

SCOMM

9:133

INTERIM RESOURCES PROGRESS REPORT

Representative Gruening



Alaska State Legislature

House

JUNEAU ALASKA

INTERIM RESOURCES COMMITTEE.

Rep. Alvin Osterback
Chairman

Pouch V, State Capitol
Juneau, Alaska 9981
(907) 465-3715

August 28, 1977

MEMORANDUM

SUBJECT: 1978 Interim Operating Budget

TO: Chairman Mike Miller & Legislative Council Members

FROM: Representative Alvin Osterback, Chairman
Interim Committee on Resource Matters

I am requesting action by the Council to restore approximately \$12,700 back into my 1978 Interim Resources Committee operating budget which lapsed at the end of FY 77.

The Legislative Staff was unable to encumber this amount of money when I was aware that these funds were going to lapse. I am not overexpending my budget in any way. The new budget forecasts were largely caused by our inability to encumber travel funds and by the new staff unfamiliar with what had been happening during the first four weeks of the Interim period (because they were new, they were unable to take the 6 weeks off during the summer as originally planned). Of the \$12,700 needed by the Interim Resources Committee, approximately \$5,500 will be utilized for a typist and \$5,600 for travel. (Attached is a copy of how our travel monies will be spent). Other uses for the money will be evident in the attached budget. Also, in my original request to the Council, I did not include travel to the North Pacific Fisheries Management Council hearings and the Fish Symposium in Seattle. Basically, so far, the North Pacific Fisheries Management Council has been deeply involved in management of a bottomfishery which is of primary concern to our Committee at this time.

I respectfully request that you put back the \$12,700 into my Interim Committee budget at this time. As I stated, these funds are necessary to complete the work I outlined previously to the Council.

Attached is a copy of my Interim Committee Report, and also a comparison of the Interim Resources Committee Revised Budget as approved by the Council with an accounting of monies spent so far by this Committee with a projection of further expenditures to show the need for the reinstatement of the \$12,700.

APPROVED BUDGET

PROJECTED BUDGET

(June 1 - June 31, 1977)

Personal Services

A.A.

Staff Asst.

Secretary

7.35% Benefits

7,800

Travel

2,400

Contractual

31,000

41,200

(June 1 - June 31, 1977)

Personal Services

D. Nelson

2,625.45

J. Nelson

911.60

K. Chappell

843.76

K. Hathaway

971.03

5,351.84

5,351.84

7.35% Benefits

427.65

Travel

1,709.98

Contractual

21,000.00

28,489.47

\$12,710.53 LAPSED BACK INTO THE GENERAL FUND

(August 15 - December 15, 1977)

Personal Services

A.A. (2,474/mo)

9,986

Staff Asst. (1,983/mo)

7,932

Secretary (1,378/mo)

5,512

23,430

23,430

7.35% Benefits = 1,670

1,670

Travel & Per Diem

11,400

Contractual

2,000

38,500

38,500

(July 1 - December 15, 1977)

Personal Services

D. Nelson (2,474/mo)

13,607.00

K. Hathaway (1,900/mo)

10,450.00

K. Chappell (1,300/mo)

5,850.00

29,907.00

29,907.00

7.35% Benefits

2,198.17

Travel & Per Diem

17,000.00

Contractual Services

2,000.00

51,105.17

51,105.17

SHORT \$12,605.17

TRAVEL EXPENDITURE BREAKDOWN

August 21-26	North Pacific Fisheries Management Council Bottomfish Hearings in Sand Point, Kodiak, Anchorage	\$1,500
August 29	Legislative Council Meeting in Anchorage	587
Sept. 21-23	North Pacific Fisheries Management Council Meeting in Anchorage	720
Sept. 20-24	Committee Travel--Bottomfish Symposium in Sand Point, Unalaska, and Kodiak	6,418
October 4-7	Committee Travel--Bottomfish Symposium in Cordova, Juneau, Petersburg, & Ketchikan	3,607
Early Oct. 5 days	Fish Symposium in Seattle	870
October 26-28	North Pacific Fisheries Management Council Meeting in Anchorage	720
November 23-25	North Pacific Fisheries Management Council Meeting in Anchorage	720
	Future Scheduled Legislative Council Meetings (anticipated Sept., Oct, Nov)	<u>1,500</u>
		<u>\$16,642</u>



Alaska State Legislature
House

JUNEAU ALASKA

INTERIM RESOURCES COMMITTEE

Rep. Alvin Osterback
Chairman

Pouch V, State Capitol
Juneau, Alaska 99811
(907) 465-3715

August 28, 1977

MEMORANDUM

SUBJECT: Interim Committee Progress Report

TO: Chairman Mike Miller & Legislative Council Members

FROM: Representative Alvin Osterback, Chairman
Interim Committee on Resource Matters

I have asked that my staff prepare a progress report as requested by our Executive Director, John Doyle, on July 12, 1977.

Attached you will find the progress report, and if you have any questions, please direct them through me to my staff.

You will also find before you a separate memorandum regarding my FY 1978 operating budget which needs action to restore \$13,000 which lapsed from my FY 1977 budget.

Attachments: Symposium
Travel Schedule
Committee members
Committee staff

INTERIM RESOURCES COMMITTEE PROGRESS REPORT

MAY 30 - JUNE 7

For this week, beginning the day following the end of the legislative session, Jeanne Nelson and Diann Nelson met with resource people--Gregg Erickson of Legislative Affairs to request the assistance of John Williams a Research Analyst, Commissioner McAnerney of the Department of Community and Regional Affairs, Commissioner Hubbard of the Department of Commerce, and Dick Reynolds of the Department of Commerce. The staff set tentative dates for the Interim Committee to travel and revised the work plan. (These are attached to this report).

JUNE 9 - JUNE 17

Jeanne Nelson quit and I was able to hire an attorney. The wages of the attorney will be paid out of our \$30,000 contractual services. His monthly salary will be \$2,500. The attorney, Frank Glass, previously worked for the Limited Entry Commission. In place of Jeanne Nelson, I hired Kathy Hathaway as the Staff Assistant. She was previously a member of Senator Frank Ferguson's staff. I also hired Kim Chappell for this month to fill the secretary's slot. Kim Chappell and Diann Nelson attended the Legislative Council meeting in Anchorage at which time I presented the Council with our revised copy of the Budget and a copy of our revised work plan. We asked that Senator Bill Ray be our representative on the Council and he agreed. Speaker Malone made the motion to approve our revised Interim Committee project. This motion carried at the June 17, 1977 Legislative Council meeting.

JUNE 18 - JUNE 24

This week was spent explaining to the new staff members the work plan for studying the bottomfish fisheries. Also, Frank Glass and Diann Nelson attended the North Pacific Fisheries Management Council meeting on June 23 - 24 at the Hill Building in Anchorage. The NPFMC scientific and statistical committee and the advisory panels met separately one day earlier and the Council conducted a public commentary on the first day and also held a closed session to discuss confidential matters concerning the renegotiation of the International North Pacific Fisheries Convention and the U.S./Canadian talks. The Council approved for printing two management plans--the

groundfish fisheries in the Gulf of Alaska (1978) and the Alaska Tanner Crab fisheries (1978). The Council also announced that the next joint Public Hearings would be held on the two management plans and on joint ventures. Public Hearings proposed by the National Marine Fisheries are as follows: Aug 3--Petersburg, Aug. 5 & 6--Seattle, Aug 22--Anchorage, Aug. 23--Sand Point, Aug. 24--Kodiak. They requested that public testimony be submitted in writing in the event we cannot attend. Frank Glass & Diann Nelson more or less attended the meetings as observers and to familiarize themselves with the functioning of the National Marine Fisheries Management Council.

During this week we also had meetings with John Williams, Legislative Affairs; Dick Reynolds, Commerce & Economic Development; and Frank Rue, Community & Regional Affairs--having general discussion familiarizing the staff with what everyone else is doing with this subject. We also mailed out the Committee's symposium and travel schedule to fishermen.

JUNE 25 - JUNE 31

I found it necessary to again revise the distribution of funds under personnel services. With two new staff members on board, I found that the A.A. and Staff Assistant were unable to take leave from July 1 to August 15. Since we had an attorney on the staff, I directed that he do legal research on present fisheries loan programs in Alaska, and that he obtain the services of George Rogers, Adjunct Professor, Institute of Social and Economic Research, and Michael Scott also with the Institute, to advise the Committee on the economic consequences of various taxation schemes to enhance the bottomfish industry in Alaska. The funds to pay these individuals would come from our original \$30,000 contractual services. Frank Glass' salary from June, 1977 to December, 1977 at \$2,400 a month comes to a total of approximately \$16,000. That figure deducted from \$30,000 left us with \$13,900. The two short term contracts with George Rogers and Mike Scott come to about \$2,000. Consequently, we had about \$11,900 lapse back into the Council general funds. I was told this amount could not be encumbered for the 1978 Operating Budget even though its loss may cause us to need additional funds for Committee travel this Fall). Since the staff was unable to take the month and a half off because of being new, I had to cut the secretary position in order that we did not overexpend under personal services. So we no longer have a secretary position. However, the Staff Assistant, Kathy Hathaway, has been assigned those duties besides the duties of assisting Diann Nelson and Frank Glass. Earlier this month (June 6) we mailed out the work plan, budget, and travel itinerary for the symposium to all Committee members who are:

Sen. Ray
Rep. Haugen
Rep. Gardiner
Senator Poland
Rep. Akers

Rep. Akers, Rep. Gardiner, and Senator Poland sent back their copies of our travel form indicating the dates they will be able to attend the symposiums. Attached is our copy of the revised travel schedule. The travel schedule was changed to accommodate members of the Committee who requested we make a change.

During this week the staff also met with Walt Jones of the National Marine Fisheries Service; had a telephone conversation with Pete Harris of the New England Fish Company in Seattle to have a preliminary discussion before Diann Nelson met with him in Seattle; and arranged Committee travel in the Chain for the bottomfish symposium. Frank Glass also made a preliminary investigation of existing State and Federal loan and subsidy programs.

JULY 1 - JULY 7

During this week the staff met with the Department of Fish & Game, Industry representatives, and NMFS people in Juneau on what the management plans were on bottomfish in Alaska. They had a meeting with Rick Lauber of the Association of Pacific Fisheries, and did a tying together of resource material and what they had learned in meetings with representatives of Industry and the State and federal governments.

JULY 8 - JULY 13

The staff and I worked on finalizing the agenda for the symposiums. (copy attached). Diann Nelson left for Seattle and met with Pete Harris, assistant to the President of New England Fish Company. The primary purpose of this trip to Seattle was to seek the services of Pete Harris who is a specialist in the bottomfish field. Diann was able to get Pete Harris to travel with our Committee and to take part in the Symposium. She asked that he give a presentation on "Demands and Markets in Bottomfish", and New England Fish Company agreed to finance Mr. Harris' trip with us on our travels. This alone saved a lot of money for the Interim Committee. June 9 - 10 were the dates Diann travelled.

During this week we also began drafting the preliminary report, revised the hearing schedule, and drafted a community questionnaire, which is being looked over by Frank Rue of Community and Regional Affairs before being sent out to the

communities.

Also, some very important companies in Seattle as far as bottomfish are concerned are: King Crab, Inc.; Fish & Oyster (Bill Hingston); Northern Processors (Mr. Daubensbeck). Diann was unable to contact all these companies during her trip. Hopefully she will be attending the North Pacific Management Council meeting in Seattle on Aug. 5 - 6. She could then set up meetins with Northern Processors.

JULY 14 - JULY 20

Diann Nelson was in Anchorage for part of this week as my representative to the D-2 Steering Council meeting. The Permanent Fund was also meeting at this time and Diann had the opportunity of talking with Belden Daniels about our Interim Resource Work Plan for bottomfish. Mr. Daniel's was in Juneau on July 19 and met with the staff regarding the potential role of cooperative banks and production credit associations in the development of the fishing industry. However, Dr. Frank Orth from the University of Alaska will be doing an analysis of fishing cooperatives presently in existence in Alaska, the national status of cooperative banks and their assistance to their clientele, and a discussion of the charters and structure of these two institutions as they affect their potential usefulness to the Alaska fishing industry. The other part of this contract calls for Dr. Orth to investigate the implications of foreign investment in Alaska fisheries, how it may impact the development of the industry and the earnings of Alaska fishermen, and the implications that foreign investment has to the long-run development of the domestic industry and State policy. Dr. Orth will be paid by the Senate Committee on the Alaska Permanent Fund however, and his study ties right in with our project on bottomfish.

JULY 21 - JULY 27

Part of this week Diann Nelson was also in Anchorage as my representative at the D-2 Steering Council meeting. Our office met with various industry people and John Williams. Legislative Research intends to conduct the following investigations: a survey of the financial institutions which have been identified as primary Alaska and Pacific Northwest sources of capital. They plan to discuss the development of the bottomfish industry with bankers to obtain their perception of the potential problems of incipient development. Hopefully, they will identify those portions of the fishing sector which can reasonably expect to obtain adequate financing from the private sector. Also the Research Division will query the processing sector to obtain some knowledge

of their development plans and perceived problems. They are also attempting to acquire some knowledge of their capital needs and perceived bottlenecks to initial bottomfish utilization. They have also specified that they will investigate programs which have been established in other states and other nations to encourage expansion of their fishing sector into new and underutilized species.

I had a request from Representative Haugen to change our travel itinerary on bottomfish from September to the first week in October. No one on the Committee objected, so we then changed our travel schedule (attached).

JULY 28 - AUGUST 3

Frank Glass is continuing this week to investigate State and federal programs which are of assistance to the Alaska fishing industry, and to investigate federal subsidy and loan programs to the fishing industry. In addition, he is seeking to identify possible State roles in the way the market for bottomfish develops. Frank has also asked Jim Baldwin from Legislative Legal Services to undertake two areas in support of our bottomfish investigation. He is conducting a legal review of HB 539, an act establishing renewable resources development incentives and tax credits and repealing the Alaska Industrial Incentive Act and the Alaska Industrial Tax Credit Act; and a review of the institutional and legal mechanisms (other than tax incentives and subsidies) available to encourage domestic development (and discourage foreign development) in the bottomfish industry.

The staff has been continuing research into community resource availability for suitability as locations for on-shore processing plants. They also met with Ed Naughton of the KMIDC, and with Mr. Naughton travelled to the Auke Bay Fisheries Lab to take a look at their resource material.

AUGUST 11 - AUGUST 17

During the week Belden Daniels of the House Permanent Fund met with the staff and learned that Mr. Daniels had done a previous study in Boston on bottomfish and I was quite interested in having his opinion of our work. Representative Clark Gruening has agreed to allow Belden Daniels to use 2 days of his time on retainer to review our work plan and projects presently ongoing in support of bottomfish. And in addition, Clark has agreed to lend Belden Daniels for an additional two days to review the final product of the bottomfish plan and to suggest ways and means of implementing the findings of the Interim Committee staff. My office sent Belden a copy of our work plan and tasks that we hope to accomplish by December.

AUGUST 18 - AUGUST 24

During this week and almost all of the previous two weeks our staff assistant, Kathy Hathaway, has been compiling information on the infrastructural needs of an expanding bottomfish industry, and is obtaining information on the infrastructure presently existing in Alaska coastal communities which are propitiously located to serve as on-shore locations for an expanding processing and fishing industry. She has also coordinated travel for Committee members and keeps our own ledger on expenses. During this week she will be attending the the D-2 Steering Council meeting in Kotzebue because Diann is unable to attend in my place.

AUGUST 25 - AUGUST 28

We hired a typist the week of August 1 to assist in preparing various reports. This week Frank Glass and Diann Nelson were both attending the North Pacific Fisheries Management Council hearings in Sand Point and Kodiak. We compiled this report during this week for the Council and all three of the staff are present to answer any questions you may have.

In the event anyone has any questions, please feel free to ask my staff.

9/15/77

INTERIM RESOURCES COMMITTEE

Rep. Alvin Osterback, Chairman

R E V I S E D T R A V E L F O R M, # 2

Aleutian Chain:

Sand Point	September 20 - 21
Dutch Harbor	September 22 - 23
Kodiak	September 24

Southeast:

Ketchikan	October 4
Petersburg	October 5
Juneau	October 6
Cordova	October 7

S Y M P O S I U M

BOTTOMFISH IN ALASKA

September 1977

WELCOME - OPENING REMARKS

ALVIN OSTERBACK
CHAIRMAN
INTERIM RESOURCES
COMMITTEE

BOTTOMFISHERIES IN ALASKA

DICK REYNOLDS
FISHERIES SPECIALIST
DEPT. OF COMMERCE &
ECONOMIC DEVELOPMENT

FISHERIES: DEMANDS & MARKETS

NEW ENGLAND FISH CO.

PRESENT INDUSTRY IN ALASKA

PETE HARRIS, NEW ENGLAND
FISH COMPANY

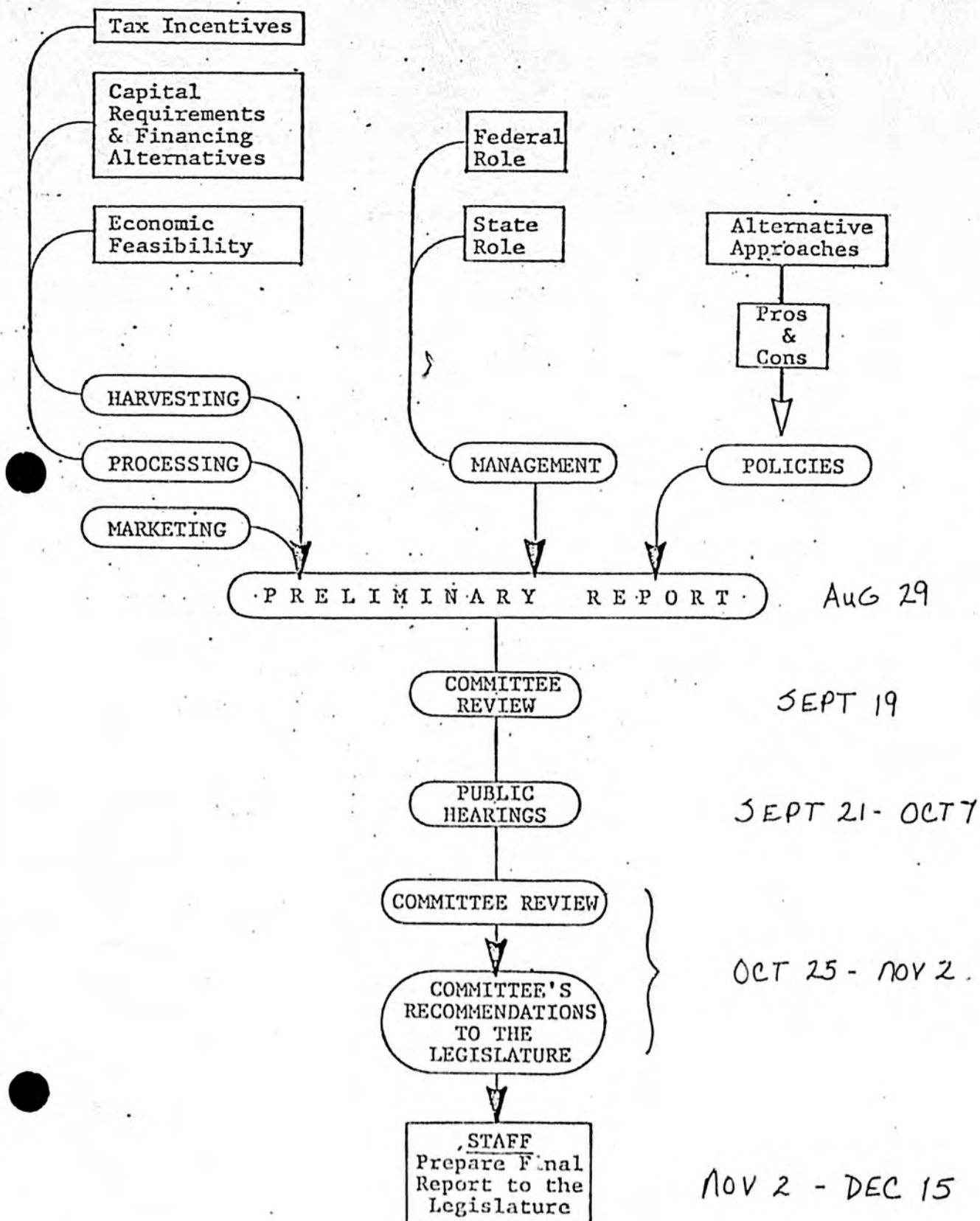
FRANK GLASS, CONSULTANT

PUBLIC COMMENT

INTERIM RESOURCES COMMITTEE

BOTTOMFISH WITHIN THE 200-MILE LIMIT

WORK PLAN



August 19, 1977

P R E S S R E L E A S E

REP. ALVIN OSTERBACK, CHAIRMAN OF THE STATE LEGISLATURE'S INTERIM RESOURCES COMMITTEE, ANNOUNCED TODAY THAT THE INTERIM RESOURCES COMMITTEE WILL BE HOLDING A BOTTOMFISH SYMPOSIUM IN SEVERAL ALASKAN COMMUNITIES IN SEPTEMBER AND OCTOBER. MEMBERS OF THE INTERIM RESOURCES COMMITTEE ARE REP. TERRY GARDINER, SEN. BILL RAY, REP. ERNIE HAUGEN, REP. BILLY AKERS AND SEN. KAY POLAND. THE BOTTOMFISH SYMPOSIUM WILL INFORM THE PUBLIC ON ALASKA'S BOTTOMFISH INDUSTRY, ITS MARKETS AND DEMANDS. THERE WILL BE A PERIOD FOR PUBLIC COMMENT. ALL INTERESTED PERSONS ARE INVITED TO ATTEND.

THE SYMPOSIUM WILL BE HELD IN SAND POINT ON SEPTEMBER 21, AT THE CITY BUILDING FROM 9:00 A.M. - NOON, AND FROM 1:00 P.M. - 4:30 P.M.; IN UNALASKA ON SEPTEMBER 23 AT THE SCHOOL GYM, FROM 9:00 A.M. - NOON; IN KODIAK ON SEPTEMBER 24 AT THE BOROUGH ASSEMBLY CHAMBERS FROM 7:00 P.M. - 9:30 P.M., AND ON SEPTEMBER 25 AT THE BOROUGH ASSEMBLY CHAMBERS FROM 9:00A.M. - NOON IN KETCHIKAN ON OCTOBER 4 IN THE COUNCIL CHAMBERS FROM 9:00 A.M. - NOON, AND FROM 1:30 - 4:30; IN PETERSBURG ON OCTOBER 5 IN THE COUNCIL CHAMBERS FROM 1:30 P.M. - 4:30 P.M.; IN JUNEAU ON OCTOBER 6, ROOM 118 OF THE CAPITAL BLDG. FROM 1:30 P.M. - 4:30 P.M.; IN CORDOVA ON OCTOBER 7 IN THE LIBRARY MEETING ROOM FROM 1:30 P.M. - 4:30 P.M.

XII. COVER LETTER

Application for Regrant

THE APPLICANT House Special Committee on The Permanent Fund
528 W 5TH Suite 270 Anchorage Alaska 276-3433
(Address) (City) (State) (Phone)

requests financial assistance for undertaking and maintaining a program to relate the humanities to public policy issues in the State of Alaska.

THE APPLICANT HEREBY GIVES ASSURANCE TO THE STATE COMMITTEE THAT:

1. The activities and services for which assistance is sought will be administered by or under the supervision of the applicant.
2. Any funds received under this grant shall not be used to supplant funds normally budgeted for services of the same type.
3. The applicant will assure that it and any organization assisted by it will comply with Title VI of the Civil Rights Act of 1964 (PL 88-352) to the end that no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or otherwise subjected to discrimination under any program or activity for which the applicant received financial assistance from the State Committee of the Alaska Humanities Forum.
4. The filing of this application has been authorized by the governing body of the applicant, and the undersigned representative has been authorized to fill this application for and in behalf of said applicant, and otherwise act as the authorized representative of the applicant in connection with this application.
5. The applicant will expend funds received as a result of this application solely on the described projects and programs and separately provide funds for the maintenance of the organization.
6. The applicant will maintain all financial records for a period of not less than three (3) years and will submit them to the Alaska Humanities Forum on request.

SIGNED,

Clark Gruening, Chairman
(Name)

528 W 5TH Suite 270 Anchorage Ak
(Address)

House Special Committee on The
(Sponsoring Organization)
Permanent Fund

(Date)

Aug 29, 1977

PROPOSAL TO THE ALASKA HUMANITIES FORUM
FROM
THE HOUSE SPECIAL COMMITTEE ON THE PERMANENT FUND

Rep. Clark Gruening, Chairman
Rep. Terry Gardiner, Vice Chairman
Rep. Ernie Haugen
Rep. Russ Meekins
Rep. Bill Miles
Rep. Leo Schaeffer
Rep. Rick Urion

August 29, 1977

PROGRAM OBJECTIVES

The objective of the symposium is to confront Permanent Fund policymakers and the public with the implications of stated goals of the Permanent Fund. By inviting representatives of both ends of the spectrum of economic theory to speak, the symposium will have two distinct perspectives on those goals. The symposium's purpose is as much to raise pertinent questions as to provide adequate answers. Indeed, we expect no consensus to result. Rather, our goal is to sharpen public debate by defining the trade-offs inherent in stated Permanent Fund goals. An example is the apparent inconsistency between the Fund as strict savings vehicle and the Fund as in-state investment vehicle.

It is difficult, therefore, to state criteria for judging the success of the symposium. The quality of the debate it generates is as important as, if not more important than, any participant changing his or her mind. Simply put, we will be satisfied if the symposium makes people question whether they can "have their cake and eat it too." That result will be seen mainly in the way people debate the issue at and after the symposium.

HUMANITIES

In attempting to secure speakers for the symposium, we first contacted Milton Friedman, the noted conservative economist, and John Kenneth Galbraith, the noted liberal economist. Although neither was able to appear, they offered suggestions as to whom we might invite. Following those suggestions--and after checking with Dr. Lester Thurow of Massachusetts Institute of Technology and Professor Richard Coffman of New York City's Leeman College--we reached agreement with our speakers.

Dr. Donald Gordon is an American economist teaching at Canada's Simon Fraser University. He has had considerable experience in advising Canadian and U.S. legislative bodies. Dr. Gordon was suggested by Milton Friedman.

Dr. Barbara Bergman teaches at the University of Maryland. Her speciality has been the economics of labor and employment. We reached her by following the suggestions of John Kenneth Galbraith.

We also anticipate the presence of Dr. Belden Daniels of Harvard University, to the Committee.

In addition, we are in the process of putting together a panel of Alaskans to represent the spectrum of stated opinion on the Permanent Fund. The proposed list includes: John Havelock, Director of the University of Alaska's Criminal Justice Center; Eric Wohlforth, a member of the State Investment Advisory Committee; Dr. George Rogers, noted Alaskan economist; Jamie Love, director of the Alaska Public Interest Research Group and a member of the State Investment Advisory Committee; and Dr. John Lindauer, chancellor of the University of Alaska, Anchorage.

STATE THEME

The use of the Permanent Fund will be a major factor in creating the future Alaska. It can serve the purpose of diversifying the state economy, providing operating revenue for state government, fulfilling unmet human needs, to mention but a few. What is done with the Permanent Fund will be of tremendous importance to the state and its people now, tomorrow and in 20 years. The issue of how to best use the Permanent Fund clearly addresses the central dilemma of Alaska: the relationship of growth and the preservation of the Alaskan way of life. Thus, the use of the Fund will determine both economic and social change in the future.

PUBLIC POLICY

Alaska's Permanent Fund was created by voter approval of a constitutional amendment. The Fund will be structured by legislative and executive action. Therefore, it is by definition a matter of public policy. The first step in structuring the Fund is to identify what Alaskans want it to do, and it is to this the symposium speaks.

PROGRAM NARRATIVE

The symposium, to be held September 10 in Anchorage, is built around the presentations of the main speakers. Following those presentations will be questions posed by members of the Committee, the citizen panel and the audience. After a lunch break, those in attendance will break into smaller groups for further discussion of points raised during the morning session.

SPONSORING ORGANIZATION

The House Special Committee on the Permanent Fund was created by the Speaker of the House to provide alternate forms of enabling legislation for the Permanent Fund and to recommend legislation to implement the Renewable Resources Development Fund. Attached is a copy of a report to the Legislative Council providing more detailed information on the Committee's activities and plans.

EVALUATION

The direct evaluation process will be from written comments of participants, including the speakers and citizen panel members; responses to questionnaires handed out at the symposium in the Committee's brochure, "The Role of the Permanent Fund in Alaska's Future."

Indirect evaluation will come from press accounts of the symposium, statements to the Committee at subsequent public hearings, statement to the Public Forum and so forth.

BUDGET

The Committee has a budget of \$185,000. However, as the attached report to the legislative council shows, much of that budget has been committed. The remaining money is necessary to fund the Committee through the completion of its assigned duties. As a result, the Committee's budget is much thinner than it seems at first glance.

The attached budget proposal is evidence of an attempt to keep costs down. Much of the program work is being done by employees of the Committee rather than by a separately hired project director. Likewise, the Committee's current office is used, rather than opening a new one.

This is a projected rather than an actual, budget. The final cost of the symposium may be somewhat higher or somewhat lower than the attached figures show.

XIII. PROPOSED BUDGET

ITEM	FORUM FUNDS	LOCAL FUNDS	LOCAL FUNDING SOURCE	TOTAL
1. PERSONNEL	750	-0-		750
1.1 Salaries				
12. Contractual Services (Consultant's Fees, etc.)	1,125	1,125	HPF Committee	2,250
2. TRAVEL				
2.1 Travel	394.15	394.16	HPF Committee	792.31
2.2 Per Diem	375	375	HPF Committee	750
3. OFFICE				
3.1 Rental	-0-	-0-		
3.2 Telephone	100	-0-		100
3.3 Supplies	-0-	-0-		
3.4 Equipment	-0-	-0-		
3.5 Other	-0-	-0-		
4. PROMOTION				
4.1 Printing	-0-	-0-		
4.2 Postage	-0-	-0-		
4.3 Media	1,000	-0-		1,000
4.4 Other	-0-	-0-		
5. EVALUATION	-0-	-0-		
6. OTHER (Explain) Sound system for hall	125	125	HPF Committee	250
TOTALS	\$3,869.15	\$2,019.16		5,887.31

REPORT TO THE LEGISLATIVE COUNCIL
FROM
THE HOUSE SPECIAL COMMITTEE ON THE PERMANENT FUND

Rep. Clark Gruening, Chairman

Rep. Terry Gardiner, Vice Chairman

Rep. Ernie Haugen

Rep. Russ Meekins

Rep. Bill Miles

Rep. Leo Schaeffer

Rep. Rick Urion

August 29, 1977

I INTRODUCTION

The House Special Committee on the Alaska Permanent Fund was created during the past session by the Speaker of the House to consider alternate forms of enabling legislation on the Alaska Permanent Fund and make recommendations on legislation to implement the Renewable Resources Development Fund. This report to the Legislative Council summarizes the Committee's efforts thus far to discharge both duties.

Before continuing, note must be taken of the cooperation the Committee has enjoyed with other persons and groups involved in the Permanent Fund. A list of these includes, but is not limited to, the Senate Permanent Fund Committee, the Department of Revenue, the Division of Policy Development and Planning, the Alaska Growth Policy Council and the Alaska Public Forum. Special note must be taken of the efforts of the State Investment Advisory Committee in preparation of House Bill 298, entered for discussion during the past session.

II WORK COMPLETED

At its meeting of July 15 and 16 in Anchorage, the Committee heard and discussed the results of studies it had commissioned with two consultants.

Dr. Belden Daniels of Harvard University's Department of City and Regional Planning, under a contract for a maximum of \$7,000, presented "Thinking About the Alaska Permanent Fund: A Cautious Approach for Alaskan Policymakers." Copies of the contract and report are attached, and are available to the public upon request.

Briefly, Dr. Daniels emphasized that no development bank can create economic activity not already feasible; if there is no market or costs are too high, "artificial" investment from the Permanent Fund will not help. Dr. Daniels suggested that the Fund could provide needed commercial credit and financing of small and medium scale enterprises in Alaska, but that fund managers should, in most cases, insist on market return for Fund investments.

A possible exception is economically feasible joint ventures with regional development corporations outside the major population centers. Dr. Daniels emphasized the importance of coordinated planning between the Permanent Fund and the General Fund.

Dr. Arlon Tussing of the University of Alaska's Institute of Social and Economic Research, under a contract for a maximum of \$6,000, presented "Economic Considerations in Establishment of Alaska's Permanent Fund." Copies of the contract and report are attached, and available to the public upon request.

Briefly, Dr. Tussing emphasized that there is no need or useful function for Permanent Fund investment in major industrial or commercial enterprise in Alaska unless special reasons exist to subsidize them. Dr. Tussing's report inferred that, at least initially, it makes more sense to invest the major portion of the Fund outside the state.

On August 19, the Committee mailed out some 1,500 copies of its preliminary report, "The Role of the Permanent Fund in Alaska's Future." The report was prepared under the Committee's supervision by Judy Brogan. A copy of the report is attached and further efforts are being made to distribute it to the public.

In addition to providing a synopsis of Permanent Fund history and the Committee's efforts, the report includes a questionnaire on uses of the Permanent Fund from which the Committee hopes to derive substantial public opinion on Fund goals.

Last week the Committee completed a series of radio and television public service announcements designed to attract public participation in its work. The announcements, prepared under Committee supervision by Media Specialist Sherida Hughes, are scheduled to begin appearing in many Alaska cities this week. A list of those cities is attached.

III WORK IN PROGRESS

Consultant Studies

The Committee has let a second contract with Dr. Belden Daniels to pursue some of the implications of his earlier report. A copy of that contract is attached and available to the public upon request.

Briefly, Dr. Daniels is to examine the structure of certain existing development banks; report on possible methods of regionalizing the Permanent Fund; present options for ensuring public accountability for the Permanent Fund; and be available for consultation to the Committee. Maximum payment under the contract is \$19,500.

The Committee and the Department of Revenue are in the final stages of negotiations for two contracts.

The first, with Arthur D. Little, is for a sectoral analysis of the Alaskan economy to provide information on possible investment areas and rates of return.

The second, with the University of Alaska's Institute of Social and Economic Research, is for projections, based on the Institute's Man in the Arctic Program economic model, of potential economic impacts of several suggested methods for using the Fund's principal and interest.

The Committee and the Legislative Finance Committees are in the final stages of negotiations on two contracts. The contracts, with Price Waterhouse & Co. and White Weld & Co., are for management and financial advice. These may include an analysis of institutional barriers to investment in Alaska and the Investment Advisory Committee's discussion bill together with alternative legislative proposals.

Public Participation

In addition to the brochure and public service announcements already noted, the Committee is proceeding along two paths to gain informed public opinion about the Permanent Fund.

The first is a series of public discussions on Permanent Fund goals, listed on the attached schedule. The initial discussions are scheduled to the named Alaskan cities and are designed so that those who wish to state their opinions directly to the Committee may do so.

Leading into these discussions is a symposium on Permanent Fund goals being planned for Anchorage, also shown on the schedule. The symposium will feature presentations by Dr. Donald Gordon of Simon Fraser University, a frequent advisor to U.S. and Canadian legislative bodies, and Dr. Barbara Bergman of the University of Maryland. The presentations by representatives of opposite ends of the spectrum of economic theory will be followed by questions from the audience and a discussion of the issues in smaller groups.

The second path is through the Alaska Public Forum, insofar as the two groups' schedules and requirements permit. At present, the Committee is involved in the design of questions about and background of the Permanent Fund for the forum program.

Generally, it has been the Committee's interest that the questions be asked in the light of the trade-offs inherent in various uses of Fund money and that forum participants rate their priorities for use of Fund money in light of those trade-offs. Although results from the forum program appear unlikely to be available before the Committee finishes its assigned duties, the Committee is working with the forum to obtain interim results.

Committee Work Sessions

The Committee's work sessions are shown on the attached schedule.

IV RENEWABLE RESOURCES DEVELOPMENT FUND

Because the Committee is charged with dealing with the Renewable Resources Development Fund as well as the Permanent Fund, a Renewable Resources Subcommittee, chaired by Rep. Terry Gardiner, was formed.

The Subcommittee has defined three main tasks with regard to drafting legislation on the Renewable Resources Fund: examining management of existing renewable resource monies in the state; defining renewable resources and the goals and objectives of the renewable resources fund with regard to that

definition; examining possible structures for distributing money from the Fund.

Both the Committee and Subcommittee are working on methods of coordinating the activities of the Permanent Fund and the Renewable Resources Fund.

BUDGET

The Committee's budget as of this date is as follows:

100	Personal Services		\$ 27,160
	1 Administrative Assistant	14,000	
	1 Secretary	8,160	
	1 Media Consultant	5,000	
200	Travel/Per Diem	12,500	12,500
300	Contractual		67,500
	Office	6,000	
	Telephone	1,200	
	Publications	6,100	
	TV/Radio	750	
	Clipping Service	1,700	
	Consultant Reports	32,500	
	Legal	11,750	
	Symposium	7,500	
400	Commodities	1,000	1,000
500	Equipment	-0-	
TOTAL		\$108,160	

The Renewable Resources Development Fund Subcommittee's budget as of this date is as follows:

100	Personal Services		\$ 17,500
	1 Administrative Assistant	11,500	
	1 Secretary	5,500	
200	Travel/Per Diem	4,300	4,300
300	Contractual		6,000
	1 Planner	6,000	
400	Commodities	2,200	2,200
500	Equipment	-0-	
TOTAL		\$ 30,000	
Total expenses/encumbrances		\$138,160	

CITIES REACHED BY PUBLIC SERVICE ANNOUNCEMENTS

Radio and Television

Anchorage

Fairbanks

Sitka

Juneau

Bethel

Petersburg

Ketchikan

Barrow

Kodiak

Kotzebue

Nome

Those stations using Public Broadcast Commission videotapes

Radio Only

Glennallen

Kenai-Soldotna

Seward

Cordova

Dillingham

Wrangell

Alaska State Legislature

SPECIAL COMMITTEE ON
THE ALASKA PERMANENT FUND
(907) 276-3433

528 W. 5TH, SUITE 270
ANCHORAGE, AK. 99501

[POUCH V. JUNEAU, AK. 99811]
(907) 465-3873



MEMBERS

REP. CLARK GRUENING, CHMN.
REP. TERRY GARDINER, V. CHMN.
REP. E. J. HAUGEN
REP. RUSS M. HARRIS
REP. BILL MILLS
REP. LEO SCHAFER
REP. RICK URION

House of Representatives

November 7, 1977

Gregg Erickson
Director of Research
Legislative Affairs Agency
Pouch Y
Juneau, AK 99811

Dear Gregg:

Enclosed is a copy of the Committee's report to the Legislative Council as you requested. I believe all the attachments should be available to you in Juneau. If you find that any are missing, please do not hesitate to get in touch with me.

Sincerely,

A handwritten signature in cursive script that reads "Mike".

Mike Doogan
Administrative Assistant

Enclosure

REPORT TO THE LEGISLATIVE COUNCIL
FROM
THE HOUSE SPECIAL COMMITTEE ON THE PERMANENT FUND

Rep. Clark Gruening, Chairman
Rep. Terry Gardiner, Vice Chairman
Rep. Ernie Haugen
Rep. Russ Meekins
Rep. Bill Miles
Rep. Leo Schaeffer
Rep. Rick Urion

November 15, 1977

I. INTRODUCTION

Since its last report (August 29, 1977), the House Special Committee on the Permanent Fund has continued its efforts to discharge the duties assigned it by the Speaker of the House. This report summarizes those efforts.

As in its last report, the Committee wishes to note the cooperation of other persons and groups involved in the Permanent Fund issue.

II. WORK COMPLETED

Since its last report, the Committee has:

1. Sponsored a symposium in Anchorage on goals of the Permanent Fund (September 10).
2. Held public hearings on Permanent Fund goals in Fairbanks (September 14), Anchorage (September 15), Kotzebue (September 16), and Juneau (October 20).
3. Held Committee meetings in Kotzebue (September 17) and Juneau (October 21).
4. Received reports from Dr. Belden Daniels (September 17) and White, Weld & Co. (October 21).

Briefly:

1. The symposium, co-sponsored by the Alaska Humanities Forum and the National Endowment for the Humanities, presented statements by national economists and Alaskans involved in the Permanent Fund issue and by members of the public.

Generally, the discussion explored the main questions and trade-offs involved in different strategies for use of the Fund's principal and interest. A transcript of the symposium is being prepared and will be available from the Committee when complete.

2. The public hearings likewise focused on major Permanent Fund questions and trade-offs, particularly with regard to use of the earnings. Public testimony recommended use of Fund earnings for everything from art centers to sonic collars for whales. Transcripts of public testimony are being prepared and will be available from the Committee when complete.
3. The Committee meetings involved discussion of questions in drafting legislation for the Permanent Fund and the Renewable Resources Development Fund. As a result Committee members are exploring a trust approach for investment of Permanent Fund principal, the creation of an Alaska Enterprise Investment Fund and several suggestions for use of Fund earnings. Minutes of these meetings are being prepared and will be available from the Committee when complete.
4. The report from Dr. Belden Daniels reviewed the structure and management of several existing development banks, strategies for regionalizing a development bank and options for assuring public accountability for the Fund. Copies of Dr. Daniels' report are available from the Committee upon request.

The report from White, Weld & Co. focused on existing public methods of investing state funds and information on various types of investments for such funds. Copies of the firm's report are available from the Committee upon request.

III. WORK IN PROGRESS

The Committee's efforts are continuing along three lines: the work of consultants to answer various specific questions, public participation and Committee efforts to draft legislation.

Consultants

In addition to its on-going contract with Dr. Daniels, the Committee has current contracts with:

1. Douglas Pope for consultation on legal questions.
2. White, Weld & Co. and Price Waterhouse for financial and management consultation, respectively. These contracts are through the Division of Legislative Finance.
3. The University of Alaska's Institute for Social and Economic Research for computer modeling. This contract is through the Department of Revenue.
4. Brian Rogers for research on potential uses of state funds to encourage Alaska-specific technology and small-scale businesses.

Public Participation

In addition to the compilation of results from the Committee's public hearings, the Committee is:

1. Analyzing the results of questionnaires returned by those who received the Committee's brochure, The Role of the Permanent Fund in Alaska's Future.

Page 4

2. Awaiting the receipt of preliminary results from the Alaska Public Forum's questions on the Permanent Fund.

Committee Meetings

Committee meetings are scheduled on November 18 and 19 and December 9 and 10 in Anchorage.

REPORT TO THE ALASKA HUMANITIES FORUM
from
THE HOUSE SPECIAL COMMITTEE ON THE PERMANENT FUND

Rep. Clark Gruening, Chairman
Rep. Terry Gardiner, Vice Chairman
Rep. Ernie Haugen
Rep. Russ Meekins
Rep. Bill Miles
Rep. Leo Schaeffer
Rep. Rick Urion

October 10, 1977

INTRODUCTION

This report was prepared at the direction of Committee Chairman Clark Gruening by Committee Administrative Assistant Mike Doogan. It is designed to fulfill the Committee's obligation to the Humanities Forum under the terms of the application for regrant for the Symposium on Goals of the Alaska Permanent Fund held September 10 in Anchorage.

DOCUMENTATION

The following documentation is attached as proof that the Committee fulfilled its intention of holding the Symposium and that the Symposium accomplished its purpose:

- a) A copy of the transcript made from the Committee's taping of the Symposium;
- b) A copy of the Symposium agenda;
- c) A copy of the sign up sheet from the Symposium;
- d) Evaluation sheets from participants;
- e) Copies of newspaper articles about the Symposium;
- f) A budget showing how grant money was spent.

As is often the case, all evaluation material is not available at this writing. It is our intention to forward such material as soon as it is received. The Committee stands ready to provide additional documentation upon request.

NARRATIVE

The purpose of the Symposium was to involve Alaskans in examining pertinent questions about the uses of the Alaska Permanent Fund, particularly the trade-offs involved in various uses. No consensus was sought and none was reached.

The Symposium began with presentations by Dr. Donald Gordon of Simon Fraser University and Dr. Barbara Bergman of the University of Maryland. They were followed by statements from members of the citizen panel: Dr. George Rogers and John Lindauer, John Havelock, Tim Bradner and Jamie Love. Legislators attending included Reps. Clark Gruening, Bill Miles, Russ Meekins of the House Committee, and Mike Beirne, Larry Carpenter, Chat Chatterton, Tim Kelly, Randy Phillips, and Kay Poland. Also in attendance from the Senate Permanent Fund Committee was Senator Pat Rodey.

Following the formal presentations were questions, comments, and proposals from members of the audience. We estimate that between 50 and 75 persons attended the Symposium.

Information the program generated reached a larger segment of the public through the newspapers and through a half-hour television program prepared by the University of Alaska's Media Services. The program has been shown on public and private television in Anchorage. Finally, the information will reach Permanent Fund policymakers by the inclusion of the transcript in the House Committee's report to the full House at the beginning of the next legislative session.

Generally, the Symposium broke into two parts: examination of economically viable options for use of Permanent Fund money and the potential effects of those options; examination of specific proposals for use of Permanent Fund money. The latter, as the transcript shows, included everything from the construction of curling rinks in rural areas to state purchase of federal offshore oil leases.

EVALUATION

Our own evaluation of the Symposium is that its main value lay in exposing participants to economic realities. Statements like that of Dr. Bergman--that the only way to prevent importation of population was for the state to be poor and unattractive--presented to participants the basic dilemma of going from being poor to being rich. We hope that those who were present and those who saw or read accounts of the Symposium came away with the realization that there are no easy answers.

BUDGET

The money granted by the Alaska Humanities Forum has been expended as follows:

Travel

Dr. Barbara Bergman	\$ 516.19
Dr. Donald Gordon	270.40
Dr. George Rogers	<u>163.02</u>
TOTAL	\$ 949.61

Fees and Expenses

Dr. Barbara Bergman	\$1091.00
Dr. George Rogers	23.05
Dr. Donald Gordon	<u>1000.00</u> (encumbered)*
TOTAL	\$2114.05

Equipment

Sound system	\$ 852.50
OVERALL TOTAL	\$3915.16

*A final billing has not yet been received from Dr. Gordon

Senate Permanent Fund Committee
First Interim Report
August 29, 1977

I. INTRODUCTION

This Interim Report of the Senate Permanent Fund Committee outlines those areas which have been under study or on which further work and study will take place through January 9, 1978.

Our initial effort has been to outline the tasks to be undertaken if meaningful information is to be made available to the Senate for its decision making process. Thereafter, to determine which committees and agencies have produced studies and reports that are useful, acquire same and reduce the material to a summary form for the convenience of the Senate committee members.

A review of past and existing contracts was made to avoid duplication. Contact with other legislative committees and the administration was made and will be maintained, again in an effort to avoid duplication.

Where additional information was needed, an effort to acquire the material has been initiated (refer to outline). This data, as well as other material from other legislative committees and the administration, will be added to subsequent interim reports.

The study effort can then be summarized into the following categories:

1. What investments should be made from the Permanent Fund, and to what extent will loans to Alaskans be a part of these investments?
2. Determine how the investment effort and the loan programs should be organized.

The results of the completed studies and those being undertaken will provide assistance in this decision making process--but only the legislature can make the final decision.

After various policy options are presented to the Senate Permanent Fund Committee and direction given by a majority of the committee, legislative alternatives will be drafted.

II. ANALYSIS OF STUDIES

A. Previous Studies (through 5/31/77)

B. New Studies (dated after 6/ 1/77) (attached)

1. Thinking About the Alaska Permanent Fund: A Cautious Approach
for Alaska Policymakers
2. Economic Considerations in Establishment of Alaska's Permanent
Fund

C. Contractual Studies--Senate Permanent Fund Committee

1. F.L.Orth, Sea Grant Program, University of Alaska
 - a. review implications of foreign investment in expansion
of Alaska's bottomfish industry
 - b. investigation of fishing cooperatives, PCA's and potential
advantages of establishment of a development bank for fisheries
in Alaska
 - c. completion date October 10, 1977
2. M. DeMan, Alaska Native Foundation
 - a. provide assistance in developing work plans for Permanent
Fund research
 - b. completion date November 30, 1977

D. Bibliography

1. Updated to August 22, 1977 (attached)
 - a. various materials and publications requested to be
added to future bibliography updates

E. Synopsis of Each

1. All previous studies, new studies and contractual studies to
be summarized
2. Completed synopses (attached)
 - a. Structuring Decisions for the Alaska Permanent Fund (1976)
 - b. Report to the State Investment Advisory Committee re:
Domestic, National and International Banks (1976)
 - c. A Prospectus of the State of Alaska's Finances and Its
Development of Economic Diversity (1976)
 - d. The Alaska Series--The Alaska Permanent Fund in Perspective (1977)
 - e. The Alaska Series--The Alaska Permanent Fund and Other
Significant World Funds (1977)

II. E. Synopses (cont.)

- f. Thinking About the Alaska Permanent Fund: A Cautious Approach for Alaska Policymakers (1977)
- g. Economic Considerations in Establishment of Alaska's Permanent Fund (1977)
- h. Report to the State Investment Advisory Board re: Development Banks (1976)
- i. State of Alaska Permanent Fund Investment Objective Options (1976)
- j. Citizen Feedback #2, Rowan Group (1977)

III. ANALYSIS OF EXISTING LOAN PROGRAMS

A. Schedule of Existing Loan Programs

- 1. 13 state loan programs identified for further investigation
- 2. 8 federal loan programs identified for further investigation

B. Description of Existing Programs

- 1. Primary information gathered from administering agencies,
 - Alaska Administrative Code and Alaska statutes
 - a. statutory authority
 - b. administrative regulations, if promulgated
 - c. eligibility criteria
 - d. loan amount limits and repayment terms
 - e. implementation
- 2. Information requested of Division of Loans-State of Alaska
 - a. number of loans outstanding in all programs
 - b. dollar amount of loans granted in all programs
 - c. employment generated by loans in all programs
 - d. no response to date
- 3. Primary information request regarding federal loan programs operating within Alaska
 - a. responses
 - (1) Small Business Administration (SBA)
 - (2) Bureau of Indian Affairs (BIA)

C. Organization, Staffing and Cost of Operations - state loan programs

- 1. Request Budget and Audit Committee to Provide Information
 - a. staff member assigned to project
 - b. projected completion date September 30, 1977

III. D. Program Compliance With Legislative Directives

1. Request Budget and Audit Committee to provide information
 - a. staff member assigned to project
 - b. projected completion date September 30, 1977

IV. INVENTORY OF SUGGESTED PROGRAMS

A. Schedule of Inquiry and Scope of Inquiry

1. Questionnaire to banks and other financial institutions in

Alaska (attached)

- a. business loans - urban/rural
- b. personal loans - urban/rural
- c. mortgage loans - urban/rural
- d. loan denial factors - urban/rural
- e. areas of perceived credit scarcity - urban/rural
- f. comment on state loan programs
- g. comment on federal loan programs
- h. comment on Permanent Fund role
- i. mailed August 15, 1977
 - (1) 15 banks, savings/loan associations, financial institutions in Alaska

2. Rural outreach questionnaire (attached)

- a. business ownership
- b. consideration of business ownership
- c. granted/denied business or home loan
- d. comment on perception of bank consideration of loan application
- e. other sources of loans considered
- f. comment on availability of capital in rural Alaska
- g. familiarity with state loan programs
- h. impressions of state loan programs
- i. comment on interest charged by state loan programs
- j. familiarity with federal loan programs
- k. comment on areas of possible Permanent Fund loans
- l. mailed August 22, 1977
 - (1) 87 village councils
 - (2) 200 village corporations
 - (3) 12 regional corporations
 - (4) 10 agricultural policy task force members
 - (5) 138 miners/mining companies
 - (6) 44 fishing associations
 - (7) 176 holders of Alaska business licenses in various occupations

IV. A. Schedule of Inquiry and Scope of Inquiry (cont.)

3. Chamber of Commerce questionnaire (attached)
 - a. refer to IV.A.2. sections a-k
 - b. comment on areas of possible Permanent Fund loans/investments
 - c. mailed August 18, 1977
 - (1) to be distributed by D. Dickey, President, Alaska State Chamber of Commerce, to 750 individuals throughout Alaska
4. Governmental National Mortgage Association information request
 - a. explanation of association's procedures and practices a secondary market for housing loans
 - b. statistical data for last five years' activity in Alaska
 - (1) number of units financed
 - (2) dollar amount of mortgages written
5. State Department of Labor information request
 - a. method of cost of living indices formulation
 - b. existence of cost of construction indices compiled at state or federal level
6. Commerce and Economic Development Departments of other 49 states information request
 - a. types of loan programs
 - b. terms of loans
 - c. interest rates
 - d. publications describing loan programs
 - e. mailed August 24, 1977

B. Schedule of Responses

1. Bank/Financial institution questionnaire
 - a. no response to date
2. Rural outreach questionnaire
 - a. no response to date
3. Chamber of Commerce questionnaire
 - a. response requested by September 15, 1977
 - b. no response to date
4. Governmental National Mortgage Association
 - a. no response to date
5. State Department of Labor request
 - a. informal meeting with research staff member
6. Other states' Commerce and Economic Development Information request
 - a. no response to date

IV. C. Inventory of Capital Improvement Needs of Alaskan Communities (attached)

1. Type of project
 - a. description of needs
 - b. cost per unit
 - c. estimated population to be served
 - d. estimate direct construction costs
 - e. estimated total costs
 - f. expected funding sources
 - g. mailed August 23, 1977
 - (1) 8 boroughs
 - (2) 11 home rule cities
 - (3) 21 first class cities
 - (4) 107 second class cities
 - (5) 1 federal reservation
2. Project work sheet (attached)
 - a. for familiarization with cost projection components
 - b. mailed August 23, 1977
 - (1) refer to IV.C. 1.g. (1)-(4)

D. Schedule of Responses

1. Municipal League member cities (50)
 - a. response requested by October 15, 1977
 - b. no response to date
2. Non-member cities
 - a. response requested by November 15, 1977
 - b. no response to date

V. ORGANIZATION

A. Inquiry of State Treasurers as to Organization of Treasury Management

1. Letter of inquiry to selected state treasurers
 - a. management of state funds
 - (1) general fund-temporary investment
 - (2) dedicated/trust funds with protected principle
 - (3) organizational/staff operational charts
 - (4) accomodation of management of fund size of Permanent Fund
 - (5) suggestions, comments, observations

B. Schedule of Responses

1. Michigan

V. C. Inquiry of Organization and Operation, Treasury Division, State of Alaska

1. Prior audit reports
 - a. refer to bibliography Audit Reports section
2. Consultant review
 - a. Lombard and Wall
 - b. preliminary reports generated by September 2, 1977

D. Inquiry of Method of Financing Program

1. Other states
2. State of Alaska and agencies

VI. FINANCIAL PROJECTIONS

A. Acquire Present Projections

1. Permanent Fund and Revenue Projections
Legislative Affairs Agency, July 1977
 - a. general and permanent fund balances 1978-1985
 - (1) low income-high expenditure model
 - (2) medium income-medium expenditure model
 - (3) high income-high expenditure model
2. Permanent Fund Revenue Projections
Department of Revenue, January, 1977
 - a. general and permanent fund balances 1976-1985
 - b. estimated petroleum revenues 1976-1985

B. Analysis of Present Projections

C. Request Projections be made for 10-year increments after 1985; 1999, 2005

D. Analysis of Projections through 2005

VII. PROGRAM RECOMMENDATIONS - OTHER

A. Outline Source of Program Recommendations

B. Outline Specific Recommendations and Sources of Same

VIII. PROGRAM ALTERNATES - STAFF

- A. Outline Programs Suggested for Inclusion
- B. Outline Specific Recommendations and Sources of Same

IX. ORGANIZATION

- A. Outline Organization Methods - Present
- B. Outline Organization Recommended by Various Studies and Consultants
- C. Provide Alternates Available for Consideration and Selection by
Senate Permanent Fund Committee

- 1. Continue with present system of intermediary and direct programs under the executive branch with the Permanent Fund functioning as an intermediary
- 2. Same as 1. but the Permanent Fund control within the Treasury Division
- 3. Streamline all programs and Permanent Fund within the executive branch with legislative overview and checks/balances concerning compliance with legislative mandates reinforced

X. SPECIFIC LEGISLATION - BASED ON DIRECTIVE OF SENATE PERMANENT FUND COMMITTEE

- A. Draft Alternate Bills as Directed
 - 1. Preliminary drafts of statements of intent
- B. Present Alternate Bill at January Meeting Prior to Session's Opening
January 9, 1978