

SJR

13

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

NO. 1
BILL VER. 5JR13
PUBLISHED (S) Publish Date: 3-6-96

Revision Date: _____
Title: Ratifying an amendment to the
Constitution of the United States concerning the...
Sponsor: Senator Phillips
Requestor: Senate State Affairs

Department Affected: Legislative Affairs Agency
BRU: All
Component: All

COMPONENT SERIAL NO:

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE FUND SOURCE	0	0	0	0	0	0
---------------------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS						
OTHER FUND SOURCE						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary)

Zero fiscal impact to the Legislative Affairs Agency.

Prepared By: Karla Scholfield, Deputy Director *Karla Scholfield* Phone: 465-3852
 Division: Administrative Services Date: 2/26/96

Approved By: Pamela A. Varni, Executive Director *Pamela Varni*
 Agency: Legislative Affairs Agency Date: 2/26/96

FISCAL NOTE

STATE OF ALASKA
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TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
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TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE FUND SOURCE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS						
OTHER FUND SOURCE						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary)

Zero fiscal impact to the Legislative Affairs Agency.

Prepared By: Karla Schofield, Deputy Director
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Agency: Legislative Affairs Agency

Date: 2/26/96

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



ALASKA STATE LEGISLATURE

SENATOR RANDY PHILLIPS
SENATE DISTRICT L

SESSION
State Capitol
Juneau, AK 99801
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Memorandum

TO: Senator Bert Sharp, Chair
Senate State Affairs Committee

FROM: Senator Randy Phillips *R.P.*

DATE: February 26, 1996

RE: Sponsor Statement for: Senate Joint Resolution #13
Ratifying an amendment to the Constitution of the United
States concerning the balancing of the federal budget.

Senate Joint Resolution No. 13 would ratify a federal balanced budget amendment as proposed in H.J. Res. 1, which passed the U. S. House of Representatives on January 26, 1995.

This proposed amendment would require that the U.S. President and Congress adopt a budget for each fiscal year in which the total outlays do not exceed the total receipts.

A super majority vote consisting of three-fifths of each House of Congress would be required to adopt a budget in which outlays exceed receipts. A super majority vote consisting of three-fifths of each House of Congress would also be required to increase the limit on debt.

An exception to the balanced budget requirement is also allowed in times of war or declared military emergency.

Currently the U.S. national debt is in excess of \$5,000,000,000,000 (\$5 trillion) or nearly \$20,000 for every person in the United States. I believe that it is time to amend the Constitution to provide Congress with the discipline to balance the budget.

A30 Domestic Financial Statistics □ January 1996

1.40 FEDERAL DEBT SUBJECT TO STATUTORY LIMITATION

Billions of dollars, end of month

Item	1993		1994				1995		
	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30
1 Federal debt outstanding	4,436	4,543	4,661	4,672	4,731	4,827	4,891	4,978	5,001
2 Public debt securities	4,412	4,536	4,576	4,608	4,693	4,800	4,856	4,951	4,970
3 Held by public	3,295	3,382	3,424	3,443	3,490	3,563	3,610	3,635	3,6
4 Held by agencies	1,117	1,154	1,152	1,165	1,203	1,237	1,246	1,317	1,314
5 Agency securities	23	27	26	28	29	27	27	27	27
6 Held by public	25	27	26	27	29	27	26	27	26
7 Held by agencies	0	0	0	0	0	0	0	0	0
8 Debt subject to statutory limit	4,216	4,246	4,411	4,359	4,603	4,711	4,773	4,841	4,883
9 Public debt securities	4,212	4,242	4,391	4,359	4,603	4,711	4,774	4,841	4,883
10 Other debt	0	0	0	0	0	0	0	0	0
MEMO									
11 Statutory debt limit	4,900	4,900	4,900	4,900	4,900	4,900	4,900	4,900	4,900

1. Excludes guaranteed debt of U.S. Treasury and other federal agencies, specified participation certificates, notes to individuals, lending organizations, and District of Columbia bonds.

SOURCE: U.S. Department of the Treasury, Monthly Statement of the Public Debt of the United States and Treasury Bulletin.

1.41 GROSS PUBLIC DEBT OF U.S. TREASURY Types and Ownership

Billions of dollars, end of period

Type and holder	1991	1992	1993	1994	1995			
					Q4	Q1	Q2	Q3
1 Total gross public debt	3,861.7	4,177.0	4,535.7	4,806.3	4,866.2	4,864.1	4,911.4	4,974.0
By type								
2 Treasury bearing	3,799.0	4,173.9	4,532.3	4,769.3	4,766.2	4,802.3	4,849.8	4,930.6
3 Marketable	2,471.6	2,754.1	2,919.5	3,126.0	3,124.0	3,124.0	3,227.3	3,210.1
4 Debt	380.4	637.7	714.4	731.8	731.6	734.3	749.3	742.3
5 Notes	1,832.8	1,808.9	1,784.0	1,867.0	1,867.0	1,831.2	1,874.7	1,882.3
6 Bonds	433.3	472.5	495.0	510.3	510.3	517.7	514.7	522.6
7 Nonmarketable	1,327.3	1,419.8	1,522.8	1,647.1	1,643.1	1,633.1	1,695.2	1,690.3
8 State and local government securities	159.7	153.3	152.6	152.6	152.6	152.9	151.2	149.4
9 Foreign securities	41.9	37.4	43.5	42.3	42.3	41.8	41.4	41.0
10 Government securities	41.9	37.4	43.5	42.3	42.3	41.8	41.4	41.0
11 Public	0	0	0	0	0	0	0	0
12 Savings bonds and notes	133.9	135.0	149.4	177.8	177.8	178.6	182.1	181.2
13 Government securities	850.2	1,045.3	1,142.0	1,259.9	1,256.1	1,239.3	1,272.0	1,328.7
14 Non-marketable	2.0	2.1	2.4	21.0	21.0	16	2.6	2.3
By holder								
15 U.S. Treasury and other federal agencies and trust funds	668.7	1,047.8	1,193.3	1,257.1	1,217.1	1,254.9	1,316.0	1,399.0
16 Federal Reserve Banks	281.8	302.5	310.2	374.1	374.1	389.3	389.0	389.0
17 Foreign investors	1,549.2	2,219.0	2,047.7	2,168.0	2,168.0	2,229.6	2,244.6	2,244.6
18 Commercial banks	122.3	294.4	223.2	270.6	270.6	273.3	273.0	273.0
19 Mutual funds	80.0	79.7	82.8	87.6	87.6	87.7	87.7	87.7
20 Insurance companies	181.8	197.3	246.3	242.8	242.8	239.0	240.0	240.0
21 Other companies	150.8	192.5	239.0	226.9	226.9	230.3	227.7	227.7
22 State and local government securities	483.1	476.7	508.0	443.3	443.3	418.2	415.0	415.0
23 Foreign bonds	138.1	127.3	121.0	100.3	100.3	101.4	102.6	102.6
24 Other securities	125.8	121.9	127.0	122.5	122.5	121.4	121.6	121.6
25 Foreign and international	491.7	548.7	621.0	688.6	688.6	719.6	743.7	743.7
26 Other assets (including securities)	677.4	760.2	715.4	775.6	775.6	801.0	810.4	810.4

1. Includes (not shown separately) amounts owed to the Fund for the Economic and Financial Crisis, Treasury bonds, government plan bonds, and individual retirement bonds.

2. Non-marketable securities distinguished in notes and owned by individuals in foreign currencies held by foreigners.

3. Held almost entirely by U.S. Treasury and other federal agencies and trust funds.

4. Debt for Federal Reserve Bonds and U.S. government securities and trust funds are shown separately for other groups in Treasury Bulletin.

5. Excludes investments of foreign investors and international investors in the United States.

6. Includes savings and loan associations, insurance companies, credit unions, mutual savings banks, corporate pension trust funds, dealers and brokers, certain U.S. Treasury deposit accounts, and federally approved agencies.

SOURCE: U.S. Treasury Department, data by type of security. Monthly Statement of the Public Debt of the United States. Data by Holder. Treasury Bulletin.

Federal Reserve Bulletin - Jun 1996

FEDERAL FINANCE

FEDERAL RECEIPTS, OUTLAYS, AND DEBT

In fiscal 1995, there was a deficit of \$163.8 billion, compared with a deficit of \$203.2 billion a year earlier.

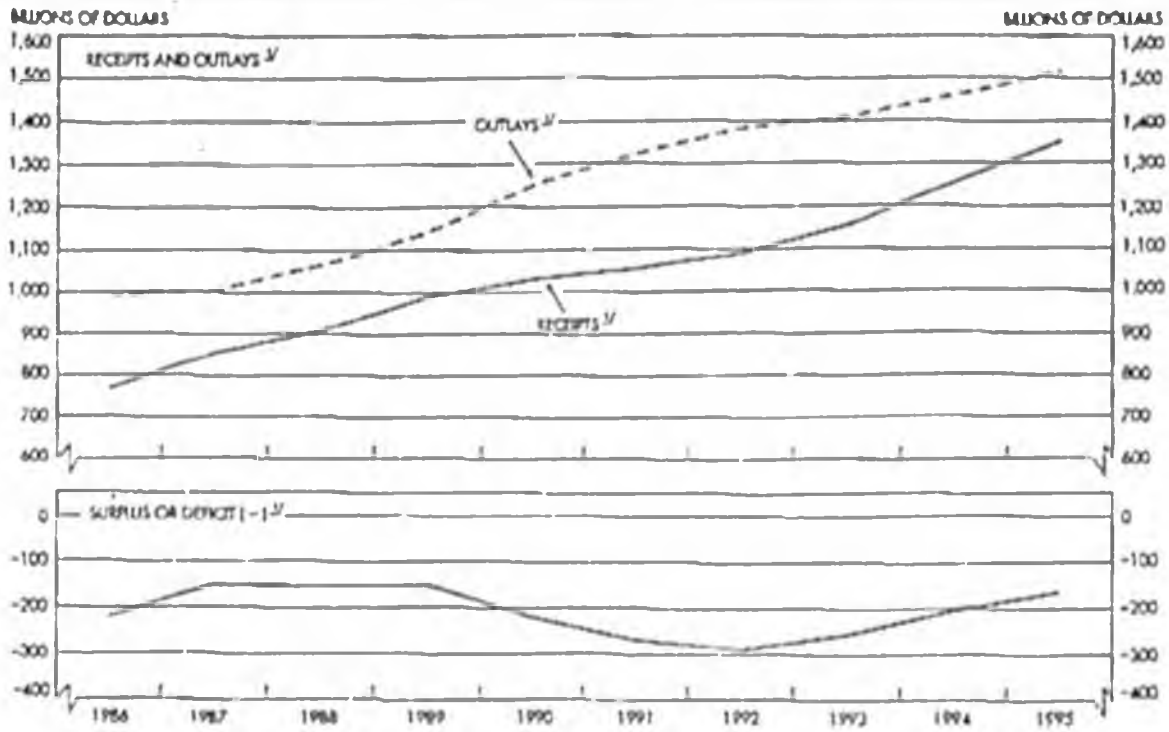


FIGURE 10. FEDERAL RECEIPTS AND OUTLAYS
 SOURCE: DEPARTMENT OF THE TREASURY AND OFFICE OF MANAGEMENT AND BUDGET
 COURTESY OF ECONOMIC ADVISERS

[Billions of dollars]

Fiscal year or period	Total			On-budget			Off-budget			Gross Federal debt (end of period)	
	Receipts	Outlays	Surplus or deficit (-)	Receipts	Outlays	Surplus or deficit (-)	Receipts	Outlays	Surplus or deficit (-)	Total	Held by the public
1976	288.1	371.8	-78.7	231.7	302.2	-70.5	46.4	69.6	-23.2	629.0	477.4
1977	355.6	409.2	-53.7	278.7	328.5	-49.8	76.8	80.7	-3.9	706.4	548.1
1978	399.6	458.7	-59.2	314.2	369.1	-54.9	85.4	89.7	-4.3	776.6	607.1
1979	463.8	506.0	-40.7	365.2	404.1	-38.7	98.0	100.0	-2.0	829.5	640.3
1980	517.1	590.9	-73.8	407.9	476.6	-72.7	112.2	114.3	-2.1	909.1	707.8
1981	599.2	678.2	-79.0	449.1	543.1	-74.0	130.2	135.2	-5.0	994.8	785.3
1982	617.8	745.8	-128.0	474.1	594.4	-120.1	143.5	151.4	-7.9	1,137.2	919.8
1983	600.6	808.4	-207.8	453.2	661.2	-208.0	147.3	147.1	0.2	1,271.7	1,131.6
1984	666.5	851.8	-185.4	500.4	686.0	-185.7	166.1	165.9	0.2	1,564.7	1,200.9
1985	734.1	946.4	-212.3	547.9	769.8	-221.7	186.2	176.8	9.4	1,817.5	1,499.9
1986	769.1	990.2	-221.2	568.9	806.8	-238.0	200.2	183.5	16.7	2,120.6	1,736.7
1987	854.1	1,003.9	-149.8	640.7	810.1	-169.3	213.4	193.8	19.6	2,346.1	1,844.7
1988	909.0	1,064.1	-155.2	667.5	861.4	-194.0	241.5	207.7	33.8	2,601.2	2,050.8
1989	990.7	1,143.2	-152.5	727.0	922.3	-205.2	263.7	210.9	52.8	2,868.0	2,189.9
1990	1,031.2	1,252.7	-221.4	749.7	1,027.8	-278.0	291.7	225.1	66.6	3,276.6	2,410.7
1991	1,054.3	1,323.4	-269.2	760.4	1,091.8	-321.4	293.9	241.7	52.2	3,398.5	2,648.1
1992	1,090.5	1,380.9	-290.4	788.0	1,128.5	-340.5	303.4	257.3	56.1	4,002.1	2,998.8
1993	1,152.5	1,408.7	-256.1	841.6	1,142.1	-300.5	311.9	246.6	65.3	4,351.4	3,247.5
1994	1,257.7	1,460.9	-203.2	922.7	1,181.5	-258.8	335.0	279.4	55.7	4,443.7	3,432.2
1995 ¹	1,350.6	1,514.4	-163.8	979.5	1,225.1	-245.6	351.1	288.7	62.4	4,921.0	3,603.8

¹ Data from Monthly Treasury Statements.
 Note: Data include as usual the Gross Budget of the United States Government. Fiscal Year 1995 ended February 6, 1995.

Source: Department of the Treasury and Office of Management and Budget.

SJR

14

FISCAL NOTE

No. 1

BILL N

Bill Version: SJR 14

(S) Publish Date: 2-22-95

STATE OF ALASKA
1995 LEGISLATIVE SESSION

Revision Date: _____

Department Affected: Office of the Governor

Title: Amdment to the Constitution RE:

BRU: Division of Elections

Qualification of members of public corporations

Component: General and Primary Elections

Sponsor: Senator Halford

Requestor: _____

COMPONENT SERIAL NO. 22

EXPENDITURES/REVENUES:

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	2.2*	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND &	0	0	0	0	0	0
GRANTS,	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL	0	2.2*	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE						
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FUNDING:

1002 Federal	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	2.2*	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year (FY95) impact: 0

ANALYSIS: (Attach a separate page if necessary.) *This figure covers cost of inclusion of information about this issue in the Official Elections Pamphlet as required by AS 15.58, and programming for counting of votes cast on the measure. However, only 4 measures can be printed on a single ballot card. Should this measure require printing an additional ballot card, the fiscal impact would be 53.4.

Prepared by: David Kolvunleml, Acting Director Phone: 465-4611
Division: Division of Elections Date: 2-17-95

Approved by Commissioner: Lt. Governor Frank Upton
Agency: Office of the Lt. Governor Date: _____

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FISCAL NOTE

BILL NO. SJR 14

STATE OF ALASKA
1995 LEGISLATIVE SESSION

Revision Date: _____
Title: Amondment to the Constitution RE:
Confirmation of membors of public corporations

Department Affected: Office of the Governor

BRU: Division of Elections
Component: General and Primary Elections

Sponsor: Senator Halford
Requestor: _____

COMPONENT SERIAL NO. 22

EXPENDITURES/REVENUES:

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	2.2*	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND &	0	0	0	0	0	0
GRANTS,	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL	0	2.2*	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE						
---------	--	--	--	--	--	--

FUNDING:

1002 Federal	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	2.2*	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year (FY95) Impact: 0

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Division: Division of Elections Date: 2-17-95

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Alaska State Senate

Senate Finance Committee

Official Business

MEMORANDUM

Mail Stop 3100
State Capitol
Juneau, Alaska 99801-1182

TO: Senate Judiciary Committee Members
Senator Robin Taylor, Chairman
Senator Lyda Green
Senator Mike Miller
Senator Al Adams
Senator Johnny Ellis

FROM: Senator Rick Halford

DATE: March 13, 1995

SUBJECT: SJR 14 Sponsor Statement

=====
Currently, the Alaska Constitution provides for legislative confirmation of any board or commission which is the head of a principal department or a regulatory or quasi-judicial agency; such as the Department of Education, the Department of Fish and Game or all the professional and regulatory boards. Public corporations such as the Permanent Fund Corporation, Alaska Railroad, and Alaska Housing Finance Corporation, which are far more significant and important than regulatory boards, are not included in this provision.

Board members of these public corporations manage and control billions of dollars of state assets which have a tremendous impact on all Alaskans as well as our state's economy.

To date, the Permanent Fund Corporation manages over 15 billion dollars in state assets. The Railroad Corporation, an agency virtually independent of any state control, manages over 100 million dollars in state assets. Alaska Housing Finance Corporation's 1994 annual report, indicates that AHFC is currently managing assets in excess of 2 billion dollars.

I believe the amendment proposed in SJR 14 is a necessary addition to our state's constitution. It is clear the drafters of the constitution intended that the boards controlling principal state functions and Alaska's largest assets be subject to formal appointment and confirmation.

Please give SJR 14 your full consideration. Thank you.

SPONSOR STATEMENT

DIVISION OF LEGAL SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

907) 463-3867 or 463-2450
FAX: (907) 463-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2103

MEMORANDUM

January 20, 1995

SUBJECT: Confirmation of Members of the Boards of Public Corporations (Work Order No. 9-LS0480A)

TO: Senator Rick Halford
Attn: Kelly

FROM: Terri Lauterbach *TL*
Legislative Counsel

Enclosed is a work draft of a constitutional amendment relating to public corporations and legislative confirmation of the members of their governing bodies.

In my review of the statutes I have found the following agencies that are designated by the legislature as "public corporations":

Manages more than \$50 million

Adams

- (1) Alaska Aerospace Development Corporation (AS 14 40 821)
- (2) Alaska Energy Authority (AS 44 33 020);
- ~~(3) Alaska Housing Finance Corporation (AS 18 56 020);~~
- ~~(4) Alaska Industrial Development and Export Authority (AS 44 38 020);~~
- (5) Alaska Medical Facility Authority (AS 18 26 010);
- (6) Alaska Mental Health Trust Authority (AS 47 30 011);
- (7) Alaska Municipal Bond Bank Authority (AS 44 35 020);
- ~~(8) Alaska Permanent Fund Corporation (AS 37 13 040);~~
- ~~(9) Alaska Railroad Corporation (AS 42 40 010);~~
- (10) Alaska Science and Technology Foundation (AS 37 17 010);
- (11) Alaska Seafood Marketing Institute (AS 16 51 010);
- (12) Alaska Student Loan Corporation (AS 14 42 100);
- (13) Alaska Tourism Marketing Council (AS 44 33 700);

Adams

(Only

#32

will be)

The Commercial Fishing and Agriculture Bank (AS 44 31 010) appears to have some of the attributes of a public corporation in that the exercise of its powers "is considered to be for a public purpose," but it is not specifically designated as a "public corporation" in its enabling statute, AS 44 31 010(a). Therefore, I am not certain how CFAB would be treated under this constitutional amendment, and you might need other legislation to clarify its status.

I hope you find this information helpful. Please let me know if I can be of further assistance.

TML pl glc
95-007 plm
Enclosure

JUDICIARY COMMITTEE
DELIVERY ACCEPTANCE LOG

MEETING DATE 1/24/96

BILL NUMBERS SK 14

LEGISLATOR ACCEPTED BY TIME DATE.....

SEN. GREEN. Laura Chase 1:35 p 1/23/96

SEN. MILLER. m. g. h. zey

SEN. ADAMS.....

SEN. ELLIS n. h. h. d. i. e



Official Business

Alaska State Legislature

Senate


Office of The Majority Leader

Rick Halford
State Capitol
Juneau, Alaska 99801 1182
Phone (907) 465-4958

P.O. Box 670190
Chugiak, Alaska 99567
Phone (907) 694-4958

MEMORANDUM

TO: Senate Judiciary Committee Members

FROM: Senator Rick Halford 

DATE: January 22, 1995

SUBJECT: Senate Joint Resolution 14 Sponsor Statement

=====
Currently, the Alaska Constitution provides for legislative confirmation of any board or commission which is the head of a principal department or a regulatory or quasi-judicial agency; such as the Department of Education, the Department of Fish and Game or all the professional and regulatory boards. Public corporations such as the Permanent Fund Corporation, which is far more significant and important than regulatory boards, is not included in this provision.

Board members of the Permanent Fund Corporation manage and control over 15 billion of dollars of state assets which have a tremendous impact on all Alaskans as well as our State's economy.

I believe the amendment proposed in SS SJR 14, requiring the members of the Permanent Fund Corporation be subject to legislative confirmation, is a necessary addition to our state's constitution. It is clear the drafters of the constitution intended that the boards controlling principal state functions and Alaska's largest assets be subject to formal appointment and confirmation.

Please give SS SJR 14 your full consideration. Thank you.

SPONSOR STATEMENT

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

March 29, 1995

The Honorable Robin Taylor
Chairman, Senate Judiciary Committee
Alaska State Senate
Room 30 State Capitol
Juneau, Alaska 99801-1182

Re: SJR 14

Dear Senator Taylor:

Thank you for inviting me to the Judiciary Committee's work session on SJR 14 concerning confirmation of board members of certain public corporations. However, I will be unable to attend your meeting on March 29 because of a previous commitment. I will be attending the Board of Inquiry involving the Alaska National Guard.

I appeared and offered testimony on SJR 14 when it was heard in the Senate Finance Committee and informed the finance committee that the administration does not support the resolution in its current form. There are two reasons for our position.

First, it is unwise to depart from the original plan established by the Framers of the Alaska Constitution. The power of appointment is executive in nature. Any sharing of this power by another branch of government should be kept to a minimum to ensure the proper mix of checks and balances between the coordinate branches of government.

Second, the wording of the resolution is ambiguous. The legislature's confirmation power would extend to a corporation that "manages state assets." A memo provided to the finance committee by legislative counsel listed the corporations that would be reached by the resolution. It is arguable whether the assets these corporations "manage" are state or corporate assets. The public corporations that issue debt are separate political subdivisions with separate property. See, e.g., AS 18.56.020. (AHFC has "a legal existence independent of and separate from the state.") This separation is enforced to

TONY KNOWLES, GOVERNOR

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The Honorable Robin Taylor
Chairman, Senate Judiciary Committee
Alaska State Senate
Re: SJR 14

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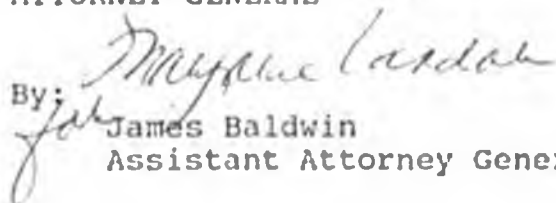
protect the state treasury from a default on bonds issued by a corporation. Literally applied, the wording of the amendment may not cover board members of the corporations listed by legislative counsel. If I am wrong, and corporations like AHFC are in fact managing state assets, then the resolution may have the unintended effect of applying to other public corporations not listed by legislative counsel. An example would be the regional housing authorities established in AS 18.55.996(b). In summary, the resolution should be reworded in some material respects to achieve the intended meaning.

Thank you for the opportunity to comment on this resolution.

Very truly yours,

BRUCE M. BOTELHO
ATTORNEY GENERAL

By:


James Baldwin
Assistant Attorney General

BJB:clh



Alaska State Senate

Senate Finance Committee

Official Business

MEMORANDUM

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TO: Senate Judiciary Committee Members
Senator Robin Taylor, Chairman
Senator Lyda Green
Senator Mike Miller
Senator Al Adams
Senator Johnny Ellis

FROM: Senator Rick Halford

DATE: March 13, 1995

SUBJECT: SJR 14 Sponsor Statement

Rick Halford

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Currently, the Alaska Constitution provides for legislative confirmation of any board or commission which is the head of a principal department or a regulatory or quasi-judicial agency; such as the Department of Education, the Department of Fish and Game or all the professional and regulatory boards. Public corporations such as the Permanent Fund Corporation, Alaska Railroad, and Alaska Housing Finance Corporation, which are far more significant and important than regulatory boards, are not included in this provision.

Board members of these public corporations manage and control billions of dollars of state assets which have a tremendous impact on all Alaskans as well as our state's economy.

To date, the Permanent Fund Corporation manages over 15 billion dollars in state assets. The Railroad Corporation, an agency virtually independent of any state control, manages over 100 million dollars in state assets. Alaska Housing Finance Corporation's 1994 annual report, indicates that AHFC is currently managing assets in excess of 2 billion dollars.

I believe the amendment proposed in SJR 14 is a necessary addition to our state's constitution. It is clear the drafters of the constitution intended that the boards controlling principal state functions and Alaska's largest assets be subject to formal appointment and confirmation.

Please give SJR 14 your full consideration. Thank you.

SPONSOR STATEMENT