

**COMMITTEE REPORT**  
**SENATE**

FURTHER:

5/7/85

Date \_\_\_\_\_

Mr. President

The Committee on FINANCE considered CSHB 102(Fin)

Alaska Resources Corporation; efd.

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

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for \_\_\_\_\_
- new title
- same title and recommends \_\_\_\_\_
- and attached a "LETTER OF INTENT"  NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS

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\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Chairman recommendation

COMMITTEE REPORT  
SENATE

3/4/85

FURTHER:

FINANCE

Date 6 May 1985

Mr. President

The Committee on LABOR & COMMERCE considered CSHB 102(Fin)  
Alaska Resources Corporation; efd.

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

- do pass
- do pass with attached amendment(s)
- replace with/or adopt SCS for CSHB 102  
 new title  
 same title and recommends Adoption of House letter of Intent
- and attached a "LETTER OF INTENT"  NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS

\_\_\_\_\_  
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William Jones  
Blue Ray No Note  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Fred J. Zwart  
Chairman

Do Pass  
Chairman recommendation

Offered: 5/7/85  
Referred: Finance

Original sponsor: Rules/Governor

BY THE LABOR AND  
COMMERCE COMMITTEE

1 IN THE HOUSE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 102 (L&C)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Resources Corporation;  
7 and providing for an effective date."

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

9 \* Section 1. AS 37.12.071 is amended to read:

10 Sec. 37.12.071. ADDITIONAL POWERS. Notwithstanding other pro-  
11 visions of law governing disposal of state property, the board may, at  
12 either public or private sale, dispose of the assets of the corpora-  
13 tion as required in AS 37.12.075. Disposal shall be made in a manner  
14 that serves the best interests of the state, and may include amortiza-  
15 tion of payments over a period of 25 years or less, but may not be by  
16 lease. In addition, the corporation may spend money to protect the  
17 assets of the corporation.

18 \* Sec. 2. AS 37.12.075 is amended by adding new subsections to read:

19 (b) In divesting the corporation of equity investments, the  
20 board may convert the equity investment of the corporation in a par-  
21 ticular enterprise to debt, if the governing board of the enterprise  
22 approves the conversion. The debt created by the conversion may  
23 include amortization of payments over a period of 25 years or less,  
24 and becomes part of the outstanding loan portfolio of the corporation.

25 (c) If the board proposes to dispose of an interest in real  
26 property to a private party at less than 50 percent of its appraised  
27 value, the board shall notify the municipalities in which the real  
28 property of the proposed disposal is located. A municipality may ac-  
29 quire the interest in the real property for the same value as the  
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1 proposed disposal to the private party if, within 30 days of receiving  
2 the notice, the municipality elects to acquire the interest in the  
3 real property.

4 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.-  
5 10.070(c).  
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Offered: 2/25/85  
Referred: Rules

*Bonnie*

Original sponsor: Rules/Governor

1 IN THE HOUSE BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 102 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

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27  
28  
29

*ac*

STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date \_\_\_\_\_

REQUEST

Bill/Resolution No: CS HB 102 (Fin)  
Title: Relating to Alaska Resources Corporation  
Sponsor: Governor  
Requestor: \_\_\_\_\_  
Date of Request: \_\_\_\_\_

FISCAL DETAIL

Agency Affected: Department of Revenue  
Program Category Affected: \_\_\_\_\_  
BRU, Program of Subprogram(s) Affected: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
<b>OPERATING</b>						
100 PERSONAL SERVICES	-	-	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	-	-	-	-	-
400 SUPPLIES	-	-	-	-	-	-
500 EQUIPMENT	-	-	-	-	-	-
600 LANDS & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
<b>TOTAL OPERATING</b>	-	-	-	-	-	-
<b>CAPITAL</b>	-	-	-	-	-	-
<b>REVENUE</b>	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
<b>TOTAL</b>	-	-	-	-	-	-

POSITIONS:

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

ANALYSIS: Attach a separate page for analysis.

Prepared By: Milt Barker *MB*  
Division: Treasury

Phone: 465-2350  
Date: January 7, 1985

Approved by Commissioner: *Henry G. Sturdak*  
Agency: Department of Revenue

Date: 1/7/85

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

HOUSE JOURNAL

House Finance Committee  
Letter of Intent  
for  
Committee Substitute for House Bill 102 (Finance)

In adopting CS House Bill 102 (Finance), "An Act relating to the Alaska Resources Corporation; and providing for an effective date," it is the intent of the legislature that the assets of the Alaska Resources Corporation (ARC) be fully liquidated by July 1, 1989.

While the authority granted in CS HB 102 (Finance), allows credit terms of sale for ARC assets to extend beyond 1989, it is the intent of the legislature that this authority be used only when there is a compelling economic reason to allow terms of sale other than cash payment, and then only to the extent that any credit granted is collateralized. No terms of sale should require state management effort beyond that needed for any other high-quality note receivable.

*Al Adams 2.25-85*

Al Adams, Chair  
House Finance Committee

Adopted by House 3/1/85

BILL SHEFFIELD  
GOVERNOR



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

HB 102

January 23, 1985

The Honorable Ben Grussendorf  
Speaker of the House  
Alaska State Legislature  
Pouch V  
Juneau, AK 99811

Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the divestiture of assets and equity investments of the Alaska Resources Corporation (ARC).

Section 1 of the bill permits the board to dispose of assets, including those acquired through default or foreclosure, in any manner that serves the best interests of the state, including extended payments over time.

Section 2 of the bill permits the board to convert its equity investments into debt, which will then be treated in the same manner as the corporation's current outstanding loan portfolio.

This bill is necessary to permit the ARC board the flexibility necessary to wind up the corporation's affairs by 1989, in accordance with ch. 161, SLA 1984.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bill Sheffield".

Bill Sheffield  
Governor

ALASKA STATE LEGISLATURE

14th... Legislature FIRST... Session

HOUSE ... BILL ... NO. 102 ...  
By RULES COMMITTEE BY REQUEST OF THE GOVERNOR

"An Act relating to the Alaska Resources Corporation; and providing for an effective date."

CSHB 102 (Fin) BY FINANCE

Offered: 2/25/85  
Referred: Rules

TITLE: Same

Ak. Resources Corp.

Introduced in the House 1/23 ..., 19. 85

HISTORY IN THE HOUSE

19 85	Read first time and referred to Committee on										
Jan. 23	SPEC. LOANS AND FINANCE										
Feb 6	Reported back with recommendation that <i>Roane - CS (Roane) 420 p.m. 1 no rec - 20 Finance</i>										
Feb 25	<i>Finance - CS (Fin) 720 p.m. 2 no rec. 20 Rules</i>										
Feb 27	Read second time and <i>CS (Fin) adopted today</i>										
Feb 27	Read third time and										
Mar 1	<i>Reconsideration taken up failed to refer to 2d for specific amendments Reconsideration adopted 4/1</i>										
Feb 27	<table border="0"> <tr> <td><b>PASS</b></td> <td>Effective Date</td> </tr> <tr> <td>Yeas 31</td> <td>Yeas</td> </tr> <tr> <td>Nays 7</td> <td>Nays <i>same</i></td> </tr> <tr> <td>Absent 1</td> <td>Absent</td> </tr> <tr> <td>Excused 1</td> <td>Excused</td> </tr> </table>	<b>PASS</b>	Effective Date	Yeas 31	Yeas	Nays 7	Nays <i>same</i>	Absent 1	Absent	Excused 1	Excused
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Yeas 29	Yeas										
Nays 7	Nays <i>same</i>										
Absent 0	Absent										
Excused 4	Excused										
2/27	Reported correctly engrossed										
1	Signed by Speaker										
1	Sent to Senate										
	<i>Harold Pastern</i>										
	CHIEF CLERK OF THE HOUSE										

HISTORY IN THE SENATE

19 85	Read first time and referred to Committee on										
3 4	<i>L &amp; C Fin</i>										
5 7	Reported back with <i>L &amp; C</i> recommendation that <i>replied</i> <i>W/S/S, adopt Senate intent, I do pass, 2 no rec, to fin.</i>										
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	Reported correctly engrossed										
	Signed by President										
	Returned to House										
	SECRETARY OF THE SENATE										

HISTORY IN THE HOUSE

19	Received from Senate
	Concurred in Senate amendment thus adopting: VOTE
	Failed to concur in Senate amendment; asked Senate to recede VOTE
	Senate receded from amendment VOTE
	Senate failed to recede from amendment VOTE
	CC appointed by House
	CC appointed by Senate
	CC adopted by House VOTE
	CC adopted by Senate VOTE
	To enrolling
	Reported correctly enrolled
	Sent to Governor
	..... by Governor
	Filed with Lt. Governor
	Chapter No. ....

STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date \_\_\_\_\_

REQUEST

Bill/Resolution No: CS HB 102 (Fin)  
 Title: Relating to Alaska Resources  
 Corporation \_\_\_\_\_  
 Sponsor: Governor  
 Requestor: \_\_\_\_\_  
 Date of Request: \_\_\_\_\_

FISCAL DETAIL

Agency Affected: Department of Revenue  
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EXPENDITURES/REVENUES: (Thousands of Dollars)

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<b>TOTAL OPERATING</b>	-	-	-	-	-	-
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
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Prepared By: Milt Barker MB  
 Division: Treasury

Phone: 465-2350  
 Date: January 7, 1985

Approved by Commissioner: Henry G. Stucke  
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 2.25-85

Al Adams, Chair  
House Finance Committee

Adopted by House 3/1/85

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Offered: 5/7/85  
Referred: Finance

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5        10.070(c).

Offered: 2/25/85  
Referred: Rules

Original sponsor: Rules/Governor

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