

MTGS

with

ARRC

Department Commissioners - Range 28  
\$ 54,480 — \$63,120

ARRC Commissioners - Range 30  
\$ 58,656 — \$70,068

Questions:

Sec. 37.12.090 requires annual report to legislature — is that available?

Sec. 37.12.100 Annual audit  
Is that available?

Why aren't Commissioners here when were asked well in advance and they told Chairman Osterback at 5:00 yesterday afternoon that 2 of the Commissioners would be here for this meeting??

Sec. 37.12.120 Requires Public access to information. How is that requirement met?

consultation with the Department of Fish and Game, shall determine which communities are economically impacted fishing communities.

(b) If the economic disaster is due to a fisheries failure based on consideration of need, the legislature may appropriate to the Alaska economic disaster impact fund from the renewable resource fund (ch. 130, SLA 1974). If there is an insufficient balance in the renewable resource fund to meet emergency needs that may be determined under the provisions of AS 44.33.285, the legislature may appropriate from the general fund. The Alaska economic disaster impact fund balance may not exceed \$5,000,000. The commissioner of revenue, after determining that there is in the Alaska economic disaster impact fund a surplus above an amount sufficient to meet anticipated demands, may invest the surplus as provided in ch. 10 of this title. Interest derived from investment of these surplus funds shall be deposited to the renewable resource fund. If the economic disaster is due to other than a fisheries failure, the legislature may appropriate from the general fund to the Alaska economic disaster fund to meet emergency needs.

(c) Unappropriated or otherwise unencumbered balances remaining in the Alaska economic disaster impact fund at the close of each fiscal year shall not lapse as provided in AS 37.25.010 but shall be available in perpetuity for fund purposes.

(d) Within the first 10 days of each legislative session the commissioner of commerce and economic development shall submit to the legislature a detailed report of all expenditures from the fund and all actions taken under AS 44.33.285. (§ 9 ch 277 SLA 1976)

## Chapter 12. Alaska Renewable Resources Corporation.

Section	Section
10. Alaska renewable resources corporation created	70. Powers
15. Purposes	76. Duties
20. Allocation	80. Financial assistance
25. Board of trustees	85. Eligibility for financial assistance
30. Composition of the board of trustees	90. Reports and publications
35. Term of office	95. Budget and appropriations
40. Removal and vacancies	100. Annual audit
45. Qualifications of board members	105. Cooperation with other agencies
50. Quorum	110. Tax exemption
55. Compensation of board members	115. Technical assistance
60. Employment of personnel	120. Public access to information
65. Conflicts of interest	125. Definitions

**Cross references.** — As to the Alaska Renewable Resources Investment Fund, see AS 37.11.050 et seq. As to termination of the Alaska Renewable Resources Corporation, see AS 44.66.010.

**Editor's note.** — Section 1, ch. 179, SLA 1978, provides: DECLARATION OF POLICY. It is the policy of the state to

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the state to

"(1) rehabilitate, enhance, and develop its renewable resources and, insofar as is consistent with sound resource management policies, develop its human resources by providing maximum opportunities for employment and a higher standard of living for its citizens; and

"(2) utilize the funds set aside under ch. 11 of this title to further the (A) development of renewable resources that will contribute to a stable self-sustaining state economy, employment opportunities, and lifestyle alternatives for its citizens, and (B) commercial, traditional, and common uses of the state's renewable resources."

Section 2, ch. 179, SLA 1978, provides: FINDINGS. (a) "The legislature finds that Alaska has renewable resources that are not being utilized to their full potential. Many problems which confront the state, including high unemployment and unstable economy, could be mitigated by the expanded use and development of its renewable resources.

"(b) It is further found that Alaska's economy has historically depended upon sporadic and non-stable development.

"(c) It is further found that several key factors have contributed to the slow development of renewable resource industries, including,

"(1) insufficiency of research and development financing and venture capital financing;

"(2) a lack of knowledge within the business and financial communities about conditions affecting renewable resource industrial development in the state and a lack of scientific information concerning many resources; and

"(3) a lack of technology appropriate to Alaska.

"(d) It is further found that the state's policy of assisting the development of viable industries is best accomplished by providing assistance to the private sector to identify and demonstrate new products, markets, and technologies."

Legislative history report. — For report on ch. 179, SLA 1978 (HB 682), see 1978 House Journal, p. 830.

**Sec. 37.12.010. Alaska Renewable Resources Corporation created.** There is created the Alaska Renewable Resources Corporation to carry out the purposes of this chapter. The corporation is a public corporation of the state and an instrumentality of the state within the Department of Revenue, but has a legal existence independent of and separate from the state. The exercise by the corporation of the powers conferred by this chapter is considered an essential function of the state. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.015. Purposes.** The purposes of the corporation are to

(1) facilitate the rehabilitation, enhancement, and development of the state's renewable resources so as to strengthen the self-sustaining sectors of the state economy;

(2) sponsor research and development of technologies and innovations for the rehabilitation and enhancement of the state's renewable resources to achieve an appropriate use of the resources;

(3) identify new products, markets, and technologies for renewable resource industries in the state which will constitute an appropriate use of the resources; stimulate the research and development of these products, markets, and technologies; assist in the demonstration of their technical and economic feasibility; and assist in their introduction into commercial markets. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.020. Allocation.** (a) There shall be allocated to the corporation from the receipts described in AS 37.11.020 five per cent of the total receipts paid the state from mineral lease bonuses and rentals for state land and royalties derived from minerals produced on state land. Payments of the amount allocated by this section shall be made to the corporation by the Department of Revenue on a monthly basis.

(b) Fifty per cent of all actual receipts of the corporation, from whatever source except receipts from the corporation's investments, shall be deposited into the renewable resources investment fund (AS 37.11.050). (§ 3 ch 179 SLA 1978)

**Sec. 37.12.025. Board of trustees.** A board of trustees of the corporation is established as its governing body. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.030. Composition of the board of trustees.** The board of trustees consists of three members appointed by the governor and confirmed by a majority of the members of the legislature in joint session. The board shall annually elect a chairman from among its members. A chairman may not succeed himself. (§ 3 ch 179 SLA 1978)

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**Sec. 37.12.035. Term of office.** The members of the board of trustees shall be appointed for terms of four years, and they may be reappointed. Terms shall be staggered. The initial terms shall be one member serving for two years, one member serving for three years, and one member serving for four years. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.040. Removal and vacancies.** (a) The governor may remove a board member from office by and with the consent of a majority of the members of the legislature in joint session. A removal by the governor shall be in writing and state the reason for removal. If the legislature is not in session, the governor may suspend a member of the board. Upon suspension, a board member may not participate in board business and may not be counted for the purpose of establishing a quorum. A suspended member shall continue to receive his salary as a board member until the legislature in joint session consents to his removal. The joint session shall be held within 30 days from the date of removal if the removal occurs while the legislature is in session or within 30 days of convening of the legislature if the legislature is not in session. If the legislature refuses to consent to his removal, the board member shall be reinstated to his position.

(b) A vacancy on the board shall be promptly filled by appointment by the governor and confirmation by a majority of members of the legislature in joint session. An appointee to fill a vacancy shall hold office for the balance of the term for which his predecessor on the board was appointed. If a vacancy arises on the board while the legislature is not in session, the governor may appoint an interim board member until such time as the legislature in joint session fails to confirm the interim member's appointment.

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(c) A vacancy on the board does not impair the authority of a quorum of the board to exercise all the powers and perform all the duties of the board. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.045. Qualifications of board members.** (a) No person may be appointed to the board who has not been a resident of the state for at least three years.

(b) No member of the board may hold any other state or federal office, position, or employment, whether elective or appointive, except as a member of the armed forces of the United States or the state. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.050. Quorum.** Two members of the board constitute a quorum for the transaction of business and the exercise of the powers and duties of the board. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.055. Compensation of board members.** Board members are in the exempt service under AS 39.25 and receive an annual salary within Range 30 of the salary schedule for state employees established by AS 39.27.011. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.060. Employment of personnel.** The board may employ and determine the salary of an executive director. The executive director may, with the approval of the board, select and employ additional staff as necessary. The executive director and all employees of the board are in the exempt service under AS 39.25. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.065. Conflicts of interest.** (a) Members of the board of trustees are subject to the provisions of AS 39.50.

(b) No member or employee of the board may acquire an interest, direct or indirect, in a corporation, company, association, or project owned, controlled, or invested in by the corporation. If a member or employee owns or controls such an interest, he shall immediately disclose the interest in writing to the board and refrain from participating in any manner in any activity relating to that interest. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.070. Powers.** In carrying out the corporate powers of the corporation, the board may

- (1) adopt, alter, and use a corporate seal;
- (2) prescribe, adopt, amend, and repeal bylaws;
- (3) sue and be sued in the name of the corporation;
- (4) enter into any agreements necessary to the exercise of its powers and functions;

(5) accept grants from and contract with the federal government and the state or its political subdivisions and to that end comply with the provisions of federal, state, or local programs where necessary, except that it may not enter into any agreements whereby any permanent state

or local government position is funded or partially funded in connection with a project;

(6) accept grants and loans from other sources than those in (5) of this section to be held and used for the purposes of the corporation;

(7) appear in behalf of the corporation before boards, commissions, departments, or other agencies of municipal, state, or federal government;

(8) acquire, hold, use, lease, sell, or otherwise dispose of property of any kind, real, personal, or mixed, or any interest in it;

(9) hold, as a means of securing the providing of financial assistance, patents, copyrights, trademarks, royalties, or any other evidences of protection or exclusivity issued under the laws of the United States or any state or nation;

(10) prepare, publish, and distribute technical studies, reports, bulletins and other materials it considers appropriate;

(11) invest, in such form as it considers appropriate, in projects which are economically viable and income-producing;

(12) provide grants for projects having broad public application which do not have direct income-producing potential;

(13) adopt regulations governing the exercise of its corporate powers;

(14) deposit funds, or invest surplus funds through the treasury division of the Department of Revenue which may invest in any investments authorized in AS 39.35.110 so long as its investment policy is consistent with the prudent-man rule;

(15) do all acts and things necessary or desirable to carry out the purposes of the corporation. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.075. Duties.** In carrying out the purposes of this chapter, the board shall

(1) seek to maintain the productivity of healthy renewable resources and expand the productivity of depleted or underutilized renewable resources;

(2) provide financial assistance for projects which the board finds will accomplish the purposes of the corporation as set out in § 15 of this chapter;

(3) promote the utilization of the state's renewable resources in the state and the development of import substitution and export markets;

(4) annually prepare long-range operating and financial plans and the budget for the forthcoming year;

(5) monitor approved projects for compliance with this chapter and provide operational and performance evaluations (post-audits) of projects receiving financial assistance and an overall assessment, expressed in qualitative and quantitative terms, of the degree to which the purposes of the corporation, as set out in § 15 of this chapter, have been achieved; and

(6) attempt to fund activities which will tend to maximize returns to the state and local governments and its citizens in such forms as tax revenues and resident employment and income. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.080. Financial assistance.** (a) In providing financial assistance, the board shall

(1) consider the proposals of qualified applicants only after the applicant has submitted a detailed proposal in the form prescribed by the board; no assistance may be approved by the board unless it finds, in writing, that

(A) the proposed project, if successful, will further the purposes of the corporation as set out in § 15 of this chapter;

(B) the application contains an adequate plan for project implementation, including, when applicable, a complete business, financial and marketing plan for commercial activities;

(C) sufficient capital is not available from other sources on reasonable terms;

(D) the applicant has agreed that if new renewable resource industrial activity results from the proposed project, his best efforts will be employed to keep that activity in the state for a minimum period of time specified by the board;

(E) the applicant demonstrates that sufficient technical and business expertise to accomplish the objectives of the proposed project is available;

(F) all costs, including additional governmental cost, associated with and ancillary to the project and future obligations generated by the project have been identified, including any necessary operating, maintenance, or other support costs for the life of the project;

(G) potential resource use conflicts that may result from the proposed project are identified and evaluated, and when necessary, plans to mitigate or resolve those conflicts and to preserve for the future options for the use of the state's renewable resources are included in the application;

(2) use the financial mechanism most appropriate to the conditions of the applicant and the proposed project and which will most effectively utilize the funds available; grants may be made by the board of up to 90 per cent of the total project costs for the following purposes:

(A) projects for the applied research and development of products, technologies, or innovations for the rehabilitation, enhancement, or development of the state's renewable resources;

(B) projects for the demonstration, on a one-time basis, of the economic or technical feasibility of a new product, market, or technology involving a renewable resource; or

(C) projects for the rehabilitation, enhancement, or development of a common-property resource where the benefits from the project cannot be captured by any single economic unit.

(3) in evaluating projects, consider the preferences and priorities of the residents of the region in which the project is to be located;

(4) require investments made by the corporation to be secured by means determined to be appropriate by the board.

(b) The board may not

(1) invest or otherwise provide assistance of more than five per cent of the resources of the corporation or \$1,500,000, whichever is less, in a single project or applicant unless the legislature has approved the investment by concurrent resolution;

(2) invest in more than 49 per cent of the outstanding corporate stock or other corporate obligations issued by an applicant unless the legislature has approved the investment by concurrent resolution;

(3) make a loan for a period in excess of 30 years unless the legislature has approved the loan by concurrent resolution;

(4) assume the responsibility for management of any project in which it has invested and may not exercise voting rights for that purpose or for any other purpose which is within the scope of managerial control; or

(5) provide funds to any state agency unless that expenditure is included in the corporation's annual budget;

(6) allocate to grants more than 10 per cent of the annual appropriation of the corporation.

(c) Nothing in this section prevents the board from taking such action and exercising such rights as it considers necessary for the protection of its financial interests in the event of

(1) actual or threatened default on any of the board's investments;

(2) actual or threatened insolvency of a project in which the board has made an investment; or

(3) any other immediate or actual circumstance or event which jeopardizes an investment made by the board.

(d) Projects for which financial assistance is granted shall comply with all applicable provisions of law. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.085. Eligibility for financial assistance.** The board may provide financial assistance if it finds that an applicant is qualified to receive assistance. An applicant is qualified if

(1) he has submitted a proposal to the board in accordance with § 80(a)(1) of this chapter

(2) he is a resident of the state for three years or, if the applicant is a partnership, corporation, or other association, the majority interest is beneficially owned by residents of the state and a majority of the owners are residents of the state; and

(3) his projects which have previously received financial assistance from the corporation, if any, have complied with all requirements of that assistance and have performed with sufficient success or promise to warrant further aid. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.090. Reports and publications.** (a) The board shall prepare and distribute in non-technical language materials describing the purposes and activities of the corporation.

(b) The board shall publish an annual report for the governor, the legislature, and the public at the time of submitting its annual budget request. Each annual report shall include financial statements and audit reports, a statement detailing the sources from which the corporation received money, a statement detailing the investments made by the corporation, a summary and evaluation of the data required by § 75(5) and (6) of this chapter, a list of public facilities required by or complementary to the corporation's investment activity, and any other information that the board of trustees believe would be of interest to the recipients of the report. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.095. Budget and appropriations.** (a) The corporation may expend money only as appropriated by the legislature. The corporation is subject to the Executive Budget Act (AS 37.07) except as provided in (b) and (c) of this section.

(b) The budget of the corporation shall include the categories and amounts of proposed financial assistance broken down by financing mechanism and resource sector affected and all funds received by the corporation whether through allocations made by this chapter, appropriation, or otherwise. The total amount of the corporation's operating budget shall be specified separately in its budget and be appropriated from the general fund.

(c) The unexpended and unobligated portion of the appropriations, other than appropriations for operating expenses, does not lapse into the general fund at the end of a fiscal year, but remains available for appropriation as provided in this section in subsequent fiscal years. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.100. Annual audit.** The corporation shall have its financial record audited annually by an independent outside auditor. The legislative auditor may prescribe the form and content of the financial record of the corporation and shall have access to these records at any time. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.105. Cooperation with other agencies.** All departments, agencies, and public corporations of the state shall provide information, services and facilities to the corporation on its request. The corporation shall reimburse the department, agency, or corporation for expenses reasonably incurred on the corporation's behalf. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.110. Tax exemption.** The corporation is exempt from all taxes and assessments in the state. All security instruments issued by the corporation, their transfer, and their income are exempt from all taxes and assessments in the state. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.115. Technical assistance.** (a) The corporation may provide financing for pre-investment activities including feasibility studies, when, in its opinion, the proposed project is of high priority and the financing is not available from other sources on reasonable terms and conditions. Amounts so advanced may form a part of a later investment if the enterprise or project is financed by the corporation.

(b) The corporation may provide funding for technical and management advice and assistance to qualified applicants as it considers necessary in the circumstances. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.120. Public access to information.** Information in the possession of the corporation is a public record, except that information which discloses the particulars of the business or affairs of a private enterprise or investor is confidential and is not a public record. Confidential information may be disclosed only for the purposes of an official law enforcement investigation or when its production is required in a court proceeding. These restrictions do not prohibit the publication of statistics presented in a manner that prevents the identification of reports, items, persons, or enterprises. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.125. Definitions.** In this chapter, unless the context otherwise requires,

(1) "applicant" means a person making application to the corporation for financial assistance;

(2) "board" means the Board of Trustees of the Alaska Renewable Resources Corporation;

(3) "corporation" means the Alaska Renewable Resources Corporation;

(4) "project" means products, markets, innovation, or technological developments for the rehabilitation, enhancement, or development of renewable resources and includes applied research for those products, markets, or technological developments;

(5) "rehabilitation, enhancement, and development" means any activity or program which improves the health and well-being of a renewable resource or renewable resource population leading to an increase in the quality or productivity of the resource and to an increase in the benefits derived from the resource to the citizens of the state;

(6) "renewable resource" means non-human living organisms; natural components of the environment, including the air, land, and water; and energy systems which are naturally recurring or replenished. (§ 3 ch 179 SLA 1978)

## Chapter 14. Trust Funds.

### Article

1. Mental Health Fund (§§ 37.14.010 — 37.14.050)
2. University Fund (§§ 37.14.060 — 37.14.100)
3. Public School Fund (§§ 37.14.110 — 37.14.150)
4. Custody and Investment of Trust Funds (§§ 37.14.160 — 37.14.170)

(3) should the Legislative Budget and Audit Committee recommend within the 45-day period that the state not initiate the additional activity, the governor shall again review the revised program and if he determines to authorize the expenditure, he shall provide the Legislative Budget and Audit Committee with a statement of his reasons before commencement of expenditures under the revised program.  
(am §§ 4, 5 ch 60 SLA 1979)

**Effect of amendments.**

The 1979 amendment, effective May 19, 1979, substituted "an act making the transfers between appropriations" for "(h) of this section" at the end of the second

sentence of subsection (e) and rewrote subsection (h).

As the rest of the section was not affected by the amendment, it is not set out.

**Chapter 12. Alaska Renewable Resources Corporation.**

**Section**

**70. Powers**

**Sec. 37.12.070. Powers.** In carrying out the corporate powers of the corporation, the board may

(16) [Terminates June 30, 1984] provide funds to the Alas. Council on Science and Technology, to be awarded and administered in the manner prescribed by AS 44.19.181 — 44.19.189 when the funds are to be expended to accomplish a corporate purpose under AS 37.12.015.  
(am § 2 ch 56 SLA 1979)

**Effect of amendment.** — The 1979 amendment, effective July 1, 1979, added paragraph (16).

As the rest of the section was not affected by the amendment, it is not set out.

**Editor's note.** — Section 1, ch. 56, SLA 1979, effective July 1, 1979, provides: "FINDINGS. The legislature finds that there is a need for development of small-scale and low-cost alternatives for Alaskans in regard to building design, food production, recycling, transportation,

energy generation, waste disposal, and small-scale residential and industrial enterprise. Therefore, the legislature finds that the development and wider use of low-cost and small-scale technologies appropriate to Alaska should be encouraged."

Section 8, ch. 56, SLA 1979, effective July 1, 1979, provides for the termination of the act relating to northern technology on June 30, 1984. As part of that act, AS 37.12.070(16) will terminate on that date.

**Chapter 15. State Bonding Act.**

**Article 3. International Airports Revenue Bonds.**

**Section**

**410. Bond authorization**

**Sec. 37.15.410. Bond authorization.** For the purpose of providing part or all of the money to be used, with or without any grants or other money which may become available, the issuance and sale of revenue

INVESTMENTS

TEPA, Inc. Anchorage	Chemical treatment of fish waste for protein production	\$550.0
SeaWard Shipyard Ketchikan	Repair and maintenance marine facility for servicing forestry and fishing industry	\$500.0

LOANS

Kokechek Corp. Chevak, Hooper Bay and Scammon Bay	Direct loan to joint venture corporation for catching and marketing herring (49% ARRC ownership)	\$300.0
Solar Homes Anchorage	Partial guarantee (\$20 risk) of construction loan for energy efficient, solar assisted house	\$120.0
Pacific Barge and Boat Works Eagle River	Materials loan for con- struction of fishing boats	\$ 97.0
Flying Fish and Crab Anchorage	Partially refundable (\$5 at risk) escrow deposit for demonstration of innovative crab machine technology	\$ 25.0
The Wood Yard Juneau	Logging and firewood pro- duction equipment and working capital	\$ 65.0
Southern Southeast Regional Aquaculture Ketchikan	Working capital for fall egg- take, spring release and related requirements	\$382.0
Fisherman's Supply Manufacturing Homer	Working capital and supplier line of credit	\$ 50.0
Sea Fisher Products Petersburg	Working capital and pack loan for processor	\$200.0
Steik Sawmill Soldotna	Working capital and equipment loan	\$ 20.0
Anchor Renewable Farms Anchorage	Controlled environment agricultural project	\$ 93.0
American Eagle Juneau	Working capital and pack loan for floating processor	\$150.0
Alyeska Candy Kitchen Anchorage	Working capital and equip- ment for wild berry processor	\$ 37.6
Alaska Seafood Marketing Anchorage	Underwriting of organization for the promotion of Alaska seafood products	\$ 74.0

TEPA, Inc. TA 80-01 Anchorage	Business planning assistance, deal negotiations and legal costs leading to investment (\$15.0 capitalized)	\$ 3.0
SeaWard Shipyard TA 80-02 Ketchikan	Management and financial and financial controls, marketing analysis and development of business plan	\$ 25.0
Schnabel Lumber Company TA 80-03 Haines	Complete evaluation of economic feasibility engineering estimate, business plan, financial structuring and capital requirements Request: \$3,000.0	\$ 25.0
Kokechek Corp. TA 80-04 Chevak, Hooper Bay and Scammon Bay	Expedite materials shipment and prepare for boat building in villages; legal work creating corporation and preparing contracts	\$ 15.0
Interior Villages Association TA 80-05 Fairbanks	Assistance in developing appli- cation to ARRC for sub-regional development plan	\$ 8.0
Alaska Bait Producers TA 80-06 Juneau	Business planning, markets analysis and capital requirements Request: \$500.0	\$ 5.0
Alaska Timber Corporation TA 80-07 Ketchikan	Preliminary financial feasibility evaluation and structuring Request: \$1,600	\$ 6.7
Alka Processors TA 80-08 Anchorage	Business plan evaluation and analysis of capital require- ments, markets and overall feasibility Request: \$550	\$ 15.0
Sea Fisher Products, Inc. TA 80-09 Petersburg	Preliminary economic feasibility and business plan evaluation Request: \$200.0	\$ 3.0
Kenai Harbor Development Corp. TA 80-10 Kenai	Limited determination of economic feasibility for boat harbor Request: \$550.0	\$ 2.0
Pacific Barge and Boat Works TA 80-11 Eagle River	Business planning, management analysis and capital require- ments Request: \$280.0	\$ 5.0
Mastercraft TA 80-12 Anchorage	Financial control analysis, business planning and market strategy development Request: Open	\$ 20.0
Stoknavik Co-op TA 80-13 Chevak, Hooper Bay and Scammon Bay	Organization implementation, strategic planning and start-up assistance	\$ 15.0

TA 80-14 Palmer	business environment for milk production in Alaska Request: Open	\$ .8
Fisherman's Supply and Manufacturing TA 80-15 Homer	Business planning and manage- ment analysis Request: Open	\$ 5.7
Totem Air TA 80-16 Anchorage	Business planning analysis, evaluation of markets, and capital requirements Request: \$550.0	\$ 3.0
Yeager Processing TA 80-17 Bethel	Business planning assistance and evaluation of capital requirements Request: Open	\$ 10.0
Sea Catch, Inc. TA 80-18 Kenai	Business assessment and analysis of markets, costs of production, capital requirements and overall operations evaluation Request: \$550	\$ 8.0
Steik Sawmill TA 80-19 Soldotna	Economic feasibility of very small logging operation Request: \$20.	\$ 1.0
Pine TA 80- 0 Tok	Business plan review and market evaluation Request: \$30.	\$ 1.5
Alyeska Candy Kitchen TA 80-21 Anchorage	Business planning guidance and financial planning Request: \$250.	\$ 2.0
Danielson TA 80-22 Juneau	Business planning, marketing evaluation and financial structuring Request: \$60.	\$ 5.0
Southern Southeast Regional Aquaculture TA 80-23 Ketchikan	Assistance in defining financial plan and capital requirements	\$ 2.2
Cape Romanzoff TA 80-24 Bethel	Organization planning preparation of application and financial structuring	\$ 15.0
Flying Fish and Crab TA 80-25 Anchorage	Assist in structuring approach to demonstration of new technology	\$ 3.0
Choquette Project TA 80-26 Juneau	Assistance in evaluation of conceptual approach to fishery project	\$ .7
The Wood Yard TA 80-27 Juneau	Assist in financial planning and analysis of fire wood enterprise	\$ 1.7

## GRANTS

Future Farmers of America Palmer, Nome, Delta Junction	Travel Assistance for representatives attending national Conference	\$ 6.0
Alternative Energy Conference Anchorage	Partial sponsorship of first annual conference on alternative energy sources	\$ 2.5

## OTHER APPLICANTS/VENTURES PENDING

Seward Fisheries: Homer	Seeking \$400.0 participation in processing plant
Anderson:	Seeking undisclosed amount for crab processing machine distribution rights
Blaine:	Seeking undisclosed amount for processing facility
Nash:	Seeking \$900. to develop a gashol plant
Mulligan:	Seeking \$300.0 to establish business growing foundation seed for winter hardy grass
Owens:	Seeking \$100-350 to expand marine sales and service business
Haney:	Seeking \$200.0 to convert and operate small vessel floating maintenance facility
Countrymen:	Seeking \$300.0 to expand food processing and retail outlet for wild berries products
Woelker:	Seeking \$100.0 for bison and cattle raising operation
Robinson:	Seeking \$550.0 as equity investment in marine repair facility
Metzner:	Seeking \$375.0 for a mushroom growing operation
Dahl:	Seeking undisclosed amount for Yakutat Fish Company shore based freezer facility
Roggasch:	Seeking \$200.0 to expand business of construction of super insulated houses
Hill:	Seeking \$550.0 to expand firewood harvesting and sales business
McMahon:	Seeking \$100-200.0 to expand aluminum skiff manufacturing business
Kruckenbergl:	Seeking undetermined amount to help finance \$2.5 million pulp mill
Eager:	In process of developing business of raising seed potatoes

Willis: Conceptual process for developing business plan of harvesting and processing Alaska birch

Seward Fisheries: Seeking \$400.0 loan for processing plant

Sheldon Jackson: Seeking \$8.0 for feasibility study of seedling nu. series 1, Southeast

Northern Southeast Regional Aquaculture: Seeking \$200.0 for continuing administration and initiation of two construction projects

Miller: Seeking feasibility study for forest products specialty manufacturing process

Valdez Fisheries Development Association: Seeking financial assistance for hatchery

Fitzsimmons: Seeking financial assistance for fire-wood business

Waterer: Seeking information regarding investment capital for fish processing

Kerber: Seeking financial assistance for fish marketing

Ball Brothers: Seeking capital availability information for fish processing

Kurka: Seeking financial assistance for fish processing

St. George-Tanaq: Interested in future relationship regarding bottomfish processing

Alaska House of Representatives



COMMITTEE ON NATURAL RESOURCES  
POUCH V • JUNEAU, ALASKA 99811

*Full*

MEMORANDUM

TO: The Honorable Terry Gardiner  
Speaker of the House

DATE: May 5, 1980

FROM: Alvin Osterback, Chairman  
House Resources Committee

SUBJECT: "TEPPA" Files  
in Renewable  
Resources

Terry please see the attached information regarding "TEPPA". I feel it is necessary to subpoena these records.

Sec. 24.25.010 (b) refers to subpoena powers. I will ask my committee to sign in favor of the subpoena.

Sufficient time has passed for Renewable Resources to get the records. I have not put out any press releases to date on this issue.

Attachments (2)

CO CHAIRMEN

REP ALVIN OSTERBACK (465.3715) • REP BILL MILES (465.3770)

VICE CHAIRMAN

REP FRED ZHAROFF

REP PAT CARNEY • REP C.V. CHAT CHATTERTON • REP SAM COTTEN  
REP DICK ELIASON • REP JACK FULLER • REP RICK HALFORD

Alaska  
Renewable  
Resources  
Corporation

May 1, 1980

Box 1647  
Juneau, Alaska  
99802  
(907) 465-4616

The Honorable Alvin Osterback, Chairman  
House Resources Committee  
Pouch V  
Juneau, Alaska 99811

Dear Representative Osterback:

I have requested that the public record information in the possession of the Corporation be forwarded to Juneau. I expect the courier service to deliver the files later this morning.

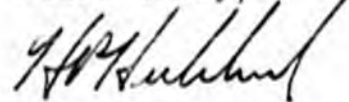
Suite One  
313 "E" Street  
Anchorage, Alaska  
99501  
(907) 272-2500

I am enclosing for your information a copy of that portion of the ARRC statute regarding the confidentiality of its files relating to the particulars of an applicant's proprietary business and commercial information. This same provision is accorded all other loan application files in the possession of state agencies. The obvious rationale is identical to that of the privacy provisions for personal and business income tax returns.

Enclosed is a recent letter regarding the subject of confidentiality of ARRC's files which may be of interest to you.

To reiterate again, the trustees of ARRC would be pleased for an opportunity to meet with you or the Committee on Natural Resources to discuss any activities of interest and concern to the committee. Particularly, we would be pleased to review the circumstances leading up to and including the negotiations regarding the award of financial assistance to TEPA, Inc.

Yours truly,



Phil Hubbard

cc: Representative Terry Gardiner  
Representative Bill Miles  
Senator Bill Sumner

Sec. 37.12.115. TECHNICAL ASSISTANCE. (a) The corporation may provide financing for pre-investment activities including feasibility studies, when, in its opinion, the proposed project is of high priority and the financing is not available from other sources on reasonable terms and conditions. Amounts so advanced may form a part of a later investment if the enterprise or project is financed by the corporation.

(b) The corporation may provide funding for technical and management advice and assistance to qualified applicants as it considers necessary in the circumstances.

Sec. 37.12.120. PUBLIC ACCESS TO INFORMATION. Information in the possession of the corporation is a public record, except that information which discloses the particulars of the business or affairs of a private enterprise or investor is confidential and is not a public record. Confidential information may be disclosed only for the purposes of an official law enforcement investigation or when its production is required in a court proceeding. These restrictions do not prohibit the publication of statistics presented in a manner that prevents the identification of reports, items, persons, or enterprises.

Sec. 37.12.125. DEFINITIONS. In this chapter, unless the context otherwise requires,

(1) "applicant" means a person making application to the corporation for financial assistance;

(2) "board" means the board of Trustees of the Alaska Renewable Resources Corporation;

(3) "corporation" means the Alaska Renewable Resources Corporation;

(4) "project" means products, markets, innovation, or technological developments for the rehabilitation, enhancement, or development of renewable resources and includes applied research for those products, markets, or technological developments;

(5) "rehabilitation, enhancement, and development" means any activity or program which improves the health and well-being of a renewable resource or renewable resource population leading to an increase in the quality or productivity of the resource and to an increase in the benefits derived from the resource to the citizens of the state;

(6) "renewable resource" means non-human living organisms; natural components of the environment, including the air, land, and water; and energy systems which are naturally recurring or replenished.

\* Sec. 4. AS 37.11.040 is amended to read:

Sec. 37.11.040. FUND BALANCES. Unappropriated or otherwise unencumbered balances remaining in the Alaska renewable resources development fund at the close of each fiscal year shall be transferred to the Alaska renewable resources investment fund.

Alaska House of Representatives



COMMITTEE ON NATURAL RESOURCES  
POUCH V • JUNEAU, ALASKA 99811

April 30, 1980

Alaska Renewable Resources  
P.O. Box 1647  
Juneau, AK. 99802

Dear Commissioner Hubbard:

I am concerned about the "TEPPA" transaction. Please send my office your full and complete records on all information regarding this transaction.

I would like this material tomorrow, Thursday, May 1.

Sincerely,

A handwritten signature in cursive script that reads "Alvin Osterback".

Alvin Osterback  
Chairman  
House Resources Committee

AO:ss

CO-CHAIRMEN

REP. ALVIN OSTERBACK (465-3715) • REP. BILL MILES (465-3779)

VICE-CHAIRMAN

REP. FRED ZHAROFF

REP. PAT CARNEY • REP. C.V. "CHAT" CHATTERTON • REP. SAM COTTEN  
REP. DICK ELIASON • REP. JACK FULLER • REP. RICK HALFORD

# Alaska House of Representatives



COMMITTEE ON NATURAL RESOURCES  
POUCH V • JUNEAU, ALASKA 99811

May 1, 1980

Alaska Renewable Resources  
P.O. Box 1647  
Juneau, AK. 99802

Dear Commissioner Hubbard:

I was somewhat dismayed at your telephone call to me on April 30, 1980 at 5:00 p.m. I specifically requested the "TEPPA" file - not a meeting with you. You informed me that you could not give me a copy of the file regarding the "TEPPA" transaction.

I ask you under what authority you refuse me the file? Public funds were used in the transaction and I believe I have access to that information?

Your response is requested as I asked for the file by today, May 1, 1980.

Cordially yours

A handwritten signature in cursive script that reads "Alvin Osterback".

Alvin Osterback  
Chairman  
House Resources Committee

AO:ss

CO-CHAIRMEN

REP. ALVIN OSTERBACK (465-3715) • REP. BILL MILES (465-3779)

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Alaska House of Representatives



COMMITTEE ON NATURAL RESOURCES  
POUCH V • JUNEAU, ALASKA 99811

May 1, 1980

Alaska Renewable Resources  
P.O. Box 1647  
Juneau, AK. 99802

Dear Commissioner Hubbard:

I was somewhat dismayed at your telephone call to me on April 30, 1980 at 5:00 p.m. I specifically requested the "TEPPA" file - not a meeting with you. You informed me that you could not give me a copy of the file regarding the "TEPPA" transaction.

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Your response is requested as I asked for the file by today, May 1, 1980.

Cordially yours,

A handwritten signature in cursive script that reads "Alvin Osterback".

Alvin Osterback  
Chairman  
House Resources Committee

AO:ss

bcc: Senator Ferguson  
Senator Sumner

CO-CHAIRMEN

REP. ALVIN OSTERBACK (465-3715) • REP. BILL MILLS (465-3779)

VICE-CHAIRMAN

REP. FRED ZHAROFF

REP. PAT CARNEY • REP. C.V. "CHAT" CHATTERTON • REP. SAM COTTEN  
REP. DICK ELIASON • REP. JACK FULLER • REP. RICK HALFORD

CARPENETI & COUNCIL

ATTORNEYS AT LAW  
319 SEWARD STREET, SUITE 203  
JUNEAU, ALASKA 99801

WILLIAM T. COUNCIL  
WALTER L. CARPENETI

(907) 586-1788

*We don't  
need to  
discuss this*

April 11, 1980

Wilson L. Condon  
Deputy Attorney General  
Pouch K  
Juneau, AK 99811

Re: Alaska Renewable Resources Corporation; audits by  
Attorney General and Legislative audit

Dear Wil:

This is to confirm the understanding we reached on Tuesday, April 8, 1980, respecting the audits of the Alaska Renewable Resources Corporation to be conducted by the Office of the Attorney General and by the Division of Legislative Audit.

There is a controversy over whether the investigative powers of those two state agencies include the right of access to the records of the Alaska Renewable Resources Corporation. The Office of the Attorney General and the Division of Legislative Audit maintain that their power to examine corporation records is without limitation. The corporation maintains that it owes a fiduciary duty to applicants to preserve the confidentiality of information which discloses the particulars of the business or affairs of a private enterprise or investor. The basis of this duty is found in the Legislature's directive to the corporation in Alaska Statute 37.12.120. The corporation maintains that it is bound to preserve the confidentiality of such information, and that it can be required to release that information only in extraordinary circumstances as provided by the statute. The interpretation given to that statute by the Office of the Attorney General and the Division of Legislative Audit is that, while the statute may prevent access by a member of the general public to confidential information, the corporation must nevertheless give those two state agencies access to any and all corporate files as they may request.

While there remains a dispute as to the meaning of Alaska Statute 37.12.120, the corporation has concluded that at least in the peculiar circumstances of this controversy,

Wilson L. Condon  
April 11, 1980  
Page Two

compliance with the conditions set out below will enable it to meet its obligations under the statute. In reaching this agreement the corporation has placed substantial reliance on the position of the Office of the Attorney General that it and the Division of Legislative Audit have plenary power to examine the records of the corporation.

It is understood that the Office of the Attorney General is conducting an investigation of the records of the corporation for the limited purpose of examining the basis for the corporation's providing financial assistance to Tepas, Inc. The specific question to be addressed in the course of that investigation is the legality of the use by Tepas, Inc., of a portion of that financial assistance to locate, at least initially, part of its physical plant outside of the state of Alaska. All of the corporation's records relating to providing financial assistance to Tepas, Inc., will be made available to the Office of the Attorney General. It is understood that any files which disclose the particulars of the business or affairs of a private enterprise or investor, unless having some relevance to the objective of the investigation, will not be examined. A trustee or other representative of the corporation will be permitted to inspect any notes taken or copies of corporate records made in the course of the investigation before those notes or copies are removed from the corporation's offices. Finally, in view of the fact that the corporation is placing substantial reliance on the interpretation of Alaska Statute 37.12.120 made by the Office of the Attorney General, that office agrees to indemnify and hold harmless the corporation and its trustees and employees against any claims arising from the release of corporation records in connection with the investigation.

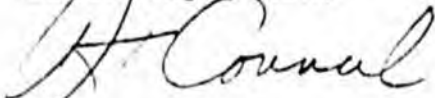
It is understood that the Division of Legislative Audit will conduct an investigation of all records of the corporation relating to providing financial assistance to applicants. The purpose of the audit is to determine if the corporation's performance in the course of providing financial assistance to applicants conforms to law and to the directives of the Legislature as found in the corporation's enabling legislation, the legislative history of that legislation and the appropriations to the corporation. All records of the corporation relating to providing financial assistance to applicants will be provided. It is understood that any files which

Wilson L. Condon  
April 11, 1980  
Page Three

~~disclose the particulars of the business or affairs of a private enterprise or investor will not be examined where they do not relate to the object of the audit. A trustee or other representative of the corporation will be permitted to inspect any notes taken or copies of corporate records made in the course of the investigation before those notes or copies are removed from the corporation's offices. Finally, the Office of the Attorney General agrees to indemnify and hold harmless the corporation and its trustees and employees against any claims arising from the release of corporation records in connection with the investigation.~~

Unless I hear from you otherwise, I will assume that this letter correctly sets out the substance of our agreement.

Sincerely yours,



William T. Council

WTC/bl

cc: Alaska Renewable Resources Corporation

**Cross reference.** — As to fiscal notes on bills effecting state retirement systems, see AS 24.30.036.

**Effect of amendment.** — The 1978 amendment rewrote this section.

**Editor's note.** — Section 5, ch. 121, SLA 1978, provides: "It is the intent of the legislature that the report required under AS 24.20.540 (d) not be submitted until the First Session of the Eleventh Legislature."

**Sec. 24.20.560. Staff for the board.** The board, with the approval of the Legislative Council, may employ a full-time executive secretary and actuaries as necessary for the completion of its responsibilities. The Legislative Affairs Agency shall provide the board with office space and additional professional and clerical assistance as necessary under the auspices of the Legislative Council. (§ 1 ch 130 SLA 1977; am § 3 ch 121 SLA 1978)

**Effect of amendment.** — The 1978 amendment rewrote this section.

**Sec. 24.20.570. Definitions.** In §§ 500 — 560 of this chapter "board" means the Legislative Board of Retirement Benefits. (§ 4 ch 121 SLA 1978)

**Chapter 25. Witnesses.**

**Section**

- 10. Issuance and form of subpoena
- 20. Service of subpoena
- 30. Disobeying subpoena or refusing to testify
- 40. Arrest for disobedience to subpoena
- 50. Witness fees and mileage.

**Section**

- 60. Oath and penalty for violation of oath
- 70. Grant of immunity on claim of privilege of self-incrimination
- 80. Punishment for disobedience to subpoena or refusal to testify

*Jerry*

**Sec. 24.25.010. Issuance and form of subpoena.** (a) A subpoena requiring the attendance of a witness before either house of the legislature may be issued by the president or the speaker.

(b) A subpoena requiring the attendance of a witness before a standing or special committee of the legislature may be issued by the chairman of a committee when authorized to do so by a majority of the membership of the committee and with the concurrence of the president or the speaker, or with the concurrence of the house or the senate.

(c) A subpoena requiring the attendance of a witness before an interim committee established by either house of the legislature, or by both, may be issued by the chairman of a committee when authorized to do so by a majority of the membership of the committee and with the concurrence of the president or the speaker.

- (d) The subpoena is sufficient if
- (1) it states before whom the proceeding is held;
  - (2) it is addressed to the witness;
  - (3) it requires the attendance of the witness at a time and place certain;
  - (4) it is signed

(A) by the president or the speaker under (a) of this section, or  
(B) by the committee chairman with the concurrence of the president or the speaker under (b) and (c) of this section.

(e) This section does not apply to the Legislative Council nor to the Legislative Budget and Audit Committee. (§ 4-4-1 ACLA 1949; am § 1 ch 94 SLA 1975)

**Cross references.** — For legislative council's power to issue subpoenas, see AS 24.20.060(2). For legislative budget and audit committee's power to issue subpoenas, see AS 24.20.201(a) (2).

**Effect of amendment.** — The 1975 amendment rewrote this section.

**Am. Jur. and ALR references.** — 49 Am.

Jur., States, Territories and Dependencies, §§ 40 to 44; 58 Am. Jur., Witnesses, § 15.

**Power of legislative body to compel attendance of witnesses,** 50 ALR 21; 65 ALR 1518.

**Testing validity or scope of command of subpoena duces tecum in proceeding before legislative committee,** 180 ALR 339.

**Sec. 24.25.020. Service of subpoena.** A person over the age of 19 years who is competent as a witness in the state courts may serve the subpoena. His affidavit that he delivered a copy to the witness is evidence of service. (§ 4-4-2 ACLA 1949; am § 8 ch 245 SLA 1970)

**Legislative committee report.** — Chapter 245, SLA 1970 (HCSSB 899 am H), was identical to CSHB 406 (Jud.). For

report on CSHB 406 (Jud.), see 1970 House Journal Supplement No. 6.

**Sec. 24.25.030. Disobeying subpoena or refusing to testify.** If a witness neglects or refuses to obey a subpoena, or neglects or refuses to testify or to produce upon reasonable notice any material and proper books, papers or documents in his possession or under his control, the senate or house of representatives may by resolution entered on its journal commit him for contempt. If contempt is committed before a committee, the committee shall report the contempt to the senate or house of representatives, as the case may be, for such action as may be considered necessary. (§ 4-4-3 ACLA 1949)

**Am. Jur. and ALR references.** — 12 Am. Jur., Contempt, § 54; 49 Am. Jur., Territories and Dependencies, § 39.

**Perjury or false swearing as contempt,** 11 ALR 343; 78 ALR 817.

**Sec. 24.25.040. Arrest for disobedience to subpoena.** A witness who neglects or refuses to attend in obedience to subpoena may be arrested by the sergeant-at-arms and brought before the senate or house of representatives, as the case may be. The only warrant or authority necessary authorizing arrest is a copy of a resolution of the senate or house of representatives signed by the president of the senate or speaker of the house of representatives, as the case may be, and countersigned by the secretary of the senate or the clerk of the house of representatives, as the case may be. (§ 4-4-4 ACLA 1949)

**Sec. 24.25.050. Witness fees and mileage.** A person appearing before

either house, or both, or a legislative committee in response to a subpoena is entitled to \$20 for each day's attendance, and for the time necessary in coming and returning to his place of residence and mileage at the rate of 15 cents a mile for the distance traveled in going to and returning from the place of attendance. The witness fee and mileage fee shall be paid out of the state treasury upon presentation of a certificate of attendance and mileage due, signed by the presiding officer of the house which authorized issuance of subpoena. (§ 4-4-5 ACLA 1949; am § 4-4-5 SLA 1951)

**Sec. 24.25.060. Oath and penalty for violation of oath.** The president of the senate and speaker of the house of representatives and the chairman of every committee of either body may administer an oath to a witness appearing before the respective bodies. A person who wilfully swears or affirms falsely concerning any matter material to the subject under investigation or inquiry is guilty of perjury and upon conviction is punishable by imprisonment for not less than one year nor more than five years. (§ 4-4-6 ACLA 1949)

Am. Jur. and ALR references. — 41 AM. Perjury or false swearing as contempt, 11 ALR 342; 73 ALR 817.  
 Jur., Perjury, § 1 et seq.

**Sec. 24.25.070. Grant of immunity on claim of privilege of self-incrimination.** (a) A person called as a witness before the senate, house of representatives, or a committee of either or both, who refuses to answer any question or to produce any book, paper or document relating to the matter under inquiry, on the ground that the answer or the production may tend to incriminate him, may be granted immunity from punishment for the offense to which the question or evidence relates by resolution of the house which is conducting the inquiry. The resolution shall be entered upon its journal, and the witness may then be compelled to answer the question or produce the evidence.

(b) If a witness is granted immunity and compelled to testify or produce evidence after claiming the privilege of self-incrimination, he may not thereafter be prosecuted in any court for the offense to which the question or evidence relates. (§ 4-4-7 ACLA 1949)

Am. Jur. and ALR references. — 58 Am. Waiver of privilege, 144 ALR 1007.  
 Jur., Witnesses, §§ 46, 434.  
 Privilege against self incrimination, 120 ALR 1102.

**Sec. 24.25.080. Punishment for disobedience to subpoena or refusal to testify.** A person subpoenaed as provided in this chapter who fails, neglects or refuses to attend at the time and place where his presence is required, or fails, neglects or refuses to produce the books, papers, or instruments or other evidence designated in the subpoena, or who having attended in response to the subpoena, or having appeared voluntarily, refuses to testify as to any material and proper matter

RESOURCES COMMITTEE  
HOUSE OF REPRESENTATIVES  
ALASKA STATE LEGISLATURE

In the Matter of the Investigation )  
of Certain Matters Concerning the )  
Alaska Renewable Resources Corporation )

SUBPOENA DUCES TECUM

TO: Philip Hubbard, Trustee  
Dean Olson, Trustee  
William Spear, Trustee  
Alaska Renewable Resources Corp.  
2nd Floor, Madsen Building  
Juneau, Alaska 99801

Under the authority of art. II of the Alaska  
Constitution, and in accordance with AS 24.25.010(b), the  
Resources Committee of the Alaska House of Representatives

directs you to appear at Room 116 of the State Capitol Bldg  
Building, Juneau, Alaska, on May 8, 1980, at  
~~8:20 AM~~ o'clock to give testimony on:

1. The reasons for the resignation of Jack Milnes  
as a trustee of the Alaska Renewable Resources Corporation  
(ARRC).

2. The recent financial assistance agreement  
between ARRC and TEPA, Inc.

3. Major problems currently facing ARRC.

In addition, you are to produce at that time and  
place all correspondence, applications, and other records  
pertaining to items 1 and 2 above.

Information made confidential by AS 37.12.120, and  
which is required by this subpoena to be produced, must be  
identified as such by ARRC. The House Resources Committee and  
all other legislators and staff participating in this  
investigation will keep that information confidential.

DATED: May 5, 1980  
Juneau, Alaska

Alvin Osterback, Co-chairman  
Resources Committee  
House of Representatives  
Alaska State Legislature

---

Bill Miles, Co-chairman  
Resources Committee  
House of Representatives  
Alaska State Legislature

CONCUR:

---

Terry Gardiner  
Speaker of the House  
Alaska State Legislature

RESUME

NORMAN EWEI', STATON, JR.

ADDRESS

R.R. 6 - Box 68098  
Juneau, Alaska 99803

Telephone: (907) 789-2656

PERSONAL

Date of Birth: June 16, 1951  
Place of Birth: Ketchikan, Alaska  
Health: Excellent  
6'1" - 175 lbs.  
Marital Status: Single

PROFESSIONAL  
LICENSE

Admitted to Alaska Bar Association  
October 1978

LAW SCHOOL

University of Oregon School of Law  
Eugene, Oregon

Doctorate of Jurisprudence  
May 1976

Clinical Experience: Corrections Clinic  
Trial Practice Lab

UNDERGRADUATE  
EDUCATION

Gonzaga University  
Spokane, Washington

B.A., Political Science  
May 1973

Sitka High School  
Sitka, Alaska  
Graduated June 1969

**WORK  
EXPERIENCE**

Assistant Attorney General  
to Avrum M. Gross

Division of Transportation  
August 1979 to present

Division of Business Regulation &  
Taxation  
February 1979 to August 1979

Manager, Staton's, Inc., Sitka, Alaska  
Family-owned business  
January 1977 to June 1978

Consultant for Alaska Native Foundation  
Anchorage, Alaska  
June 1976 to September 1976

Corrections Clinic: Federal habeas  
corpus petitions for inmates of  
Oregon State Penitentiary  
September 1975 to June 1976

**PUBLIC SERVICE**

Advisory Committee on Minority Sentencing  
Practices  
Appointed by Honorable Jay Hammond

Addressed:

Alaska Native Brotherhood  
Convention 1980

Rural Community Action  
Program Convention 1980

Governor's Commission on the  
Administration of Justice 1980

Board of Governors Legal Educational  
Opportunities Committee  
Alaska Bar Association

**REFERENCES**

Wilson Condon, Deputy Attorney General  
State of Alaska - Juneau, Alaska

Byron Mallot, Chairman  
Board of Directors  
Sealaska Corporation - Juneau, Alaska

Michael Rubenstein, Executive Director  
Alaska Judicial Council  
Anchorage, Alaska

consultation with the Department of Fish and Game, shall determine which communities are economically impacted fishing communities.

(b) If the economic disaster is due to a fisheries failure based on consideration of need, the legislature may appropriate to the Alaska economic disaster impact fund from the renewable resource fund (ch. 130, SLA 1974). If there is an insufficient balance in the renewable resource fund to meet emergency needs that may be determined under the provisions of AS 44.33.285, the legislature may appropriate from the general fund. The Alaska economic disaster impact fund balance may not exceed \$5,000,000. The commissioner of revenue, after determining that there is in the Alaska economic disaster impact fund a surplus above an amount sufficient to meet anticipated demands, may invest the surplus as provided in ch. 10 of this title. Interest derived from investment of these surplus funds shall be deposited to the renewable resource fund. If the economic disaster is due to other than a fisheries failure, the legislature may appropriate from the general fund to the Alaska economic disaster fund to meet emergency needs.

(c) Unappropriated or otherwise unencumbered balances remaining in the Alaska economic disaster impact fund at the close of each fiscal year shall not lapse as provided in AS 37.25.010 but shall be available in perpetuity for fund purposes.

(d) Within the first 10 days of each legislative session the commissioner of commerce and economic development shall submit to the legislature a detailed report of all expenditures from the fund and all actions taken under AS 44.33.285. (§ 9 ch 277 SLA 1976)

**Chapter 12. Alaska Renewable Resources Corporation.**

Section	Section
10. Alaska renewable resources corporation created	70. Powers
15. Purposes	75. Duties
20. Allocation	80. Financial assistance
25. Board of trustees	85. Eligibility for financial assistance
30. Composition of the board of trustees	90. Reports and publications
35. Term of office	95. Budget and appropriations
40. Removal and vacancies	100. Annual audit
45. Qualifications of board members	105. Cooperation with other agencies
50. Quorum	110. Tax exemption
55. Compensation of board members	115. Technical assistance
60. Employment of personnel	120. Public access to information
65. Conflicts of interest	125. Definitions

**Cross references.** — As to the Alaska Renewable Resources Investment Fund, see AS 37.11.050 et seq. As to termination of the Alaska Renewable Resources Corporation, see AS 44.66.010.

**Editor's note.** — Section 1, ch. 179, SLA 1978, provides: **DECLARATION OF POLICY.** It is the policy of the state to

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1, ch. 179, SLA  
RATION OF  
the state to

"(1) rehabilitate, enhance, and develop its renewable resources and, insofar as is consistent with sound resource management policies, develop its human resources by providing maximum opportunities for employment and a higher standard of living for its citizens; and

"(2) utilize the funds set aside under ch. 11 of this title to further the (A) development of renewable resources that will contribute to a stable self-sustaining state economy, employment opportunities, and lifestyle alternatives for its citizens, and (B) commercial, traditional, and common uses of the state's renewable resources."

Section 2, ch. 179, SLA 1978, provides: FINDINGS. (a) The legislature finds that Alaska has renewable resources that are not being utilized to their full potential. Many problems which confront the state, including high unemployment and unstable economy, could be mitigated by the expanded use and development of its renewable resources.

"(b) It is further found that Alaska's economy has historically depended upon sporadic and non-stable development.

"(c) It is further found that several key factors have contributed to the slow development of renewable resource industries, including.

"(1) insufficiency of research and development financing and venture capital financing;

"(2) a lack of knowledge within the business and financial communities about conditions affecting renewable resource industrial development in the state and a lack of scientific information concerning many resources; and

"(3) a lack of technology appropriate to Alaska.

"(d) It is further found that the state's policy of assisting the development of viable industries is best accomplished by providing assistance to the private sector to identify and demonstrate new products, markets, and technologies."

Legislative history report. — For report on ch. 179, SLA 1978 (HB 682), see 1978 House Journal, p. 830.

**Sec. 37.12.010. Alaska Renewable Resources Corporation created.** There is created the Alaska Renewable Resources Corporation to carry out the purposes of this chapter. The corporation is a public corporation of the state and an instrumentality of the state within the Department of Revenue, but has a legal existence independent of and separate from the state. The exercise by the corporation of the powers conferred by this chapter is considered an essential function of the state. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.015. Purposes.** The purposes of the corporation are to  
(1) facilitate the rehabilitation, enhancement, and development of the state's renewable resources so as to strengthen the self-sustaining sectors of the state economy;

(2) sponsor research and development of technologies and innovations for the rehabilitation and enhancement of the state's renewable resources to achieve an appropriate use of the resources;

(3) identify new products, markets, and technologies for renewable resource industries in the state which will constitute an appropriate use of the resources; stimulate the research and development of these products, markets, and technologies; assist in the demonstration of their technical and economic feasibility; and assist in their introduction into commercial markets. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.020. Allocation.** (a) There shall be allocated to the corporation from the receipts described in AS 37.11.020 five per cent of the total receipts paid the state from mineral lease bonuses and rentals for state land and royalties derived from minerals produced on state land. Payments of the amount allocated by this section shall be made to the corporation by the Department of Revenue on a monthly basis.

(b) Fifty per cent of all actual receipts of the corporation, from whatever source except receipts from the corporation's investments, shall be deposited into the renewable resources investment fund (AS 37.11.050). (§ 3 ch 179 SLA 1978)

**Sec. 37.12.025. Board of trustees.** A board of trustees of the corporation is established as its governing body. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.030. Composition of the board of trustees.** The board of trustees consists of three members appointed by the governor and confirmed by a majority of the members of the legislature in joint session. The board shall annually elect a chairman from among its members. A chairman may not succeed himself. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.035. Term of office.** The members of the board of trustees shall be appointed for terms of four years, and they may be reappointed. Terms shall be staggered. The initial terms shall be one member serving for two years, one member serving for three years, and one member serving for four years. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.040. Removal and vacancies.** (a) The governor may remove a board member from office by and with the consent of a majority of the members of the legislature in joint session. A removal by the governor shall be in writing and state the reason for removal. If the legislature is not in session, the governor may suspend a member of the board. Upon suspension, a board member may not participate in board business and may not be counted for the purpose of establishing a quorum. A suspended member shall continue to receive his salary as a board member until the legislature in joint session consents to his removal. The joint session shall be held within 30 days from the date of removal if the removal occurs while the legislature is in session or within 30 days of convening of the legislature if the legislature is not in session. If the legislature refuses to consent to his removal, the board member shall be reinstated to his position.

(b) A vacancy on the board shall be promptly filled by appointment by the governor and confirmation by a majority of members of the legislature in joint session. An appointee to fill a vacancy shall hold office for the balance of the term for which his predecessor on the board was appointed. If a vacancy arises on the board while the legislature is not in session, the governor may appoint an interim board member until such time as the legislature in joint session fails to confirm the interim member's appointment.

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(c) A vacancy on the board does not impair the authority of a quorum of the board to exercise all the powers and perform all the duties of the board. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.045. Qualifications of board members.** (a) No person may be appointed to the board who has not been a resident of the state for at least three years.

(b) No member of the board may hold any other state or federal office, position, or employment, whether elective or appointive, except as a member of the armed forces of the United States or the state. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.050. Quorum.** Two members of the board constitute a quorum for the transaction of business and the exercise of the powers and duties of the board. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.055. Compensation of board members.** Board members are in the exempt service under AS 39.25 and receive an annual salary within Range 30 of the salary schedule for state employees established by AS 39.27.011. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.060. Employment of personnel.** The board may employ and determine the salary of an executive director. The executive director may, with the approval of the board, select and employ additional staff as necessary. The executive director and all employees of the board are in the exempt service under AS 39.25. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.065. Conflicts of interest.** (a) Members of the board of trustees are subject to the provisions of AS 39.50.

(b) No member or employee of the board may acquire an interest, direct or indirect, in a corporation, company, association, or project owned, controlled, or invested in by the corporation. If a member or employee owns or controls such an interest, he shall immediately disclose the interest in writing to the board and refrain from participating in any manner in any activity relating to that interest. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.070. Powers.** In carrying out the corporate powers of the corporation, the board may

- (1) adopt, alter, and use a corporate seal;
- (2) prescribe, adopt, amend, and repeal bylaws;
- (3) sue and be sued in the name of the corporation;
- (4) enter into any agreements necessary to the exercise of its powers and functions;
- (5) accept grants from and contract with the federal government and the state or its political subdivisions and to that end comply with the provisions of federal, state, or local programs where necessary, except that it may not enter into any agreements whereby any permanent state

*Handwritten note:*  
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or local government position is funded or partially funded in connection with a project;

(6) accept grants and loans from other sources than those in (5) of this section to be held and used for the purposes of the corporation;

(7) appear in behalf of the corporation before boards, commissions, departments, or other agencies of municipal, state, or federal government;

(8) acquire, hold, use, lease, sell, or otherwise dispose of property of any kind, real, personal, or mixed, or any interest in it;

(9) hold, as a means of securing the providing of financial assistance, patents, copyrights, trademarks, royalties, or any other evidences of protection or exclusivity issued under the laws of the United States or any state or nation;

(10) prepare, publish, and distribute technical studies, reports, bulletins and other materials it considers appropriate;

(11) invest, in such form as it considers appropriate, in projects which are economically viable and income-producing;

(12) provide grants for projects having broad public application which do not have direct income-producing potential;

(13) adopt regulations governing the exercise of its corporate powers;

(14) deposit funds, or invest surplus funds through the treasury division of the Department of Revenue which may invest in any investments authorized in AS 39.35.110 so long as its investment policy is consistent with the prudent-man rule;

(15) do all acts and things necessary or desirable to carry out the purposes of the corporation. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.075. Duties.** In carrying out the purposes of this chapter, the board shall

(1) seek to maintain the productivity of healthy renewable resources and expand the productivity of depleted or underutilized renewable resources;

(2) provide financial assistance for projects which the board finds will accomplish the purposes of the corporation as set out in § 15 of this chapter;

(3) promote the utilization of the state's renewable resources in the state and the development of import substitution and export markets;

(4) annually prepare long-range operating and financial plans and the budget for the forthcoming year;

(5) monitor approved projects for compliance with this chapter and provide operational and performance evaluations (post-audits) of projects receiving financial assistance and an overall assessment, expressed in qualitative and quantitative terms, of the degree to which the purposes of the corporation, as set out in § 15 of this chapter, have been achieved; and

(6) attempt to fund activities which will tend to maximize returns to the state and local governments and its citizens in such forms as tax revenues and resident employment and income. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.080. Financial assistance.** (a) In providing financial assistance, the board shall

(1) consider the proposals of qualified applicants only after the applicant has submitted a detailed proposal in the form prescribed by the board; no assistance may be approved by the board unless it finds, in writing, that

(A) the proposed project, if successful, will further the purposes of the corporation as set out in § 15 of this chapter;

(B) the application contains an adequate plan for project implementation, including, when applicable, a complete business, financial and marketing plan for commercial activities;

(C) sufficient capital is not available from other sources on reasonable terms;

(D) the applicant has agreed that if new renewable resource industrial activity results from the proposed project, his best efforts will be employed to keep that activity in the state for a minimum period of time specified by the board;

(E) the applicant demonstrates that sufficient technical and business expertise to accomplish the objectives of the proposed project is available;

(F) all costs, including additional governmental cost, associated with and ancillary to the project and future obligations generated by the project have been identified, including any necessary operating, maintenance, or other support costs for the life of the project;

(G) potential resource use conflicts that may result from the proposed project are identified and evaluated, and when necessary, plans to mitigate or resolve those conflicts and to preserve for the future options for the use of the state's renewable resources are included in the application;

(2) use the financial mechanism most appropriate to the conditions of the applicant and the proposed project and which will most effectively utilize the funds available; grants may be made by the board of up to 90 per cent of the total project costs for the following purposes:

(A) projects for the applied research and development of products, technologies, or innovations for the rehabilitation, enhancement, or development of the state's renewable resources;

(B) projects for the demonstration, on a one-time basis, of the economic or technical feasibility of a new product, market, or technology involving a renewable resource; or

(C) projects for the rehabilitation, enhancement, or development of a common-property resource where the benefits from the project cannot be captured by any single economic unit;

(3) in evaluating projects, consider the preferences and priorities of the residents of the region in which the project is to be located;

(4) require investments made by the corporation to be secured by means determined to be appropriate by the board.

(b) The board may not

(1) invest or otherwise provide assistance of more than five per cent of the resources of the corporation or \$1,500,000, whichever is less, in a single project or applicant unless the legislature has approved the investment by concurrent resolution;

(2) invest in more than 49 per cent of the outstanding corporate stock or other corporate obligations issued by an applicant unless the legislature has approved the investment by concurrent resolution;

(3) make a loan for a period in excess of 30 years unless the legislature has approved the loan by concurrent resolution;

(4) assume the responsibility for management of any project in which it has invested and may not exercise voting right for that purpose or for any other purpose which is within the scope of managerial control; or

(5) provide funds to any state agency unless that expenditure is included in the corporation's annual budget;

(6) allocate to grants more than 10 per cent of the annual appropriation of the corporation.

(c) Nothing in this section prevents the board from taking such action and exercising such rights as it considers necessary for the protection of its financial interests in the event of

(1) actual or threatened default on any of the board's investments;

(2) actual or threatened insolvency of a project in which the board has made an investment; or

(3) any other immediate or actual circumstance or event which jeopardizes an investment made by the board.

(d) Projects for which financial assistance is granted shall comply with all applicable provisions of law. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.085. Eligibility for financial assistance.** The board may provide financial assistance if it finds that an applicant is qualified to receive assistance. An applicant is qualified if

(1) he has submitted a proposal to the board in accordance with § 80(a)(1) of this chapter;

(2) he is a resident of the state for three years or, if the applicant is a partnership, corporation, or other association, the majority interest is beneficially owned by residents of the state and a majority of the owners are residents of the state; and

(3) his projects which have previously received financial assistance from the corporation, if any, have complied with all requirements of that assistance and have performed with sufficient success or promise to warrant further aid. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.090. Reports and publications.** (a) The board shall prepare and distribute in non-technical language materials describing the purposes and activities of the corporation.

(b) The board shall publish an annual report for the governor, the legislature, and the public at the time of submitting its annual budget request. Each annual report shall include financial statements and audit reports, a statement detailing the sources from which the corporation received money, a statement detailing the investments made by the corporation, a summary and evaluation of the data required by § 75(5) and (6) of this chapter, a list of public facilities required by or complementary to the corporation's investment activity, and any other information that the board of trustees believes would be of interest to the recipients of the report. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.095. Budget and appropriations.** (a) The corporation may expend money only as appropriated by the legislature. The corporation is subject to the Executive Budget Act (AS 37.07) except as provided in (b) and (c) of this section.

(b) The budget of the corporation shall include the categories and amounts of proposed financial assistance broken down by financing mechanism and resource sector affected and all funds received by the corporation whether through allocations made by this chapter, appropriation, or otherwise. The total amount of the corporation's operating budget shall be specified separately in its budget and be appropriated from the general fund.

(c) The unexpended and unobligated portion of the appropriations, other than appropriations for operating expenses, does not lapse into the general fund at the end of a fiscal year, but remains available for appropriation as provided in this section in subsequent fiscal years. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.100. Annual audit.** The corporation shall have its financial record audited annually by an independent outside auditor. The legislative auditor may prescribe the form and content of the financial record of the corporation and shall have access to these records at any time. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.105. Cooperation with other agencies.** All departments, agencies, and public corporations of the state shall provide information, services and facilities to the corporation on its request. The corporation shall reimburse the department, agency, or corporation for expenses reasonably incurred on the corporation's behalf. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.110. Tax exemption.** The corporation is exempt from all taxes and assessments in the state. All security instruments issued by the corporation, their transfer, and their income are exempt from all taxes and assessments in the state. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.115. Technical assistance.** (a) The corporation may provide financing for pre-investment activities including feasibility studies, when, in its opinion, the proposed project is of high priority and the financing is not available from other sources on reasonable terms and conditions. Amounts so advanced may form a part of a later investment if the enterprise or project is financed by the corporation.

(b) The corporation may provide funding for technical and management advice and assistance to qualified applicants as it considers necessary in the circumstances. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.120. Public access to information.** Information in the possession of the corporation is a public record, except that information which discloses the particulars of the business or affairs of a private enterprise or investor is confidential and is not a public record. Confidential information may be disclosed only for the purposes of an official law enforcement investigation or when its production is required in a court proceeding. These restrictions do not prohibit the publication of statistics presented in a manner that prevents the identification of reports, items, persons or enterprises. (§ 3 ch 179 SLA 1978)

**Sec. 37.12.125. Definitions.** In this chapter, unless the context otherwise requires,

(1) "applicant" means a person making application to the corporation for financial assistance;

(2) "board" means the Board of Trustees of the Alaska Renewable Resources Corporation;

(3) "corporation" means the Alaska Renewable Resources Corporation;

(4) "project" means products, markets, innovation, or technological developments for the rehabilitation, enhancement, or development of renewable resources and includes applied research for those products, markets, or technological developments;

(5) "rehabilitation, enhancement, and development" means any activity or program which improves the health and well-being of a renewable resource or renewable resource population, leading to an increase in the quality or productivity of the resource and to an increase in the benefits derived from the resource to the citizens of the state;

(6) "renewable resource" means non-human living organisms; natural components of the environment, including the air, land, and water; and energy systems which are naturally recurring or replenished. (§ 3 ch 179 SLA 1978)

## Chapter 14. Trust Funds.

### Article

1. Mental Health Fund (§§ 37.14.010 — 37.14.050)

2. University Fund (§§ 37.14.060 — 37.14.100)

3. Public School Fund (§§ 37.14.110 — 37.14.150)

4. Custody and Investment of Trust Funds (§§ 37.14.160 — 37.14.170)

(3) should the Legislative Budget and Audit Committee recommend within the 45-day period that the state not initiate the additional activity, the governor shall again review the revised program and if he determines to authorize the expenditure, he shall provide the Legislative Budget and Audit Committee with a statement of his reasons before commencement of expenditures under the revised program.  
(am §§ 4, 5 ch 60 SLA 1979)

**Effect of amendments.**

The 1979 amendment, effective May 19, 1979, substituted "an act making the transfers between appropriations" for "(h) of this section" at the end of the second

sentence of subsection (e) and rewrote subsection (h).

As the rest of the section was not affected by the amendment, it is not set out.

## Chapter 12. Alaska Renewable Resources Corporation.

### Section

#### 70. Powers

**Sec. 37.12.070. Powers.** In carrying out the corporate powers of the corporation, the board may

(16) [Terminates June 30, 1984] provide funds to the Alaska Council on Science and Technology, to be awarded and administered in the manner prescribed by AS 44.19.181 — 44.19.189 when the funds are to be expended to accomplish a corporate purpose under AS 37.12.015.  
(am § 2 ch 56 SLA 1979)

**Effect of amendment.** — The 1979 amendment, effective July 1, 1979, added paragraph (16).

As the rest of the section was not affected by the amendment, it is not set out.

**Editor's note.** — Section 1 ch. 56, SLA 1979, effective July 1, 1979, provides: "FINDINGS. The legislature finds that there is a need for development of small-scale and low-cost alternatives for Alaskans in regard to building design, food production, recycling, transportation,

energy generation, waste disposal, and small-scale residential and industrial enterprise. Therefore, the legislature finds that the development and wider use of low-cost and small-scale technologies appropriate to Alaska should be encouraged."

Section 2 ch. 56, SLA 1979, effective July 1, 1979, provides for the termination of the act relating to northern technology on June 30, 1984. As part of that act, AS 37.12.070(16) will terminate on that date.

## Chapter 15. State Bonding Act.

### Article 3. International Airports Revenue Bonds.

#### Section

#### 410. Bond authorization

**Sec. 37.15.410. Bond authorization.** For the purpose of providing part or all of the money to be used, with or without any grants or other money which may become available, the issuance and sale of revenue

# STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

## DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

POUCH K-ST CAPITOL  
JUNEAU, AL .A 99811  
465-3664

May 5, 1980

The Honorable Alvin Osterback  
Co-chairman  
House Resources Committee  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

Re: Alaska Renewable Resources  
Corporation Subpoena

Dear Representative Osterback:

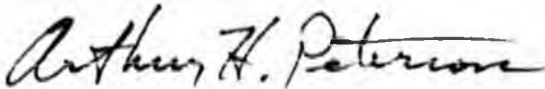
As requested by your committee's assistant, Diane Morrison, you will find the following documents attached for your use:

- a subpoena duces tecum for the three trustees of the Alaska Renewable Resources Corporation;
- an affidavit of service.

In order to make this subpoena valid, you must have the authorization of a majority of your committee and get Speaker Gardiner's concurrence, in accordance with AS 24.25.010(b). Also it must be served in accordance with AS 24.25.020.

Yours truly,

AVRUM M. GROSS  
ATTORNEY GENERAL

By:   
Arthur H. Peterson  
Assistant Attorney General

AHP:jal  
Enclosures

# STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

## DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

POUCH K-STATE CAPITOL  
JUNEAU, ALASKA 99811  
465-3664

May 6, 1980

The Honorable Alvin Osterback  
Co-chairman  
House Resources Committee  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

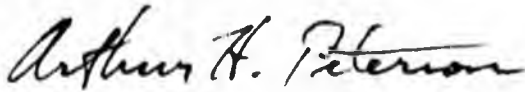
Re: Alaska Renewable Resources  
Corporation Subpoena

Dear Representative Osterback:

My note of yesterday did not expressly mention that each of the individuals named in the subpoena should be individually served, and the affidavit of service should make clear that each individual was served.

Yours truly,

AVRUM M. GROSS  
ATTORNEY GENERAL

By:   
Arthur H. Peterson  
Assistant Attorney General

AHP:jal