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Alaska State Legislature

BETTYE FAHRENKAMP, Chairman
ROBERT H. ZIEGLER, SR., Vice Chairman
DICK ELIASON
PAUL FISCHER
VIC FISCHER
BOB MULCAHY
ARLISS STURGULEWSKI



POUCH V
STATE CAPITAL
JUNEAU, ALASKA 99811
(907) 465-3834
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Senate

Committee on Resources

MINUTES

March 9, 1984
3:08 pm

Beltz Room
Room 211, Capitol

MEMBERS PRESENT

Senator Fahrenkamp, Chairman
Senator Ziegler, Vice Chair
Senator Eliason
Senator Vic Fischer
Senator Mulcahy

CALENDAR

SB 375, An Act relating to land disposal and management.

SB 222, An Act relating to the organization of DNR, substituting references in the Alaska statutes to the Department and the Commissioner for the references to the Division of Lands and the Director of the Division of Lands.

SJR 32, Proposing an amendment to the Constitution of the State of Alaska creating a fund to finance the construction of capital projects and to provide equity for power cost assistance.

SB 423, An Act relating to the Alaska Power Authority.

SB 522, An Act specifying how revenues dedicated to the major projects fund shall be expended; and providing for an effective date.

SB 523, An Act making appropriations from the Major Projects Fund; and providing for an effective date.

SB 222

Sandra Schubert, Aide to Senator Fahrenkamp, explained that SB 222, which was prepared by the Revisor of Statutes, reflects changes in drafting style. The second Committee Substitute includes changes made to conform with the passage of SB 41, which awarded the University of Alaska ownership and management of certain state lands, and the changes proposed in SB 375, the lands bill.

Senator Mulcahy moved to adopt the second CS SB 222, and move it from committee with individual recommendations. There was no objection.

SB 375

Senator Eliason proposed an amendment to SB 375 that would change the effective date on the quitclaim section of the bill. He moved to adopt the amendment. There was no objection.

Senator Mulcahy moved CS SB 375 from committee with individual recommendations. There was no objection.

SJR 32

SB 423

SB 522

SB 523

Senator Gilman proposed that SJR 32 contain a provision for construction of the Bradley Lake hydroelectric project.

Dave Hutchens, Alaska Rural Electric Cooperative Association, proposed authorizing and funding the Bradley Lake project, and addressed problems associated with a delayed effective date on the repeal of the Susitna "blackmail" clause.

George Matz, Special Assistant, Department of Commerce and Economic Development, presented testimony on the status of negotiations with the four dam pool communities on signing power sales agreements.

Sterling Gallagher, John Nureen and Company, reviewed the problems associated with "roll-over" of APA's short term debt, citing pending Congressional legislation, higher future interest rates, and the assurances bonders would need to be willing to roll the debt.

Senator Halford urged that the language to be inserted in the Constitution be simplified.

Mike Scott, Aide to Senator Ferguson, explained how the power cost assistance provision in the resolution would provide rural Alaska with some benefits of the energy program and thereby gain equity statewide.

Gordon Harrison, Office of Management and Budget, submitted a proposed Committee Substitute to SJR 32. He suggested that funds be dedicated for a limited number of years and that the power cost assistance language be clarified. He expressed concern that with Constitutional authorization of the Susitna project, there would be no avenue of retreat.

The meeting adjourned at 4:37 pm.

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Senate

Committee on Resources

March 5, 1984

SB 523

AN ACT MAKING APPROPRIATIONS FROM THE MAJOR
PROJECTS FUND.

Sec. 1

Appropriates \$2,535,000,000 from the major projects fund for construction of and rate stabilization for the Watana dam project in the Susitna River hydro project, and establishes an annual appropriation schedule.

Sec. 2

Takes effect upon passage of the Constitutional amendment creating the major projects fund.

Funding Information

General Fund \$2,535,000,000
Other Funds -0-
\$2,535,000,000

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 SENATE BILL NO. 523

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making appropriations from the Major Projects
7 Fund; and providing for an effective date."

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

9 * Section 1. The sum of \$2,535,000,000 is appropriated from the major
10 projects fund for hydroelectric energy development for construction and
11 rate stabilization connected with the Watana dam project in the Susitna
12 River hydroelectric project and the appropriation schedule is as follows:

13 (1) \$178,000,000 in each of the state fiscal years between
14 July 1, 1984 and June 30, 1989;

15 (2) \$110,000,000 in each of the state fiscal years between
16 July 1, 1989, and June 30, 2003;

17 (3) \$79,000,000 in the state fiscal years that begins July
18 1, 2003 and ends June 30, 2004;

19 (4) \$26,000,000 in the state fiscal year that begins July
20 1, 2004 and ends June 30, 2005.

21 * Sec. 2. This Act takes effect upon passage of a constitutional
22 amendment creating the major projects fund and a bill establishing the
23 procedures of administering the fund.
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