

Leg. Finance - Finance Comtee Files (1971-72) 8879

HB 536 cont., 542, 547 114

Sec. 14.40.763. CONDITIONS OF LOANS.

- (a) Proceeds from scholarship loans may only be used for books, tuition and required fees, and for room and board.
- (b) The loans may only be used to attend a career education program approved by the Department of Education or a college or university accredited by the accreditation association for the region in which the college or university is located.
- (c) To maintain a loan the student must continue to be enrolled as a full-time student in good standing in a career education program, college or university designated under (b) of this section.
- (d) Scholarship loans may not be made to a student for more than six years.
- (e) Loans shall be noninterest bearing while a student is enrolled under (c) of this section or is fulfilling required military service.
- (f) Interest on a loan given under secs. 751 - 773 of this chapter shall be at the rate of five per cent.
- (g) Repayment of a loan shall commence within one year after a student terminates his studies or required military service, and shall be fully repaid within a period of six years; in cases of hardship, the committee may extend repayment of a loan for an additional five years.
- (h) Security may not be required for the loans; however, provision shall be made for payment of attorney fees and costs of court if either or both are incurred in collection of the amount owed on the loan.
- (i) If a loan is in default, the Department of Education may notify the student that repayment of the remaining balance is accelerated and due by sending the student a notice by registered or certified mail.
- (j) A portion of a loan shall be considered a grant if, upon completion of the course of study for which the loan was granted, the grantee spends at least two years employed in the state. The portion of the loan which shall be regarded as a grant shall be the following percentages of the total loan received plus accrued interest:

(1) two - three years residency	10 per cent
(2) three - four years residency	20 per cent
(3) four - five years residency	30 per cent
(4) over five years residency	40 per cent

State of Alaska  
Department of Education

AWARD ACTION SHEET

Name \_\_\_\_\_ Accession Number \_\_\_\_\_

Alaska resident Yes  Age of applicant \_\_\_\_\_

PCS or SCS filed Yes

School Accredited Yes

School term is Semester  Quarter  Other  \_\_\_\_\_  
Specify

Proposed loan to be spent only on approved items Yes  No

PCS or SCS and funding sources compatible Yes  No

Accepted or enrolled and in good standing Yes  No

Degree and Program \_\_\_\_\_

Recommendations received from \_\_\_\_\_

Amount requested by applicant \$ \_\_\_\_\_

Amount recommended by school loan officer \$ \_\_\_\_\_

Amount awarded by loan administrator \$ \_\_\_\_\_ (Total)

Charge Semester  Quarter  Other  \$ \_\_\_\_\_  
Specify

Signature of Administrator \_\_\_\_\_ Date \_\_\_\_\_ Notification sent \_\_\_\_\_ Date \_\_\_\_\_

Loan denied  Reason: \_\_\_\_\_

Date of Notification \_\_\_\_\_ Certified Mail Number \_\_\_\_\_

Appeal filed? Yes  No  Date Received \_\_\_\_\_

Action of SLSC on appeal: Sustained Administration

Date of Action \_\_\_\_\_ Awarded Loan  Amount \_\_\_\_\_

Notification of SLSC action sent on \_\_\_\_\_



State of Alaska  
Department of Education

CHECK LIST FOR INDIVIDUAL LOAN FOLDERS

Name \_\_\_\_\_ Accession Number \_\_\_\_\_

Application received \_\_\_\_\_ Date \_\_\_\_\_ Complete? Yes  No

Complete information requested \_\_\_\_\_ Date received \_\_\_\_\_  
Now complete? Yes  No

Alaska Residence (24 months) Yes  No  Not clear

if NO, date ineligible letter sent \_\_\_\_\_

if NOT CLEAR, date of request for documentation \_\_\_\_\_

Date

Received

Renewal Undergraduate

Renewal Graduate

Entering Freshman

Graduate Student

Other

School Year	PREVIOUS LOANS	Amount
_____	\$	_____
_____	\$	_____
_____	\$	_____
_____	\$	_____

Confidential Financial Statement

PCS filed with school

PCS filed with Department of Education

No PCS or SCS filed

SCS filed with school

SCS filed with Department of Education

Date applicant notified \_\_\_\_\_ Date

Date applicant compiled \_\_\_\_\_ Date

School Loan Officer Form sent on \_\_\_\_\_ Date

School Loan Officer Form returned \_\_\_\_\_ Date

High School principal or counselor form received \_\_\_\_\_ Date

Type of Accreditation of School

Regional Association

National Association

Department of Education approval

Three acceptance accreditation

State of Alaska  
Department of Education  
Scholarship Loan Program

RECORD OF DISBURSEMENT AND RECEIPT

To be filled in ONLY by Financial Aids Officer

As the authorized Financial Aids Officer, I certify that \_\_\_\_\_  
is enrolled in good standing as a full time student.

Date \_\_\_\_\_

Signature \_\_\_\_\_

---

To be filled in by Student

I have this date received state of Alaska Warrant No. \_\_\_\_\_ in the amount of \$ \_\_\_\_\_  
and certify that it will be spent only for the legal items of tuition, fees, books, board and room.

Date \_\_\_\_\_

Signature of Student \_\_\_\_\_

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Loan Record to Date

- |                                      |          |
|--------------------------------------|----------|
| 1) Total amount approved             | \$ _____ |
| 2) Prior payments, number and amount | \$ _____ |
| 3) This payment                      | \$ _____ |
| 4) Total Disbursed to date           | \$ _____ |

RESIDENCE STATUS QUESTIONNAIRE

Name \_\_\_\_\_ Birthdate \_\_\_\_\_

Mailing Address \_\_\_\_\_ Birthplace \_\_\_\_\_

\_\_\_\_\_  
ZIP CODE

Permanent Address \_\_\_\_\_ Social Security No. \_\_\_\_\_

\_\_\_\_\_  
ZIP CODE

Parent's Name: Father \_\_\_\_\_ Mother \_\_\_\_\_

Parent's Address: \_\_\_\_\_

\_\_\_\_\_  
ZIP CODE

\_\_\_\_\_  
ZIP CODE

Dates of Alaska Residence: FROM: \_\_\_\_\_ TO: \_\_\_\_\_

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Please read carefully the enclosed Residence Status Guidelines before completing.

Please *briefly outline* your history of residence, employment, schooling, armed forces services, missionary work, and related activities beginning with your first Alaska residence. *Be specific* on *dates* (month, year) and on *addresses* (city, state) of employers residence and schools. Official documentation is not normally required, but please state facts you believe will clarify your residence status, such as *state* where registered to vote, where income tax is filed or where parental income tax is filed, where driver's license is issued, home of record of serviceman, etc.

I certify that the above is true to the best of my knowledge.

Date \_\_\_\_\_

## RESIDENCE STATUS GUIDELINES

Alaska residence for loan purposes shall be established when the applicant has his true domicile in Alaska for the 24 months immediately prior to his making application for a loan or for renewal of a loan.

True domicile is indicated by numerous things such as physical presence, voter registration, state income tax returns, home ownership, location of employment, driver's license, home of record for a service man, selective service registration, parents' domicile in case of a minor, etc. However, any one of these is not always proof of residence. Being in Alaska for school purposes is not sufficient to establish residence. Ownership of property in the state is not by itself proof of residency. The loan administrator has the authority to determine residence status of the applicant.

Resident status of spouse is independently established and independently maintained or lost.

Once resident status is lost, it is re-established in the same manner as is originally established.

Normally, minors in Alaska derive residence from parents, parent with legal custody in case of divorce, or legal guardian if parents are deceased, missing, or relieved of the child's care by the court. If the minor is entirely self-supporting and maintains his true domicile independent of parent or guardian and is not a tax deduction for parent or guardian, a minor may establish residence on his own merit.

Termination of Alaska resident status for loan or repayment purposes results when the person:

1. Accepts employment outside the state for a period of six (6) months or longer (see exceptions)
2. Pays resident tuition at an institution outside the state (see exceptions)
3. Registers to vote in another state
4. Files nonresident Alaska state income tax
5. Is a dependent minor whose parent or guardian moves out of Alaska and loses resident status
6. Otherwise indicates to the satisfaction of the loan administrator he has established residence in another state.

Exceptions--A person does not lose Alaska residence if:

1. His presence is in another state primarily for educational purposes (i.e., a full-time student)

2. He enters military service as an Alaska resident and is assigned outside the state, except that for repayment of a loan a second enlistment must be considered a career choice and no longer the performance of required military service.
3. An involuntary absence is required such as extended medical care or a defined temporary transfer location for the convenience of the employer if the employer certifies when the employee will be transferred back to Alaska (in any case not to exceed 12 months).
4. During vacation trips of normal duration no out-of-state employment is accepted.
5. A couple moves out of the state solely for the full-time education of one spouse and during this period the other spouse accepts employment. This situation shall generally not break residence of either spouse, provided during their absence they maintain normal ties within Alaska, such as voter registration.
6. A graduate school certifies that resident tuition is a courtesy for married students bringing their spouses and does not require them to meet their state's normal residence requirements.

STATE OF ALASKA

DEPARTMENT OF EDUCATION

Administrative Procedures  
for  
Scholarship Loan Program

A. ADMINISTRATION OF PROGRAM (14.40.757)

The Commissioner of Education serves as Executive Secretary to the committee and shall administer the program subject to review by the student loan selection committee and to such regulations as the committee may prescribe.

1. The Commissioner of Education shall appoint a loan administrator who shall have the authority to administer the loan program including the determination of eligibility and loan amount for all applicants for new or renewal loans, subject to review by the Commissioner and the applicant's right of appeal to the student loan selection committee.
2. Applications shall be submitted to:  
  
Department of Education  
Scholarship Loan Program Administrator  
Pouch F  
Juneau, Alaska 99801
3. An application shall be considered as "timely submitted" when all required supporting documents are received. Only completed applications will be acted upon.
4. An applicant who apparently does not meet statutory requirements shall be notified by the loan administrator before further processing of the application.
5. The loan administrator shall make an annual report to the student loan selection committee and such other interim reports as they may direct.
6. Appeal to a decision by the loan administrator to the student loan selection committee must be filed with the Commissioner of Education within thirty (30) days of the date of notification by certified return receipt of the decision.
7. The executive secretary shall have the authority to annually establish dates which will be the criteria for "timely submission" of applications. "Timely submitted" applications will be given first priority. If funds remain available after these awards are made, the loan administrator may consider other applications.

8. The student loan program shall be carried out without regard to race, creed, sex, color, ancestry, national origin, or membership in fraternal or political organizations of the student applying for the loan; and to the extent funds are available, without regard to the financial status of the applicant or his parents.

**B. LOANS TO GRADUATE AND UNDERGRADUATE STUDENTS (14.40.759-761)**

1. The maximum amount of a loan that may be awarded in any one school year shall not exceed \$2,500 for an undergraduate and \$5,000 for a graduate student.
2. An undergraduate is a student who is entering post-secondary school as:
  - (a) a candidate for an associate or baccalaureate degree, or
  - (b) a candidate for a diploma or certificate of completion in a career vocational-technical program.
3. A graduate student is a student who has completed the baccalaureate degree or equivalent and has been admitted to an advanced degree program.
4. A school year is that period of time between September 1 and August 31 of the succeeding year.

**C. CONDITIONS OF LOANS (14.40.763)**

1. An accredited school is:
  - (a) a college or university that is accredited by the accreditation association for the region in which it is located or accredited by a national association, or
  - (b) a career vocational-technical school program approved by the Department of Education, or
  - (c) a college or university that is so new that it is not eligible for regional or national accreditation but whose credits are accepted on transfer by at least three regionally or nationally accredited institutions on the same basis as if transferred from an accredited institution.
2. To be in good standing the grantee must not be under academic or other probation at the school where enrolled.
3. Scholarship loans cannot be made to a student for more than six (6) years. Intervening years in which a loan was not received shall not be counted toward the total years permitted.
4. The loan grantee can expend the funds only for tuition and fees, books, and board and room.

5. A promissory note in the full amount of the loan award must be signed by the student (or by the parent or guardian in the case of a student under 16 years of age). Liability shall be limited, however, to the amount actually disbursed.
6. Renewal shall be on an annual academic basis and shall constitute an amendment to the original note. Continued full-time attendance, financial need, and good standing must be certified by the school financial aid officer as a condition of the renewal.
7. Loan disbursements for each quarter, semester, or normal billing date of the school will be mailed to the student in care of the financial aid officer, who will be responsible for insuring that the grantee is in good standing before releasing the warrant to the student.

#### D. LOAN REPAYMENT

1. An Alaska resident for loan repayment purposes is a grantee who, upon completion of the course of study, spends at least two (2) years employed in the state. When this condition has been met, a portion of the loan, including accrued interest, shall be considered a grant at the following percentages:
  - (a) over two but less than three years residency -- 10 percent
  - (b) over three but less than four years residency -- 20 percent
  - (c) over four but less than five years residency -- 30 percent
  - (d) over five years residency -- 40 percent
2. Students who drop out of school prior to completion of the course of study are not eligible for the forgiveness provisions in 1. above.
3. Loans shall be non-interest bearing while the grantee is a full-time student or fulfilling required military service.
4. Required military service is service as a draftee or during a first enlistment. A second enlistment shall be ruled as being a career choice rather than required service.
5. Simple interest will be at the rate of 5 percent, computed annually, and will commence on the first of the month following termination as a full-time student or discharge from required military service, and will be computed on the principal balance at the end of each year.
6. Repayment of a loan shall commence no later than one year, computed from the first of the month, following termination as a full-time student or discharge from required military service.

7. When repayment commences (5. above) the loan must be fully repaid within the six (6) years following the commencement of repayment. In cases of hardship, the loan administrator may extend the repayment period, not to exceed an additional five (5) years.
8. Repayment amounts shall not be less than \$50.00 per month and preferably should be in multiples of \$50.00. Payments shall be made monthly unless the loan administrator approves a different repayment schedule.
9. The cost of any attorney fees and court costs incurred in the collection of the amount owed on the loan shall be assumed by the grantee. The loan administrator may require an accelerated repayment of the balance if the loan is in default; a registered or certified letter sent to the grantee shall be adequate notice that such payment is due.
10. In the case of death, or total and permanent disability that prevents gainful employment of the grantee, the remainder of the loan and accrued interest shall be forgiven upon receipt of evidence satisfactory to the loan administrator.
11. During extended illness properly certified to by a physician, and upon request to the loan administrator, the required loan repayment period will be extended and payments deferred, with interest waived during this period.
12. A grantee shall be considered as employed in the state for loan repayment purposes if the grantee has Alaskan resident status, is physically present in the state, and is either (1) gainfully employed, (2) available for gainful employment, or (3) a housewife.
13. Completion of a course of study for loan forgiveness purposes shall be considered dependent upon award of degree, diploma, or certificate. Alaska residency for the purpose of forgiveness of a portion of the loan shall be computed from the time that the grantee returned to Alaska residency and must be within the six-year repayment period.

E. ELIGIBILITY OF STUDENTS (14.40.765)

1. A student domiciled in Alaska who has resided in Alaska for at least two (2) years before an application for a student loan is considered an Alaska resident for loan purposes. (See *Guidelines* appended for interpretation of residence.)
2. The loan administrator shall have the authority to request of applicants proof of residence such as, but not limited to, the following: copy of prior year's Alaska state income tax record and residence of record; and to make recommendations upon the residence status of the applicant.

3. A student who is enrolled and is in regular attendance is considered a full-time student if he is:
  - (a) in college during the regular school year for at least twelve (12) semester hours of credit during the semester or at least fifteen (15) quarter hours during the quarter, or
  - (b) in a career vocational-technical program for at least 30 clock hours per week, or
  - (c) in college during a summer or inter-session where a full-time load is normally six (6) semester or eight (8) quarter hours, or
  - (d) able to provide such other proof of full-time student status as shall satisfy the loan administrator.
4. A high school graduate is a student who holds a diploma from high school or who is accepted by a school on the basis of a General Education Development (GED) diploma.

F. SELECTION CRITERIA (14.40.767)

1. Financial Need

- (a) Student financial need is the total of the allowable costs charged by the institution for the course of study for which the applicant has been accepted and is enrolled in a full-time status, plus those expenditures normally considered as educational costs and that are demonstrably at a reasonable and necessary level.
- (b) The loan administrator may require a credit clearance or other determination of past financial record or of current outstanding debts.
- (c) The school or college student loan officer will be contacted in order to check college expenses and other aid received. The recommendations of this officer may be considered by the loan administrator in awarding loans.

2. Personal Recommendations

- (a) Recommendations requested by the student from his instructors, employers, and others familiar with the student's abilities.

3. Record of Achievement is

- (a) For an entering freshman, the recommendation as to his achievement by his high school principal or counselor, or
- (b) For an applicant who is already attending a post-secondary school the recommendation as to his achievement by the institution he is attending.

- (c) In all cases to be based on factual evidence such as grade point average, rank in class, or grades as related to the proposed course of study of the applicant, and his individual progress.

#### 4. Priorities

The loan administrator will follow the listed priorities in awarding the loans, except that if requests are greater than funds, the loan administrator shall apply the following priorities:

- (a) renewal applications, graduate or undergraduate
- (b) entering freshman or equivalent career education entry
- (c) graduate students
- (d) other students not in above categories.



# 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 Smith  
Signature of Camera Operator

4/4/89  
Date

HOUSE OF REPRESENTATIVES

2/7/72

February 26, 1972 Date

Mr. Speaker

The Committee on FINANCE has had HB 342 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

Introduced: 1/20/72  
Referred: Health, Welfare &  
Education and Finance

1 IN THE HOUSE

BY HOHMAN

2 HOUSE BILL NO. 542

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 Education,  
7 division of libraries; 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 \$22,000 is appropriated from the general fund to  
11 the Department of Education, division of libraries, for the Alaska Health  
12 Sciences Information Center in Anchorage. The appropriation is to provide  
13 operating support for the fiscal year ending June 30, 1973.

14 \* Sec. 2. This Act takes effect on July 1, 1972.

HOW THE ALASKA HEALTH SCIENCES INFORMATION CENTER  
HAS HELPED ALASKANS

A patient from Valdez had a steel sliver in his eye. An unusual gas gangrene infection supervened. Within two hours the library provided the doctor with information which allowed him to save the man's life by using a high pressure oxygen chamber.

A doctor in Soldotna learned how to manage kidney stones in adolescents by reading an article sent by the library.

A State public health nurse has made extensive use of the library in planning education programs on tuberculosis, venereal diseases, and drug abuse.

A young mother ruptured her duodenum in an auto accident but survived a condition heretofore fatal in most cases by skillful care from her doctors aided by the library which found at the doctor's request details of a complex method for feeding her for a prolonged period until the vital organ recovered.

An eskimo boy was brought to Anchorage with a rare paralytic disorder. Scientific articles from the library helped the doctors devise care for the boy in his home.

Information from the library helped a group of potters in Homer formulate their glazes so that their products would be free of lead and thus safe for sale to the public.

Research by the library staff spared a young man with an abdominal problem an operation.

The library is helping a physician write a comprehensive article about high altitude problems among mountain climbers by culling articles from medical journals. Reprints are being obtained of many articles in obscure journals from the University of Washington medical library and the National Medical Library which back up the Anchorage Information Center.

A doctor in Wrangell uses the library regularly to keep abreast of medical progress. Recently the library helped her plan treatment for a woman with serious thyroid deficiency during pregnancy.

A rural community used the library to get information about air conditioning for its school.



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:

4/2/72

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

<u>Bill No.</u>	<u>Title</u>
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HB542

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.

STATE  
OF ALASKA

## MEMORANDUM

TO:  The Honorable George Hohman, Chairman  
House Finance Committee

FROM: <sup>F.M.C.S.</sup> Frederick McGinnis, Commissioner  
Department of Health & Social Services

DATE: March 2, 1972

SUBJECT: HB 542 - Alaska Health  
Sciences Information Center

Thank you for your letter of January 20 advising me of your introduction of House Bill 542. The Department is aware of the needs upon which this legislation is predicated.

In the current year, the Center will lend over 35,000 scientific articles and information to users from all over the State. As you may see in the attached sheet, which is part of the packet of the Alaska State Medical Association, this activity results in better medical care for Alaskans.

The contribution of the Washington/Alaska Regional Medical Program (which has amounted to approximately \$23,000 annually since the start of the library in 1968) ended in December 1971 and cannot be renewed. While the U. S. Public Health Service helps to subsidize the operation, it apparently cannot increase its contribution.

FM:DKF:mm

Attachment

cc: Division of Public Health

# STATE OF ALASKA

## DEPARTMENT OF EDUCATION

OFFICE OF THE COMMISSIONER

POUCH F — ALASKA OFFICE BUILDING  
JUNEAU 99801

WILLIAM A. EGAN, GOVERNOR

HB-542

February 7, 1972

The Honorable George Hohman  
House Finance Committee  
State House of Representatives  
Juneau, Alaska 99801

Dear Mr. Hohman:

The Department of Education, and particularly the Division of State Libraries, is pleased to see House Bill 542 as a possibility of support for a vital library service which now functions throughout Alaska at very little cost to the State. Current information for health sciences workers in Alaska is a benefit for all residents of the state.

We gladly support your bill as an addition to library services provided through the Division of State Libraries and as a recognition of state responsibility in continuing education for updating and upgrading health sciences personnel. The Division of State Libraries presently has in the 1972-73 budget request a sum of \$8,000 for assistance to the Health Science Information Center. This is in addition to the funds called for in House Bill 542 and has been included as recognition of the role of the State Library in fostering a statewide information network.

Sincerely,



Marshall L. Lind  
Commissioner of Education

MILO H. FRITZ. M.D.

ROOM 108

3300 PROVIDENCE DRIVE  
ANCHORAGE, ALASKA 99504

AREA CODE 907 277-3612

2/2/72  
46572  
AMERICAN BOARD OF OPHTHALMOLOGY  
AMERICAN BOARD OF OTOLARYNGOLOGY  
AMERICAN COLLEGE OF SURGEONS  
AMERICAN ACADEMY OF FACIAL PLASTIC  
AND RECONSTRUCTIVE SURGERY, INC.

1 Feb. 1972

Rep. Geo. Hohman  
Pouch V  
Juneau 99801, Alaska.

Dear George:-

First I want to express my appreciation in the name of the people of Alaska for your enlightened introduction of a bill appropriating 22 grand for the continuation of the Medical Library in Anchorage for the use of ALL physicians and other health workers in our State. Secondly I was flattered that you had your administrative assistant contact me by phone regarding the medical barge along the Yukon and the imperative need for opening the Government Hospitals in Alaska to all physicians and dentists licensed in Alaska or in Federal Service not requiring a State License. Your assistant also asked my opinion regarding local control of medical facilities versus control from well-intentioned but necessarily ignorant people in Washington D.C.

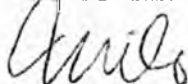
I enclose a Resolution I introduced in the 5th State Legislature which takes care of the first request. I enclose a copy of a brochure I composed regarding an BENT barge which answers the second request. However it is not the final draft--copies of which I have but which I can't find being without a secretary and having been quite ill for some months---~~with~~ resulting in further chaos in an already chaotic office.

Finally I have suggested before that all hospitals including Government have a locally appointed or elected Board of Trustees in order that local needs be met in a practical fashion rather than in a visionary and impractical fashion which is so often the case if done by remote control so to speak. The letters that I have written to the Alaska Delegation in Congress and to the Dept of H & SC I simply can't find.

I hope that this letter and the enclosed material will be useful and that you will forgive the 48 hour delay occasioned not by procrastination but by my having had an eye infection over the week-end making it impossible to deliver exactly as promised.

I think of you frequently and always with affection and respect. I wish you were a Republican--God knows we need men like you.

Yours sincerely,



Milo H. Fritz M.D.

Introduced: 2/21/68  
Referred: Health, Welfare  
and Education

1 IN THE HOUSE

BY FRITZ

2 HOUSE JOINT RESOLUTION NO. 69

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTH LEGISLATURE - SECOND SESSION

5 Relating to the availability for use  
6 of U.S. Public Health Service hospitals  
7 and health facilities.

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

9 WHEREAS many people in the remote areas of the state are without suffi-  
10 cient medical and dental care; and

11 WHEREAS, in some communities such as Point Barrow, Kotzebue, Tanana,  
12 Sitka, and Kanakanak, physicians and dentists licensed to practice in Alaska  
13 are forbidden the use of tax-supported hospitals and other Alaska Native  
14 Health Service facilities for diagnosis, treatment, or surgery; and

15 WHEREAS this is in violation of the spirit of Public Law 89-749 which  
16 extends and improves public health service and medical and dental care for  
17 all people in the nation and encourages cooperation between governmental and  
18 nongovernmental agencies; and

19 WHEREAS it would promote a higher level of health for all the citizens  
20 of remote areas of Alaska if licensed physicians and dentists could utilize  
21 U.S. Public Health Service facilities for private practice of medicine  
22 where other facilities are not available;

23 BE IT RESOLVED that the U.S. Public Health Service is requested to  
24 meet with representatives of the Department of Health and Welfare and  
25 Senators E.L. Bartlett and Ernest Gruening and Representative Howard Pollock  
26 in order to draw up a plan whereby U.S. Public Health Service facilities  
27 will be made available to all the people of Alaska and to all licensed  
28 physicians and dentists, and to set up user fees for these facilities to  
29 equal fees in similar private institutions in the same area.

A BARGE ALONG THE YUKON  
HELP FOR OUR ESKIMOS' HEALTH  
MILO H. FRITZ, M.D.

The Need. The leading public health problem in rural Alaska where the population is mainly Native is deafness from chronic middle ear disease and its complications, chiefly caused by the delay in removing adenoids and tonsils in cases where these operations are required. This statement was made by Dr. Stuart Rabeau a year or two ago when he was Assistant Surgeon General of the United States Public Health Service.

Closely following deafness as a health problem is the need for proper medical examinations of the eyes, the prescribing of comfortable, durable, attractive spectacles and having them promptly provided after this examination.

Available services. Responsibility for Native health in Alaska is vested, for the most part, in the United States Public Health Service. The Alaska Department of Health provides health services for Native and non-Native alike. In an effort to overcome these inadequacies rather than just decry them, I have held over one hundred clinics in the past thirty years, working with both the United States Public Health Service and the Alaska Department of Health. <sup>consultants</sup> The quality of ENT and eye care is notoriously poor, depending principally upon young men putting in two years of service which, for some reason, is equated with military service, and which suffers as all personal service does when administered by a huge bureaucracy, particularly when policy decisions are made by those who are thousands of miles away from and unfamiliar with local <sup>customs</sup> physicians.

Private medical efforts in the ENT and eye fields. In

addition to ~~governmental agencies~~ working with two governmental agencies charged with the health of people throughout the state, my wife (a registered nurse) and I have worked with Protestant and Roman Catholic churches in the field. We have also held clinics, the entire cost of which were underwritten by ourselves and many well-wishing friends in the South Forty-Eight. In recent years, not only have we undertaken care of the poor people of rural Alaska, but also since medical care is becoming increasingly scarce in the small towns and cities throughout the nation we have attempted providing eye, ear, nose and throat services in several areas where there are one or more physicians, usually much overworked general practitioners. These physicians have welcomed our clinics and have collaborated by referring needy patients and having made local arrangements for the diagnostic work and the performance of surgery.

Unlike the situation in the small towns, however, under Alaskan bush conditions it is difficult to maintain the amenities of life while carrying on medical work. Staying clean, neat and well for more than two weeks at a time is seldom possible because of inadequate housing, food, and rest.

Previous efforts. Many years ago the Alaska Department of Health attempted using a health vessel on the Yukon River and another out along the Aleutian Chain. Because of adamant regulations, both within and without the government, the ships could not be moved on weekends without payment of time-and-a-half or double time. Therefore, the usual five day week was often further curtailed by time spent moving the vessels from place to place. Besides, the physicians assigned

were often unable to do any or all of the following: examine the eye, measure the patient's face properly for fitting spectacles, extract teeth, administer a general anesthetic, and remove tonsils and adenoids. These abilities in a physician were essential then and are today in meeting the greatest medical needs of the Native people.

The present need. The most recent clinic which I held under the auspices of the United States Public Health Service was held at Emmonak, a relatively inaccessible village at the mouth of the Yukon. I was supposed to visit two additional villages, but the conditions of the runways and the bad weather in early June confined me to Emmonak itself where eleven patients had been scheduled for me to see. Instead of seeing just these eleven, I saw one hundred thirty eight and prescribed over a hundred pair of glasses. Because a private optician accompanied me, these spectacles were all delivered to the patient in good condition and paid for by the Natives themselves within two weeks. In contrast, when arranged through government contracts, it takes three to six months for the patient to get his glasses. ~~XXXXXXXXXX~~ Adjustments and fittings under these circumstances are impossible, and the patients often have moved on to school or other jobs elsewhere, in and outside of Alaska, by the time their glasses are returned from the contracting firms.

A solution. My solution to this problem is the construction of a medical service river barge to be used on the Lower Yukon, the irregular shoreline of western Alaska between the mouths of the Yukon and Kuskokwim Rivers, and on the Lower Kuskokwim River itself. This barge is to be constructed of steel to meet the

Coast Guard specifications for safety and seaworthiness for this area. It will have on its upper deck quarters for myself, my wife, and two others who will accompany me from time to time and help with the administrative and consultative medical chores. Of course, the pilot-house will be up there as well as a galley which will contain a dining area.

The lower deck will consist of an examining room, a small hospital, a waiting room, a commercial type clothes washer and drier for the use of the people in the villages, a shower for their use, a walk-in freezer, and the engines and other gear necessary for running the vessel as well as an administrative center for the preparation and ~~maintainmenx~~ maintenance of medical and other records.

Financing. The sponsor of this effort would keep title to the barge. It will be built along standard lines so that, if I die or the project becomes obsolete, the barge can easily be sold to one of several companies in the barge transportation business along these rivers. In other words, this is not to be a highly specialized craft, built and designed for a particular use, and absolutely unsuited for anything else. Both hull and superstructure will be basically indistinguishable from barge types found most effective for freight and passenger use in this region.

Many Alaskans have become interested in this project. However, none have had sufficient financial stature to underwrite the construction and basic non-medical equipment for the barge. Being in active practice, I do not have the time to undertake a fund raising project nor do I possess the special talents and

experience required for fund raising. My own resources are insufficient for borrowing the necessary money at the usual interest rates.

The barge would be used for the benefit of all patients, irrespective of race, religion, or economic status. Thus, the barge will be earning money from private patients as well as providing the best eye and ear, nose and throat care for those who now must depend upon government medicine alone. The purpose of the barge is not to promote socialism. Those able to do so will pay the customary rates. Those of limited means will be charged accordingly. Others will pay in services for what they receive. Each village council already approached has agreed to act as a social service agency to establish an individual's ability to pay. ~~Needless to say, these~~ If the project <sup>ever</sup> begins to show a financial profit ~~after a year or so~~, as I believe it will, such profit would be divided between the sponsor and myself according to some equitable arrangement. I feel that the barge <sup>eventually</sup> will be a financial ~~great~~ success, and ~~a social service~~. Private patients, contracts from state and federal agencies in the health field, and training of young physicians from universities where these kinds of cases simply are not available any more, all will contribute to income and enable me to repay ~~r~~the sponsor in full for his generosity and faith.

The sponsor's responsibility. The sponsor will be responsible for financing and constructing and furnishing the steel barge to be manufactured by Jim Binkley Enterprises in Fairbanks. Captain Binkley has been a riverman all his life.

At the present time, he is captain of a small sternwheeler, the Discovery, which he built himself and carries tourists up and down the tributaries of the Yukon River in the summertime. At the present time, he is in the process of constructing a larger vessel to supersede the Discovery which has become inadequate to handle the crowds of people who wish to make the tour. The sponsor's contribution would be the barge, which would be <sup>incumber</sup> ~~typ~~ up about two hundred thousand dollars of his money, interest-free, until the project got on his feet or until he decided to withdraw sponsorship by selling the barge.

The physician's responsibility. I would see that the barge was manned every summer during the season of navigation which extends from late May through the end of September. As general manager, I would be responsible <sup>be</sup> for medical supplies, secretarial help, a nurse-anesthetist or -anesthesiologist, arranging the schedule with the village councils along the way, and arranging for the supplying of proper spectacles and the performance of the simple operations, chiefly the removal of tonsils and adenoids, and that the latter were done safely and efficiently.

The Eye, Ear, Nose and Throat Foundation of Alaska, Inc. My wife and I and several public-spirited Alaskans established this organization over twenty years ago to handle the economics of our non-profit clinics in rural Alaska. It is a bona fide <sup>able</sup> charity institution, approved of by the Internal Revenue Service. Any money contributed to it by the sponsor would be legitimately deducted from his taxable income. It could be made the repository of funds so that the sponsor could get such tax benefits from his

Inadequate working and living facilities were the main reason it was impossible to attract subsequent externs for the continuation of this program. I believe that the availability of an excellent working and living facility like the river barge I propose would encourage the collaboration of other medical schools, attract other public service minded physicians, and make appreciable inroads against middle ear disease and its complications and supplying proper spectacles in Alaska's vast "outback."

Navigation. No professional boatman, I have had many years' experience as an amateur with small boats and demonstrated commercial competence as a float-plane pilot. But operating a barge of this kind is fairly easy if one moves only when the weather is favorable. Since there is no demand for following a rigid schedule, I could usually move the barge from one town to the next without difficulty. Furthermore, it would be the responsibility of the village council of each town expressing an interest in this project--and there have been over thirty which have expressed interest--to supply not only social service, but also somebody to stand by to lend his experience on the river in moving the barge from one community to the next. It would also be the responsibility of the village councils to supply a cook to prepare food for the barge's personnel. He would be paid the prevailing local wage by me.

*I still say it's a challenge!*

Monthly reports and annual summaries would be submitted to the sponsor to keep him informed as to what his generosity is accomplishing. Information would also be supplied to the news media to increase Native and private use of the facility, to attract further financial support, and to increase the already great interest of medical schools in projects of this kind for people in medicine, nursing, and social service.

Additional Notes. Having worked for over thirty years with the State of Alaska Department of Health and its predecessor, the United States Public Health Service, and its predecessors, the Roman Catholic Church and several Protestant denominations, and on my own, *bringing* *brought* eye and ear, nose, and throat care to people along the two great river

systems of Alaska, I know that in spite of the great sums of money invested in Federal, State, and charitable programs, that a project of this kind would fill a basic need. It would, in no sense, duplicate services already being offered or compete in any way with established programs. It would be supplying private-type medical care for anyone wishing to avail himself of it. This, of course, would be principally the Native peoples of this area, who constitute over ninety-five percent of the population.

Documentation. Over the years, many articles I have written about this and allied subjects have been published. A typicle example is attached. My files are packed with correspondence with Federal and State agencies, church and other private charitable institutions concerned with Native health. All such letters and reprints of additional articles are available to the sponsor if he wishes to verify my long-range concern with an accomplishment in the field of rural and Native health improvement in Alaska.

Concluding words. Having already achieved much in this area with but little help outside my own resources, I feel certain of success for an adequately-equipped, properly-funded project of the kind I envisage. Having done this kind of work in two-week, and on one occasion one-month, hitches under the most difficult circumstances, I know how much more could be accomplished with the facilities provided by a barge and a continuing program, matching the magnitude of the problem. If as successful as I feel this project will be, perhaps barges of a similar nature could be built to care for other portions of Alaska and other medically underprivileged areas of our country. It has not escaped

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Surely it is noble and worthwhile in every way to bring youngsters to school age with normal vision and normal hearing and to enhance the dignity of old age by supplying aids to hearing and vision and supplying medical and surgical care to make the ~~xxxxxx~~ later years ones of comfort and fruition. Normal vision and normal hearing increase the likelihood of a youngster getting the most out of modern American education.. Normal hearing and vision give the mature individual the best chance for a successful marriage and respectable job. And to the elderly citizen they give the best possible chance of passing the ~~xxxxxx~~ beautiful Native heritage on to the young people and provide the older person in his latter years with ~~xxxxxx~~ richness, dignity, and a measure of self-sufficiency.

Introduced: December 10, 1971  
Board of Directors Meeting

Yukon-Kuskokwim Health Corporation

Board of Directors Resolution #1

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE YKHC:

Whereas, there is a great need to provide the health professionals in Alaska with a source of current technical information; and

Whereas, it would be quite costly to develop complete and adequate medical libraries in several sites in Alaska; and

Whereas, the Alaska Health Sciences Information Center (1) has for several years provided physicians throughout Alaska with access to bio-medical information from its own library and from the Pacific Northwest Regional Health Sciences Library and the National Library of Medicine; and

Whereas, the Alaska Health Sciences Information Center formerly funded by Washington/Alaska Regional Medical Program, is seeking funding from the State of Alaska to continue its operations: Therefore be it

Resolved, that the State of Alaska appropriate adequate funds to sustain operation of the Alaska Health Sciences Information Center during FY 1972/1973; and be it

Resolved, that the State of Alaska integrate the Alaska Health Sciences Information Center into the library systems now operating in the State.

(1) description of services appended

Adopted in Bethel, Alaska on the 10th day of December, 1971.

Signed: Phillip King  
President  
YKHC

ALASKA HEALTH SCIENCES INFORMATION CENTER

THIRD AND FAIRBANKS STREETS  
P. O. BOX 7-741  
ANCHORAGE, ALASKA 99510

TEL. (907) 279-2151  
(907) 279-6661  
EX. 170

November 30, 1971

The Alaska Health Sciences Information Center (until recently the Alaska Health Sciences Library) is an important tool in the hands of physicians, dentists, nurses, pharmacists, dieticians, health administrators, planners, and other health professionals throughout Alaska.

A. The Information Center was established four years ago by the Washington/Alaska Regional Medical Program and the United States Public Health Service to make biomedical information available on a statewide basis to all health professionals. Backed up by the resources of the Pacific Northwest Regional Health Sciences Library and National Library of Medicine, the results of research in the health fields are quickly accessible and useable in the health care of the citizens of this State, who are the real beneficiaries of the system. Alaskan physicians and others can testify to the great impact that the center has made on the quality of health care in the State.

B. The Washington/Alaska Regional Medical Program has provided a significant part of the center's operating cost for the past four years. However, Regional Medical Program grants are designed to initiate projects and not to sustain their operations once established. Regional Medical program support will end on or before June 1972. To take its place sustaining funds of \$22,000.00 will be required during FY 1972/73 in addition to funds already committed from other sources. The enclosed information will give more details about structure, function and finances of the Information Center.

The library board, which represents all of Alaska's health professionals, urges you strongly to support legislative efforts to provide present and continued financial support to the Alaska Health Sciences Information Center.

I hope that you will take time to visit the Center, become acquainted with the staff, and learn about the various ways in which they can assist in meeting the informational needs of the health professionals who provide health care for the people of Alaska.

Sincerely,

Frederick J. Hillman, M.D.  
Chairman, Advisory Board

Enclosure

ALASKA HEALTH SCIENCES  
INFORMATION CENTER  
Anchorage, Alaska

WHAT IS IT?

A specialized Information Resource Center for health professionals and health care institutions in Alaska.

WHY IS IT IMPORTANT?

A<sub>2</sub> | It gives the health worker access to recent and important developments in the health fields of which he otherwise might remain unaware. It is the only resource of its kind in Alaska and represents a significant tool for better health care.

WHAT ARE THE MAIN SERVICES PROVIDED?

- ° Searches of the health sciences literature on specific topics.
- ° Current Awareness Service (Journal contents distribution)
- ° Assistance to Alaskan hospitals in the development of local libraries.

In FY 1971 the center will lend over 35,000 scientific articles and other informational materials to users. The total is expected to reach 48,000 next year.

WHO GETS THE INFORMATION?

A<sub>3</sub> | It goes to Doctors, Nurses, Pharmacists, Hospital Administrators, Dentists, Dieticians, Allied health workers, WAMI students and others in all parts of Alaska. Use of the center is STATEWIDE. Nearly half of all requests come from outside the Anchorage, Area.

WHO BENEFITS FROM THE CENTER?

Ultimate beneficiaries are the citizens of the State of Alaska. The continuous flow of health information to the health worker enables these to provide better health care. Specialists are moving to Alaska who would find it difficult to practice here without this resource. Health workers may be more willing to settle in remote areas, knowing that their information needs will be cared for.

WHO SUPPORTS THE CENTER AT PRESENT?

Support for the Alaska Health Sciences Information Center comes from: U.S. Public Health Service (since 1967, 50%-60% of operating cost; space and overhead expenses). Washington/Alaska Regional Medical Program (since 1968, 30%-48% of operating cost). Pacific Northwest Regional Health Sciences Library in Seattle, Washington under grant from the National Library of Medicine (since 1970, 11%). Alaska Division of State Libraries (1971, 3%).

WHAT IS NEEDED TO MAINTAIN THE OPERATION AT THE CURRENT LEVEL?

{ Washington/Alaska Regional Medical Program support will cease in 1972. To replace the RMP budget, a total amount of \$22,000 is required for FY 1972/3, in addition to funds already committed from other sources.

FOR ADDITIONAL INFORMATION REFER TO THE ATTACHED NARRATIVE AND STATISTICAL REPORT.

"What are the psychological reactions of burned children"? "I need recent information on the diagnosis and treatment of premalignant lesions of the vulva". "How can a small community establish an effective alcoholism program"? "Please send information on the nursing care of the paraplegic patient"..... These are samples of literally hundreds of requests for information which have come from Alaska's health professionals in recent months.

Where can the health worker turn for such specialized information? Neither his own nor the small library collection in his community hospital are likely to yield an adequate answer, even if he had the hours of spare time which are often required to ferret out the information. What he really needs is access to a broad base of organized information with the necessary capabilities to retrieve material in response to specific demands.

In our sophisticated era, the average hospital is unable to bear the high cost of such a system, yet, it is a prerequisite of up-to-date quality health care. To insure the adequate transfer of biomedical knowledge from the nation's research centers to the practitioner and other health professionals, it is necessary to find new means for the dissemination of health information.

Recently Alaska's health professionals have had the opportunity to try a new concept in the transmission of health information. The Alaska Health Sciences Information Center\*, located at the Alaska Native Medical Center in Anchorage, provides a full range of informational services to health workers, whether self-employed, privately employed, working for State, Federal or local government agencies.

The questions were: Could a single, relatively well equipped facility provide individual services to a very large and widely dispersed user group? Could this be done effectively, economically, and in a manner acceptable to the busy health professional? After almost four years of operation these questions can be answered in the affirmative. Alaskan health professionals are using the new services in increasing numbers, with about 45-47 percent of all requests coming from outside the Anchorage area. The high user rate far exceeds the national average.

Despite this new and critically important resource, properly organized hospital libraries containing basic health sciences texts and major medical journals continue to be an essential component in the health professional's work. However, few well organized small hospital libraries exist because the smaller hospitals cannot afford to employ a qualified individual to operate the medical library. Consequently, the Alaska Health Sciences Information Center is providing extensive assistance to community hospitals to help these institutions upgrade their facilities.

\*Formerly Alaska Health Sciences Library

The Alaska Health Sciences Information Center was established late in 1967 in support of the Indian Health Service facilities in Alaska. From the outset it was understood that other health professionals would have access to it. In 1968 the Center received a small grant from the Washington/Alaska Regional Medical Program to expand the services on a statewide basis. This grant was renewed annually thereafter. In 1970 the Pacific Northwest Regional Health Sciences Library, as a grantee of the National Library of Medicine, provided additional support to insure the continued growth and development of what had become a rather unique and promising program.

The annual operating cost of the library currently is approximately \$72,000.00. The largest share of this budget is provided by the U.S. Public Health Service, which also houses the Center and assumes all overhead expenses.

The Washington/Alaska Regional Medical Program has contributed between 30 and 48 percent of the operating costs. RMP funding is scheduled to end on or before June 30, 1972. To maintain the present level of statewide services alternate sources of support must be found. This might be accomplished in a number of ways: charges to users of the services; solicitation of funds from health care organizations within the State; direct State support; applications to private foundations. Of these, the Advisory Board of the Alaska Health Sciences Information Center strongly favors State support.

The Board is concerned that establishing fees for Library services would seriously impede the flow of health information. The health worker must have access to the best available health information and should not be confronted with the decision to buy or not to buy such services.

Alaska's health organizations, which in theory could well be expected to support an institution which is useful to all, are operating on marginal budgets. Significant contributions from these groups cannot be expected until they experience substantial growth. Private foundations would provide transitional funding at best and generally prefer to support experimental programs.

The need now is to insure the continuity of information services successfully established for and accepted by the Alaskan health professional. The citizens of the State stand to gain from the free flow of health information to those who provide their health care. Therefore, State support for these information services appears to be fully justified and should be encouraged.

Anchorage, Anchorage

November 1971

*operating  
budget* } \*

ALASKA HEALTH SCIENCES INFORMATION CENTER

Anchorage, Alaska

	69 1968/69	70 1969/70	71 1970/71	72 1971/72	73 1972/73
<b>SERVICES PROVIDED:</b>					(Projected)
Searches of the Health Sciences Literature	225	290	385	465	550
Loans of Library materials (including inter-library loans)	5,656	8,501	18,633	35,250	48,000
Current Awareness Service (Journal Tables of Contents)	3,000	12,000	22,000	30,000	38,000
<b>GEOGRAPHIC ORIGIN OF INFORMATION REQUESTS:</b>					
Anchorage Area	—	77%	68%	53%	50%
All other areas	—	23%	32%	47%	50%
<b>STAFF: (full time)</b>					
Professional	1	1	2	2	2
Non-professional	1	2	2	3	3
<b>HOLDINGS:</b>					
Books	300	600	900	1,400	1,800
Journals (bound volumes)	450	800	1,700	2,300	2,800
Current Journal Titles	150	210	280	365	430
<b>BUDGET:</b>					
U.S. Public Health Service*	\$27,000	\$28,000	\$29,000	\$40,000	\$42,000
Washington/Alaska Regional Medical Program	25,300	17,169	28,220	21,628	
PNHRSL (through National Library of Medicine)			10,000	7,900	8,100
Alaska Division of State Libraries				2,500	22,000
	\$52,300	\$45,169	\$67,220	\$72,028	\$72,100

HEALTH MANPOWER IN ALASKA

Physicians	417	Nurses	1,600 (est.)	Hospital Administrators	31	Allied health professionals	390
Dentists	253	Pharmacists	125	Dieticians & Nutrit.	45	WAMI Students	9

TOTAL (Approx.) 2,870\*\*

\*Overhead costs of approximately \$12,000 annually are not included in the PHS figure.

\*\*The library is also used by individuals outside the health profession, i.e. lawyers, law enforcement officers, special education teachers, etc.

ALASKA HEALTH SCIENCES INFORMATION CENTER  
Third & Fairbanks Streets  
P.O. Box 7-741  
Anchorage, Alaska 99510

Tel. (907) 279-2151

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Charles H. Neilson, M.D.  
Deputy Director  
Alaska Area Native Health Office  
Anchorage, Alaska 99510

Gerald J. Oppenheimer, Director  
Pacific Northwest Regional  
Health Sciences Library  
University of Washington Libraries  
Seattle, Washington 98105

Ursula P. Strash, Director  
Alaska Health Sciences Information Center  
P.O. Box 7-741  
Anchorage, Alaska 99510



# 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 O. Smith  
Signature of Camera Operator

4/4/89  
Date

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In our sophisticated era, the average hospital is unable to bear the high cost of such a system, yet, it is a prerequisite of up-to-date quality health care. To insure the adequate transfer of biomedical knowledge from the nation's research centers to the practitioner and other health professionals, it is necessary to find new means for the dissemination of health information.

Recently Alaska's health professionals have had the opportunity to try a new concept in the transmission of health information. The Alaska Health Sciences Information Center\*, located at the Alaska Native Medical Center in Anchorage, provides a full range of informational services to health workers, whether self-employed, privately employed, working for State, Federal or local government agencies.

The questions were: Could a single, relatively well equipped facility provide individual services to a very large and widely dispersed user group? Could this be done effectively, economically, and in a manner acceptable to the busy health professional? After almost four years of operation these questions can be answered in the affirmative. Alaskan health professionals are using the new services in increasing numbers, with about 45-47 percent of all requests coming from outside the Anchorage area. The high user rate far exceeds the national average.

Despite this new and critically important resource, properly organized hospital libraries containing basic health sciences texts and major medical journals continue to be an essential component in the health professional's work. However, few well organized small hospital libraries exist because the smaller hospitals cannot afford to employ a qualified individual to operate the medical library. Consequently, the Alaska Health Sciences Information Center is providing extensive assistance to community hospitals to help these institutions upgrade their facilities.

\*Formerly Alaska Health Sciences Library

The Alaska Health Sciences Information Center was established late in 1967 in support of the Indian Health Service facilities in Alaska. From the outset it was understood that other health professionals would have access to it. In 1968 the Center received a small grant from the Washington/Alaska Regional Medical Program to expand the services on a statewide basis. This grant was renewed annually thereafter. In 1970 the Pacific Northwest Regional Health Sciences Library, as a grantee of the National Library of Medicine, provided additional support to insure the continued growth and development of what had become a rather unique and promising program.

The annual operating cost of the library currently is approximately \$72,000.00. The largest share of this budget is provided by the U.S. Public Health Service, which also houses the Center and assumes all overhead expenses.

*operating  
budget*

The Washington/Alaska Regional Medical Program has contributed between 30 and 48 percent of the operating costs. RMP funding is scheduled to end on or before June 30, 1972. To maintain the present level of statewide services alternate sources of support must be found. This might be accomplished in a number of ways: charges to users of the services; solicitation of funds from health care organizations within the State; direct State support; applications to private foundations. Of these, the Advisory Board of the Alaska Health Sciences Information Center strongly favors State support.

The Board is concerned that establishing fees for Library services would seriously impede the flow of health information. The health worker must have access to the best available health information and should not be confronted with the decision to buy or not to buy such services.

Alaska's health organizations, which in theory could well be expected to support an institution which is useful to all, are operating on marginal budgets. Significant contributions from these groups cannot be expected until they experience substantial growth. Private foundations would provide transitional funding at best and generally prefer to support experimental programs.

The need now is to insure the continuity of information services successfully established for and accepted by the Alaskan health professional. The citizens of the State stand to gain from the free flow of health information to those who provide their health care. Therefore, State support for these information services appears to be fully justified and should be encouraged.

Anchorage, Anchorage

November 1971

## ALASKA HEALTH SCIENCES INFORMATION CENTER

Anchorage, Alaska

	69 1968/69	70 1969/70	71 1970/71	72 1971/72	73 1972/73
<b>SERVICES PROVIDED:</b>					(Projected)
Searches of the Health Sciences Literature	225	290	385	465	550
Loans of Library materials (including inter-library loans)	5,656	8,501	18,633	35,250	48,000
Current Awareness Service (Journal Tables of Contents)	3,000	12,000	22,000	30,000	38,000
<b>GEOGRAPHIC ORIGIN OF INFORMATION REQUESTS:</b>					
Anchorage Area	—	77%	68%	53%	50%
All other areas	—	23%	32%	47%	50%
<b>STAFF: (full time)</b>					
Professional	1	1	2	2	2
Non-professional	1	2	2	3	3
<b>HOLDINGS:</b>					
Books	300	600	900	1,400	1,800
Journals (bound volumes)	450	800	1,700	2,300	2,800
Current Journal Titles	150	210	280	365	430
<b>BUDGET:</b>					
U.S. Public Health Service*	\$27,000	\$28,000	\$29,000	\$40,000	\$42,000
Washington/Alaska Regional Medical Program	25,300	17,169	28,220	21,628	
PNRHSL (through National Library of Medicine)			10,000	7,900	8,100
Alaska Division of State Libraries				2,500	22,000
	\$52,300	\$45,169	\$67,220	\$72,028	\$72,100

## HEALTH MANPOWER IN ALASKA

Physicians	417	Nurses	1,600 (est.)	Hospital Administrators	31	Allied health professionals	39
Dentists	253	Pharmacists	125	Dieticians & Nutrit.	45	WAMI Students	

TOTAL (Approx.) 2,870\*\*

\*Overhead costs of approximately \$12,000 annually are not included in the PHS figure.

\*\*The library is also used by individuals outside the health profession, i.e. lawyers, law enforcement officers, special education teachers, etc.

ADVISORY BOARD

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Gerald J. Oppenheimer, Director  
Pacific Northwest Regional  
Health Sciences Library  
University of Washington Libraries  
Seattle, Washington 98105

Ursula P. Strash, Director  
Alaska Health Sciences Information Center  
P.O. Box 7-741  
Anchorage, Alaska 99510

# MEMORANDUM

TO:  The Honorable George Hohman, Chairman  
House Finance Committee

FROM: Frederick McGinnis, Commissioner  
Department of Health & Social Services

*F.M.S.* DATE: March 2, 1972

SUBJECT: HB 542 - Alaska Health  
Sciences Information Center

Thank you for your letter of January 20 advising me of your introduction of House Bill 542. The Department is aware of the needs upon which this legislation is predicated.

In the current year, the Center will lend over 35,000 scientific articles and information to users from all over the State. As you may see in the attached sheet, which is part of the packet of the Alaska State Medical Association, this activity results in better medical care for Alaskans.

The contribution of the Washington/Alaska Regional Medical Program (which has amounted to approximately \$23,000 annually since the start of the library in 1968) ended in December 1971 and cannot be renewed. While the U. S. Public Health Service helps to subsidize the operation, it apparently cannot increase its contribution.

FM:DKF:mm

Attachment

cc: Division of Public Health

## HOW THE ALASKA HEALTH SCIENCES INFORMATION CENTER HAS HELPED ALASKANS

A patient from Valdez had a steel sliver in his eye. An unusual gas gangrene infection supervened. Within two hours the library provided the doctor with information which allowed him to save the man's life by using a high pressure oxygen chamber.

A doctor in Soldotna learned how to manage kidney stones in adolescents by reading an article sent by the library.

A State public health nurse has made extensive use of the library in planning education programs on tuberculosis, venereal diseases, and drug abuse.

A young mother ruptured her duodenum in an auto accident but survived a condition heretofore fatal in most cases by skillful care from her doctors aided by the library which found at the doctor's request details of a complex method for feeding her for a prolonged period until the vital organ recovered.

An eskimo boy was brought to Anchorage with a rare paralytic disorder. Scientific articles from the library helped the doctors devise care for the boy in his home.

Information from the library helped a group of potters in Homer formulate their glazes so that their products would be free of lead and thus safe for sale to the public.

Research by the library staff spared a young man with an abdominal problem an operation.

The library is helping a physician write a comprehensive article about high altitude problems among mountain climbers by culling articles from medical journals. Reprints are being obtained of many articles in obscure journals from the University of Washington medical library and the National Medical Library which back up the Anchorage Information Center.

A doctor in Wrangell uses the library regularly to keep abreast of medical progress. Recently the library helped her plan treatment for a woman with serious thyroid deficiency during pregnancy.

A rural community used the library to get information about air conditioning for its school.

# STATE OF ALASKA

## DEPARTMENT OF EDUCATION

OFFICE OF THE COMMISSIONER

WILLIAM A. EGAN, GOVERNOR

POUCH F — ALASKA OFFICE BUILDING  
JUNEAU 99801

February 7, 1972

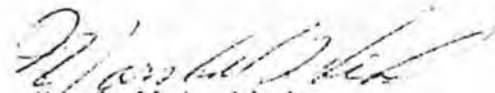
The Honorable George Hohman  
House Finance Committee  
State House of Representatives  
Juneau, Alaska 99801

Dear Mr. Hohman:

The Department of Education, and particularly the Division of State Libraries, is pleased to see House Bill 542 as a possibility of support for a vital library service which now functions throughout Alaska at very little cost to the State. Current information for health sciences workers in Alaska is a benefit for all residents of the state.

We gladly support your bill as an addition to library services provided through the Division of State Libraries and as a recognition of state responsibility in continuing education for updating and upgrading health sciences personnel. The Division of State Libraries presently has in the 1972-73 budget request a sum of \$8,000 for assistance to the Health Science Information Center. This is in addition to the funds called for in House Bill 542 and has been included as recognition of the role of the State Library in fostering a statewide information network.

Sincerely,

  
Marshall L. Lind  
Commissioner of Education

Introduced: December 10, 1971  
Board of Directors Meeting

Yukon-Kuskokwim Health Corporation

Board of Directors Resolution #1

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE YKHC:

Whereas, there is a great need to provide the health professionals in Alaska with a source of current technical information; and

Whereas, it would be quite costly to develop complete and adequate medical libraries in several sites in Alaska; and

Whereas, the Alaska Health Sciences Information Center (1) has for several years provided physicians throughout Alaska with access to bio-medical information from its own library and from the Pacific Northwest Regional Health Sciences Library and the National Library of Medicine; and

Whereas, the Alaska Health Sciences Information Center formerly funded by Washington/Alaska Regional Medical Program, is seeking funding from the State of Alaska to continue its operations: Therefore be it

Resolved, that the State of Alaska appropriate adequate funds to sustain operation of the Alaska Health Sciences Information Center during FY 1972/1973; and be it

Resolved, that the State of Alaska integrate the Alaska Health Sciences Information Center into the library systems now operating in the State.

(1) description of services appended

Adopted in Bethel, Alaska on the 10th day of December,  
1971.

Signed: Phillip King

President  
YKHC

Introduced: 1/20/72  
Referred: Health, Welfare &  
Education and Finance

1 IN THE HOUSE

BY HOHMAN

2 HOUSE BILL NO. 542

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 Education,  
7 division of libraries; 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 \$22,000 is appropriated from the general fund to  
11 the Department of Education, division of libraries, for the Alaska Health  
12 Sciences Information Center in Anchorage. The appropriation is to provide  
13 operating support for the fiscal year ending June 30, 1973.

14 \* Sec. 2. This Act takes effect on July 1, 1972.  
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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

## HOUSE OF REPRESENTATIVES

1/28/72

4/20/72 Date

Mr. Speaker

The Committee on FINANCE has had HR 547

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 HR 547 and that CS for HR 547 do pass
- (and) recommends it be referred to the \_\_\_\_\_ committee
- reports it back without recommendation
- (other) \_\_\_\_\_

#### MEMBERS SIGNING THE MAJORITY REPORT:

<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____

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

[Signature] recommends: \_\_\_\_\_

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

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

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

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

[Signature]  
CHAIRMAN

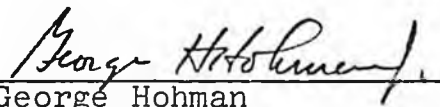
FINANCE COMMITTEE REPORT

ON

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 547

Committee Substitute for House Bill No. 547 makes the following basic changes in the statutory authority for the Alaska Housing Finance Corporation:

- (1) The statute is directed at moderate as well as low income housing needs.
- (2) Emphasis is placed on housing improvements in "remote, underdeveloped or blighted areas".
- (3) Upon determination of the Commissioner of Revenue specific authority is granted to invest state surplus funds in residential mortgages owned by the Corporation.
- (4) The Alaska Housing Finance Corporation is authorized to invest funds held by the Corporation in appropriate obligations or securities.

  
George Hohman  
Chairman

Original sponsor: Fischer

Offered: 4/24/72  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 547

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act to provide financing and development of housing  
7 for persons of moderate income; and providing for an  
8 effective date."

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

10 \* Section 1. AS 18.56.010 is amended to read:

11 Sec. 18.56.010. FINDINGS AND PURPOSE. (a) There exists within  
12 the state a serious shortage of decent, safe and sanitary residential  
13 housing available at low or moderate prices or rentals to persons of  
14 lower and moderate income. There also exist within the state remote,  
15 underdeveloped or blighted areas where the development of decent,  
16 safe and sanitary housing is necessary to economic growth. These  
17 conditions are [THIS SHORTAGE IS] inimical to the safety, health,  
18 welfare and prosperity of the residents of the state and to the sound  
19 growth of urban and rural communities.

20 (b) The legislature finds and declares that private enterprise  
21 has not been able to provide, without assistance, an adequate supply  
22 of safe and sanitary homes at prices or rents which persons of lower  
23 and moderate income can afford, or to achieve rehabilitation of much  
24 of the present housing for persons of lower and moderate income,  
25 or to provide without assistance the housing necessary to promote  
26 the economic growth of remote, underdeveloped or blighted areas, and  
27 that existing state and federal programs are inadequate to meet  
28 housing needs of persons of lower and moderate income or of remote,  
29 underdeveloped or blighted areas. It is imperative that the supply

1 of housing for persons of lower and moderate income and the housing  
2 necessary to promote the economic growth of remote, underdeveloped  
3 or blighted areas be increased and that coordination and cooperation  
4 among private enterprise, state and local government be encouraged  
5 to sponsor, build and rehabilitate residential housing for these  
6 persons.

7 (c) The legislature finds and declares further that, in accom-  
8 plishing this purpose, the creation of the Alaska Housing Finance  
9 Corporation is essential to assist in the acquisition and development  
10 of land and the construction, rehabilitation, financing, management,  
11 maintenance, sale and rental of dwelling units for persons of lower  
12 and moderate income or persons in remote, underdeveloped or blighted  
13 areas and that these activities serve a public purpose in benefiting  
14 the people of the state. The Alaska Housing Finance Corporation is  
15 empowered to act on behalf of the state and its people in serving  
16 this public purpose for the benefit of the general public.

17 \* Sec. 2. AS 18.56 is amended by adding a new section to read:

18 Sec. 18.56.085. INVESTMENT OF STATE SURPLUS. Notwithstanding  
19 other provisions of law, when the commissioner of revenue determines  
20 that there is in the state treasury a surplus above an amount suffi-  
21 cient to meet current cash expenditure needs, the surplus may be  
22 invested, in addition to the investments permitted by AS 37.10.070(a),  
23 in residential mortgages owned by the corporation and secured by  
24 real estate within the state, which investments shall be subject to  
25 the terms and conditions that the corporation and the commissioner of  
26 revenue may provide in any contract of sale. Investments allowed  
27 by this section shall be made as provided for other investments of  
28 the state money under AS 37.10.070(a), (f), (g), and (i). The terms  
29 and conditions of any contract of sale authorized to be made under

1 this section may include but are not limited to:

2 (1) the investment by the state in a specified or deter-  
3 minable amount of mortgages;

4 (2) the existence of a prior lien on and pledge of the  
5 mortgages invested in by the state;

6 (3) provisions relating to the subordination of the  
7 state's interest in and application of annual payments of principal  
8 and interest or the proceeds of a permitted sale of, or insurance  
9 or prepayments on, the mortgages; and

10 (4) the right of the corporation to repurchase the mort-  
11 gages at a predetermined price.

12 \* Sec. 3. AS 18.56.090 is amended to read:

13 Sec. 18.56.090. GENERAL POWERS. In addition to other powers  
14 granted in this chapter, the corporation may, for the purpose of  
15 providing housing for persons of lower and moderate income or persons  
16 located in remote, underdeveloped or blighted areas of the state

17 (1) make or participate in the making of construction  
18 loans to sponsors, developers and builders of land development or  
19 residential housing, if the corporation determines that construction  
20 loans are not otherwise available, wholly or in part, from private  
21 lenders upon reasonably equivalent terms and conditions;

22 (2) make or participate in the making of mortgage loans  
23 to sponsors, developers, builders and purchasers of residential  
24 housing, if the corporation determines that mortgage loans are not  
25 otherwise available, wholly or in part, from private lenders upon  
26 reasonably equivalent terms and conditions;

27 (3) purchase or participate in the purchase of mortgage  
28 loans made to sponsors, developers, [AND] builders, owners and  
29 purchasers of residential housing [OR TO PERSONS OF LOWER INCOME FOR

1 RESIDENTIAL HOUSING], if the corporation

2           (A) has given approval before the initial making  
3 of the loan and has determined that mortgage loans were,  
4 at the time the approval was given, not otherwise available,  
5 wholly or in part, from private lenders upon reasonably  
6 equivalent terms and conditions, or

7           (B) has determined that the purchase or participa-  
8 tion will result in additional residential housing, taking  
9 into account without limitation such factors as reinvestment  
10 of the proceeds of the sale in additional mortgage loans,  
11 increased availability of mortgage loans insured by the  
12 federal government, its agencies or departments, the reduction,  
13 if any, of interest payments to be made with respect to  
14 mortgage loans, or such other factors as will tend to increase  
15 or improve the supply of residential housing within the state;

16           (4) make partial rental payments and mortgage interest  
17 payments under a contract with any housing owner if the payments  
18 will be applied to decrease rental or mortgage interest charges  
19 of persons of lower and moderate income or owners or purchasers  
20 of residential housing in remote, underdeveloped or blighted areas  
21 of the state;

22           (5) make loans from the housing development fund;

23           (6) collect and pay reasonable fees and charges in  
24 connection with making, purchasing and servicing its loans, notes,  
25 bonds, commitments and other evidences of indebtedness;

26           (7) acquire real property, or any interest in real  
27 property, in its own name, by purchase, transfer or foreclosure,  
28 when acquisition is necessary or appropriate to protect any loan  
29 in which the corporation has an interest; sell, transfer and convey

1 any such property to a buyer; and, if the sale, transfer or  
2 conveyance cannot be effected with reasonable promptness or at  
3 a reasonable price, rent or lease the property to a tenant pending  
4 the sale, transfer or conveyance;

5 (8) sell, at public or private sale, to any purchaser,  
6 including the Federal National Mortgage Association, all or any  
7 part of a mortgage or other instrument or document securing a  
8 construction, land development, mortgage or temporary loan of  
9 any type permitted by this chapter;

10 (9) purchase, in order to meet the requirements of  
11 the sale of its mortgages to the Federal National Mortgage  
12 Association, stock of the Federal National Mortgage Association;

13 (10) procure insurance against any loss in connection  
14 with its operation;

15 (11) consent to the modification of the rate of interest,  
16 time of payment of any installment of principal or interest, or  
17 any other terms, of the mortgage loan, mortgage loan commitment,  
18 construction loan, temporary loan, contract or agreement of any  
19 kind to which the corporation is a party;

20 (12) borrow money as herein provided to carry out and  
21 effectuate its corporate purposes; and issue its obligations as  
22 evidence of any such borrowing;

23 (13) include in any borrowing the amounts necessary  
24 to pay financing charges, interest on the obligations for a  
25 period not exceeding one year after the date on which the corpora-  
26 tion estimates funds will otherwise be available to pay the  
27 interest, consultant, advisory and legal fees and such other  
28 expenses as are necessary or incident to this borrowing;

29 (14) make and publish rules and regulations respecting

1 its lending programs and such other rules and regulations as are  
2 necessary to effectuate its purposes;

3 (15) provide technical and advisory services to sponsors,  
4 builders and developers of residential housing and to residents  
5 of it;

6 (16) promote research and development in scientific  
7 methods of constructing low-cost residential housing of high  
8 durability;

9 (17) make and execute agreements, contracts and other  
10 instruments necessary or convenient in the exercise of the powers  
11 and functions of the corporation under this chapter, including  
12 contracts with any person, firm, corporation, governmental agency  
13 or other entity;

14 (18) receive, administer and comply with the conditions  
15 and requirements respecting any appropriation or gift, grant or  
16 donation of property or money;

17 (19) sue and be sued in its own name;

18 (20) adopt an official seal;

19 (21) adopt bylaws for the regulation of its affairs and  
20 the conduct of its business and prescribe rules, regulations and  
21 policies in connection with the performance of its functions and  
22 duties;

23 (22) employ fiscal consultants, engineers, attorneys,  
24 real estate counselors, appraisers and such other consultants and  
25 employees as may be required in the judgment of the corporation,  
26 and fix and pay their compensation from funds available to the  
27 corporation; [AND]

28 (23) do all acts and things necessary, convenient or  
29 desirable to carry out the powers expressly granted or necessarily

1 implied in this chapter;

2 (24) invest or reinvest, subject to its contracts  
3 with noteholders and bondholders, any money or funds held by the  
4 corporation in any obligations or other securities or investments  
5 in which banks or trust companies in the state may legally invest  
6 funds held in reserves or sinking funds or any funds not required  
7 for immediate disbursement, and in certificates of deposit or  
8 time deposits secured by obligations of, or guaranteed by, the  
9 state or the United States of America.

10 \* Sec. 4. AS 18.56.100(b)(2) is amended to read:

11 (2) provide to persons of lower and moderate income  
12 who are applying for mortgages, the amounts required to make  
13 down payments and pay closing costs and to housing owners the  
14 amounts applied for partial rental payments and mortgage interest  
15 payments under sec. 90(4) of this chapter; or

16 \* Sec. 5. AS 18.56.210(3) is amended to read:

17 (3) "development costs" means the costs approved  
18 by the corporation as appropriate expenditures which may be  
19 incurred by sponsors, builders and developers of residential  
20 housing, before commitment and initial advance of the proceeds  
21 of a construction loan or of a mortgage loan, including but not  
22 limited to

23 (A) payments for options to purchase properties  
24 on the proposed residential housing site, deposits on  
25 contracts of purchase, or, with prior approval of the corpora-  
26 tion, payments for the purchase of the properties;

27 (B) legal and organizational expenses, including  
28 payments of attorneys' fees, project manager, clerical  
29 and other staff salaries, office rent and other incidental

1 expenses;

2 (C) payment of fees for preliminary feasibility  
3 studies and advances for planning, engineering and archi-  
4 tectural work;

5 (D) expenses for tenant surveys and market  
6 analyses; and

7 (E) necessary application and other fees;

8 \* Sec. 6. AS 18.56.210(7) is amended to read:

9 (7) "mortgage" or "mortgage loan" means a mortgage loan  
10 for residential housing insured or guaranteed by the United States  
11 or an instrumentality thereof or for which there is a commitment  
12 by the United States or an instrumentality thereof to insure or  
13 guarantee such a mortgage, or if not so insured or guaranteed or  
14 if there is no such commitment, which the corporation determines  
15 meets the conditions described in sec. 100(k) of this chapter  
16 or which shall be secured upon such terms and conditions as the  
17 corporation considers necessary or practicable to insure all  
18 repayments [FOR A LOAN FROM THE HOUSING DEVELOPMENT FUND];

19 \* Sec. 7. AS 18.56.210(8) is amended to read:

20 (8) "land development" means the process of acquiring  
21 land primarily for residential housing construction for persons  
22 of lower and moderate income and making, installing or construct-  
23 ing nonresidential housing improvements, including water, sewer  
24 and other utilities, roads, streets, curbs, gutters, sidewalks,  
25 storm drainage facilities and other installations or works,  
26 whether on or off the site, which the corporation considers neces-  
27 sary or desirable to prepare the land primarily for residential  
28 housing construction;

29 \* Sec. 8. AS 18.56.210(10) is amended to read:

1 (10) "persons of lower and moderate income" means a person or  
2 persons considered by the corporation to require assistance available  
3 under this chapter on account of insufficient or inadequate personal  
4 or family income or otherwise limited personal financial resources,  
5 taking into consideration, without limitation, such factors as

6 (A) the amount of the total income of the persons  
7 available for housing needs;

8 (B) the size of the family;

9 (C) the cost and condition of housing facilities  
10 available;

11 (D) standards established for various federal programs  
12 determining eligibility based on income of the persons; and

13 (E) the ability of the persons to compete successfully  
14 in the normal housing market and to pay the amounts at which  
15 private enterprise is providing decent, safe and sanitary housing;  
16 and

17 \* Sec. 9. AS 18.56.210(11) is amended to read:

18 (11) "residential housing" means a specific work or improve-  
19 ment undertaken primarily to provide dwelling accommodations without  
20 limitation as to form of lawful occupancy, whether rental, under  
21 contract, fee ownership, cooperative housing, condominium or other law-  
22 ful forms of ownership, for persons of lower and moderate income, or  
23 in remote, underdeveloped or blighted areas, including the acquisition,  
24 construction or rehabilitation of land, buildings and improvements  
25 thereto, and such other nonhousing facilities as may be incidental or  
26 appurtenant thereto.

27 \* Sec. 10. AS 18.56.210 is amended by adding a new paragraph to read:

28 (12) "remote, underdeveloped or blighted areas" means areas  
29 considered by the corporation to require assistance available under

1 this chapter on account of insufficient availability of the residential  
2 housing necessary to promote, develop or maintain the economic growth  
3 or potential of the area, taking into consideration, without limitation,  
4 the following:

5 (A) the population, resources and environment of the  
6 area;

7 (B) the present availability and condition of  
8 residential housing in and near the area;

9 (C) the cost of construction and rehabilitation of  
10 residential housing in the area;

11 (D) the availability of other federal or state  
12 sponsored programs to facilitate the development of residential  
13 housing in the area; and

14 (E) the ability of residents of the area to finance the  
15 purchase of residential housing or to rent or lease such housing  
16 at rates comparable to those in effect in other areas of the state.

17 \* Sec. 11. This Act takes effect on the day after its passage and approv-  
18 al or on the day it becomes law without approval.

1 IN THE HOUSE

BY FISCHER

2 HOUSE BILL NO. 547

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act to provide financing and development of housing  
7 for persons of medium incomes; and providing for an  
8 effective date."

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

10 \* Section 1. AS 18.56.010 is amended to read:

11 Sec. 18.56.010. FINDINGS AND PURPOSE. (a) There exists within  
12 the state a serious shortage of decent, safe and sanitary residential  
13 housing available at low or medium prices or rentals to persons of  
14 lower and medium income. This shortage is inimical to the safety,  
15 health, welfare and prosperity of the residents of the state and to  
16 the sound growth of urban and rural communities.

17 (b) The legislature finds and declares that private enterprise  
18 has not been able to provide, without assistance, an adequate supply  
19 of safe and sanitary homes at prices or rents which persons of lower  
20 and medium income can afford, or to achieve rehabilitation of much of  
21 the present housing for persons of lower and medium income, and that  
22 existing federal programs are inadequate to meet housing needs of  
23 persons of lower and medium income. It is imperative that the supply  
24 of housing for persons of lower and medium income be increased and  
25 that coordination and cooperation among private enterprise, state and  
26 local government be encouraged to sponsor, build and rehabilitate  
27 residential housing for these persons.

28 (c) The legislature finds and declares further that, in ac-  
29 complishing this purpose, the creation of the Alaska Housing Finance

1 Corporation is essential to assist in the acquisition and development  
2 of land and the construction, rehabilitation, financing, management,  
3 maintenance, sale and rental of dwelling units for persons of lower  
4 and medium income and that these activities serve a public purpose in  
5 benefiting the people of the state. The Alaska Housing Finance  
6 Corporation is empowered to act on behalf of the state and its people  
7 in serving this public purpose for the benefit of the general public.

8 \* Sec. 2. AS 18.56.090 is amended to read:

9 Sec. 18.56.090. GENERAL POWERS. In addition to other powers  
10 granted in this chapter, the corporation may, for the purpose of  
11 providing housing for persons of lower and medium income

12 (1) make or participate in the making of construction loans  
13 to sponsors, developers and builders of land development or residential  
14 housing, if the corporation determines that construction loans are  
15 not otherwise available, wholly or in part, from private lenders upon  
16 reasonably equivalent terms and conditions;

17 (2) make or participate in the making of mortgage loans to  
18 sponsors, developers, builders and purchasers of residential housing,  
19 if the corporation determines that mortgage loans are not otherwise  
20 available, wholly or in part, from private lenders upon reasonably  
21 equivalent terms and conditions;

22 (3) purchase or participate in the purchase of mortgage  
23 loans made to sponsors, developers and builders of residential housing  
24 or to persons of lower income for residential housing, if the corpora-  
25 tion has given approval before the initial making of the loan and has  
26 determined that mortgage loans were, at the time the approval was  
27 given, not otherwise available, wholly or in part, from private lenders  
28 upon reasonably equivalent terms and conditions;

29 (4) make partial rental payments and mortgage interest

1 payments under a contract with any housing owner if the payments will  
2 be applied to decrease rental or mortgage interest charges of persons  
3 of lower and medium income;

4 (5) make loans from the housing development fund;

5 (6) collect and pay reasonable fees and charges in connec-  
6 tion with making, purchasing and servicing its loans, notes, bonds,  
7 commitments and other evidences of indebtedness;

8 (7) acquire real property, or any interest in real property,  
9 in its own name, by purchase, transfer or foreclosure, when acquisition  
10 is necessary or appropriate to protect any loan in which the corpora-  
11 tion has an interest; sell, transfer and convey any such property to a  
12 buyer; and, if the sale, transfer or conveyance cannot be effected  
13 with reasonable promptness or at a reasonable price, rent or lease the  
14 property to a tenant pending the sale, transfer or conveyance;

15 (8) sell, at public or private sale, to any purchaser,  
16 including the Federal National Mortgage Association, all or any part of  
17 a mortgage or other instrument or document securing a construction,  
18 land development, mortgage or temporary loan of any type permitted by  
19 this chapter;

20 (9) purchase, in order to meet the requirements of the sale  
21 of its mortgages to the Federal National Mortgage Association, stock  
22 of the Federal National Mortgage Association;

23 (10) procure insurance against any loss in connection with  
24 its operation;

25 (11) consent to the modification of the rate of interest,  
26 time of payment of any installment of principal or interest, or any  
27 other terms, of the mortgage loan, mortgage loan commitment, construc-  
28 tion loan, temporary loan, contract or agreement of any kind to which  
29 the corporation is a party;

1 (12) borrow money as herein provided to carry out and  
2 effectuate its corporate purposes; and issue its obligations as  
3 evidence of any such borrowing;

4 (13) include in any borrowing the amounts necessary to pay  
5 financing charges, interest on the obligations for a period not  
6 exceeding one year after the date on which the corporation estimates  
7 funds will otherwise be available to pay the interest, consultant,  
8 advisory and legal fees and such other expenses as are necessary or  
9 incident to this borrowing;

10 (14) make and publish rules and regulations respecting its  
11 lending programs and such other rules and regulations as are necessary  
12 to effectuate its purposes;

13 (15) provide technical and advisory services to sponsors,  
14 builders and developers of residential housing and to residents of it;

15 (16) promote research and development in scientific methods  
16 of constructing low-cost residential housing of high durability;

17 (17) make and execute agreements, contracts and other  
18 instruments necessary or convenient in the exercise of the powers and  
19 functions of the corporation under this chapter, including contracts  
20 with any person, firm, corporation, governmental agency or other  
21 entity;

22 (18) receive, administer and comply with the conditions and  
23 requirements respecting any appropriation or gift, grant or donation  
24 of property or money;

25 (19) sue and be sued in its own name;

26 (20) adopt an official seal;

27 (21) adopt bylaws for the regulation of its affairs and the  
28 conduct of its business and prescribe rules, regulations and policies  
29 in connection with the performance of its functions and duties;

1 (22) employ fiscal consultants, engineers, attorneys, real  
2 estate counselors, appraisers and such other consultants and employees  
3 as may be required in the judgment of the corporation, and fix and pay  
4 their compensation from funds available to the corporation; and

5 (23) do all acts and things necessary, convenient or desir-  
6 able to carry out the powers expressly granted or necessarily implied  
7 in this chapter.

8 \* Sec. 3. AS 18.56.100(b)(2) is amended to read:

9 (2) provide to persons of lower and medium income who are  
10 applying for mortgages, the amounts required to make down payments  
11 and pay closing costs and to housing owners the amounts applied for  
12 partial rental payments and mortgage interest payments under sec. 90(4)  
13 of the chapter; or

14 \* Sec. 4. AS 18.56.210(8) is amended to read:

15 (8) "land development" means the process of acquiring land  
16 primarily for residential housing construction for persons of lower  
17 and medium income and making, installing or constructing nonresidential  
18 housing improvements, including water, sewer and other utilities,  
19 roads, streets, curbs, gutters, sidewalks, storm drainage facilities  
20 and other installations or works, whether on or off the site, which  
21 the corporation considers necessary or desirable to prepare the land  
22 primarily for residential housing construction;

23 \* Sec. 5. AS 18.56.210(10) is amended to read:

24 (10) "persons of lower and medium income" means persons  
25 considered by the corporation to require assistance available under  
26 this chapter on account of insufficient personal or family income,  
27 taking into consideration, without limitation, such factors as

28 (A) the amount of the total income of the persons  
29 available for housing needs;

1 (B) the size of the family;

2 (C) the cost and condition of housing facilities  
3 available;

4 (D) standards established for various federal programs  
5 determining eligibility based on income of the persons; and

6 (E) the ability of the persons to compete successfully  
7 in the normal housing market and to pay the amounts at which  
8 private enterprise is providing decent, safe and sanitary housing;  
9 and

10 \* Sec. 6. AS 18.56.210(11) is amended to read:

11 (11) "residential housing" means a specific work or  
12 improvement undertaken primarily to provide dwelling accommodations with-  
13 out limitation as to form of lawful occupancy, whether rental, under  
14 contract, fee ownership, cooperative housing, condominium or other  
15 lawful forms of ownership, for persons of lower and medium income,  
16 including the acquisition, construction or rehabilitation of land,  
17 buildings and improvements thereto, and such other nonhousing facili-  
18 ties as may be incidental or appurtenant thereto.

19 \* Sec. 7. This Act takes effect on the day after its passage and  
20 approval or on the day it becomes law without approval.  
21  
22  
23  
24  
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29

Original sponsor: Fischer

IN THE HOUSE

BY THE FINANCE COMMITTEE

RECOMMENDED AMENDMENTS TO CSBE 547

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act to provide financing and development of housing for persons of moderate incomes; and providing for an effective date."

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

\* Section 1. AS 18.56.010 is amended to read:

Sec. 18.56.010. FINDINGS AND PURPOSE. (a) There exists within the state a serious shortage of decent, safe and sanitary residential housing available at low or moderate prices or rentals to persons of lower and moderate income. There also exist within the state remote, underdeveloped or blighted areas where the development of decent, safe and sanitary housing is necessary to economic growth. These conditions are (THIS SHORTAGE IS) inimical to the safety, health, welfare and prosperity of the residents of the state and to the sound growth of urban and rural communities.

(b) The legislature finds and declares that private enterprise has not been able to provide, without assistance, an adequate supply of safe and sanitary homes at prices or rents which persons of lower and moderate income can afford, or to achieve rehabilitation of much of the present housing for persons of lower and moderate income, or to provide without assistance the housing necessary to promote the economic growth of remote, underdeveloped or blighted areas, and that existing state and federal programs are inadequate to meet housing needs of persons of lower and moderate income or of remote, underdeveloped or blighted areas. It is imperative that the supply of housing for persons of lower and moderate income and the housing necessary to promote the economic growth of remote, underdeveloped or blighted areas be increased and that coordination and cooperation among private enterprise, state and local government be encouraged to sponsor, build and rehabilitate residential

housing for these person.

(c) The legislature finds and declares further that, in accomplishing this purpose, the creation of the Alaska Housing Finance Corporation is essential to assist in the acquisition and development of land and the construction, rehabilitation, financing, management, maintenance, sale and rental of dwelling units for persons of lower and moderate income or persons in remote, underdeveloped or blighted areas and that these activities serve a public purpose in benefiting the people of the state. The Alaska Housing Finance Corporation is empowered to act on behalf of the state and its people in serving this public purpose for the benefit of

\* Sec. 2. AS 18.56 is amended by adding a new section to read:

Sec. 18.56.085. INVESTMENT OF STATE SURPLUS. Notwithstanding other provision of law, when the commissioner of revenue determines that there is in the state treasury a surplus above an amount sufficient to meet current cash expenditure needs, the surplus may be invested, in addition to the investments permitted by AS 37.10.070(a), in residential mortgages owned by the corporation and secured by real estate within the state, which investments shall be subject to the terms and conditions that the corporation and the commissioner of revenue may provide in any contract of sale. Investments allowed by this section shall be made as provided for other investments of the state money under AS 37.10.070(a), (f), (g), and (i). The terms and conditions of any contract of sale authorized to be made under this section may include but are not limited to:

- (1) the investment by the state in specified or determinable amount of mortgages;
- (2) the existence of a prior lien on and pledge of the mortgages invested in by the state;
- (3) provisions relating to the subordination of the state's interest in and application of annual payments of principal and interest or the proceeds of a permitted sale of, or insurance or prepayments on, the mortgages and;
- (4) the right of the corporation to repurchase the mortgages;

at a predetermined price.

\* Sec. 3. AS 18.56.090 is amended to read:

Sec. 18.56.090. GENERAL POWERS. In addition to other powers granted in this chapter, the corporation may, for the purpose of providing housing for persons of lower and moderate income or persons located in remote, underdeveloped or blighted areas of the state

(1) make or participate in the making of construction loans to sponsors, developers and builders of land development or residential housing, if the corporation determines that construction loans are not otherwise available, wholly or in part, from private lenders upon reasonably equivalent terms and conditions;

(2) make or participate in the making of mortgage loans to sponsors, developers, builders and purchasers of residential housing, if the corporation determines that mortgage loans are not otherwise available, wholly or in part, from private lenders upon reasonably equivalent terms and conditions;

(3) purchase or participate in the purchase of mortgage loans to sponsors, developers, builders, owners and purchasers of residential housing, if the corporation (a) has given approval prior to the initial making of such loan and has determined that mortgage loans were, at the time of such approval or determination, not otherwise available wholly or in part, from private lenders upon reasonably equivalent terms and conditions, or (b) has determined that such purchase or participation will result in additional residential housing, taking into account without limitation such factors as reinvestment of the proceeds of such sale in additional mortgage loans, increased availability of mortgage loans insured by the federal government, its agencies or departments, the reduction, if any, of interest payments to be made with respect to mortgage loans, or such other factors as will tend to increase or improve the supply of residential housing within the state.

(4) make partial rental payments and mortgage interest payments under a contract with any housing owner if the payments will be applied to decrease rental or mortgage interest charges of persons of lower and moderate income or owners or purchasers of residential

1 housing in remote, underdeveloped or blighted areas of the state;

2 (5) make loans from the housing development fund;

3 (6) collect and pay reasonable fees and charges in connec-  
4 tion with making, purchasing and servicing its loans, notes, bonds,  
5 commitments and other evidences of indebtedness;

6 (7) acquire real property, or any interest in real property,  
7 in its own name, by purchase, transfer or foreclosure, when acquisition  
8 is necessary or appropriate to protect any loan in which the corpora-  
9 tion has an interest; sell, transfer and convey any such property to a  
0 buyer; and, if the sale, transfer or conveyance cannot be effected  
1 with reasonable promptness or at a reasonable price, rent or lease the  
2 property to a tenant pending the sale, transfer or conveyance;

3 (8) sell, at public or private sale, to any purchaser,  
4 including the Federal National Mortgage Association, all or any part of  
5 a mortgage or other instrument or document securing a construction,  
6 land development, mortgage or temporary loan of any type permitted by  
7 this chapter;

8 (9) purchase, in order to meet the requirements of the sale  
9 of its mortgages to the Federal National Mortgage Association, stock  
0 of the Federal National Mortgage Association;

1 (10) procure insurance against any loss in connection with  
2 its operation;

3 (11) consent to the modification of the rate of interest,  
4 time of payment of any installment of principal or interest, or any  
5 other terms, of the mortgage loan, mortgage loan commitment, construc-  
6 tion loan, temporary loan, contract or agreement of any kind to which  
7 the corporation is a party;

8 (12) borrow money as herein provided to carry out and  
9 effectuate its corporate purposes; and issue its obligations as

1 evidence of any such borrowing;

2 (13) include in any borrowing the amounts necessary to pay  
3 financing charges, interest on the obligations for a period not  
4 exceeding one year after the date on which the corporation estimates  
5 funds will otherwise be available to pay the interest, consultant,  
6 advisory and legal fees and such other expenses as are necessary or  
7 incident to this borrowing;

8 (14) make and publish rules and regulations respecting its  
9 lending programs and such other rules and regulations as are necessary  
0 to effectuate its purposes;

1 (15) provide technical and advisory services to sponsors,  
2 builders and developers of residential housing and to residents of it;

3 (16) promote research and development in scientific methods  
4 of constructing low-cost residential housing of high durability;

5 (17) make and execute agreements, contracts and other  
6 instruments necessary or convenient in the exercise of the powers and  
7 functions of the corporation under this chapter, including contracts  
8 with any person, firm, corporation, governmental agency or other  
9 entity;

10 (18) receive, administer and comply with the conditions and  
11 requirements respecting any appropriation or gift, grant or donation  
12 of property or money;

13 (19) sue and be sued in its own name;

14 (20) adopt an official seal;

15 (21) adopt bylaws for the regulation of its affairs and the  
16 conduct of its business and prescribe rules, regulations and policies  
17 in connection with the performance of its functions and duties;

18 (22) employ fiscal consultants, engineers, attorneys, real  
19 estate counselors, appraisers and such other consultants and employees

as may be required in the judgment of the corporation, and fix and pay their compensation from funds available to the corporation: [AND]

(23) do all acts and things necessary, convenient or desirable to carry out the powers expressly granted or necessarily implied in this chapter;

(24) invest or reinvest, subject to its contracts with noteholders and bondholders, any money or funds held by the corporation in any obligations or other securities or investments in which banks or trust companies in the state may legally invest funds held in reserves or sinking funds or any funds not required for immediate disbursement, and in certificates of deposit or time deposits secured by obligations of, or guaranteed by, the state or the United States of America.

\* Sec. 4. AS 18.56.200(b)(2) is amended to read:

(2) provide to persons of lower and moderate income who are applying for mortgages, the amounts required to make down payments and pay closing costs and to housing owners the amounts applied for partial rental payments and mortgage interest payments under sec. 90(4) of this chapter; or

\* Sec. 5. AS 18.56.210(3) is amended to read:

(3) "development costs" means the costs approved by the corporation as appropriate expenditures which may be incurred by sponsors, builders and developers of residential housing, before commitment and initial advance of the proceeds of a construction loan or of a mortgage loan, including but not limited to

(A) payments for options to purchase properties on the proposed residential housing site, deposits on contracts of purchase, or, with prior approval of the corporation, payments for the purchase of the properties;

(B) legal and organizational expenses, including payments of attorneys' fees, project manager, clerical and other staff salaries, office rent and other incidental expenses;

(C) payment of fees for preliminary feasibility studies and advances for planning, engineering and architectural work;

(D) expenses for tenant surveys and market analyses; and

(E) necessary application and other fees;

\* Sec. 6. AS 18.56.210(7) is amended to read:

(7) "mortgage" or "mortgage loan" means a mortgage loan for residential housing insured or guaranteed by the United States or an instrumentality thereof or for which there is a commitment by the United States or an instrumentality thereof to insure or guarantee such a mortgage, or if not so insured or guaranteed or if there is no such commitment, which the corporation determines meets the conditions described in sec. 100(k) of this chapter or which shall be secured upon such terms and conditions as the corporation considers necessary or practicable to insure all repayments [FOR A LOAN FROM THE HOUSING DEVELOPMENT FUND];

\* Sec. 7. AS 18.56.210(8) is amended to read:

(8) "land development" means the process of acquiring land primarily for residential housing construction for persons of lower and moderate income and making, installing or constructing nonresidential housing improvements, including water, sewer and other utilities, roads, streets, curbs, gutters, sidewalks, storm drainage facilities and other installations or works, whether on or off the site, which the corporation considers necessary or desirable to prepare the land primarily for residential housing construction;

\* Sec. 8. AS 18.56.210(10) is amended to read:

1 (10) "persons of lower and moderate income" means a person or  
2 persons considered by the corporation to require assistance available  
3 under this chapter on account of insufficient or inadequate personal  
4 or family income or otherwise limited personal financial resources,  
5 taking into consideration, without limitation, such factors as

6 (A) the amount of the total income of the persons  
7 available for housing needs;

8 (B) the size of the family;

9 (C) the cost and condition of housing facilities  
0 available;

1 (D) standards established for various federal programs  
2 determining eligibility based on income of the persons; and

3 (E) the ability of the persons to compete successfully  
4 in the normal housing market and to pay the amounts at which  
5 private enterprise is providing decent, safe and sanitary housing;  
6 and

7 <sup>F</sup> Sec. 9. AS 18.56.210(11) is amended to read:

8 (11) "residential housing" means a specific work or improve-  
9 ment undertaken primarily to provide dwelling accommodations without  
0 limitation as to form of lawful occupancy, whether rental, under  
1 contract, fee ownership, cooperative housing, condominium or other law-  
2 ful forms of ownership, for persons of lower and moderate income, or  
3 in remote, underdeveloped or blighted areas, including the acquisition,  
4 construction or rehabilitation of land, buildings and improvements  
5 thereto, and such other nonhousing facilities as may be incidental or  
6 appurtenant thereto.

7 <sup>G</sup> Sec. 10. AS 18.56.210 is amended by adding a new paragraph to read:

8 (12) "remote, underdeveloped or blighted areas" means areas  
9 considered by the corporation to require assistance available under