

COMMITTEE REPORT

HOUSE

2/24/81

FURTHER:

(11)

Date: April 15, 1981

Mr. Speaker:

The Committee on FINANCE has had SSHB 49

"An Act making a special appropriation to the Department of Commerce and Economic Development for the Alaska Agricultural Action Council to construct facilities for a small grains marketing system; and providing for an effective date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for SSHB 49 (FIN) same title
 new title
- and recommends individual recommendations
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

**MEMBERS SIGNING
DO PASS**

[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]

**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

[Signature] No Rec
[Signature]
[Signature] No Rec
[Signature]
[Signature] No Rec
[Signature]
[Signature] No Rec

CHAIRMAN

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSSSHB 49 (Finance)
 Title An Act making a special appropriation small grains marketing
 Requested by Representative Carney Date 4-09-81

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development
 Program Category Affected Development
 BRU, Program, or Subprogram(s) Affected Alaska Agricultural Action Council
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES	8,200.0	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.						
TOTAL	8,200.0	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND	8,200.0	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Operational costs will be borne by the private sector thru user fees charged.

IV. DATE 4-13-81

PREPARED BY Lois J. Cook
 AGENCY Commerce & Economic Development
 PHONE 465-2505

Original: Legislative Finance
 cc: Budget and Management
 _____ (Last Legislator Named)

Berry

Original sponsor: Moss

Funding Information

General Fund	\$8,200,000
Other Funds	-0-
	<u>\$8,200,000</u>

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 49 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
7 ment of Commerce and Economic Development for the
8 Alaska Agricultural Action Council for facilities for
9 a small grains marketing system; and providing for an
10 effective date."

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

12 * Section 1. The sum of \$8,200,000 is appropriated from the general fund
13 to the Department of Commerce and Economic Development for the Alaska Agri-
14 cultural Action Council (AS 44.33.450 - 44.33.500) to be used for the follow-
15 ing purposes:

16	construction of a tidewater grain terminal	\$6,500,000
17	construction of a grain sub-terminal and	
18	elevator facility between Fairbanks and	
19	Delta Junction	700,000
20	purchase of grain cars for transport	1,000,000

21 * Sec. 2. The appropriation made by this Act is for capital projects and
22 is subject to AS 37.25.020.

23 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
24 070(c).

Bessy

Original sponsor: Moss

Funding Information

General Fund	\$8,200,000
Other Funds	-0-
	<u>\$8,200,000</u>

1 IN THE HOUSE BY THE FINANCE COMMITTEE
 2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 49 (Finance)
 3 IN THE LEGISLATURE OF THE STATE OF ALASKA
 4 TWELFTH LEGISLATURE - FIRST SESSION

A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
 7 ment of Commerce and Economic Development for the
 8 Alaska Agricultural Action Council for facilities for
 9 a small grains marketing system; and providing for an
 10 effective date."

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

12 * Section 1. The sum of \$8,200,000 is appropriated from the general fund
 13 to the Department of Commerce and Economic Development for the Alaska Agri-
 14 cultural Action Council (AS 44.33.450 - 44.33.500) to be used for the follow-
 15 ing purposes:

16 construction of a tidewater grain terminal	\$6,500,000
17 construction of a grain sub-terminal and	
18 elevator facility between Fairbanks and	
19 Delta Junction	700,000
20 purchase of grain cars for transport	1,000,000

21 * Sec. 2. The appropriation made by this Act is for capital projects and
 22 is subject to AS 37.25.020.

23 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
 24 070(c).



HB 49

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

March 23, 1981

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

Dear Sam:

House Bill 49, appropriating funds for 1981 agricultural developments, has been in the House Finance Committee for some time. Passage of that bill is crucial at the earliest moment. I would have introduced such legislation myself, but was concerned that with my name on the bill, it might well have become another HB 60.

It is absolutely imperative that we make every reasonable effort to have the grain marketing and infrastructure in place to handle any surplus from the 1981 crop year. That is the least that we can do to assure the farmers that there will be adequate storage and a market this year for all the grain they can produce.

There is nothing whatsoever to be gained by delay. Final decisions have been made as to the terminal city and negotiations completed with Alaska Railroad General Manager Frank Jones on the exact site. Design engineers are ready to begin work immediately.

Delay now simply means no chance whatsoever of having the facility in operation for the 1981 crop and increased costs through inflation for a later period of construction.

In summary:

While our first priority has and will continue to be the in-state use of Alaskan grain, we must depend on the private sector farmer to increase his rate of usage to be financially practical. Therefore, we must be prepared to export the surplus grain while that livestock industry is growing.

The five essential elements in that export system are:

1. Export markets;
2. A marketing organization;

March 23, 1981

3. An efficient transfer facility at railhead to transfer the grain from farmers' trucks to grain hopper cars;
4. At least 20 specified grain hopper railroad cars;
5. An efficient tidewater elevator to transfer grain from rail cars to ocean-going grain vessels.

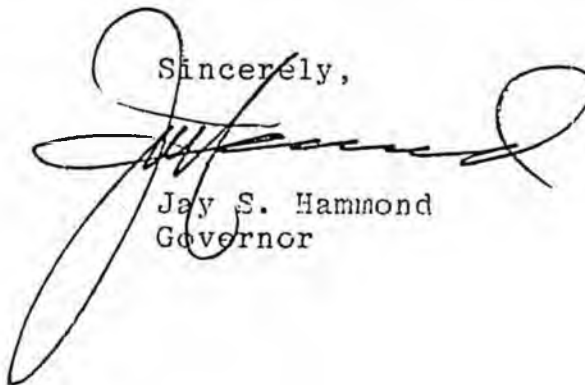
Much effort has already gone into the development of export markets and I am confident that world markets will readily accept Alaskan grain. We may or may not need to request additional funds for the grain cars. That will depend upon the availability of unused funds from HB 60.

The other funding required to put this system in place is before you in House Bill 49.

May I repeat -- it is crucial that this funding be made available at the earliest moment.

I would appreciate your prompt and favorable consideration of House Bill 49.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Jay S. Hammond". The signature is written over the typed name and title.

Jay S. Hammond
Governor

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSSSHB 49 (Finance) AM (amendment proposed)
 Title An Act making a special appropriation . . . small grain marketing. . .
 Requested by Representative Carney Date 4/09/81

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development
 Program Category Affected Development
 BRU, Program, or Subprogram(s) Affected Alaska Agricultural Action Council
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES	8,400.0	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.						
TOTAL	8,400.0	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND	8,400.0	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Proposed amendment would add \$200,000 for an elevator facility at Kodiak.

Operational costs will be borne by the private sector thru user fees charged.

IV. DATE 4/13/81 PREPARED BY *Lois J. Cook*
 AGENCY Commerce & Economic Development
 PHONE 465-2505
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSSSHB 49 (Finance)
 Title An Act making a special appropriation small grains marketing
 Requested by Representative Carney Date 4-09-81

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development
 Program Category Affected Development
 BRU, Program, or Subprogram(s) Affected Alaska Agricultural Action Council
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES	8,200.0	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.						
TOTAL	8,200.0	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

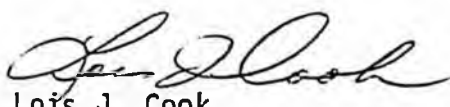
GENERAL FUND	8,200.0	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Operational costs will be borne by the private sector thru user fees charged.

IV. DATE 4-13-81 PREPARED BY  Lois J. Cook
 AGENCY Commerce & Economic Development
 PHONE 465-2505
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Funding Information
General Fund \$6,400,000
Other Funds -0-
\$6,400,000

Introduced: 2/6/81
Referred: Resources and
Finance

1 IN THE HOUSE

BY MOSS

2 SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 49

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
7 ment of Commerce and Economic Development for the
8 Alaska Agricultural Action Council to construct facili-
9 ties for a small grains marketing system; and providing
10 for an effective date."

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

12 * Section 1. The sum of \$6,400,000 is appropriated from the general fund
13 to the Department of Commerce and Economic Development for the Alaska Agri-
14 cultural Action Council (AS 44.33.450 - 44.33.500) to be used for the follow-
15 ing purposes:

- 16 (1) construction of a tidewater grain terminal \$5,700,000
17 (2) construction of a grain sub-terminal and
18 elevator facility between Fairbanks and
19 Delta Junction 700,000

20 * Sec. 2. The appropriation made in this Act is for capital projects and
21 is subject to AS 37.25.020.

22 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
23 070(c).

Original sponsor: Moss

Offered: 2/24/81
Referred: Finance

Funding Information

General Fund \$6,700,000
Other Funds -0-
\$6,700,000

1 IN THE HOUSE BY THE RESOURCES COMMITTEE
2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 49 (Resources)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL
6 For an Act entitled: "An Act making a special appropriation to the Depart-
7 ment of Commerce and Economic Development for the
8 Alaska Agricultural Action Council for facilities for
9 a small grains marketing system; and providing for an
10 effective date."

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

12 * Section 1. The sum of \$6,700,000 is appropriated from the general fund
13 to the Department of Commerce and Economic Development for the Alaska Agri-
14 cultural Action Council (AS 44.33.450 - 44.33.500) to be used for the follow-
15 ing purposes:

16 construction of a tidewater grain terminal \$6,000,000
17 construction of a grain sub-terminal and
18 elevator facility between Fairbanks and
19 Delta Junction 700,000

20 * Sec. 2. The appropriation made by this Act is for capital projects and
21 is subject to AS 37.25.020.

22 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
23 070(c).

24
25
26
27
28
29

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SPONSOR SUBSTITUTE FOR HOUSE BILL 49
 Title Making a special appropriation to DCED for AAAC for small grains mktg. system
 Requested by _____ Date 2/13/81

II. FISCAL DETAIL

Agency Affected Department of Commerce and Economic Development
 Program Category Affected Economic Development
 BRU, Program, or Subprogram(s) Affected Alaska Agricultural Action Council
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES	6,400.	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.						

TOTAL

FUNDING (Thousands of Dollars)

GENERAL FUND	6,400.	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

We expect the facilities to be constructed will be sold or leased to the private sector, at no further expense to the State.

IV. DATE February 13, 1981 PREPARED BY W. I. "Bob" Palmer

AGENCY Alaska Agricultural Action Council
 PHONE 465-3568

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)