

LEG. FINANCE - BILLS 1977 - 1978 880

HCR 130 cont. thru CSSB 4

not comply with the provisions of this Article 21.1 or of Article 22 shall be granted for a complaint which is approved by the Board of Labor Relations, and filed with the Department of Labor, Alaska, within 90 days of the Purchase. The claim shall not be considered a claim under Article 21. Further, hereby agree to submit to the jurisdiction of the Department of Labor for purposes of determining whether noncompliance in fact occurred. Said evidence and cross-examine witnesses prior to such determination. Adequate notice thereof shall be given to all parties concerned. Upon a determination that noncompliance occurred, the Purchaser shall pay the aggrieved resident a sum equal to the amount the resident would have received had he been employed by the Purchaser, up to a maximum of one (1) year's salary. If such noncompliance is determined to have been willful the Department may award an additional sum up to the amount of the original sum awarded.

(6) For purposes of this Article, "qualified" means capable, through education, training or experience, of performing the duties and satisfying the usual terms and conditions of the employment; if those duties, terms and conditions meet the reasonable standards of the industry as required of other employees performing the same type of work in the industry.

(7) For purposes of this Article, "resident" shall have the meaning determined by the Commissioner of the Department of Labor.

ARTICLE XXII

APPLICABLE LAW

22.1 Alaskan law. This agreement shall be governed by and construed in accordance with the laws of the State of Alaska, excluding any conflicts-of-law rule or principle which might refer such construction to the law of another state or country.

ARTICLE XXIII

AMENDMENTS

23.1 Amendments. This Agreement may be supplemented, amended or modified at any time, but only by written instrument duly executed by the parties hereto, and approved by the Royalty Oil and Gas Development Advisory Board and by the Alaska State Legislature by Concurrent Resolution by majority vote of the members of each house.

ARTICLE XXIV

SUCCESSORS AND ASSIGNS

24.1 Successors and Assigns. This Agreement shall extend to, be binding upon, and inure to the benefit of the parties hereto and their respective heirs, devisees, legal representatives, successors, and assigns, and shall constitute a covenant of equitable servitude running with the interests covered hereby.

24.2 Transfer of Title. Any conveyance of all or any part of any interest owned by any party hereto shall be made expressly subject to this agreement. No change of title shall be binding on the other party hereto until the receipt by the other party of a photocopy or a certified copy of the recorded instrument evidencing such change in ownership.

24.3 General Prohibition. No assignment of this Agreement shall be made by either party without first obtaining the written consent of the other party. The Commissioner of Natural Resources may grant such consent on behalf of the Seller.

ARTICLE XXV

HEADINGS

25.1 Headings. Article headings used in this Agreement are for

...shall not apply to the extent of this Agreement.

ARTICLE XXVI

OIL SPILL, CLEANUP AND CONTINGENCY PLANS

26.1 Oil Spill and Cleanup Contingency Plans. Purchaser shall be responsible for the detection, location, confinement, and cleanup of oil discharges occurring at the Purchaser's refinery after the oil purchased hereunder has been delivered to Purchaser at the outlet flange measuring device of TAPS at North Pole, Alaska; and during the time such oil and the products therefrom remain in the physical possession of the Purchaser at its refinery or in pipelines or other carrier owned and operated by the Purchaser. At least 180 days prior to scheduled first delivery of royalty oil Purchaser shall submit its contingency plans to the Department of Environmental Conservation for review and approval. The plans shall provide for immediate corrective action in the event of oil discharges, including confinement and cleanup, and restoration of the affected resource. The plans shall include separate and specific techniques and schedules for cleanup of petroleum discharges on land, lakes, rivers and streams.

ARTICLE XXVII

RECORDS

27.1 Preservation of Records. Purchaser and Seller will prepare and maintain all books, accounts and records relating to or arising out of the performance of this Agreement, including but not limited to the purchase or resale of the royalty oil and its refined products for a period of four (4) years. Purchaser will also maintain and preserve all similar books, accounts and records of which it has possession belonging to those third parties with whom it contracts for the performance of various parts of this Agreement. Neither Purchaser nor Seller shall be required to retain any records for more than six (6) years unless retention of such records is specifically required by applicable

law or regulation. Purchaser shall either maintain its records within the State of Alaska or make such records available to Seller and Purchaser's principal office in the State of Alaska within thirty (30) days after written request therefor by Seller.

27.2 Inspection of Records of Parties. Purchaser and Seller will accord to each other and to their authorized agents, attorneys, and auditors during reasonable business hours access to any and all property, records, books, documents and indexes thereto directly relating to the Purchaser's or Seller's performance of this Agreement and which are under the control of the party from which access is desired so that the other party may inspect, photograph and make copies of such property, records, books, documents and indexes thereto. Notwithstanding the foregoing, (i) Seller shall not be required to disclose any information, data or records which are required to be held confidential by applicable state law or regulation, and (ii) Purchaser shall not be required to disclose any information, data or records containing trade secrets which Purchaser or its Affiliates, contractors or subcontractors have agreed to hold confidential, or which Purchaser or its affiliates, contractors or sub-contractors by contract with unaffiliated third parties have agreed to hold confidential. Seller shall notify Purchaser of all information obtained, recorded or copied from Purchaser's records in order that Purchaser may evaluate the advisability of seeking that such information be held confidential by Seller under applicable law or regulation or under the provisions of this Article.

27.3 Financial Statements. Purchaser will provide Seller with year-end financial statements audited by an independent certified public accounting firm. Preparation of the financial statements shall be at Purchaser's cost. Said statements shall be communicated to Seller in the manner provided in Article XVI.

IN WITNESS WHEREOF, the Seller has caused this Agreement to be executed by its Commissioner of Natural Resources and the Purchaser has caused this Agreement to be executed by its President, thereunto duly authorized by its Board of Directors in accordance with the certified seal, duly attested, to be affixed hereto, as of the day and year first above written.

ATTEST:

Fredrick H. Brown

THE STATE OF ALASKA

By: Walter E. Rasche

Commissioner, Department
of Natural Resources

"SELLER"

APPROVED AS TO FORM:

EARTH RESOURCES COMPANY OF ALASKA

ATTEST:

Gregory H. Shickel

By: Walter E. Rasche

President

"PURCHASER"

I, Michael E. Craig, certify that I am the Secretary of the Corporation named as Purchaser in the above contract, that Louis Francis DeLeon was then President of said corporation; that said Agreement was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

Michael E. Craig
Secretary

(CORPORATE SEAL)

EXHIBIT "A"

Attached to and Made a Part of the Agreement for the Sale and Purchase of State Royalty Oil dated May 3, 1978 between FORTY TWO TRUST COMPANY OF ALASKA, an Alaska Corporation "Purchaser", and the COMMISSIONER OF NATURAL RESOURCES OF THE STATE OF ALASKA, acting pursuant to Alaska Statute 38.05.183, "Seller", With Respect To Certain Royalty Oil Owned and Taken In-Kind by Seller Under the Leases Described herein Covering Lands in the State of Alaska.

<u>Tract No.</u>	<u>Description</u> (Units: Acres, Alaska)	<u>No. of Acres</u>	<u>ADL Serial No.</u>	<u>Block</u>	<u>Lesser of Block</u>	<u>OPR Interest</u>	<u>Working Interest Ownership</u>
1	TEN-BITE, Sec. 6, 10	1,250	4740	1/3	McLain Company		McLain-50% Crown-50%
2	TEN-BITE, Sec. 11, 12	1,250	4741	1/3	ARCO and Exxon		ARCO-50% Exxon-50%
3	TEN-BITE, Sec. 7	500	4742	1/3	ARCO and Exxon		ARCO-50% Exxon-50%
4	TEN-BITE, Sec. 23, 24	1,250	4743	1/3	SeNo Petroleum Co.		50%-100%
5	TEN-BITE, Sec. 21, 22	1,250	4744	1/3	ARCO and Exxon		ARCO-50% Exxon-50%
6	TEN-BITE, Sec. 17, 18	1,250	4745	1/3	ARCO and Exxon		ARCO-50% Exxon-50%
7	TEN-BITE, Sec. 25, 26	1,250	4746	1/3	ARCO and Exxon		ARCO-50% Exxon-50%
8	TEN-BITE, Sec. 24	625	4747	1/3	ARCO and Exxon		ARCO-50% Exxon-50%
9	TEN-BITE, Sec. 19	500	4748	1/3	McLain Company		McLain-50% Crown-50%
10	TEN-BITE, Sec. 20, 21	1,250	4749	1/3	McLain Company		McLain-50% Crown-50%
11	TEN-BITE, Sec. 21, 22	1,250	4750	1/3	ARCO and Exxon		ARCO-50% Exxon-50%
12	TEN-BITE, Sec. 17, 18, 19, 20	2,500	4751	1/3	ARCO and Exxon		ARCO-50% Exxon-50%
13	TEN-BITE, Sec. 13, 14, 15, 16	2,500	4752	1/3	ARCO and Exxon		ARCO-50% Exxon-50%
14	TEN-BITE, Sec. 13, 14, 15, 16	2,500	4753	1/3	McLain Company		McLain-50% Crown-50%
15	TEN-BITE, Sec. 17, 18, 19, 20	2,500	4754	1/3	McLain Company		McLain-50% Crown-50%
16	TEN-BITE, Sec. 13, 14	1,250	4755	1/3	ARCO and Exxon McLain Company		ARCO-50% Exxon-50% McLain-50% Crown-50%
17	TEN-BITE, Sec. 23, 24	1,250	4756	1/3	McLain Company		McLain-50% Crown-50%
18	TEN-BITE, Sec. 21, 22, 23, 24	2,500	4757	1/3	ARCO and Exxon		ARCO-50% Exxon-50%
19	TEN-BITE, Sec. 17, 18, 19, 20	2,500	4758	1/3	ARCO and Exxon		ARCO-50% Exxon-50%
20	TEN-BITE, Sec. 13, 14, 15, 16	2,500	4759	1/3	ARCO and Exxon		ARCO-50% Exxon-50%
21	TEN-BITE, Sec. 21, 22, 23, 24	2,500	4760	1/3	ARCO and Exxon		ARCO-50% Exxon-50%
22	TEN-BITE, Sec. 23, 24	2,500	4761	1/3	McLain Company		McLain-50% Crown-50%

* See Exhibit B for map of lands.

Tract No.	Description	No. of Acres	Area		Improvements	Other	Value
			Sq. Ft.	Sq. Ft.			
(U. S. M. S. in Alaska)							
22A	T12N R10E, SW/4 Sec 25	100	28257	178	Mt. L. P. Co. Chert		Mt. L. P. Co. Chert Y. P. Co. Chert Chert - 28,257
23	T12N R10E, Secs. 29, 30, 31, 32	2,459	28270	178	Solo Petroleum Co.		Solo - 28,270
24	T12N R10E, Secs. 27, 28, 31, 32	2,459	28275	178	Solo Petroleum Co.		Solo - 28,275
25	T12N R10E, Secs. 29, 30, 31, 32	1,910	28277	178	Solo Petroleum Co.		Solo - 28,277
26	T12N R10E, Secs. 29, 30, 31, 32	1,911	28280	178	A. B. Co. and Exxon		A. B. Co. - 28,280 Exxon - 28,280
27	T12N R10E, Secs. 27, 28, 30, 31	2,500	28280	178	A. B. Co. and Exxon		A. B. Co. - 28,280 Exxon - 28,280
28	T12N R10E, Secs. 29, 30, 31, 32	2,500	28281	178	A. B. Co. and Exxon		A. B. Co. - 28,281 Exxon - 28,281
29	T12N R10E, Secs. 29, 30, 31, 32	2,478	28285	178	A. B. Co. and Exxon		A. B. Co. - 28,285 Exxon - 28,285
30	T12N R10E, Secs. 27, 28, 30, 31	2,500	28286	178	A. B. Co. and Exxon		A. B. Co. - 28,286 Exxon - 28,286
31	T12N R10E, Secs. 29, 30, 31, 32	2,500	28287	178	Solo Petroleum Co.		Solo - 28,287
32	T12N R10E, Secs. 27, 28, 30, 31, 32	2,470	28288	178	Solo Petroleum Co.		Solo - 28,288
33	T12N R10E, Secs. 27, 28, 30, 31, 32	2,500	28291	178	Solo Petroleum Co.		Solo - 28,291
34	T12N R10E, Secs. 29, 30, 31, 32	2,500	28292	178	Solo Petroleum Co.		Solo - 28,292
35	T12N R10E, Secs. 1, 2, 11, 12	2,500	28295	178	Solo Petroleum Co.		Solo - 28,295
36	T12N R10E, Secs. 3, 4, 9, 10	2,500	28297	178	Solo Petroleum Co.		Solo - 28,297
37	T12N R10E, Secs. 5, 6, 7, 8	2,459	28298	178	Solo Petroleum Co.		Solo - 28,298
38	T12N R10E, Secs. 1, 2, 11, 12	2,500	28299	178	Solo Petroleum Co.		Solo - 28,299
39	T12N R10E, Secs. 3, 4, 9, 10	2,500	28300	178	A. B. Co. and Exxon		A. B. Co. - 28,300 Exxon - 28,300
40	T12N R10E, Secs. 5, 6, 7, 8	2,459	28301	178	A. B. Co. and Exxon		A. B. Co. - 28,301 Exxon - 28,301
41	T12N R10E, Secs. 1, 2, 11, 12	2,500	28302	178	A. B. Co. and Exxon		A. B. Co. - 28,302 Exxon - 28,302
42	T12N R10E, Secs. 3, 4, 9, 10	2,500	28303	178	A. B. Co. and Exxon		A. B. Co. - 28,303 Exxon - 28,303
43	T12N R10E, Secs. 5, 6, 7, 8	2,459	28304	178	A. B. Co. and Exxon		A. B. Co. - 28,304 Exxon - 28,304
44	T12N R10E, Secs. 1, 2, 11, 12	2,500	28307	178	Solo Petroleum Co.		Solo - 28,307
45	T12N R10E, Secs. 3, 4, 9, 10	2,500	28308	178	Solo Petroleum Co.		Solo - 28,308
46	T12N R10E, Secs. 5, 6, 7, 8	2,459	28309	178	Solo Petroleum Co.		Solo - 28,309
47	T12N R10E, Secs. 1, 2, 11, 12	2,500	28310	178	Solo Petroleum Co.		Solo - 28,310
48	T12N R10E, Secs. 3, 4, 9, 10	2,500	28311	178	Mt. L. P. Co. Chert		Mt. L. P. Co. Chert Y. P. Co. Chert Chert - 28,311
49	T12N R10E, Secs. 5, 6, 7, 8	2,459	28312	178	Mt. L. P. Co. Chert		Mt. L. P. Co. Chert Y. P. Co. Chert Chert - 28,312
20	T12N R10E, Secs. 1, 2, 11, 12	2,500	28313	178	A. B. Co. and Exxon		A. B. Co. - 28,313 Exxon - 28,313
19	T12N R10E, Secs. 3, 4, 9, 10 & SW/4 Sec 25	2,500	28314	178	Mt. L. P. Co. Chert		Mt. L. P. Co. Chert Y. P. Co. Chert Chert - 28,314
21A	T12N R10E, SW/4 Sec 25	100	28315	178	Mt. L. P. Co. Chert		Mt. L. P. Co. Chert Y. P. Co. Chert Chert - 28,315

Source: 1970 Census

Year	Month	Day	Event	Location	Notes
1940	12	31	Christmas	Chicago	
1940	12	24	Boxing Day	Chicago	
1940	12	17	St. Nicholas	Chicago	
1940	12	10	St. Nicholas	Chicago	
1940	12	3	St. Nicholas	Chicago	
1940	11	26	St. Andrew	Chicago	
1940	11	19	St. Andrew	Chicago	
1940	11	12	St. Andrew	Chicago	
1940	11	5	St. Andrew	Chicago	
1940	10	28	St. Andrew	Chicago	
1940	10	21	St. Andrew	Chicago	
1940	10	14	St. Andrew	Chicago	
1940	10	7	St. Andrew	Chicago	
1940	9	30	St. Andrew	Chicago	
1940	9	23	St. Andrew	Chicago	
1940	9	16	St. Andrew	Chicago	
1940	9	9	St. Andrew	Chicago	
1940	8	31	St. Andrew	Chicago	
1940	8	24	St. Andrew	Chicago	
1940	8	17	St. Andrew	Chicago	
1940	8	10	St. Andrew	Chicago	
1940	8	3	St. Andrew	Chicago	
1940	7	27	St. Andrew	Chicago	
1940	7	20	St. Andrew	Chicago	
1940	7	13	St. Andrew	Chicago	
1940	7	6	St. Andrew	Chicago	
1940	6	29	St. Andrew	Chicago	
1940	6	22	St. Andrew	Chicago	
1940	6	15	St. Andrew	Chicago	
1940	6	8	St. Andrew	Chicago	
1940	5	31	St. Andrew	Chicago	
1940	5	24	St. Andrew	Chicago	
1940	5	17	St. Andrew	Chicago	
1940	5	10	St. Andrew	Chicago	
1940	5	3	St. Andrew	Chicago	
1940	4	26	St. Andrew	Chicago	
1940	4	19	St. Andrew	Chicago	
1940	4	12	St. Andrew	Chicago	
1940	4	5	St. Andrew	Chicago	
1940	3	29	St. Andrew	Chicago	
1940	3	22	St. Andrew	Chicago	
1940	3	15	St. Andrew	Chicago	
1940	3	8	St. Andrew	Chicago	
1940	2	28	St. Andrew	Chicago	
1940	2	21	St. Andrew	Chicago	
1940	2	14	St. Andrew	Chicago	
1940	2	7	St. Andrew	Chicago	
1940	1	31	St. Andrew	Chicago	
1940	1	24	St. Andrew	Chicago	
1940	1	17	St. Andrew	Chicago	
1940	1	10	St. Andrew	Chicago	
1940	1	3	St. Andrew	Chicago	

Tract No.	Description	No. of Acres	Abil. Serial No.	Acres	Owner	Oil & Gas Lease	Well: Location
(Cont. from page A 3)							
80	T10N-R10E, Secs 27, 28, 29, 30	2,312	47422	1/3	Mobil, Phillips, Chevron		Mobil—2015 G Phillips—2015 G Chevron—2015 G
81	T10N-R10E, Secs 29, 30, 31, 32	2,311	47423	1/3	Mobil, Phillips, Chevron		Mobil—2015 G Phillips—2015 G Chevron—2015 G
82	T10N-R11E, Sec 25	640	25248	1/3	A.R. Co. and Exxon		A.R. Co.—2015 G Exxon—2015 G
83	T10N-R12E, Secs 3, 4, 10	1,920	47434	1/3	Mobil, Phillips, Chevron		Mobil—2015 G Phillips—2015 G Chevron—2015 G
84	T10N-R12E, Secs 1, 2, 11, 12	2,310	25253	1/3	A.R. Co. and Exxon		A.R. Co.—2015 G Exxon—2015 G
85	T10N-R12E, Secs 6, 7, 8, S/2 and NE/4 Sec. 5	2,311	23259	1/3	Mobil and Phillips		Mobil—2015 G Phillips—2015 G
85A	T10N-R12E, NW/4 Sec 5	160	23259	1/3	Mobil, Phillips, Chevron		Mobil—2015 G Phillips—2015 G Chevron—2015 G
86	T10N-R12E, Secs 5, 6, 9, 10	2,310	47471	1/3	Amoco & Hunt, et al		Amoco Hunt—2015 G Cody—2015 G L.L.E.—2015 G Phillips—2015 G N. S. Hunt— 0-2015 G Hunt Ind— 0-2015 G Cody Hunt Tr—2015 G Wm. Hunt Hunt Tr— 0-10 Lester Hunt Tr—2015 G
87	T10N-R12E, Secs 1, 2, 11, 12	2,310	47472	1/3	Amoco & Hunt & Cody		Amoco Hunt—2015 G Cody—2015 G
88	T10N-R12E, Secs 5, 6, 7, 8	2,311	23313	1/3	A.R. Co. and Exxon		A.R. Co.—2015 G Exxon—2015 G
89	T10N-R12E, Secs 3, 4, 9, 10	2,310	25312	1/3	Solo Petroleum Co.		Solo—2015 G
90	T10N-R12E, Secs 1, 2, 11, 12	2,310	23311	1/3	Solo Petroleum Co.		Solo—2015 G
91	T10N-R12E, Secs 5, 6, 7, 8	2,311	25323	1/3	A.R. Co. and Exxon		A.R. Co.—2015 G Exxon—2015 G
92	T10N-R12E, Secs 3, 4, 9, 10	2,310	23325	1/3	A.R. Co. and Exxon		A.R. Co.—2015 G Exxon—2015 G
93	T10N-R12E, Secs 1, 2, 11, 12	2,310	25327	1/3	A.R. Co. and Exxon		A.R. Co.—2015 G Exxon—2015 G
94	T10N-R12E, Secs 5, 6, 7, 8	2,311	25325	1/3	A.R. Co. and Exxon		A.R. Co.—2015 G Exxon—2015 G
95	T10N-R12E, Secs 3, 4	1,210	25311	1/3	A.R. Co. and Exxon		A.R. Co.—2015 G Exxon—2015 G
96	T10N-R12E, Sec 10	640	25317	1/3	A.R. Co. and Exxon		A.R. Co.—2015 G Exxon—2015 G

*See also page A 5

THE STATE OF MISSISSIPPI, County of Adams, ss. I, the undersigned, Clerk of the County Court, do hereby certify that the within and foregoing is a true and correct copy of the original as the same appears in the records of the County Court of Adams County, Mississippi, this 15th day of August, 1911.

Tract No.	Description	No of Acres	Acres	Section	Range	Meridian	Owner
97	TION-RICE, Secs. 17, 18, 19, 20	4.512	2326	1/8	A R Co and Egan		A R Co - 337
98	TION-RICE, Secs. 13, 14, 20, 21	4.593	2322	1/8	A R Co and Egan		A R Co - 337
99	TION-RICE, Secs. 15, 16, 21, 22	4.500	2311	1/8	Solo Petroleum Co.		Solo - 107
100	TION-RICE, Secs. 17, 18, 19, 20	4.512	2312	1/8	Solo Petroleum Co.		Solo - 107
101	TION-RICE, Secs. 13, 14, 20, 21	4.593	2315	1/8	Solo Petroleum Co.		Solo - 107
102	TION-RICE, Secs. 13, 14, 21, 22	4.593	2314	1/8	Mobd and Phillips		Mobd - 207
103	TION-RICE, Secs. 17, 18, 19, 20	4.512	4713	1/8	Amended Hwy. Co.		Amended - 217
104	TION-RICE, Secs. 13, 14, 21, 22	4.593	4712	1/8	Mobd and Phillips		Mobd - 207
105	TION-RICE, Secs. 13, 14, 21, 22	4.593	4711	1/8	A R Co and Egan		A R Co - 337
106	TION-RICE, Secs. 13, 14, 21, 22	4.593	4710	1/8	A R Co and Egan		A R Co - 337
107	TION-RICE, Secs. 13, 14, 21, 22	4.593	2316	1/8	Charles M. Hill		Charles - 100
108	TION-RICE, Secs. 13, 14, 21, 22	4.593	2317	1/8	Charles M. Hill		Charles - 100
109	TION-RICE, Secs. 13, 14, 21, 22	4.593	2318	1/8	Solo Petroleum Co.		Solo - 107
110	TION-RICE, Secs. 13, 14, 21, 22	4.593	2319	1/8	Solo Petroleum Co.		Solo - 107
111	TION-RICE, Secs. 13, 14, 21, 22	4.593	2320	1/8	Solo Petroleum Co.		Solo - 107

EXHIBIT "B"

Calculation of monthly in value royalty under the Leases and leases (all calculations shall be rounded to the nearest \$0.001)

STEP 1: Calculate each producer's weighted average value per barrel at Point of Delivery for all oil sold by each producer during the month, as follows:

Example, Producer Y

(1) <u>Destination</u>	(2) <u>Volume Sold</u>	(3) <u>Sales Price at Destination</u>	(4) <u>Shipping Costs</u>	(5) <u>Pipeline Tariff</u>	(6) <u>Point of Delivery Value</u>	(7) <u>Weighted Average Value</u>
1	2,000,000	\$12.500	\$ -0-	\$4.770	\$7.730	-
2	4,000,000	13.370	1.110	4.750	7.510	-
3	5,000,000	13.440	3.830	4.750	4.260	-
						50.245

Columns 2, 3, 4 and 5 shall be computed from actual data as reported by each producer and filed with the State of Alaska for royalty purposes and severance tax purposes.

STEP 2: The "weighted average value" per barrel of each producer (column 7 above) as the Point of Delivery shall then be used in column (9) below in calculating the applicable in value price for each producer (column 11 below), the weighted average of which shall be the In Value Price to Buyer (column 12), as follows:

-continued-

Example, all producers:

(8) Producer and Quantity	(9) Wtd. Avg. Value at Point of Delivery (Col. 7)	(10) Wtd. Avg. Price Received by all other Producers	(11) Applicable Price for In Value Calculation	(12) In Value Price to Buyer
X: 4,200,000	\$6.920	\$6.404	\$6.920	-
Y: 11,000,000	6.345	7.003	7.003	-
Z: 500,000	7.700	6.504	7.700	-
Weighted Avg.	<u>\$6.562</u>			<u>\$7.003</u>

Notes:

- 1) Values in column 10 are the weighted average of all producers other than the producer for which the calculation is being made.
- 2) Column 11 is the highest of the values in columns 9 or 10 for each producer.
- 3) Column 12 is the weighted average of values in column 11.
- 4) Buyer shall not pay any reimbursable costs under Article II until such costs are judicially determined as owing.
- 5) Where there is no posted price, "Market" or "field" value shall not be used in calculating the "In Value price to Buyer" unless and until the methodology of determining same is judicially decided.
- 6) Subject to later adjustment under Article VI.



Department of Energy
Washington, D.C. 20461

44 4 1 157c

Mr. Lloyd M. Parnela
North Pole Refining
P.O. Box 5028
North Pole, Alaska 99705

Dear Mr. Parnela:

This is in response to your letter of March 7, 1978, concerning the negotiations currently underway between North Pole Refining (North Pole) and the State of Alaska (the State).

You have stated that the State proposes to sell North Pole certain quantities of its royalty crude oil which, pursuant to the Prudhoe Bay Unit Agreement, is produced from the North Slope oil fields. As a condition of the sale, the State will require North Pole to agree to an advance termination of the supplier-purchaser relationship that would otherwise be established pursuant to the Mandatory Petroleum Allocation Regulations, 10 CFR 211.63.

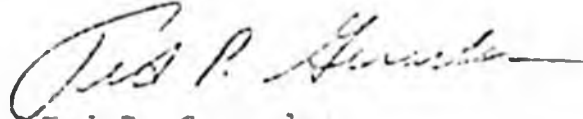
The question of whether the State could enter into an agreement under which the purchaser would waive the benefits afforded it by 10 CFR 211.63 (the supplier/purchaser rule) was exhaustively considered in Alaska Petrochemical Company, Interpretation 1978-1, 43 FR 5797 (February 10, 1978). The DOE determined that, due to the State's special circumstances, it would be permitted to enter into such an agreement in sales of its North Slope royalty oil.

The facts which you have related pertaining to the proposed sale of the State's North Slope royalty oil to North Pole are identical to those considered in Alaska Petrochemical Company. The Department of Energy (DOE) has

stated its policy with regard to North Slope royalty oil sales in that interpretation, and would come to no different conclusion under the facts presented by North Pole. Because of the guidance afforded the State and North Pole by Alaska Petrochemical Company, it is unnecessary for the DOE to issue another, identical interpretation in this case.

This letter is not a formal interpretation pursuant to 10 CFR Part 205, Subpart F, but is intended to provide general information and guidance concerning the application of the Mandatory Petroleum Allocation Regulations. See 10 CFR 205.60(a).

Sincerely,



Ted P. Gerarden
Office of General Counsel
Interpretations and Rulings
Division



UNITED STATES DEPARTMENT OF ENERGY
WASHINGTON, D.C. 20451

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, \$300

POSTAGE

DEFERS

NO
POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES



Mr. Lloyd M. Pernola
North Pole Refining
P.O. Box 5028
North Pole, Alaska 99705

Handwritten signature and date: Lloyd M. Pernola 5/24/78

EXHIBIT "D"

FORM OF BOND

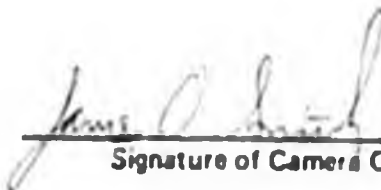
The bond shall be in a form submitted by Buyer and shall contain such terms and conditions as are approved by the Commissioner.



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.



Signature of Camera Operator



Date

Introduced: 5/19/78
Referred: Finance

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 HOUSE CONCURRENT RESOLUTION NO. 133

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 Relating to the feasibility of the state
6 acquiring the federally owned tank farm in
7 Haines for use by the Alaska Marine High-
8 way.

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

10 WHEREAS the economy of the Haines area has for some time suffered from a
11 local recession; and

12 WHEREAS there has long been interest in the possibility of establishing
13 a fuel dock and maintenance facility in Southeastern Alaska to service the
14 state ferry system; and

15 WHEREAS the federally owned tank farm, machine shop, dock and outbuild-
16 ings located in Haines which were part of the Haines-Fairbanks pipeline
17 system are no longer in active use; and

18 WHEREAS the General Services Administration is beginning the process of
19 disposing of the Haines tank farm and related facilities;

20 BE IT RESOLVED by the Alaska State Legislature that under provisions of
21 AS 24.20.090 and Un form Rule 48(c) the Legislative Council is directed to
22 contract for a study of the feasibility of the state acquiring the tank farm
23 and related facilities in Haines for use by the Alaska Marine Highway; and be
24 it

25 FURTHER RESOLVED that a report detailing the costs and benefits of
26 acquiring the Haines tank farm be submitted to the legislature by the tenth
27 day of the First Session of the Eleventh Legislature; and be it further
28 resolved that the Governor is respectfully requested to provide assistance
29 and background data necessary to a satisfactory conclusion of the study.

COMMITTEE REPORT

HOUSE

5/19/78

FURTHER: _____

Date: _____

Mr. Speaker:

The Committee on FINANCE has had HCR 133
Relating to the feasibility of the state acquiring the
federally owned tank farm in Haines for use by the Alaska
Marine Highway.

under consideration and (a majority of the committee) (the committee
reports it back as follows)

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 _____ new title same title

AND attaches a Letter of Intent New Fiscal Note

reports it back without recommendation

and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

5202

Thompson

Introduced: 5/19/78
Referred: Financed

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 HOUSE CONCURRENT RESOLUTION NO. 133

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

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COMMITTEE COPY

ALASKA STATE LEGISLATURE

TENTH Legislature SECOND Session

HOUSE CONCURRENT RES. NO. 133
By THE STATE AFFAIRS COMMITTEE

Relating to the feasibility of the state acquiring the federally owned tank farm in Haines for use by the Alaska Marine Highway.

Tank farm in Haines

Introduced in the House 5-19-78

HISTORY IN THE HOUSE

1978	Read first time and referred to Committee on Finance												
May 19	Reported back with recommendation that												
	Read second time and												
	Read third time and												
	<table border="0"> <tr><td>PASS</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Absent</td><td>Absent</td></tr> <tr><td>Excused</td><td>Excused</td></tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused		
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	CHIEF CLERK OF THE HOUSE												

HISTORY IN THE SENATE

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	SECRETARY OF THE SENATE												

HISTORY IN THE HOUSE

19	Received from Senate
	Reported correctly enrolled
	Sent to Governor
 By Governor
	Filed with Lt. Governor
	Chapter No.



RECORDS CERTIFICATION



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Signature of Camera Operator



Date

Introduced: 6/15/78
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 HOUSE CONCURRENT RESOLUTION NO. 138

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 Relating to maintenance of the airport
6 at Nikolski by the Department of Trans-
7 portation and Public Facilities.

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

9 WHEREAS the airport at Nikolski has been maintained by the federal
10 government in order to serve the White Alice site; and

11 WHEREAS the White Alice site has been closed since the end of 1977; and

12 WHEREAS there exists no local governmental unit able to assume respon-
13 sibility for maintenance of the airport; and

14 WHEREAS no one is responsible for the maintenance of the airport and its
15 safety facilities;

16 BE IT RESOLVED by the Alaska State Legislature that the Governor is
17 respectfully requested to direct the Department of Transportation and Public
18 Facilities to assume responsibility for maintenance of the airport and its
19 safety facilities.

COMMITTEE REPORT
HOUSE

FURTHER: _____

6/15/78

Date: _____

Mr. Speaker:

The Committee on FINANCE has had HCR 138
Relating to maintenance of the airport at Nikolski by the Department of
Transportation and Public Facilities.

under consideration and (a majority of the committee) (the committee
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- 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 _____ new title same title

- AND attaches a Letter of Intent New Fiscal Note
 reports it back without recommendation
 and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

5602
McKenzie

Introduced: 8/15/78
Referred: Finance

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20
21
22
23
24
25
26
27
28
29

ALASKA STATE LEGISLATURE

TENTH Legislature SECOND Session

HOUSE CONCURRENT RES. NO. 133

By THE RESOURCES COMMITTEE

Relating to maintenance of the airport at Nikolski by the Department of Transportation and Public Facilities.

airport at Nikolski

Introduced in the House 6-15-1978

HISTORY IN THE HOUSE

19 78	Read first time and referred to Committee on Finance										
June 15	Reported back with recommendation that										
	Read second time and										
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CHIEF CLERK OF THE HOUSE

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SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

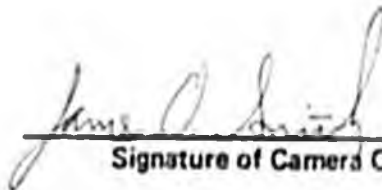
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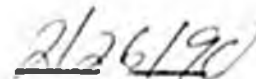
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Signature of Camera Operator



Date

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

JUNEAU 99801

AUDIT DIVISION
POUCH W — ALASKA OFFICE BUILDING

FINANCE DIVISION
POUCH WF — STATE CAPITOL

February 4, 1977

TO: Senator John C. Sackett
Chairman, Senate Finance Committee

FROM: Robert L. Grogan ~~215~~
Fiscal Analyst
Legislative Finance Division

RE: Sequence of events in securing a commercial
fishing license from a State vendor.

1. A commercial fisherman completes an application for a particular license secured from a vendor.
2. If the fisherman qualifies for the license, the vendor issues the license and collects the appropriate fees.
3. The vendor sends the application, a copy of the license, and the fees collected to the Fish and Game Licensing Office.

REG:al

Points for justification of increasing vendors commission percentage:

Each vendor must furnish their own office space, office equipment, phone, office supplies and postage. All of these items have gone up in cost radically in the past two years. Because we must keep in constant contact with Juneau, our long distance phone calls can be a very large item. As we work on a commission basis we are not state employees per se, and receive no state benefits of any kind.

Each vendor is responsible for all funds collected and must maintain a separate bank account for these funds. While we are encouraged to accept only cash, it is well known that the public does not carry a lot of cash with them these day, especially non-residents. Therefore in accepting checks, if any of the checks are not good, the dollars involved comes out of our pocket. The Ketchikan vendor alone deposits approximately \$100,000.00 in one season.

Prior to the advent of Limited Entry, our primary duty was on of writing licenses for the Dept. of Fish & Game. We are now in the position of being field reps for Limited Entry in that we answer questions pertaining to Limited Entry, help people fill out the applications and maintain a supply of transfer forms, lost card forms, etc. and are used as a buffer for complaints about Limited Entry. In addition we must also maintain a working knowledge of all the Fish & Game regulations, both Sport and Commercial and act as a distribution point for the Dept. of Labor. We are now beginning to get questions about the 200 mile limit and we are concerned that we may end up supplying information for the feds one day soon. All of this, free gratis!

As for communications between licensing, Fish & Game, and Limited Entry, in my estimation it is very poor, at least in the field offices. Because of this, vendors are often in the position of not being able to furnish the public with the correct information thereby creating very poor public relations which none of these departments can well afford. The result being one of frustration and impatience for both the vendor and the public.

Each vendor becomes a right hand to the canneries and fishermen each year in that you are called upon in the evenings, week ends and holidays to get a vessel and/or crew licensed up to get out to the grounds for an opening. My home is often a second office.

3/24

COMMITTEE REPORT
SENATE

Date _____

Mr. President:

The Committee on FINANCE has had 10-1
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
- AND attaches a report of its intent
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____ recommends: _____

_____ recommends: _____

_____ recommends: _____

Chairman

A M E N D M E N T

Offered in the SENATE

By _____

To: _____ SENATE BILL NO. _____

_____ HOUSE BILL NO. _____

AMENDMENT: Page _____ Line _____

1 IN THE SENATE

BY ZIEGLER

2 SENATE BILL NO. 1

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to fees for vendors of commercial
7 fishing licenses."

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

9 *Section 1. AS 16.05.470 is amended to read:

10 Sec. 16.05.470. FEE FOR ISSUANCE OF LICENSES. A person appointed
11 and authorized by the commissioner of revenue to sell licenses under
12 secs. 440 - 720 of this chapter, except salaried employees of the state,
13 shall retain the sum of 15 [FIVE] per cent of the fee for the issuance
14 of a license. A deputy shall transmit monthly to the commissioner all
15 fees collected by him, less the authorized commission, together with a
16 full accounting of the fees. The commissioner shall make monthly remit-
17 tances of the fees collected to the proper state official. The commis-
18 sioner is not liable for defalcation or failure to account for the fees
19 collected by a deputy, but he shall require a bond in the sum he con-
20 siders adequate, conditioned upon the faithful accounting of money
21 collected.

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill No. 1

Title An Act relating to fees for vendors of commercial fishing licenses.

Requested by Senate Resources Committee

Date January 21, 1977

II. FISCAL DETAIL

Agency Affected Department of Revenue

Program Category Affected Natural Resources Management & Environmental Conservation

Budget Request Unit(s) Affected Fish & Game Licensing

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL		63.8	67.0	67.0	67.0	67.0
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		63.8	67.0	67.0	67.0	67.0

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						
Program Receipts		63.8	67.0	67.0	67.0	67.0

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

See attached memorandum.

The Fiscal Note was incorrectly drafted by the Department. It will not require annual appropriations of the amounts shown. What will happen is that the amounts shown will be lost in General Fund receipts due to the increase in concessionaire service fees.

Tax Hogan
2/3/77

IV. DATE 1/21/77

PREPARED BY R.H. Pilcher
AGENCY Department of Revenue
PHONE 586-1870

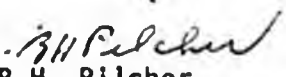
Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

STATE
of ALASKA

MEMORANDUM

TO: R.D. Stevenson
State Investment Officer
Department of Revenue

DATE January 20, 1977

FROM: 
R.H. Pilcher
Manager
Juneau Field Office
Department of Revenue

SUBJECT: Senate Bill No. 1

Passage of SB 1 will increase fees retained by vendors of Commercial Fishing licenses, except for salaried state employees, from 5% to 15% of the fee for the issuance of a license.

EFFECTS ON TREASURY

Receipts from the sale of Commercial Fishing licenses during calendar year 1976 totalled \$971,477. Of this sum, \$32,485 was retained by commission vendors. If the fees are increased to 15%, approximately \$99,600 will be retained by commission vendors, a loss of approximately \$67,115 in revenue to the general fund of the state treasury.

PROBLEM OF ADMINISTRATION:

There is no effective date on the bill. An effective date of January 1, 1978 is required to establish a definite time for conversion to the new fee schedule, to allow time to issue instructions, to revise, print, and forward reporting forms to the vendors.

1 IN THE SENATE

BY ZIEGLER

2 SENATE BILL NO. 1

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

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20 siders adequate, conditioned upon the faithful accounting of money
21 collected.

COMMISSION UNDERLINED IN RED

STATE OF ALASKA - DEPARTMENT OF REVENUE - FISH AND GAME LICENSE DIVISION

1976 COMMERCIAL FISH LICENSE OFFICER LIST 12/13/76

VENDORS INDICATED WITH AN * ARE SUPPLIED WITH PERSONAL LICENSES ONLY

1. Eileen D. Sheridan (NO COMMISSION)
Dept of Revenue
Fish & Game License Section
240 So. Franklin St.
Juneau, Alaska 99801
2. Alaska Dept. of Fish & Game
Penny Fitzgerald (NO COMMISSION)
333 Raspberry Road
Anchorage, AK 99503
3. Alaska Dept. of Fish & Game
Ralph Pirtle (NO COMMISSION)
Box 669
Cordova, AK 99574
4. Alaska Dept. of Fish & Game
Mike Nelson (NO COMMISSION)
Box 199
Dillingham, AK 99576
5. Alaska Dept. of Fish & Game
Fred Anderson (NO COMMISSION)
1300 College Rd.
Fairbanks, AK 99701
6. Alaska Dept. of Fish & Game
Hazel Vanderbrink (NO COMMISSION)
Box 234
Homer, AK 99603
7. Alaska Dept. of Fish & Game
Pam Johnson (NO COMMISSION)
Box 686
Kodiak, AK 99615
8. Alaska Dept. of Fish & Game
James Parker (NO COMMISSION)
Box 499
Sitka, AK 99835
9. Alaska Dept. of Fish & Game
Linda Herff (NO COMMISSION)
Box 1083
Petersburg, AK 99833
10. Alaska Dept. of Fish & Game
Brad Brahy (NO COMMISSION)
Box 200
Wrangell, AK 99929
11. Marion Abeldgaard (1942.30)
Box 322
Homer, AK 99603
12. Frank Alstrom (729.75)
Box 58
Alakanuk, AK 99554
- *13. Arthur Aspaas (86.00)
c/o Whitney-Fidalgo
Port Graham via
Homer, AK 99603
- *14. Robert Bennett (172.50)
Peter Pan Seafoods, Inc.
Naknek, AK 99583
- *15. William E. Bright (84.00)
Peter Pan Seafoods, Inc.
False Pass, AK 99583
16. Larry Byrd (90.25)
Emmonak, AK 99581
- *17. John Conner (165.00)
Bumble Bee Seafoods
Box 315
South Naknek, AK 99670
- *18. Karl Cook (111.00)
Annette Island Packing Co.
Box 6
Metlakatla, AK 99926
19. Darlene Crostlick (5626.40)
1719 Tongass
Ketchikan, AK 99901
- *20. Eileen Cruver (269.75)
Valdez Outfitters
Box 247
Valdez, AK 99686

- *21. Parascovia Deigh (81.50)
Egegik Resources Dev. Inc.
Box 40
Egegik, AK 99579
- 22. Bonnie Deneen (NO COMMISSION)
Box 250
Nome, AK 99762
- 23. Sylvia Geraghty (71.50)
Tokeen Lodge
Box 2367
Tokeen, AK via
Ketchikan, AK 99901
- 24. Elaine Giles (446.25)
Drawer B
Seldovia, AK 99663
- *25. Henry Gunderson (11.00)
Noyes Island Cannery
New England Fish Co.
Steamboat, AK 99901
- *26. B.L. Hall (194.00)
Columbia-Ward Fisheries
Chignik Lagoon, AK 99565
- *27. Ed Hansen (141.50)
Peter Pan Seafoods, Inc.
Warren Cannery
Naknek, AK 99633
- 28. Mary Ann Haugen (163.75)
Box 82
Unalakleet, AK 99684
- *29. Elmer Hauke (91.00)
Pederson Point Cannery
New England Fish Co., Box 101
Naknek, AK 99633
- 30. ~~LUCKY WIFE~~ (1027.00)
Box 524
Bethel, AK 99559
- 31. Helen Hille (2448.45)
City of Kenai
Box 580
Kenai, AK 99611
- 32. Maxine Holliday (3817.25)
Box 359
Cordova, AK 99574
- *33. ~~MIKE LOS~~ (77.00)
Egegik Cannery
New England Fish Co.
Egegik, AK 99579
- 34. Cornelia Howard (357.50)
Box 196
Yakutat, AK 99689
- *35. Gary Johnson (137.00)
Alaska Packer's Assn.
Box 264
South Naknek, AK 99670
- 36. Marlene Johnson (487.65)
Box 932
Hoonah, AK 99829
- *37. David Kashiwagi (64.50)
Peter Pan Seafoods, Inc.
Port Moller, AK 99695
- *38. Hewitt Kirkpatrick (255.50)
New England Fish Co.
Uganik Cannery via
Kodiak, AK 99615
- *39. Alice Kitkoon (20.50)
Box 61
Hydaburg, AK 99922
- 40. Donna Lohman (537.00)
City Clerk
Box 46
Kotzebue, AK 99752
- 41. Mary Jo Lord (53.45)
Elfin Cove, AK 99825
- 42. Rita Martinsen (108.50)
Box 111
Sand Point, AK 99661
- *43. Martha G. Norton (317.50)
Box 89
Unalaska, AK 99685

44. William E. Odell (309.45)
U.S. Postoffice Box 204
Pelican, AK 99832
45. Dave Olerud (305.50)
Box 172
Haines, AK 99827
46. Arnold Omholt (3821.75)
Box 127
King Salmon, AK 99613
- *47. Donald Overmiller (167.00)
Kodiak Island Seafoods, Inc.
Larsen Bay, AK 99624
- *48. Christian A. Peterson (17.50)
Southeast Seafood Processers, Inc.
Kake Plant, Box 350
Kake, AK 99830
49. Pete Peterson (503.25)
Box 105
Mt. Village, AK 99632
50. Richard Powers (93.15)
Angoon Trading Co.
Angoon, AK 99820
- *51. Patricia Rasmussen (176.50)
Whitney-Fidalgo Seafoods, Inc.
Naknek, AK 99633
- *52. Odd Skogstad (130.50)
Kenai Packer's Assn. Inc.
Box 317
South Naknek, AK 99670
53. Norma Tenfjord (2441.25)
Box 124
Petersburg, AK 99833
54. Tom Ward (2237.50)
Box 95
Dillingham, AK 99576
55. Luella Wilfong (786.25)
Seward Hardware
Box 576
Seward, AK 99664
- *56. David Williams (89.00)
Peter Pan Seafoods, Inc.
King Cove, AK 99612
57. [REDACTED]
58. Pam Yoder (539.50)
The Berry Bush
Box 87
Craig, AK 99921
- *59. Tibor J. Young (237.50)
Nelbro Packing Co.
Box 558
Naknek, AK 99633
60. Ernest Tiemann (244.50)
Ninilchik, Alaska 99639

Total Commission 32,286.35

/db

STATE OF ALASKA

DEPARTMENT OF REVENUE

STATE OFFICE BUILDING

JAY S. HAMMOND, GOVERNOR

POUCH SA - JUNEAU 99811

January 26, 1977

The Honorable John Sackett
Chairman
Senate Finance Committee
State Capitol Building
Juneau, Alaska

Re: Senate Bill No. 1

Dear Senator Sackett:

Senate Bill No. 1, an Act relating to fees for vendors of commercial fishing licenses, was introduced in the Senate and was referred on January 17, 1977 to the Senate Resources and Finance Committees.


A Fiscal Note and accompanying memorandum was prepared by Mr. R. B. Pilcher, Department of Revenue and was submitted on January 21, 1977 to the Senate Resources and Finance Committees.

On January 24, 1977, the Senate Resources Committee referred Senate Bill No. 1 to the Senate Finance Committee.

Mr. R. B. Pilcher, Department of Revenue who prepared the original Fiscal Note and accompanying memorandum and attended the hearing held by the Senate Resources Committee has prepared a further memorandum concerning the effective date of the proposed legislation.

Attached for the consideration of the Senate Finance Committee is a copy of Mr. Pilcher's memorandum of January 25, 1977.

Very truly yours,


R. D. Stevenson
Special Assistant

cc: The Honorable Robert Ziegler, Sr.
Chairman
Senate Rules Committee

R. H. Pilcher, Manager
Fish & Game Licensing Division
Department of Revenue

Jay Hogan, Director
Legislative Finance Division

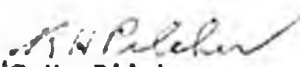
Ron Lind, Director
Division Of Budget & Management
Office of the Governor

STATE
of ALASKA

MEMORANDUM

TO: R.D. Stevenson
State Investment Officer
Department of Revenue

DATE : January 25, 1977

FROM: 
R.H. Pilcher
Manager
Juneau Field Office
Department of Revenue

SUBJECT: Senate Bill No. 1

A memorandum from this office dated January 20, 1977 advised of a problem of administration with Senate Bill No. 1 in that there is no effective date on the Bill. An effective date of January 1, 1978 was requested to establish a definite time for conversion to the new fee schedule.

After reevaluation of problems of administration, it has been determined that Fish and Game Licensing Division can properly audit collection reports with an increase in fees for vendors of commercial fishing licenses if an effective date on the 1st day of any month after passage of the bill is established.

Therefore, it is respectfully requested that that portion of memorandum dated January 20, 1977 dealing with a PROBLEM OF ADMINISTRATION be changed to: "An effective date on the 1st day of any month following passage of the bill", etc.

Thank you.

RHP:cs

1 IN THE SENATE

BY ZIEGLER

2 SENATE BILL NO. 1

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to fees for vendors of commercial
7 fishing licenses."

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

9 * Section 1. AS 16.05.470 is amended to read:

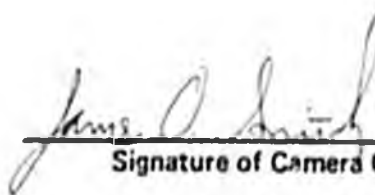
10 Sec. 16.05.470. FEE FOR ISSUANCE OF LICENSES. A person appointed
11 and authorized by the commissioner of revenue to sell licenses under
12 secs. 440 - 720 of this chapter, except salaried employees of the state,
13 shall retain the sum of 15 [FIVE] per cent of the fee for the issuance
14 of a license. A deputy shall transmit monthly to the commissioner all
15 fees collected by him, less the authorized commission, together with a
16 full accounting of the fees. The commissioner shall make monthly remit-
17 tances of the fees collected to the proper state official. The commis-
18 sioner is not liable for defalcation or failure to account for the fees
19 collected by a deputy, but he shall require a bond in the sum he con-
20 siders adequate, conditioned upon the faithful accounting of money
21 collected.



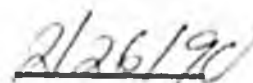
RECORDS CERTIFICATION



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.



Signature of Camera Operator



Date

COMMITTEE REPORT
SENATE

Date

Mr. President:

The Committee on FINANCE has had 15 30 minutes 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

Original sponsors: Croft and Huber

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 4 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to veterans' loans."

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

8 * Section 1. AS 26.15.040(a)(2) is amended to read:

9 (2) Farm and single-family home loans not exceeding \$55,000
and loans for owner-occupied duplexes not exceeding \$80,000 may be made
to purchase, remodel, repair, build, furnish, refinance or equip homes,
owner-occupied duplexes or farms in the state, including the clearing
and drainage for farms. The loans may not exceed 90 per cent of the
appraised value when made for the purchase or construction of a home
or owner-occupied duplex unless additional amounts are secured by
acceptable collateral as determined by the commissioner of commerce
and economic development in conformity with established minimum require-
ments. The rate of interest may not exceed the interest rate which is
charged for Federal Veterans Administration loans at the time a state
loan is granted. The loan agreement under this paragraph for an owner-
occupied duplex shall provide that financing up to 90 per cent of the
appraised value shall continue as long as the owner occupies the duplex.
The loan agreement shall also provide that after the owner ceases to
occupy the duplex, the loan shall be considered as a loan under (4) of
this subsection, and within 30 days the owner shall pay the state the
difference, if any, between the loan amount authorized under this para-
graph and the amount authorized under (4) of this subsection, in cash.
In this paragraph "owner-occupied duplex" means a two-unit residence,
owned by the loan applicant or borrower, in which one unit is occupied

1 by the owner as a permanent place of residence.
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COMMITTEE REPORT
SENATE

1/23/77

_____ Date

Mr. President:

The Committee on FINANCE has had SB A

vets loans

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 SP 4 and that
CS for SP 4 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

Original sponsors: Croft and Huber

Offered: 2/18/77
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 4

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to veterans' loans."

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

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11 to purchase, remodel, repair, build, furnish, refinance or equip homes,
12 owner-occupied duplexes or farms in the state, including the clearing
13 and drainage for farms. The loans may not exceed 90 per cent of the
14 appraised value when made for the purchase or construction of a home
15 or owner-occupied duplex unless additional amounts are secured by
16 acceptable collateral as determined by the commissioner of commerce
17 and economic development in conformity with established minimum require-
18 ments. The rate of interest may not exceed the interest rate which is
19 charged for Federal Veterans Administration loans at the time a state
20 loan is granted. The loan agreement under this paragraph for an owner-
21 occupied duplex shall provide that financing up to 90 per cent of the
22 appraised value shall continue as long as the owner occupies the duplex.
23 The loan agreement shall also provide that [30 days] after the owner
24 ceases to occupy the duplex, the loan shall be considered as a loan
25 under (4) of this subsection, and the owner shall pay the state the
26 difference, if any, between the loan amount authorized under this para-
27 graph and the amount authorized under (4) of this subsection, in cash.
28

1 IN THE SENATE

BY CROFT

2 SENATE BILL NO. 4

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to veterans' loans."

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

8 * Section 1. AS 26.15.040(a)(2) is amended to read.

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10 and loans for duplexes not exceeding \$80,000 may be made to purchase,
11 remodel, repair, build, furnish, refinance or equip homes, duplexes or
12 farms in the state, including the clearing and drainage for farms. The
13 loans may not exceed 90 per cent of the appraised value when made for
14 the purchase or construction of a home or duplex unless additional
15 amounts are secured by acceptable collateral as determined by the com-
16 missioner of commerce and economic development in conformity with
17 established minimum requirements. The rate of interest may not exceed
18 the interest rate which is charged for Federal Veterans Administration
19 loans at the time a state loan is granted.
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FEBRUARY 21, 1977

MR. PRESIDENT: THE RULES COMMITTEE HAS HAD SENATE BILL 4 UNDER CONSIDERATION
AND RECOMMENDS THAT IT BE SENT BACK TO THE FINANCE COMMITTEE
FOR FURTHER CONSIDERATION.

MEMBERS SIGNING THE MAJORITY REPORT:

[Handwritten signatures]

~~CHAIRMAN:~~

TO: SENATOR SACKETT

SUBJECT: SUGGESTED CHANGES IN SB 4

Add definition of "owner-occupied duplex"

In this section, "owner-occupied duplex" means a two-unit multiple residence, owned by the loan applicant or borrower, in which one unit is occupied by him as his permanent place of residence.

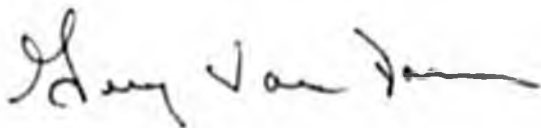
LINE 23.. Delete "30 days"

Line 25 ..after the word and, insert within 30 days

With this change, the owner will have 30 days to pay the state the difference between a loan secured under (2) of this section and (4) of this section.

Under the old language, the owner had an undetermined amount of time to pay the difference, although, the status of his loan changed within 30 days.

** you may want to leave 30 days in both places or substitute words " as soon as practicable" on line 23



THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. 49-246 C55B9
Title An Act relating to veterans' loans
Requested by _____ Date 2/16/77

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development
Program Category Affected Development
Budget Request Unit(s) Affected Veterans Loans

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
FULL TIME						
PART TIME						
TEMPORARY						

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

If this bill is passed, there will be minimal effect on this Division.
There will not be a fiscal impact on the Division of Veteran's Affairs.

IV. DATE 2/16/77

PREPARED BY Joseph J. [Signature]
AGENCY Veteran's Affairs
PHONE 465-2555

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

1 IN THE SENATE

BY CROFT

2 SENATE BILL NO. 4

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to veterans' loans."

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

8 * Section 1. AS 26.15.040(a)(2) is amended to read:

9 (2) Farm and single-family home loans not exceeding \$55,000
10 and loans for duplexes not exceeding \$80,000 may be made to purchase,
11 remodel, repair, build, furnish, refinance or equip homes, duplexes or
12 farms in the state, including the clearing and drainage for farms. The
13 loans may not exceed 90 per cent of the appraised value when made for
14 the purchase or construction of a home or duplex unless additional
15 amounts are secured by acceptable collateral as determined by the com-
16 missioner of commerce and economic development in conformity with
17 established minimum requirements. The rate of interest may not exceed
18 the interest rate which is charged for Federal Veterans Administration
19 loans at the time a state loan is granted.
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THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 4
 Title relating to veterans loans
 Requested by Senate Commerce Committee Date 2/8/77

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development
 Program Category Affected Development
 Budget Request Unit(s) Affected Veterans Loans

EXPENDITURES (Thousands of Dollars) NONE

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars) NONE

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS NONE

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
FULL TIME						
PART TIME						
TEMPORARY						

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

no fiscal impact

IV. DATE 2/8/77 PREPARED BY Jack Tinsley
 AGENCY Veterans Affairs
 PHONE 465-2555
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

BILL ANALYSIS

ASSIGNMENT DATE _____

UNASSIGNED 2/16/77

DEPARTMENT	SPONSOR (PRINCIPAL)	BILL NO.
Commerce & Economic Development	CROFT Union	CS513 4 HB 216
DEPARTMENT POSITION		
In favor of . . . but not top priority		
DIVISION DIRECTOR	DATE	COMMISSIONER
Veterans Affairs	2/16/77	
GOVERNOR'S OFFICE USE		
<input type="checkbox"/> POSITION NOTED	<input type="checkbox"/> POSITION APPROVED	<input type="checkbox"/> POSITION DISAPPROVED
BY:	DATE:	
SUMMARY		
(1) RELATED BILLS (SIMILAR OR CONFLICTING)		
(2) a. ORGANIZATIONAL SUPPORT FOR BILL		(2) b. ORGANIZATIONAL OPPOSITION TO BILL
Veterans of Foreign Wars		
The American Legion		
(3) PROGRAM EFFECTS OF BILL		
(4) FISCAL IMPACT: <input checked="" type="checkbox"/> NONE <input type="checkbox"/> FISCAL ANALYSIS ATTACHED		
(5) AMENDMENTS PROPOSED:		
(6) COMMENTS:		

There will not be a fiscal impact on the Division of Veteran's Affairs.

RE: SB 4 - by Croft
relating to veteran's loans

Introduced by Senator Croft at urging of veterans' groups in state

(NOTE: See Resolution from American Legion)

a

THE BILL:

Amends AS 26.15.040 (a) (2) - chapter on veterans' loans

The chapter had been previously amended in 1971 and in 1974 - raising limits on loans and making other changes.

Basically the bill:

- (1) specifies "single-family" in farm and home loans not to exceed \$55,000
- (2) adds new language/"loans for duplexes not exceeding \$80,000" to same paragraph
- (3) corrects name of department to reflect change to Commerce and Economic Development.

Under existing law, loans on duplexes fall under the section dealing with multiple dwellings - which require 25% down

Loans for farm & home loans under which duplexes would fall if this bill enacted require only 10% down.

COMMENT:

Jack Tinsley, Director of state Vets Div., favors bill; said prior to 1974 amending of chapter, vets could purchase duplexes for 10% down...H.

re: Senate Bill 4 - re veterans' loans
by Croft

Introduced by Senator Croft at uring

THE AMERICAN LEGION - DEPARTMENT OF ALASKA

P. O. BOX 250

JUNEAU, ALASKA 99802

57TH ANNUAL CONVENTION

Palmer, Alaska - June 17-19, 1976

RESOLUTION NO. 76-14

WHEREAS, Present regulations of the State of Alaska, Division of Veterans Affairs require that multiple dwelling loans may not exceed 75 percent of the appraised value of the collateral offered as security as compared to 90 percent for a single family dwelling; and

WHEREAS, A duplex is considered a multiple dwelling and is subject to the 75 percent limitation whether the veteran resides in said dwelling or not; and

WHEREAS, In many cases the added income from part of a duplex is the only way a veteran could finance a home; now, therefore, be it

RESOLVED, by The American Legion, Department of Alaska, in convention assembled in Palmer, Alaska, June 17-19, 1976, That the State Veterans Loan Program regulations be amended to allow a loan for a duplex at the 90 percent appraised value provided the veteran resides in said dwelling; and be it

FURTHER RESOLVED, That copies of this resolution be forwarded to the Governor, the Commissioner of Commerce and Economic Development, the Director of Division of Veterans Affairs, the President of the Alaska Senate and the Speaker of the Alaska House of Representatives.

/s/ Dan C. McDonough
DAN C. McDONOUGH
Department Commander 1975-1976

ATTEST:

William C. Kell *to Commerce*
WILLIAM C. KELL
Department Adjutant

Why difference?
CK

TO: Senator Meland

RE: Committee Sub. for SB 4 - Original sponsors: Croft & Huber
Finance Committee

SUBSTITUTE VS ORIGINAL BILL:

Additions to original bill have been bracketed [] - see attached.

COMMENTS:

CS would seem to satisfy expressed concerns (from both committee and Jack Tinsley, Dir. Vets Affairs) re purchase of duplex by vet for financial gain, i.e. rent or lease both sides.

Addition of words "owner-occupied" and lines 20 - 28 establish provision that if vet lives in half of duplex he may secure loan at 90%. However, should owner cease to occupy, the 90% loan will revert to loan under part (4)--the multiple dwelling loan which is 75%.

NOTE: HB 116 - Orion & Eliason, introduced 2/15/77
Referred: Finance

This bill parallels CSSB 4 in addition of words "owner-occupied"; however, does NOT include second addition re owners ceasing to occupy.

jk

Original sponsors: Croft and Huber

IN THE SENATE

BY THE FINANCE COMMITTEE

CS FOR SENATE BILL NO. 4

IN THE LEGISLATURE OF THE STATE OF ALASKA

TENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to veterans' loans."

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

* Section 1. AS 26.15.040(a)(2) is amended to read:

(2) Farm and single-family home loans not exceeding \$55,000 and loans for owner-occupied duplexes not exceeding \$80,000 may be made to purchase, remodel, repair, build, furnish, refinance or equip homes, owner-occupied duplexes or farms in the state, including the clearing and drainage for farms. The loans may not exceed 90 per cent of the appraised value when made for the purchase or construction of a home or owner-occupied duplex unless additional amounts are secured by acceptable collateral as determined by the commissioner of commerce and economic development in conformity with established minimum requirements. The rate of interest may not exceed the interest rate which is charged for Federal Veterans Administration loans at the time a state loan is granted. The loan agreement under this paragraph for an owner-occupied duplex shall provide that financing up to 90 per cent of the appraised value shall continue as long as the owner occupies the duplex. The loan agreement shall also provide that 30 days after the owner ceases to occupy the duplex, the loan shall be considered as a loan under ^{*}(4) of this subsection, and the owner shall pay the state the difference, if any, between the loan amount authorized under this paragraph and the amount authorized under (4) of this subsection, in each

* Multiple dwelling loans — 75%

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

PO BOX STATE OFFICE
JUNEAU ALASKA 99801
907 465 2900

MEMORANDUM

February 15, 1977

SUBJECT: CSSB 4 (Veterans' loans)

TO: Senator Chancy Croft

FROM: Richard A. Bradley
Legislative Counsel

The bill conforms with the request except that the bill does not establish a provision for a different interest rate if the owner vacates the duplex. The reason for this is that Jack Tinsley advises me that the interest rate for both kinds of loans is identical.

RAB:smh

Per -

How does this look?

RA

Original sponsors: Croft and Huber

IN THE SENATE

BY THE FINANCE COMMITTEE

CS FOR SENATE BILL NO. 4

IN THE LEGISLATURE OF THE STATE OF ALASKA

TENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to veterans' loans."

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

* Section 1. AS 26.15.040(a)(2) is amended to read:

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STATE
of ALASKA

Handwritten signature

TO: Honorable John Sackett
Chairman
Senate Finance Committee

DATE: February 1, 1977

FILE NO

TELEPHONE NO

FROM: Jack L. ^JTinsley
Director
Division of Veteran's Affairs

SUBJECT: Senate Bill 4

Senate Bill 4 will allow eligible veterans to purchase a duplex with a ten per cent participation instead of twenty-five per cent participation.

Prior to 1974 regulations permitted veterans to purchase a duplex with ten per cent down provided that the veteran resided in half of the duplex. This same rule could again apply administratively if Senate Bill 4 passes.

Senate Bill 4 will assist some veterans in obtaining housing, however, there will not be a fiscal impact on the Division of Veteran's Affairs.

STATE OF ALASKA

JAY S. HAMMOND, Governor

DEPARTMENT OF REVENUE

POUCH SB-JUNEAU 99801

March 9, 1977

The Honorable John Sackett
Alaska State Senator
State Capitol
Juneau, Alaska 99811

Dear Senator Sackett:

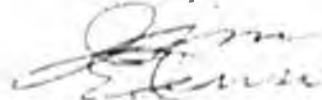
Regarding CS for Senate Bill No. 4, the Division of Veterans Affairs presently has a total of 3,600 loans totaling \$135,000,000. The Department of Revenue has purchased and is carrying in the General Fund portfolio around \$130,000,000.

Allowing owner occupied duplexes to qualify for 90 per cent financing instead of 75 per cent will have no noticeable effect on the volume of loans. The banking industry makes allowances for owner occupied two to four units, and our veterans program should keep up to date.

Regarding House Bill No. 51, this bill would raise loan limits on single family from \$55,000 to \$75,000 and from \$80,000 to \$110,000 on multiple dwellings. I agree that loan limits should also be up to date, however, the average loan in Anchorage is \$65,000. We should keep our limit at \$65,000 to \$67,500 in order to avoid over-inflated situations in case of default.

The Division of Veterans Affairs expects about a 30 per cent increase in volume if the bill passes due to refinancing at the higher figure. I would recommend that no refinancing be allowed and that only new loans qualify for the increased limit. This would keep the increased volume more manageable.

Sincerely,



Jim Edenso
Deputy Commissioner

JE:ge



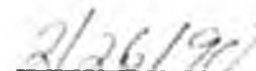
RECORDS CERTIFICATION



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.



Signature of Camera Operator



Date

COMMITTEE REPORT

HOUSE

_____ Date

Mr. Speaker:

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

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____ and that
CS for _____ do pass
- (and) recommends it be referred to the _____
committee
- reports it back without recommendation
- AND attaches a report of its intent
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

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

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____	recommends:	_____
_____	recommends:	_____
_____	recommends:	_____

Chairman

Original sponsors: Croft and Huber

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 4

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to veterans' loans; and providing for
7 an effective date."

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

9 * Section 1. AS 26.15.040(a)(2), (3) and (4) are amended to read:

10 (2) Farm and home loans not exceeding \$68,250 [\$55,000] may
11 be made to purchase, remodel, repair, build, furnish, refinance or equip
12 homes or farms in the state including the clearing and drainage for
13 farms. The loans may not exceed 90 per cent of the appraised value when
14 made for the purchase or construction of a home unless additional amounts
15 are secured by acceptable collateral as determined by the commissioner
16 of commerce in conformity with established minimum requirements. The
17 rate of interest may not exceed the interest rate which is charged for
18 Federal Veterans Administration loans at the time a state loan is
19 granted.

20 (3) Business loans not exceeding \$125,000 [\$100,000] may be
21 made to acquire, finance or refinance or equip businesses, including
22 mining and fishing but not including farming, if the loan applicant has
23 had three or more years of general business experience. The loans shall
24 be secured by acceptable collateral and may not exceed 75 per cent of
25 the appraised value of the collateral offered as security. The rate of
26 interest may not exceed the interest rate which is charged for Federal
27 Veterans Administration loans at the time a state loan is granted.

28 (4) Multiple dwelling loans not exceeding \$110,000 [\$80,000]
29 may be made to purchase, remodel, repair, build, furnish, refinance or
30

1 equip multiple dwellings. The loans shall be secured by acceptable
2 collateral and may not exceed 75 per cent of the appraised value of the
3 collateral offered as security. The rate of interest may not exceed the
4 interest rate which is charged for Federal Veterans Administration loans
5 at the time a state loan is granted.

6 * Sec. 2. AS 26.15.040(c) is amended to read:

7 (c) No loans authorized by (a)(2), (3) and (4) of this section may
8 be made unless the commissioner of commerce is satisfied that money at a
9 comparable rate of interest is not available to the applicant from
10 private lending institutions on a guaranteed basis as set out in (b) of
11 this section. An applicant is eligible for more than one type of loan,
12 but the total may not exceed \$125,000 [~~\$100,000~~] at any one time.

13 * Sec. 3. This Act takes effect July 1, 1977.
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Original sponsors: Croft and Huber

Offered: 2/28/77
Referred: Pules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 4 (Finance) am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to veterans' loans."

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

8 * Section 1. AS 26.15.040(a)(2) is amended to read:

9 (2) Farm and single-family home loans not exceeding \$55,000
10 and loans for owner-occupied duplexes or modular homes with a fixed
11 foundation not exceeding \$80,000 may be made to purchase, remodel,
12 repair, build, furnish, refinance or equip homes, owner-occupied du-
13 plexes, modular homes with a fixed foundation or farms in the state,
14 including the clearing and drainage for farms. The loans may not exceed
15 90 per cent of the appraised value when made for the purchase or con-
16 struction of a home or owner-occupied duplex or a modular home with a
17 fixed foundation unless additional amounts are secured by acceptable
18 collateral as determined by the commissioner of commerce and economic
19 development in conformity with established minimum requirements. The
20 rate of interest may not exceed the interest rate which is charged for
21 Federal Veterans Administration loans at the time a state loan is
22 granted. The loan agreement under this paragraph for an owner-occupied
23 duplex or a modular home with a fixed foundation shall provide that
24 financing up to 90 per cent of the appraised value shall continue as
25 long as the duplex financed under this paragraph is maintained as the
26 permanent place of residence of the owner. The loan agreement shall
27 also provide that after the duplex financed under this paragraph
28 ceases to qualify as the permanent place of residence of the owner,
29 the loan shall be considered as a loan under (4) of this subsection, and

1 within 30 days the owner shall pay the state the difference, if any,
2 between the loan amount authorized under this paragraph and the amount
3 authorized under (4) of this subsection, in cash. In this paragraph
4 "owner-occupied duplex" and modular homes with a fixed foundation means
5 a two-unit residence, owned by the loan applicant or borrower, in which
6 one unit is occupied by the owner as a permanent place of residence.

1 IN THE SENATE

BY CROFT

2 SENATE BILL NO. 4

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to veterans' loans."

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

8 * Section 1. AS 26.15.040(a)(2) is amended to read:

9 (2) Farm and single-family home loans not exceeding \$55,000
10 and loans for duplexes not exceeding \$80,000 may be made to purchase,
11 remodel, repair, build, furnish, refinance or equip homes, duplexes or
12 farms in the state, including the clearing and drainage for farms. The
13 loans may not exceed 90 per cent of the appraised value when made for
14 the purchase or construction of a home or duplex unless additional
15 amounts are secured by acceptable collateral as determined by the com-
16 missioner of commerce and economic development in conformity with
17 established minimum requirements. The rate of interest may not exceed
18 the interest rate which is charged for Federal Veterans Administration
19 loans at the time a state loan is granted.
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Original sponsors: Croft and Huber

Offered: 2/28/77
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 4 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

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12 owner-occupied duplexes or farms in the state, including the clearing
13 and drainage for farms. The loans may not exceed 90 per cent of the
14 appraised value when made for the purchase or construction of a home
15 or owner-occupied duplex unless additional amounts are secured by
16 acceptable collateral as determined by the commissioner of commerce
17 and economic development in conformity with established minimum require-
18 ments. The rate of interest may not exceed the interest rate which is
19 charged for Federal Veterans Administration loans at the time a state
20 loan is granted. The loan agreement under this paragraph for an owner-
21 occupied duplex shall provide that financing up to 90 per cent of the
22 appraised value shall continue as long as the owner occupies the duplex.
23 The loan agreement shall also provide that after the owner ceases to
24 occupy the duplex, the loan shall be considered as a loan under (4) of
25 this subsection, and within 30 days the owner shall pay the state the
26 difference, if any, between the loan amount authorized under this para-
27 graph and the amount authorized under (4) of this subsection, in cash.
28 In this paragraph "owner-occupied duplex" means a two-unit residence,
29 owned by the loan applicant or borrower, in which one unit is occupied

Original sponsors: Croft and Huber

Offered: 2/18/77

Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 4

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

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27 graph and the amount authorized under (4) of this subsection, in cash.
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CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

Original sponsors: Croft and Huber

Offered: 2/28/77
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 4 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

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29 owned by the loan applicant or borrower, in which one unit is occupied

1 by the owner as a permanent place of residence.
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Original sponsors: Croft and Huber

Offered: 2/18/77
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 4

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

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STATE
of ALASKA

Handwritten signature or stamp

TO: Honorable John Sackett
Chairman
Senate Finance Committee

DATE: February 1, 1977

FILE NO.

MEMORANDUM NO.

FROM: Jack L. ¹Winsley
Director
Division of Veteran's Affairs

SUBJECT: Senate Bill 4

Senate Bill 4 will allow eligible veterans to purchase a duplex with a ten per cent participation instead of twenty-five per cent participation.

Prior to 1974 regulations permitted veterans to purchase a duplex with ten per cent down provided that the veteran resided in half of the duplex. This same rule could again apply administratively if Senate Bill 4 passes.

Senate Bill 4 will assist some veterans in obtaining housing, however, there will not be a fiscal impact on the Division of Veteran's Affairs.

STATE OF ALASKA

DEPARTMENT OF REVENUE

JAY S. HAMMOND, Governor

FOUCHSB - JUNEAU 995811

March 9, 1977

The Honorable John Sackett
Alaska State Senator
State Capitol
Juneau, Alaska 99811

Dear Senator Sackett:

Regarding CS for Senate Bill No. 4, the Division of Veterans Affairs presently has a total of 3,600 loans totaling \$135,000,000. The Department of Revenue has purchased and is carrying in the General Fund portfolio around \$130,000,000.

Allowing owner occupied duplexes to qualify for 90 per cent financing instead of 75 per cent will have no noticeable effect on the volume of loans. The banking industry makes allowances for owner occupied two to four units, and our veterans program should keep up to date.

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Sincerely,



Jim Edensio
Deputy Commissioner

JE:gc

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 4
 Title relating to veterans loans
 Requested by Senate Commerce Committee Date 2/8/77

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development
 Program Category Affected Development
 Budget Request Unit Affected Veterans Loans

EXPENDITURES (Thousands of Dollars) NONE

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						

TOTAL

FUNDING (Thousands of Dollars) NONE

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

no fiscal impact

IV. DATE 2/8/77 PREPARED BY Jack Tinsley

AGENCY Veterans Affairs

PHONE 465-2555

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