

Leg. Finance-House & Senate Finance Comte Files (1991-1992) 750

TO: ALASKAN LEGISLATORS  
PO BOX V  
JUNEAU, AK 99811

ATTN: *Representative Don Kuhina*

FROM: CONCERNED ALASKAN DART PLAYERS

IN REGARD: REGULATIONS GOVERNING DART PLAY IN ALASKA

Recent actions by the Alcohol Beverage Control Board have brought dramatic attention to the sport of darts. Please help dart players by supporting or changing legislation which would allow tournaments to be held without violation of Alaskan statutes. The following facts and examples will illustrate why darts need and deserve your support.

Approximately 2500 Alaskan dart players participate in local and national league play. Darts is a sport like bowling and marksmanship where skill and technique are critical factors in determining the outcome of the game. Under AS 11.66.280 Dart Associations have been threatened with violations of the gambling laws. By prosecuting darts under this statute, the ABC and Gaming commission is defining darts as a game of chance. This is not the case. By adding the word "Darts" to the definition of marksmanship in Alaska Administrative Code 15 AAC 105 160, darts would be immune from prosecution and placed in the category where they belong.

Dart Associations in this state are run as non-profit organizations. Positions on the Board of Directors and Executive Board are voluntary positions whose sole purpose is to manage and formulate league play and tournaments, not unlike softball, bowling, and pool. Dart Associations throughout the state host many charitable tournaments such as; Darts for Diabetes, Hospice of Tanana Valley, Jerry's Kids (MS), Youth League, Child Abuse and Youth Scholarship Programs.

Thank you for the opportunity to explain why dart players need changes made if the sport is to continue to grow and flourish in Alaska. Please inform me of actions needed to correct this inappropriate persecution. Dart players and their supporters are more than willing to advocate and support any legislator or agency that will benefit the sport of darts.

Thank you for your support.

Sincerely,

*Sylvia W. Hughes*  
*PO Box 1564*  
*Waldley AK 99886*

**HB 1888**

HOUSE COMMITTEE REPORT

(11)

Date Referred: April 11, 1991

FURTHER REFERRALS:

Date of Committee Action: 4/29/92

The FINANCE Committee considered:

HB 188

HOUSE BILL NO. 188

CITATIONS/MEDALS FOR PERSIAN GULF VETS

"An Act relating to the issuance of citations and medals to members of the armed forces serving in the conflict with Iraq."

RECOMMENDATIONS:

be replaced with CS HB 188 (STA)  the same title  a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the \_\_\_\_\_ Committee

ADOPTS: Special Committee on Military and Veterans Affairs letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal impact DMVA 4/27/92

fiscal note(s) \_\_\_\_\_

zero fiscal note \_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<u>Mike Spavone</u> NAVARRE	✓				
<u>E. Lee P. Mullan</u> Mullan	✓				
<u>Mark Bann</u> Boyer	X				
<u>Tan Brown</u> Brown	✓				
<u>Greg Jacko</u> JACKO	✓				
<u>Thomas P. Bann</u> BANN	✓				
<u>Bon Sharp</u> SHARP	✓				
<u>ROBERT PHILLIPS</u> Phillips	✓				
<u>Ronald J. Hanson</u> HANSON	✓				
<u>F. Ulmer</u> Ulmer	✓				

Mike Spavone NAVARRE  
Co-CHAIRMAN'S SIGNATURE

EP Mullan Mullan

# Alaska State Legislature

## House of Representatives

Rep. Ivan, Chair  
Rep. Davidson  
Rep. Foster  
Rep. Gruenberg  
Rep. M.W. Miller



P.O. Box V  
State Capitol  
Juneau, Alaska 99811  
(907) 465-4327

### Special Committee on Military & Veterans Affairs

#### LETTER of INTENT

It is the intent of the House Special Committee on Military and Veterans Affairs that the first medallion and/or citation be awarded to the family of Army Sergeant David Q. Douthit, an Alaskan killed in action by Iraqi troops in the war to liberate Kuwait.

A handwritten signature in cursive script, appearing to read "Ivan M. Ivan".

---

Ivan M. Ivan, Chairman  
House Special Committee on Military and Veterans Affairs

**FISCAL NOTE**

**STATE OF ALASKA  
1992 LEGISLATIVE SESSION**

BILL NO. CSHB 188 (STA)

Revision Date: 27 January 92 Department Affected: Military & Veterans Affairs

Title: Recognition and benefits for Persian Gulf veterans BRU: Veterans Affairs

Sponsor: Rep. Foster Component: Veterans services

Requestor: House Finance COMPONENT SERIAL NO. 

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**EXPENDITURES/REVENUES: (Thousands of Dollars)**

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	50.6					
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>50.6</b>					

CAPITAL						
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REVENUE						
FUND SOURCE:						

**FUNDING: (Thousands of Dollars)**

GENERAL FUND	50.6					
FEDERAL FUNDS						
OTHER						
FUND SOURCE:						
<b>TOTAL</b>						

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: \_\_\_\_\_

**ANALYSIS: (Attach a separate page if necessary.)**

Previous fiscal note has been revised to reflect higher postage rates and lower cost of silver. See attached page.

Prepared By: Jeff Morrison Phone: 465-4600

Division: Administrative Support and Services Date: 27 Jan 92

Approved by Commissioner: *J Morrison for* MG Hugh L Cox III

Agency: Military and Veterans Affairs Date: 27 Jan 92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legie. Ofc., & Impacted Agency(ies).

FISCAL NOTE TO CSHB 188 (STA)  
DEPARTMENT OF MILITARY AND VETERANS AFFAIRS  
Revised 1/27/92

The bill provides for the issuance of both medallions and citations. There are three expenditure elements to the fiscal note: design competition and administrative expenses; medallion production costs; and citation production costs. Guidance provided by the legislative committees hearing this bill affects the fiscal impact as follows: 1) there will be no sale of medallions to the public, and any surplus medallions will be melted down and the silver disposed of as surplus state property; and 2) advertising expenses regarding the availability of the medallions and citations will be kept to an absolute minimum.

The committee substitute bill expands the eligibility of the original bill to add persons who were stationed in Alaska just prior to deployment to serve in the Persian Gulf conflict. It is estimated that this increases the number of eligible recipients by about 300. The position paper for HB188 supports a statistical projection of about 1200 Alaskans serving in the Persian Gulf conflict. The probable number of actual recipients is therefore estimated to be about 1500. This fiscal note assumes a maximum number of potential recipients of 1800, in order to cover a possible margin of error in estimating.

EXPENDITURE INFORMATION

Design competition and administrative expenses:	12.8
Design competition costs include \$1000 in advertising and promotion, and \$1000 for each of two winners (totalling \$2000 - two sides to the medallion). Administrative expenses include \$1000 for advertising in military publications and other publications to inform the potential recipients of the medals and citations of the need to apply for them, and the procedures to apply for them. Postage to mail out the citations and medallions to recipients is estimated at \$4.90 each [(priority mail, less than two pounds is \$2.90) + (certified, return receipt for \$2.00)], for up to 1800 recipients, for a postage budget of \$8820.	
Medallion production costs:	28.8
Fiscal note assumes the production of 1800 each 2 ounce silver medallions (about 2" diameter). Die casting is \$1800 for both sides. Unit costs of medallions includes: \$3.00 striking cost; \$3.00 packaging and shipping; and \$9.00 silver (2oz. @ \$4.50/oz). [\$15 each x 1800 units, plus \$1800 die charge, totals \$28,800]	
Citation Production costs	9.0
Fiscal note is based on unit cost of \$5.00 for citation and presentation folder, for 1800 citations.	
TOTAL EXPENSES	50.6

CS FOR HOUSE BILL NO. 188 (STATE AFFAIRS)  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

Offered: 4/12/91  
Referred: Finance

Sponsor(s): REPRESENTATIVES FOSTER, Ivan, Gruenberg, Choquette, C.Davis, Sharp, Moyer, Kubina, Ulmer, R.Phillips, Carney, M.A.Miller, Hudson, Zawacki, Parnell, Gonzales, Baker, Donley, Larson, Taylor, Jacko, Mackie

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the issuance of citations and medallions to members of the armed  
2 forces serving in the conflict with Iraq; and providing for an effective date."

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

4 \* Section 1. MEDALLIONS AND CITATIONS. (a) The Department of Military and Veterans'  
5 Affairs shall award a medallion and issue a citation to the following persons who served in the armed  
6 forces of the United States during the conflict with Iraq:

7 (1) Alaska residents as determined by the department by regulation;

8 (2) persons permanently stationed in Alaska immediately before service in the conflict.

9 (b) An individual is not eligible for a medallion and citation unless the individual served on  
10 active duty in the Persian Gulf and nearby areas, including the Mediterranean, Turkey, and Israel, in  
11 response to the conflict.

12 (c) The department shall contract or otherwise arrange for the minting of the medallions from  
13 .999 fine silver in a weight determined by the adjutant general of the department.

14 (d) The design for the medallion shall be determined in a competition conducted by the

1 department from among Alaska residents. The department shall award \$1,000 to the winner.

2 \* Sec. 2. This Act takes effect immediately under AS 01.10.070(c).

**DIVISION OF LEGAL SERVICES**

**LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA**

P.O. Box Y, Juneau, Alaska 99811  
(907) 465-3867 or 465-2450  
FAX (907) 465-2029

Deliveries to: 240 Main Street  
Court Plaza, Room 500  
Mail Stop 3101

MEMORANDUM

April 5, 1991

**SUBJECT:** Residency requirement for artists in CSHB 188 ( ) (W.O. 7LS0793)

**TO:** Representative Max Gruenberg  
Attn: Mike

**FROM:** Theresa L. Bannister <sup>TB</sup>  
Legislative Counsel

This memo accompanies the draft that you requested as CSHB 188 ( ) relating to the issuance of medallions and citations to Persian Gulf veterans.

Please be aware that the restriction of the design competition to Alaska residents raises an issue under the privileges and immunities clause (sec. 2, art. IV, Constitution of the United States).

If a right to participate in the competition is considered to be a "fundamental right that involves basic and essential activities", the clause will apply and must be satisfied. Although the right does not seem very fundamental at first glance, one can argue that some artists earn their living by the money they receive from governmental art competitions. If considered the right to earn a living, the clause would apply.

If the clause applies, discrimination against nonresidents is prohibited unless the state has a substantial justification for the discrimination, and the means employed by the statute are closely related to the interests served by the statute. Robison v. Francis, 713 P.2d 259 (Alaska 1986). To overcome a challenge based on the clause, the state would have to show that nonresidents are "a peculiar source of the evil" which the state's action is meant to remedy, and that the state's purpose is something other than protecting residents from competition. Robison v. Francis, 713 P.2d 259 (Alaska 1986). It is unclear whether the arguments for having an Alaskan design an Alaska veteran's medallion would satisfy this criteria.

The state is given certain leeway in preferring its own residents in its own activities. In Robison v. Francis, 713 P.2d 259, 265 (Alaska 1986), the court indicated it could give little deference to the state, despite the fact that the state was acting as a

Representative Max Gruenberg

April 5, 1991

Page 2

"market participant" (owner), because all municipal and state construction projects were covered by the resident preference and because those projects amounted to 60 - 70% of all commercial construction in the state. In this case, however, the state could make a healthy argument that it is entitled to deference in this case, since the restricted activity is limited to a single event and to a relatively small amount of money.

In conclusion, although the limited competition raises a privileges and immunities clause issue, the outcome of the challenge is unclear.

If I may be of further assistance, please advise.

TLB:lmb  
91-102.lmb

Enclosure

# STATE OF ALASKA

XXXXXXXXXXXXXXXXXXXX  
WALTER J. HICKEL, GOVERNOR

## DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

OFFICE OF THE ADJUTANT GENERAL

DIMOND CENTER TOWER  
800 EAST DIMOND BLVD.  
SUITE 3-460  
ANCHORAGE, ALASKA 99515-2097  
PHONE: (907) 249-1623  
AUTOVON 628-1523

April 9, 1991

Mr. John Walsh  
Office of Representative Richard Foster  
P. O. Box V  
Juneau, Alaska

Dear Mr. Walsh:

The office of the Director of Veteran Affairs wholeheartedly supports the issuance of citations and medallions to members of the Armed Forces serving in the conflict with Iraq.

Further, the idea of design competition to Alaska residents even adds to the Alaska flavor of the award.

If I can be of further assistance, please call on me.



Larry H. Landry  
Director  
Division of Veteran Affairs

\*\*\*\*\*  
F A X T R A N S M I T T A L M E M O

TO: JOHN WALSH

DEPT: \_\_\_\_\_ FAX #: 465-3282

FROM: LANDRY PHONE: 249-1241

CO: DMJA FAX #: 249-1507

Post-It<sup>®</sup> brand fax transmittal memo 7871

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## THE AMERICAN LEGION

DEPARTMENT OF ALASKA  
 P.O. BOX 201949  
 ANCHORAGE, ALASKA 99520-1949  
 (907) 278-8598 Headquarters  
 (907) 276-8211 Service Office  
 (907) 278-0041 Fax Number

**Richard D. Heim**  
 Department Commander  
 519 West 8th Avenue  
 Anchorage, Alaska 99501

**William Bishop**  
 National Executive Committeeman  
 302 Marine Way  
 Kotlik, Alaska 99615

**Joseph T. Craig**  
 Alternate NEC  
 2323 First Avenue  
 Ketchikan, Alaska 99901

**Warren C. Colver**  
 Department Adjutant/Service Officer  
 519 West 8th Avenue  
 Anchorage, Alaska 99501

April 18, 1991

The Honorable Richard Foster  
 Representative  
 Alaska State Legislature  
 PO Box V  
 Juneau, Alaska 99811

RE: HB-188 - Citation/Medals for Persian Gulf Veterans.

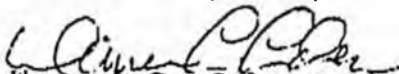
Dear Representative Foster,

This is to advise that The American Legion, Department of Alaska, wholeheartedly endorses and supports HB-188 - Citation/Medals for Persian Gulf Veterans.

We can think of no more fitting tribute to our Desert Storm Comrades than the commission and stamping of this important medal. Like the flag, the medal represents the passion and commitment our Alaskan Desert Storm troops gave to their State during the recent Gulf crisis.

Thank you for allowing us to comment and make known our support for HB-188.

Sincerely yours,

  
 Warren C. Colver

Department Adjutant/Legislative Representative

WCC/t1

**HB 1809**

Red waived 5/2/91

HOUSE COMMITTEE REPORT

(11)

Date Referred: May 2, 1991

FURTHER REFERRALS:

Date of Committee Action: 1/29/92

The FINANCE Committee considered:

HB 189

HOUSE BILL NO. 189

ALASKA HERITAGE ENDOWMENT FUND

"An Act establishing the Alaska heritage endowment fund and amending the responsibilities of the Alaska State Museum and of the Museum Collections Advisory Committee; and providing for an effective date."

RECOMMENDATIONS:

be replaced with CS HB 189 (FIN) [ ] the same title [ ] a new title

[ ] have attached amendments(s)

[ ] do pass

[ ] do not pass

[ ] no recommendations

[ ] individual recommendations

[ ] additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

[ ] fiscal impac. \_\_\_\_\_

[ ] fiscal note(s) \_\_\_\_\_

[ ] zero fiscal note HFC. 1/29/92

[ ] zero fiscal note(s) \_\_\_\_\_

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
Mike Navarre	✓	Eileen P. Maclean		X	
M. V. Boyer	X	B. J. Jalko		X	
T. Brown	✓	Barnes		X	
A. Kopmen	✓	Ronald J. Larson		X	
B. Sharp	✓				
R. E. C. Phillips	✓				
G. Ulmer	✓				

Signature of Mike Navarre (Chairman) and Eileen P. Maclean

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. HB 189

Revision Date: \_\_\_\_\_ Department Affected: REVENUE  
 Title: An Act establishing the Alaska  
Heritage Endowment BRU: Operations  
 Component: Treasury Management  
 Sponsor: Representative Boyer  
 Requestor: House Finance Committee COMPONENT SERIAL NO. 

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EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-					
CAPITAL	-0-					
REVENUE	-0-					
FUND SOURCE:						

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-					
FEDERAL FUNDS	-0-					
OTHER	-0-					
FUND SOURCE:						
TOTAL	-0-					

POSITIONS:

FULL-TIME	--					
PART-TIME	--					
TEMPORARY	--					

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Co-Chair Mike Navarre *file* Phone: 465-3779  
Co-Chair Eileen MacLean *Eileen* Phone: 465-4833  
 Division: House Finance Committee Date: 1/29/92

Approved by Commissioner: \_\_\_\_\_ Date: \_\_\_\_\_  
 Agency: \_\_\_\_\_

CS FOR HOUSE BILL NO. 189 (FINANCE)  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:  
Referred:

Sponsor(s): REPRESENTATIVES BOYER, Davidson, Koponen, B.Davis, Ulmer, Brown, Moyer, C.Davis

A BILL

FOR AN ACT ENTITLED

1 "An Act establishing the Alaska heritage endowment fund and amending the responsibilities  
2 of the Alaska State Museum and of the Museum Collections Advisory Committee; and  
3 providing for an effective date."

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

5 \* Section 1. FINDINGS AND PURPOSE. (a) The legislature finds that

6 (1) cultural, natural heritage, artistic, archival, and scientific materials represent and  
7 document Alaska's land and people from prehistoric times to the present;

8 (2) archival material and artifacts relate historical events and personalities, provide for  
9 advancement of historical and scientific research, and communicate information about the history of the  
10 state from one generation to another;

11 (3) Alaska Native art, historical art, and contemporary artistic achievements are an  
12 integral part of the state's cultural diversity and provide a basis for understanding our individual and  
13 collective identity;

14 (4) much of Alaska's cultural and historic resources have been and remain in great

1 demand nationally and internationally, as a consequence of which the state has been stripped of a  
2 substantial portion of its material cultural heritage; the process continues with sale from in-state  
3 collections to nonresidents of works of significant artistic or historical value;

4 (5) acquisition, a primary function of museums, is a process that is necessarily carefully  
5 planned and highly selective in order that collections be capable of supporting the long-range goals of  
6 a large and diverse constituency;

7 (6) it is not possible for museums to develop a balanced and planned collection by means  
8 of donations alone; recent changes in federal tax laws have diminished donations as a principal source  
9 of money to sustain the development of balanced and planned collections; at the same time, while many  
10 individuals who possess materials important to Alaska would like to assure that those materials remain  
11 in the state or return to it, they often find it impossible to make the necessary financial sacrifice that  
12 attaches to donation of those materials;

13 (7) purchased acquisitions enable museums to develop their collections systematically in  
14 accordance with established long-range plans;

15 (8) museums that are charged with responsibility for development and maintenance of  
16 collections must respond to acquisition opportunities as they arise, but the availability of premiere  
17 Alaskan objects and collections by acquisition cannot be predicted;

18 (9) a lack of access at all times to funding for major acquisitions results in the loss of  
19 opportunity to acquire essential material; once missed, the acquisition opportunity may be one that is  
20 gone forever;

21 (10) the establishment of an endowment as a source of income would materially assist  
22 the Alaska State Museum to compete successfully to acquire exceptional cultural and historical materials  
23 and resources for retention within the state and for return to the state.

24 (b) To secure to Alaskans in this and future generations the pride, identity, and importance that  
25 attaches to the state's heritage of cultural and natural heritage, the legislature is establishing the Alaska  
26 heritage endowment fund, the income from which will provide a stable source of money for the  
27 acquisition of outstanding objects and collections.

28 \* Sec. 2. AS 14.57.050(b) is amended to read:

29 (b) Artifacts, natural history specimens, art objects, collections, or other items, materials  
30 or properties that relate to the history of Alaska and are appropriate for preservation in the state  
31 museum of a value of \$1,000 or more may not be acquired by purchase, gift, or exchange, or

1 otherwise [,] nor may any item owned by, or in the custody of, the state museum be disposed of  
2 by sale, gift, exchange, or otherwise, without the written approval of the committee. In  
3 recommending the acquisition or disposal of an item under this subsection for the state  
4 museum, the committee shall evaluate the need for the item or collection proposed for  
5 acquisition or disposal with reference to the scope of collections of the state museums.

6 \* Sec. 3. AS 14.57.080 is amended to read:

7 Sec. 14.57.080. DEFINITION [DEFINITIONS]. In AS 14.57.020 - 14.57.080, [THIS  
8 CHAPTER] "committee" means the state Museum Collections Advisory Committee.

9 \* Sec. 4. AS 14.57 is amended by adding new sections to read:

10 ARTICLE 2. USE OF NET INCOME OF ALASKA HERITAGE ENDOWMENT FUND.

11 Sec. 14.57.100. ACQUISITIONS. Subject to appropriation by the legislature under  
12 AS 37.14.430, the director may use the balance of the net income account of the Alaska heritage  
13 endowment fund to acquire culturally or historically significant artifacts, natural history  
14 specimens, art objects, collections, and other items, materials, or properties that represent and  
15 document Alaska's land, natural history, and people for

16 (1) the Alaska State Museum; and

17 (2) the Sheldon Jackson Museum.

18 Sec. 14.57.110. OWNERSHIP OF ACQUIRED ITEMS. Except when ownership of an  
19 item is transferred under AS 14.57.120, an item acquired under AS 14.57.100 becomes the  
20 property of the state museum.

21 Sec. 14.57.120. CRITERIA APPLICABLE TO ACQUISITIONS FROM THE FUND.  
22 Subject to approval given by the Museum Collections Advisory Committee under  
23 AS 14.57.050(b), the director may

24 (1) establish by contract the terms and conditions of custody, protection,  
25 conservation, and exhibition of an item acquired by the state museum if the item is acquired and  
26 custody of it is assigned to another institution;

27 (2) transfer ownership of an item to an institution having custody of an item  
28 acquired from the net income account of the fund if the director is satisfied that the institution  
29 will provide necessary care and protection of the item; or

30 (3) assign long-term custody of an item to an institution having custody of an  
31 item acquired from the net income account of the fund if the director is satisfied that the

1 between principal and income.

2 (d) Unless otherwise provided by the act making an appropriation under (b) of this  
3 section, an amount appropriated to the net income account under (b) of this section does not  
4 lapse.

5 Sec. 37.14.420. POWERS AND DUTIES OF THE COMMISSIONER OF REVENUE.

6 The commissioner of revenue is the treasurer of the fund and has the power and duty to

7 (1) act as official custodian of the cash and investments belonging to the fund by  
8 securing adequate and safe custodial facilities;

9 (2) receive all items of cash and investments belonging to the fund;

10 (3) collect the principal and income from investments owned or acquired by the  
11 fund and deposit the amounts in separate principal and income accounts for the fund;

12 (4) invest and reinvest the assets of the fund as provided in this section and as  
13 provided for the investment of funds under AS 14.25.180(c) and AS 37.14.170;

14 (5) exercise the powers of an owner with respect to the assets of the fund;

15 (6) maintain accounting records of the fund in accordance with investment  
16 accounting principles and with distinction between the principal and income accounts of the fund;

17 (7) engage an independent firm of certified public accountants to annually audit  
18 the financial condition of the fund's investments and investment transactions;

19 (8) enter into and enforce contracts or agreements considered necessary for the  
20 investment purposes of the fund;

21 (9) report to the commission the condition and investment performance of the  
22 fund;

23 (10) do all acts, whether or not expressly authorized, that the commissioner of  
24 revenue considers necessary or proper in administering the assets of the fund.

25 Sec. 37.14.430. USE OF FUND. (a) The principal of the fund and any capital gains or  
26 losses realized on the principal shall be retained perpetually in the fund for investment as  
27 specified in AS 37.14.420.

28 (b) The net income account of the fund may be appropriated for the following purposes:

29 (1) reimbursement to the Department of Revenue for the costs of establishing and  
30 managing the fund;

31 (2) the administrative expenses of the Museum Collection Advisory Committee

1 relating to acquisitions from the fund, as determined by the legislature;  
2 (3) acquisitions authorized by AS 14.57.100 - 14.57.199; and  
3 (4) reimbursement of other costs of administration of the fund.

4 (c) The balance remaining in the net income account that, at the end of the fiscal year,  
5 has not been appropriated, or that has been appropriated but not expended, shall be invested until  
6 appropriated or expended.

7 Sec. 37.14.440. DEFINITION. In AS 37.14.400 - 37.14.440, "fund" means the Alaska  
8 heritage endowment fund established by AS 37.14.400.

9 \* Sec. 6. This Act takes effect July 1, 1992.

# DIVISION OF LEGAL SERVICES

## LEGISLATIVE AFFAIRS AGENCY STATE OF ALASKA

(907) 465-3867 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101


240 Main Street, Suite 500  
Juneau, Alaska 99801-2101

### MEMORANDUM

January 30, 1992

**SUBJECT:** CSHB 189 (Finance): State Museum Heritage Endowment Fund -- proper reference to state official (Work Order No. 7-LS0852J)

**TO:** Representative Mike Navarre, Co-Chair  
House Finance Committee

**FROM:** Jack Chenoweth  
Legislative Counsel 

I have made the changes as instructed. Note that, during the First Session, legislation was enacted that made use of the "Article 4" and "AS 37.14.300 - 37.14.340" references that also appear in this measure. In this version, therefore, I have changed the internal references to "Article 5" and "AS 37.14.400 - 440." We have checked these cites and made all necessary reference corrections.

Also, I want to alert you to the inconsistency between a reference the House Finance Committee is adding in this bill to "director of the division of libraries, archives, and museums" and the references elsewhere in applicable law (various references in AS 14.56, including, notably, AS 14.56.350 referring to the "director of the division of state libraries" and various references in AS 14.57 and AS 41.35 including, notably, AS 14.57.030 with a reference to "director of the museum" and AS 41.35.120(1) with a reference to "director of the State Museum.") This inconsistency of reference arises out of the fact that when the Department of Education recently merged the former Division of Libraries & Archives with the former Division of Museums, it did not bother to seek legislation to correct these statutory references or ask the governor to prepare, sign, and submit an executive order to incorporate these changes. I can't advise the Finance Committee not to make the change but I would caution that the committee is only compounding the confusion of reference arising out of the administration's failure to merge these divisions either by law or by executive order.

JBC:lmb  
92-017.lmb

FISCAL NOTE

BILL NO. HB 189

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

Revision Date: 1/23/92

Title: An act establishing the Alaska Heritage Endowment

Fund: \_\_\_\_\_

Department Affected: Revenue

BRU: Operations

Component: Treasury Management

Sponsor: Representative Boyer

Requestor: House Finance

Component Serial No.

0	1	2	1
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	5.0	5.0	5.0	5.0	5.0	5.0
TRAVEL						
CONTRACTUAL	15.0	15.0	15.0	15.0	15.0	15.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>20.0</b>	<b>20.0</b>	<b>20.0</b>	<b>20.0</b>	<b>20.0</b>	<b>20.0</b>

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND/Unrestricted						
FEDERAL FUNDS						
OTHER	20.0	20.0	20.0	20.0	20.0	20.0
<b>TOTAL</b>	<b>20.0</b>	<b>20.0</b>	<b>20.0</b>	<b>20.0</b>	<b>20.0</b>	<b>20.0</b>

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

**ANALYSIS:** The 20.0 expenditure in total operating costs is the basic personal services and contractual costs for a trust managed by the Treasury Division. Contractual costs would consist of external investment management, accounting, auditing, and custodial services. Future cost increases are dependent on the asset growth of the trust fund from contributions and market gains.

Prepared by: Brian C. Andrews *[Signature]*

Phone: 465-2350

Division: Treasury

Date: January 23, 1992

Approved by Commissioner: *[Signature]*

Agency: Revenue

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

# DIVISION OF LEGAL SERVICES

## LEGISLATIVE AFFAIRS AGENCY STATE OF ALASKA

P.O. Box Y, Juneau, Alaska 99811  
(907) 465-3867 or 465-2450  
FAX (907) 465-2029

Deliveries to: 240 Main Street  
Court Plaza, Room 500  
Mail Stop 3101


### MEMORANDUM

May 8, 1991

**SUBJECT:** CSHB 189(HES), establishing the Alaska heritage endowment fund for the support of museum and related activities -- sectional analysis

**TO:** Representative Mark Boyer

**FROM:** Jack Chenoweth  
Legislative Counsel



The measure establishes a permanent fund, designated the Alaska Heritage Endowment Fund, as a separate state endowment, and charges that the use of the income from the fund shall be used for purposes associated with the Alaska State Museum's activities associated with culturally or historically significant materials. The measure includes a statement of findings and purpose, and makes several related changes to the duties of the state's Museums Collections Advisory Committee.

Bill section 5 establishes the Alaska Heritage Endowment Fund and directs the manner of its ongoing management. Specifically --

Proposed AS 37.14.300 establishes the fund, the endowed principal of which is to include money derived

-- from legislative appropriations; and

-- from gifts, bequests, and contributions made to the fund that specify their placement in the fund principal;

Proposed AS 37.14.310 establishes a related net income account. The net income account includes

-- money and other assets given by a person that do not specify or require inclusion in the fund principal (i.e. gifts, bequests, and contributions that are not intended to be a permanent source of support but may be freely used for acquisitions and other authorized purposes); and

-- the income earned on the gifts, bequests, and contributions that specify their placement in the fund principal.

The section also provides that, if so directed by legislative appropriation, the income earned on money appropriated to the fund principal may be included in the account; these income appropriations are non-lapsing.

Proposed AS 37.14.320 directs the commissioner of revenue, as the treasurer of the fund, to have responsibility for the fund's management, and enumerates the commissioner's management powers and duties.

Proposed AS 37.14.330 sets out the authorized uses of the fund principal and the net income account. The authorized uses of the fund's net income account include

-- reimbursement due the Department of Revenue for establishing and managing the fund;

-- administrative expenses of the state's Museum Collection Advisory Committee relating to securing acquisitions with money from the fund, as the legislature allows;

-- acquisitions; and

-- reimbursement of other costs of administration of the fund.

Acquisition policy involving use of the net income of the heritage endowment fund is described in the material set out in bill section 4:

Proposed AS 14.57.100 authorizes use of the fund balance to acquire the "culturally or historically significant" items enumerated at p. 3, lines 14 - 16 for the Alaska State Museum and the Sheldon Jackson Museum.

Proposed AS 14.57.110 establishes a presumption that acquisitions from the fund will remain the property of the Alaska State Museum.

Proposed AS 14.57.120 sets out criteria applicable to acquisitions. The material includes the opportunity to set standards for protection, care, and exhibition if custody of the acquisition is assigned outside the Alaska State Museum, and authorizes, subject to approval by the Museum Collections Advisory Committee, transfer of ownership or assignment of long-term custody of acquired items to another institution.

Representative Mark Boyer  
May 8, 1991  
Page 3

Proposed AS 14.57.130 authorizes deaccession of items obtained from the money in the fund's net income account.

Bill section 2 redefines and expands the state's Museum Collections Advisory Committee's role in acquisitions policy for artifacts of interest to the Alaska State Museum.

Bill section 1 sets out applicable findings and a statement of purpose intended to justify the need for the measure.

Bill section 3 makes a technical drafting addition.

Since a legislative appropriation to initiate the endowment is contemplated, bill section 6 gives the proposed Alaska Heritage Endowment Fund and the related material in the bill a July 1, 1991, effective date to coincide with the start of the next state fiscal year.

JC:gc:lmb  
91-162.lmb

# Alaska State Legislature

REPRESENTATIVE  
MARK BOYER

VICE-CHAIRMAN  
HOUSE FINANCE COMMITTEE



House of Representatives

FAIRBANKS

1098 LAKEVIEW TERRACE  
FAIRBANKS, ALASKA 99701  
(907) 456-6473

JUNEAU

P.O. BOX V  
STATE CAPITOL  
JUNEAU, ALASKA 99811  
(907) 465-3466

To: Representative Mike Navarre, Co-Chair  
Representative Eileen MacLean, Co-Chair  
House Finance Committee

From: Representative Mark Boyer *MB*

Date: January 13, 1992

Subject: Scheduling of HB 189

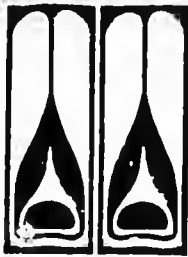
Please schedule HB 189, "An act establishing the Alaska Heritage endowment fund and amending the responsibilities of the Alaska State Museum and of the Museum Collections Advisory Committee; and providing for an effective date," at the earliest possible date.

This bill is the outgrowth of the State Museum's need for acquisition funding. Outstanding Alaskan native art, historical Alaskan art and objects, and archival material are in great demand in the international, national, and state markets, yet acquisition funding by the State Museum has averaged less than \$60,000 per year over the last nine fiscal years. The establishment of an endowment as a source of revenue would materially assist Alaska's public institutions in competing successfully to acquire exceptional cultural and historical materials and resources for retention within the State and for return to the State.

At a time when we no longer have the ability to fund every type of interest, we must provide our institutions and political subdivisions the tools with which to generate their own revenues. Even if we fail to endow the new fund, private and corporate donors may contribute to this newly created endowment with a comfort level that the fund will have separate accounting within the general fund.

This legislation has a very small fiscal note by the Department of Revenue for administration costs.

FAIRBANKS 20B



**Friends of the Alaska State Museum  
Friends of the Sheldon Jackson Museum**



January 28, 1992

Representative Mark Boyer  
Capital, Room 411  
P.O. Box V  
Juneau, Alaska 99811

RE: CS for House Bill No. 189 (HESS)  
The Alaska Heritage Endowment

Dear Representative Boyer:

The Friends of the Alaska State Museum and The Friends of the Sheldon Jackson Museum (Alaska non-profit corporations with combined membership of over 500) have, since 1968, been working to enhance the effectiveness of the State Museums in their task of collecting, preserving and interpreting Alaska's rich and diverse cultural heritage for present and future generations.

The Friends support and urge passage of CS for House Bill No. 189 (HESS). This Endowment Legislation is seen as an ideal way to ensure adequate funding to stem the outflow of valued heritage objects. As a result of inadequate funding, objects significant to Alaska, including major cultural pieces and significant paintings continue to be lost through public auction and private sale from which the State Museums are absent. In addition, recent changes to the federal tax laws have resulted in fewer donations of artifacts, making future funding for acquisitions a critical matter.

The significant change from the original version of HB189 is the limitation of eligible museums to the two state museums. By making the endowment more specific in its purpose it is more likely the goals of the endowment can be accomplished with the modest funding anticipated in the initial years.

All Alaska museums will have a stake in this legislation because the Alaska State Museum system has throughout its existence, placed objects on loan to other institutions. The determination of loans is made based on the borrowing institution's long-term stability, ability to protect and preserve the object, and plans for display and interpretation. If the borrowing institution became incapable of providing reasonable care and protection of the object at some future date, the Alaska State Museum would intervene to ensure that the necessary care would be provided.

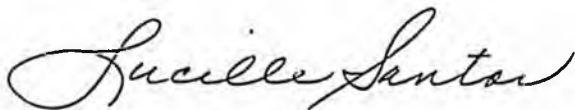
The provision to allow private donations into the fund is attractive, stressing the partnership between the State and private sector. The establishment of a separate endowment trust fund will provide donors, both corporate and individual, with the assurances that their donations and the income derived from them will go for the intended purpose. The language to extend the current responsibilities of the existing Museum Collections Advisory Committee to oversee acquisitions made from the fund is also a good idea, since this will eliminate the establishment of a separate committee or Board of Trustees.

Recent examples of lost opportunities include the following:

—two large oil paintings by Sydney Laurence:		\$200,000
—a collection of Tlingit ceremonial clothing:	\$ 7,000	
—Tlingit crest hat:		\$ 80,000
—a collection of Alaskan Eskimo drawings:		\$ 20,000
—historical mining equipment from Southeast Alaska:		\$ 10,000
—sketch of Loring Bay by Albert Bierstadt:		\$ 12,000
—surveyor's compass used in fixing Alaska/Canada boundary:		\$ 2,000
—a Chilkat blanket:		\$ 7,000

Artifacts that symbolize Alaska's rich heritage have been leaving with visitors and collectors for many decades. The Endowment Fund will provide the mechanism to fulfill the State's obligation to collect significant objects of Alaska's history, natural history, fine arts, and cultures, and to take advantage of one-time opportunities to maintain important objects in Alaska or return lost items to Alaska.

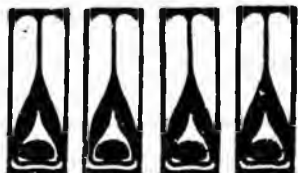
Sincerely,



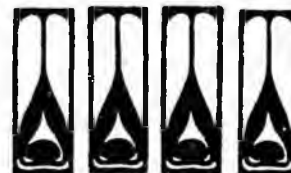
Lucille Santos  
President, Friends of the  
Alaska State Museum  
Juneau, Alaska



Irene Snuler  
President, Friends of the  
Sheldon Jackson Museum  
Sitka, Alaska



The Friends of the  
**Alaska State Museum**



395 Whittier St., Juneau, Alaska 99801

Phone (907) 465-2901

March 27, 1991

Representative Mark Boyer  
Capital, Room 411  
P.O. Box V  
Juneau, Alaska 99811

RE: House Bill No. 189  
The Alaska Heritage Endowment

Dear Representative Boyer:

The Friends of the Alaska State Museum is an Alaska non-profit corporation with approved federal tax exempt status under section 501(c)(3) of the Internal Revenue Code. It was founded in Juneau, Alaska, in 1968, when the Alaska State Museum moved to its current location in Alaska's Capital City. The primary purpose of the organization is to enhance the effectiveness of the State Museum in its task of collecting, preserving, and interpreting Alaska's rich and diverse cultural heritage for present and future generations.

The Friends are pleased with the introduction of House Bill No. 189 "The Alaska Heritage Endowment Fund." The acquisition of important Alaskan cultural and historic objects has proceeded slowly, due to the lack of funding. In FY88 the Museum received \$80.0, in FY 90 \$50.0, and the most recent allocation in FY91 was \$0.0. In addition, recent changes to the federal tax laws have resulted in fewer donations of artifacts, making future funding for acquisitions a critical matter. The Endowment Legislation is seen as an ideal way to ensure adequate funding for one of the State's long-range commitments to stemming the outflow of valued heritage objects. As a result of inadequate funding, significant objects to Alaska (including major cultural pieces, significant paintings, and historic aircraft) continue to be lost through public auction and private sale from which the State Museums are absent.

Recent examples of lost opportunities include the following:

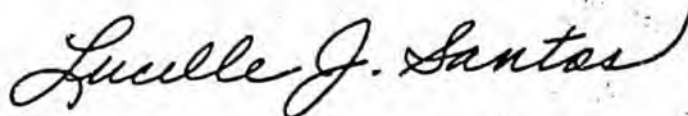
--two large oil paintings by Sydney Laurence:	\$200,000
--a collection of Tlingit ceremonial clothing:	\$ 7,000
--Tlingit crest hat:	\$ 80,000
--a collection of Alaskan Eskimo drawings:	\$ 20,000
--historical mining equipment from Southeast Alaska:	\$ 10,000
--sketch of Loring Bay by Albert Bierstadt:	\$ 12,000
--surveyor's compass used in fixing Alaska/Canada boundary:	\$ 2,000
--a Chilkat blanket:	\$ 7,000

Artifacts that symbolize Alaska's rich heritage have been leaving with visitors and collectors for many decades. The Endowment Fund will provide the mechanism to fulfill the State's obligation to collect significant objects of Alaska's history, natural history, fine arts, and cultures, and to take advantage of one-time opportunities to maintain important objects in Alaska or return lost items to Alaska.

The provision to allow private donations into the fund is attractive, stressing the partnership between the State and private sector. The language to extend the current responsibilities of the existing Museum Collections Advisory Committee to oversee acquisitions made from the fund, is also a good idea, since this will eliminate the establishment of a separate committee or Board of Trustees.

The only point of concern with the bill is the inclusion of museums and libraries established and operated by municipalities and nonprofit corporations. Although it is stated that attempts will be made to eliminate or reduce competition among institutions for the funds, the reality is that competition for the funds may be intense, since there are more than 60 potentially eligible museums statewide. To ensure the smooth operation of the program and remove any competition for the funds, the Endowment would be best established as a fund for the State Museums only. The Alaska State Museum has, throughout its existence, placed objects on loan to other institutions. The determination of loans is made on the borrowing institution's long-term stability, ability to protect and preserve the object, and plans for display and interpretation. If the borrowing institution became incapable of providing reasonable care and protection of the object at some future date, the Alaska State Museum would intervene to ensure that the necessary care would be provided.

Sincerely,



Lucille Santos, President  
Friends of the Alaska State Museum



March 19, 1991

Representative Mark Boyer  
P.O. Box V  
Juneau, Alaska 99811

Ref: House Bill No. 189

Dear Mark:

Tom Moyer sent me a copy of House Bill No. 189 in draft form on March 4th. I called Nanci Jones to discuss timing of responses, advising her that Executive Committee of the Friends of the University of Alaska Museum would be meeting the evening of the 18th. She felt this would be timely. We did meet last night, we reviewed the draft bill and we offer herein our comments.

The Friends of the University of Alaska Museum do support the idea of the "Alaska Heritage Endowment Fund". While it appears that the concept may have evolved originally to accommodate the State Museum in Juneau, the wording of the currently proposed bill addresses statewide application of the concept. This being the case, we offer two basic suggestions:

1. The bill should specify the structure of the Museum Collections Advisory Committee, assuring that the MCAC represents all areas of the state.
2. The bill should give the MCAC the responsibility for managing the program. (It currently places these responsibilities with the "director of the state museum". To the best of our knowledge, this position has not existed or has not existed continuously over the past several years. Furthermore, the role of the "director" could better be served by the MCAC than by the director of one benefiting institution.)

The Friends of the University of Alaska Museum encourage a funding bill to provide an initial appropriation for the endowment fund.

Thanks for your consideration of our comments.

Thank you for your consideration and assistance.

~~Leslie I. Rogers, President~~

cc: Moyer, Koponen, Sharp

Post-It™ brand fax transmittal memo 7871 # of pages > 1

To	NANCI JONES	From	Les Rogers
Co.	REP MARK BOYER	Co.	Friends of U of A Museum
Dept.		Phone #	907-452-1241
Fax #	907-465-3841	Fax #	907-452-6883

907 Yukon Drive Fairbanks, Alaska 99775-1200

Rep. Mark Boyer  
Capitol, Rm. 411  
P.O. Box V  
Juneau, Alaska 99811

March 18, 1991

Dear Rep. Boyer:

On behalf of the Museum Collections Advisory Committee (MCAC), I am writing in support of House Bill 189, The Alaska Heritage Endowment Fund. The MCAC is extremely pleased that this bill has been introduced, and we wish to express our appreciation to all those who are sponsoring it. An endowment fund will do much to safeguard Alaska's heritage: to keep valuable artistic, historical and ethnographic material in our state, accessible to residents and visitors. By providing a stable source of funding for acquisitions, the fund will also enable our museums to build coherent and planned collections, which are necessary to developing first-rate facilities for public education and research.

I would like to take this opportunity, as well, to comment on some of the specific provisions of the bill, as currently drafted. First, some confusion about the administration and purpose of the fund needs to be clarified. In a cover letter accompanying the draft to Rep. Boyer (Feb. 26, 1991), Jack Chenoweth states that "The appropriation of the net income of the invested principal is presumptively established as a non-lapsing appropriation, leaving it available to the state museum director to draw from on a continuing basis" (emphasis added; see also Sec 14.57.199). Yet, the bill now includes provisions for donations and appropriations to a much greater variety of institutions than the originally specified state museums. Included here are: 1) the state museum and any of its branches; 2) the state library, state historical library, and state archives; 3) the museum of the University of Alaska; and 4) museums and libraries established and operated by municipalities and by nonprofit corporations .... (Sec. 14.57.100).

As a result,

- 1) the problem of competition for funds arises;
- 2) the "state museum director" is not an appropriate administrator of funds and procedures relating to the other institutions mentioned;

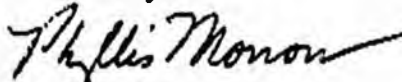
3) likewise, the MCAC is constituted to approve of items for the state museum's collections, but has no particular expertise in, or statutory authority over libraries, archives and other museums;

4) several of the other institutions regularly receive appropriations for their collections and/or have their own endowment fund (as e.g. the University of Alaska's museum); the fund was originally proposed to alleviate the funding shortfalls of the state museums, a purpose which might be subsumed by the expanded intent of the bill, unless language is added.

In sum, these points should be addressed and clarified to ensure the smooth operation of the fund, and the equitable distribution of derived income.

Thank you again for your sponsorship of this important bill. We look forward to its ultimate passage.

Sincerely,



Phyllis Morrow, Chair  
Museum Collections  
Advisory Committee



UNIVERSITY OF ALASKA MUSEUM

March 22, 1991

Representative Mark Boyer  
Alaska State Legislature  
P. O. Box V  
State Capital  
Juneau, Alaska 99811

Dear Mark:

I support, in principle, House Bill No. 189 establishing the Alaska heritage endowment fund. Significant collections representing Alaska's unique cultural and natural heritage continue to leave the state. There is a need to increase and maintain these collections within the state and make them available for Alaska's present and future generations.

There are some inconsistencies in the Act as written which, if there is still time for modifications, could be improved. Actually, in my view, the whole bill should be rewritten. I recommend the following general changes:

Section 1 (10), lines 24-28. " (b) To secure to Alaskans in this and future generations the pride, identity, and importance that attaches to the state's heritage of its cultural and natural heritage, the legislature is establishing the Alaska heritage endowment fund, the income from which will provide a stable source of money for the state's acquisition of outstanding objects and collections representing Alaska's cultural and natural heritage."

Section 2, (b) page 2, lines 29-33 & page 3, line 1-6: The section and additions relate only to the state museum, although the intent of the Act is to provide acquisitions funds for other museums in the state. Possible wording could be changed from "state museums" to "qualifying museums in the state." Also, according to this section, acquisition and disposal of materials and properties by the state museum (does not mention other museums) is subject to the approval of the "committee" (the state Museum Collections Advisory Committee). Generally museums have their own policies relating to acquisitions and deaccessioning. These should be reviewed by the body which oversees the distribution of funds. If the "committee" is this body, does this committee have the charge and broad representation to adequately represent museums throughout the state? The composition and charge of this committee would need to be modified. One

UNIVERSITY OF ALASKA FAIRBANKS

907 Yukon Drive Fairbanks, Alaska 99775-1200 (907)474-7505 FAX(907)474-5469

possible option would be to enlarge membership of this committee to include representatives from Museums Alaska, the state museum association and from selected museums throughout the state.

Section 4. AS 14.57, lines 12-24. The director (of the state museum) is charged with the responsibility of distributing these funds to museums within the state. As I understand it, the position of the director of the Alaska State Museum has been eliminated. Who would then administer these funds? I feel distribution of funds should be the responsibility of the committee formed to administer this fund.

I also suggest that distribution of funds be handled like those distributed to museums through the State Museum's Grants-in-Aid program. Museums could then apply for an "acquisition" grant to be used in accordance with established guidelines. Unique acquisitions exceeding a certain monetary limit could be handled on a case by case basis.

I suggest that the distribution of the fund be limited to qualifying museums throughout the state. Library acquisitions fall under an entirely different category.

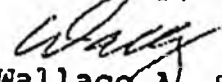
Ownership of acquired objects should be transferred to the qualifying museums. Long term loans of objects generally are not recommended by the museum profession. Funds for acquisition should also be available for collecting from archaeological, paleontological, and biological sites.

The primary benefits of this Act will be to provide funds for acquisition of materials relating to Alaska's cultural and natural heritage. Unfortunately, the state supported museums, the State Museum and the University of Alaska Museum do not have the resources to adequately conserve and interpret the collections they currently have. As mentioned above, the position of the Director of the State Museum has been eliminated and the museum is currently placed under the state library system. This action has weakened the state museum and would have a negative impact upon its ability to administer the endowment fund.

I do support this bill since it will provide needed funds for acquisition of materials representing Alaska's unique cultural and natural heritage. The concerns I expressed above reflect my concern for administration of the fund and provision of adequate support of museums in the state. The bill should be rather general in nature. More specific guidelines and regulations should be developed by a committee of selected museum representatives from throughout the state.

I appreciate you continued support of museum programs in  
Alaska.

Sincerely,

  
Wallace A. Steffan, Director

**DEPARTMENT OF EDUCATION**

OFFICE OF THE COMMISSIONER

GOLDBELT PLACE  
801 WEST 10TH STREET  
P.O. BOX F  
JUNEAU, ALASKA 99811-0500

April 25, 1991

The Honorable Representative Boyer  
Rm 411 Capitol  
P. O. Box V  
Juneau, Alaska 99811

Dear Representative Boyer:

At the request of your Special Assistant Nancy Jones, I have enclosed information concerning the Alaska State Museum's loan policy and procedures, as well as a catalog and packet on the Museum's traveling exhibits and Learning Kit programs. This should address questions raised during the recent HESS Committee meeting on HB-189 about the accessibility and use of Museum collections.

The following is a brief summary:

OUTGOING LOANS

The Alaska State Museum will loan artifacts to museums and other selected public institutions that meet conditions as stated on the Outgoing Loan Form. Security, environmental safeguards, the ability to meet the conditions for handling artifacts, and public visibility are the most important criteria in evaluating requests for loans.

The Alaska State Museum and the Sheldon Jackson Museum currently have on loan over 600 artifacts to 50 museums and cultural institutions and have made loans to special exhibits within the last two years. These include "Russian America: the Forgotten Frontier", "Bending Traditions" on bentwood artifacts of Alaskan Natives, a Sydney Laurence retrospective, and a United States Coast Guard Exhibit. Objects on loan are currently in: Kodiak, Anchorage, Petersburg, Haines, Ketchikan, Wrangell, Fairbanks, Palmer, Juneau, and Sitka.

TRAVELING EXHIBITS

Works from the Alaska State Museum collection are made available for exhibition in ways other than loans and permanent and temporary exhibits. Sizeable groups of work are organized into compact traveling exhibits for circulation to small museums throughout Alaska. Traveling exhibitions of this kind have significantly increased the number of people who have been able to view works from the Collection.

Traveling exhibitions currently in circulation are: Dolly Spencer Dolls, Dale DeArmond wood block prints, "Images from the Inside Passage" by Winter and Pond, "The Gentle Craft" on Alaskan watercolors, and "Alaska Positive". Development continues on an exhibit of Alaskan kayaks, "Saving Alaska's Archeological Heritage", and a "Mini-Crossroads" exhibition that will travel to rural Alaska and Siberia. Traveling exhibits are currently being used by the following Museums: Yugtarkvik Regional Museum, Bethel; Clausen Memorial Museum, Petersburg; Sheldon Museum and Cultural Center, Haines; Heritage Library and Museum, Anchorage; Valdez Museum; Kenai Community Library; Samuel K. Fox Museum, Dillingham; Carrie M. McLain Memorial Museum, Nome; University of Alaska Museum, Fairbanks; Kenai Peninsula College, Soldotna; Cordova Arts and Pagents; and Anchorage Museum of History and Art.

#### LEARNING KITS

The Alaska State Museum is presently circulating 38 learning kits, consisting of 20 different titles, to 35 of the State's school districts. It was started because of the inability of much of the State's population to visit the State Museum in Juneau and share in the many treasures which are on exhibit. Currently, kits contain sufficient materials and resources to make each a self-contained unit. The subjects cover the unique aspect of the state: its Native people, its history and its wildlife.

Early kits consisted primarily of objects from the Museum's collections which were deemed suitable to be shipped to teachers around the State for use in their classrooms. With the passage of time, teachers' manuals with suggestions of presentations and student activities were added to kits to make the objects more relevant and to make the task easier for the teacher. Supplementary materials such as films, slides, videos, and reference books are also included in the kits. Today's kits provide basically everything that the teacher may need to teach the subject. However, the core of the kits, the artifacts and objects, has remained as the most valuable portion of the kit materials.

#### PERMANENT EXHIBITS

The Alaska State Museum has approximately 100 exhibits showcasing the natural and human history of Alaska, including exhibits from major Alaskan cultures. The Alaska State Museum is able to exhibit only a small percent of its collection in the permanent exhibit galleries. The Museum is faced with the task of encapsulating all that pertains to Alaska in an exhibit area of less than 6,500 square feet. The restricted exhibit space allows the Museum to show only a limited view of such important areas as Native cultures, early industry, and maritime and Natural History.

Since there is no means to remodel this building to create more space, the Museum has ventured to find appropriate public space elsewhere. The Museum is slowly expanding into the community by placing exhibits in highly visible public buildings. Natural History exhibits and an orientation to the State of Alaska have been installed in the Juneau International Airport and Sitka Community Airport. The Museum has also exhibited historic woodworking tools in the University of Alaska's new technology building and mounted large-scale displays in the State Court Building and the State Office Building. These exhibits allow us to reach a larger audience.

COMPUTERIZATION OF COLLECTIONS

In an effort to effectively increase access to important subject materials and objects within the collection, the Alaska State Museum is proceeding with the procurement of computer software and hardware that will provide access to collections information.

Currently, collections data is recorded on catalog cards that have limited staff, researcher, and public accessibility. Increased accessibility will be accomplished through the use of computer terminals available to the general public and staff within the Museum. Cultural institutions and museums would be able to gain access to the Museum's collections through the use of remote terminals and modems. This will be an important research and teaching tool that will have an enormous impact on scholars, students, and the general public.

Visual access to collections material will be provided by computer imaging or through the use of video disk technology. With 18,500 objects currently in the Alaska State Museum collection and an additional 4,500 objects currently in the Sheldon Jackson Museum collection, it is estimated that data entry and image recording will take at least four years to accomplish.

If you have further questions, please do not hesitate to call.

Sincerely,



Steve Hole  
Acting Commissioner  
by Bruce Kato  
Acting Museum Administrator

Enclosures

DIVISION OF ALASKA STATE MUSEUMS  
DEACCESSIONING POLICY

In the absence of legal prohibitions, the Division of State Museums will routinely analyze its collections and will dispose of items from its collections at the recommendation and discretion of the curator, with the concurrence of the Director of the Division of Alaska State Museums, and the approval of the staff Acquisitions Committee and the Museum Collection Advisory Committee. Clear and complete records must be maintained on all deaccessioned objects. This will include photographs, date of removal, catalogue number, reason for removal, method of disposal and price (if sold).

CRITERIA FOR DEACCESSIONING

An object from the permanent collection may be deaccessioned subject to the approval of the staff Acquisitions Committee, the Director of the Division of Alaska State Museums, and the Museum Collections Advisory Committee only if it meets one or more of the following criteria:

1. Poses a hazard to human life or health, or to other objects in the collection.
2. Does not fulfill the collection criteria of the individual museum.
3. Has been determined to rightfully belong to a group or individual other than the Division of Alaska State Museums.

PROCEDURE FOR DEACCESSIONING

1. The deaccessioning procedure originates with the Curator of Collections within the museum affected. The curator will prepare a written recommendation which establishes the reason for deaccessioning. This statement will include information pertaining to the history, significance, and ownership of the object, as well as applicable laws and proposed method of disposal.
2. Deaccessioning must be approved by the staff Acquisitions Committee.
3. Deaccessioning must be approved by the Museum Collections Advisory Committee and by the Director of the Division of Alaska State Museums.
4. All records pertaining to the deaccessioning of an object must be permanently retained. This would include all signed approval forms, photographs, and any other pertinent information.

5. Disposal of the the deaccessioned piece will be in the following prioritized order, with the concurrence of the Director of Alaska State Museums:

A. Place with another educational institution within Alaska through exchange, sale, or donation.

B. Place with another educational institution outside Alaska through exchange, sale, or donation.

C. Place in the educational programs of the Division of Alaska State Museums as consumable items, or sale/exchange with a dealer, or destroy, or return to former owner.

NOTE: Any financial remuneration gained in the transaction will be returned to the museum disposing of the piece for future acquisitions or for conservation of the existing collection, consistent with state policy regarding disposal of state property.

## CONDITIONS OF LOAN:

### 1. Insurance

Insurance is required, and insurance coverage for the total value of objects shall be provided by the Borrower at Borrower's expense and shall remain in effect from the time the object leaves the Alaska State Museum until it is returned to the Museum. Value of objects will be set by the Alaska State Museum. A certification of insurance shall be provided by Borrower upon request by the Alaska State Museum.

### 2. Photography and Credits

Objects may be photographed or filmed for educational purposes such as publicity and publication of exhibition catalogs on condition that the Alaska State Museum is provided one copy of the catalog. Photographs taken for purposes other than those specified above shall be prohibited without prior written permission of ASM. Captions on photographs will credit ASM with ownership of the objects, e.g., "From the collection of the Alaska State Museum."

When ASM objects are filmed, televised or otherwise photographed, the Borrower shall agree that

- (a) lamps are not placed closer than 6 feet from the object;
- (b) the lamps used do not raise the surface temperature of the object more than 3°C above room temperature;
- (c) the loan object is not touched or moved except by the qualified employees of the Borrower who shall at all times wear proper gloves when handling the object.

### 3. Transportation and Packing

Borrower shall pay all costs of transport and packing of objects borrowed from the

Alaska State Museum. Objects shall be returned packed with the same or similar quality materials and workmanship as received. Borrower and ASM shall mutually agree on the method of transport.

### 4. Care and Preservation

Borrower agrees to assume liability for any loss or damage to borrowed items from the time they leave the Alaska State Museum until they are returned and found to be in the same condition in which they left. Evidence of damage to objects at the time of receipt by the Borrower or while in the Borrower's custody shall be reported immediately in writing to ASM.

No alteration, restoration or repair to objects will be undertaken without written authority of ASM.

Borrower agrees to comply with conservation specifications provided by ASM. Specifications may include maximum light levels and the use of appropriate filters, temperature and relative humidity levels, restrictions against use of sticky substances to hold artifacts, assurance of appropriate handling procedures, etc.

### 5. Security

Security provisions will safeguard objects against damage, vandalism or theft and will follow standards established by the American Association of Museums for proper museum security procedures.

### 6. Termination of Loan

The Alaska State Museum reserves the right to terminate the loan at any time for non-compliance of the loan terms by the Borrower as set forth in this agreement.

Dear Colleagues,

An important aspect of the Alaska State Museums is our Traveling Exhibits Program, and we are pleased to offer for loan exhibits that include a variety of media and may fit both small and large sites. All of our traveling exhibits, however, have some common requirements, as follows:

### **Scheduling**

Bookings should be made as far in advance as possible. Exhibits will usually be available at one location from four to six weeks. To book an exhibit, contact: Traveling Exhibits Coordinator, Alaska State Museum, 395 Whittier St., Juneau, AK 99801, Telephone (907) 465-2901.

### **Cost**

Exhibitors are asked to buy insurance while the exhibit is in their possession. Insurance will cover the value of objects as set by the Alaska State Museums. Certification of insurance may be required of all exhibitors. Exhibitors will also pay the cost of one-way travel for each exhibit.

### **Space Requirements**

The estimates given in this booklet for each exhibit (in linear feet) is twice the total horizontal measurement of all works, frame to frame, and represents the average wall space required to hang the exhibit. In the case of exhibits that are three-dimensional, space requirements will depend on the size of the cases containing the pieces. As exhibition information may be printed far in advance of a show traveling, actual requirements may vary. Updated specifications are available from the Traveling Exhibits Coordinator.

### **Security**

Security provisions should safeguard objects against damage, vandalism, and theft, and should follow the standards established by the American Association of Museums for proper museum security procedures. More information is available from the Traveling Exhibits Coordinator.

### **Registration/Preparation**

All exhibits are fully captioned, framed, crated and ready to install. Installation, handling instructions and condition report forms (with instructions on how to prepare them) accompany all traveling exhibits. Completed condition reports, both incoming and outgoing, are required of all exhibitors.

### **Publicity**

The Traveling Exhibits Program will provide a publicity packet with each exhibit well in advance of the opening date. The packet will include a sample press release, photographs, and posters. Exhibitors are required to credit the Alaska State Museums in any publicity sent out on the exhibit, including press releases and posters, and at the entrance to the exhibit. Photographs of the exhibit may be taken only under the conditions outlined under the Borrower's Agreement.

Our office is open from 8:00 a.m. to 4:30 p.m. We look forward to hearing from you.

Mark Daughetee  
Traveling Exhibits Coordinator

**ALASKA STATE MUSEUMS  
TRAVELING EXHIBITS PROGRAM**



395 WHITTIER ST., JUNEAU, AK 99801  
PHONE (907) 465-2901 FAX (907) 465-2976

HB 1809

# SENATE FINANCE COMMITTEE REPORT

DATE: 4/2/92

FURTHER:

DATE TURNED INTO OFFICE: 5-6-92

The Finance Committee considered CS FOR HOUSE BILL NO. 189 (FINANCE)

"An Act establishing the Alaska heritage endowment fund and amending the responsibilities of the Alaska State Museum and of the Museum Collections Advisory Committee; and providing for an effective date."

and recommends:

- replace with \_\_\_\_\_ CS \_\_\_\_\_ (FINANCE)
- or  adopt previous \_\_\_\_\_ CS \_\_\_\_\_
- attaches amendment(s)

- same title
- new title
- technical title change (HB only)

adopts \_\_\_\_\_ Letter of Intent

further referral to the \_\_\_\_\_

do pass

do not pass

no recommendation

individual recommendations

**NEW FISCAL NOTES:** Dept/Date

zero fiscal notes \_\_\_\_\_

\_\_\_\_\_

fiscal notes \_\_\_\_\_

\_\_\_\_\_

appropriation--no fiscal note

**PREVIOUS FISCAL NOTES:** Dept/Date

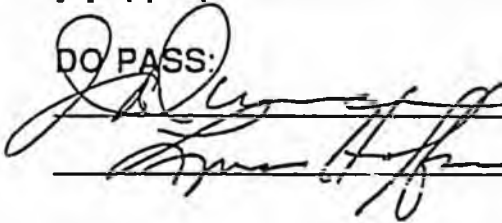
zero fiscal notes DOR A 1-29-92

\_\_\_\_\_

fiscal notes \_\_\_\_\_

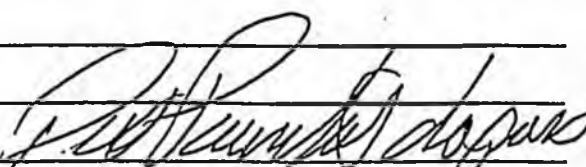
\_\_\_\_\_

DO PASS:

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

OTHER RECOMMENDATIONS:

*All letters - No Rec*  
*Paul Hunt No Rec*  
*Paul Hunt (NO REC)*  
\_\_\_\_\_  
\_\_\_\_\_

1.   
\_\_\_\_\_

Co-Chair: Signature/Recommendation

2. \_\_\_\_\_

Co-Chair: Signature/Recommendation

STATE OF ALASKA  
 1992 LEGISLATIVE SESSION SFC 5-6-92 REPORTED OUT OF

NO. 4  
 Bill Version: CSHB 189 (FIN)  
 (H) Publish Date: 2/3/92  
 REVENUE

Revision Date: \_\_\_\_\_ Department Affected: \_\_\_\_\_  
 Title: An Act establishing the Alaska BRU: Operations  
Heritage Endowment Component: Treasury Management  
 Sponsor: Representative Boyer  
 Requestor: House Finance Committee COMPONENT SERIAL NO. 

0	1	2	1
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EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-					
CAPITAL	-0-					
REVENUE	-0-					
FUND SOURCE:						

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-					
FEDERAL FUNDS	-0-					
OTHER	-0-					
FUND SOURCE:						
TOTAL	-0-					

POSITIONS:

FULL-TIME	--					
PART-TIME	--					
TEMPORARY	--					

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Co-Chair Mike Naverre *file* Phone: 465-3779  
Co-Chair Eileen MacLean *Eileen* Phone: 465-4833  
 Division: House Finance Committee Date: 1/29/92

Approved by Commissioner: \_\_\_\_\_ Date: \_\_\_\_\_  
 Agency: \_\_\_\_\_

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies).

Rev 10/7/91

Page 1 of \_\_\_\_\_

COMMITTEE COPY

**CS FOR HOUSE BILL NO. 189 (FINANCE)**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**SEVENTEENTH LEGISLATURE - SECOND SESSION**

**BY THE HOUSE FINANCE COMMITTEE**

Offered: 2/3/92  
Referred: Rules

Sponsor(s): REPRESENTATIVES BOYER, Davidson, Koponen, B.Davis, Ulmer, Brown, Moyer, C.Davis

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act establishing the Alaska heritage endowment fund and amending the responsibilities  
2 of the Alaska State Museum and of the Museum Collections Advisory Committee; and  
3 providing for an effective date."

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

5 \* Section 1. FINDINGS AND PURPOSE. (a) The legislature finds that

6 (1) cultural, natural heritage, artistic, archival, and scientific materials represent and  
7 document Alaska's land and people from prehistoric times to the present;

8 (2) archival material and artifacts relate historical events and personalities, provide for  
9 advancement of historical and scientific research, and communicate information about the history of the  
10 state from one generation to another;

11 (3) Alaska Native art, historical art, and contemporary artistic achievements are an  
12 integral part of the state's cultural diversity and provide a basis for understanding our individual and  
13 collective identity;

14 (4) much of Alaska's cultural and historic resources have been and remain in great

1 demand nationally and internationally, as a consequence of which the state has been stripped of a  
2 substantial portion of its material cultural heritage; the process continues with sale from in-state  
3 collections to nonresidents of works of significant artistic or historical value;

4 (5) acquisition, a primary function of museums, is a process that is necessarily carefully  
5 planned and highly selective in order that collections be capable of supporting the long-range goals of  
6 a large and diverse constituency;

7 (6) it is not possible for museums to develop a balanced and planned collection by means  
8 of donations alone; recent changes in federal tax laws have diminished donations as a principal source  
9 of money to sustain the development of balanced and planned collections; at the same time, while many  
10 individuals who possess materials important to Alaska would like to assure that those materials remain  
11 in the state or return to it, they often find it impossible to make the necessary financial sacrifice that  
12 attaches to donation of those materials;

13 (7) purchased acquisitions enable museums to develop their collections systematically in  
14 accordance with established long-range plans;

15 (8) museums that are charged with responsibility for development and maintenance of  
16 collections must respond to acquisition opportunities as they arise, but the availability of premiere  
17 Alaskan objects and collections by acquisition cannot be predicted;

18 (9) a lack of access at all times to funding for major acquisitions results in the loss of  
19 opportunity to acquire essential material; once missed, the acquisition opportunity may be one that is  
20 gone forever;

21 (10) the establishment of an endowment as a source of income would materially assist  
22 the Alaska State Museum to compete successfully to acquire exceptional cultural and historical materials  
23 and resources for retention within the state and for return to the state.

24 (b) To secure to Alaskans in this and future generations the pride, identity, and importance that  
25 attaches to the state's heritage of cultural and natural heritage, the legislature is establishing the Alaska  
26 heritage endowment fund, the income from which will provide a stable source of money for the  
27 acquisition of outstanding objects and collections.

28 \* Sec. 2. AS 14.57.050(b) is amended to read:

29 (b) Artifacts, natural history specimens, art objects, collections, or other items, materials  
30 or properties that relate to the history of Alaska and are appropriate for preservation in the state  
31 museum of a value of \$1,000 or more may not be acquired by purchase, gift, or exchange, or

1 otherwise [,] nor may any item owned by, or in the custody of, the state museum be disposed of  
2 by sale, gift, exchange, or otherwise, without the written approval of the committee. In  
3 recommending the acquisition or disposal of an item under this subsection for the state  
4 museum, the committee shall evaluate the need for the item or collection proposed for  
5 acquisition or disposal with reference to the scope of collections of the state museums.

6 \* Sec. 3. AS 14.57.080 is amended to read:

7 Sec. 14.57.080. DEFINITION [DEFINITIONS]. In AS 14.57.020 - 14.57.080, [THIS  
8 CHAPTER] "committee" means the state Museum Collections Advisory Committee.

9 \* Sec. 4. AS 14.57 is amended by adding new sections to read:

10 ARTICLE 2. USE OF NET INCOME OF ALASKA HERITAGE ENDOWMENT FUND.

11 Sec. 14.57.100. ACQUISITIONS. Subject to appropriation by the legislature under  
12 AS 37.14.430, the director may use the balance of the net income account of the Alaska heritage  
13 endowment fund to acquire culturally or historically significant artifacts, natural history  
14 specimens, art objects, collections, and other items, materials, or properties that represent and  
15 document Alaska's land, natural history, and people for

16 (1) the Alaska State Museum; and

17 (2) the Sheldon Jackson Museum.

18 Sec. 14.57.110. OWNERSHIP OF ACQUIRED ITEMS. Except when ownership of an  
19 item is transferred under AS 14.57.120, an item acquired under AS 14.57.100 becomes the  
20 property of the state museum.

21 Sec. 14.57.120. CRITERIA APPLICABLE TO ACQUISITIONS FROM THE FUND.  
22 Subject to approval given by the Museum Collections Advisory Committee under  
23 AS 14.57.050(b), the director may

24 (1) establish by contract the terms and conditions of custody, protection,  
25 conservation, and exhibition of an item acquired by the state museum if the item is acquired and  
26 custody of it is assigned to another institution;

27 (2) transfer ownership of an item to an institution having custody of an item  
28 acquired from the net income account of the fund if the director is satisfied that the institution  
29 will provide necessary care and protection of the item; ~~or~~

30 (3) assign long-term custody of an item to an institution having custody of an  
31 item acquired from the net income account of the fund if the director is satisfied that the

1 institution to which custody of the item is transferred will provide necessary care and protection  
2 of the item in accordance with a contract entered into under (1) of this section.

3 Sec. 14.57.130. DISPOSITION OF ACQUIRED ITEMS. Subject to approval of the  
4 Museum Collections Advisory Committee under AS 14.57.050(b), the director may establish a  
5 deaccession policy under which the director may exchange or otherwise convey title to an item  
6 acquired from the net income account of the fund in accordance with generally accepted  
7 principles governing the disposal of these items.

8 Sec. 14.57.199. DEFINITIONS. In AS 14.57.100 - 14.57.199,

9 (1) "director" means the director of the division of state libraries, archives, and  
10 museums;

11 (2) "fund" means the Alaska heritage endowment fund established in  
12 AS 37.14.400;

13 (3) "net income account" means the account established in AS 37.14.410.

14 \* Sec. 5. AS 37.14 is amended by adding new sections to read:

15 ARTICLE 5. ALASKA HERITAGE ENDOWMENT FUND.

16 Sec. 37.14.400. ALASKA HERITAGE ENDOWMENT FUND ESTABLISHED. The  
17 Alaska heritage endowment fund is established as a separate endowment trust fund of the state.  
18 The principal of the fund consists of

19 (1) legislative appropriations to the fund; and

20 (2) gifts, bequests, and contributions of cash or other assets made by a person who  
21 has specified their placement in the fund principal.

22 Sec. 37.14.410. NET INCOME ACCOUNT. (a) The net income account is established  
23 in the Alaska heritage endowment fund. The net income account of the fund consists of

24 (1) money and other assets given by persons to the fund whose placement in the  
25 principal of the fund is not required by AS 37.14.400(2); and

26 (2) amounts earned on the investment of gifts, bequests, and contributions of cash  
27 or other assets whose placement in the principal of the fund is required under AS 37.14.400(2).

28 (b) The legislature may appropriate from the net income account to the principal of the  
29 fund under AS 37.14.400(1).

30 (c) The net income of the fund shall be determined by the commissioner of revenue in  
31 accordance with investment accounting principles and in a manner that preserves the distinction

1 between principal and income.

2 (d) Unless otherwise provided by the act making an appropriation under (b) of this  
3 section, an amount appropriated to the net income account under (b) of this section does not  
4 lapse.

5 Sec. 37.14.420. POWERS AND DUTIES OF THE COMMISSIONER OF REVENUE.

6 The commissioner of revenue is the treasurer of the fund and has the power and duty to

7 (1) act as official custodian of the cash and investments belonging to the fund by  
8 securing adequate and safe custodial facilities;

9 (2) receive all items of cash and investments belonging to the fund;

10 (3) collect the principal and income from investments owned or acquired by the  
11 fund and deposit the amounts in separate principal and income accounts for the fund;

12 (4) invest and reinvest the assets of the fund as provided in this section and as  
13 provided for the investment of funds under AS 14.25.180(c) and AS 37.14.170;

14 (5) exercise the powers of an owner with respect to the assets of the fund;

15 (6) maintain accounting records of the fund in accordance with investment  
16 accounting principles and with distinction between the principal and income accounts of the fund;

17 (7) engage an independent firm of certified public accountants to annually audit  
18 the financial condition of the fund's investments and investment transactions;

19 (8) enter into and enforce contracts or agreements considered necessary for the  
20 investment purposes of the fund;

21 (9) report to the commission the condition and investment performance of the  
22 fund;

23 (10) do all acts, whether or not expressly authorized, that the commissioner of  
24 revenue considers necessary or proper in administering the assets of the fund.

25 Sec. 37.14.430. USE OF FUND. (a) The principal of the fund and any capital gains or  
26 losses realized on the principal shall be retained perpetually in the fund for investment as  
27 specified in AS 37.14.420.

28 (b) The net income account of the fund may be appropriated for the following purposes:

29 (1) reimbursement to the Department of Revenue for the costs of establishing and  
30 managing the fund;

31 (2) the administrative expenses of the Museum Collection Advisory Committee

1 relating to acquisitions from the fund, as determined by the legislature;  
2 (3) acquisitions authorized by AS 14.57.100 - 14.57.199; and  
3 (4) reimbursement of other costs of administration of the fund.

4 (c) The balance remaining in the net income account that, at the end of the fiscal year,  
5 has not been appropriated, or that has been appropriated but not expended, shall be invested until  
6 appropriated or expended.

7 Sec. 37.14.440. DEFINITION. In AS 37.14.400 - 37.14.440, "fund" means the Alaska  
8 heritage endowment fund established by AS 37.14.400.

9 \* Sec. 6. This Act takes effect July 1, 1992.

*Never  
introduced*

7-LS2160A  
Chenoweth  
3/4/92

**SENATE CONCURRENT RESOLUTION NO.  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
SEVENTEENTH LEGISLATURE - SECOND SESSION**

**BY**

**Introduced:  
Referred:**

**A RESOLUTION**

**1 Suspending Uniform Rules 42(e), 41(b), 24(c), and 35 of the Alaska State Legislature  
2 concerning House Bill No. 189, establishing the Alaska heritage endowment fund and  
3 amending the responsibilities of the Alaska State Museum and of the Museum Collections  
4 Advisory Committee.**

**5 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

**6 That under Rule 54 of the Uniform Rules of the Alaska State Legislature, the provisions of Rule  
7 42(e), Rule 41(b), Rule 24(c), and Rule 35 of the Uniform Rules, regarding changes to the title of a bill,  
8 are suspended in consideration of House Bill No. 189, establishing the Alaska heritage endowment fund  
9 and amending the responsibilities of the Alaska State Museum and of the Museum Collections Advisory  
10 Committee.**

5-6-92  
Rep. Bayer

## Analysis of Fiscal Note

### SCS CSHB 189 - Establishing the Alaska Heritage Endowment Fund

(25.0) Revised Fiscal Note  
(500.0) Department of Revenue Fiscal Note

The tax credit provision at AS 43.20.014(a) was created for contributions to educational institutions. This bill amends the credit to include contributions given to the museum endowment fund. While corporate donors will probably find the provisions of AS 43.20.014(a) generous, it alone does not provide an incentive to make contributions.

The Friends of the Alaska State Museum and the Friends of the Sheldon Jackson Museum are two non-profit entities formed to support the State Museums. They state that they will probably become the key solicitors for the endowment fund once it is approved (reference letter in bill packet). As such, they don't anticipate their corporate fund raising activities to begin before FY 94 and do not expect their marketing plan to raise more than \$50,000 per year. This may amount to a maximum tax credit of (25.0) per contribution per year.

The revised fiscal note of (25.0) more clearly reflects the intentions of the State Museum's marketing plan.

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. SCS CSHB 189

Revision Date: \_\_\_\_\_  
Title: Establishing the Alaska heritage  
endowment fund  
Sponsor: Rep. Boyer, et. al.  
Requestor: \_\_\_\_\_

Department Affected: Department of Revenue  
BRU: Revenue Operations  
Component: Income and Excise Audit  
COMPONENT SERIAL NO. | 1 | 1 | 3 |

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LANDS & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE FUND SOURCE	0.0	( 0.0)	( 25.0)	( 25.0)	( 25.0)	( 25.0)

FUNDING: (Thousands of Dollars)

GENERAL FUND	0.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS						
OTHER FUND SOURCE						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: \_\_\_\_\_

ANALYSIS:

This bill amends AS 43.20.014(a) by adding a provision for tax credits attributable to cash contributions to the Alaska heritage endowment fund established under this bill. Corporations would be allowed to claim a credit of up to a maximum \$150,000 against their corporation net income tax liabilities for contributions to the endowment fund.

Prepared By: \_\_\_\_\_ Phone: \_\_\_\_\_  
Division: \_\_\_\_\_ Date: May 5, 1992

Approved by Commissioner: \_\_\_\_\_ Date: \_\_\_\_\_  
Agency: \_\_\_\_\_

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies).

No. 3( Bill Version: SCSCSHB 189(HES) )(S) Publish Date: 3-6-92

## FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSIONBILL NO. SCS CSHB 189 (HES)Revision Date: 3/4/92  
Title: Establishing the Alaska heritage  
endowment fund  
Sponsor: Rep. Bover, et. al.  
Requestor: \_\_\_\_\_Department Affected: Department of Revenue  
BRU: Revenue Operations  
Component: Income and Excise AuditCOMPONENT SERIAL NO. | 1 | 1 | 3 |

## EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LANDS & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>CAPITAL</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>REVENUE FUND SOURCE</b>	0.0	(500.0)	(500.0)	(500.0)	(500.0)	(500.0)

## FUNDING: (Thousands of Dollars)

GENERAL FUND	0.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS						
OTHER						
FUND SOURCE						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

## POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: \_\_\_\_\_

## ANALYSIS:

This bill amends AS 43.20.014(a) by adding a provision for tax credits attributable to cash contributions to the Alaska heritage endowment fund established under this bill. Corporations would be allowed to claim a credit of up to a maximum \$150,000 against their corporation net income tax liabilities for contributions to the endowment fund.

Prepared By: Paul E. Dick Phone: (907) 465-2321  
Division: Income and Excise Audit Date: March 4, 1992Approved by Commissioner: Darrel J. Rexwinkel Date: \_\_\_\_\_  
Agency: Department of Revenue

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., &amp; Impacted Agency(ies).

# Alaska State Legislature

REPRESENTATIVE  
MARK BOYER

VICE CHAIRMAN  
HOUSE FINANCE COMMITTEE

FAIRBANKS

1098 LAKEVIEW TERRACE  
FAIRBANKS, ALASKA 99701  
(907) 456-6473

JUNEAU

P.O. BOX V  
STATE CAPITOL  
JUNEAU, ALASKA 99811  
(907) 465-3466

## House of Representatives

To: Senator Pat Pourchot, Co-Chair  
Senator Jay Kerttula, Co-Chair  
Senate Finance Committee

From: Representative Mark Boyer *MB*

Date: April 10, 1992

Subject: Scheduling of HB 189

Please schedule HB 189, "An act establishing the Alaska Heritage endowment fund and amending the responsibilities of the Alaska State Museum and of the Museum Collections Advisory Committee; and providing for an effective date", at the earliest possible date.

This bill creates an endowment fund for the Alaska State Museum that will enable them to acquire outstanding Alaskan native art and historical Alaskan art and objects from international, national and state markets. The focus of this bill is primarily for acquisition funding,

Acquisition funding by the State Museum has averaged less than \$60,000 per year over the last nine fiscal years. The establishment of an endowment as a source of revenue would materially assist Alaska's public institutions in competing successfully to acquire exceptional cultural and historical materials and resources for retention within the State and for return to the State.

FAIRBANKS 20B

Page 2.  
HB 189

At a time when we no longer have the ability to fund every type of interest, we must provide our institutions and political subdivisions the tools with which to generate their own revenues. Even if we fail to endow the new fund, private and corporate donors may contribute to this newly created endowment with a comfort level that the fund will have separate accounting within the general fund.

The Senate HESS Committee adopted our title change and language to include the State Museums as an additional institution qualifying under the Alaska Tax credit provisions.

If you need more information, please contact Nanci Jones of my staff at extension 3466. I appreciate your consideration.

**DIVISION OF LEGAL SERVICES**  
**LEGISLATIVE AFFAIRS AGENCY**  
**STATE OF ALASKA**

(907) 465-3867 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101

240 Main Street, Suite 500  
Juneau, Alaska 99801-2101

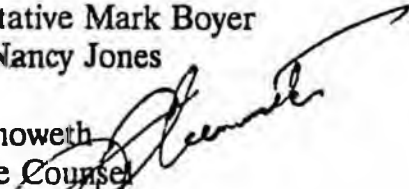
**MEMORANDUM**

February 25, 1992

**SUBJECT:** Tax credit for contribution to Alaska heritage endowment fund,  
draft SCS CSHB 189 ( ) (Work Order No. 7-LS0852M)

**TO:** Representative Mark Boyer  
ATTN: Nancy Jones

**FROM:** Jack Chenoweth  
Legislative Counsel



The new material added by this draft would expand the credit given against the Alaska Net Income Tax (AS 43.20) for a taxpayer's contributions to the Alaska heritage endowment fund. This would expand the credit now given for cash contributions for support of a range of activities for the state's public and private universities.

Your work draft request identified only the income tax as the levy against which the credit may be claimed. You should know, however, that state law currently also allows similar credits for contribution made to the support of a range of university activities under the oil and gas properties production tax (i.e. the state's severance tax)(AS 43.55.019(a)), the pipeline property tax (AS 43.56.018(a)), the state's mining license tax (AS 43.65.018(a)), and the state's fisheries tax (AS 43.75.018(a)).

The addition of the tax credit necessitates a bill title change. Accordingly, I refer you to the provisions of Uniform Rule 24(c):

(c) If a committee has more than one bill on the same subject or if it finds it necessary to revise a bill substantially, it may report out a substitute bill and recommend that the substitute be accepted for second reading in the place of the original bill. A committee of the second house may not report a committee substitute for a bill or an amendment to a bill that requires a change in the title of the bill, other than a clerical or technical change, as the title was enacted in the

house of origin. Substitute bills are duplicated and distributed when they are reported out by the committee. Committee substituted bills carry a notation of the source or sponsor of the original bill in the manner prescribed by the drafting manual unless the sponsor objects to the name so appearing.

to Uniform Rule 35:

AMENDMENT. A motion or proposition on a subject may not be admitted under color of amendment if the subject matter is different from that under consideration. A motion or proposition on a subject that requires a change in the title of the bill as enacted in the house of origin, other than a clerical or technical change, is not in order in the second house. . . .

and to Uniform Rule 41(b):

(b) An amendment to a bill introduced in the other house is not in order if the amendment requires a change of the bill title other than a clerical or technical change.

The prohibition may, of course, be avoided by adoption of a concurrent resolution under Uniform Rule 54:

SUSPENSION OF RULES. Unless otherwise provided for in the case of a particular rule, the Uniform Rules may be suspended by a concurrent resolution approved by a two-thirds vote of the full membership of each house. . . .

JBC:pl  
92-131.plm

**DIVISION OF LEGAL SERVICES**

**LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA**

P.O. Box Y, Juneau, Alaska 99811  
(907) 465-3867 or 465-2450  
FAX (907) 465-2029

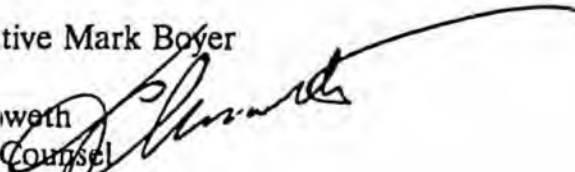
Deliveries to: 240 Main Street  
Court Plaza, Room 500  
Mail Stop 3101

**MEMORANDUM**

May 8, 1991

**SUBJECT:** CSHB 189(HES), establishing the Alaska heritage endowment fund for the support of museum and related activities -- sectional analysis

**TO:** Representative Mark Boyer

**FROM:** Jack Chenoweth  
Legislative Counsel 

The measure establishes a permanent fund, designated the Alaska Heritage Endowment Fund, as a separate state endowment, and charges that the use of the income from the fund shall be used for purposes associated with the Alaska State Museum's activities associated with culturally or historically significant materials. The measure includes a statement of findings and purpose, and makes several related changes to the duties of the state's Museums Collections Advisory Committee.

Bill section 5 establishes the Alaska Heritage Endowment Fund and directs the manner of its ongoing management. Specifically --

Proposed AS 37.14.400 establishes the fund, the endowed principal of which is to include money derived

-- from legislative appropriations; and

-- from gifts, bequests, and contributions made to the fund that specify their placement in the fund principal;

Proposed AS 37.14.410 establishes a related net income account. The net income account includes

-- money and other assets given by a person that do not specify or require inclusion in the fund principal (i.e. gifts, bequests, and contributions that are not intended to be a permanent source of support but may be freely used for acquisitions and other authorized purposes); and

-- the income earned on the gifts, bequests, and contributions that specify their placement in the fund principal.

The section also provides that, if so directed by legislative appropriation, the income earned on money appropriated to the fund principal may be included in the account; these income appropriations are non-lapsing.

Proposed AS 37.14.420 directs the commissioner of revenue, as the treasurer of the fund, to have responsibility for the fund's management, and enumerates the commissioner's management powers and duties.

Proposed AS 37.14.430 sets out the authorized uses of the fund principal and the net income account. The authorized uses of the fund's net income account include

-- reimbursement due the Department of Revenue for establishing and managing the fund;

-- administrative expenses of the state's Museum Collection Advisory Committee relating to securing acquisitions with money from the fund, as the legislature allows;

-- acquisitions; and

-- reimbursement of other costs of administration of the fund.

Acquisition policy involving use of the net income of the heritage endowment fund is described in the material set out in bill section 4:

Proposed AS 14.57.100 authorizes use of the fund balance to acquire the "culturally or historically significant" items enumerated at p. 3, lines 14 - 16 for the Alaska State Museum and the Sheldon Jackson Museum.

Proposed AS 14.57.110 establishes a presumption that acquisitions from the fund will remain the property of the Alaska State Museum.

Proposed AS 14.57.120 sets out criteria applicable to acquisitions. The material includes the opportunity to set standards for protection, care, and exhibition if custody of the acquisition is assigned outside the Alaska State Museum, and authorizes, subject to approval by the Museum Collections Advisory Committee, transfer of ownership or assignment of long-term custody of acquired items to another institution.

Representative Mark Boyer  
May 8, 1991  
Page 3

Proposed AS 14.57.130 authorizes deaccession of items obtained from the money in the fund's net income account.

Bill section 2 redefines and expands the state's Museum Collections Advisory Committee's role in acquisitions policy for artifacts of interest to the Alaska State Museum.

Bill section 1 sets out applicable findings and a statement of purpose intended to justify the need for the measure.

Bill section 3 makes a technical drafting addition.

Since a legislative appropriation to initiate the endowment is contemplated, bill section 8 gives the proposed Alaska Heritage Endowment Fund and the related material in the bill a July 1, 1992, effective date to coincide with the start of the next state fiscal year.

JC:gc:lmb  
91-162.lmb



**Friends of the Alaska State Museum  
Friends of the Sheldon Jackson Museum**



April 15, 1992

Representative Mark Boyer  
Pouch V  
Juneau AK 99811

Reference: SCS for HB189 (HESS) Heritage Endowment

Dear Representative Boyer;

It has been gratifying to note the considerable Legislative support for the Alaska Heritage Endowment. Supporters of the Alaska State Museums recognize the importance of establishing a mechanism to collect and focus the bequests and wishes of individuals who share an enthusiasm for collecting and preserving Alaska's history and heritage.

In regard to the March 4, 1992 Department of Revenue Fiscal Note attached to the measure, we believe that the note overstates our ability to promote and secure corporate donations. As the support entities for the State Museums, the undersigned Friends groups are the key, and probably the only entities that will be involved in the solicitation of capital for the Heritage Endowment (either through private gifts or corporate contributions). However, as non-profit organizations, relying principally on volunteer support, it is our expectation and experience that during the first several years no large corporate donations would be received.

When our organizations first discussed the Endowment we were looking at an economic climate that offered some hope for contributions from traditional supporters like Native Corporations or major corporate entities in Alaska. In the ensuing time, there has been a retrenchment within these industries and organizations and we no longer have realistic expectations that this level of corporate support exists. Without a deliberate marketing plan in place, we could only suggest that the greatest opportunity for tax incentive corporate gifts would come from non-traditional and new supporters, many who have never regarded the Museums as a cause to support. It will take a sophisticated campaign to draw these small businesses into our circle of supporters.

SCS for HB189 (HESS) p.2

Accordingly, it may take one or two years from the date of passage of HB189 to develop an effective solicitation program. Further we do not realistically expect corporate fundraising efforts from FY 95 to FY 98 to garner more than \$50,000 per year. While we believe the tax credit provision of HB189 will help in our fundraising efforts, we expect activity mostly from corporations without large endowments of their own. In any event, we certainly do not expect annual contributions to exceed \$50,000.

Sincerely,

*Lisa Courigan Bell*

Lisa Bell  
President, Friends of  
Alaska State Museum

*IS/*

Irene Schuller  
President, Friends of  
Sheldon Jackson Museum



**Friends of the Alaska State Museum  
Friends of the Sheldon Jackson Museum**



January 28, 1992

Representative Mark Boyer  
Capital, Room 411  
P.O. Box V  
Juneau, Alaska 99811

RE: CS for House Bill No. 189 (HESS)  
The Alaska Heritage Endowment

Dear Representative Boyer:

The Friends of the Alaska State Museum and The Friends of the Sheldon Jackson Museum (Alaska non-profit corporations with combined membership of over 500) have, since 1968, been working to enhance the effectiveness of the State Museums in their task of collecting, preserving and interpreting Alaska's rich and diverse cultural heritage for present and future generations.

The Friends support and urge passage of CS for House Bill No. 189 (HESS). This Endowment Legislation is seen as an ideal way to ensure adequate funding to stem the outflow of valued heritage objects. As a result of inadequate funding, objects significant to Alaska, including major cultural pieces and significant paintings continue to be lost through public auction and private sale from which the State Museums are absent. In addition, recent changes to the federal tax laws have resulted in fewer donations of artifacts, making future funding for acquisitions a critical matter.

The significant change from the original version of HB189 is the limitation of eligible museums to the two state museums. By making the endowment more specific in its purpose it is more likely the goals of the endowment can be accomplished with the modest funding anticipated in the initial years.

All Alaska museums will have a stake in this legislation because the Alaska State Museum system has throughout its existence, placed objects on loan to other institutions. The determination of loans is made based on the borrowing institution's long-term stability, ability to protect and preserve the object, and plans for display and interpretation. If the borrowing institution became incapable of providing reasonable care and protection of the object at some future date, the Alaska State Museum would intervene to ensure that the necessary care would be provided.

March 27, 1991

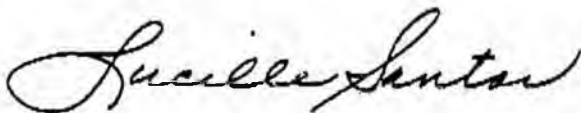
The provision to allow private donations into the fund is attractive, stressing the partnership between the State and private sector. The establishment of a separate endowment trust fund will provide donors, both corporate and individual, with the assurances that their donations and the income derived from them will go for the intended purpose. The language to extend the current responsibilities of the existing Museum Collections Advisory Committee to oversee acquisitions made from the fund is also a good idea, since this will eliminate the establishment of a separate committee or Board of Trustees.

Recent examples of lost opportunities include the following:

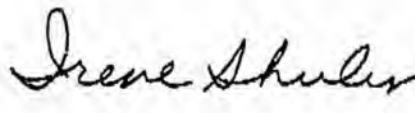
—two large oil paintings by Sydney Laurence:		\$200,000
--a collection of Tlingit ceremonial clothing:	\$ 7,000	
—Tlingit crest hat:		\$ 80,000
—a collection of Alaskan Eskimo drawings:		\$ 20,000
—historical mining equipment from Southeast Alaska:		\$ 10,000
—sketch of Loring Bay by Albert Bierstadt:		\$ 12,000
--surveyor's compass used in fixing Alaska/Canada boundary:		\$ 2,000
--a Chilkat blanket:		\$ 7,000

Artifacts that symbolize Alaska's rich heritage have been leaving with visitors and collectors for many decades. The Endowment Fund will provide the mechanism to fulfill the State's obligation to collect significant objects of Alaska's history, natural history, fine arts, and cultures, and to take advantage of one-time opportunities to maintain important objects in Alaska or return lost items to Alaska.

Sincerely,



Lucille Santos  
President, Friends of the  
Alaska State Museum  
Juneau, Alaska



Irene Shuler  
President, Friends of the  
Sheldon Jackson Museum  
Sitka, Alaska

# STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

## DEPARTMENT OF EDUCATION

OFFICE OF THE COMMISSIONER

GOLDBELT PLACE  
801 WEST 10TH STREET  
P.O. BOX F  
JUNEAU, ALASKA 99811-0500

April 25, 1991

The Honorable Representative Boyer  
Rm 411 Capitol  
P. O. Box V  
Juneau, Alaska 99811

Dear Representative Boyer:

At the request of your Special Assistant Nancy Jones, I have enclosed information concerning the Alaska State Museum's loan policy and procedures, as well as a catalog and packet on the Museum's traveling exhibits and Learning Kit programs. This should address questions raised during the recent HESS Committee meeting on HB-189 about the accessibility and use of Museum collections.

The following is a brief summary:

### OUTGOING LOANS

The Alaska State Museum will loan artifacts to museums and other selected public institutions that meet conditions as stated on the Outgoing Loan Form. Security, environmental safeguards, the ability to meet the conditions for handling artifacts, and public visibility are the most important criteria in evaluating requests for loans.

The Alaska State Museum and the Sheldon Jackson Museum currently have on loan over 600 artifacts to 50 museums and cultural institutions and have made loans to special exhibits within the last two years. These include "Russian America: the Forgotten Frontier", "Bending Traditions" on bentwood artifacts of Alaskan Natives, a Sydney Laurence retrospective, and a United States Coast Guard Exhibit. Objects on loan are currently in: Kodiak, Anchorage, Petersburg, Haines, Ketchikan, Wrangell, Fairbanks, Palmer, Juneau, and Sitka.

### TRAVELING EXHIBITS

Works from the Alaska State Museum collection are made available for exhibition in ways other than loans and permanent and temporary exhibits. Sizeable groups of work are organized into compact traveling exhibits for circulation to small museums throughout Alaska. Traveling exhibitions of this kind have significantly increased the number of people who have been able to view works from the Collection.

Traveling exhibitions currently in circulation are: Dolly Spencer Dolls, Dale DeArmond wood block prints, "Images from the Inside Passage" by Winter and Pond, "The Gentle Craft" on Alaskan watercolors, and "Alaska Positive". Development continues on an exhibit of Alaskan kayaks, "Saving Alaska's Archeological Heritage", and a "Mini-Crossroads" exhibition that will travel to rural Alaska and Siberia. Traveling exhibits are currently being used by the following Museums: Yugtarvik Regional Museum, Bethel; Clausen Memorial Museum, Petersburg; Sheldon Museum and Cultural Center, Haines; Heritage Library and Museum, Anchorage; Valdez Museum; Kenai Community Library; Samuel K. Fox Museum, Dillingham; Carrie M. McLain Memorial Museum, Nome; University of Alaska Museum, Fairbanks; Kenai Peninsula College, Soldotna; Cordova Arts and Pagents; and Anchorage Museum of History and Art.

### LEARNING KITS

The Alaska State Museum is presently circulating 38 learning kits, consisting of 20 different titles, to 35 of the State's school districts. It was started because of the inability of much of the State's population to visit the State Museum in Juneau and share in the many treasures which are on exhibit. Currently, kits contain sufficient materials and resources to make each a self-contained unit. The subjects cover the unique aspect of the state: its Native people, its history and its wildlife.

Early kits consisted primarily of objects from the Museum's collections which were deemed suitable to be shipped to teachers around the State for use in their classrooms. With the passage of time, teachers' manuals with suggestions of presentations and student activities were added to kits to make the objects more relevant and to make the task easier for the teacher. Supplementary materials such as films, slides, videos, and reference books are also included in the kits. Today's kits provide basically everything that the teacher may need to teach the subject. However, the core of the kits, the artifacts and objects, has remained as the most valuable portion of the kit materials.

### PERMANENT EXHIBITS

The Alaska State Museum has approximately 100 exhibits showcasing the natural and human history of Alaska, including exhibits from major Alaskan cultures. The Alaska State Museum is able to exhibit only a small percent of its collection in the permanent exhibit galleries. The Museum is faced with the task of encapsulating all that pertains to Alaska in an exhibit area of less than 6,500 square feet. The restricted exhibit space allows the Museum to show only a limited view of such important areas as Native cultures, early industry, and maritime and Natural History.

Since there is no means to remodel this building to create more space, the Museum has ventured to find appropriate public space elsewhere. The Museum is slowly expanding into the community by placing exhibits in highly visible public buildings. Natural History exhibits and an orientation to the State of Alaska have been installed in the Juneau International Airport and Sitka Community Airport. The Museum has also exhibited historic woodworking tools in the University of Alaska's new technology building and mounted large-scale displays in the State Court Building and the State Office Building. These exhibits allow us to reach a larger audience.

COMPUTERIZATION OF COLLECTIONS

In an effort to effectively increase access to important subject materials and objects within the collection, the Alaska State Museum is proceeding with the procurement of computer software and hardware that will provide access to collections information.

Currently, collections data is recorded on catalog cards that have limited staff, researcher, and public accessibility. Increased accessibility will be accomplished through the use of computer terminals available to the general public and staff within the Museum. Cultural institutions and museums would be able to gain access to the Museum's collections through the use of remote terminals and modems. This will be an important research and teaching tool that will have an enormous impact on scholars, students, and the general public.

Visual access to collections material will be provided by computer imaging or through the use of video disk technology. With 18,500 objects currently in the Alaska State Museum collection and an additional 4,500 objects currently in the Sheldon Jackson Museum collection, it is estimated that data entry and image recording will take at least four years to accomplish.

If you have further questions, please do not hesitate to call.

Sincerely,



Steve Hole  
Acting Commissioner  
by Bruce Kato  
Acting Museum Administrator

Enclosures

DIVISION OF ALASKA STATE MUSEUMS  
DEACCESSIONING POLICY

In the absence of legal prohibitions, the Division of State Museums will routinely analyze its collections and will dispose of items from its collections at the recommendation and discretion of the curator, with the concurrence of the Director of the Division of Alaska State Museums, and the approval of the staff Acquisitions Committee and the Museum Collection Advisory Committee. Clear and complete records must be maintained on all deaccessioned objects. This will include photographs, date of removal, catalogue number, reason for removal, method of disposal and price (if sold).

CRITERIA FOR DEACCESSIONING

An object from the permanent collection may be deaccessioned subject to the approval of the staff Acquisitions Committee, the Director of the Division of Alaska State Museums, and the Museum Collections Advisory Committee only if it meets one or more of the following criteria:

1. Poses a hazard to human life or health, or to other objects in the collection.
2. Does not fulfill the collection criteria of the individual museum.
3. Has been determined to rightfully belong to a group or individual other than the Division of Alaska State Museums.

PROCEDURE FOR DEACCESSIONING

1. The deaccessioning procedure originates with the Curator of Collections within the museum affected. The curator will prepare a written recommendation which establishes the reason for deaccessioning. This statement will include information pertaining to the history, significance, and ownership of the object, as well as applicable laws and proposed method of disposal.
2. Deaccessioning must be approved by the staff Acquisitions Committee.
3. Deaccessioning must be approved by the Museum Collections Advisory Committee and by the Director of the Division of Alaska State Museums.
4. All records pertaining to the deaccessioning of an object must be permanently retained. This would include all signed approval forms, photographs, and any other pertinent information.

5. Disposal of the the deaccessioned piece will be in the following prioritized order, with the concurrence of the Director of Alaska State Museums:

A. Place with another educational institution within Alaska through exchange, sale, or donation.

B. Place with another educational institution outside Alaska through exchange, sale, or donation.

C. Place in the educational programs of the Division of Alaska State Museums as consumable items, or sale/exchange with a dealer, or destroy, or return to former owner.

NOTE: Any financial remuneration gained in the transaction will be returned to the museum disposing of the piece for future acquisitions or for conservation of the existing collection, consistent with state policy regarding disposal of state property.