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239

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of \_\_\_\_\_ 5-DAY NOTICE  
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER:

\*\*FISCAL NOTE(S) ATTACHED \_\_\_\_\_ \*\*  
IN ACCORDANCE WITH AS 24.08.035  
(see below)

4/7/87 DATE TURNED INTO OFFICE \_\_\_\_\_  
Mr. President:

FINANCE Committee considered SB 239

making a special appropriation to the Office of the Governor, science and engineering advisory commission; efd.

and recommended:

- replace with CS \_\_\_\_\_  same title
- attached amendment(s) and  new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to \_\_\_\_\_
- letter of intent adopted and attached

\*\* Committee  attached or  adopted fiscal note(s)  
 zero  fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

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Chairman signature and recommendation

Committee Backup Attached

Introduced: 4/7/87  
Referred: Finance

w01497sb

Funding Information

General Fund	\$100,000
Other Funds	-0-
	<u>\$100,000</u>

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

1 IN THE SENATE

2 SENATE BILL NO. 239

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Office  
7 of the Governor, science and engineering advisory  
8 commission; and providing for an effective date."

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

10 \* Section 1. The sum of \$100,000 is appropriated from the general fund  
11 to the Office of the Governor, science and engineering advisory commission  
12 (AS 44.19.255), for costs associated with carrying out its powers and  
13 duties, including awarding grants, under AS 44.19.263.

14 \* Sec. 2. This Act takes effect immediately under AS 01.10.070(c).

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STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

26-238-239

April 6, 1987

The Honorable Jan Faiks  
President of the Senate  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

Dear Senator Faiks:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting two bills, a substantive measure and an appropriation bill, relating to the Alaska Research Policy Act and the science and engineering advisory commission in the Office of the Governor. AS 44.19.251 -- 44.19.265.

Section 1 of the substantive bill amends AS 44.19.257(a) to increase the size of the science and engineering advisory commission from five to seven members. Section 2 of the bill amends AS 44.19.263 to authorize the commission to receive money from private, as well as government sources, and to award grants to accomplish the purposes of the Alaska Research Policy Act. In sec. 3 of the bill, proposed AS 44.19.264 is added to the Research Policy Act to ensure that appropriations made to carry out the purposes of that Act do not lapse at the end of a fiscal year, but, instead, can be carried forward.

The appropriation bill appropriates \$100,000 to the science and engineering advisory commission to implement the Research Policy Act.

I believe that a key to the rejuvenation and redirection of Alaska's economy is the stimulation of our intellectual resources. This is necessary in order to formulate practical solutions to problems with which we are confronted. These solutions include the creation of new products from our natural resources, improvement in the understanding of our fisheries, and developing Arctic technology, as well as the resolution of a host of other questions that will arise as Alaskans seek to become players in the world markets for value-added goods and services. The expertise gained in reaching these solutions will allow us to come to the world bargaining table as an equal player.

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The world's economy is moving toward more capital intensive production of goods designed to serve the mass consumer markets of Asia, Europe, and North America. Those countries and corporations that are the most successful have recognized the need to keep abreast of rapidly changing technical knowledge by investing heavily in applied and basic research. If we in Alaska are to compete, we need to follow this example by endowing a research foundation that will work with Alaska's entrepreneurs to help solve technical problems and provide basic information.

The passage of these bills will initiate a process that will, I hope, lead to a proposal for an Alaska Research Foundation. The current commission will be expanded to allow the inclusion of a member who has expertise in international research and a member from the general public. I will direct the commission to leverage the state contribution with those of federal agencies and private donors, in order to fund research projects that meet the following basic criteria:

1. The project must produce technical knowledge capable of leading to the start-up of a new industry, the improvement of an existing industry, or the understanding of an important Alaskan problem.
2. The project should lead to results within a predictable and short time period (such as within two years). A predictable time frame means that the problem has been adequately analyzed beforehand.
3. Even though the project leads to the solution of a practical Alaskan problem, the knowledge gained should be useful in solving related and broader scientific questions.
4. The overall size of the project should be small enough so that a relatively small amount of money could make a difference. The grant would be seed money or a necessary first step of a potentially larger effort.
5. Projects that could stimulate matching money from industry or the federal government would be desirable. In that case, other money might be obtained resulting to a greater degree of success.

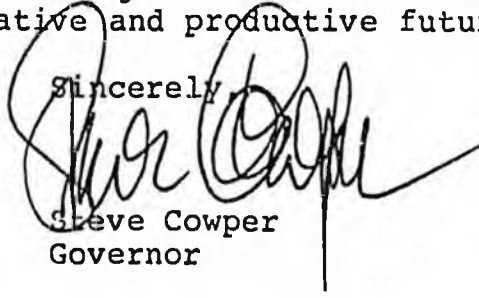
H-238-237

Hon. Jan Faiks

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Building upon its experience gained in disbursing these grants, combined with a review of successful research foundations and the advice of Alaska's business and scientific communities, the commission will propose a plan for the creation of a permanent research foundation. I hope that members of the legislature will join me in this effort to move Alaska into a more creative and productive future.

Sincerely,



Steve Cowper  
Governor

## AN ACT RELATING TO ALASKA RESEARCH POLICY

Henry Cole

Applied research projects which are to be selected from Alaskan Research and Developments grants need to meet certain criteria:

1. The project must produce technical knowledge capable of leading to the start up of a new industry, the improvement of an existing industry or the understanding of an important Alaskan problem.
2. The project should lead to results within a predictable and short time period (such as within 2 years). (The fact that the time frame is predictable means that the problem has been adequately analyzed beforehand.)
3. Even through the project leads to the solution of a practical Alaskan problem, the knowledge gained should be useful in solving related and broader scientific questions.
4. The overall size of the task would be small enough so that a relatively small amount of money could make a difference. The grant would be seed money or a necessary first step of what could be a larger effort.
5. Projects which could stimulate matching funds from industry or the federal government would be desirable. In that case other monies might be obtained resulting to a greater degree of success.

The reason for criteria #3 and #5 is that the existence of a related scientific question could very likely connect this local Alaskan problem to scientific questions of national or global interest. The National Science Foundation and National Oceanic and Atmospheric Administration have considerable interest in funding research in Alaska on basic questions of biological and chemical oceanography, the interaction of the Bering Sea ice edge with nutrients and primary productivity, ocean currents and meteorology.

Federal priorities in research in seven basic areas have been set forth in the working document of the 1984 Arctic Research Policy Act. This document serves as an important point of connection between State and federal research efforts. Federal/State coordinating committees are already assigned for the areas of fisheries, health and logistics. These areas have been identified to be of the highest priority for action by the Arctic Research Commission. In these and other areas which

have been identified, federal agencies would welcome joint participation if the State would pick up some of the costs. And a mechanism for the near term release of small amounts of federal money help could be sought through our congressional delegation. Furthermore, careful initial planning, involvement and awareness by the Alaskan business and scientific communities would generate enthusiasm, lead to possible matching of funds and insure the endorsement of this grant process for future applied research and development schemes.

The execution of these proposals would be according to the following plan.

1. The State appropriation to this pilot effort is \$100,000 which will be matched by an additional \$100,000 from private individuals.
2. The choice of a suitable project(s) would be made by the Science and Engineering Advisory Commission, instituted by the Alaska Research Policy Act.

Listed below are possible candidates for study which have recently come to my attention. The actual and final choices would be based upon submitted proposals and a proper review process. These examples are listed merely to illustrate the projects which seem to fit the above criteria.

1. Fisheries: Fisheries return data such as overall harvest size and composition and age/size structure is essential for analyzing population status and trends. These data could be provided by a shipboard observer program. Such information permits increased harvest predictability and is necessary for long-term sustainable-yield management of the resource. In addition, such information may apply to our understanding of the overall health and stability of the ecosystem. Certain components of that ecosystem (southern and central Bering Sea), such as marine mammals, have been subject to severe population declines in recent years, for reasons which are poorly understood.
2. Fisheries: Parasitism Research: Investigations into the distribution, causes, and controlling factors of diseases and parasitism affecting commercial fish and shellfish populations could have obvious benefits in terms of increased harvests and resource stability. One such instance which would bear further investigation is the nemertean parasite which attacks crab eggs during incubation. Studies should probably concentrate efforts at possible methods of control, which would probably derive from increased understanding of the life history of the parasite and factors which control its populations.

3. Health: A pathology study on the aorta and heart tissue of atherosclerosis victims from non-native and native Alaskan populations whose diets have been documented. This study would provide a solid link between seafood diet and the characteristics of the heart tissue at death. A clear result could lead to major future federal funding of \$3m to investigate the hypothesis that a seafood diet reduces the chance of atherosclerosis.
4. Logistics: To produce a document which lists the types and utility of remote logistic sites and transportation available for field research in Alaska. More than one half the cost of field science in Alaska is logistical. Military, State agencies and the university would be sources of information.

**ALASKA STATE LEGISLATURE**

..15th Legislature .1st ..Session

SENATE..BILL..... NO.239...

By ..THE RULES COMMITTEE BY.....  
REQUEST OF THE GOVERNOR

"An Act making a special appropriation to the Office of the Governor, science and engineering advisory commission; and providing for an effective date."

Introduced in the Senate ..4/7....., 19 ..87..

**HISTORY IN THE SENATE**

1987

4 7

Read first time and referred to Committee on

**FINANCE**  
Reported back with recommendation that

Read second time and

Read third time and

PASSED	Effective Date
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

Reconsideration  
Reconsideration not taken up

PASSED	Effective Date
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

Reported correctly engrossed  
Signed by President  
Sent to House

SECRETARY OF THE SENATE

**HISTORY IN THE HOUSE**

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASSED	Effective Date
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

Reconsideration  
Reconsideration not taken up

PASSED	Effective Date
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

Reported correctly engrossed  
Signed by Speaker  
Returned to Senate

CHIEF CLERK OF THE HOUSE

**HISTORY IN THE SENATE**

19

Received from House

To enrolling

Reported correctly enrolled

Sent to Governor

..... by Governor

Chapter No. ....

Filed with Lt. Governor