

HB

81

HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: January 22, 1997

FURTHER REFERRALS:

Finance

Date of Committee Action: 2/12/98

The STATE AFFAIRS Committee considered:

HB 81

HOUSE BILL NO. 81

PERMANENT FUND BOARD MEMBERS & STAFF

"An Act relating to the members of the board and staff of the Alaska Permanent Fund Corporation."

recommends it be replaced with the following committee substitute _____ the same title a new title

additional referral to _____ Committee

attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): _____ (Dept)

APPROVES PREVIOUS: _____ (Dept/Date)

fiscal note(s) _____

fiscal note(s) _____

zero fiscal note(s) GOV

zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>Frank...</i>	✓			
<i>...</i>			✓	
<i>...</i>			✓	
<i>...</i>			✓	

Vice CHAIR'S SIGNATURE *La M...*

Alaska State Legislature

REPRESENTATIVE
JEANNETTE JAMES
P.O. Box 66623
North Pole, Alaska 99705
(907) 488-1546
FAX (907) 488-1271



Web site: www.akleg.gov
Date: 11/11/03
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House (Of) Representatives

House District 34

Pressor Statement

Lamenting the tremendous turnover in the top management of the Alaska Permanent Fund with both the Knowles and Hickel Administrations, HB 81 is designed to take the politics out of the Permanent Fund Board of Directors appointment process.

House Bill 81, "An Act relating to the members of the board and staff of the Alaska Permanent Fund Corporation," is designed to create continuity within the board by restricting *any* Governor's ability to remove board members without cause and creating staggered terms.

Presently the members serve at the pleasure of the Governor, HB 81 allows the Governor to replace members only for cause. The staggered term provision allows for continuity.

Governor Knowles vetoed similar legislation passed in the Nineteenth Legislature, disregarding a resolution from the Permanent Fund's Board urging him not to do so.

With the Fund breaching \$20 billion, it's in the States best interest to protect the fund from the political whims of changing administrations.

Valdez Dock Company

P.O. BOX 927

VALDEZ, ALASKA 99686

PH: (907) 835-4337

FAX: (907) 835-3856

January 30, 1997

The Honorable Jeannette James
Representative, House of
Representatives
State Capitol, Room No. 102
Juneau, Alaska 99801-1182

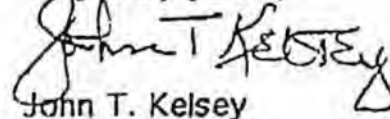
Dear Representative James:

This refers to your House Bill No. 81 relative to the Alaska Permanent Fund Board of Directors appointment process.

I wish to advise, as a past Chairman of subject board, I am in total support of your bill. The problems presented to new board members in the matter of "learning the system" and becoming comfortable with making important decisions of major proportions affect almost all citizens of the State of Alaska. Further, making major decisions without proper education on the operation of such a large fund could be damaging to future earnings that might very well impact budget considerations in the twenty-first century. Removing all board members, or even a majority of them, and appointing new members is unfair to those newly seated and could well adversely affect the state.

For the good of the State of Alaska and its citizenry, I urge the legislature to pass this bill.

Very truly yours,


John T. Kelsey



Alaska Permanent Fund Corporation
P.O. Box 25500 Juneau, Alaska 99802-5500
(907) 465-2047

June 10, 1996

The Honorable Tony Knowles
Governor, State of Alaska
State Capitol
Juneau, Alaska 99801

Dear Governor Knowles:

The Board of Trustees recommends that you allow Senate Bill 89 to become law. There are two principal reasons why the Board supports this legislation:

- the bill would assure Board continuity, making for a more experienced and capable Board over the long term; and
- the addition of a seventh member would enhance the overall expertise of the Board of Trustees.

Thank you for your consideration.

Sincerely,

Grace Berg Schaible

c: Board of Trustees
Byron I. Mallott, Executive Director

Revision Date: _____ Dept. Affected: Revenue
 Title: An Act relating to the members of the board BRU: APFC
and staff of the Alaska Permanent Fund Corporation Component: APFC
 Sponsor: Representative James
 Requestor: State Affairs, Finance COMPONENT SERIAL NO. 109

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL	29.3	29.7	30.2	30.6	31.1	31.7
CONTRACTUAL	2.6	2.6	2.6	2.6	2.6	2.6
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	31.9	32.3	32.8	33.2	33.7	34.3

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other	31.9	32.3	32.8	33.2	33.7	34.3
TOTAL	31.9	32.3	32.8	33.2	33.7	34.3

Estimate of any current year (FY97) cost \$ 0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

- This fiscal note assumes implementation on July 1, 1997. It projects costs associated with increasing the number of trustees from six to seven, and replacing one commissioner with a public member.
- Travel assumes 15 trips per year in-state and 2 trips per year out-of-state.
- Transportation costs are assumed to increase at a 4% rate of inflation each year. Per diem and honorarium remain constant in all years.
- Contractual includes registration fees at two seminars.
- Other Fund Source: Corporate Receipts.

Prepared by: Byron I. Mallott, Executive Director Phone: (907) 465-2047
 Division: Alaska Permanent Fund Corporation Date: 2/20/97
 Approved by Commissioner: [Signature] Date: _____
 Agency: Department of Revenue

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FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. HB 81

Revision Date: _____ Dept. Affected: Office of the Governor
 Title: "An Act relating to the members of the board and BRU: Executive Operations
staff of the Alaska Permanent Fund Corporation." Component: Executive Office
 Sponsor: Representative James
 Requester: House State Affairs COMPONENT SERIAL NO. 6

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY97) cost: \$ 0.0

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact on the Office of the Governor.

Prepared by: Michael A. Nizich, Administrative Director *M. Nizich* Phone: 465-3876
 Division: Administrative Services Date: 2/14/97
 Approved by Commissioner: Jim Avers, Chief of Staff *J. Avers* Date: 2/14/97
 Agency: Office of the Governor

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