

Leg. Finance - Finance Comte Files (1971-72) 8879  
HB 370 cont., 374, 378, 378am, 383, 385, 391 75

An initial on-site survey effort will be conducted at the University of Alaska to establish the initial system requirements and parameters. Other generators, processors, and users of arctic environmental information and data will be contacted also. These results will be analyzed and summarized to provide the basic input for the system-design study to be conducted concurrently at Battelle's Columbus Laboratories.

The additional activities of implementation, training, and initial operation, will involve the environmental specialists to a greater degree. The advice and participation of technical specialists is vital in the selection, screening, indexing, and processing of information to build the information/data base for the Center as well as to provide the analytical capability necessary to the output functions of the Center.

### BACKGROUND

Recorded history indicates that man has inhabited arctic regions of the world since the third or fourth centuries. The inhabitants of these environments resided in relative anonymity to the remainder of the world until the development of the fur and whaling industries during the nineteenth century. The invasions associated with these industries were relatively small and contributed little to the degradation of the environment. During the twentieth century, however, invasions involving scientific exploration and problems of national defense have assumed much larger scale and have penetrated to remote alpine and arctic areas. Presently, the availability of abundant minerals and oil reserves in arctic Canada and Alaska has resulted in the initiation of a new cycle of alpine and polar development.

Almost 20 years ago, the Conservation Foundation conducted an Alaskan Resource Study for the U. S. Department of Interior. Many of the conclusions and recommendations of this study are extremely pertinent in the context of recent developments. Among those cited were the need for more knowledge of factors influencing arctic environments the location and extent of resources together with the opportunities and risks of development, and methods applicable to arctic resources management for continued productivity - not quick exploitation. These requirements are only a partial summary of some of the most urgent needs for Alaska now.

In this regard, there is much concern for the environmental degradation which can be associated with development and operation of the oil and other industries in fragile Alaskan ecosystems. In these cold climates mutilations tend to be permanent due to the low rates of biological processes. The increase in number of environmental scars during the past few years and awareness that engineering and construction techniques applied in temperate regions may not be applicable to Arctic regions has stimulated recognition of the need for careful planning in relation to Alaskan development. The U. S. Secretary of the Interior recently stated: "The North Country is beginning to undergo the most rapid and profound changes ever seen in any wilderness region in world history. We must find new ways to meet this unprecedented challenge. We need new ideas, new techniques and attitudes".

The planning surrounding the recent developments associated with Alaskan natural resources will require the availability and interpretation of all possible data related to the environment and the relationship of Alaskans to their natural surroundings. Collection, analysis, and evaluation of data related to such a broad scope represents a major

effort on the part of those undertaking such a task. The performance of this task by individual groups for their own use is highly inefficient and impractical. The need exists for a single source of information relating to Alaskan environmental problems and development techniques which may be used by all types of groups requiring such information for the performance of their tasks. As new information and data are generated, as new studies are completed, it is vital that the results be centrally collected and made available to both Government and industry in the further development of Alaska. The project activities detailed in this proposal provide an orderly, efficient, and considered approach leading to the establishment of this focal point or single source of information, an Arctic Environmental Information and Data Center.

#### The Role of AEIDC in Support of the University of Alaska

Increased recognition is being given by the Federal Government to the concept of information analysis centers as an effective means of focusing concentrated research efforts in areas of priority or national importance. As stated by Andrew A. Aines, Chairman of the Committee on Scientific and Technical Information of the Federal Council for Science and Technology:

"The trend in the United States technical community toward the establishment of Information Analysis Centers (IAC) has accelerated rapidly. Such centers have become a significant factor in improving the accessibility of reliable scientific and technical information and seem destined to grow rapidly in importance. While the concept of an Information Analysis Center is new, the functions are as old as science and technology, actually being an integral part of the processes by which science and technology have progressed. An Information Analysis Center has been defined as a formally structured organizational unit specifically established for the purpose of acquiring, selecting, storing, retrieving, evaluating, analyzing, and synthesizing a body of information within a clearly defined specialized field, or within a specified mission for the purpose of compiling, digesting, repackaging, or otherwise organizing and presenting pertinent information in a form most authoritative, timely, and useful".

The University of Alaska, as the focal point for concern of all factors which affect the Alaskan environment and man's effect upon it has a tremendous task in establishing recognition of its role as the authority on this environment. If it is going to speak with authority, it must have technical competence in the many areas of concern, especially in those areas of high priority or threat. By tapping concentrations of scientists and technologists not only at the University but also those of research organizations, which have expertise in complementary areas of science and technology for concentrated back-up support, the capacity and capability of the University can be augmented and expanded.

The functions that such a center perform are a systematic formalization of the time-honored functions performed by and integral to the R&D community, but directed toward "a clearly defined specialized field, or within a specified mission of high priority or nation importance". The IAC concept, when properly administered as a part of the R&D effort, is a proven method of focusing technical competence in support of a national effort. This is evident from the number and varied subject areas of such centers now supported by the Federal Government.

Figure 1 illustrates the supportive role of AEIDC to the State of Alaska, the University, and the Alaskan industry. The scientific and technical staff of the Center would be available to provide the University with quick response and critical evaluation to meet the planning pressures surrounding the recent developments associated with Alaskan natural resources. The staff also would provide state-of-the-art and technical analyses to proper elements within the Arctic science and engineering community. Further, through the technical guidance of the Center's scientific staff, the information staff would acquire specialized technical information and data required to accomplish the mission of the Center.

### Scope and Objectives

#### Scope

The scope of the Arctic Environmental Information and Data Center must be responsive to the evolving mission and needs of the users and must maintain a ready adaptability to alteration. The Center is envisioned as including that significant U. S. and foreign information and data related to the biological and physical sciences, and engineering aspects of the development, exploitation, and preservation of arctic resources, both American and circumpolar.

#### Objectives

The proposed Arctic Environmental Information and Data Center would have the following goals:

- (1) To provide members of industry, academic institutions, government agencies, and the public with a source of objective information and data about the biological and physical sciences, and related engineering aspects of the Arctic.
- (2) To foster the use of the information resource during conception and development of any programs in which arctic information and data is required
- (3) To serve as a communications medium to stimulate the interchange of information on arctic science and engineering
- (4) To provide the various Research Institutes of the University of Alaska and other interested groups with a mechanism for documenting program accomplishments and with an institutional memory for facilitating transitions, such as those resulting from changes in personnel and program objectives
- (5) To provide information and data pertinent to decision-making processes such as resource zoning in conflict areas which could prevent the advocacy of multiple use
- (6) To establish an arctic capability and visibility for the American Arctic as well as assist in the planning of circumpolar research involving foreign research participation.

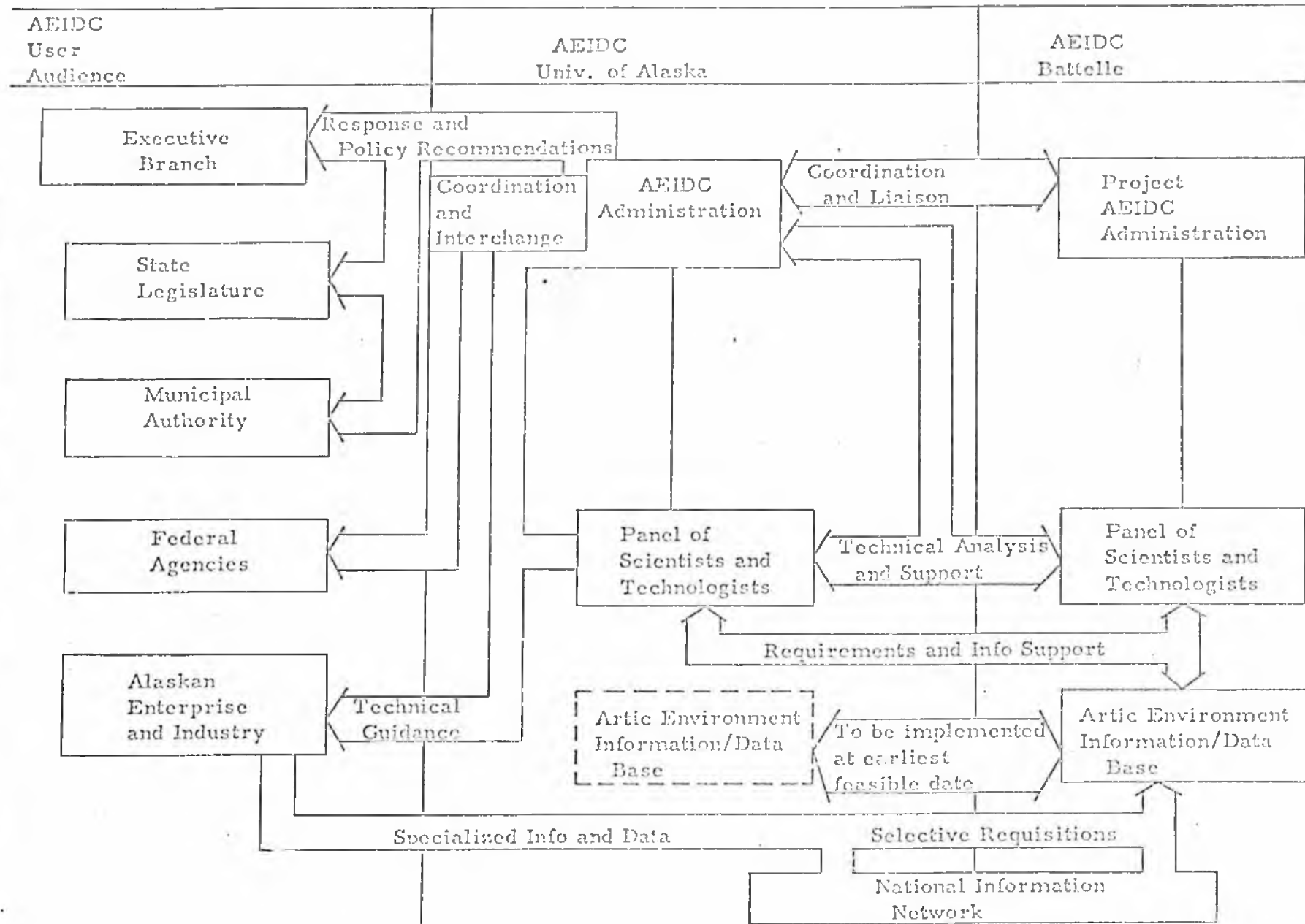


FIGURE 1. THE SUPPORTIVE ROLE OF AEIDC TO THE UNIVERSITY AND STATE OF ALASKA

## APPROACH TO SYSTEM IMPLEMENTATION

### Basic Approach

In considering the feasibility and definition of a new system, the user needs, existing pattern of information flow, system inputs, system use, and outputs are determined and evaluated. From these, the mission, scope, purpose, and objectives are defined, and the system design parameters are determined. The various alternative information systems can then be compared and evaluated in view of the design parameters, and final design configuration selected to meet the system requirements. Implementation includes the normal start-up activities and a period of testing and reshaping of the system to meet real demands. Frequently, a small-scale "pilot" system is implemented first to provide for testing. A system is considered operational only after a satisfactory "shakedown" period and when full-scale operation is considered feasible.

Because of the recognized need and urgency for the establishment of an AEIDC, and, in view of the fact that areas warranting priority attention can be identified, it is feasible and desirable to conduct the implementation and design studies on a concurrent basis. This will permit earlier establishment of an operational data base and, at the same time, begin to provide critically needed service to the user audience within the State of Alaska.

In order to provide for early implementation of priority elements of the overall system, a program will be followed whereby implementation activities of a pilot system can be started as an initial phase of the total program, and the definition studies can be conducted as a parallel effort. The initial system design would be adapted from already existing systems and the choice based on considered judgment in view of the knowledge gained of the information environment and requirements of the University of Alaska and the user public it serves.

Figure 2 is a time-task chart showing details of the recommended activities for the project.

The pilot system must, of necessity, be sufficiently flexible to be adaptable to changing needs and requirements that would be identified during the study of the information requirements to be fulfilled by the AEIDC. A capacity for further expansion of scope would also need to be considered in selecting a final design configuration for the pilot system.\*

\* Battelle's information scientists, with a background of almost 20 years of planning, designing, and operating a number of types of information systems for a wide variety of sponsors, are well qualified to provide the experience and judgment factors so critical to this approach.

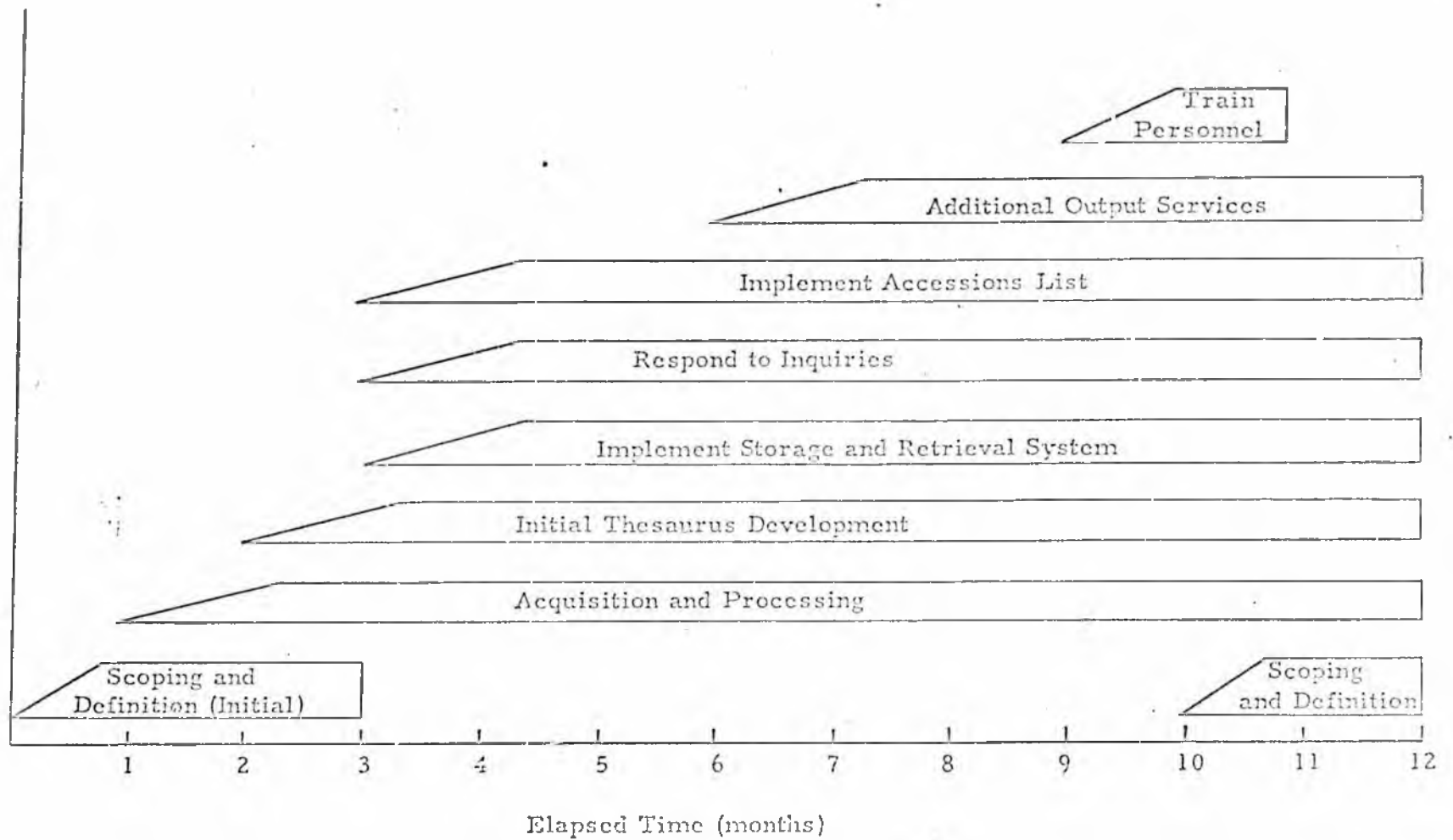


FIGURE 2. TIME TASK CHART FOR DEVELOPMENT OF AN ARCTIC ENVIRONMENTAL INFORMATION AND DATA CENTER

## Development and Demonstration of Information Base and Related Activities

This work will encompass a number of elements as follows:

### Scoping and Definition Study

A survey of selected staff of the University of Alaska, and of other members of the Center's mission community will be conducted to determine the subject-matter boundaries of the information base. Types of needs to be met by the information system will be identified and priorities assigned. This work will result in an initial charter for the information system which establishes with as much specificity as appropriate what the system is to provide, for whom, how often, how fast, and in what formats. For purposes of demonstration, only the highest priority areas of need will be addressed by this project.

It should be recognized by everyone concerned with the management and operation of the AEIDC that careful scoping and definition of an information center are essential to the utility and viability of the center. Further, the phrase "initial charter" was used deliberately, because of the limited nature of the initial phase of the proposed program, to indicate that the charter is a dynamic tool for guiding the continuing development and operation of a system or center. Provisions for change in the charter must be included at the outset to allow the center to adjust as interaction with its user community may dictate.

### Initial Demonstration Products and Services

#### (a) Responding to Inquiries

Depending upon determination made during the scoping and definition study as to acquisitions and input priorities and types of services or products to be provided during the early life of the AEIDC, it is expected that some "Quick Response Inquiry" (QRI) and "Technical Advisory Inquiry" (TAI) activity will be conducted during the system-development effort.

A Quick-Response Inquiry (QRI) is a question from a qualified requester that may require up to a maximum of a week's effort of a staff scientist, engineer, or information scientist to answer. Responding to such a request is essentially a fact-retrieval effort. When presented with questions such as the nature of the flora in the vicinity of Barrow, or drymatter production on the North Slope, an information specialist would interrogate the information/data bank and perhaps other appropriate information/data resources, possibly consult with staff specialists, add his own knowledge, and prepare a short reply. This type of inquiry might arise in connection with research-initiation decisions or in specific resource management considerations.

A Technical-Advisory Inquiry (TAI) differs from a QRI in that it takes longer to answer, involves some degree of analysis, and requires the services of a staff scientist or engineer. The average TAI requires about 2 man-weeks of a scientist's time. In

response to a typical TAI, for example, a preliminary examination might be made of potential commercial marine species to define certain dimensions of the problem and to determine whether further exploration is indicated. The inquirer would then be provided an unbiased appraisal of the concept as a basis for his decision regarding future research direction.

During system start-up, QRI's and TAI's will be accepted and - in addition to supplying needed information to qualified users - will also be used as acquisition guides for the Acquisitions Program Development discussed in a subsequent section. Initially, emphasis will be on input development rather than on the quickness of response. As the thrust of users' interest areas becomes apparent, the emphasis will gradually shift to accent both timeliness and utility of response. This systematic approach will ultimately yield significant benefits in the quality of service provided later by the Center as the system moves into full implementation. No goal is set at this time as to how many such QRI's and TAI's should be handled during this development and demonstration phase of the proposed program.

(b) Current Awareness (Announcement) Bulletin

After the acquisitions and processing efforts reach a sufficiently productive state, probably at the halfway point, several pilot samples of current-awareness bulletins will be prepared. Once again, the main purpose here is to learn what type of product will best meet the objective. It is expected that by the end of the first year's operations, enough will have been learned through feedback from the users to make longer range decisions regarding the content, format, and timeliness desired by the user audience.

(c) Additional Output Services

The scoping and definition study, and the knowledge of the user needs and requirements gained through actual operation of the pilot system, may define additional output services that could be instituted on a demonstration basis in the later months of the program. These services are illustrated by the following examples:

Memoranda. Memoranda are used as a means to expedite dissemination of information and may be prepared for several reasons:

- (1) The subject information is a chapter or part of a formal report, but is of immediate interest and may otherwise be delayed many months pending completion of the formal report.
- (2) The subject information is important but is preliminary or for some other reason incomplete. Memoranda often bring responses from persons who have additional information but who either withheld it or were not known previously.
- (3) The subject information is abbreviated, e.g., highlight of information collected by a working group or technical symposium.

Technical Notes. Technical notes are minimum-effort reports. Information is so distributed for two primary reasons:

- (1) It is so preliminary that it should not be referenced as part of the technical literature.
- (2) The audience which benefits from the subject information is very limited, although the information reported is comprehensive.

Reviews of Recent Developments. To assist its users in remaining current with information in areas of interrelated and rapidly changing technology, short reports, or "Reviews of Recent Developments", could be prepared. These would be newsletters listing only current items of significance which have become available during a 3- to 6-month period.

The costs of providing such additional outputs are not included in the costs of this proposal.

#### Acquisitions Program Development

Concurrent with the scoping study and continuing thereafter will be the development of a limited acquisitions program. Two basic types of functions will be involved in this program:

(1) Identification, analysis and evaluation of existing resources of information relevant to the Center's mission. Sources of information resulting from recently completed and prior work include:

- o Primary sources of published literature
- o Secondary sources of published literature
- o Other sources of published literature
- o The technical report literature
- o Nonproprietary, industrial, scientific/technical information.\*

To acquire information from current, on-going work, an aggressive program will be developed to identify organizations starting, performing, or funding work relevant to the Center's mission. Channels will be established for receiving on direct distribution the progress or other interim reports as well as final reports resulting from such work. Active liaison will be established and maintained with selected organizations to assure that the most up-to-date information possible is acquired for input to the system. Such input will consist of documented telephone conversations, trip reports, correspondence, and the like. In Battelle information analysis centers it has been found that, through

\* It has been found feasible and valuable in Battelle centers to develop mechanisms for obtaining from industry so-called "proprietary information". Experience has shown that useful information and data are frequently considered proprietary simply because of incomplete or partial investigations. Or, for business reasons, a particular company may not wish to be identified with certain work. There are other reasons for limiting the availability of information. Such information or data are frequently releasable for public use under specific but reasonable conditions. In other cases, such information or data are available for consultation even though not releasable, to assure accuracy of analysis and conclusions.

active liaison between a center and members of the community being served, such inputs have kept the center up to 3 years ahead of published literature in some technological areas.

(2) Interfacing with documentation and information capabilities already in operation.

In developing a new information system such as AEIDC, the objective is to provide improved, more efficient, and more convenient access to a body of information, and to assure that all pertinent information is gathered in one place or is accessible through a single source. In some instances pertinent elements of existing systems may be incorporated into the new system. However, in other cases (such as "Arctic Bibliography" and "Bibliography on Cold Region Science and Technology") the new center would not duplicate the holdings of existing systems. Instead, it is preferable to incorporate in the new system ways and means of utilizing applicable portions of such information stores and to devote the resources of the new system to supplementing these existing sources with additional information pertinent to the system's specific objectives. A partial list of potential information sources of interest to AEIDC is shown in Appendix D.

Methods and Procedures for Document Processing

Efficient and effective methods and procedures for processing documents into a system are well established and have been thoroughly tested and proven by Battelle in the course of designing and operating more than a dozen centers. Adaptation of these processes to the requirements of the AEIDC should be a straightforward matter.

Information Processing for Storage, Retrieval, and Utilization

(1) Scanning, evaluation and selection. Methodology and procedures for scanning, evaluation, and selection of information for the AEIDC should be similar to techniques already developed for other Battelle centers. Some modifications may be required to permit continuing interaction between information specialists and subject matter specialists at Battelle and staff members of the University of Alaska, and perhaps elsewhere in the evaluation and selection of information-system inputs.

(2) Vocabulary development. The system's charter, developed through the scoping and definition study, will refine the philosophy and formulate basic guidelines for vocabulary development and indexing. We plan to use the coordinate-indexing approach. Optimum use will be made of prior vocabulary work, drawing upon existing thesauri such as the BCL-BEDIC thesaurus, the Engineers Joint Council "Thesaurus of Engineering Terms", the "Water Resources Thesaurus" of WRSIC, the "Agricultural/Biological Vocabulary" of the National Agricultural Library, and others. Nevertheless, considerable effort will be required to tailor the more general approaches represented in most existing thesauri to the specific needs of the AEIDC. Vocabulary control and thesaurus updating and expansion are continuing processes in any viable specialized center. Reliable, precise, and efficient retrievability is a key factor in the successful operation of a quick-reacting, specialized, information center. To achieve the required quality of retrievability, a high relevance ratio in both the items stored and their indexing must be achieved and consistently maintained. This requirement becomes increasingly stringent as the size of the information base grows, as its subject scope shifts or expands into new areas or as the technology of the community served becomes more complex or multidisciplinary, and as use of the information base rises.

(3) Indexing and abstracting. Until adequate indexing relevance ratios can be economically achieved through automatic indexing by computer (converting printed matter to machine language economically by electronic means such as by OCR equipment is but one part of the problem) indexing will remain an intellectual process requiring the combined skills of information specialists generally knowledgeable in the subject area being indexed and specialists working in the subject area. The subject-matter specialists at BCL who will assist in acquisitions evaluation and selection will also provide guidance in vocabulary development and indexing. Likewise, appropriate means will be developed for achieving this type of interactive guidance by subject matter specialists at the AEIDC and elsewhere as appropriate.

Except for modifications identified during the scoping and definition study, abstracting/extracting methodology currently in use for other Battelle information systems should be generally applicable for the new system. Continuing review procedures will be established to assure the adequacy of the methodology as user interaction with the information system commences.

#### Information Storage and Retrieval Mechanism

(1) Start-up and initial implementation. Battelle already has in operation a variety of information storage and retrieval systems. In addition, Battelle is currently developing on its own funds a time-shared, computer-based information system and will soon have a computer dedicated exclusively to information activities. This system is described in Appendix C. Thus, the University of Alaska will benefit by not having to incur the heavy costs of system design and software development, and, instead, will incur only the much more modest costs of only its own usage of an already-developed system.

For the start-up, demonstration, and initial implementation of the AEIDC, Battelle plans to use an existing time-sharing system on Battelle's CDC 6400 computer. This system, INTERCOM, can support a moderately sized information-retrieval package such as that envisioned during the formative stage of AEIDC development.

(2) Demonstration and initial implementation. By the end of the first 6 months of the contract, the system should contain sufficient information to have demonstratable utility.

(3) Future mechanization. As the information base becomes sufficiently large and as user demands upon the system increase, AEIDC can be transferred to the advanced real-time, remote-access storage and retrieval system. This system will enable AEIDC users to query the information base from any facility possessing the necessary terminal equipment. Reprogramming and reprocessing will not be necessary, since all initial input will have been formatted to conform with the advanced computer system.

### "Hard Copy" Document Storage

Details of document storage of the information-system development will be worked out during the scoping and definition study. However, based upon preliminary consideration, primary "hard copy" storage should probably be at BCL initially, with a satellite file of either "hard copy" or microform at the University of Alaska.

### Training and Education

During the second 6 months of the proposed program, certain key personnel selected and hired by the University of Alaska would be brought to Battelle's Columbus Laboratories (at the sponsor's expense) for 4 to 6 weeks' training in the fundamentals of information systems. The participants will be given an overview of all aspects of information systems from design through operation and evaluation. Emphasis will be given to participation and "hands-on" training utilizing the AEIDC information system. The training program will be specifically tailored to meet the needs of the AEIDC personnel, and will probably include the elements outlined in Appendix E. Although an outline of classroom topics is presented in Appendix E, the program is flexible and will be adapted to the needs, backgrounds, and experience of the specific personnel and to the requirements identified during the implementation and pilot demonstration of the AEIDC.

### Methodology

The design studies for, and initial implementation and operation of, the AEIDC will be conducted primarily at Battelle's Columbus Laboratories. Here, the Project Leader will be able to call upon a number of information and technical specialists for assistance in conducting the evaluations and making the series of selections and decisions that lead to the development of the AEIDC. Information scientists experienced in system design or in various aspects of information-system operations as well as technical specialists knowledgeable in the many disciplines involved in an AEIDC can be called upon as needed.

## PROJECT ORGANIZATION

The overall responsibility for this program will be assigned to Battelle's Department of Economics and Information Analysis, Dr. R. S. Davidson, Director for Bio-environmental Research Programs, will be responsible for the performance and administration of the project. Mr. Thomas E. Carroll, Information Systems Manager for the Bioenvironmental and Ecological Data and Information Center, and Dr. Arthur A. Levin, Environmental Scientist, will serve jointly as Project Leaders and participate directly in all aspects of the program. The organizational structure for the project is shown in Figure 3. Biographical sketches of the key personnel suggested for the project are included in Appendix F.

The permanent project team incorporates information scientists, an ecologist, and a bioenvironmental specialist. As specific requirements arise, the Project Leaders will call upon the expertise of any of the more than 1300 professional staff members of Battelle's Columbus Laboratories or of Battelle's associated consultants.

The Steering Committee (shown in Figure 3) will provide guidance and technical supervision to the basic project team. They will be available for consultation and assistance with special problems and will review all reports, recommendations, and conclusions. The makeup of this committee provides the multidisciplinary capabilities necessary to a project of this nature.

The suggested Advisory Committee is regarded as a very important factor in assuring that the AEIDC will achieve its objective of providing a centralized information and data base in scientific and engineering areas of importance to the advancement of arctic science and engineering in Alaska. As noted in Figure 3, this Committee would be selected by the University of Alaska; ideally, its members should be knowledgeable and active in arctic environmental activities, vitally interested in improving the related information systems, and capable of representing the interests of the industrial, government, and academic communities in the development of the AEIDC. To provide continuity, the members of the committee should be able to function throughout the total program.

The specific Battelle personnel listed in Figure 3 are those recommended at this time. Specific commitments at the time of initiation of the project may require some substitutions, especially in the support personnel. If this is necessary, the personnel will be replaced with individuals with similar background and experience.

## REPORTING

The University of Alaska will be kept informed of Battelle's progress in this study through monthly report letters. These will be brief status reports indicating progress made during the past month, any problem areas, and plans for the succeeding month's activities.

Upon completion of the scoping and definition study an informal interim report summarizing the results and conclusions will be submitted. This will be incorporated in the final report at the conclusion of the development program.

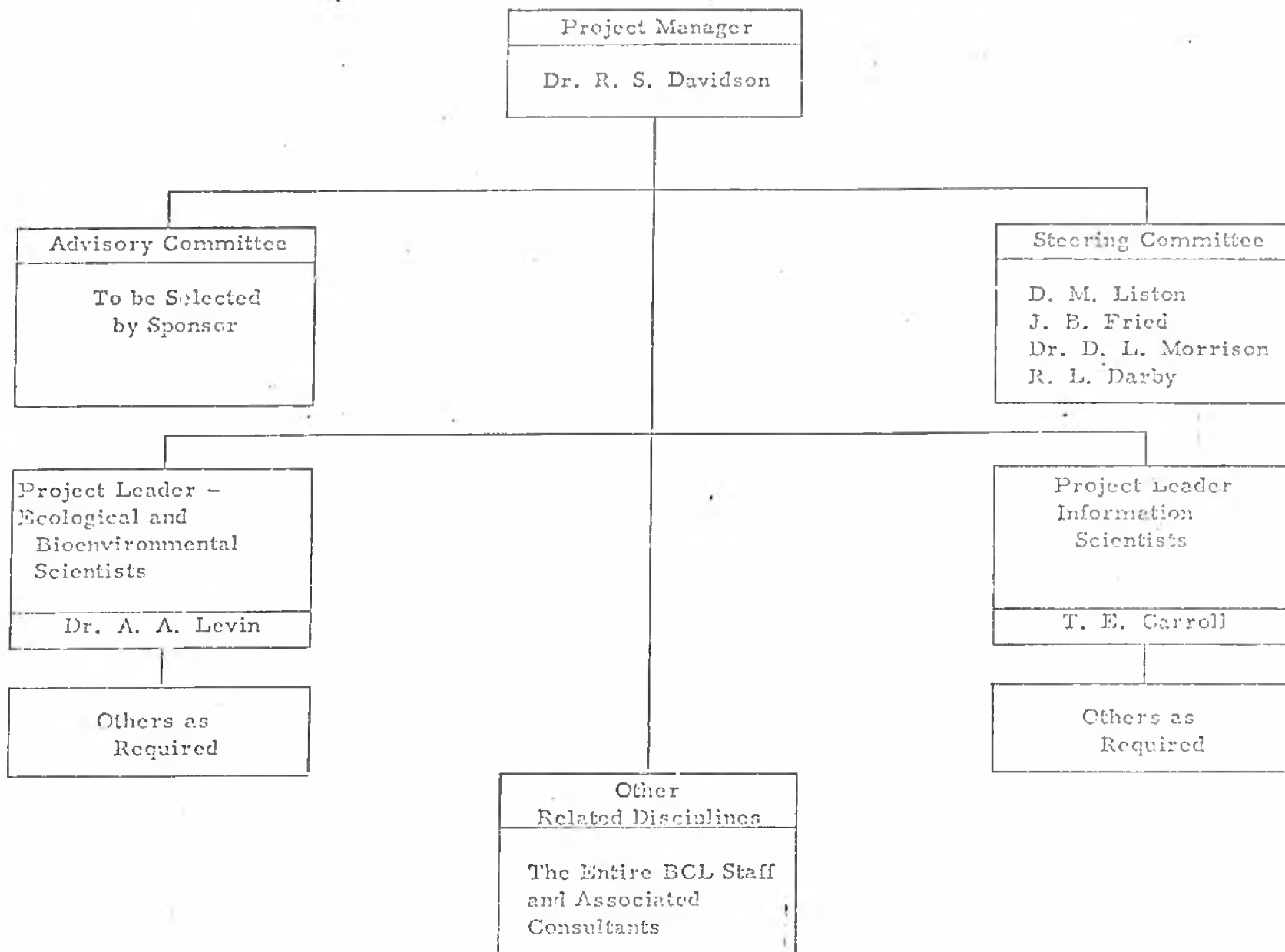


FIGURE 3. PROJECT ORGANIZATIONAL STRUCTURE

TIME AND COSTS

Total costs for the 12-month program discussed in this proposal, including travel, are estimated to be \$200,000. Billings will be made monthly on the basis of costs incurred during the previous month. Should the University desire additional technical assistance or additional information products, cost extensions can be arranged through mutual agreement.



# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James D. Smith  
Signature of Camera Operator

4/4/89  
Date

Introduced: 3/29/71  
Referred: State Affairs and  
Finance

1 IN THE HOUSE

BY HAUGEN

2 HOUSE BILL NO. 374

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the tax on watercraft fuel; and  
7 providing for an effective date."

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

9 \* Section 1. AS 43.40.010(a)(2) is amended to read:

10 (2) the tax on motor fuel used in engines for the propulsion  
11 of boats and watercraft of all descriptions, including that motor  
12 fuel which may be utilized for heating and cooking aboard boats and  
13 watercraft, is six [THREE] cents a gallon, and

14 \* Sec. 2. AS 43.40.010(b)(2) is amended to read:

15 (2) the tax on motor fuel used in engines for the propulsion  
16 of boats and watercraft of all descriptions, including that motor  
17 fuel which may be utilized for heating and cooking aboard boats and  
18 watercraft, is six [THREE] cents a gallon, and

19 \* Sec. 3. AS 43.40.030(a)(2) is amended to read:

20 (2) the motor fuel is not aviation fuel or motor fuel used  
21 in an engine to propel a boat or watercraft, including motor fuel  
22 which may be utilized for heating and cooking aboard boats and water-  
23 craft; and

24 \* Sec. 4. This Act takes effect on the day after its passage and approv-  
25 al or on the day it becomes law without approval.  
26  
27  
28  
29

COMMITTEE COPY

**POOR COPY**

# ALASKA STATE LEGISLATURE

SEVENTH Legislature FIRST Session

HOUSE BILL NO. 374

By HAUGEN

"An Act relating to the tax on watercraft fuel, and providing for an effective date."

Tax on watercraft fuel

Introduced in the House 3/29/ 19 71

## HISTORY IN THE HOUSE

19 71

Read first time and referred to Committee on

Mar 29

State Affairs and Finance

Reported back with recommendation that

Read second time and

Read third time and

PASS : Yeas  
Nays  
Absent  
Excused

Effective Date

PASS : Yeas  
Nays  
Absent  
Excused

Reported correctly engrossed

Signed by Speaker

Sent to Senate

## HISTORY IN THE SENATE

19

Read first time and referred  
to Committee on

Reported back with  
recommendation that

Read second time and

Read third time and

PASS      Yeas  
             Nays  
             Absent  
             Excused

Effective Date

PASS      Yeas  
             Nays  
             Absent  
             Excused

Reported correctly engrossed

Signed by President

Returned to House

SECRETARY OF THE SENATE

## HISTORY IN THE HOUSE

19

Received from Senate

Reported correctly enrolled

Sent to Governor

..... By Governor

Filed with Secy. State

Chapter No. ....

"An Act relating to the tax on watercraft fuel; and providing for an effective date."

### Committee Report

## HOUSE OF REPRESENTATIVES

4/5/71

\_\_\_\_\_ Date

Mr. Speaker:

The Committee on FINANCE has had HB 374 under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for \_\_\_\_\_ and that CS for \_\_\_\_\_ do pass
- (and) recommends it be referred to the \_\_\_\_\_ committee
- reports it back without recommendation
- (other) \_\_\_\_\_

#### MEMBERS SIGNING THE MAJORITY REPORT:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

#### MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ CHAIRMAN

①

### Committee Report

HOUSE OF REPRESENTATIVES FINANCE  
3/29/71

April 2 1971  
Date

Mr. Speaker:

The Committee on STATE AFFAIRS has had HB 374

under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for \_\_\_\_\_ and that  
CS for \_\_\_\_\_ do pass
- (and) recommends it be referred to the \_\_\_\_\_  
committee
- reports it back without recommendation
- (other) \_\_\_\_\_

MEMBERS SIGNING THE MAJORITY REPORT:

Richard L. McVeigh John Huber \_\_\_\_\_  
Helmut Jesich \_\_\_\_\_  
Edward G. Dabney \_\_\_\_\_  
\_\_\_\_\_ \_\_\_\_\_

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

Frank A. ... recommends: DO NOT PASS  
 \_\_\_\_\_ recommends:  
 \_\_\_\_\_ recommends:  
 \_\_\_\_\_ recommends:  
 \_\_\_\_\_ recommends:

Richard L. McVeigh  
CHAIRMAN

## MEMORANDUM

State of Alaska

TO: F

The Honorable George H. Hohman, Chairman  
 House Finance Committee  
 Alaska State Legislature  
 Juneau, Alaska

DATE: April 2, 1971

FROM:

*R. D. Stevenson*  
 R. D. Stevenson  
 Deputy Commissioner  
 Department of Revenue  
 Juneau, Alaska

SUBJECT: House Bill No. 374  
 Watercraft Fuel Tax

House Bill No. 374 provides for an increase in the tax on motor fuel used in engines for the propulsion of boats and watercraft of all descriptions, including that motor fuel which may be utilized for heating and cooking aboard boats and watercraft from the present 3c per gallon to 6c per gallon.

Revenue estimates that appear in the document entitled "State of Alaska--Revenue Sources--1970-76," page 55, were based on the present rate of 3c per gallon with an exclusion from taxation for motor fuel utilized for heating and cooking aboard boats and watercraft. However, for projecting the basic additional revenue to be obtained by the increase in the tax from 3c to 6c per gallon the following statistics are provided:

<u>Fiscal Year Ending</u>	<u>Original Estimate @ 3c per gallon tax</u>	<u>Projected Estimate @ 6c per gallon tax</u>	<u>Additional Revenue</u>
June 30, 1972	\$ 802,400	\$ 1,604,800	\$ 802,400
June 30, 1973	826,500	1,653,000	826,500
June 30, 1974	851,300	1,702,600	851,300
June 30, 1975	876,800	1,753,600	876,800
June 30, 1976	903,100	1,806,200	903,100
Five Year Totals	<u>\$ 4,260,100</u>	<u>\$ 8,520,200</u>	<u>\$4,260,100</u>

The proposed legislation will remedy a costly loophole in our watercraft fuel tax statutes which in essence has permitted boat owners who have a common storage facility for diesel oil to purchase tax free a questionable portion of the marine diesel oil for "cooking and heating."

While it is obvious in most cases that a portion of the diesel fuel is actually used for "cooking and heating," the practice that has been followed by many boat owners indicates a bad abuse with tax avoidance as the result.

In practice, the owner of the watercraft indicates to the marine fuel dealer the "percentage" or amount in gallons that is to be used for "cooking and heating" as opposed to the percentage or amount in gallons to be used for propulsion at the time of purchase of the diesel fuel. Since the State does not levy any tax on heating fuel, the owner of the watercraft does not want to pay any tax on that portion of the total fuel delivered that the boat owner "thinks" or "determines" will be used for cooking and heating.

April 2, 1971

The Department of Revenue conducted very detailed audits in Southeastern Alaska and in Southcentral Alaska in 1966 and again in 1968 to determine by and large what percentage of diesel fuel that was placed in common storage facilities aboard watercraft was being "claimed" as for "heating and cooking" upon which no watercraft fuel tax was paid.

The 1968 watercraft fuel tax audit was performed at 11 Alaskan ports covering diesel fuel purchases by owners of watercraft that had common storage facilities during the sales made in June and July of 1968. In examining some 4,033 diesel fuel invoices covering sales of 2,452,835 gallons for diesel fuel, the gallonage claimed for "heating and cooking" amounted to 609,792 gallons or 24.86% of the total sales. The 3¢ watercraft fuel tax on the "exempt" gallonage for the two month period would have amounted to 609,792 x \$0.03 or \$18,293.76.

Attached is a copy of the 1968 audit for a breakdown by locality of percentages of purchases of diesel fuel claimed as for "heating and cooking" aboard watercraft.

Considering that harbor improvements are funded by watercraft fuel tax revenues, it could be noted that the abuse of the watercraft owners who have in the past claimed abnormally high amounts of diesel fuel for "cooking and heating" has decreased total revenues available for improvements to the public harbors, docks and floats for all boat owners.

RDS:eh

Attachment

GALLONS BY LOCATION  
SOUTHEASTERN AND SOUTH CENTRAL MARINE TAX AUDIT  
INCLUDING FUEL PURCHASED BY TUGS AND BARGES  
1968

No. of Invoice	City	Diesel Invoices	% for Heat	Diesel Fuel	Diesel Heating & Cook	Total Diesel Gallons
2830	Sitka	306	24.25%	135,476	43,368	178,844
2930	Petersburg	726	20.83%	210,136	55,285	265,421
2970	Wrangell	276	24.55%	64,762	21,072	85,834
6150	Ketchikan	1,143	22.32%	451,223	129,654	580,877
3980	Juneau	493	26.93%	105,640	39,460	145,100
2040	Cordova	339	20.15%	114,975	28,985	143,960
550	Valdez	1	--	500	500	1,000
2500	Anchorage	20	14.81%	187,013	32,506	219,519
3100	Kenai	31	19.25%	101,960	24,309	126,269
1810	Homer	119	6.23%	29,543	1,979	31,522
1710	Kodiak	579	40.49%	441,915	232,674	674,589
Total Gallons			24.86%	1,843,043	609,792	2,452,835

30,590 Total Invoices 4,033

In Valdez, approximately 4,750 gallons of diesel fuel was sold to marine vessels, during June and July; however, there were no invoice records.

STATE  
of ALASKA

# MEMORANDUM

TO:  R. D. Stevenson  
Deputy Commissioner

FROM: *Steffen Andersen*  
Steffen Andersen, Director  
Excise Tax Division

DATE: January 20, 1972

SUBJECT: House Bill 374  
Watercraft Fuel Tax Bill

House Bill 374 will not create any administrative problems and the only change on the reporting form will be the tax figure for watercraft fuel. There are no other changes from the present statutes.

Following is the expected increase in revenue by changing the tax rate from .04¢ to .06¢ per gallon.

<u>Fiscal Year Ending</u>	<u>@ 4¢ Gallon Tax</u>	<u>@ 6¢ Gallon Tax</u>	<u>Additional Revenue</u>
June 30, 1973	\$1,100,600	\$1,650,900	\$ 550,300
June 30, 1974	1,144,600	1,716,900	572,300
June 30, 1975	1,190,400	1,785,600	595,200
June 30, 1976	1,238,000	1,857,000	619,000
June 30, 1977	<u>1,287,500</u>	<u>1,931,250</u>	<u>643,750</u>
Five Year Totals	\$5,961,100	\$8,941,650	\$2,980,550

The above revenue projections are based on an effective date of July 1, 1972.

SA:dw

DEPT OF REVENUE  
RECEIVED  
JAN 20 11 45 AM '72  
FILE

Introduced: 3/29/71  
Referred: State Affairs and  
Finance

1 IN THE HOUSE

BY HAUGEN

2 HOUSE BILL NO. 374

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the tax on watercraft fuel; and  
7 providing for an effective date."

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

9 \* Section 1. AS 43.40.010(a)(2) is amended to read:

10 (2) the tax on motor fuel used in engines for the propulsion  
11 of boats and watercraft of all descriptions, including that motor  
12 fuel which may be utilized for heating and cooking aboard boats and  
13 watercraft, is six [THREE] cents a gallon, and

14 \* Sec. 2. AS 43.40.010(b)(2) is amended to read:

15 (2) the tax on motor fuel used in engines for the propulsion  
16 of boats and watercraft of all descriptions, including that motor  
17 fuel which may be utilized for heating and cooking aboard boats and  
18 watercraft, is six [THREE] cents a gallon, and

19 \* Sec. 3. AS 43.40.030(a)(2) is amended to read:

20 (2) the motor fuel is not aviation fuel or motor fuel used  
21 in an engine to propel a boat or watercraft, including motor fuel  
22 which may be utilized for heating and cooking aboard boats and water-  
23 craft; and

24 \* Sec. 4. This Act takes effect on the day after its passage and approv-  
25 al or on the day it becomes law without approval.

26  
27  
28  
29

STATE  
OF ALASKA

## MEMORANDUM

TO:  R. D. Stevenson  
Deputy CommissionerFROM: *Steffen Andersen*  
Steffen Andersen, Director  
Excise Tax Division

DATE: January 20, 1972

SUBJECT: House Bill 374  
Watercraft Fuel Tax Bill

House Bill 374 will not create any administrative problems and the only change on the reporting form will be the tax figure for watercraft fuel. There are no other changes from the present statutes.

Following is the expected increase in revenue by changing the tax rate from .04¢ to .06¢ per gallon.

<u>Fiscal Year Ending</u>	<u>@ 4¢ Gallon Tax</u>	<u>@ 6¢ Gallon Tax</u>	<u>Additional Revenue</u>
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June 30, 1977	1,287,500	1,931,250	643,750
Five Year Totals	\$5,961,100	\$8,941,650	\$2,980,550

The above revenue projections are based on an effective date of July 1, 1972.

SA:dv

DEPT. REVENUE  
JAN 20 11 45 AM '72



# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James D. Smith  
Signature of Camera Operator

4/4/89  
Date

# Committee Report

HOUSE OF REPRESENTATIVES

\_\_\_\_\_ Date

Mr. Speaker:

The Committee on \_\_\_\_\_ has had \_\_\_\_\_  
under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for \_\_\_\_\_ and that  
CS for \_\_\_\_\_ do pass
- (and) recommends it be referred to the \_\_\_\_\_  
committee
- reports it back without recommendation
- (other) \_\_\_\_\_

MEMBERS SIGNING THE MAJORITY REPORT:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ CHAIRMAN

A M E N D M E N T

Offered in the HOUSE

By Finance Committee

To: \_\_\_\_\_ HOUSE BILL NO. 378

\_\_\_\_\_ SENATE BILL NO. \_\_\_\_\_

AMENDMENT: 1 Page 1 Line 5 thru 7

In the title, delete semicolon and provision for an effective date.

AMENDMENT NO. 2 Page 1 Line 22

Delete all of Section 2

Alaska State Legislature

SENATOR  
JAN M. KOSLOSKY  
DISTRICT D  
—  
STATE CAPITOL BUILDING  
POUCH V  
JUNEAU, ALASKA 99801  
—  
P. O. BOX 1  
PALMER, ALASKA 99645



Senate

COMMITTEES  
—  
STATE AFFAIRS, CHAIRMAN  
MEMBER  
FINANCE

February 24, 1972

Honorable George Hohman, Chairman  
House Finance Committee  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99801


Dear George:

It would be much appreciated by the Senate  
State Affairs Committee if you would provide  
fiscal notes for the following bills:

CSHB 346 - National Guard reenlistment bonuses;  
CSHB 352(Fin) - Relating to pay and allowances  
of members of the National Guard;  
HB 509 - Supplemental appropriation to Division  
of Buildings.

Also, would you send us the information you have on  
HB 378, regarding veterans land preference.

Sincerely,

  
Jan M. Koslosky  
State Senator



Alaska State Legislature  
Senate

JUNEAU ALASKA

TO: Mr. George Hohman, Chairman  
House Finance Committee

FROM: Rich Guthrie  
Senate Fiscal Analyst

SUBJECT: Fiscal Note Request

DATE: 3/16/72

The following House bills are now in the Senate Finance Committee for consideration:

<u>Bill No.</u>	<u>Title</u>
HB 378	Veterans Public Land Preference

The Senate Finance Committee would appreciate receiving eight copies of the fiscal note and other pertinent materials that will assist them as they consider these bills.

The Legislature of the State of Alaska  
 FISCAL NOTE  
 Second Session - Seventh State Legislature

I. REQUEST

Bill Identification: HR 378  
 Title: Veterans Land Preference  
 Requested by: Legislative Finance Date: 1/10/72  
 Return Date Requested: 1/28/72  
 Agency: Natural Resources Program: \_\_\_\_\_

II. FISCAL DETAIL

Budget Request Unit(s) Affected: \_\_\_\_\_

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 72	FY 73	FY 74	FY 75	FY 76	FY 77
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

B. FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

The adoption of the proposed amendment to Title 38 would not involve the need for any additional appropriation by the Division of Lands.

IV. ATTACHMENTS

V. DATE: January 17, 1972 PREPARED BY: F. J. Keenan, Director

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

I. REQUEST

Bill Identif. No. HB 378  
 Title: Veterans Public Land Preference - National Guard  
 Requested by: \_\_\_\_\_  
 Return Date Requested: \_\_\_\_\_  
 Agency: \_\_\_\_\_

II. FISCAL DATA

Budget Report No. \_\_\_\_\_  
 A. EXPENDITURES (in thousands of dollars)

	FY 72	FY 73	FY 74	FY 75	FY 76	FY 77
100						
200						
300						
400						
500						
600						
700						
TOTAL						

B. FUNDS (in thousands)

GENERAL						
RESERVE						
OTHER						

C. POSITIONS

PERMANENT						
NON-PERMANENT						

III. ANALYSIS (See 90-100 for preparation instructions, Section III)

HB378 Amends AS38.05.067 (&) to include non-obligated, currently active members of Alaska National Guard and Alaska Naval Militia as eligible for existing Veterans' Public Land Preference. A retention incentive measure at no cost to the State of Alaska. Revenues from land sales continue without alteration, but eligibles receive one hour advance bidding time before the sale is opened to the general public. A one time occurrence, bidding on a residential lot.

IV. ATTACHMENTS

V. DATE: 19 January 1972

PREPARED BY:

*Raymond H. Holmsen Jr.*  
 RAYMOND H. HOLMSEN JR.  
 MAJ, INF- Alas ARNG  
 Dir, Recruiting & Retention Div.

Original: \_\_\_\_\_  
 cc: \_\_\_\_\_  
 \_\_\_\_\_ (Legislator Named)

Introduced: 3/30/71  
Referred: Resources and  
Finance

1 IN THE HOUSE

BY DEGNAN, FERGUSON AND  
HOHMAN

2 HOUSE BILL NO. 378

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to veterans public land preference;  
7 and providing for an effective date."

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

9 \* Section 1. AS 38.05.067(d) is amended to read:

10 (d) In this section "veteran" means a person who, after serving  
11 his reserve obligation period in the Alaska National Guard, remains in  
12 the Alaska National Guard or has completed six years of nonreserve  
13 obligation service in the Alaska National Guard or a person with 90  
14 days or more of active service in the armed forces of the United  
15 States who has been honorably discharged after having served during  
16 a period between

17 (1) April 5, 1917, and December 1, 1919,

18 (2) September 16, 1940, and December 31, 1947,

19 (3) June 27, 1950, and January 31, 1955, or

20 (4) August 4, 1964, and a date six months after the termina-

21 tion of hostilities involving forces of the United States in Vietnam,

22 [ \* Sec. 2. This Act takes effect on July 1, 1971. ]



# RECORDS



# CERTIFICATION

I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James D. Smith  
Signature of Camera Operator

4/4/89  
Date

*Alaska  
Add Naval Militia  
CORRECTED COPY*

Introduced: 3/30/71  
Referred: Resources and  
Finance

BY DEGNAN, FERGUSON AND  
HOHMAN

1 IN THE HOUSE

2 HOUSE BILL NO. 378

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to veterans public land preference.

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

8 \* Section 1. AS 38.05.067(d) is amended to read:

9 (d) In this section "veteran" means a person who, after serving  
10 his reserve obligation period in the Alaska National Guard, <sup>OR Alaska Naval Militia</sup> remains in  
11 the Alaska National Guard, <sup>OR Alaska Naval Militia</sup> or has completed six years of nonreserve  
12 obligation service in the Alaska National Guard, <sup>OR Alaska Naval Militia</sup> or a person with 90  
13 days or more of active service in the armed forces of the United  
14 States who has been honorably discharged. [AFTER HAVING SERVED DURING  
15 A PERIOD BETWEEN

- 16 (1) APRIL 6, 1917, AND DECEMBER 1, 1919,  
17 (2) SEPTEMBER 16, 1940, AND DECEMBER 31, 1947,  
18 (3) JUNE 27, 1950, AND JANUARY 31, 1955, OR  
19 (4) AUGUST 4, 1964, AND A DATE SIX MONTHS AFTER THE TERMINA-  
20 TION OF HOSTILITIES INVOLVING FORCES OF THE UNITED STATES IN VIET NAM]  
21  
22  
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29

**Sec. 38.05.066. Preference to persons for fishery purposes.** When, in the judgment of the director with the concurrence of the commissioner, it is determined that it would be in the best interest of the state and reasonably necessary for the use and enjoyment of a shore fishery lease, the director may sell an uplands tract of land not to exceed five acres to the fishery lessee. The price of the land shall be determined by the director based on the fair market value of the tract at the time of the transaction. In order for a shore fishery lessee to be eligible to purchase under this section, he must be presently in actual or constructive occupancy of a site which was originally sanctioned by a small tracts lease from the federal government which has since been transferred to the jurisdiction of the state. (§ 1 ch 158 SLA 1968)

**Sec. 38.05.067. Veterans preference.** (a) Before offering to the general public any unoccupied residential lands, the director shall offer the land at a restricted sale at which only veterans may buy.

(b) The director shall not sell the lands under this section at less than their fair appraised market value. The director shall make regulations necessary to ensure that lands sold under this section are for bona fide residential use and not for speculation.

(c) When not in conflict with this section, other provisions of §§ 45—67 of this chapter apply to sales under this section.

(d) In this section "veteran" means a person with 90 days or more of active service in the armed forces of the United States who has been honorably discharged after having served during a period between

(1) April 6, 1917, and December 1, 1919,

(2) September 16, 1940, and December 31, 1947,

(3) June 27, 1950, and January 31, 1955, or

(4) August 4, 1964, and a date six months after the termination of hostilities involving forces of the United States in Viet Nam. (§ 4 art IV ch 169 SLA 1959; added by ch 102 SLA 1962; am § 1 ch 28 SLA 1963; am § 1 ch 1 SLA 1968)

**Effect of amendments.** — The 1963 amendment deleted the words "to be held from 30 to 60 days before the offering to the general public" which formerly appeared at the end of subsection (a).

The 1968 amendment reorganized the language in subsection (b) formerly following "period between" into paragraph (1), (2), and (3), and added paragraph (4).

**Sec. 38.05.068. Forest Service permittees' sales preference.** (a) Before offering to the public any land which is subject to a valid existing United States Forest Service permit in effect in a state-selected area at the time the area was patented to the state, or which is subject to a lease issued under § 87 of this chapter, the director shall offer the land for sale to the permittee or his suc-

The Legislature of the State of Alaska  
 FISCAL NOTE  
 Second Session - Seventh State Legislature

I. REQUEST

Bill Identification: HR 378  
 Title: Veterans Land Preference  
 Requested by: Legislative Finance Date: 1/12/72  
 Return Date Requested: 1/28/72  
 Agency: Natural Resources Program: \_\_\_\_\_

II. FISCAL DETAIL

Budget Request Unit(s) Affected: \_\_\_\_\_

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 72	FY 73	FY 74	FY 75	FY 76	FY 77
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

B. FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

The adoption of the proposed amendment to Title 38 would not involve the need for any additional appropriation by the Division of Lands.

IV. ATTACHMENTS

V. DATE: January 17, 1972

PREPARED BY: F. J. Keenan, Director

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

The Legislature of the State of Alaska  
 FISCAL NOTE  
 Second Session - 27th State Legislature

I. REQUEST

Bill Identification: HB 378  
 Title: Veterans Public Land Preference - National Guard  
 Requested by: \_\_\_\_\_ Date: \_\_\_\_\_  
 Return Date Requested: \_\_\_\_\_  
 Agency: \_\_\_\_\_ Program: \_\_\_\_\_

II. FISCAL DETAIL

Budget Request Unit(s) Affected: \_\_\_\_\_

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 72	FY 73	FY 74	FY 75	FY 76	FY 77
100 PERSONAL SERVICE						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

B. FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (F.T.O.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

HB378 Amends AS38.05.067 (&) to include non-obligated, currently active members of Alaska National Guard and Alaska Naval Militia as eligible for existing Veterans Public Land Preference. A retention incentive measure at no cost to the State of Alaska. Revenues from land sales continue without alteration, but eligibles receive one hour advance bidding time before the sale is opened to the general public. A one time occurrence, bidding on a residential lot.

IV. ATTACHMENTS

V. DATE: 19 January 1972

PREPARED BY: \_\_\_\_\_

RAYMOND H. HOLMSEN JR.  
 MAJ, INF- Alas ARNG  
 Dir, Recruiting & Retention Div.

Original: Legislative Finance  
 cc: Budget Management  
 Prime (for legislator named)

Introduced: 3/30/71  
Referred: Resources and  
Finance

BY DEGNAN, FERGUSON AND  
HOHMAN

1 IN THE HOUSE

2 HOUSE BILL NO. 378

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to veterans public land preference;  
7 and providing for an effective date."

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

9 \* Section 1. AS 38.05.067(d) is amended to read:

10 (d) In this section "veteran" means a person who, after serving  
11 his reserve obligation period in the Alaska National Guard, remains in  
12 the Alaska National Guard or has completed six years of nonreserve  
13 obligation service in the Alaska National Guard or a person with 90  
14 days or more of active service in the armed forces of the United  
15 States who has been honorably discharged after having served during  
16 a period between

17 (1) April 6, 1917, and December 1, 1919,

18 (2) September 16, 1940, and December 31, 1947,

19 (3) June 27, 1950, and January 31, 1955, or

20 (4) August 4, 1964, and a date six months after the termina-  
21 tion of hostilities involving forces of the United States in Vietnam.

22 \* Sec. 2. This Act takes effect on July 1, 1971.



# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James D. Smith  
Signature of Camera Operator

4/4/89  
Date

### Committee Report

HOUSE OF REPRESENTATIVES

\_\_\_\_\_ Date

Mr. Speaker:

The Committee on \_\_\_\_\_ has had \_\_\_\_\_  
under consideration. A majority of the members of the Committee.

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for \_\_\_\_\_ and that  
CS for \_\_\_\_\_ do pass
- (and) recommends it be referred to the \_\_\_\_\_  
committee
- reports it back without recommendation
- (other) \_\_\_\_\_

MEMBERS SIGNING THE MAJORITY REPORT:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ CHAIRMAN

STATE OF ALASKA  
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99801

Bill File  
HB-383

March 31, 1971

MEMORANDUM

TO : Representative George H. Hohman  
FROM : John M. Elliott, Executive Director  
SUBJECT: HB 383

In response to your request this date concerning the supplemental request of this office in the amount of \$74,200.00, the following information is pertinent.

The total amount requested in HB 383 is to fund the temporary legislative employees for an additional 20 day period. Money with which to pay the temporary help of the legislature will be expended as of April 12. This supplemental will enable the employees to be paid through May 2, assuming the session continues for that period of time.

JME:hg



# RECORDS CERTIFICATION



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James D. Smith  
Signature of Camera Operator

4/4/89  
Date

### Committee Report

HOUSE OF REPRESENTATIVES

\_\_\_\_\_ Date

Mr. Speaker:

The Committee on \_\_\_\_\_ has had \_\_\_\_\_  
under consideration. A majority of the members of the Committee.

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for \_\_\_\_\_ and that  
CS for \_\_\_\_\_ do pass
- (and) recommends it be referred to the \_\_\_\_\_  
committee
- reports it back without recommendation
- (other) \_\_\_\_\_

MEMBERS SIGNING THE MAJORITY REPORT:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ CHAIRMAN

STATE OF ALASKA  
THE LEGISLATURE  
LEGISLATIVE AFFAIRS AGENCY

POUGH Y - STATE CAPITOL  
JUNEAU, ALASKA 99801

*Bill File  
HB-383*

March 31, 1971

MEMORANDUM

TO : Representative George H. Hohman  
FROM : John M. Elliott, Executive Director  
SUBJECT: HB 383

In response to your request this date concerning the supplemental request of this office in the amount of \$74,200.00, the following information is pertinent.

The total amount requested in HB 383 is to fund the temporary legislative employees for an additional 20 day period. Money with which to pay the temporary help of the legislature will be expended as of April 12. This supplemental will enable the employees to be paid through May 2, assuming the session continues for that period of time.

JME:hg

Introduced: 3/30/71  
Referred: Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY REQUEST

2

HOUSE BILL NO. 383

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SEVENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act appropriating to the Legislative Affairs

7

Agency; and providing for an effective date."

8

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

9

\* Section 1. The sum of \$74,200 is appropriated from the general fund

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to the Legislative Affairs Agency for additional expenses incurred during

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the fiscal year ending June 30, 1971.

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\* Sec. 2. This Act takes effect on the day after its passage and approval

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or on the day it becomes law without approval.

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# RECORDS



# CERTIFICATION

I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James D. Smith  
Signature of Camera Operator

4/4/89  
Date

# Committee Report

SENATE

4-15

Date

Mr. President:

The Committee on \_\_\_\_\_ has had \_\_\_\_\_

under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for \_\_\_\_\_ and that  
CS for \_\_\_\_\_ do pass
- (and) recommends it be referred to the \_\_\_\_\_  
committee
- reports it back without recommendation
- (other) \_\_\_\_\_

### MEMBERS SIGNING THE MAJORITY REPORT:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

### MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

CHAIRMAN

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99801

LEGISLATIVE AFFAIRS AGENCY

April 14, 1971

MEMORANDUM

TO : Senator John Butrovich  
Chairman, Senate Finance Committee

FROM : John M. Elliott, Executive Director

SUBJECT: HB 383

In response to your request this date concerning the supplemental request of this office in the amount of \$74,200, the following information is pertinent:

The total amount requested in HB 383 is to fund the temporary legislative employees for an additional 20-day period. Money with which to pay the temporary help of the legislature was expended as of April 12. This supplemental will enable the employees to be paid through May 2, should the session continue for that period of time. There are currently 98 temporary employees and the cost per day including employee benefits is \$3,704.70.

JME:hg



# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James D. Smith  
Signature of Camera Operator

4/4/89  
Date

Committee Report

HOUSE OF REPRESENTATIVES

Date

Mr. Speaker:

The Committee on \_\_\_\_\_ has had \_\_\_\_\_ under consideration. A majority of the members of the Committee

- checkbox recommends it do pass
checkbox recommends it do not pass
checkbox recommends it do pass with attached amendment(s)
checkbox recommends it be replaced with CS for \_\_\_\_\_ and that CS for \_\_\_\_\_ do pass
checkbox (and) recommends it be referred to the \_\_\_\_\_ committee
checkbox reports it back without recommendation
checkbox (other) \_\_\_\_\_

MEMBERS SIGNING THE MAJORITY REPORT:

Blank lines for signing the majority report.

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

- \_\_\_\_\_ recommends:
\_\_\_\_\_ recommends:
\_\_\_\_\_ recommends:
\_\_\_\_\_ recommends:
\_\_\_\_\_ recommends:

CHAIRMAN



Original sponsors: Warwick, Meland  
and M. Miller

Offered: 3/22/72  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2

CS FOR HOUSE BILL NO. 385

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SEVENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act appropriating to the Department of Commerce;  
and providing for an effective date."

7

8

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

9

\* Section 1. The sum of \$1,000,000 is appropriated from the general  
fund to the Department of Commerce for the tourism revolving fund.

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11

\* Sec. 2. This Act takes effect on the effective date of "An Act estab-  
lishing a tourism revolving fund in the Department of Commerce".

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# RECORDS CERTIFICATION



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James D. Smith  
Signature of Camera Operator

4/4/89  
Date

# Committee Report

Rep. 4/13/72

SENATE

*6/1/72*

Date

Mr. President:

The Committee on Finance has had CSHR 754  
(tourism revolving fund appropriation)  
under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for \_\_\_\_\_ and that  
CS for \_\_\_\_\_ do pass
- (and) recommends it be referred to the \_\_\_\_\_  
committee
- reports it back without recommendation
- (other) \_\_\_\_\_

### MEMBERS SIGNING THE MAJORITY REPORT:

*Neil Alden* \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

### MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

\_\_\_\_\_ recommends:  
 \_\_\_\_\_ recommends:  
 \_\_\_\_\_ recommends:  
 \_\_\_\_\_ recommends:  
 \_\_\_\_\_ recommends:

*W. L. ...*  
 \_\_\_\_\_  
 CHAIRMAN

# STATE OF ALASKA

## THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

AUDIT DIVISION  
POUCH W — ALASKA OFFICE BUILDING

FINANCE DIVISION  
POUCH WF — STATE CAPITOL

JUNEAU 99801

### MEMORANDUM

TO: Bob Stevenson  
Deputy Director  
Department of Revenue

DATE: April 24, 1972

FROM: LEGISLATIVE FINANCE  
ROOM 407  
CAPITOL BUILDING

SUBJ: FISCAL NOTE REQUEST

PLEASE COMPLETE THE ATTACHED FISCAL NOTE FOR CSHB 312  
AND RETURN IT TO OUR OFFICE BY 4/26/72 CSHB 385.

IN ADDITION TO THE GENERAL INSTRUCTIONS REGARDING FISCAL  
NOTE PREPARATION (REFERENCE OUR MEMO OF \_\_\_\_\_),  
PLEASE OBSERVE THE FOLLOWING:

Reference Sec. 45.90.030 (b): Furnish comments, recommendations,  
and estimated annual amount of mortgages and notes that would  
be purchased over the next five years.

TIMELY RETURN OF THIS INFORMATION IS REQUESTED. HOWEVER,  
IF ADDITIONAL PREPARATION TIME IS REQUIRED, NOTIFY OUR OFFICE  
AS SOON AS POSSIBLE IN ORDER THAT DISCUSSION OF THE PROPOSED LEG-  
ISLATION MAY BE RESCHEDULED TO A LATER DATE.

ATTACHMENTS: (1) FISCAL NOTE  
(2) COPY OF BILL VERSION

CC: BUDGET & MANAGEMENT

Original sponsors: Warwick, Meland  
and M. Miller

Offered: 3/22/72  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2

CS FOR HOUSE BILL NO. 385

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SEVENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act appropriating to the Department of Commerce;  
and providing for an effective date."

7

8

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

9

\* Section 1. The sum of \$1,000,000 is appropriated from the general  
fund to the Department of Commerce for the tourism revolving fund.

10

11

\* Sec. 2. This Act takes effect on the effective date of "An Act estab-  
lishing a tourism revolving fund in the Department of Commerce".

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Introduced: 2/7/72  
Referred: State Affairs  
and Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 595

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act appropriating to the Alaska American Revolution  
7 Bicentennial Commission; and providing for an effective  
8 date."

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

10 \* Section 1. The sum of \$5,000 is appropriated from the general fund  
11 to the Alaska American Revolution Bicentennial Commission.

12 \* Sec. 2. The balance of the appropriation made by this Act lapses  
13 into the general fund on December 31, 1976.

14 \* Sec. 3. This Act takes effect on the day after its passage and  
15 approval or on the day it becomes law without approval.

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HB 103 The Finance Committee has had HOUSE BILL NO. 103 (appropriating to the Department of Administration for the purpose of making commercial fishing loans; and providing for an effective date) under consideration and a majority of the members of the Committee recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 103 (appropriating to the Department of Commerce for the purpose of making commercial fishing loans; and providing for an effective date) and that COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 103 do pass. The report was signed by Mr. Hohman, Chairman, and concurred in by Nohman, Warwick, Haugen, Fink, Ditman, Wright and Degnan.

HOUSE BILL NO. 103 was referred to the Rules Committee for placement on the calendar.

HB 312 The Finance Committee has had HOUSE BILL NO. 312 (establishing a tourism revolving fund in the Department of Economic Development; and providing for an effective date) under consideration and a majority of the members of the Committee recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 312 (establishing a tourism revolving fund in the Department of Commerce; and providing for an effective date) and that COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 312 do pass. The report was signed by Mr. Hohman, Chairman, and concurred in by Hohman, Warwick, Fink, Ditman, Wright and Degnan.

HOUSE BILL NO. 312 was referred to the Rules Committee for placement on the calendar.

"FINANCE COMMITTEE REPORT

ON

COMMITTEE SUBSTITUTE FOR HOUSE BILL 312

AND

COMMITTEE SUBSTITUTE FOR HOUSE BILL 385

HB 385

The Committee Substitute for House Bill No. 312 would establish a tourism revolving fund in the Department of Commerce. The Committee Substitute differs from the original bill in that:

- (1) the fund would be administered by the Department of Commerce as opposed to the Department of Economic Development.
- (2) Provision for a separate Tourism Fund Board is deleted.
- (3) Amortization plans for the repayment of loans will not exceed 20 years.
- (4) Loans are limited to \$1 million as opposed to \$2 million with no minimum loan limitation.
- (5) The Department of Revenue is required to purchase all tourism loans offered for sale by the Commissioner of Commerce.

The Committee Substitute for House Bill NO. 385 provides initial funding for the tourism revolving fund. It would authorize \$1 million as opposed to \$5 million in initial authorization and make the appropriation take effect on the effective date of Committee Substitute for House Bill No. 312.

The Speaker stated that without objection, the reading of the Finance Committee Chairman's report on HOUSE BILL NO. 102 and HOUSE BILL NO. 103 and any subsequent reports would be waived and that they would be printed in the Journal. There being no objection, it was so ordered. The reports appear following the bill or resolution to which each pertains.

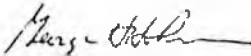
HB  
102  
HB  
103

"FINANCE COMMITTEE REPORT  
OR  
COMMITTEE SUBSTITUTE FOR HOUSE BILL 102  
AND  
COMMITTEE SUBSTITUTE FOR HOUSE BILL 103

The Committee Substitute for House Bill No. 102 would establish a loan program for commercial fishing purposes. The Committee Substitute differs from the original bill in that it:

- (1) places the commercial fishing loan function in the Department of Commerce as opposed to the Department of Fish and Game;
- (2) adds a loan limitation to commercial fishermen who have had commercial gear licenses for three or more years;
- (3) deletes loan provisions for new vessels and gear;
- (4) provides loan extensions to accommodate poor fishing seasons;
- (5) limits loans to a maximum of \$100,000 as opposed to \$300,000, 15 as opposed to 30 years term and sets maximum interest at 7% as opposed to 6%.
- (6) Total indebtedness on the vessel or gear may not exceed \$200,000 as opposed to \$300,000 and the new loan shall not exceed 75% of value; and
- (7) the Department of Revenue is required to purchase all mortgages and notes offered under the program by the Commissioner of Commerce.

Committee Substitute for House Bill No. 103 makes an initial appropriation to the commercial fishing revolving loan fund. \$1 million as opposed to \$35 million is appropriated to the Department of Commerce as opposed to the Department of Administration. The Act is to take effect on the effective date of CSHB 102.

  
George Hohman  
Chairman"

The Legislature of the State of Alaska  
FISCAL NOTE

COPIES: 1 THE CHAIRMAN OF THE COMMITTEE MAKING THE REQUEST  
 1 THE HOUSE FINANCE COMMITTEE STAFF  
 1 THE SENATE FINANCE COMMITTEE STAFF  
 1 THE DIVISION OF BUDGET & MANAGEMENT  
 1 RETAIN A COPY FOR YOUR FILES

Subject HB 312 SB  
 requested by House Finance  
 referred to . date of request 3/30/71  
 completion date requested  date received

EXPENDITURE DETAIL	FY 1971-72	FY 1972-73	FY1973-74
100 PERSONAL SERVICES	\$	\$	\$
200 TRAVEL			
300 CONTRACTUAL SERVICES			
400 COMMODITIES			
500 EQUIPMENT			
600 LAND AND STRUCTURES			
700 GRANTS, CLAIMS & SHARED REVENUE			
<b>TOTAL</b>	<b>\$ 5,000,000</b>	<b>\$5,000,000</b>	<b>\$ 5,000,000</b>

FUNDING DETAIL			
FEDERAL RECEIPTS	\$ 5,000,000	\$5,000,000	\$ 5,000,000
SPECIAL FUNDS			
UNRESTRICTED GENERAL FUND RECEIPTS			

Man Months  
 Permanent Positions  
 Temporary Positions

FISCAL ANALYSIS

The above figures are estimates only. Based on information supplied by the tourist industry, projects requiring injection of long term capital are in planning stages only. The availability of such a finance source as provided

## MEMORANDUM

State of Alaska

TO:  Honorable George Hohman, Chairman  
House Finance Committee  
State House of Representatives

DATE : March 31, 1971

FROM: Irene E. Ryan, Commissioner  
Department of Economic Development

SUBJECT: H. B. 312

As proposed in the attached memorandum to the Department of Revenue, the suggested injection of funding is very conservative. A program prepared in 1968 by the U. S. Department of Commerce for the Travel Division of the Department of Economic Development sets forth several prototype projects to stimulate tourism in Alaska. Beginning with a proposed new hotel complex at Mt. McKinley at an estimated cost of \$18,000,000, the Department of Commerce report developed several projects which relate directly to the production of tangible economic benefits to the State.

In analyzing these projects, the tour industry generally agrees that any hotel, motel, recreation vehicle park or tent cabin complex should have total facilities available and, further, that there should be at least 40 rental units in the motel, vehicle park, or tent cabin complex. The hotel complex at Mt. McKinley projected an initial 300 rooms with future expansion of another 100 rooms. Occupancy of any facility was set at 120 days per year per unit.

With these facts as basis for any profitable venture plans, the 1971-72 costs of any single one of these facilities would be upwards of \$500,000. The Small Business Administration, through its "502" Program, has established the upper limit of single loan approval at \$350,000 which precludes the possibility of any total tourist facility being built with these funds.

As presented in H.B. 312, local funding is made available to venture capital at a reasonable rate of interest. The impact of tourist revenues would become immediately apparent and contribute to economic growth.

Realistic projections of loan demand created by H.B. 312 would be a \$3,000,000 to \$5,000,000 injection of funds the first 12 months with an increase of \$5,000,000 in the next 12 months.

MEMORANDUM

State of Alaska

TO: [ John H. Engstrom, Director  
Treasury Division  
Department of Revenue

THRU: Irene E. Ryan, Commissioner  
Department of Economic Development

FROM: Eric McDowell, Deputy Director  
Alaska Travel Division

DATE : March 16, 1971

SUBJECT: House Bill 312  
Tourism Revolving Fund

Per your telephone request, here are my comments on a proposed tourism revolving fund legislation:

1) Predict loan demand

After talking with industry people, it is predicted that \$3,000,000 - \$5,000,000 will be requested in the first twelve months.

The demand should increase in the second year due to familiarity with the program and time required to apply and receive the funds. Estimated demand for the first two years may total \$8,000,000 - \$10,000,000.

2) The cost of administration is somewhat provided for in the bill itself. Since the Department of Revenue will be handling the financial mechanics, the bill provides for the Department to receive one-half of W service fee. For example: Were \$10,000,000 of loans to be processed, the Department of Revenue would receive \$5,000,000 in service fees.

From a candid viewpoint as a person familiar with Alaska tourism, I certainly contend that this concept would be vital to the development of Alaska's travel industry.

It is possible to cite example after example of proposed tourist facilities and attractions which would be beneficial but cannot obtain necessary financing.

Other elements of the travel industry such as carriers and tour operators are as sophisticated in serving Alaska as anywhere in the world. The major stumbling block is the relative unsophistication of facilities and man-made attractions in Alaska's communities.

When a revolving loan fund is established it is often thought that the funds would be financially exhausted and would cease to be revolving in concept. In the case of this particular legislation, this would not occur for two reasons:

a) Those in the travel industry do not feel that, given the limits

John H. Danforth  
March 16, 1971  
Page 2

proposed in the legislation, enough projects will arise to exhaust the funds. When repayment of loans does commence, the interest factor will quickly rebuild the fund.

b) The tourism fund board has the obvious option of simply not issuing loans to the point where the fund is exhausted.

I hope this information will be of some value to you in anticipating the impact of house Bill 312 on the State treasury.

DLW/ab

# STATE OF ALASKA

## DEPARTMENT OF COMMERCE

OFFICE OF THE COMMISSIONER

WILLIAM A. EGAN, GOVERNOR

POUCH D — JUNEAU 99801

January 28, 1972

The Honorable Andrew S. Warwick  
Subchairman  
House Commerce Committee  
Alaska State Legislature  
Juneau, Alaska 99801

Dear Mr. Warwick:

The following are my recommendations for amendments pursuant to your request in our recent House Finance Committee hearing on House Bills 312, 103, 49, 102, 50 and 385.

Section 41.35.030. CAPITAL LOANS. In addition to the other powers herein granted, the Board is hereby authorized and empowered to make loans to any domestic business directly involved in the tourism industry.

Section 41.35.040. GENERAL POWERS OF THE BOARD. The Board shall have and may exercise the following general powers:

(1) to prescribe, adopt, amend and repeal rules and regulations governing the manner in which its general business may be conducted and the powers and duties granted to and empowered upon it by law may be exercised and performed;

(2) to appoint such officers, agents and employees and fix them with such powers and duties and to fix, change and pay such compensation for their services as the Board may determine;

(3) to make contracts and to execute all instruments necessary or convenient in the exercise of any of its powers;

(4) to acquire in any lawful manner and to hold, maintain, use and operate any property deemed by it to be necessary or desirable for carrying out the purposes of the Board;

(5) to lease, alienate and dispose of as it may prescribe any of its property.

In addition I believe the Board should be allowed to make loans in participation with other financial institutions.

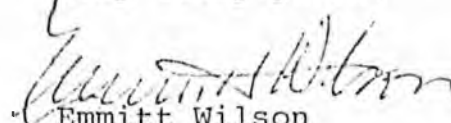
January 28, 1972

Section 41.35.050 limits the Board to selling or transferring mortgages, etc., to the Department of Revenue. I feel this should be broadened and allow the Board to sell collateral to any interested purchaser. Further, if the Department of Revenue purchases these instruments and the Board is responsible for servicing them the Tourism Revolving Fund should charge the Department of Revenue a service fee instead of vise versa.

In reviewing House Bill 312 somewhat further, it has come to my attention the section numbers indicated in this Bill relate to the Alaska Historic Preservation Act and do not pertain to the Alaska Statutes that govern Economic Development. This is somewhat confusing to me as Alaska Statute Title 41 pertains to Public Resources. Assuming your Bill was to become law this could be confusing, especially since the section numbers are already assigned to an existing law.

I hope the above has assisted you in your endeavors, and if we can be of any further assistance do not hesitate to contact me.

Very truly yours,

  
Emmitt Wilson  
Deputy Commissioner

Original sponsors: Warwick, Meland  
and M. Miller

Offered: 3/22/72  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2

CS FOR HOUSE BILL NO. 385

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SEVENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act appropriating to the Department of Commerce;  
and providing for an effective date."

7

8

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

9

\* Section 1. The sum of \$1,000,000 is appropriated from the general  
fund to the Department of Commerce for the tourism revolving fund.

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\* Sec. 2. This Act takes effect on the effective date of "An Act estab-  
lishing a tourism revolving fund in the Department of Commerce".

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# RECORDS CERTIFICATION



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James D. Smith  
Signature of Camera Operator

4/4/89  
Date

### Committee Report

## HOUSE OF REPRESENTATIVES

\_\_\_\_\_ Date

Mr. Speaker:

The Committee on \_\_\_\_\_ has had \_\_\_\_\_ under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for \_\_\_\_\_ and that CS for \_\_\_\_\_ do pass
- (and) recommends it be referred to the \_\_\_\_\_ committee
- reports it back without recommendation
- (other) \_\_\_\_\_

#### MEMBERS SIGNING THE MAJORITY REPORT:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

#### MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ CHAIRMAN

The Legislature of the State of Alaska  
FISCAL NOTE

COPIES:  THE CHAIRMAN OF THE COMMITTEE MAKING THE REQUEST  
 THE HOUSE FINANCE COMMITTEE STAFF  
 THE SENATE FINANCE COMMITTEE STAFF  
 THE DIVISION OF BUDGET & MANAGEMENT  
 RETAIN A COPY FOR YOUR FILES

Subject HB 391 SB  
 requested by House Finance Committee  
 referred to \_\_\_\_\_ date of request 4/7/71  
 completion date requested \_\_\_\_\_ date received \_\_\_\_\_

EXPENDITURE DETAIL	FY 71-72	FY	FY
100 PERSONAL SERVICES	\$	\$	\$
200 TRAVEL			
300 CONTRACTUAL SERVICES	100,000	-0-	-0-
400 COMMODITIES			
500 EQUIPMENT			
600 LAND AND STRUCTURES			
700 GRANTS, CLAIMS & SHARED REVENUE			
<b>TOTAL</b>	<b>\$ 100,000</b>	<b>\$ -0-</b>	<b>\$ -0-</b>

FUNDING DETAIL			
FEDERAL RECEIPTS	\$	\$	\$
SPECIAL FUNDS			
UNRESTRICTED GENERAL FUND RECEIPTS	100,000		

Man Months  
 Permanent Positions  
 Temporary Positions

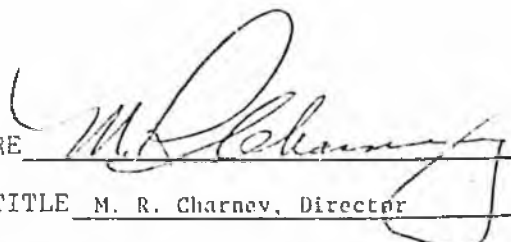
FISCAL ANALYSIS

House Bill Number 391 appropriates \$100,000 to the Department of Administration to conduct a Statewide Space Requirement Study. This study would be conducted under one Contract on a nonrecurring basis; thus no additional funding is required for this purpose in subsequent fiscal years.

If Federal receipts should become available to wholly or partially cover the costs of this program, any unexpended portion of the general fund appropriation will be lapsed back to the general fund.

DATE 4/8/71

SIGNATURE



NAME & TITLE M. R. Charnev, Director

Division of Budget and Management

Introduced: 4/5/71  
Referred: State Affairs  
and Finance

BY ROSE, BANFIELD, BARBER, FARRELL,  
GUESS, HARRIS, HUBER, MCGILL,  
NAUGHTON AND MORAN

1 IN THE HOUSE

2 HOUSE BILL NO. 391

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act appropriating to the Department of Adminis-  
7 tration; and providing for an effective date."

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

9 \* Section 1. The sum of \$100,000 is appropriated from the general fund  
10 to the Department of Administration for the purpose of conducting a space  
11 requirements study for all state offices, including the needs of the Alaska  
12 Court System and related facilities.

13 \* Sec. 2. If the Department of Administration receives any federal money,  
14 or money from any other source, private or public, for the purpose of the  
15 space needs study, a sum equal to the amount received shall be reimbursed  
16 to the general fund.

17 \* Sec. 3. This Act takes effect on the day after its passage and approval  
18 or on the day it becomes law without approval.

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INCORPORATED

HB 391

INTERIM REPORT TO  
THE STATE OF ALASKA

STUDY OF SPACE REQUIREMENTS

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November 5, 1971