

LEG. FINANCE - BILLS 1977 = 1978 612  
SSHJR 39 cont., thru HCR 45

ANALYSIS OF PERMANENT FUND - AT 25% CONTRIBUTION RATE  
(in millions of current dollars)

<u>ISCAL YEAR</u>	<u>TOTAL UNRESTRICTED GENERAL FUND REVENUE BEFORE CONTRIBUTION</u>	<u>TOTAL REVENUE SUBJECT TO PERMANENT FUND CONTRIBUTION</u>	<u>25% CONTRIBUTION TO PERMANENT FUND PER YEAR</u>	<u>PERMANENT FUND BALANCE</u>	<u>TOTAL UNRESTRICTED GENERAL FUND REVENUE AFTER CONTRIBUTION</u>	<u>TOTAL UNRESTRICTED GENERAL FUND EXPENDITURES + ALASKA NLC</u>	<u>GENERAL FUND SURPLUS (DEFICIT)</u>	<u>GENERAL FUND BALANCE</u>
FY75	333.4	---	---	---	333.4	490.0	(156.6)	379.3
FY76	650.0	68.6	17.2	17.2	632.8	626.4	6.4	385.7
FY77	728.7	63.5	15.9	33.1	712.8	705.9	6.9	392.6
FY78	986.4	688.7	172.2	205.3	814.2	871.6	(57.4)	335.2
FY79	1181.5	874.3	218.6	423.9	962.9	990.8	(27.9)	307.3
FY80	1493.0	1198.9	299.8	723.7	1193.2	1124.6	68.6	375.9
FY81	1871.3	1374.9	343.7	1067.4	1527.6	1240.9	286.7	662.6
FY82	2111.7	1526.4	381.6	1449.0	1730.1	1259.8	470.3	1132.9
FY83	2403.8	1757.1	439.3	1888.3	1964.5	1300.0	664.5	1797.4
FY84	2651.7	1931.0	482.8	2371.1	2168.9	1400.0	768.9	2566.3
FY85	2819.8	2018.5	504.6	2875.7	2315.2	1500.0	815.2	3381.5

Original sponsor: Rules Committee by  
request of the Governor

Offered: 3/24/76  
Referred: Rules

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE JOINT RESOLUTION NO. 39 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the Alaska Con-  
6 stitution, establishing an Alaska Permanent  
7 Fund for certain proceeds derived from non-  
8 renewable resources.

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

10 \* Section 1. Article IX, Section 7, Constitution of the State of Alaska,  
11 is amended to read:

12 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or  
13 license shall not be dedicated to any special purpose, except as pro-  
14 vided in section 15 of this article or when required by the federal  
15 government for state participation in federal programs. This provision  
16 shall not prohibit the continuance of any dedication for special pur-  
17 poses existing upon the date of ratification of this constitution by the  
18 people of Alaska.

19 . \* Sec. 2. Article IX, Constitution of the State of Alaska, is amended by  
20 adding a new section to read:

21 SECTION 15. ALASKA PERMANENT FUND. At least twenty-five per cent  
22 of all mineral lease rentals, royalties, royalty sale proceeds, federal  
23 mineral revenue sharing payments, bonuses, and all mineral production  
24 taxes received by the state shall be placed in a permanent fund, the  
25 principal of which shall be used only for those income producing invest-  
26 ments specifically designated by law as eligible for permanent fund  
27 investments. The legislature may appropriate additional amounts to the  
28 permanent fund which shall become a part of the principal of the fund.  
29 All income from the permanent fund shall be deposited in the general

1 fund unless otherwise provided by law.

2 \* Sec. 3. The amendments proposed by this resolution shall be placed  
3 before the voters at the next general election in conformity with art. XIII,  
4 sec. 1, Constitution of the State of Alaska, and the election laws of the  
5 state.

6 \* Sec. 4. The amendments proposed by this resolution if adopted by the  
7 voters at the next general election shall become effective 90 days after the  
8 certification of the election returns by the lieutenant governor.

THE LEGISLATURE OF THE STATE OF ALASKA  
FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST  
 Bill No. SS House Joint Resolution 39 - Revised Fiscal Note  
 Title: Alaska Permanent Fund  
 Requested by: House Finance Committee Date: 12 March 1976  
 Return Date Requested: 16 March 1976  
 Agency: Div. of Legislative Finance Program: State Investment Advisory Committee

II. FISCAL DETAIL  
 Budget Request Unit(s) Affected: \_\_\_\_\_  
 A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES		75.0	-0-			
200 TRAVEL		10.0	-0-			
300 CONTRACTUAL		100.0	-0-			
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		185.0				

B. FUNDING: (Thousands of dollars)

GENERAL FUND		185.0	-0-			
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	2 / 1	/	/	/	/
MAN MONTHS (P./T.)	/	12 / 6	/	/	/	/

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

Personal services are for two full-time research assistants and one part-time secretary, to be selected by the legislative members of the State Investment Advisory Committee. The anticipated travel is chiefly between Juneau and Anchorage and for a planned meeting with officials of the Alberta Heritage Fund. The contractual sum is to retain consultants, to be selected by the full Committee, for specialized information and analysis of alternative goals and structuring for the Alaska Permanent Fund.

IV. ATTACHMENTS - Fiscal Note Comments, Department of Revenue  
 Permanent and General Fund Projections, Department of Revenue

V. DATE: 16 March 1976 PREPARED BY: Hugh Malone, Chairman  
House Finance Committee

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

January 15, 1976

HOUSE JOURNAL

January 15, 1976

The Honorable Mike Bradner  
Speaker of the House  
Alaska State Legislature  
Juneau, Alaska 99811

Dear Mr. Speaker:

In accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a sponsor substitute for House Joint Resolution 39, proposing an amendment to the Constitution of the State of Alaska establishing a permanent fund for mineral leasing revenues.

The resolution proposes a constitutional amendment establishing a constitutional permanent fund into which 10 percent of all mineral lease rentals, royalties, royalty sale proceeds, revenue sharing payments, bonuses, and mineral production taxes would automatically be dedicated. The resolution also provides that the legislature may appropriate additional amounts to the permanent fund.

With respect to mineral leasing, the dedication of revenues would be 10 percent of the amount of money initially received by the State. For example, 10 percent of the amount equivalent to the rentals, royalties, and bonuses which must be paid into the Alaska Native Fund would be dedicated to the permanent fund even though it must be paid into the Alaska Native Fund. Also an amount equivalent to the value of royalties taken in kind would not be dedicated, but 10 percent of the proceeds from the sale of royalty taken in kind would be dedicated to the fund. Also, revenue sharing payments which the State receives from federal mineral leasing would be dedicated.

With respect to taxes, 10 percent of all mineral production taxes would be dedicated to the permanent fund. This would include the State's oil and gas properties production tax under AS 43.55 (severance tax), the State's mining license tax under AS 43.65, and the State's oil and gas regulation and conservation tax under AS 43.57 (conservation tax). These taxes would be dedicated to the fund regardless of how they are amended or changed in the future. The fund would not include the oil and gas exploration, production and pipeline transportation property tax under AS 43.56 (20 mil property tax) or the oil and gas reserves ad valorem tax under AS 43.58 (reserve tax).

The amount to be dedicated would be based upon the gross amount of tax to be received by the State. For example, 10 percent of an amount equivalent to the tax revenue required to be paid into the Alaska Native Fund would be dedicated even though it must be paid into the fund. Also 10 percent of the amount of production taxes not received in cash by the State because of the application of reserve tax credit would be dedicated to the fund.

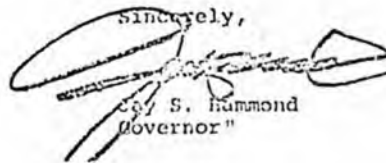
The principal of the fund would be used only for investment in income-producing investments which the legislature would establish and change to meet current investment needs of the State. The fund could not be used to fund the general operating expenditures or capital improvements of the

SS

HJH  
39

State. The principal of the fund could not finance capital expenditures either directly or be purchasing State obligations, but the fund could purchase obligations of separate State authorities. The income of the fund would be deposited into the general fund without any permanent fund restrictions.

I have introduced this resolution proposing a constitutional amendment because I believe strongly that the revenues from our non-renewable resources belong to future generations of Alaskans as well as ourselves. A permanent fund as I have proposed will set aside a modest portion of the proceeds from the exploitation of our non-renewable resources for investment in our future while leaving sufficient revenues for our present needs. I urge your immediate and favorable consideration of this proposed constitutional amendment so that it may be placed before the voters at the next general election.

Sincerely,  
  
 Roy S. Hammond  
 Governor

HJR HOUSE JOINT RESOLUTION NO. 48 by the Rules Committee by  
 48 request of the Governor

Proposing an amendment to the Alaska  
 Constitution relating to the right to  
 trial by jury

was introduced, read the first time and referred to the  
 Judiciary Committee.

HJR The following Governor's letter pertains to the above  
 48 resolution as well as HOUSE BILL NOS. 574 and 575.

HB  
 574  
 HB  
 575

January 15, 1976

The Honorable Mike Bradner  
 Speaker of the House  
 Alaska State Legislature  
 Juneau, Alaska 99811

Dear Mr. Speaker:

In accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a package of legislation recommended by the Medical Malpractice Insurance Commission. This package consists of two bills and one joint resolution which proposes a constitutional amendment. The longer of the two bills would take effect immediately, while the shorter (creating the Medical Injury Adjudication Board) would take effect upon the effective date of the constitutional amendment removing the jury trial requirement for medical malpractice cases.

# STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

POUCH K - STATE CAPITOL  
JUNEAU 99811

JAY S. HAMMOND, GOVERNOR

*Luce Malone*

January 3, 1976

## M E M O R A N D U M

TO: The Honorable Jay S. Hammond  
Governor

FROM: Avrum M. Gross *AMG*  
Attorney General

RE: Proposed joint resolution calling for a  
constitutional amendment establishing a  
permanent fund.

Attached is the proposed joint resolution calling for a constitutional amendment to establish a permanent fund to which mineral leasing revenues would be dedicated.

In contrast to HJR 39 which you introduced last year, the attached resolution would establish a constitutional permanent fund into which 10 percent of all mineral leasing revenue and mineral production taxes would automatically be dedicated without further legislative action. Last year's resolution would simply have given the legislature the authority to establish a permanent fund by law which could be changed or repealed by subsequent legislatures.

The revenues that would be dedicated include mineral leasing rentals, royalties and bonuses. Questions do arise, however, as to some special circumstances. For example, what is to occur when the state takes its royalty in kind? Should 10 percent of the proceeds from the sale of royalties taken in kind be dedicated to the fund? I have assumed that this would be the case and have included language in the draft transmittal letter to clarify our intent in this respect.

Also, what is to occur if the state changes its leasing policy from the traditional bonus bidding with a 1/8 or 1/6 royalty to a royalty bidding arrangement with a nominal cash bonus with the state instead receiving a larger royalty share such as 50 percent? Again I have assumed that you have intended that a full 10% of this larger royalty

The Honorable Jay S. Hammond  
Governor

January 3, 1976

- 2 -

share would be dedicated to the fund, and I have included language in the transmittal letter to state your position on this.

Also, what is to occur with respect to the revenue sharing which the state receives from federal mineral leasing? If this revenue is to be included, we should add some appropriate language in the resolution and in the transmittal letter to accomplish it.

Other revenue that would be dedicated to the fund would include mineral production taxes. I have assumed that this would only include the state's oil and gas properties production tax ("severance tax"), the oil and gas conservation tax (conservation tax), and the mining license tax regardless what form they may take in the future. Taxes that have not been included are the oil and gas exploration, production and pipeline property tax (20-mil property tax) and the oil and gas reserves ad valorem tax (reserve tax). If it is intended that these taxes should also be dedicated then the resolution and draft transmittal letter should be changed accordingly.

A question can be raised as to what amount of tax should be dedicated. For example, what is to occur with respect to any production taxes which the state must transmit to the Native Fund? Should 10 percent of taxes which the state receives and then transmits to the Native Fund be dedicated? I have assumed not and have so stated in the draft transmittal letter.

Also, what is to occur with respect to the production taxes which the state does not receive in cash but in effect receives through the application of accumulated "reserve tax" credits? For example, a taxpayer having a production tax liability of \$100,000 may credit his accumulated reserve tax against the production tax up to \$50,000 and only pay the remaining amount. Again, I have assumed that the production tax paid by the reserve tax credit would not be dedicated. If it is intended that more than just the net amount of cash tax revenue received by the state should be dedicated, then some additional changes should be made to the transmittal letter.

The resolution specifies that the fund will be used for investment only, with the legislature specifying the types of investment. A question has arisen whether the

The Honorable Jay S. Hammond  
Governor

January 3, 1976

- 3 -

fund should be used to purchase obligations financing capital expenditures. For example, may the fund be used to purchase bonds issued to finance relocation of the capital? I have assumed this was not intended and have so stated in the transmittal letter.

If you wish to acknowledge, or go to the extent of withdrawing, the currently pending HJR 39, you may wish to add a comment on it in the transmittal letter to the legislature.

AMG:md:JRM

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99801

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 15, 1976

SUBJECT: SSHJR 39 and amendments proposed by the House  
Finance Committee

TO: Representative Gardiner, Chairman  
House Judiciary Committee

FROM: Randolph Berry *RB*  
Revisor of Statutes

I have examined the amendments proposed by the House Finance Committee to SSHJR 39 and do not find any problems or internal inconsistencies created by those amendments. I would, however, recommend that for grammatical clarity and to conform to the cross-citation form used elsewhere in the constitution, the amendment to the constitution made by sec. 1 of the resolution be worded in the following manner:

SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or license shall not be dedicated to any special purpose, except as provided in section 15 of this article or when required by the federal government for state participation in federal programs. This provision shall not prohibit the continuance of any dedication for special purposes existing upon the date of ratification of this constitution by the people of Alaska.

RB/sm

Before the House Judiciary Committee  
Regarding: HJR 39 Exception for Dedication of Revenues  
Constitutional Amendment for a "permanent fund"

Testimony by Norman Bailey of Anchorage, Alaska - March 15, 1976

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

As the permanent fund concept is before you for passage during this Legislature we cannot stress its importance to the State, and to the future of its citizens, enough.

Alaska is to be the recipient of an additional one billion dollars each year (if tax laws remain unchanged). As oil begins to flow in 1978 and continues on for nearly 20 years, we will be awash in "petro-dollars".

Prudence dictates that we begin now to set up a mechanism for the management of these monies we will receive from the sale of one of our non-renewable resources.

The permanent fund, or placement of a certain percentage, is a fund to preserve the money while it waits to be placed in the State economy to help that economy be more self-reliant. In the past we have seen the negative results of economic exploitation.

The gold industry, once the most influential in Alaska, now presents only closed up mines, ghost towns, and old cabins as evidence of the period. The wealth left Alaska to New York, Seattle, San Francisco, Chicago, and elsewhere. It did Alaskans little good and left no economic benefit for Alaskans of today.

The fishing industry, once strong and thriving, has been exploited nearly beyond recovery. For the most part the wealth has left Alaska. The canneries are owned, still today, almost all by outside interests. The wealth from exploiting that resource has been of little benefit to Alaskans.

The story line is almost the same in each industry. The permanent fund can alter that line. It can allow Alaska the ability to exercise a greater degree of control than ever before over its economic and financial destiny.

Through no acts of our own, we are heir to the benefits of this <sup>ONCE</sup> ~~once~~ occurring treasure. It is doubtful that another Prudhoe Bay will come Alaska's way. It is the obligation and duty of the members of this Legislature to offer all Alaskans the opportunity to decide - since this time they have a chance - what they think the policy of the State ought to be with regard to the preservation of our oil wealth.

I urge you pass HJR 39 out of Committee and give it early attention on the floor.

*Norman Bailey*

# STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

*Hugh Malone*

JAY S. HAMMOND, GOVERNOR

POUCH K - STATE CAPITOL  
JUNEAU 99511

January 3, 1976

## M E M O R A N D U M

TO: The Honorable Jay S. Hammond  
Governor

FROM: Avrum M. Gross *by LAG*  
Attorney General

RE: Proposed joint resolution calling for a  
constitutional amendment establishing a  
permanent fund.

Attached is the proposed joint resolution calling for a constitutional amendment to establish a permanent fund to which mineral leasing revenues would be dedicated.

In contrast to HJR 39 which you introduced last year, the attached resolution would establish a constitutional permanent fund into which 10 percent of all mineral leasing revenue and mineral production taxes would automatically be dedicated without further legislative action. Last year's resolution would simply have given the legislature the authority to establish a permanent fund by law which could be changed or repealed by subsequent legislatures.

The revenues that would be dedicated include mineral leasing rentals, royalties and bonuses. Questions do arise, however, as to some special circumstances. For example, what is to occur when the state takes its royalty in kind? Should 10 percent of the proceeds from the sale of royalties taken in kind be dedicated to the fund? I have assumed that this would be the case and have included language in the draft transmittal letter to clarify our intent in this respect.

Also, what is to occur if the state changes its leasing policy from the traditional bonus bidding with a 1/8 or 1/6 royalty to a royalty bidding arrangement with a nominal cash bonus with the state instead receiving a larger royalty share such as 50 percent? Again I have assumed that you have intended that a full 10% of this larger royalty

The Honorable Jay S. Hammond  
Governor

January 3, 1976

- 2 -

share would be dedicated to the fund, and I have included language in the transmittal letter to state your position on this.

Also, what is to occur with respect to the revenue sharing which the state receives from federal mineral leasing? If this revenue is to be included, we should add some appropriate language in the resolution and in the transmittal letter to accomplish it.

Other revenue that would be dedicated to the fund would include mineral production taxes. I have assumed that this would only include the state's oil and gas properties production tax ("severance tax"), the oil and gas conservation tax (conservation tax), and the mining license tax regardless what form they may take in the future. Taxes that have not been included are the oil and gas exploration, production and pipeline property tax (20-mil property tax) and the oil and gas reserves ad valorem tax (reserve tax). If it is intended that these taxes should also be dedicated then the resolution and draft transmittal letter should be changed accordingly.

A question can be raised as to what amount of tax should be dedicated. For example, what is to occur with respect to any production taxes which the state must transmit to the Native Fund? Should 10 percent of taxes which the state receives and then transmits to the Native Fund be dedicated? I have assumed not and have so stated in the draft transmittal letter.

Also, what is to occur with respect to the production taxes which the state does not receive in cash but in effect receives through the application of accumulated "reserve tax" credits? For example, a taxpayer having a production tax liability of \$100,000 may credit his accumulated reserve tax against the production tax up to \$50,000 and only pay the remaining amount. Again, I have assumed that the production tax paid by the reserve tax credit would not be dedicated. If it is intended that more than just the net amount of cash tax revenue received by the state should be dedicated, then some additional changes should be made to the transmittal letter.

The resolution specifies that the fund will be used for investment only, with the legislature specifying the types of investment. A question has arisen whether the

The Honorable Jay S. Hammond  
Governor

January 2, 1976

- 3 -

fund should be used to purchase obligations financing capital expenditures. For example, may the fund be used to purchase bonds issued to finance relocation of the capital? I have assumed this was not intended and have so stated in the transmittal letter.

If you wish to acknowledge, or go to the extent of withdrawing, the currently pending HJR 39, you may wish to add a comment on it in the transmittal letter to the legislature.

AMG:md:JRM

JAY S. HAMMOND  
GOVERNOR



MAR 09 1976

HJR-39

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

March 8, 1976

The Honorable Hugh Malone  
Chairman  
House Finance Committee  
Alaska State Legislature  
Juneau, Alaska 99811

Dear Mr. Chairman:

I recently evaluated information which enables me to make a recommendation on a percentage amount I consider appropriate to devote to the Permanent Fund. The figure I suggest is 25 per cent of nonrenewable resource revenues as described in Section 15 of the Sponsor Substitute for House Joint Resolution Number 39. At this juncture it should be noted that this figure is based on the most conservative case for revenue projections. This excludes future development of new oil, gas, and mineral discoveries.

I recommend this figure for the following reasons:

1. It allows flexibility in terms of State expenditure levels for the years ahead. The budget can be varied to adequately take care of the needs of Alaska.
2. It provides sufficient funding for major projects the State might wish to undertake.
3. It promotes the goal of economic diversification. The diversification of the economy would foster a broader tax base. The State's financial viability would be much improved.
4. It insures that future generations would benefit from the expected revenue situation.

My analysis is enclosed for your review.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jay S. Hammond", written over a circular stamp or seal.

Jay S. Hammond  
Governor

Enclosure

cc: The Honorable Chancy Croft  
President of the Senate

The Honorable Mike Bradner  
Speaker of the House



# 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

2/8/90  
Date

# COMMITTEE REPORT

## SENATE

3241384

\* 5/21/76

Date

5/26/76

Mr. President:

The Committee on Finance has had CS 95 HJR 99 am  
amending Alaska Constitution, establishing Alaska Permanent Fund  
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
- AND attaches a report of its intent
- (other) \_\_\_\_\_

MEMBERS SIGNING THE MAJORITY REPORT:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

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

\_\_\_\_\_  
Chairman

THE LEGISLATURE OF THE STATE OF ALASKA  
FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

Bill No. CSSS HJR No. 39 am  
 Title: Permanent Fund Resolution  
 Requested by: Senate Resources Date: March 30, 1976  
 Return Date Requested: \_\_\_\_\_  
 Agency: Department of Revenue Program: State Investment Advisory  
 Committee

II. FISCAL DETAIL

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

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES		75.0				
200 TRAVEL		10.0				
300 CONTRACTUAL		100.0				
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>	<b>-0-</b>	<b>185.0</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>

The sum of \$185.0 is to be effective on the day after passage of this resolution.

B. FUNDING: (Thousands of dollars)

GENERAL FUND	-0-	185.0	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	2/ 1	/	/	/	/
MAN MONTHS (P./T.)	/	12/ 6	/	/	/	/

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

See Attached

IV. ATTACHMENTS

Fiscal Note Comments; Department of Revenue Permanent and General Fund Projections; Prior Fiscal Notes

V. DATE: 2 April 76 PREPARED BY: [Signature]

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

### III. FISCAL NOTE ANALYSIS

This Fiscal Note displays the personal services and contractual research expenses to prepare bills for introduction to the next legislature that would implement the permanent fund. It incorporates the improvements contained in prior fiscal notes. It does not describe the longer term revenue impact of a permanent fund.

Personal services are for the two full-time research assistants and one part-time secretary to be selected by the legislative members of the State Investment Advisory Committee. The anticipated travel is chiefly between Juneau and Anchorage and for a planned meeting with officials of the Alberta Heritage Fund.

The contractual sum is to retain consultants, to be selected by the full Committee, for specialized information and analysis of alternative goals and structuring for the Alaska Permanent Fund. Areas for research are described in an attached memorandum.

ANALYSIS OF PERMANENT FUND - AT 25% CONTRIBUTION RATE  
(in millions of current dollars)

<u>FISCAL YEAR</u>	<u>TOTAL UNRESTRICTED GENERAL FUND REVENUE BEFORE 1) CONTRIBUTION</u>	<u>TOTAL REVENUE SUBJECT TO PERMANENT FUND 2) CONTRIBUTION</u>	<u>25% CONTRIBUTION TO PERMANENT FUND PER YEAR</u>	<u>PERMANENT FUND BALANCE</u>	<u>TOTAL UNRESTRICTED GENERAL FUND REVENUE AFTER CONTRIBUTION</u>	<u>TOTAL UNRESTRICTED GENERAL FUND EXPENDITURES + ALASKA NLC</u>	<u>GENERAL FUND SURPLUS (DEFICIT)</u>	<u>GENERAL FUND BALANCE</u>
FY75	333.4	---	---	---	333.4	490.0	(156.6)	379.3
FY76	650.0	41.6	10.4	10.4	639.6	626.4	13.2	392.5
FY77	729.3	38.8	9.7	20.1	719.6	705.9	13.7	406.2
FY78	986.6	448.2	112.1	132.2	874.5	871.6	2.9	409.1
FY79	1179.1	568.2	142.1	274.3	1037.0	990.8	46.2	455.3
FY80	1487.6	780.0	195.0	469.3	1292.6	1124.6	168.0	623.3
FY81	1880.8	881.4	220.4	689.7	1660.4	1240.9	419.5	1042.8
FY82	2121.7	1001.0	250.3	940.0	1871.4	1259.8	611.6	1654.4
FY83	2414.0	1172.0	293.0	1233.0	2121.0	1300.0	821.0	2475.4
FY84	2661.7	1269.5	317.4	1550.4	2344.3	1400.0	944.3	3419.7
FY85	2829.8	1334.3	333.6	1884.0	2496.2	1500.0	996.2	4415.9

- ASSUMPTIONS:
- 1) Property Tax (20 mill) due date is moved up from Sept. 15th to June 15th starting FY76. Permanent Fund earns 6% on previous years balance which is deposited in General Fund.  
General Fund also earns 6% on previous years balance.
  - 2) Revenue subject to Permanent Fund would be Bonus Sales, Federal Shared Oil and Gas Revenues. Total Oil and Gas Royalties - before Alaska NLC contribution is made.



### III. FISCAL NOTE ANALYSIS

This Fiscal Note displays the personal services and contractual research expenses to prepare bills for introduction to the next legislature that would implement the permanent fund. It incorporates the improvements contained in prior fiscal notes. It does not describe the longer term revenue impact of a permanent fund.

Personal services are for the two full-time research assistants and one part-time secretary to be selected by the legislative members of the State Investment Advisory Committee. The anticipated travel is chiefly between Juneau and Anchorage and for a planned meeting with officials of the Alberta Heritage Fund.

The contractual sum is to retain consultants, to be selected by the full Committee, for specialized information and analysis of alternative goals and structuring for the Alaska Permanent Fund. Areas for research are described in an attached memorandum.

ANALYSIS OF PERMANENT FUND - AT 25% CONTRIBUTION RATE  
(in millions of current dollars)

FINANCIAL YEAR	UNRESTRICTED GENERAL FUND REVENUE LESS (EXCESS 1) CONTRIBUTION	TOTAL REVENUE SUBJECT TO PERMANENT FUND (2) CONTRIBUTION	25% CONTRIBUTION TO PERMANENT FUND PER YEAR	PERMANENT FUND BALANCE	TOTAL UNRESTRICTED GENERAL FUND REVENUE AFTER CONTRIBUTION	TOTAL UNRESTRICTED GENERAL FUND EXPENDITURES + ALASKA NLC	GENERAL FUND SURPLUS (DEFICIT)	GENERAL FUND BALANCE
1975	412.4	---	---	---	533.4	480.0	(135.0)	375.0
1976	510.0	41.6	10.4	10.4	639.6	625.4	13.2	390.0
1977	729.3	38.2	9.7	20.1	719.6	705.9	13.7	407.2
1978	880.6	446.2	112.1	132.2	874.5	871.0	2.9	409.1
1979	1179.1	598.2	142.1	274.3	1037.0	990.8	46.2	455.3
1980	1457.6	740.0	195.0	469.3	1232.6	1124.2	108.0	563.3
1981	1710.3	841.4	220.4	689.7	1480.4	1240.3	419.5	1082.8
1982	2121.7	1001.0	250.3	940.0	1871.4	1258.6	611.6	1694.4
1983	2414.0	1172.0	293.0	1233.0	2121.0	1300.0	921.0	2475.4
1984	2861.7	1389.5	317.4	1550.4	2344.3	1400.0	944.3	3419.7
1985	2929.8	1334.3	333.6	1884.0	2496.2	1500.0	996.2	4415.9

ASSUMPTIONS:

- 1) Property Tax (20 mill) due date is moved up from Sept. 15th to June 15th starting FY78. Permanent Fund earns 6% on previous years balance which is deposited in General Fund. General Fund also earns 6% on previous years balance.
- 2) Revenue subject to Permanent Fund would be Bonus Sales, Federal Shared Oil and Gas Revenues. Total Oil and Gas Royalties - before Alaska NLC contribution is made.



### III. FISCAL NOTE ANALYSIS

This Fiscal Note displays the personal services and contractual research expenses to prepare bills for introduction to the next legislature that would implement the permanent fund. It incorporates the improvements contained in prior fiscal notes. It does not describe the longer term revenue impact of a permanent fund.

Personal services are for the two full-time research assistants and one part-time secretary to be selected by the legislative members of the State Investment Advisory Committee. The anticipated travel is chiefly between Juneau and Anchorage and for a planned meeting with officials of the Alberta Heritage Fund.

The contractual sum is to retain consultants, to be selected by the full Committee, for specialized information and analysis of alternative goals and structuring for the Alaska Permanent Fund. Areas for research are described in an attached memorandum.

ANALYSIS OF PERMANENT FUND - AT 2% CONTRIBUTION RATE  
(in millions of current dollars)

FISCAL YEAR	UNRESTRICTED GENERAL FUND REVENUE BEFORE CONTRIBUTION	TOTAL REVENUE SUBJECT TO PERMANENT FUND (2% CONTRIBUTION)	2% CONTRIBUTION TO PERMANENT FUND PER YEAR	PERMANENT FUND BALANCE	TOTAL UNRESTRICTED GENERAL FUND REVENUE AFTER CONTRIBUTION	TOTAL UNRESTRICTED GENERAL FUND EXPENDITURES + ALASKA NLC	GENERAL FUND SURPLUS (DEFICIT)	GENERAL FUND BALANCE
FY75	343.1	---	---	---	333.4	480.0	(156.6)	376.8
FY76	650.0	41.5	10.4	10.4	639.6	626.4	13.2	390.0
FY77	733.3	33.3	7.7	20.1	719.6	705.9	13.7	403.7
FY78	946.6	446.2	112.1	132.2	874.5	871.6	2.9	406.6
FY79	1173.1	569.2	142.1	274.3	1037.0	930.3	46.2	452.8
FY 80	1437.3	718.0	195.0	469.3	1292.6	1114.6	158.0	610.8
FY81	1680.6	881.4	220.4	689.7	1660.4	1240.3	419.5	1030.3
FY82	2121.7	1001.0	250.3	940.0	1871.4	1259.6	611.6	1641.9
FY83	2424.0	1172.0	293.0	1233.0	2121.0	1300.0	821.0	2472.9
FY84	2661.7	1289.5	317.4	1550.4	2344.3	1400.0	944.3	3417.2
FY85	2823.8	1334.3	333.6	1884.0	2496.2	1500.0	996.2	4413.4

ASSUMPTIONS:

- 1) Property Tax (20 mill) due date is moved up from Sept. 15th to June 15th starting FY76. Permanent Fund earns 6% on previous years balance which is deposited in General Fund. General Fund also earns 6% on previous years balance.
- 2) Revenue subject to Permanent Fund would be Bonus Sales, Federal Shared Oil and Gas Revenues. Total Oil and Gas Royalties - before Alaska NLC contribution is made.

JAN 15 1976

SS NR 39

The Honorable Mike Bradner  
Speaker of the House  
Alaska State Legislature  
Juneau, Alaska 99811

Dear Mr. Speaker:

In accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a sponsor substitute for House Joint Resolution 39, proposing an amendment to the Constitution of the State of Alaska establishing a permanent fund for mineral leasing revenues.

The resolution proposes a constitutional amendment establishing a constitutional permanent fund into which 10 percent of all mineral lease rentals, royalties, royalty sale proceeds, revenue sharing payments, bonuses, and mineral production taxes would automatically be dedicated. The resolution also provides that the legislature may appropriate additional amounts to the permanent fund.

With respect to mineral leasing, the dedication of revenues would be 10 percent of the amount of money initially received by the State. For example, 10 percent of the amount equivalent to the rentals, royalties, and bonuses which must be paid into the Alaska Native Fund would be dedicated to the permanent fund even though it must be paid into the Alaska Native Fund. Also an amount equivalent to the value of royalties taken in kind would not be dedicated, but 10 percent of the proceeds from the sale of royalty taken in kind would be dedicated to the fund. Also, revenue sharing payments which the State receives from federal mineral leasing would be dedicated.

With respect to taxes, 10 percent of all mineral production taxes would be dedicated to the permanent fund. This would include the State's oil and gas properties production tax under AS 43.55 (severance tax), the State's mining license tax under AS 43.65, and the State's oil and gas regulation and conservation tax under AS 43.57 (conservation tax). These taxes would be dedicated to the fund regardless of how they are amended or changed in the future. The fund would not include the oil and gas exploration, production and pipeline transportation property tax under AS 43.56 (20 mil property tax) or the oil and gas reserves ad valorem tax under AS 43.58 (reserve tax).

The amount to be dedicated would be based upon the gross amount of tax to be received by the State. For example, 10 percent of an amount equivalent to the tax revenue required to be paid into the Alaska Native Fund would be dedicated even though it must be paid into the fund. Also 10 percent of the amount of production taxes not received in cash by the State because of the application of reserve tax credit would be dedicated to the fund.

The principal of the fund would be used only for investment in income-producing investments which the legislature would establish and change to meet current investment needs of the State. The fund could not be used to fund the general operating expenditures or capital improvements of the State. The principal of the fund could not finance capital expenditures either directly or be purchasing State obligations, but the fund could purchase obligations of separate State authorities. The income of the fund would be deposited into the general fund without any permanent fund restrictions.

I have introduced this resolution proposing a constitutional amendment because I believe strongly that the revenues from our non-renewable resources belong to future generations of Alaskans as well as ourselves. A permanent fund as I have proposed will set aside a modest portion of the proceeds from the exploitation of our non-renewable resources for investment in our future while leaving sufficient revenues for our present needs. I urge your immediate and favorable consideration of this proposed constitutional amendment so that it may be placed before the voters at the next general election.

Sincerely,

Jay S. Hammond  
Governor


## MEMORANDUM

TO:

Sterling Gallagher  
Commissioner  
Department of Revenue

DATE : January 12, 1976

FROM:

  
Lawrence C. Eppenbach  
Deputy Commissioner, Treasury  
Department of RevenueSUBJECT: Fiscal Note Comments -  
Permanent Fund Concept

The proposed Constitutional initiative would establish a permanent fund composed of 10 percent of all mineral lease revenue and production taxes received by the State. The amendment calls for the fund to be invested in income yielding projects and investments, with the income transferred to the general fund.

The amendment language is broad in nature and a comprehensive piece of enabling legislation will be required to make the concept work. Many topics will have to be addressed by this enabling legislation such as the investment objectives, the creation of development financing institutions, new loan programs, and even the organizational framework. To study these questions and to have draft legislation ready for introduction at the beginning of the 1977 session will require research to commence right away. In addition, since the success of this fund will hinge on the quality of management personnel work must also proceed in identifying and recruiting qualified managers.

This fiscal note assumes that the present State Investment Advisory Committee will research and draft this legislation and that it will be completed by January 15, 1977. This Committee is presently responsible for advising the Commissioner of Revenue with respect to investments and its membership (legislative, executive, and public) is broadly representative of Alaskan interests.

The State Investment Advisory Committee does not have a permanent staff; this fiscal note would provide funds for securing the necessary research capability. In addition, new members may be appointed to the Committee to enhance its ability to undertake this responsibility. Even though the approach taken ultimately will be up to the Committee, the following outline might represent a typical plan. It divides the work into four phases:

1. Preliminary/Conceptual Research: Typical assignments would include a study of the experience of similar funds in other states; a thorough cataloging of Alaska's renewable and non-renewable resources; an examination of the need for credit expansion in Alaska; the evaluation of present loan programs; the identification of alternative administrative frameworks for the fund; and background data gathering on the State's financial position.

2. Economic Research: Work in this area might consist of the classification of present and potential revenue sources into recurring and non-recurring components; the identification of possible recurring revenue increments related to development activity, and the identification of environmental costs associated with that activity. This should provide a ranking of potential economic projects with respect to long term net economic benefit to Alaskans. Careful coordination with the development plans of Native Regional and Village Corporations, State authorities, municipal, and private sector corporations will be required.

3. Financial Research: Here the detail work begins in identifying alternative investments that may qualify for permanent fund participation. Each project would have to be ranked according to its ability to stimulate net recurring revenue benefits to the entire State. Measurements of the impact of fund operation on State budget expenditures would also have to be made.

4. Legal Research: Reviews of legal investments, the legal status of investing in quasi-public institutions, and the actual writing of proposed legislation would logically fall into this category.

LCE:ge  
Enclosure



THE LEGISLATURE OF THE STATE OF ALASKA  
FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

~~XXXXXX~~ Joint Resolution - Permanent Fund

Title: \_\_\_\_\_  
Requested by: Governor Date: January 12, 1976  
Return Date Requested: \_\_\_\_\_  
Agency: Revenue Program: State Investment Advisory  
Committee

II. FISCAL DETAIL

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

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL		150,000				
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		150,000				

B. FUNDING: (Thousands of dollars)

GENERAL FUND		150,000				
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

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

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

This fiscal note displays the reasonable minimum in research expenses to draft bills for introduction in the 1977 legislative session to implement the permanent fund. It does not describe the longer term revenue impact of such a fund.

IV. ATTACHMENTS

*Lawrence C. Eppenbach*

V. DATE: January 12, 1976 PREPARED BY: (Lawrence C. Eppenbach)

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

JAN 15 1976

SS HJR 39

The Honorable Mike Bradner  
Speaker of the House  
Alaska State Legislature  
Juneau, Alaska 99811

Dear Mr. Speaker:

In accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a sponsor substitute for House Joint Resolution 39, proposing an amendment to the Constitution of the State of Alaska establishing a permanent fund for mineral leasing revenues.

The resolution proposes a constitutional amendment establishing a constitutional permanent fund into which 10 percent of all mineral lease rentals, royalties, royalty sale proceeds, revenue sharing payments, bonuses, and mineral production taxes would automatically be dedicated. The resolution also provides that the legislature may appropriate additional amounts to the permanent fund.

With respect to mineral leasing, the dedication of revenues would be 10 percent of the amount of money initially received by the State. For example, 10 percent of the amount equivalent to the rentals, royalties, and bonuses which must be paid into the Alaska Native Fund would be dedicated to the permanent fund even though it must be paid into the Alaska Native Fund. Also an amount equivalent to the value of royalties taken in kind would not be dedicated, but 10 percent of the proceeds from the sale of royalty taken in kind would be dedicated to the fund. Also, revenue sharing payments which the State receives from federal mineral leasing would be dedicated.

With respect to taxes, 10 percent of all mineral production taxes would be dedicated to the permanent fund. This would include the State's oil and gas properties production tax under AS 43.55 (severance tax), the State's mining license tax under AS 43.65, and the State's oil and gas regulation and conservation tax under AS 43.57 (conservation tax). These taxes would be dedicated to the fund regardless of how they are amended or changed in the future. The fund would not include the oil and gas exploration, production and pipeline transportation property tax under AS 43.56 (20 mil property tax) or the oil and gas reserves ad valorem tax under AS 43.58 (reserve tax).

The amount to be dedicated would be based upon the gross amount of tax to be received by the State. For example, 10 percent of an amount equivalent to the tax revenue required to be paid into the Alaska Native Fund would be dedicated even though it must be paid into the fund. Also 10 percent of the amount of production taxes not received in cash by the State because of the application of reserve tax credit would be dedicated to the fund.

The principal of the fund would be used only for investment in income-producing investments which the legislature would establish and change to meet current investment needs of the State. The fund could not be used to fund the general operating expenditures or capital improvements of the State. The principal of the fund could not finance capital expenditures either directly or be purchasing State obligations, but the fund could purchase obligations of separate State authorities. The income of the fund would be deposited into the general fund without any permanent fund restrictions.

I have introduced this resolution proposing a constitutional amendment because I believe strongly that the revenues from our non-renewable resources belong to future generations of Alaskans as well as ourselves. A permanent fund as I have proposed will set aside a modest portion of the proceeds from the exploitation of our non-renewable resources for investment in our future while leaving sufficient revenues for our present needs. I urge your immediate and favorable consideration of this proposed constitutional amendment so that it may be placed before the voters at the next general election.

Sincerely,

Jay S. Hammond  
Governor


## MEMORANDUM

TO:

Sterling Gallagher  
Commissioner  
Department of Revenue

DATE : January 12, 1976

FROM:

  
Lawrence C. Eppenbach  
Deputy Commissioner, Treasury  
Department of RevenueSUBJECT: Fiscal Note Comments -  
Permanent Fund Concept

The proposed Constitutional initiative would establish a permanent fund composed of 10 percent of all mineral lease revenue and production taxes received by the State. The amendment calls for the fund to be invested in income yielding projects and investments, with the income transferred to the general fund.

The amendment language is broad in nature and a comprehensive piece of enabling legislation will be required to make the concept work. Many topics will have to be addressed by this enabling legislation such as the investment objectives, the creation of development financing institutions, new loan programs, and even the organizational framework. To study these questions and to have draft legislation ready for introduction at the beginning of the 1977 session will require research to commence right away. In addition, since the success of this fund will hinge on the quality of management personnel work must also proceed in identifying and recruiting qualified managers.

This fiscal note assumes that the present State Investment Advisory Committee will research and draft this legislation and that it will be completed by January 15, 1977. This Committee is presently responsible for advising the Commissioner of Revenue with respect to investments and its membership (legislative, executive, and public) is broadly representative of Alaskan interests.

The State Investment Advisory Committee does not have a permanent staff; this fiscal note would provide funds for securing the necessary research capability. In addition, new members may be appointed to the Committee to enhance its ability to undertake this responsibility. Even though the approach taken ultimately will be up to the Committee, the following outline might represent a typical plan. It divides the work into four phases:

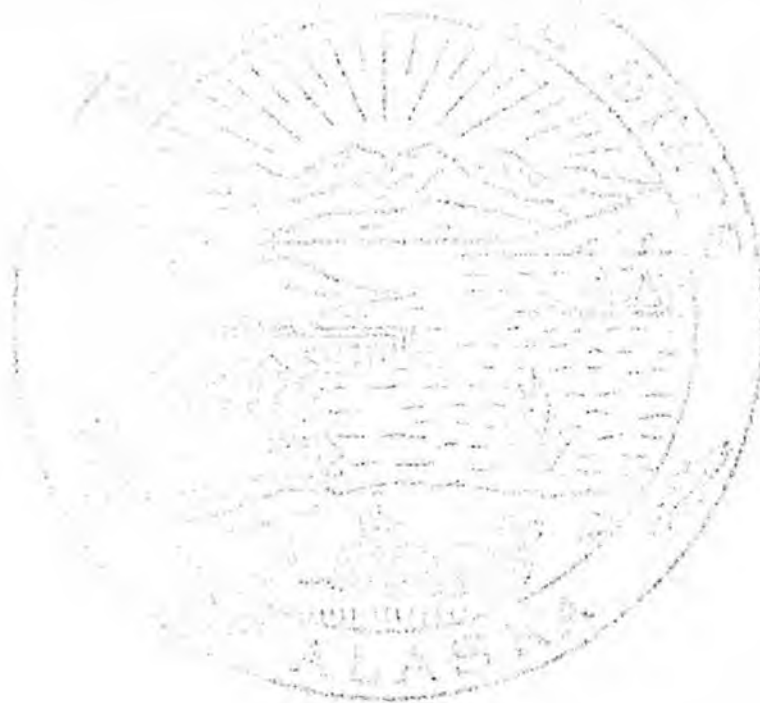
1. Preliminary/Conceptual Research: Typical assignments would include a study of the experience of similar funds in other states; a thorough cataloging of Alaska's renewable and non-renewable resources; an examination of the need for credit expansion in Alaska; the evaluation of present loan programs; the identification of alternative administrative frameworks for the fund; and background data gathering on the State's financial position.

2. Economic Research: Work in this area might consist of the classification of present and potential revenue sources into recurring and non-recurring components; the identification of possible recurring revenue increments related to development activity, and the identification of environmental costs associated with that activity. This should provide a ranking of potential economic projects with respect to long term net economic benefit to Alaskans. Careful coordination with the development plans of Native Regional and Village Corporations, State authorities, municipal, and private sector corporations will be required.

3. Financial Research: Here the detail work begins in identifying alternative investments that may qualify for permanent fund participation. Each project would have to be ranked according to its ability to stimulate net recurring revenue benefits to the entire State. Measurements of the impact of fund operation on State budget expenditures would also have to be made.

4. Legal Research: Reviews of legal investments, the legal status of investing in quasi-public institutions, and the actual writing of proposed legislation would logically fall into this category.

LCE:ge  
Enclosure



THE LEGISLATURE OF THE STATE OF ALASKA  
FISCAL NOTE  
 Second Session - Ninth Legislature

I. REQUEST

~~XXXXXXXX~~ Joint Resolution - Permanent Fund

Title: \_\_\_\_\_  
 Requested by: Governor Date: January 12, 1976  
 Return Date Requested: \_\_\_\_\_  
 Agency: Revenue Program: State Investment Advisory  
Committee

II. FISCAL DETAIL

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

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL		150,000				
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>		150,000				

B. FUNDING: (Thousands of dollars)

GENERAL FUND		150,000				
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

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

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

This fiscal note displays the reasonable minimum in research expenses to draft bills for introduction in the 1977 legislative session to implement the permanent fund. It does not describe the longer term revenue impact of such a fund.

IV. ATTACHMENTS

*Lawrence C. Eppenbach*

V. DATE: January 12, 1976 PREPARED BY: Lawrence C. Eppenbach

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

Original sponsor: Rules Committee by  
request of the Governor

Offered: 5/21/76  
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 SENATE CS FOR CS FOR SPONSOR SUBSTITUTE FOR HOUSE JOINT RESOLUTION NO. 39(Res)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the Alaska Con-  
6 stitution, establishing an Alaska Permanent  
7 Fund for certain proceeds derived from non-  
8 renewable resources.

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

10 \* Section 1. Article IX, Section 7, Constitution of the State of Alaska,  
11 is amended to read:

12 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or  
13 license shall not be dedicated to any special purpose, except as pro-  
14 vided in section 15 of this article or when required by the federal  
15 government for state participation in federal programs. This provision  
16 shall not prohibit the continuance of any dedication for special pur-  
17 poses existing upon the date of ratification of this constitution by the  
18 people of Alaska.

19 \* Sec. 2. Article IX, Constitution of the State of Alaska, is amended by  
20 adding a new section to read:

21 SECTION 15. ALASKA PERMANENT FUND. At least twenty-five per cent  
22 of all mineral lease rentals, royalties, royalty sale proceeds, federal  
23 mineral revenue sharing payments and bonuses received by the state shall  
24 be placed in a permanent fund, the principal of which shall be used only  
25 for those income producing investments specifically designated by law as  
26 eligible for permanent fund investments. The legislature may appropriate  
27 additional amounts to the permanent fund which shall become a part of  
28 the principal of the fund. All income from the permanent fund shall be  
29 deposited in the general fund unless otherwise provided by law.

1 \* Sec. 3. The amendments proposed by this resolution shall be placed  
2 before the voters at the next general election in conformity with art. XIII,  
3 sec. 1, Constitution of the State of Alaska, and the election laws of the  
4 state.

5 \* Sec. 4. The amendments proposed by this resolution if adopted by the  
6 voters at the next general election shall become effective 90 days after the  
7 certification of the election returns by the lieutenant governor.

8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29



1           ture, but revocation may not make the principal amount in the permanent  
2           fund subject to appropriation. Other income from the permanent fund  
3           shall be deposited in the general fund.

4           \* Sec. 3. The amendments proposed by this resolution shall be placed  
5           before the voters at the next general election in conformity with art. XIII,  
6           sec. 1, Constitution of the State of Alaska, and the election laws of the  
7           state.

8           \* Sec. 4. The amendments proposed by this resolution if adopted by the  
9           voters at the next general election shall become effective 90 days after the  
10          certification of the election returns by the lieutenant governor.



1           ture, but revocation may not make the principal amount in the permanent  
2           fund subject to appropriation. Other income from the permanent fund  
3           shall be deposited in the general fund.

4           \* Sec. 3. The amendments proposed by this resolution shall be placed  
5           before the voters at the next general election in conformity with art. XIII,  
6           sec. 1, Constitution of the State of Alaska, and the election laws of the  
7           state.

8           \* Sec. 4. The amendments proposed by this resolution if adopted by the  
9           voters at the next general election shall become effective 90 days after the  
10          certification of the election returns by the lieutenant governor.  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

Original sponsor: Rules Committee by  
request of the Governor

Offered: 3/24/76  
Referred: Rules

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE JOINT RESOLUTION NO. 39 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the Alaska Con-  
6 stitution, establishing an Alaska Permanent  
7 Fund for certain proceeds derived from non-  
8 renewable resources.

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

10 \* Section 1. Article IX, Section 7, Constitution of the State of Alaska,  
11 is amended to read:

12 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or  
13 license shall not be dedicated to any special purpose, except as pro-  
14 vided in section 15 of this article or when required by the federal  
15 government for state participation in federal programs. This provision  
16 shall not prohibit the continuance of any dedication for special pur-  
17 poses existing upon the date of ratification of this constitution by the  
18 people of Alaska.

19 \* Sec. 2. Article IX, Constitution of the State of Alaska, is amended by  
20 adding a new section to read:

21 SECTION 15. ALASKA PERMANENT FUND. At least twenty-five per cent  
22 of all mineral lease rentals, royalties, royalty sale proceeds, federal  
23 mineral revenue sharing payments, bonuses, and all mineral production  
24 taxes received by the state shall be placed in a permanent fund, the  
25 principal of which shall be used only for those income producing invest-  
26 ments specifically designated by law as eligible for permanent fund  
27 investments. The legislature may appropriate additional amounts to the  
28 permanent fund which shall become a part of the principal of the fund.  
29 All income from the permanent fund shall be deposited in the general

1 fund unless otherwise provided by law.

2 \* Sec. 3. The amendments proposed by this resolution shall be placed  
3 before the voters at the next general election in conformity with art. XIII,  
4 sec. 1, Constitution of the State of Alaska, and the election laws of the  
5 state.

6 \* Sec. 4. The amendments proposed by this resolution if adopted by the  
7 voters at the next general election shall become effective 90 days after the  
8 certification of the election returns by the lieutenant governor.

Original sponsor: Rules Committee by  
request of the Governor

Offered: 3/24/76  
Referred: Rules

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE JOINT RESOLUTION NO. 39 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the Alaska Con-  
6 stitution, establishing an Alaska Permanent  
7 Fund for certain proceeds derived from non-  
8 renewable resources.

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

10 \* Section 1. Article IX, Section 7, Constitution of the State of Alaska,  
11 is amended to read:

12 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or  
13 license shall not be dedicated to any special purpose, except as pro-  
14 vided in section 15 of this article or when required by the federal  
15 government for state participation in federal programs. This provision  
16 shall not prohibit the continuance of any dedication for special pur-  
17 poses existing upon the date of ratification of this constitution by the  
18 people of Alaska.

19 \* Sec. 2. Article IX, Constitution of the State of Alaska, is amended by  
20 adding a new section to read:

21 SECTION 15. ALASKA PERMANENT FUND. At least twenty-five per cent  
22 of all mineral lease rentals, royalties, royalty sale proceeds, federal  
23 mineral revenue sharing payments, bonuses, and all mineral production  
24 taxes received by the state shall be placed in a permanent fund, the  
25 principal of which shall be used only for those income producing invest-  
26 ments specifically designated by law as eligible for permanent fund  
27 investments. The legislature may appropriate additional amounts to the  
28 permanent fund which shall become a part of the principal of the fund.  
29 All income from the permanent fund shall be deposited in the general

1 fund unless otherwise provided by law.

2 \* Sec. 3. The amendments proposed by this resolution shall be placed  
3 before the voters at the next general election in conformity with art. XIII,  
4 sec. 1, Constitution of the State of Alaska, and the election laws of the  
5 state.

6 \* Sec. 4. The amendments proposed by this resolution if adopted by the  
7 voters at the next general election shall become effective 90 days after the  
8 certification of the election returns by the lieutenant governor.

Original sponsor: Rules Committee by  
request of the Governor

Offered: 3/24/76  
Referred: Rules

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE JOINT RESOLUTION NO. 39

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the Alaska Con-  
6 stitution, establishing an Alaska Permanent  
7 Fund for certain proceeds derived from non-  
8 renewable resources.

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

10 \* Section 1. Article IX, Section 7, Constitution of the State of Alaska,  
11 is amended to read:

12 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or  
13 license shall not be dedicated to any special purpose, except as pro-  
14 vided in section 15 of this article or [WHEN REQUIRED] by the federal  
15 government for state participation in federal programs. This provision  
16 shall not prohibit the continuance of any dedication for special pur-  
17 poses existing upon the date of ratification of this constitution by the  
18 people of Alaska.

19 \* Sec. 2. Article IX, Constitution of the State of Alaska, is amended by  
20 adding a new section to read:

21 SECTION 15. ALASKA PERMANENT FUND. Twenty-five per cent of all  
22 mineral lease rentals, royalties, royalty sale proceeds, federal mineral,  
23 revenue sharing payments, bonuses, and all mineral production taxes  
24 received by the state shall be placed in a permanent fund, the principal  
25 of which shall be used only for those income producing investments  
26 specifically designated by law as eligible for permanent fund invest-  
27 ments. The legislature may appropriate additional amounts to the perma-  
28 nent fund which shall become a part of the principal of the fund. All  
29 income from the permanent fund shall be deposited in the general fund

1 unless otherwise provided by law.

2 \* Sec. 3. The amendments proposed by this resolution shall be placed  
3 before the voters at the next general election in conformity with art. XIII,  
4 sec. 1, Constitution of the State of Alaska, and the election laws of the  
5 state.

6 \* Sec. 4. The amendments proposed by this resolution if adopted by the  
7 voters at the next general election shall become effective 90 days after the  
8 certification of the election returns by the lieutenant governor.  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

Original sponsor: Rules Committee by  
request of the Governor

Offered: 3/24/76  
Referred: Rules

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE JOINT RESOLUTION NO. 59

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 Proposing an amendment to the Alaska Con-  
6 stitution, establishing an Alaska Permanent  
7 Fund for certain proceeds derived from non-  
8 renewable resources.

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

10 \* Section 1. Article IX, Section 7, Constitution of the State of Alaska,  
11 is amended to read:

12 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or  
13 license shall not be dedicated to any special purpose, except as pro-  
14 vided in section 15 of this article or [WHEN REQUIRED] by the federal  
15 government for state participation in federal programs. This provision  
16 shall not prohibit the continuance of any dedication for special pur-  
17 poses existing upon the date of ratification of this constitution by the  
18 people of Alaska.

19 \* Sec. 2. Article IX, Constitution of the State of Alaska, is amended by  
20 adding a new section to read:

21 SECTION 15. ALASKA PERMANENT FUND. Twenty-five per cent of all  
22 mineral lease rentals, royalties, royalty sale proceeds, federal mineral,  
23 revenue sharing payments, bonuses, and all mineral production taxes  
24 received by the state shall be placed in a permanent fund, the principal  
25 of which shall be used only for those income producing investments  
26 specifically designated by law as eligible for permanent fund invest-  
27 ments. The legislature may appropriate additional amounts to the perma-  
28 nent fund which shall become a part of the principal of the fund. All  
29 income from the permanent fund shall be deposited in the general fund

1 unless otherwise provided by law.

2 \* Sec. 3. The amendments proposed by this resolution shall be placed  
3 before the voters at the next general election in conformity with art. XIII,  
4 sec. 1, Constitution of the State of Alaska, and the election laws of the  
5 state.

6 \* Sec. 4. The amendments proposed by this resolution if adopted by the  
7 voters at the next general election shall become effective 90 days after the  
8 certification of the election returns by the lieutenant governor.  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29



# 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

2/8/90  
Date

Introduced: 6/6/75  
Referred: Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE JOINT RESOLUTION NO. 39

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 Proposing an amendment to the Constitution  
6 of the State of Alaska to authorize an  
7 additional exception for a dedication of  
8 revenues.

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

10 \* Section 1. Article IX, sec. 7, Constitution of the State of Alaska,  
11 is amended to read:

12 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or  
13 license shall not be dedicated to any special purpose, except when required  
14 by the federal government for state participation in federal programs. This  
15 provision shall not prohibit the continuance of any dedication for special  
16 purposes existing upon the date of ratification of this constitution by the  
17 people of Alaska or the dedication of the proceeds of mineral lease bonuses.

18 \* Sec. 2. The amendment proposed by this resolution shall be placed  
19 before the voters of the state at the next general election in conformity  
20 with art. XIII, sec. 1, Constitution of the State of Alaska, and the election  
21 laws of the state.

22  
23  
24  
25  
26  
27  
28  
29



# 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

2/8/90  
Date

Requesting a comprehensive study of the extension of the state ferry system into Western Alaska.

# COMMITTEE REPORT

4/9/75

HOUSE

Mr. Speaker:

Date 4/19/75

The Committee on FINANCE has had HCR #1

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:

<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:

<u>[Signature]</u>	recommends: <u>no vote</u>
_____	recommends:
_____	recommends:
_____	recommends:
_____	recommends:

[Signature] Chairman

Introduced: 3/24/75  
Referred: State Affairs and  
Finance

1 IN THE HOUSE

BY ANDERSON

2 HOUSE CONCURRENT RESOLUTION NO. 41

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 Requesting a comprehensive study of the  
6 extension of the state ferry system into  
7 Western Alaska.

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

9 WHEREAS the cost of delivering freight, whether by air or surface  
10 transportation, to Western Alaska communities rapidly is becoming prohibitive;  
11 and

12 WHEREAS barge line service to many communities is undependable even  
13 during the ice free season and thus does not meet the needs of Alaskans re-  
14 siding in isolated rural areas; freight orders frequently languish many months  
15 on the docks and in warehouses in Seattle, and only the Bureau of Indian  
16 Affairs will guarantee freight delivery when its NORTH STAR III is unable  
17 to make a scheduled port-of-call; and

18 WHEREAS the Eighth Alaska Legislature, Second Session, appropriated  
19 matching funds for the construction of the first of two ferries to serve  
20 communities along the Yukon River with passenger, vehicle and freight trans-  
21 portation services; and

22 WHEREAS the 1972 "Report on Scheduling, Routing, Feasibility, and  
23 Tariffs: Alaska Marine Highway System" prepared by the firm of Tippetts,  
24 Abbett, McCarthy and Stratton, Consulting Engineers, devoted less than half a  
25 page to proposals for, and the feasibility of, extension of the Alaska Marine  
26 Highway to Western Alaska ports such as Iniskin Bay, South Naknek, Dillingham,  
27 Togiak, Bethel, Hooper Bay, Alakanuk and St. Michael, asserting that consider-  
28 ation of ferry service be deferred until 1990, if then due to alleged absence  
29 of sufficient traffic to warrant its inauguration; and

1       WHEREAS, under the auspices of the Legislative Council, a report on  
2 "Transportation in Rural Alaska" was prepared in 1972 suggesting that marine  
3 transportation afforded an opportunity for the development of a viable trans-  
4 portation delivery system for passengers, vehicles and freight to Western  
5 Alaska provided appropriate port facilities and distribution systems,  
6 especially to Northwest Alaska, were developed; and

7       WHEREAS, the legislature already subsidizes the delivery of freight to  
8 the Aleutian Islands by barge in the amount of a \$35,000 annual appropriation  
9 to the Division of Marine Transportation, Department of Public Works, and  
10 similar subsidies to other unprofitable routes of waterborne commerce, for  
11 example, Icy Straits in Southeastern Alaska (\$25,000); and

12       WHEREAS the Sea-Land Company delivers containerized cargo vans to Kodiak  
13 which could be used as a home port for a ferry service extension to the  
14 Alaska Peninsula, Aleutian Islands and to all of Western Alaska; and

15       WHEREAS the M/V TUSTUMENA can accommodate containerized vans up to 40  
16 feet in length and is, at present, the only United States Coast Guard certi-  
17 ficated ocean-going vessel in the state ferry system that could be employed  
18 during the ice-free months to provide periodic ferry service to Western Alaska  
19 communities with intermediate stops along the Alaska Peninsula and in the  
20 Aleutian chain;

21       BE IT RESOLVED that the Alaska Legislature respectfully requests the  
22 governor to direct the Department of Public Works, Division of Marine Trans-  
23 portation, to undertake a comprehensive study of the extension of the state  
24 ferry system into Western Alaska including, but not limited to, consideration  
25 of its feasibility, routing, tariffs, vessels, port and terminal facilities,  
26 scheduling and both construction and operation costs; and

27       BE IT FURTHER RESOLVED that the department is requested to present its  
28 findings and recommendations to the governor and to the legislature not later  
29 than 30 days after the Ninth Legislature, Second Session, convenes.

FIRST READING AND REFERENCE OF SENATE RESOLUTIONS

SCR SENATE CONCURRENT RESOLUTION NO. 42 by Kerttula  
42

Honoring Zoa H. Hazel

was read the first time and referred to the Rules Committee  
for placement on the calendar.

REPORTS OF STANDING COMMITTEES

HCR 36 The Finance Committee Chairman's report on HOUSE CONCURRENT  
RESOLUTION NO. 36 (feasibility study, extension of state  
ferry service to Alaska Peninsula and Aleutian Island)  
(page 854 of the journal) and HOUSE CONCURRENT RESOLUTION  
NO. 41 (study, state ferry system into Western Alaska)  
HCR 41 (page 855 of the journal) appears as follows:

"FINANCE COMMITTEE REPORT

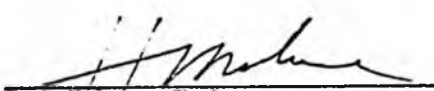
ON

HOUSE CONCURRENT RESOLUTION 36

AND

HOUSE CONCURRENT RESOLUTION 41

The Legislative intent is to reallocate in House Bill 70  
this year \$30,000 of the \$300,000 for the Knik Arm Study  
for the purpose of carrying out the studies under House  
Concurrent Resolution 36 and House Concurrent Resolution  
41. There will not be an additional appropriation.

  
Hugh Malone, Chairman  
House Finance Committee"

The Legislature of the State of Alaska  
FISCAL NOTE

*all*

First Session - Ninth Legislature

I. REQUEST

Bill No. House Concurrent Resolution No. 41  
 Title: Requesting a comprehensive study of extension of state ferry system into  
 Requested by: House State Affairs Committee Date: 4/8/75 Western, Ak.  
 Return Date Requested: April 8, 1975  
 Agency: Public Works Program: Marine Transportation

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Administration

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES		11.0				
200 TRAVEL		12.0				
300 CONTRACTUAL						
400 COMMODITIES		2.0				
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0	25.0	0	0	0	0

B. FUNDING: (Thousands of dollars)

	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
GENERAL FUND	0	25.0	0	0	0	0
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
MAN MONTHS (P./T.)	/	/	/	/	/	/

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

Tentative cost estimate (in house study)

Personal Services

Engineer	5.0	
Planner	5.0	
Typist	1.0	11.0
Travel		12.0
Commodities		2.0
		<u>25.0</u>

IV. ATTACHMENTS Note: Consultant study estimated at 40.0 to 50.0 based on current Iliamna study.

V. DATE: April 8, 1975 PREPARED BY: *W. R. Hudson*

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

The Legislature of the State of Alaska  
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. House Concurrent Resolution No. 41  
 Title: Requesting a comprehensive study of extension of state ferry system into  
 Requested by: House State Affairs Committee Date: 4/8/75 Western, Ak.  
 Return Date Requested: April 8, 1975  
 Agency: Public Works Program: Marine Transportation

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Administration

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES		11.0				
200 TRAVEL		12.0				
300 CONTRACTUAL						
400 COMMODITIES		2.0				
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0	25.0	0	0	0	0

B. FUNDING: (Thousands of dollars)

GENERAL FUND	0	25.0	0	0	0	0
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

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

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

Tentative cost estimate (in house study)

Personal Services

Engineer	5.0	
Planner	5.0	
Typist	1.0	11.0
Travel		12.0
Commodities		2.0
		25.0

IV. ATTACHMENTS Note: Consultant study estimated at 40.0 to 50.0 based on current Iliamna study.

V. DATE: April 8, 1975

PREPARED BY: W. R. Hudson

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



# 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

2/8/90  
Date

Introduced: 4/4/75  
Referred: Health, Education &  
Social Services and Finance

1 IN THE HOUSE

BY BEIRNE

2 HOUSE CONCURRENT RESOLUTION NO. 43

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 Relating to medical-clinical laboratories,  
6 blood banks, and personnel.

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

8 WHEREAS the State of Alaska has no licensing or certification program  
9 covering all medical-clinical laboratories, blood banks, and personnel which  
10 would provide and maintain minimum standards and qualifications necessary  
11 for high quality health care and a continuing education program; and

12 WHEREAS the citizens of this state are entitled to receive the highest  
13 level of competence, reliability and accuracy that may be expected from  
14 medical-clinical laboratories and blood banks as well as assurance that  
15 laboratory personnel are qualified to perform the vital duties assigned and  
16 that laboratory personnel have kept abreast of developments through continu-  
17 ing professional education; and

18 WHEREAS medical-clinical laboratories and blood banks provide supportive  
19 services to the medical practitioner by furnishing him vital information  
20 necessary for the diagnosis and treatment of his patient; and

21 WHEREAS the laboratory reports provide essential information to the  
22 physician on the management of his patient and the health care of the com-  
23 munity, and unreliable and inaccurate reports may cause unnecessary anxiety,  
24 suffering, illness, death and great financial burdens; and

25 WHEREAS it is necessary that more information be acquired from those  
26 closely connected with the medical-clinical and blood bank laboratory field  
27 before attempting to legislate in this area;

28 BE IT RESOLVED by the Alaska State Legislature that the Governor is  
29 respectfully requested to direct the Commissioner of the Department of

1 Health and Social Services to appoint a 10-member committee to assess the  
2 need for medical-clinical laboratory and blood bank certification and  
3 licensing and laboratory personnel certification and licensure; and be it

4       FURTHER RESOLVED that the committee submit a report with proposed legis-  
5 lation to the legislature not later than the convening of the Ninth Legisla-  
6 ture, Second Session, at which time the committee shall be discharged; and  
7 be it

8       FURTHER RESOLVED that the committee consist of two medical practitioners  
9 (one pathologist certified in clinical pathology), one supervisory medical  
10 technologist, one hospital administrator, two medical technologists or  
11 equivalent (one from a small laboratory with less than three technologists),  
12 one medical technician or equivalent, one laboratory assistant or equivalent,  
13 one educator in the allied health field, and one representative of the Depart-  
14 ment of Health and Social Services (laboratory section); and be it

15       FURTHER RESOLVED that the department is to receive an appropriation not  
16 to exceed \$30,000 for the operations of the committee.  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29



# 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

2/8/90  
Date

# COMMITTEE REPORT

4/11/75

HOUSE

Mr. Speaker:

Date 4/19/75

The Committee on FINANCE has had HCR 45

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:

<u>[Signature]</u>	<u>[Signature]</u>	<u>[Signature]</u>
<u>[Signature]</u>	<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:

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

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

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

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

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

[Signature] Chairman

Introduced: 4/8/75  
Referred: Resources and  
Finance

1 IN THE HOUSE

BY COWPER

2 HOUSE CONCURRENT RESOLUTION NO. 45

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 Relating to wildlife conservation.

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

7 WHEREAS the Department of Fish and Game is charged with preserving,  
8 protecting, maintaining and managing all fish and wildlife resources in the  
9 state; and

10 WHEREAS to date constraints of public priorities, funding sources, and  
11 available manpower and time have properly led the Department of Fish and  
12 Game to stress management and maintenance of fish and wildlife for public  
13 fishing and hunting; and

14 WHEREAS management programs of the Department of Fish and Game for  
15 species traditionally taken by fishing and hunting increasingly include plans  
16 for recreational uses of fish and game such as viewing, photography and  
17 nature study; and

18 WHEREAS the nature of public demand has changed to such an extent that  
19 in 1974 fewer than 20 per cent of Alaska citizens were licensed hunters and  
20 a significant number of citizens pursued avocations such as viewing, photo-  
21 graphy and nature studies of diverse species of fish and game; and

22 WHEREAS formal management programs do not exist for more than 350  
23 species of nonhunted birds and mammals, plus an unknown number of fish and  
24 amphibian species, and added support is needed for management programs  
25 emphasizing nonconsumptive uses of fish and game species traditionally taken  
26 for consumptive purposes; and

27 WHEREAS management programs recently implemented in Washington, Colorado,  
28 California, Oregon and other states for wild species not traditionally taken  
29 for consumption have resulted in substantial benefits to citizens of those

1 states, often at no cost to those states' general funds;

2 BE IT RESOLVED by the Alaska State Legislature that the Governor is  
3 respectfully requested to direct the Department of Fish and Game to prepare  
4 for its consideration by the first day of the Ninth Legislature, Second  
5 Session, recommendations for a program to preserve, protect, and maintain  
6 fish, amphibians, birds and mammals not normally sought by man for consump-  
7 tive purposes, as well as to enhance nonfishing and nonhunting management  
8 programs for species traditionally sought for consumptive purposes; and be it

9 FURTHER RESOLVED that these recommendations should include plans for  
10 inventory, research, management, and public education appropriate to the  
11 above goals and should recommend sources of funding for implementing the  
12 programs.

13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

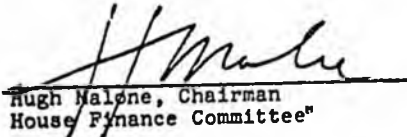
HCR 45 The Finance Committee Chairman's report on HOUSE CONCURRENT RESOLUTION NO. 45 (wildlife conservation) (page 855 of the journal) appears as follows:

"FINANCE COMMITTEE REPORT

ON

HOUSE CONCURRENT RESOLUTION 45

There will be no special appropriation for this purpose and the department will carry out the preparation of the recommendation and plan within their FY 76 appropriation.

  
Hugh Malone, Chairman  
House Finance Committee"

INTRODUCTION, FIRST READING AND REFERENCE

OF HOUSE RESOLUTIONS

HCR 52 HOUSE CONCURRENT RESOLUTION NO. 52 by Parr, Bradner, Brown, Cowper and Wallis

Relating to the Fairbanks housing emergency

was introduced, read the first time and referred to the Committees on State Affairs and Finance.

HCR 53 HOUSE CONCURRENT RESOLUTION NO. 53 by Gardiner and Malone

Requesting a study of the method of judicial selection and retention

was introduced, read the first time and referred to the Committee on Judiciary.

INTRODUCTION, FIRST READING AND REFERENCE

OF HOUSE BILLS

HB 445 HOUSE BILL NO. 445 by Sullivan by request, entitled:

"An Act authorizing state aid to cities and boroughs for solid waste management; and providing for an effective date."