

HB 222

HOUSE BILL NO. 222

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES JACKO, Foster, Ivan, Lincoln, MacLean, Mackic, G.Phillips, Baker, Gonzales

Introduced: 3/15/91

Referred: Community & Regional Affairs, Finance

Funding Information:	General Fund	\$	-0-
	Other Funds		<u>72,948,922</u>
			\$72,948,922

A BILL

FOR AN ACT ENTITLED

1 "An Act making appropriations from the Alaska science and technology endowment for
 2 water, sewer, and solid waste projects, for statewide road and highway maintenance
 3 projects, and to fund the rural development initiative fund; and providing for an effective
 4 date."

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

6 * Section 1. The sum of \$20,000,000 is appropriated from the Alaska science and technology
 7 endowment (AS 37.17.020) to the Department of Transportation and Public Facilities for statewide road
 8 and highway maintenance projects.

9 * Sec. 2. The sum of \$10,000,000 is appropriated from the Alaska science and technology endowment
 10 (AS 37.17.020) to the Department of Community and Regional Affairs for capitalization of the rural
 11 development initiative fund.

12 * Sec. 3. The sum of \$42,848,922 is appropriated from the Alaska science and technology endowment
 13 (AS 37.17.020) to the Department of Environmental Conservation for payment as grants from the village
 14 safe water program (AS 46.07) to the following cities and unincorporated communities for the purposes

1 and in the amounts stated:

2	CITY OR COMMUNITY	PURPOSE	ALLOCATION
3	City of White Mountain	Water and sewer	\$ 617,000
4	City of Thorne Bay	Sewer project	1,100,000
5	Mountain Point	Water and sewer project	2,524,000
6	City of Anderson	Septage disposal facility	300,000
7	Glennallen	Sewer system	1,200,000
8	Anchor Point	Watering point facility	68,000
9	Klukwan	Lagoon	389,000
10	Takotna	Rehabilitation of sanitation facilities	225,000
11	City of Noorvik	Water and sewer upgrade	400,000
12	City of Selawik	Storage/washeteria	800,000
13	City of Mekoryuk	Flush tank and haul demonstration project	180,000
14	City of Unalakleet	Solid waste	1,414,000
15	Nelchina	Waste transfer station and well	42,600
16	Talkeetna	East side sewer and water construction	3,100,000
17	City of Chefornak	Water and sewer system	2,147,499
18	Kokhonak	Water and sewer improvements	100,000
19	City of New Stuyahok	Water, sewer, and solid waste	477,000
20	City of Togiak	Water and sewer construction	257,000
21	City of Gambell	Water and sewer phase III	2,800,000
22	City of Bethel	Wastewater treatment system improvements	623,000
23	City of Lower Kalskag	Solid waste improvements	175,000
24	City of Golovin	Water and sewer progressive improvements plan	
25		phase II	427,280
26	City of Nulato	Water and sewer system phase III	2,382,000
27	City of Emmonak	Sewer and water expansion	1,000,000
28	City of Kotzebue	Sewer main rehabilitation	1,370,000
29	City of Kiana	Sewage treatment renovation	968,000
30	City of Ruby	Sanitary landfill	60,000
31	City of Elim	Sewer ocean outfall line rehabilitation	431,000

1	City of Hooper Bay	Water and sewer upgrade	990,000
2	City of Shageluk	Washeteria/water treatment plant renovation	300,000
3	City of Kaltag	Water and sewer extension	217,380
4	City of Manokotak	Water system improvements	300,000
5	City of Port Lions	Water and sewer	250,000
6	City of Coffman Cove	Water and sewer construction	800,000
7	City of Savoonga	Solid waste	750,000
8	City of Chignik	Sewer upgrade/drainfield replacement	200,000
9	City of Kotzebue	Sewage lagoon upgrade	480,000
10	Chistochina	Safewater	25,000
11	Port Graham	Engineering design/study	75,000
12	City of St. Michael	Water tanker/fire truck/appurtenances	300,000
13	City of Kivalina	Water tank upgrade	900,000
14	South Naknek	Septic tank project	581,000
15	City of Clarks Point	Extension of water and sewer	280,000
16	Healy Lake	Water/sewer project	92,000
17	Tanacross	Water and sewer expansion and repair	200,000
18	City of Atka	Engineering evaluation water/sewer	100,000
19	City of Grayling	Gallery pump project	100,000
20	Birch Creek	Solid waste removal and relocation	10,000
21	Minto	Solid waste site	150,000
22	City of Larsen Bay	Water improvements	530,000
23	Noatak	Solid waste site	300,000
24	City of Kotzebue	Sanitary landfill study	150,000
25	Chenega Bay	Solid waste disposal	383,891
26	City of Chevak	Laundry and sewer disposal lines	37,000
27	City of Shungnak	Solid waste improvements	120,000
28	Point Baker	Engineering feasibility study	25,000
29	City of Eek	Feasibility study-water well drilling	22,500
30	City of St. Michael	Phase II washeteria	474,200
31	City of Kasaan	Water supply improvements-phase I	306,000

1	City of Toksook Bay	Water supply improvements project	550,000
2	Stevens Village	Washeteria upgrade	400,000
3	City of Brevig Mission	Water and sewer design	150,000
4	City of Ouzinkie	Safewater relocation	200,000
5	Gulkana	Water treatment plant rehabilitation	
6		and provision of water storage tank	430,000
7	Birch Creek	Tank rehabilitation	150,000
8	City of Kobok	Water, sewer, and solid waste	1,500,000
9	City of Scammon Bay	Village safe water	150,000
10	Metlakatla	Water tank and feeder lines replacement	584,200
11	City of Teller	Safe water/sewer/solid waste	200,000
12	City of Eagle	Washeteria, lagoon and water project	1,600,000
13	City of Ambler	Water and sewer lines	150,000
14	Venetie	Washeteria rehabilitation	1,470,000
15	City of False Pass	Water supply for new community development	
16		project	280,250
17	City of Eek	Washeteria upgrade	8,122

18 * Sec. 4. The sum of \$100,000 is appropriated from the Alaska science and technology endowment
19 (AS 37.17.020) to the Department of Environmental Conservation for engineering feasibility studies for
20 the village safe water program and for payment as grants under the village safe water program
21 (AS 46.07) for engineering feasibility studies.

22 * Sec. 5. The appropriations made by secs. 1 and 3 of this Act are for capital projects and lapse under
23 AS 37.25.020.

24 * Sec. 6. The appropriation made by sec. 2 of this Act is for capitalization of a loan fund and does
25 not lapse under AS 37.25.010.

26 * Sec. 7. Section 2 of this Act takes effect on the effective date of an Act enacted by the Seventeenth
27 Alaska State Legislature that creates the rural development initiative fund.

28 * Sec. 8. Except as provided in sec. 7 of this Act, this Act takes effect immediately under
29 AS 01.10.070(c).

House of Representatives

While in Session:
Box V
Juneau, AK 99811
(907)465-4942

P.O. Box 47001
Pedro Bay, Alaska 99647
(907)850-2208



Member:
Finance Committee

Finance
Subcommittee Chair:
Courts
Department of Public Safety
Finance
Subcommittee Member:
Department of Fish and Game

Rep. George Jacko, Jr.

M E M O R A N D U M

TO: Representative *Mike* Eileen MacLean, Co-chair
Representative Mike Navarre, Co-chair
House Finance Committee

FROM: Representative *George* George Jacko, Jr.

DATE: April 18, 1991

SUBJECT: Request for Scheduling House Bills No. 222 and 256

I respectfully request the scheduling of House Bills 222 and 256 in your committee at your earliest convenience. Following are brief summaries of the bills:

HB 222

This bill appropriates \$73 million from the Alaska Science and Technology Endowment (ASTE) to fund the following three parts:

- 1) \$42.8 million to DEC for statewide village safe water projects;
- 2) \$20 million to DOT/PF for statewide highway and road maintenance projects; and
- 3) \$10 million to DC&RA for capitalizing the Rural Development Initiative Fund (which is created by HB 256).

I and ten co-sponsors introduced this legislation to address critical and important needs of the State of Alaska.

As we draw closer to the 21st century, many communities in the state continue to live with deplorable water and sewer conditions. It's unconscionable that the very basics of health and life safety of the people in this state are given such a low priority.

Governor Hickel's SB 133 funds the first \$6 million of DEC's Village Safe Water Project list, which totals over \$48 million. HB 222 continues where the Governor's list ends, and funds the remaining list of DEC's projects (\$42.8 million total in HB 222).

The list by DEC was compiled and submitted to the Administration in November of 1990. The projects in HB 222 are derived directly from this list. Since November of 1990, I understand this list continues to rapidly grow; it's already \$1 million above the total of \$48 million.

HB 256

This bill establishes a revolving loan fund and a fund to purchase capital stock and provide surety bonding. This loan program, combined with bank participation, will provide capital leveraging for the loan applicants.

Specifically, this program would provide loans of up to \$100,000 to one person, or a loan of up to \$200,000 to two or more persons, for commercial purposes by a business located in a community with a population of 5,000 or less. The fund could also be used to provide capital for new business ventures in similarly-sized communities through the purchase or underwriting of stocks and bonds.

As a result of the decline in bank competition in the mid-1980's, it's even more difficult to access capital in rural areas today. HB 256 will aid individuals and communities in rural areas to gain access to capital, which I believe is the greatest need to inspire economic growth and diversify the local economies.

Please contact Rona Sorensen of my staff if you have any questions.

Thank you for any consideration you may give to scheduling these bill as early as possible.

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. HB 222

Revision Date: _____
 Title: Appropriations from Alaska
Science & Technology Endowment
 Sponsor: Representative Jacko
 Requestor: _____

Department Affected: DEC
 BRU: FC&O
 Component: FC&O

COMPONENT SERIAL NO.

1	6	3	1	7
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EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

The department would be able to administer these grants with existing staff.

Prepared by: Janice Adair
 Division: Commissioner's Office

Phone: 465-2600
 Date: 4/16/91

Approved by Commissioner: *Jan H. Sigler*
 Agency: Department of Environmental Conservation

Date: 4/18/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

NEWS RELEASE

REPRESENTATIVE GEORGE JACKO, JR.

P.O. Box V
Juneau, AK 99811



FOR INFORMATION CONTACT:

Rona Sorensen

(907) 465-4942

FAX (907) 465-2997

FOR IMMEDIATE RELEASE

91-12
March 15, 1991

JACKO LEGISLATION APPROPRIATES NEARLY \$73 MILLION

Rep. Jacko and nine co-sponsors introduced legislation this morning which would address critical and important needs of the State of Alaska; both rural and urban. House Bill No. 222 appropriates just shy of \$73 million from the Alaska Science and Technology Endowment (ASTE) for water, sewer, and solid waste projects; statewide road and highway maintenance projects; and to fund the Rural Development Initiative Fund. Another piece of legislation, which is needed to establish this currently non-existing fund, is in the works.

Specifically, HB 222 appropriates \$20 million to the Department of Transportation and Public Facilities for statewide road and highway maintenance projects. The bill appropriates another \$10 million to the Department of Community and Regional Affairs for capitalization of the Rural Development Initiative Fund. The vehicle establishing this fund is still in the draft stage. Lastly \$42.8 million, the largest appropriation of the bill, goes to the Department of Environmental Conservation for statewide water and sewer projects.

-more-

Rep. Jacko stated, "My disappointment with the Administration's haphazard attempt to address the very basic life and health safety needs of communities spurred me to introduce this section of House Bill 222. Governor Hickel proposed to fund merely \$6 million of the total \$48 million requested village safe water projects in his deferred maintenance bill (SB 133). Quite frankly, I see this as an 'eye dropper' approach to one of the most serious problems we have in rural areas of the state."

"I realize this legislation will be controversial and critically analyzed", commented Rep. Jacko. "I agree the ASTE has beautiful, high minded projects that academicians can pontificate about. However, I find these projects very difficult to justify in light of the deplorable water and sewer conditions that exist in rural Alaska today. It's unconscionable that the very basics of health and life safety of the people in this state are given such a low priority. Let me give you a couple of examples.

Kokhanok is a small village in the Lake Iliamna region of District 26. As we draw closer to the 21st century, this village of 152 people, I'm sorry to say, continues to go without safe water and sewer facilities. Each Spring, when the Winter ice begins to thaw, the dumped raw sewage from the community 'honey buckets' thaws too. The two run together; and the reoccurring result is contamination of both the well and the lake from which residents draw their drinking water. PEOPLE ARE DRINKING WATER

3-3-3-3

91-12

March 15, 1991

CONTAMINATED WITH RAW SEWAGE. So is it any surprise that the residents continue to face bouts of hepatitis A and B outbreaks?

Another community in my district, Igiugig, has the same standard sewage facility as Kokhanok; consisting of 'honey buckets' and outhouses. A large percentage of the village residents have either had and developed immunities to Hepatitis B or become carriers of the disease. Just a few weeks ago, high winds and heavy rain contributed to one outhouse's contents flowing down the street. Concerned parents and adults ordered the children stay clear of this area. Shortly thereafter, the ground froze and it snowed. And kids being kids - were spotted playing in this area, eating the snow."

#



Alaska State Legislature

Please enter into the record my testimony to the House Community + Regional Affairs
committee name
committee on HB 222, dated April 10 1991.
bill/subject

I would like to speak for the residents and property owners of the Nome River Valley. Our concern is that funding for winter road maintenance being done currently from mile 0 to mile 14 of the Beam Rd. in Nome may be cut. There are 21 people living at mile 4 of this road, 10 of these are children. There are another 14 people living farther out the road, 4 of these are children. All of these people are permanent residents. Our concern is that ~~if~~ if we don't have road maintenance we will be unable to bring our children in to school. I question whether it would be cheaper to maintain our road, or to build us a school. We appreciate the excellent services provided to us and would like to see it

Signed:

John A. Dixon John A. Dixon
Testifier

continue

Nome River Valley Association
Representing (Optional)

Box 1635 Nome, AK.
Address

443-3311
Phone No.



CITY OF CHIGNIK

General Delivery • Chignik, Alaska 99564 • (907) 749-2280

April 12, 1991

Honorable George G. Jacko., Jr.
House of Representatives
State of Alaska
P.O. Box V
Juneau, AK 99811

Dear Representative Jacko:

The ability to provide safe water and wastewater facilities is an absolute necessity for both present public health as well as future economic growth and development. Over the years, the Public Health movement has been able to document that one of the greatest contributors to increased life expectancy through decreased incidence and spread of communicable diseases has been the presence of safe and sanitary water and waste-water systems.

We support your efforts to secure the passage of HB 222 for capital projects expenditures for water and sewer systems. We hope other legislators join in your efforts.

Sincerely yours,

A handwritten signature in cursive script that reads "Rick Skonberg" with a flourish at the end.

Richard Skonberg
Mayor

cc.

Hon. Cliff Davidson
Hon. Fred Zharoff



TANANA CHIEFS CONFERENCE, INC.

122 FIRST AVENUE
FAIRBANKS, ALASKA 99701-4897
PHONE (907) 452-8251 FAX (907) 451-8938

Post-It™ brand fax transmittal memo 7671		# of pages > 5
To Rep. George Jocko	From Donna Scott	
Co. AK STATE LEG.	Co. Tanana Chiefs	
Dept.	Phone # 452-8251	
Fax # 465-2997	Fax # 465	

April 10, 1991

Representative George Jocko
P.O. Box V
State Capitol
Juneau, Alaska 99811

Dear Representative Jocko:

As I am unable to attend today's Legislative Hearing on House Bills 222 and 256, I am writing to you in support of these two pieces of legislation. I cannot stress enough their importance in providing a much needed boost to village economies. Appropriation of these funds would provide a chance for Native people to participate in the arenas of economic development and entrepreneurship which have more often than not been closed.

Although Tanana Chiefs wholeheartedly supports both HB222 and HB256, it is with special interest that we target support of the \$1.5 million earmarked in HB222 for Rural Entrepreneurship Loans for communities of 5,000 or less. This past fall we began offering a three part Entrepreneurship Training Program. Following extensive recruitment in a number of Interior and Arctic Slope villages (Tanana Chiefs administers employment and training programs for the Arctic Slope as well as the Interior), we brought 14 students into Fairbanks for an intense four week training session.

All 14 students completed the program and are now going through the follow-up phase. With completed business plans in hand, they are in the process of "pounding the pavement" in search of small business loans.

Although we were lucky enough to have a Memorandum of Agreement in place with the National Bank of Alaska for the financing of first time small business loans, still we are only talking about a possible \$2,000 to \$5,000 outside of NBA's regular loan process. Obviously this component of the program gave our students an extra incentive; still, it is not even "in the ballpark" with the kind of money that would be available through HB222.

Tanana Chiefs hopes to continue offering our program. We have an excellent curriculum and instructors. We have the support of the BIA and NBA loan programs. We have a real need in our communities with an unemployment rate in many cases as high as 85%. We also want to offer

viable alternatives for people who would like to have the opportunity to work in their village where jobs are limited - and not have to feel they must leave family and friends behind to accept employment in Fairbanks, Anchorage or Juneau. But, the weak link is still helping our graduates to secure the necessary level of funding needed to give them a true chance to succeed.

At a time when Alaska's urban centers are finally beginning to see some economic upturns, Tanana Chiefs Conference hopes you will take this unique opportunity to assist in providing some new and much needed alternatives for our rural residents.

Thank your for your time and attention to this matter.

Sincerely,
TANANA CHIEFS CONFERENCE, INC.

Ted Charles for.

Will Mayo, President



Donna L. Scott, Director
Employment and Training

cc: Representative Mark Boyer

attachments

Bering Strait Economic Council

Post Office Box 1008 - Nome ,Alaska 99762 - (907) 443-5252

BOARD OF DIRECTORS RESOLUTION 4-10-91-3

REGARDING SUPPORT FOR HOUSE BILL 256 AND HOUSE BILL 222

WHEREAS, the Bering Strait region has great potential for the development of successful new village-based economic development projects, and

WHEREAS, the Bering Strait region is currently the most poverty-stricken region of the state and is desperately searching for alternatives to welfare programs, and

WHEREAS, economic development in the Bering Strait region is not stymied by the lack of good projects, but by the lack of debt and equity capital for good projects, and

WHEREAS, House Bill 256 sets up the Rural Development Initiative program to provide funding for good rural economic development projects, and

WHEREAS, House bill 222 provides \$10 million in funding for the Rural Development Initiative program,

WHEREAS, the Bering Strait Economic Council is the regional A.R.D.O.R. economic planning organization for the Bering Strait region,

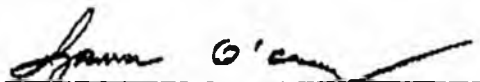
APR 12 '91 14:21
APR-11-1991 07:08

ST ALASKA DCRA FAIRBANKS 907 451 7251
FROM

296 P03
14653348 -101

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of the Bering Strait Economic Council strongly supports House Bill 256 and House Bill 222 and urges the Legislature to pass both bills.

Dated at Nome, Alaska this 10th day of April, 1990



LONNIE O'CONNOR
President

★ Fairbanks North Star Borough

809 Pioneer Road

P.O. Box 1267

Fairbanks, Alaska 99707

907/452-4111

April 17, 1991

Honorable George G. Jacko, Jr.
Alaska State Legislature
P. O. Box V
Juneau, AK 99811

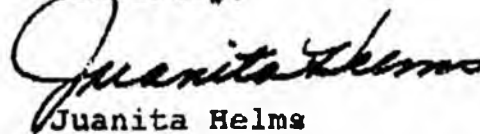
Dear Representative Jacko:

Reference the Fairbanks North Star Borough's stand on HB222, I am supportive of the need and intent of the Bill. However, I believe that if that money could be directed to using the new technology, either developed under ASTF grants, or new technology developed for climates compatible with our bush communities, something more meaningful will be accomplished.

Part of the problem with developing new technology is that the initial capitalization costs are usually higher than the old technology. Marketing is difficult for that reason. Long term savings can be proven, but the initial hurdle of the up front costs are hard to overcome. If this bill would provide the vehicle for using those new technologies which prove to be least cost and least maintenance, you will have accomplished two very noble goals.

I wish you good luck in your deliberations.

Sincerely,



Juanita Helms
Borough Mayor

JH:rlf

CMA

Testimony

In Support of House Bills 222/256, To establish the Rural Development Initiative Fund

by Carl Berger, Economic Development Director, Association of Village Council Presidents, Bethel, AK.

I am testifying in support of the effort to appropriate ten million dollars to Dept. of Community & Regional Affairs for capitalization of the Rural Development Initiative fund. It is true that access to capital continues to be the greatest barrier to rural economic development. Providing access to low interest loans for rural business ventures, together with appropriate technical assistance and clear and understandable regulations and guidelines would be an appropriate role for the DCRA. Passage of this legislation will encourage and foster rural small business ventures, strengthen pride in rural people and help to combat social ills by providing viable business enterprise as an alternative. The program will also stimulate the rural economy and provide additional jobs.

Thank you for giving me the opportunity to testify on this important proposed legislation.

Post-It™ brand fax transmittal memo 7671		# of pages > 1	
To	Kenn Sorenson	From	Carl Berger
Co.	Rep. Geo. Jacko	Co.	AVCP
Dept.		Phone #	547-3521
Fax #	465-2997	Fax #	547-2096

APP 2 1991



City of Golovin
P.O. Box 62059
Golovin, Alaska
99762
Ph: (907) 779-3211
or 779-3681

April 15, 1991

Alaska House Of Representative
Honorable Richard Foster
P.O. Box V
Juneau, Alaska 99811

Dear Honorable Foster,

On Behalf of the City Of Golovin and its Citizens we fully support HB 222 and seek passage of this HB.

We support the Intent of HB 222

1. Improve the Health and Sanitation conditions in Rural Alaska through Sewer and Water Improvement Projects.
2. Stimulate the Local Economy through various Sewer and Water Projects, thereby creating Jobs for Rural Alaskans.
3. Assure Rural Alaska adequate participation in the FY92 Budget Process thereby fully benefiting from the oil revenues long used to improve Urban Living conditions.
4. Improve the Rural Roads and Transportation Infrastructures, so desperately in need and so often neglected due to Inability to meet Federal Match requirements (section 1 of the Bill).
5. Jump start the long sought Rural Development Initiative Funds under the Dept. Of Community and Regional Affairs.

An identical SB 179 was introduced by Honorable Al Adams for the City Of Golovin's number one priority.

Respectfully,

Charles A. Lewis Sr.

Charles A. Lewis Sr.-Mayor

Harry V. Boone

Harry V. Boone-Grants Administrator

cc file /Honorable Senator Al Adams



City of Nulato

P.O. Box 65009
Nulato, Alaska 99765
(907) 898-2209
April 19, 1991



Representative George Jacko Jr.
P.O. Box V
Juneau, AK 99811

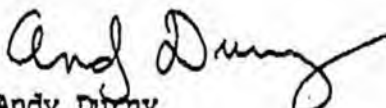
Dear Representative Jacko,

I am writing to express my support for HB-222 which would tap the Alaska Science and Technology Foundation reserves for \$72.9 million. I also support and encourage your efforts to channel these funds to DEC water/sewer priority projects in rural Alaska, to DOT for statewide highway and road maintenance, and to DCRA for capitalization of the Rural Development Initiative Fund.

The Governor's budget bill provides \$6 million for water/sewer priority projects in 10 Alaskan villages, plus \$500,000.00 for village clinic water/sewer statewide. An additional \$42.8 million is needed to meet the water/sewer project needs of 73 communities on the DEC Village Safewater Priority list. Most of these 73 communities do not have running water or sewer services in the homes of their residents. Many of them have only a small community washeteria or watering point. Most villages still must haul water to their homes and use honey buckets for toilets.

I find it ironic - and hard to believe - that the State has \$108 million in reserve for science and technology at a time when rural Alaskans still lack basic and essential services taken for granted almost everywhere else in our country. Surely we can advance the interest of science without sacrificing the needs of our people. HB-222 would easily provide funds for all the projects on the DEC Village Safewater priority list, would provide an additional \$30.9 million for other important projects statewide, and would leave the Alaska Science and Technology Foundation with a reserve of \$35.1 million. I wholeheartedly support the passage of HB-222. Thank you for your time and consideration.

Sincerely,


Andy Durny
Treasurer

AD/1p

cc: Governor Walter Hickel
Senator Al Adams
Senator Lyman Hoffman
Representative Georgianna Lincoln
Representative Eileen MacLean

1153 Donna Dr.
Fairbanks, Ak 99712
April 1, 1990

Members of the Community and Regional Affairs Committee
House of Representatives
Pouch V
Juneau, AK 99811

Dear committee members,

I feel House Bill #222 sponsored by members of the "Bush caucus" does not warrant any consideration by your committee. This \$73 million dollar raid on money already appropriated to the Alaska Science and Technology Foundation show a blatant disregard of the wisdom of former legislative and executive actions which established the fund. To me it also demonstrates a shortsightedness and lack of understanding on the part of the sponsoring representatives on what the ASTF is designed to do.

As a successful recipient of a grant from the ASTF I may have good reason to be biased. However my project, "Beekeeping in Alaska", has already made an impact on the beekeeping industry in the State. The number of beekeepers in the Delta Junction area, for example, has increased from three or four to an estimated 15. The number of colonies expected to be operated this upcoming season in the same area is estimated at least 51, up from about 10 two years ago.

One of my project's goals is to establish economic models in two rural communities to demonstrate that community effort and cooperation in a small scale beekeeping project can have profitable results. The final analysis is a season or two away but I feel there will be success.

In addition to the economic models I am writing a hands-on Alaskan beekeeping manual, training beekeepers in rural areas, and researching the indoor overwintering of honey bee colonies. The purpose of the program is to benefit rural Alaskans in small communities looking for ecologically sound cottage industries. My efforts would not have come about without the moral support of members of the beekeeping community and the financial support of ASTF.

Money from ASTF has allowed me to leverage funds from other agencies to help expand the beekeeping industry in the State. I received a mini-innovation grant through DCRA to buy community honey extracting equipment for the Delta region. Members on the selection committee for the proposal evidently saw the merits of the small scale project as it was awarded a 97 out of 100 possible points on their rating scale. I have submitted a proposal to USDA Forest Service Rural Development program to assist the beekeepers in the Nenana region in much the same manner as the Delta project. I hope it is obvious to the members of the committee the rural impact of this project and that parallel development of agriculture and beekeeping is a requirement of Mother Nature.


I can almost hear groushings about beekeeping in the arctic regions of the State from our northernmost members. Sure, beekeeping is not suited for every geographic area of the State- neither is oil development. However, the mission of the ASTF is neither to drill for oil in every village or turn us all into beekeepers. It is to transfer technology and utilize research for the benefit of all State residents. A significant contribution to the health and waste disposal problem faced in a good portion of the State is resulting from another ASTF grant- the AlasCan composting and greywater system.

In HB#222 one of the areas slated for funding is community laundry facilities. Are you going to dump thousands more gallons of phosphate laden wash water into the effectively dysfunctional utility systems? ASTF and the US DOE have recognized the potential impact of Clint Elstun's composting toilet and greywater treatment system and seen fit to fund it. I would hope the members of the legislature have the same vision and will resist the urge to raid the ASTF endowment for such a short term and short sighted project.

In closing I would like to point out one often overlooked aspect of ASTF to the committee members. When we hear "Science and Technology", we conjure up mental pictures which range from wild haired scientists sporting white lab coats and chuckling maniacally over bubbling test tubes to the sprawling techno cities of California's Silicon Valley. My personal experience plus meeting with other successful grantees demonstrates that ASTF money is not going to

ivory tower "egg-heads" as many would suspect. Instead it is going to a cross section of Alaskans with an idea and a dream regardless of their educational or professional background (please note- I am in no way inferring the money is going to incompetent people- just that lack of "professional" credentials is no reason to deny funding). Fishermen who have a better idea, farmers who want to experiment with a different feed, inventors with a better toilet, prospectors with a gold recovery idea, laborers turned beekeeper and desiring to share the experience, are examples of the "guy next door" recipients of funding. ASTF is not funding dog powered washing machines nor will it fund "secret extension cords" which plug into the Northern Lights. Take a very good look at the proposals funded, every one of them has or will make a difference to Alaska. Someone from your village may have the next "Good Ideal" Thank you for your time and I again urge you to leave ASTF to benefit all Alaskan for a long time to come.

Sincerely yours,
Stephen F. Petersen

A handwritten signature in cursive script that reads "Stephen F. Petersen". The signature is written in dark ink and is positioned below the typed name.

1340 Denali Street #3
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April 24, 1991

To the members of the
House Finance Committee
Alaska State Legislature
Capitol Building, Rm 519
Juneau, AK

Re: HB 222

Members:

I am writing to express my opposition to HB 222. I have recently returned to Anchorage after spending a year and a half in silicon valley assisting small technology based companies in financing, developing and marketing their technology products. I feel that the funds in the Alaska Science and Technology Foundation reserve will provide greater benefit to the residents of this state if they are used as originally intended, to provide financial assistance for the development of new technologies.

In the 1980's, small companies accounted for much of the growth in employment in the United States. Much of the wealth created in California in the past decade can be traced to the successes of its countless high technology startups. Much of the recent growth in employment in Seattle can also be traced either directly or indirectly to technology based companies, both large and small.

As we enter a new decade, small companies are finding it harder than ever before to raise funding necessary to finance their operations. Venture capitalists are increasingly reluctant to provide seed capital to begin new ventures, and are more interested in continuing to fund operations that have already proven successful. At the same time, costs for new start-ups have skyrocketed in areas traditionally the home to such ventures, such as silicon valley, Orange County, California and Seattle. Properly marketed and administered, a large seed fund such as the Science and Technology Foundation reserve could begin countless ventures that might not otherwise find funding, and could serve as a magnet to attract technology companies to Alaska.

With increasingly cheap communication and transportation, Alaska may find itself able to entice entrepreneurs to its cities, both big and small, to develop and market technology based products.

