to share your ideas with us by indicating your preferences for permanent fund investment proposals. For each proposal, please answer the following questions. Feel free to suggest as many proposals as you think we should consider.

1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

INVEST PART OR ALL MONIES WITHIN
THE STATE OF ALASKA, FOR GROWTH OF ALASKA

2. What objectives are achieved by your proposal?

KEEPING OUR MONEY WORKING FOR ALASKANS,
DEVELOPE OUR NATURAL RESOURCES, MINING
FINDING OIL, GAS & ELECTRICITY RESOURCES

3. What objectives are avoided by this proposal? [Example — ~~no~~ diversification of Alaska economy,
(does not affect unemployment, does not affect consumer loans)]

4. What may limit the effectiveness of this proposal?

SELFISH INTERESTS

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

ALL ALASKANS

6. What groups are likely to oppose this proposal?

ENVIRONMENTALISTS

7. What are your suggestions for management of the Permanent Fund?

GET IT OUT FROM THE HANDS OF
POLITICIANS

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Special Committee on the Alaska Permanent Fund
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FIRST CLASS MAIL

Permon Chavious
126 W. 11th *Ave.*
Anchorage, Alaska
99501



address is on the back

VII Permanent Fund Questionnaire

The Permanent Fund belongs to you. What are your suggestions for use of the money? Would you please take the time to share your ideas with us by indicating your preferences for permanent fund investment proposals. For each proposal, please answer the following questions. Feel free to suggest as many proposals as you think we should consider.

1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

USE UP TO 25% OF THE PERMANENT FUND TO
FINANCE OR ASSIST FEDERAL FINANCING OF BASIC COMMUNITY
FACILITIES SUCH AS — COMMUNITY MEETING AND
CONVENTION CENTERS, PUBLIC PIERS ETC AT LOW
INTEREST (6%)

2. What objectives are achieved by your proposal?

FINANCE FOR COMMUNITY DEVELOPMENT OF PUBLIC
FACILITIES NECESSARY TO DEVELOPE RECREATION
AND TRAVEL INDUSTRY

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

SOURCE OF INCOME FOR THE PERMANENT FUND
WOULD BE LESS THAN PROVIDED BY PURE
COMMERCIAL REPLACEMENT OF INVESTMENT.

4. What may limit the effectiveness of this proposal?

DO THE PROJECT HALF WAY AND/OR
LACK OF FOLLOW THROUGH OF STATE WIDE
TRAVEL MARKETING

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

GENERAL BUSINESS COMMUNITY IN EACH AREA
WHERE FACILITIES ARE DEVELOPED AND LABOR
BECAUSE OF THE HIGH DOLLAR OF LABOR REQUIREMENTS
IN THE SERVICE BUSINESS INVOLVED IN TRAVEL.

6. What groups are likely to oppose this proposal?

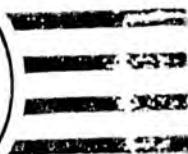
7. What are your suggestions for management of the Permanent Fund?

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FIRST CLASS MAIL

Frank Seymour
Cape Fox Corporation
Box 8558
Hydaburg, AK 99922
Hydaburg, AK 99922



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VII Permanent Fund Questionnaire

The Permanent Fund belongs to you. What are your suggestions for use of the money? Would you please take the time to share your ideas with us by indicating your preferences for permanent fund investment proposals. For each proposal, please answer the following questions. Feel free to suggest as many proposals as you think we should consider.

1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

Profitable development projects of all kinds which will
benefit the Alaskan economy within Alaska.

2. What objectives are achieved by your proposal?

Reasonable rate of return on the loans but with
low risk.

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

none

4. What may limit the effectiveness of this proposal?

Lack of good independent feasibility studies. And
too much red tape to obtain financing.

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

All of Alaska.

6. What groups are likely to oppose this proposal?

Anti developers, preservationists, environmentalists

7. What are your suggestions for management of the Permanent Fund?

An apolitical board of directors appointed by
the governor and confirmed by the legislature.
Permanent position not subject to changes in
administration or legislature. Board to have financial,
legal, management, economists etc — non-political.

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R. C. BACON
Box 220
Anchorage 99510

VII Permanent Fund Questionnaire

The Permanent Fund belongs to you. What are your suggestions for use of the money? Would you please take the time to share your ideas with us by indicating your preferences for permanent fund investment proposals. For each proposal, please answer the following questions. Feel free to suggest as many proposals as you think we should consider.

1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

Make available 7 1/2% ^{LOANS} to the timber industry, mining, fishing and chemical -
petroleum industries.

2. What objectives are achieved by your proposal?

Ongoing high standard of living, coupled with full employment for the
year-round residents of our state.

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

Slow the growth of government, provide maximum employment, and orderly harvest
of our resources.

4. What may limit the effectiveness of this proposal?

Preservationists, bureaucrats, and fools.

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

All of the working class people.

6. What groups are likely to oppose this proposal?

Alaska Conservation Society, Friends of the Earth, Sierra Club, and any other
group that wants a high standard of living, but are not realistic enough to be
willing to pay for it.

7. What are your suggestions for management of the Permanent Fund?

100% of the income from non-renewable resources be deposited in the fund and only
the interest from the time deposits be used as outlined above.

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Special Committee on the Alaska Permanent Fund
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VII Permanent Fund Questionnaire

The Permanent Fund belongs to you. What are your suggestions for use of the money? Would you please take the time to share your ideas with us by indicating your preferences for permanent fund investment proposals. For each proposal, please answer the following questions. Feel free to suggest as many proposals as you think we should consider.

1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

a) Invest in blue chip or other secure stock outside of Alaska.

b) Invest in renewable resource industries in Alaska.

2. What objectives are achieved by your proposal?

a) Maximizes income from Fund without stimulating undesirable growth within the state.

b) Favors establishment of stable economic base for future.

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

a) Does not directly affect Alaskan economy.

b) Does not maximize income to Fund.

4. What may limit the effectiveness of this proposal?

a) None foreseen.

b) Availability of safe investments in renewable resource industries.

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

a) Financiers and brokers outside of Alaska and all Alaskans.

b) Those involved or proximal to renewable resources and all Alaskans.

6. What groups are likely to oppose this proposal?

a) Alaskan financiers, brokers and businessmen.

b) Those involved in nonrenewable resource industries.

7. What are your suggestions for management of the Permanent Fund?

An appointed committee with staggered terms representing a broad diversity of public interests (i.e. business people, environmentalists, educators, bush residents, subsistence liveis, etc.)

Special Committee on the Alaska Permanent Fund
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FIRST CLASS MAIL

Dr. David Klein
Cooperative Wildlife Research
Unit, Univ. of Alaska
209 Irving Building
Fairbanks, AK 99701



VII Permanent Fund Questionnaire

The Permanent Fund belongs to you. What are your suggestions for use of the money? Would you please take the time to share your ideas with us by indicating your preferences for permanent fund investment proposals. For each proposal, please answer the following questions. Feel free to suggest as many proposals as you think we should consider.

1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

1. high yield, low risk securities
2. loans for small businesses, homes &
to municipalities for capital improvements

2. What objectives are achieved by your proposal?

1. high earnings to provide money
for loans which will benefit
individual Alaskans

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

little risk of big investment losses

4. What may limit the effectiveness of this proposal?

bad investments & poor re-pay
on loans

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

financiers, investors & individual
Alaskans

6. What groups are likely to oppose this proposal?

resource speculators & developers

7. What are your suggestions for management of the Permanent Fund?

Advisory committee appointed by
the Governor, approved by the
Senate, coming from all areas &
fields of interest (workers, social workers,
housewives, businessmen, etc.) serving
for no more than 1 term of 4 years.

☒ Note: If you would like to receive further information on the progress of this committee, please check here and correct the address if necessary.

10
2

Special Committee on the Alaska Permanent Fund
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Rae Ann Hickling
~~2805 West 32nd Avenue~~
~~Anchorage, AK 99503~~

P.O. Box 928
Anchorage, Ak. 99510



ST. RT, #20
Lucky Shot Lane
Palmer, Alaska
99645

VII Permanent Fund Questionnaire

8/31/77

The Permanent Fund belongs to you. What are your suggestions for use of the money? Would you please take the time to share your ideas with us by indicating your preferences for permanent fund investment proposals. For each proposal, please answer the following questions. Feel free to suggest as many proposals as you think we should consider.

1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

Alaska is a natural resource state and the Permanent Fund should be invested in things that will assure economic development of these resources over the long term. The State should invest in a Railroad to the interior and Loans to individual prospectors.

2. What objectives are achieved by your proposal?

perpetuation of mineral and energy exploration and
assurance of an economic outlet if anything is found
continued return to the State in form of taxes, rents, etc.

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

(none of significance)

4. What may limit the effectiveness of this proposal?

If no mineral resources are found

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

All Americans

6. What groups are likely to oppose this proposal?

~~But~~ Groups advocating preservation all lands.

7. What are your suggestions for management of the Permanent Fund?

Should be managed by a board of nine
persons, each elected for a 3 year term; terms not
to overlap; Voters to elect chairman, vice-chairman
and members; Candidates to release their complete record of
qualifications to voters. Management should NOT be
by the Administration or the Legislature. Members should not be appointed.

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Special Committee on the Alaska Permanent Fund
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FIRST CLASS MAIL

William Van Alan
Resident Manager
Placid Oil Company
425 G, Suite 800
Anchorage, AK 99501



VII Permanent Fund Questionnaire

The Permanent Fund belongs to you. What are your suggestions for use of the money? Would you please take the time to share your ideas with us by indicating your preferences for permanent fund investment proposals. For each proposal, please answer the following questions. Feel free to suggest as many proposals as you think we should consider.

1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

Provide loans to Native Corporations or Native Cooperatives
to build fish processing plants, Fishing vessels, beam trawlers, factory ships

2. What objectives are achieved by your proposal?

Provide employment to natives, with emphasis on Alaska
control of fisheries out to 200 mi. limit. Do not loan
money to fishing corporations with foreign capital involved.

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

The objective of this proposal is to avoid
dominance of Alaska fishing by foreign
countries.

4. What may limit the effectiveness of this proposal?

The effectiveness of this proposal will be limited
if the State Department continues to counterbalance
heavy Japanese participation in fishing off Alaska shores.

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

The poor would benefit most. They are
directly involved in the fishing industry and
remain one of the poorest groups of Alaskans living
below the poverty level.

6. What groups are likely to oppose this proposal?

Wholesalers, Commercial & Retail
fishermen.

7. What are your suggestions for management of the Permanent Fund?

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ANCHORAGE
-PM

W3

Special Committee on the Alaska Permanent Fund
528 West Fifth Avenue, Suite 270
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FIRST CLASS MAIL

L.H. & G.M. Johnston
7927 Cranberry Street
Anchorage, AK 99502



WASHINGTON'S DISCOVERY

The number of employees in a bureaucracy swells inevitably, irrespective of what amount of work, if any, is done.

So says Parkinson's Law.

The witty Englishman who propounded it now predicts that if government keeps expanding in Britain at its current rate, the entire working population will be on government's payroll by the year 2195.

Here in the United States, government employees are increasing even more sharply. Projecting this rate, all working Americans would be government employees by the year 2185.

Some people in Washington now pale at the prospect of any cutback in bureaucracy to reduce federal spending.

They should remember what our nation's first chief executive, George Washington, discovered:

"My observation is that whenever one person is found adequate to the discharge of a duty by close application thereto, it is worse executed by two persons, and scarcely done at all if three or more are employed therein."

Nation's Business

July 1968

MORE THAN 838,000 SUBSCRIBERS IN BUSINESS AND INDUSTRY

VII Permanent Fund Questionnaire

The Permanent Fund belongs to you. What are your suggestions for use of the money? Would you please take the time to share your ideas with us by indicating your preferences for permanent fund investment proposals. For each proposal, please answer the following questions. Feel free to suggest as many proposals as you think we should consider.

1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

Invest in Hydroelectric or other Power from renewable sources.

Invest in moving the Capital. When completed they will all be a part of the Permanent Fund.

2. What objectives are achieved by your proposal?

It will provide power for sale to homes, business and industrial users for many years after the gas and oil has been depleted. This will provide income so you could call it a part of the Permanent Fund.

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

It will create employment. Then the employed people can pay for their homes and borrow money from the banks with good credit.

It will prevent subsidizing a lot of projects that help to cause inflation.

4. What may limit the effectiveness of this proposal?

Running out of money from the non renewable resources.

All the rivers drying up.

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

All the people. Note the western States. Washington and Oregon are very dependant on Hydroelectric power.

6. What groups are likely to oppose this proposal?

Oil Companies and Environmentalists. Also Stock Brokers.

7. What are your suggestions for management of the Permanent Fund?

Find and use good examples of management from other States. That is if you can find any good ones. Do not start a permanent Bureaucracy.

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FIRST CLASS MAIL

August B. Sundstedt
P.O. Box 3716
Anchorage, Alaska
99501

VII Permanent Fund Questionnaire

The Permanent Fund belongs to you. What are your suggestions for use of the money? Would you please take the time to share your ideas with us by indicating your preferences for permanent fund investment proposals. For each proposal, please answer the following questions. Feel free to suggest as many proposals as you think we should consider.

1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

- 1) Low to Moderate Interest loans of moderate amount for enterprise development in rural Alaska
2) Invest surplus (if any) in bonds or other secure instruments

2. What objectives are achieved by your proposal?

- 1) Promote gradual development in rural Alaska over a long period of time
2) Increase the tax base in rural Alaska thereby reducing the tax burden on the rest of the state
3) Will promote local govt. autonomy and by increasing local self-sufficiency
4) Will diversify the economy both in terms of sources of income and geographic location
5) Increase rural employment & economic health
2a) Will maximize yield on money not allocated to rural development compensating for the low yield from rural development loans

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

1. a) No immediately realizable benefit to urban (majority) population
b) Will not contribute to the short term development of Alaska, but will tie-up potential short term resources for long term objectives

2. a) Sacrifices greater utilization of permanent fund dollars for emergency for immediate development purposes

4. What may limit the effectiveness of this proposal?

1. a) Lack of response or lack of opportunity to use such loans in rural Alaska
2a) Inflation and the accumulation of surplus income without adequate means of using the income as a hedge against inflation

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

1. a) Fishermen, small-time loggers, individual farmers, small business entrepreneurs, local govt. transportation enterprises — initially
b) Eventually — majority of Alaska's population through the spin-off effects of balanced development throughout the state
2a) Possibly individual taxpayers even initially if surplus income available for direct or indirect tax relief

6. What groups are likely to oppose this proposal?

1. a) Large business enterprises
b) Urban populations which may be more concerned about short-term benefits

2. Large business enterprises who want immediate use of fund income for and incentive for subsidy support.

7. What are your suggestions for management of the Permanent Fund?

1. The management should be under the control of a Commission of not less than 5 or more than 7 people.
2. The commission should be appointed by the governor for a period of 6 years with consent of the legislature with provision for overlapping terms
3. The commission should select its own executive director & hire its own staff
4. Membership should include at least 2 (of 5 total) and 3 (of 7 total) consumers or consumer advocates — perhaps similar to the AFAC.

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FIRST CLASS MAIL

David & Dorothy Case
2101 Forest Park Drive
Anchorage, AK 99503

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VII Permanent Fund Questionnaire

The Permanent Fund belongs to you. What are your suggestions for use of the money? Would you please take the time to share your ideas with us by indicating your preferences for permanent fund investment proposals. For each proposal, please answer the following questions. Feel free to suggest as many proposals as you think we should consider.

1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

NONE OF ABOVE. RETURN SHOULD BE OPTIMIZED THROUGH THE BEST INTEREST OF ~~THE~~ ^{OUR} BEST RENEWABLE RESOURCE — PEOPLE. PROJECTS EMPLOYING PEOPLE, WHICH ARE LOCALLY BUILT & ULTIMATELY PAID FOR SHOULD BE ENCOURAGED

2. What objectives are achieved by your proposal?

SELF HELP, MOTIVATION & PRIDE PLUS A TURN OVER OF \$'s (IN-STATE) WHICH ARE ULTIMATELY RETURNED TO THE FUND

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

NOT ENOUGH SPACE

4. What may limit the effectiveness of this proposal?

POLITICS

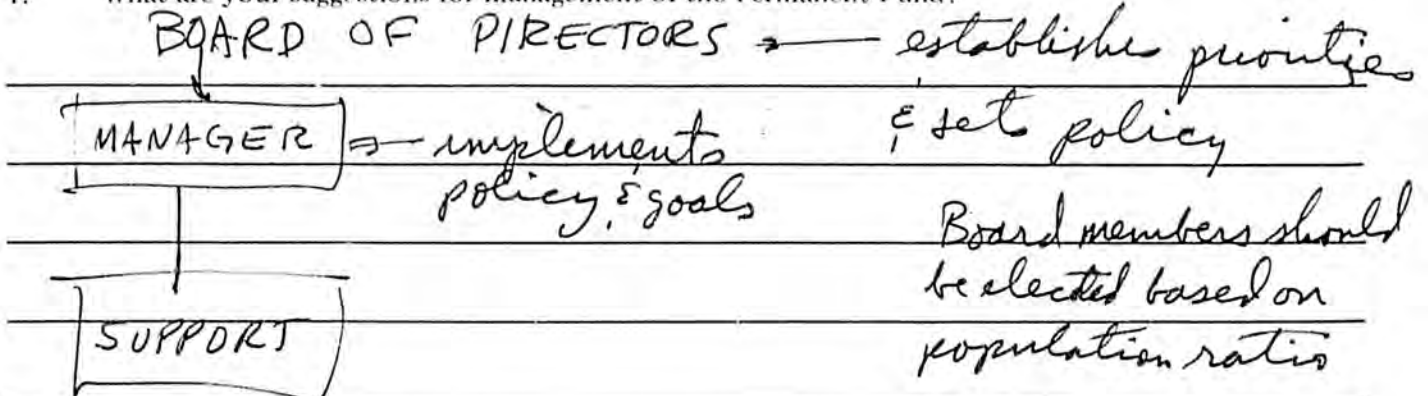
5. Which groups would benefit from this proposal? [Example — financiers, brokers]

COMMUNITIES

6. What groups are likely to oppose this proposal?

\$ SELF INTEREST MONEY GROUPS

7. What are your suggestions for management of the Permanent Fund?



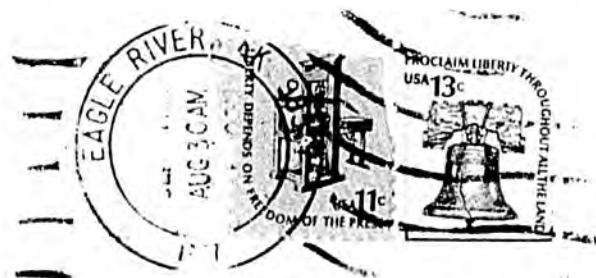
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COMPLIMENTS OF
REPRESENTATIVE RANDY
Phillips
HOUSE DISTRICT 8

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Nadine & Rodney Kinney
P.O. Box 1102
Eagle River, AK 99577



VII Permanent Fund Questionnaire

The Permanent Fund belongs to you. What are your suggestions for use of the money? Would you please take the time to share your ideas with us by indicating your preferences for permanent fund investment proposals. For each proposal, please answer the following questions. Feel free to suggest as many proposals as you think we should consider.

1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

Balanced portfolio of stocks, professionally managed for high income.

2. What objectives are achieved by your proposal?

Maximum low-risk income. Income to be applied to tax reduction on all income taxes -- goal is zero income tax.

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

Frittering fund away by uneconomic investments to achieve social, not economic, objectives.

4. What may limit the effectiveness of this proposal?

The portfolio must be well managed and guidelines must be carefully set and monitored.

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

Whole population, particularly taxpayers.

6. What groups are likely to oppose this proposal?

People who want to expand funding of "social services" in the state.

7. What are your suggestions for management of the Permanent Fund?

Legislature should determine, but it should be professionally, not politically, accomplished.

Special Committee on the Alaska Permanent Fund
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FIRST CLASS MAIL



John C. Bennett
Vice President
El Paso Alaska Company
Pouch 7009
Anchorage, AK 99510

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use of the money. We want to share your ideas with us by indicating your preferences for permanent fund investment proposals. For each proposal, please answer the following questions. Feel free to suggest as many proposals as you think we should consider.

1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

Stock & Bonds handled by
New York, San Francisco, Chicago or
European Investment House

2. What objectives are achieved by your proposal?

Protection of the Fund thereby
~~assuring~~ assuring it is permanent

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

development of Alaska Economy,
giving politicians more "play
money."

4. What may limit the effectiveness of this proposal?

Long term international depression

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

Alaskan people, Financial houses

6. What groups are likely to oppose this proposal?

Chamber of Commerce, elected
officials

7. What are your suggestions for management of the Permanent Fund?

Should be done by one or
several international Finance
houses

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Special Committee on the Alaska Permanent Fund
528 West Fifth Avenue, Suite 270
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Questionnaire

MICK BROGAN
ECONOMIST

KENAI PENINSULA BOROUGH
BOX 850 • SOLDOTNA, ALASKA 99669

What are your suggestions for use of the money? Would you please
indicate your preferences for permanent fund investment
in the following questions. Feel free to suggest as many proposals

as you suggest and how is it income-producing for the Permanent Fund?
[Preferred stocks]

Securities w/ highest return yet w/ least risk,
keeping in mind inflation, deflation, liquidity - etc.

2. What objectives are achieved by your proposal?

1. assurances that the fund would be, in fact, permanent
2. availability of capital for investment guarantees that meet
rigorous investment criteria, i.e., at least the normal market
rate of return - for both short and long run considerations.
3. What objectives are avoided by this proposal? [Example - no diversification of Alaska economy,
does not affect unemployment, does not affect consumer loans]

1. security of PF is provided for
2. direct governmental competition w/ private sector
3. excessive supply of money at the regional level

4. What may limit the effectiveness of this proposal?

1. Political pressure for non-revenue producing
social goals and programs
2. Public/political notions that the supply of money
is inexhaustible

5. Which groups would benefit from this proposal? [Example - financiers, brokers]

1. in the long run - all
2. in the short run, those who ^{have} the expertise and
other capabilities to offer projects and proposals that
meet the investment criteria (rates of return etc.) - managers; professionals

6. What groups are likely to oppose this proposal?

1. Primary research organizations
2. those associated w/ ^{or low} revenue producing ^{organizations} sectors or
3. those associated w/ churches, charities and labor groups

7. What are your suggestions for management of the Permanent Fund?

1. Establish ^{HAVE "the board"} rates of return
2. Have a board consisting
of at least ^{one member from} a) each basic resource/industry sector
b) the national, international and regional financial
community
3. Let state and local govt be involved
strictly as advisors to the board

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Michael Broad

PO # 1477

Soldotna, AK

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VII Permanent Fund Questionnaire

The Permanent Fund belongs to you. What are your suggestions for use of the money? Would you please take the time to share your ideas with us by indicating your preferences for permanent fund investment proposals. For each proposal, please answer the following questions. Feel free to suggest as many proposals as you think we should consider.

1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

Loan guarantee program for all types of loan transaction. Fees from
transaction (perhaps interest overrides) would produce income

2. What objectives are achieved by your proposal?

Generate capital flow into Alaska from traditional institutions. Would
create pyramid income effect as reserves could be invested to
generate income. Provide capital for rural areas (outside Anchorage)
where investors are difficult to find and needs greatest

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

4. What may limit the effectiveness of this proposal?

A few large project could tie up all necessary reserves
(example — BIA program) Limitation such as inherent in federal
SBIs program which limits usefulness. Lack of management
which would cause inaction.

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

Business community, municipalities, financial institutions,
labor, etc.

6. What groups are likely to oppose this proposal?

Conservationists, protectionists, anti development groups

7. What are your suggestions for management of the Permanent Fund?

Greater use of citizens and business community rather than
professional lobbyists, consultants, and out of State experts.

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Jan Sieberts, Asst. V. Pres.
Commercial Real Estate Dept.
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Anchorage, AK 99510



VII Permanent Fund Questionnaire

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[Example — invest in blue chip, preferred stocks]

Permanent Fund means permanent. Invest in blue chip, AAA stocks & bonds.

2. What objectives are achieved by your proposal?

The fund will be permanent. If it goes to loans, it will be lost. The earnings can they be used for more risky use

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

The tax base and earnings from fund will be adequate to fund the state's needs. More stimuli will be detrimental. ^{so much} Expansion does lower the ~~unemployed~~ figures.

4. What may limit the effectiveness of this proposal?

The legislators!

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

All Alaskans indirectly. Directly brokers

6. What groups are likely to oppose this proposal?

Most groups. They will want cheap homes loans social distribution, etc.

7. What are your suggestions for management of the Permanent Fund?

Professional with a charge that investments be considered on a long term basis. Not like the last go around. Politicians must not be able influence the investment decisions because of pressure from people because there is a temporary downward adjustment in the market.

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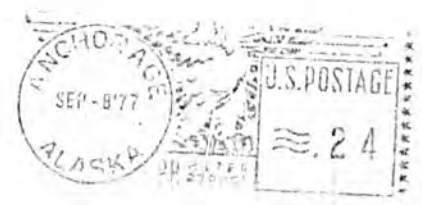
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Peoples Bank & Trust

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1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example -- invest in blue chip, preferred stocks]

U.S. TREASURY NOTES

2. What objectives are achieved by your proposal?

SECURITY OF INVESTMENT

3. What objectives are avoided by this proposal? [Example -- no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

WASTE AND/OR LOSS OF FUNDS
RESULTING FROM LEGISLATIVE "PORK-
BARRELING"

4. What may limit the effectiveness of this proposal?

CHEAP POLITICIANS WHOSE
PRIMARY GOAL IS RE-ELECTION

5. Which groups would benefit from this proposal? [Example -- financiers, brokers]

ALL ALASKANS

6. What groups are likely to oppose this proposal?

EACH GREEDY GROUP, BE IT LOCAL
GOVERNMENT, EDUCATORS, BUSH COMMUNITIES, NATIVE CORPORATIONS,
LARGE & SMALL BUSINESS'S ETC. WHO CAN'T GET THEIR HAND
IN THE COOKIE JAR.

7. What are your suggestions for management of the Permanent Fund?

PERMANENT FUND MANAGERS APPOINTED BY GOVERNOR
& CONFIRMED BY LEGISLATURE, FOR STAGGERED LONG
TERMS (SUCH AS FEDERAL RESERVE BOARD), LEGISLATURE
TO APPROPRIATE FUNDS FOR SPECIFIED PURPOSES (IF
INVESTMENTS OTHER THAN U.S. TREASURY NOTES ARE DEEMED
ADVISABLE), BUT FOR TWO YEAR PERIOD, NOT FOR ONE YEAR.

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VII Permanent Fund Questionnaire

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1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

Principle: solid, very low risk, bonds, securities, etc.

Interest: investment within the state, loans, etc.

2. What objectives are achieved by your proposal?

The principle will never be touched and will be available for

many generations; the interest will be a regular income to the

state to encourage tax-producing industries and state growth.

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

No continual politics to face on principle, all the good ex-

pected from use of principle can be obtained by use of the

interest--but at a slower rate (and maybe with more forethought).

4. What may limit the effectiveness of this proposal?

Unless the federal government falters, there is nothing to

limit the effectiveness of this proposal. Unless the boys

dealing with the interest are politically motivated, nothing will stop the steady, consistent growth possible.

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

Principle: banks might be a place for some investment and let

the private sector take the risk in providing loans (so many

benefit--but interest rate should be lower since there would be an excess of money on the market).

6. What groups are likely to oppose this proposal?

Those that see the state getting involved more and more in

the direct development of the state's businesses; those that

would squander the income (principle) as was done with the \$900 million.

7. What are your suggestions for management of the Permanent Fund?

I suggest that the principle be invested in government bonds, secure stocks, etc. Only the low risk items should even be considered. It would be appropriate to buy as many of these low risk items as possible within the state--the general idea being to get cash into the state banks for them to loan out. The state banks, with an excess of cash, would take the greater risks on loans to people and firms but the interest should be lower than usual since there would be an excess of cash.

The interest on the principle would be utilized in all the ways this booklet suggested--but the changes to Alaska would be slower and the state would be kept out of the market to a greater degree.

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Frank J. Gold, Ed.D
1221 Coppet
Fairbanks Alaska
99701

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VII Permanent Fund Questionnaire

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1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

INNOVATIVE INVESTMENT TO STIMULATE
AND DEVELOP AGRICULTURE - GROWING OF
CROPS AND FREEZING AND CANNING OF SAME
TO FEED ALASKANS

2. What objectives are achieved by your proposal?

JOB FOR ALASKANS (MAY EVEN UTILIZE PRISONERS)
WISE USE OF RESOURCES - LAND, WATER
LESS DEPENDENCE ON ALCOR 47 FOR FOOD

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

MAY NOT IMMEDIATELY BE PROFITABLE —
CASHWISE

4. What may limit the effectiveness of this proposal?

LACK OF IMAGINATION. LARGE IDEA WHICH
SHOULD BE CONSIDERED IS TO USE THE PIPE
THE PIPELINE FOR GREENHOUSES; ESTABLISHMENT
OF A BAKERY NEAR THE WHEAT AREA LARGE

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

ALL ALASKANS WHO EAT

6. What groups are likely to oppose this proposal?

CAN'T THINK OF ANY. A NEW PROPOSAL
OF NO-GROWTH SHOULD BE SYMPATHETIC.

7. What are your suggestions for management of the Permanent Fund?

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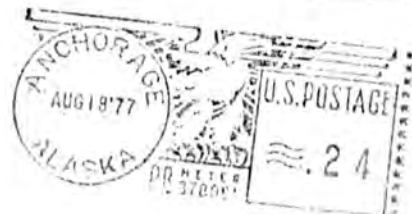
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ENOUGH TO SHIP ALASKAN SKEAD STATEW

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Jean Parsons
P.O. Box 3-414
Anchorage, AK 99501



VII Permanent Fund Questionnaire

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1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

Diversified investments - ie 50% invested in securities (preferably in state), 25% utilized for loans to develop renewable resources

~~such as fisheries programs and agricultural programs, and 25%~~
directly benefiting Alaskans for small business and home loans.

Income earned by permanent fund investments should be designated by law as funding for community development projects.

2. What objectives are achieved by your proposal?

Diversified investments maximize the income from at least half of the fund while still utilizing half for more direct benefits and opportunities to citizens and businessmen. The fund would be utilized to develop Alaskan economy and resources.

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

4. What may limit the effectiveness of this proposal?

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

Broad range of Alaskans could benefit from home loans as well as indirectly benefiting by the community improvements which would be financed by investment income.

6. What groups are likely to oppose this proposal?

Proponents of maximum yield on 100% of fund investment

7. What are your suggestions for management of the Permanent Fund?

Policy board and investment committee should include representation from the public at large not just bankers, etc. and have available to them expertise from other than board members. Members should be confirmed by the legislature to avoid partisan appointments and legislation should provide for required reports to the public, the legislature, the Governor, etc. regarding all phases of operation

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Pudge Kleinkauf
4201 McInnis
Anchorage, Alaska

99504

VII Permanent Fund Questionnaire

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1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

THE PERMANENT FUND AND ITS INCOME SHOULD DEFECT FLEXIBILITY BOTH IN HOW IT IS INVESTED AND HOW IT IS SPENT. PERHAPS A PERCENTAGE SHOULD BE INVESTED OUTSIDE, BUT I WOULD SEE ALASKANS GETTING ANY ADVANTAGE IN THE CHOICE. INCREASED 'IN ALASKA' ACTIVITY PRODUCING SOMETHING BETTER THAN SUBDIVISIONS LIKE ENCOURAGING AGRICULTURE WHERE FEASIBLE, TRAINING AND EDUCATION FOR MEANINGFUL EMPLOYMENT IN APPROPRIATE WAYS, DEVELOPMENT OF RENEWABLE RESOURCES.

2. What objectives are achieved by your proposal?

PEOPLE WHO LIVE HERE CAN RECEIVE A BIGGER SHARE OF THE EFFORTS OF THE GOVERNMENT THEY HELP PAY FOR. I DON'T LIKE TO SEE THE LONG TERM EFFORTS OF PEOPLE GO DOWN FOR A LACK OF INTEREST AND INCENTIVE BY STATE GOVERNMENT. THESE SAME BUSINESSES OR INDUSTRIES COULD HELP WHEN THE OIL SUPPLY DIMINISHES.

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

WE MIGHT NOT GET ALL THE 'BUCKS' WE COULD GET. QUALITY OF LIFE IS WORTH MORE THAN DOLLARS IN THE BANK. ANYTHING WE DO TO HELP PEOPLE HELP THEMSELVES IS USEFUL.

4. What may limit the effectiveness of this proposal?

INTERESTS WHO THINK DOLLARS ARE MORE IMPORTANT THAN PEOPLE. THOSE WHO THINK THEY CAN GET SOMETHING FOR NOTHING — (THERE SHOULD BE BOTH INCENTIVES AND RESPONSIBILITIES)

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

THE PEOPLE IN ALASKA WHO HAVE AND ARE WORKING TO MAKE THE STATE A BETTER PLACE IN WHICH TO LIVE — FINANCIERS AS WELL AS THE FISHERMAN AND THE FARMER AND THE BUSINESSMAN

6. What groups are likely to oppose this proposal?

FINANCIERS — MONEY PEOPLE. PEOPLE WHOSE PROJECTS OR IDEAS WERE REJECTED. THOSE WHO FEEL THAT OUTRIGHT GRANTS SHOULD BE GIVEN, RATHER THAN AS INVESTMENT ACTIVITY.

7. What are your suggestions for management of the Permanent Fund?

APPOINTMENT BY GOVERNOR, CONFIRMED BY LEGISLATURE. SHOULD INCLUDE A RANGE OF INTERESTS; HAVE PERIODIC (LIKE SIX MONTH) REPORTS TO GOVERNOR, LEGISLATURE, PEOPLE; HAVE PERIODIC OPPORTUNITIES FOR INPUT FOR POSSIBLE CHANGES IN DIRECTION, ETC. IT MIGHT BE WISE FOR A PERCENTAGE OF EITHER FUND OR INCOME TO USE TWO MANAGEMENT SCHEMES. GOALS SHOULD BE WIDELY KNOWN AND HOW WELL THOSE GOALS WERE REACHED SHOULD BE THE MAIN CRITERIA TO HOW WELL THE MANAGEMENT SCHEMES PERFORMED ITS TASK.

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Jack & Cecilia Kleinkauf
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Anchorage, AK 99504



VII Permanent Fund Questionnaire

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1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

FUNDS SHOULD BE BANKED TO PRODUCE
INTEREST

2. What objectives are achieved by your proposal?

FISCAL RESPONSIBILITY

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

PORK BARREL PROJECTS
SMALL LOANS TO PRIVATE CITIZENS
SPECIAL INTEREST GROUPS SUCH AS ALCOHOLICS

4. What may limit the effectiveness of this proposal?

~~UNDEVELOPED AND UNRESPONSIBLE SP~~
NOTHING

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

ALL ALASKANS

6. What groups are likely to oppose this proposal?

UNIONS DO-GOODERS
POLITICIANS
PEOPLE WHO DO NOT INTEND TO LIVE HERE PERMANENTLY

7. What are your suggestions for management of the Permanent Fund?

USE OF THE INTEREST ONLY FOR
RENEWABLE RESOURCES — FISHING, LOGGING, ETC. +
LARGE PROJECTS FOR THE BENEFIT OF ALL ALASKANS
SUCH AS POWER DAMS, AIR STRIPS, TRANSPORTATION
ETC. ALSO TAX REDUCTION

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H.B. & E. GOODALE

Box 727

ANCHORAGE AK

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COMPLIMENTS OF
REPRESENTATIVE RANDY
Phillips
HOUSE DISTRICT 18

Special Committee on the Alaska Permanent Fund
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1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example -- invest in blue chip, preferred stocks]

A BROADLY DIVERSIFIED INVESTMENT PROGRAM WITH UP TO 20 % IN SMALL,
TECHNOLOGICAL DEVELOPMENT FIRMS--PARTICULARLY IN THE FIELDS OF
ENERGY, COMMUNICATIONS, AEROSPACE AND AGRICULTURE.

2. What objectives are achieved by your proposal?
SOME OF THESE COMPANIES MIGHT BE BROUGHT TO ALASKA, PROVIDING SOME
HIGHLY SKILLED JOBS AND TAXES. THE ONLY THINGS ALASKA CAN EXPORT
COMPETITIVELY ARE NATURAL RESOURCES AND BRAINS. THIS WOULD MARRY THE
TWO TO SOME EXTENT.

3. What objectives are avoided by this proposal? [Example -- no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]
NONE THAT ARE READILY APPARENT.

4. What may limit the effectiveness of this proposal?
OBJECTIONS THAT THE HIGH RISK/HIGH RETURN INVESTMENTS IN EMERGING
TECHNOLOGY FIRMS ARE NOT IN THE BEST INTEREST OF THE STATE--WITNESS
PREVIOUS OUTCRY WHEN THE STATE LOST A MODEST SUM IN THE STOCK MARKET.

5. Which groups would benefit from this proposal? [Example -- financiers, brokers]
STOCK BROKERS AND PRESUMABLY THE TAXPAYERS.

6. What groups are likely to oppose this proposal?
ULTRA CONSERVATIVES AND ULTRALIBERALS

7. What are your suggestions for management of the Permanent Fund?
ESTABLISH A TRUST FUND WITH SAY FIVE TRUSTEES--TWO NAMED BY THE
GOVERNOR, TWO BY THE LEGISLATURE AND ONE BY THE SUPREME COURT. THEY
WOULD RETAIN THE NECESSARY FINANCIAL MANAGERS AND CONSULTANTS NEEDED
TO CARRY OUT THE MANAGEMENT MANDATE OF THE VOTERS AS DETERMINED BY
STATEWIDE REFERENDUM.

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A. Cameron Edmondson
1022 H Street
Anchorage, AK 99501

VII Permanent Fund Questionnaire

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[Example — invest in blue chip, preferred stocks]

(IE WATANA + DEVILS CANYON)
60-75% TO FINANCE HYDRO ELECTRIC POWER + PROMOTE
AGRICULTURE IN SUSITNA, TANANA + YUKON VALLEYS - REST OF
FUND IN HIGH YIELD-LOW RISK "MONEY MARKET" INVESTMENTS

2. What objectives are achieved by your proposal?

DEVELOP IN AREAS OF RENEWABLE RESOURCES FOR BROADER
ECONOMIC BASE - CHEAPER POWER IN THE FUTURE + LESS
DEPENDENCE ON OUTSIDE FOOD SOURCES. REWARDS WOULD BE LONG
TERM.

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

LOADS + BONDING WOULD BE IN AREAS OF LOW
INTEREST + HIGHER RISK - LESS QUICK RETURN
ON MONEY

4. What may limit the effectiveness of this proposal?

ENVIRONMENT GROUPS + FEDERAL GOVERNMENT -
NATIVE CORPORATIONS + ADMINISTRATION (STATE
GOVERNMENT)
THROUGH LAND CLASSIFICATION + SUBSET SIGHTEDNESS

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

ALL ALASKANS IN INTERIOR + SOUTH CENTRAL

6. What groups are likely to oppose this proposal?

ENVIRONMENTAL, BANKING, ECONOMISTS, SOME
LEGISLATORS + THE ALASKANS WHO WANT A
HANDOUT IN REDUCED TAXES OR MONEY

7. What are your suggestions for management of the Permanent Fund?

BOARD OF 7 WITH 2 APPOINTED BY LEGISLATURE,
2 APPOINTED BY GOVERNOR + 3 ELECTED (1 EVERY
2 YEARS) FOR A 6 YEAR TERM - THE APPOINTEES TO
BE REVIEWED EVERY 2 YEARS

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HOLMES
1706 TALKEETNA
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1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

Was impressed by the possibilities / alternatives suggested in the booklet "The Role of the Permanent Fund in Alaska's Future" — my top priority would be loans or bond guarantees for municipalities for capital improvements —

2. What objectives are achieved by your proposal?

needed services provided, — facilities upgraded, expansion of community services. Example — hydroelectric project in Sittka.

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

4. What may limit the effectiveness of this proposal?

the # of years needed to pay off loans

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

Alaskans — public would benefit —

6. What groups are likely to oppose this proposal?

7. What are your suggestions for management of the Permanent Fund?

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Honorable Ben Grussendorf
Mayor
Box 79
Sitka, AK 99835

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VII Permanent Fund Questionnaire

The Permanent Fund belongs to you. What are your suggestions for use of the money? Would you please take the time to share your ideas with us by indicating your preferences for permanent fund investment proposals. For each proposal, please answer the following questions. Feel free to suggest as many proposals as you think we should consider.

1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

That the Fund be split, and the majority of it be used for research into other nonrenewable resources, and what's left be invested in the development of renewable resources such as fisheries, logging, etc. The profits of the discoveries would be placed directly back into the Permanent Fund.

2. What objectives are achieved by your proposal?

With a discovery of more oil or other nonrenewable resources, it would provide more jobs for all Alaskans, not just the fishermen in Southeast Alaska. But not to exclude them, the other segment of the Fund could be used to support the fishing industry. Interest from the Fund could be available to all Alaskans as loans for any profit-making venture within reason. This being all Alaska's monies, it should be used as such, and not just to state-subsidize fisheries.

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

It avoids squandering of monies rightfully belonging to Alaskans, and "keeps it in the family". Unemployment rates would not increase, as jobs would be provided by the research and discovery of any nonrenewable resources, and Alaska would flourish on the revenue of these.

4. What may limit the effectiveness of this proposal?

The intervention of environmentalists and those supporting non-growth.

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

All Alaskans

6. What groups are likely to oppose this proposal?

Sierra Club, Friends of the Earth and other assorted Posy-Sniffers.

7. What are your suggestions for management of the Permanent Fund?

To use as little of the principal as possible, and utilize the interest in the way most beneficial for the betterment of all Alaskans.

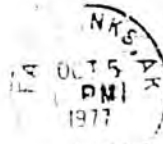
VII Permanent Fund Questionnaire

The Permanent Fund belongs to you. What are your ~~plans for the use of the money?~~ Would you please ~~take the time to share your thoughts with us?~~

Mrs. Dawn M. Beu

P. O. Box 10098

Fairbanks, Alaska 99701



Special Committee on the Alaska Permanent Fund
528 West Fifth Avenue, Suite 270
Anchorage, Alaska, 99501

VII Permanent Fund Questionnaire

The Permanent Fund belongs to you. What are your suggestions for use of the money? Would you please take the time to share your ideas with us by indicating your preferences for permanent fund investment proposals. For each proposal, please answer the following questions. Feel free to suggest as many proposals as you think we should consider.

1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

Real estate & business loans within
state. Financing for municipal improvement.

2. What objectives are achieved by your proposal?

Attract more business
to state residents

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

Diversification to other states.
— Alaska would not be emphasized.

4. What may limit the effectiveness of this proposal?

Might not have enough loan
demand

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

Housing lenders & S&P institutions.

6. What groups are likely to oppose this proposal?

Banks & other commercial lending
institutions

7. What are your suggestions for management of the Permanent Fund?

Emphasis on Alaska loans — provision
for disaster loans (comparable to S&P
disaster loan programs).

Special Committee on the Alaska Permanent Fund
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Anchorage, Alaska, 99501



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James E. Fisher
Fisher & Hornaday
Box 397
Kenai, AK 99611

VII Permanent Fund Questionnaire

Please note: I have previously responded to a "like" questionnaire circulated by a newspaper, probably for another commission.

The Permanent Fund belongs to you. What are your suggestions for use of the money? Would you please take the time to share your ideas with us by indicating your preferences for permanent fund investment proposals. For each proposal, please answer the following questions. Feel free to suggest as many proposals as you think we should consider.

1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

I propose that a portion of the fund, and a portion of the earnings from investments (such as securities, not stocks) be invested in developing our renewable resources, with emphasis on fisheries, and including hydro electric projects that will ultimately pay their way thru earned revenue.

2. What objectives are achieved by your proposal?
Security of the fund itself, and an increase in the number of Alaskans gainfully employed.

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

4. What may limit the effectiveness of this proposal?

Poor management and selfish political manipulations

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

all the citizens of Alaska

6. What groups are likely to oppose this proposal?

*The fisheries development - no opposition likely
Hydro Electric - Environmentalist groups.
Forestry development - no opposition likely*

7. What are your suggestions for management of the Permanent Fund?

By a 7 man commission without political domination, with appointments no longer than 3 years.

I would object to "doling out the funds" to any "grants" such as cities or villages where the funds would simply "disappear" as they have from other grants - with nothing gained.

☒ Note: If you would like to receive further information on the progress of this committee, please check here and correct the address if necessary.

*C. E. Woodard P.O. Box 4-2539
Anchorage AK 99509*

Cut this questionnaire along dotted line, fold so that our address is on the outside, and mail it to us.

Special Committee on the Alaska Permanent Fund
528 West Fifth Avenue, Suite 270
Anchorage, Alaska, 99501

FIRST CLASS MAIL

Catherine V. Woodard
220 W. 12th Avenue A
Anchorage, Alaska
99501



VII Permanent Fund Questionnaire

The Permanent Fund belongs to you. What are your suggestions for use of the money? Would you please take the time to share your ideas with us by indicating your preferences for permanent fund investment proposals. For each proposal, please answer the following questions. Feel free to suggest as many proposals as you think we should consider.

1. What investment proposal do you suggest and how is it income-producing for the Permanent Fund?
[Example — invest in blue chip, preferred stocks]

Invest in loans to businesses and individuals for development of renewable
resources such as wind, solar and geothermal energy, aquaculture, reforestation, forest
and game management, etc. Restriction: that neither the exploited resource nor
the environment be severely damaged by the development — explicit management
plan must be required.

2. What objectives are achieved by your proposal?

Develop a loan fund to provide income to businesses and individuals
require a management plan for protected natural resources of Alaska, ensuring
sustainable development and income for future generations.

3. What objectives are avoided by this proposal? [Example — no diversification of Alaska economy, does not affect unemployment, does not affect consumer loans]

Does not affect unemployment, does not affect consumer loans, does not affect
diversification of Alaska economy.

4. What may limit the effectiveness of this proposal?

Problems may be posed by the amount of money available for the fund.
The fund may be too small to have a significant impact.

5. Which groups would benefit from this proposal? [Example — financiers, brokers]

Alaska residents, businesses, and individuals who receive income from the fund.

6. What groups are likely to oppose this proposal?

Groups who oppose the fund, such as those who believe in a balanced budget or who
oppose the fund's existence.

7. What are your suggestions for management of the Permanent Fund?

Establish a Permanent Fund Board of Directors to manage the fund.
The board should be composed of representatives from various sectors of the
Alaska economy, including business, industry, and government.
The board should be responsible for the investment and management of the fund's
assets.

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The Permanent Fund belongs to you. What are your suggestions for use of the money? Would you please

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