

HCR

40

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
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May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

HSA

2-17-88

3:00p.m.

A M E N D M E N T

Offered in the HOUSE

By Donley

TO: CSSJR 15(Judiciary)

Page 1, line 14:

Delete "the people"

Insert "an individual [THE PEOPLE]"

Page 1, line 14:

After "infringed"

Insert "or denied by the state or by a city or borough of the state"

SPEECH

1

I'VE INTRODUCED THIS RESOLUTION BECAUSE I AM CONCERNED ABOUT INEQUITIES IN THE FEDERAL TAX LAWS, PARTICULARLY AS THEY AFFECT OUR CHILDREN. MANY, MANY, FAMILIES SAVE THEIR CHILDREN'S PERMANENT FUND DIVIDENDS IN A SAVINGS ACCOUNT TO ESTABLISH A "COLLEGE FUND" TO HELP SEND THEIR KIDS TO SCHOOL. UNIVERSITY TUITIONS ARE CONTINUALLY ON THE RISE, OUR OWN STUDENT LOAN PROGRAM IS MORE AND MORE EXPENSIVE TO USE; IN SHORT, THE COSTS OF A POSTSECONDARY EDUCATION TODAY ARE ASTRONOMICAL. IT IS NATURAL TO DESIRE TO SEND ALASKAN YOUTHS TO SCHOOL AND INDIVIDUAL FAMILIES SAVING THE CHILD'S DIVIDEND IS A LOGICAL STEP IN THAT PROCESS.

UNFORTUNATELY, THE NEW TAX LAW MAKES IT DIFFICULT FOR A CHILD TO SAVE HER DIVIDENDS FOR SCHOOL. AS THE FEDERAL LAW READS NOW, UNEARNED INCOME OVER AND ABOVE \$1000 IS TAXED AT THEIR PARENT'S RATE. AS DIVIDENDS CONTINUE TO GROW AND INTEREST ACCRUES ON PAST DIVIDENDS, CHILDREN WHO ARE SAVING THEIR DIVIDENDS FOR SCHOOL ARE FINDING THE FEDERAL GOVERNMENT CHEWING AWAY AT THEIR PRINCIPAL BY TREATING THEM AS THEIR PARENTS. IF BILLY'S MOM IS A DOCTOR IN A 40% TAX BRACKET, THEN BILLY'S DIVIDENDS AND INTEREST OVER \$1000 IS TAXED AT MOM'S RATE.

THIS RESOLUTION URGES THE CONGRESSIONAL DELEGATION TO SEEK A TAX EMEPTION FOR ALASKAN MINORS ON INCOME RECEIVED FROM PERMANENT FUND DIVIDENDS OR REINVESTMENT OF THE DIVIDENDS.

WE ARE FORTUNATE ENOUGH TO HAVE HAD LEADERS WITH THE FORSIGHT TO PROVIDE ALASKANS WITH THE DIVIDEND PROGRAM. I URGE YOU TO HAVE THE FORSIGHT TO HELP PROTECT OUR CHILDRENS'

DIVIDENDS FROM EXORBITANT TAXES, AND TO ASSIST THOSE FAMILIES WITH ~~USE~~ MEETING THE SIGNIFICANT COSTS OF A COLLEGE EDUCATION THROUGH THE CAREFUL SAVINGS AND INVESTMENTS OF THEIR CHILD'S PERMANENT FUNDS. THANK YOU.

HOUSE COMMITTEE REPORT

(7)

Date referred: 2/1/88

FURTHER REFERRALS:

DATE: 2-17-88

The State Affairs Committee has considered HCR 40
Designating a year of friendship with Finland.

RECOMMENDS:

- replace with _____ the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

[Handwritten signatures]

SIGNING OTHER RECOMMENDATIONS:

[Handwritten signature]

 Chairman's signature

Finns
in
North America

by

Eloise Engle

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him. Eight years later in 1798, George Washington became President under the revised Constitution.

Professor John I. Kolehmainen has an afterthought: "The transformation of the Finns, who had settled in Sweden in the years following 1580, had already begun there; it was completed almost imperceptibly in America."^{*}

FINNS IN ALASKA

In 1727, Peter the Great of Russia sent an expedition led by Vitus Bering, a Dane, to determine whether or not Alaska was a part of the Asiatic continent. Peter the Great, and later his widow Catherine, hoped to set up a profitable fur trade in North America, as other European powers were then doing.

Bering's second voyage in 1741 took him to the strait between Siberia and North America which now bears his name. In 1784, Russia took possession of Kodiak Island as a fishing and hunting base for the Russian-American Fur Company. In the 1790s, Governor Baranov seized Sitka Island from which the whole of Alaska was to be governed. The capital city was Nova Archangel, or Sitka, for short. The southernmost base of the Sitka colony was Fort Rossia in California, near present day San Francisco.

Meanwhile, thousands of miles away in Europe, events that drastically affected Finland were taking place. Most of the continent was under the dominance of France's Napoleon Bonaparte and Russia's Alexander I. The French emperor teamed up with Denmark to close the Baltic to British trade, but when he approached Gustav IV of Sweden, the offer was refused. Napoleon then persuaded the Czar to declare war on Sweden, a not too difficult task since the two countries had been warring off and on for centuries. At the same time Sweden would be attacked by Denmark, and Russia would receive Finland as the prize in these maneuvers.

In September 1809, in accordance with the general re-drawing of the map of Europe, Sweden signed a treaty with Russia, and gave up Finland.

With Finland a Grand Duchy of Russia, Finns began actively participating in the Russian-American Company in Alaska. Finnish sailors in Finnish-built vessels made the thirteen-month journey around Cape Horn. Some Finns were political prisoners, sent from Siberia to do construction work. Others were employed in fairly high positions.

Alexander Baranov, a former Siberian merchant, ruled Sitka like a Czar. He built an impressive governor's palace,

* Kolehmainen, John I, *The Finns in America*, Teachers College Press, Columbia University, New York, 1968.

and furnished it with art treasures from St. Petersburg, grand pianos and a fine library of some 1,200 works in many languages. Vodka flowed freely at palace parties, to which Indian women were frequent visitors.

When Baranov died in 1818, he was succeeded by a series of governors of questionable ability and morals. Able administrators weren't too eager to settle in that remote outpost. However, events in Finland began to point toward better things in Alaska. With the country's new status as a Grand Duchy having its own Diet and Senate, gifted Finns could rise to a new status in Russia. Such was the case of Admiral Arvid Adolf Etholen who served as Governor-General of Alaska from 1840 to 1845. He, with his wife and children sailed aboard the 350-ton Turku-built *Nikolai* on September 12, 1839, along with fifty-three others, including Pastor Uno Cygnaeus who would serve a five-year assignment as Sitka's first Lutheran Minister, and R. F. Sahlberg, a scientist-doctor who would serve for a year as a medical officer. Sahlberg's diary later provided a fascinating insight into the early life of the colony.

The *Nikolai* reached Sitka in the summer of 1840 after a perilous and stormy voyage around the Horn. Sahlberg wrote: "To be sure, the sleet and hailstones dampened the pleasure that being on deck brings, but one had to suffer this discomfort in order to see the wild seas. The waves rose high, higher than half-mast, and broke against the ship, threatening to engulf it completely."

Life in the northern frontier post was both profitable and gay, with a dizzy round of receptions, balls, drinking bouts and card parties. Homesick aristocrats did their best to recreate something of the grandeur of St. Petersburg. "God is high and the Czar is far away," was the standard response to criticism. Many were hopelessly in debt. Some were married to Indian women. "They have been in Sitka so long that they have abandoned all hope of getting home," Sahlberg wrote.

Although morals were low, profits were apparently high. The company carried on large scale trading, hunting for furs, fishing and gold washing. Company-owned trading ships sailed to China, the Philippines, California and Japan. At the same time, the company's ruthless quest for profit drove Alaska's sea cows to extinction.

Governor Etholen and his wife began their massive program of reform, changing drastically the lives of company employees as well as native Alaskans. A forty-bed hospital, a public library, a playground, and a clubhouse for unmarried men were all built under their auspices. Madame Etholen, a pious woman, made the altar linens for the new Lutheran

chapel and with her husband, donated a small pipe organ which was still in use during the 1880s. The Etholens were particularly concerned about the exploitation of the natives and in 1841 issued an order aimed at correcting the problem. The sale of liquor at all posts was banned even for whites. According to Sahlberg, "Some of the Russians wept at receiving the order." Fairs were begun at which natives could display their handiwork. The most lasting gift of Madame Etholen was her establishment of the first boarding school for native girls in Alaska. Etholen Island, near Sitka, is named for these good people.

Another prominent Finn was Captain Hampus Furuhielm, who served as a company official, and later as Alaska's 13th Governor-General. He was first assigned to Admiral Putjatin's research expedition to the Arctic where he christened two unknown islands in Possiet Bay the Furuhielm Islands.

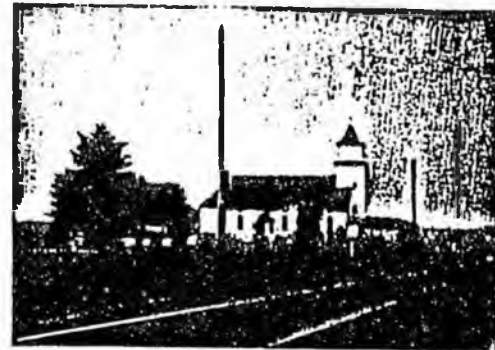
The European community in Sitka grew steadily until in 1861, its population was 2,500. It was the busiest port on the Pacific Ocean, not excluding San Francisco. Furuhielm handled his duties with skill and tact. One mission in particular called for the utmost discretion and diplomacy. It involved the aggravating Ice Agreement the company had with the U.S. which required the Sitka colony to deliver thousands of tons of ice to San Francisco to cool American drinks. New Englanders had made a big business of packing ice in sawdust and shipping it as far away as India. But Alaska didn't have enough woods and woodsmen to produce enough sawdust and the result was shipload after shipload of melted ice.

Furuhielm approached the problem literally by the back door. He located the lady friend of the leader of the San Francisco businessmen's caucus, and presented her with the most beautiful fur in Alaska. A few days later, the Ice Agreement was canceled. St. Petersburg was delighted.

Another coup for Furuhielm was the acquisition of the whole of Sakhalin Island from Japan in exchange for a few of Russia's Kurile Islands. But all Russian deals were not so successful.

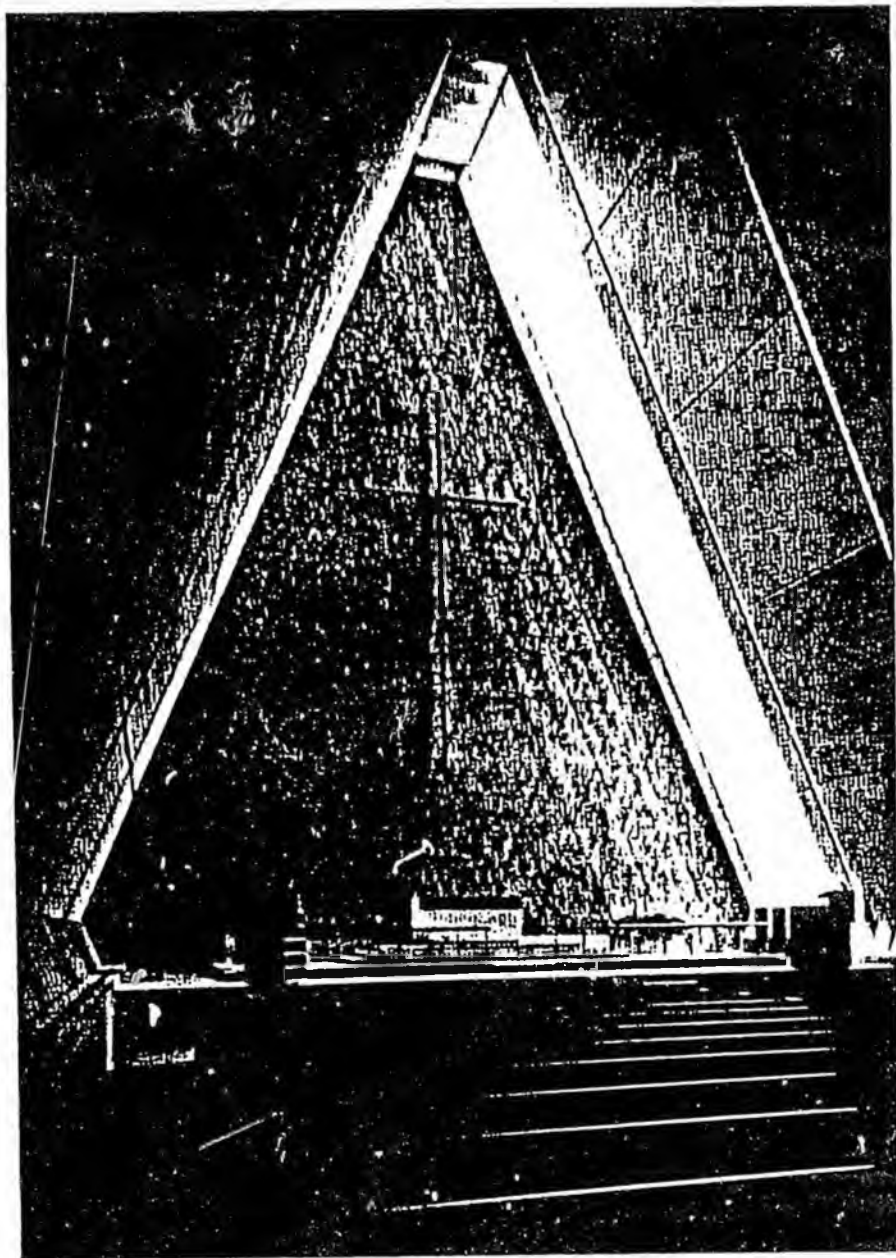
Some historians say that the extraordinary sale of Alaska in 1867 to the United States, came about because Grand Duke Konstantin Nikolayevitz of the Imperial family needed an impressive dowry for his daughter to marry the King of Greece. The sale was arranged in Washington between the Russian envoy, Baron Stoeckel and Secretary of State William Seward. Furuhielm, who opposed the sale to his dying day, muttered angrily that ". . . the sale of Alaska was a dirty affair . . ."

With the transfer of Alaska to the United States, many Finns stayed on and settled, particularly in Sitka, Juneau,



(Above, left) Early Finnish home. (Middle) Finnish Lutheran Church at Nisula, is one of the oldest of the early Michigan churches. Photo by Lauri A. Paananen. (Above, right) Two young ladies enjoying a Finnish sauna. (Below) Emigrants boarding ship at Hanko. Water color painting by Emil Danielsson in 1909. Courtesy of National Museum of Finland.





"We realize that light is an effective agent in creating a spiritual atmosphere."—*Eero Saarinen, Kramer Chapel. Photo courtesy Concordia Senior College, Fort Wayne, Indiana.*

Fairbanks and Anchorage. Some drifted south to Seattle and other mainland communities where they could find work. Gustav Wilson became the first Finnish Consul in the territory. An early pioneer pastor of the region was Reverend Heikki Sarvela.

The Gold Rush In 1898 news flashed around the world that an enormous gold strike had been made in the Klondike, in northwestern Canada. Hordes of gold seekers passed through Seattle on their way to the northland in search of riches. It seemed a miracle at a time when the world was still suffering from the depression and panic of 1893. Before the gold rush ended, one man brought out one ton of gold. A year later, there was a second great gold discovery near Nome, in Alaska. In ten years, \$200 million in gold came through Seattle. And some of that gold found its way to Turku University in Finland, thanks to a pair of Finnish adventurers who made good.

Karl Frederick Joutsen and Anton Fabian Johnsson, sons of Juho Johnsson, a Turku blacksmith, were typical of many young Finns who heard about the gold strikes. Finnish restaurants and bars in Seattle were swarming with would-be sourdoughs, listening eagerly to the wild tales of sudden wealth. Sailors, railroad workers, miners, longshoremen and carpenters bragged about getting as much as \$700 worth of gold just by dipping a pan into the streams. The stories were so exciting that a lot of the men lost what little money they had, drinking and gambling, before they ever got started. But Karl Joutsen had a level head on his shoulders. Although he knew English, he kept his mouth shut and listened.

Before long he'd made careful notes on how to prepare for the trip, when to go, and where. "Don't go in the fall or you'll freeze to death," said the old hands. "And take several reliable, experienced men with you." But where would Karl find someone like that?

He was pondering the problem one evening in the Finnish restaurant when he looked up to see a ragged young fellow who looked vaguely familiar. It was his younger brother Anton who had come to America a few years before and had been working in blacksmith shops from Fitchburg, Massachusetts, to Hancock, Michigan. He had last worked in the copper mines in Montana and was now in Seattle, out of a job, with a fortune of 25¢ in his pocket. Anton couldn't speak a word of English but he was talented and reliable. Karl had saved \$650 for a grubstake, enough to buy two and a half tons of equipment and ship it to Alaska. From then on, it would be a fifty-fifty proposition. It was the beginning of a forty-five year partnership.

They soon had a fortune in gold and began sending money back to a Helsinki bank. On return to Finland, they heard that one of the leading banks had failed. There were many property liquidations and, of course, great bargains. One was a large building on Esplanade, today an enormously valuable piece of real estate. The brothers bought it, and carried on their various businesses there, for many years. Neither of them married, and when they died, they willed their fortunes of \$5 million to Turku University which at that time was in great financial need. Today, a plaque on the wall of the university library credits Alaskan gold and the Joutsen brothers for its existence. Professor Olavi Koivukangas adds: "In addition to the university library, half of the mathematics and science buildings also came indirectly from Alaskan gold."

Finns in Alaska became somewhat more active in politics than elsewhere in North America. The Finnish Consul in Anchorage, William Alex Stolt, served as mayor of the city during World War II. The last acting governor of Alaska before it became a state, Waino Hendrickson, was born of Finnish parents. Jalmar Kerttula, at present the Majority Leader of Alaska's Senate, is of Finnish descent.

THE GREAT MIGRATIONS

I'm going to America
Everyone is on his way.
The American shores are sanded
With gold they say

I'll embark from Hankoniemi
On a small boat and go,
'Cause Finland can't support
The children of her poor.

—Finnish immigrant ballad—

Between the years 1864 and 1920, about 360,000 Finns set sail for America, in what historians call the "new immigration" of people from Eastern, Central and Southern Europe. Like Lithuanians, Poles, Slovaks, Italians, Greeks and Russians, the Finns would provide manpower for America's expanding industrial economy. Most men headed for the mines and mills, factories, lumber camps and sawmills but some became fishermen. Many of the women would work as domestics.

Although few Finns could speak English, they were about eighty percent more literate than the other groups. Their most serious handicaps from the beginning were language

and lack of industrial skills. As latecomers, they generally had to take the most menial jobs.

The new immigrants did not quickly disappear into the American scene as the Finns did in Delaware in the 1630s and in Alaska in the mid 1800s. Their adjustment to American life was slow, and often painful though partly softened by the lively subculture that Finnish-speaking Americans developed to keep in touch with each other. Many of the more homesick soon wondered how in the world they ever fell victim to "America fever." About one-third of them eventually returned home for good.

The lure from across the sea came from several sources; from northern Norway, from Sweden, and from talkative Finnish sailors who had gone ashore in California during the gold rush and returned to Finnish seaports with pockets full of money. Dozens followed seaman Edvard Kohn of Turku back to the California Gold Coast.

Earlier, in the 1830s, a Finnish farmer, William Lundell had settled in the Fitchburg area of Massachusetts. Carl Sjökaht (Charles Linn), born in Pojo parish, went to Alabama, then returned to Finland where he recruited fifty-three workers; women went to work as maids in Montgomery and New Orleans, and men to work on the railroad. But beyond that, there was no mass exodus from Finland until after the American Civil War.

The real "fever" began in Arctic Norway's Finnmark and Tromsø Provinces where, by 1865, some 6,000 Finns, mostly from northern parts of Oulu Province, were working as fishermen, miners and farmers. Life there was severe and dangerous, particularly for fishermen who sailed the Arctic Ocean in icy winds and storms, earning barely enough to exist. "Few of the poor fishermen end their days in bed," was the old saying. Often they spent what little money they had in the local saloon, fortifying themselves for their next gamble with death.

Farmers were not much better off. Northern Norway's poor peat soil, sudden frosts and bitter cold made for sparse crops and many farmers lived on the brink of starvation.

Probably the unhealthiest jobs were in the copper mines at Kaafjord where men faced bitter cold and the constant threat of accidents. But even those ugly jobs slackened off during the 1860s, then stopped, leaving many Finns with no place to go.

No wonder then, that the two Quincy Mining Company agents were so successful in recruiting Finns for work in northern Michigan's Copper Country. During the next twenty years, some 700 to 1,000 Finns came to the United States,

Presidential Documents

Proclamation 6704 of September 17, 1987

National Year of Friendship With Finland, 1988

By the President of the United States of America

A Proclamation

Finnish settlers first arrived in this country in 1638, when Nordics, many of them natives of Finland or Sweden who spoke Finnish, established the colony of New Sweden in present-day Delaware. They introduced European civilization to the Delaware River Valley and began the transformation of a vast wilderness. Theirs were the pioneer spirit and virtues that are the foundation of our national character. The 350th anniversary of their landing is a most fitting time to celebrate the legacy of America's Finnish pioneers and their descendants and to recall that the friendship of the United States and Finland has deep historical roots.

To commemorate the relationship between the peoples of Finland and the United States on the 350th anniversary of New Sweden, the Congress, by Public Law 99-002, has designated 1988 as "National Year of Friendship with Finland," and has authorized and requested the President to issue a proclamation in its observance.

NOW, THEREFORE, I, RONALD REAGAN, President of the United States of America, do hereby proclaim 1988 as National Year of Friendship with Finland. I call upon all Americans to observe the year with appropriate ceremonies and activities.

IN WITNESS WHEREOF, I have hereunto set my hand this seventeenth day of September, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and twelfth.

Ronald Reagan

(PR Doc. 87-21972)

Filed 9-21-87; 8:56 am

Billing code 5195-07-14

Public Law 99-602
99th Congress

Joint Resolution

Nov. 5, 1986
H.R. 605

To designate 1988 as the "National Year of Friendship with Finland"

- Whereas the first Finnish settlers arrived in North America in 1638 and, with other Nordic settlers, established the colony of New Sweden in what is now the State of Delaware;
- Whereas the settlers of New Sweden introduced European civilization to the Delaware River Valley;
- Whereas many of the settlers of New Sweden were either natives of Finland or natives of Sweden who spoke Finnish;
- Whereas, in the 17th century, Nordic communities existed in what are now the States of Delaware, Pennsylvania, New Jersey, Maryland, and New York;
- Whereas Nordic culture was the 3d most represented culture in the original 13 colonies during the 17th century;
- Whereas some of the ancestors of John Morton, a signatory of the Declaration of Independence from Pennsylvania, were born in Finland;
- Whereas approximately 700,000 Americans of Finnish descent are now living in the United States;
- Whereas the contributions of Americans of Finnish descent to American history, culture, and technology have been continuous and substantial;
- Whereas, in 1938, festivities commemorating the 300th anniversary of the founding of New Sweden were attended by officials of the Governments of Finland, Sweden, and the United States;
- Whereas the Governor of the State of Delaware has formally invited the people of Finland to participate in festivities in 1988 commemorating the 350th anniversary of New Sweden; and
- Whereas the relationship between the people of Finland and the people of the United States should be commemorated: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That 1988 is designated the "National Year of Friendship with Finland", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such year with appropriate ceremonies and activities.

Approved November 5, 1986.

LEGISLATIVE HISTORY—H. R. 605

CONGRESSIONAL RECORD, Vol. 132 (1986):
Oct. 17, considered and passed House.
Oct. 15, considered and passed Senate.

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: DESIGNATING A YEAR OF FRIENDSHIP
WITH FINLAND
Sponsor: DONLEY
Requestor: _____

Agency Affected: N/A
BRU: _____
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: FRAN ULMER, CHAIR Phone: 465-4947
Division: HOUSE STATE AFFAIRS COMMITTEE Date: 2/17/88

Approved by Commissioner: _____ Date: _____
Agency: _____

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