

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILES 8672

1565 SCOMM 59: JNT. COMMITTEE ON ECONOMIC RECOVERY, 1988

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pledge any additional assets or responsibility. There will be losses in the program irrespective of the quality of the underwriting standards, but these losses will appear at least a year or two in the future. We also recommend that there be a 1-to-4 ratio of reserves to program commitment at the start with the Board of AIDEA having the flexibility to adjust reserves to reflect actual experience. This means that there needs to be an appropriation of loans which will generate \$25 million if we are to do \$100 million in guarantees for the program to have the impact desired. We recommend a \$100 million program at the start.

3. HB 422 -- Payment for Purchases by Various Public Entities -- DCED supports this expansion of current law.
4. HB 429 -- Optional Exemption from Property Taxes on Vacated Land -- The Department is supportive of this concept and would suggest elimination of the limitation of its applications by removing the 30-year-old requirement on improvements currently included in the bill. So long as this proposal does not directly affect the revenues of the state, and is optimal for local governments, it should be considered.
5. HB 430 - 431 -- Neighborhood Business Development Programs and Appropriation -- The Department is conceptually supportive of these bills. We understand the difficulties associated with balancing the state's budget and do not represent that this is an essential \$3 million item. Hence, a threshold question is identifying a source of funding.

In addition to HB 429, 430, and 431, it is our perception that an appropriate public sector response to the supply/demand problem is public acquisition of developments for purposes of parks, neighborhood upgrade and to eliminate obsolete or nonconforming properties. Thus, special appropriations to entities such as the Heritage Land Bank and local governments would allow local governments and the state to take advantage of present price levels to improve the quality of life while beneficially impacting the supply/demand problem.

6. HB 432 -- AHFC Trades -- We are conceptually supportive of this bill; although by this time the Labor and Commerce Committee is fully cognizant of the limitations on AHFC's ability to unilaterally achieve the ends sought in this bill. The approach currently undertaken by the Labor and Commerce Committee seems to reasonably address this issue.

There are other changes in AHFC which would allow the agency to manage its revenues to be part of the solution rather than part of the problem. For example, AS 18.56.098 needs to be altered so that the interest rate formula is more flexible. Some recommended changes are:

Financial Provisions Changes - Currently, many AHFC financial provisions are "hard-wired." For instance, the interest rate formula as specified in AS 18.56.098 permits no flexibility in interest rate calculation, even though at times adding some flexibility could significantly help the market at little or no additional cost to AHFC.

One way to add some flexibility would be to develop a mechanism whereby the maximum amount of assistance that AHFC can provide for any individual loan is set, but the specific way in which it was applied would be flexible. Another possible change would be to permit more flexibility in the amount of assistance if the whole market was in bad shape. For instance, if the delinquency rate in a particular market exceeded, say, 10%. Additional assistance would have to be targeted at certain groups to achieve specified outcomes, or very quickly AHFC could use up its available resources.

For instance, assume AHFC wanted to target the condo market, either for trade ups to mid-high range condos, or to encourage the purchase of some of the many low end condos. Many of the current condo loans were based on a loan amount of \$75-80,000, with an interest rate of 10-12%. Consider the following figures:

<u>Loan Amount</u>	<u>Interest Rate</u>	<u>Payment</u>
\$ 80,000	10%	\$702
125,000	6%	749
50,000	6%	300

In one case, a borrower can buy much more "house" for approximately the same payment, whereas in the other case, a borrower could buy a \$50,000 condo (which was likely originally an \$80,000 condo) for a payment of less than half of the original. Properly targeted this could help stabilize price and reduce the inventory of foreclosed properties. It is our belief that the "equity underwater" problem could be stabilized in targeted projects by offering financing opportunities for full prices sales.

Other changes would deal with AHFC's role in disposing of its real estate portfolio. For instance, if current plans are successful, AHFC could well own entire condo projects. These projects could eventually be sold as condos, but they might also be sold as apartment buildings. If AHFC were able to manage the building (via a contract) and perhaps provide financing to the ultimate buyer, the total loss might be much less. Possibly other types of nonowner-occupied financings to help in disposal of foreclosed properties should be added.

More flexibility would be most helpful in workout situations. HOAP will be sufficient for a great number of troubled borrowers, others will need far more assistance. AHFC, in conjunction with the applicable insurance companies, should be able to provide assistance to these borrowers in a variety of ways -- much lower interest rate, deferral of principal payments, etc. To hold down the ultimate cost of the program and to provide more assistance than is needed, AHFC should be able to design various approaches to recapturing some of this assistance if the property ever appreciates in value beyond its original loan amount.

We have discussed with various individuals the thought of establishing a subsidiary corporation of AHFC which would be granted broader powers to address critical issues in Alaska's current housing market. Such a subsidiary may be charged with acquisitions and/or eminent domain powers to achieve public purposes. Further, it could facilitate the consolidation of condominium owners to allow for the conversion of other condominium projects to other uses, including apartment complexes and public sector housing. We believe all such ideas should be explored in detail and are appropriate items to try to adopt this legislative session.

Lastly, AHFC should be given broader investment powers so that it could participate in acquisitions such as Hollywood Vista and Willow Park when it makes economic sense for the agency.

7. HB 433 -- Moratoriums on Judicial and Nonjudicial Foreclosures -- This is intended as a parochial attempt to preserve for Alaskans a greater opportunity to preserve their residence at the expense of lenders, a good portion of whom are nonresident. Similiar legislation was adopted in two mid-western states as responses to the farm crisis. Their experience should be studied in detail before passage of this legislation.

While the approach has appeal on its surface, it appears to also generate considerable technical questions, especially with respect to bonded indebtedness of various Alaska debt issuers. Further, as probably the largest financier of Alaska real estate, various state entities, including the retirement funds, may be injured by this approach. We are also concerned about the potential ramifications if "outside" lenders respond to passage of this legislation by further restricting access of Alaskans to secondary money markets.

We are also confused by the language which suggests that a non-judicial foreclosure entitles the mortgagor to a right of redemption. This appears to be antithetical to the main purpose of nonjudicial foreclosures.

March 7, 1988

8. SCR xx -- Loan Approval Withheld for New Construction -- The Department has been asked to comment on a draft of this resolution. We do not agree with this approach. We do agree that financing agencies must be sensitive to the oversupply of several categories of real estate and should coordinate their financing policies to assure that they do not inadvertently exacerbate a serious problem. We also believe that the inventory of some classes of property may require additional construction to meet a growing demand in the near term. It would be much more appropriate, from our perspective, to allow market forces and coordinated state policy development, such as through the Alaska Housing Marketing Council, to address the concerns expressed in this draft resolution. For example, there are market segments which would be severely paralyzed by a generalized moratorium. It is more appropriate to add private sector representatives to the Housing Market Council.

We feel any response of this nature should be in the manner in which municipalities issue building permits and carry out inspections. As Chairman of AHFC, it seems indisputable that many of AHFC's problem projects were not inspected.

Other

Bridge Bank and Hallwood Trust - we conceptually support these, as well as other initiatives to have assets held by the FDIC or banks managed to minimize the adverse impact on the economy. There needs to be consideration given to both the management difficulties and the carrying costs which will be incurred. In addition, we need to recognize that any state guarantee or stand-by letter of credit could most likely be used.

There are three possible options at this time. Any one, or a combination of these, may work. They are the Anchorage Economic Development Corp., the Sealaska REIT group, and the Hallwood Trust. Should the state choose to participate in one of these structures, it should be prepared to contribute cash as well as properties. Cash flows to fund such an entity will not likely, in the short run, be sufficient to meet expenses. Hence, initial capitalization will be important to help assure success -- understanding that success includes the avoidance of increases of property liquidations.

Distribution

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The Honorable Jan Faiks
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THE SUPREME COURT OF THE STATE OF ALASKA

MARSHALL LEE CONRAD and)
COLLEEN M. CONRAD,)
)
Appellants/Respondents,)
)
v.)
)
COUNSELLORS INVESTMENT CO.,)
a partnership; BRIAN J.)
BRUNDIN; BILL LAWRENCE;)
MARCUS R. CLAPP; JERRY E.)
MELCHER; and JAMES M. POWELL,)
)
Appellees/Petitioners.)
)

File No. S-1996/2102

O P I N I O N

[No. 3275 - February 26, 1988]

Appeal in File No. S-1996 from the Superior Court of the State of Alaska, Fourth Judicial District, Fairbanks, Gerald J. Van Hoomissen, Judge. Petition for Review in File No. S-2102 from the Superior Court of the State of Alaska, Fourth Judicial District, Fairbanks, Jay Hodges, Judge.

Appearances: Barry Donnellan, Fairbanks, for Appellants/Respondents. Timothy R. Byrnes, James M. Gorski, Hughes, Thorsness, Gantz, Powell, and Brundin, Anchorage, for Appellees/Petitioners.

Before: Matthews, Chief Justice, Rabinowitz, Compton, and Moore, Justices. [Burke, Justice, not participating.]

COMPTON, Justice.

This appeal presents two questions. The first question is whether secured creditors agreed to limit their remedy to nonjudicial foreclosure of their security. The second is whether the creditors' subsequent claim for judicial foreclosure of that security is precluded by the judgment in a prior suit on the note.

I. FACTUAL AND PROCEDURAL BACKGROUND

Counsellors Investment Co. (Counsellors)¹ purchased commercial property in Fairbanks from Marshall Lee Conrad and Colleen M. Conrad. In partial payment for the property, Counsellors gave the Conrads a note secured by a second deed of trust.

Counsellors eventually stopped making payments on the note and offered to reconvey the property to the Conrads in satisfaction of the debt. The Conrads declined the offer and sued Counsellors and its partners for a personal judgment on the note (Conrad I).

The superior court entered summary judgment for Counsellors on the ground that the Conrads' "remedy under their note and deed of trust is that provided in Paragraph B6 of the deed of trust and in AS 34.20.070-.135, and that [the Conrads] may not

1. Counsellors is a general partnership. The partners are Brian Brundin, Bill Lawrence, Marcus Clapp, Jerry Melcher and James Powell.

maintain a suit on the promissory note alone;" in other words, the Conrads' remedy was limited to nonjudicial foreclosure of the security. Since the judgment form submitted by Counsellors was not consistent with some of the court's oral conclusions, the Conrads moved to amend the judgment to clarify whether they had the right to foreclose judicially. The court denied the motion and entered an order prohibiting the Conrads from exercising "any remedy inconsistent with the deed of trust." However, the court struck language in the proposed order which expressly precluded an action for judicial foreclosure.

The Conrads appealed the judgment in Conrad I and filed a complaint for judicial foreclosure and a deficiency judgment (Conrad II). Counsellors moved to dismiss the complaint, arguing that the Conrads' claim for judicial foreclosure was barred by the judgment in Conrad I. The superior court denied the motion to dismiss because "the question of judicial foreclosure was not before the court in the [prior] action" and "the right of the Conrads to maintain this action for judicial foreclosure of a deed of trust is granted by AS 09.45.170." Counsellors petitioned for review. We granted review and consolidated the cases for appeal.

II. CONRAD I: DID THE CREDITORS AGREE TO LIMIT THEIR REMEDY TO NONJUDICIAL FORECLOSURE OF THE SECURITY?

The Conrads argue that they have the right initially to ignore their security and sue on the note, or to file a complaint

for judicial foreclosure. Counsellors does not dispute that a secured creditor generally has that option; however, it contends that the deed of trust expressly limits the Conrads' remedy to nonjudicial foreclosure.

In Moening v. Alaska Mutual Bank, __ P.2d __, Op. No. 3274 at 6 (Alaska, February 26, 1988), we held that absent an agreement to the contrary, a secured creditor has the option whether to sue on the note or foreclose the security. If the creditor sues on the note and obtains a personal judgment which is returned unsatisfied, the creditor may then foreclose the security. Id.; AS 09.45.200.² In determining whether the parties agreed to limit the creditor's remedies, the note and trust deed are construed together and interpreted to carry out the reasonable expectations of the parties. __ P.2d at __, Op. No. 3274 at 7.

The deed of trust note here in issue states that Counsellors "promise(s) to pay" the Conrads the loan amount. In the event of default, the Conrads may at once declare the entire debt due and payable. The note does not indicate that

2. AS 09.45.200 provides:

During or after the pendency of an action for the recovery of a debt secured by a lien mentioned in AS 09.45.170, an action cannot be maintained for the foreclosure of the lien unless judgment is given in that action that the plaintiff recover the debt or a part of it, and an execution issued in the action against the property of the defendant is returned unsatisfied in whole or in part.

Counsellors is not liable for payment; therefore, the Conrads are entitled to sue on the note or foreclose judicially unless the deed of trust provides otherwise.

Counsellors argue that Paragraph B6 of the deed of trust limits the Conrads' remedy to nonjudicial foreclosure:

Upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In the event of default Beneficiary shall execute or cause the Trustee to execute a written notice of such default and of his election to cause to be sold the herein described property to satisfy the obligation hereof, and shall cause such notice to be recorded in the office of the recorder of each recording precinct wherein said real property of [sic] some part thereof is situated.

(Emphasis added). Counsellors reasons that the language "Beneficiary shall execute" must be construed as a limitation on the Conrads' right to do anything else.³ However, we believe that the only logical interpretation of this language requires the Conrads to execute the notice only after they have "elected" the remedy of nonjudicial foreclosure. The Conrads are entitled to exercise any other remedies permitted by law.

We conclude that the deed of trust does not limit the Conrads to the remedy of nonjudicial foreclosure. The trust deed

3. See Fowler v. City of Anchorage, 583 P.2d 817, 820 (Alaska 1978) ("Unless the context otherwise indicates, the use of the word 'shall' denotes a mandatory intent.")

does not expressly preclude a suit on the note. The fact that a creditor may foreclose nonjudicially does not imply that it may not foreclose judicially.⁴ Because the Conrads' remedies were not expressly waived in the note or deed of trust, they had the right to sue on the note or foreclose the security. Therefore, the superior court erred as a matter of law when it entered summary judgment against the Conrads on their right to sue on the note.⁵

4. AS 34.20.070(a) provides in part:

If a deed of trust is executed conveying real property located in the state to a trustee as security for the payment of an indebtedness and the deed provides that in case of default or noncompliance with the terms of the trust, the trustee may sell the property for condition broken, the trustee, in addition to the right of foreclosure and sale, may execute the trust by sale of the property, upon the conditions and in the manner set forth in the deed of trust, without first securing a decree of foreclosure and order of sale from the court,
...

(Emphasis added).

5. The superior court appeared concerned that the Conrads filed suit on the note without providing Counsellors any notice of default. Paragraph B6 of the deed of trust requires the Conrads to record a notice of default as one of the steps leading to nonjudicial foreclosure. However, no notice is required if the Conrads pursue one of the other remedies available to them as secured creditors. See Smith v. Certified Realty, 585 P.2d 293, 294 (Colo. App. 1978), aff'd, 575 P.2d 1043 (Colo. 1979) (debtor has no equitable right to cure default in an action brought solely on a promissory note).

III. CONRAD II: IS THE CREDITORS' CLAIM FOR JUDICIAL FORECLOSURE PRECLUDED BY THE PRIOR SUIT ON THE NOTE?

Counsellors argues that the Conrads' claim for judicial foreclosure is precluded by the judgment on the note. The Conrads contend that judicial foreclosure was not addressed in Conrad I.

We described the claim preclusive effect of a prior judgment in State v. Smith, 720 P.2d 40, 41 (Alaska 1986), as follows:

Under the doctrine of res judicata (claim preclusion), a judgment on the merits of a controversy bars subsequent suits between the same parties asserting the same claim for relief when the matter raised was or could have been decided in the first suit. Pankratz v. State, Department of Highways, 652 P.2d 68, 74 (Alaska 1982); Calhoun v. Greening, 636 P.2d 69, 71-72 (Alaska 1981). The Restatement (Second) of Judgments § 24(a) (1982) states that the claim extinguished by the first judgment:

includes all rights of the plaintiff to remedies against the defendant with respect to all or any part of the transaction, or series of connected transactions, out of which the action arose.

A mere change in the legal theory asserted will not avoid the preclusive effect of the first judgment. Pankratz, 652 P.2d at 74.

Arguably, Conrad II is barred under this reasoning. Conrad I involved the same parties and resulted in a judgment on the merits. The Conrads could have joined a claim for judicial

foreclosure with their claim for judgment on the note. Thus, it is irrelevant whether the Conrad I court ruled on this issue.⁶

On the other hand, the common law permits a creditor to judicially foreclose a security following an action on the note. E.g., Foothills Holding Corp. v. Tulsa Rig, Reel & Mfg., 393 P.2d 749, 751 (Colo. 1964); Berg v. Liberty Fed. Sav. & Loan Ass'n, 428 A.2d 347, 348-49 (Del. 1981); Klondike, Inc. v. Blair, 211 So. 2d 41, 42-43 (Fla. App. 1968). Moreover, AS 09.45.200 permits an action for judicial foreclosure "after the pendency of an action for the recovery of a [secured] debt," provided that the creditor prevails in the prior action and its judgment remains unsatisfied in whole or in part.⁷

We believe that this situation is best viewed as an express statutory exception to general principles of res judicata. A creditor need not join its claim for judicial foreclosure in the suit for recovery on the note at the risk of losing its security. In one sense, the subsequent foreclosure may be considered a special form of execution on the prior

6. To the extent that Counsellors argues that this issue is precluded by Conrad I, it is relevant whether the first court ruled on the judicial foreclosure question. We agree with the Conrads that the superior court did not rule that the Conrads are limited to nonjudicial foreclosure; despite Counsellors' best efforts to obtain a decision on this question, the court left it unresolved.

7. See AS 09.45.200, supra note 2.

judgment for the creditor. Under AS 09.45.200, the creditor may bring these claims consecutively.⁸

The decision of the superior court in File No. S-1996 is REVERSED: the decision in File No. S-2102 is AFFIRMED. The cases are REMANDED to the superior court for further proceedings. The Conrads may elect whether to proceed with the suit on the note or the foreclosure.

8. However, when the creditor resorts first to judicial foreclosure, failure to join its claim for a deficiency judgment may result in claim preclusion. See AS 09.45.170; see also Darnell v. Denton, 669 P.2d 981, 983 (Ariz. App. 1983); but see Perpetual Bldg. & Loan Ass'n v. Braun, 242 S.E.2d 407 (S.C. 1978).

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THE SUPREME COURT OF THE STATE OF ALASKA

HAROLD J. MOENING and
COLLEEN M. MOENING,

Appellants,

v.

ALASKA MUTUAL BANK,

Appellee.

File No. S-1980

O P I N I O N

[No. 3274 - February 26, 1988]

Appeal from the Superior Court of the State
of Alaska, Third Judicial District, Anchorage,
Milton M. Souter, Judge.

Appearances: Francis J. Nosek, Jr. and Kelly
Fisher, Anchorage, for Appellants. Gordon F.
Schadt and Milford H. Knutson, Anchorage, for
Appellee.

Before: Matthews, Chief Justice, Rabinowitz,
Compton, and Moore, Justices. [Burke,
Justice, not participating.]

COMPTON, Justice.

This appeal presents three questions. The first question is whether a secured creditor initially may ignore the security and sue for a personal judgment on the underlying debt, absent an agreement to the contrary. The second is whether the creditor agreed to limit its remedy to foreclosure of the security. The third is whether the suit on the debt extinguishes the security as a matter of law..

I. FACTUAL AND PROCEDURAL BACKGROUND

Harold Moening and Ronald Rivard became business associates in 1983. Prior to their association, Rivard was the sole shareholder of Quest Enterprises, Inc. (Quest). Moening agreed to guarantee Quest's debts to Alaska Mutual Bank (AMB) in exchange for a 40% interest in the business.¹

To effectuate the guarantee, Moening executed a \$700,000 deed of trust note in favor of AMB.² The note was secured by a deed of trust on Moening's home, and on the property which originally secured the Quest obligations extinguished by the consolidation. Moening defaulted. Later Moening executed a secured promissory note for \$33,000 to guarantee the debt for

1. Colleen Moening is a named defendant because she co-signed many of the obligations with her husband Harold Moening.

2. The principal was payable on demand in a single installment. Absent a demand, the note was due on May 7, 1985.

property purchased by Quest in Peters Creek.³ Moening defaulted on this note as well.

AMB filed a complaint against Moening seeking a personal judgment on the notes. It did not foreclose the deeds of trust nor attempt to exercise the power of sale. The superior court entered summary judgment for AMB, concluding that AMB had the right initially to ignore its security and sue on the note. The court entered a money judgment for \$733,000 in principal due on the notes, plus accrued interest, costs, and attorney's fees. In addition, the court ordered that the notes should be filed with the court, marked "Conditionally Cancelled" and, "if subsequent execution on the judgment does not satisfy it, the amount by which it is not satisfied may form the basis of judicial or non-judicial foreclosure of the collateral securing the promissory notes."

Moening appeals on the grounds that (1) as a matter of law, AMB must exhaust the security first; (2) AMB agreed to exhaust the security first; and (3) AMB waived its security by suing on the notes.⁴ For the reasons hereinafter set forth, we affirm the judgment of the superior court.

3. The note was secured by a deed of trust identical to that securing the \$700,000 note. The trust deed is not part of the record.

4. Moening also argues that AMB failed to join indispensable parties (Rivard and Quest). Alaska R. Civ. P. 19(b). This is an action to collect a debt. Neither Rivard nor

(Footnote Continued)

II. THE RIGHTS OF A SECURED CREDITOR

Moening argues that a secured creditor may not ignore the security and sue on the underlying obligation; it must first exhaust the security. AMB contends that a secured creditor has the option to foreclose or sue on the note, and that it may pursue these remedies concurrently or consecutively.

Statutes provide a secured creditor with a variety of remedies when the debtor defaults. For example, the creditor may bring an action for judicial foreclosure. AS 09.45.170.⁵ The creditor is then entitled to a deficiency judgment against the debtor. Id.; Smith v. Shortall, 732 P.2d 548, 549 (Alaska 1987); Suber v. Alaska State Bond Comm., 414 P.2d 546, 555-56 (Alaska

(Footnote Continued)

Quest was a party to the note and neither has an interest in this lawsuit. Civil Rule 19(a)(2). Moreover, their absence does not preclude granting complete relief between Moening and AMB. Civil Rule 19(a)(1). The fact that Moening may have claims against Rivard arising from other agreements, or that Rivard and Quest may have interests of record in the security, does not render them indispensable to AMB's suit on the note.

5. AS 09.45.170 provides:

A person having a lien upon real property, other than that of a judgment, whether created by mortgage or otherwise, to secure a debt or other obligation may bring an action to foreclose the lien. In the action, the court may direct the sale of the encumbered property or a portion of it and the application of the proceeds of the sale to the payment of costs, expenses of sale, and the amount due the plaintiff. The judgment shall also determine the personal liability of a defendant for the payment of the debt secured by the lien and be entered accordingly.

*Similar to
deficiency*

1966). The debtor has a statutory right of redemption for twelve months after the sale is confirmed. AS 09.45.190, 09.35.250.

The creditor may elect to conduct a nonjudicial foreclosure sale if the deed of trust provides for this remedy. Suber, 414 P.2d at 555-56; AS 34.20.070(a).⁶ The creditor is not entitled to a deficiency judgment following a nonjudicial foreclosure. Smith, 732 P.2d at 549; AS 34.20.100.⁷ The debtor is not entitled to redeem the property, unless the deed of trust provides otherwise. AS 34.20.090(a).

6. AS 34.20.070(a) provides in part:

If a deed of trust is executed conveying real property located in the state to a trustee as security for the payment of an indebtedness and the deed provides that in case of default or noncompliance with the terms of the trust, the trustee may sell the property for condition broken, the trustee, in addition to the right of foreclosure and sale, may execute the trust by sale of the property, upon the conditions and in the manner set forth in the deed of trust, without first securing a decree of foreclosure and order of sale from the court
.....

(Emphasis added).

7. AS 34.20.100 provides:

When a sale is made by a trustee under a deed of trust, as authorized by AS 34.20.070 -- 34.20.130, no other or further action or proceeding may be taken nor judgment entered against the maker or the surety or guarantor of the maker, on the obligation secured by the deed of trust for a deficiency.

Statutes also refer to an action on the underlying obligation. Alaska Statute 09.45.200 provides:

During or after the pendency of an action for the recovery of a debt secured by a lien mentioned in AS 09.45.170, an action cannot be maintained for the foreclosure of the lien unless judgment is given in that action that the plaintiff recover the debt or a part of it, and an execution issued in the action against the property of the defendant is returned unsatisfied in whole or in part.

The clear implication of this section is that the creditor may sue directly on the note without first foreclosing the property. Moreover, if the creditor prevails in the legal action and cannot satisfy the judgment against the debtor's personal property, it may then maintain an action for judicial foreclosure of the security.

The superior court order also permits AMB to foreclose nonjudicially if the judgment on the note is returned unsatisfied. Moening argues that, even if AMB initially may ignore the security, it may not foreclose nonjudicially after obtaining a judgment on the note.

The anti-deficiency statute prohibits a deficiency judgment following exercise of a power of sale; however, it does not preclude the exercise of a power of sale following a judgment on the note. AS 34.20.100, supra note 7. Under the common law, a prior suit on the note does not preclude subsequent judicial or nonjudicial foreclosure of the security. Foothills Holding Corp. v. Tulsa Rig, Reel & Mfg., 393 P.2d 749, 751 (Colo. 1964); Berg

Common law.

v. Liberty Fed. Savings & Loan, 428 A.2d 347, 348-49 (Del. 1981); Klondike, Inc. v. Blair, 211 So. 2d 41, 42-43 (Fla. App. 1968). The doctrine of election of remedies does not apply, because foreclosure and a suit on the note are not inconsistent remedies. Klondike, 211 So. 2d at 42; Norwood Realty v. First Fed. Savings & Loan, 109 S.E. 2d 844 (Ga. App. 1954); Skach v. Lydon, 306 N.E. 2d 482, 485 (Ill. App. 1973). See also 55 Am. Jur. 2d Mortgages § 543, at 523 (1971).

We conclude that the statutes permit a secured creditor initially to ignore the security and sue on the note. Once the creditor obtains a personal judgment which is returned unsatisfied in whole or in part, the creditor may judicially or nonjudicially foreclose the security.⁸

8. In Smith v. Shortall, 732 P.2d at 549, we held that a spouse who nonjudicially foreclosed a deed of trust securing her former husband's property division obligation was not entitled to a deficiency judgment under AS 34.20.100. In dicta we stated:

The obligation was evidenced by a promissory note and secured by a deed of trust. When [Debtor] defaulted on the obligation, [Creditor] had several options. She could have waived the security of the deed of trust and sued on the note. Or, she could have brought an action to judicially foreclose the deed of trust, retaining the right to recover a deficiency judgment. AS 09.45.170; Suber v. Alaska State Bond Committee, 414 P.2d 546, 555 (Alaska 1966). Instead, [Creditor] elected the remedy of non-judicial foreclosure. By electing this remedy, [Creditor] lost her right to recover a deficiency judgment against [Debtor].

(Footnote Continued)

III. THE PARTIES' AGREEMENT

When a note is executed and secured by a deed of trust, the documents are read and construed together as one contract to ascertain the parties' intent. In re Sutton Inv., 266 S.E.2d 686, 689 (N.C. App. 1980), rev. denied, 301 N.C. 90 (1980); Herrington v. Murphy, 446 P.2d 595, 597 (Okla. 1968). The contract is interpreted to give effect to the reasonable expectations of the parties, looking to the language of the contract, the circumstances surrounding its adoption, and case law interpreting similar agreements. Craig Taylor Equip. v. Pettibone Corp., 659 P.2d 594, 597 (Alaska 1983). Ambiguities are construed in favor of the debtor. Patton v. First Fed. Sav. & Loan Ass'n, 578 P.2d 152, 156 (Ariz. 1978).

Any agreement between the parties that the creditor will not seek a deficiency judgment and will look only to the security is enforceable. Stern v. Itkin Bros., 385 N.Y.S.2d 753, 754 (N.Y. Sup. 1975).⁹ Such an agreement is enforced even when the security is destroyed by foreclosure of a superior lien. The

(Footnote Continued)

Id. We disapprove of this dicta insofar as it suggests that a suit on the note constitutes a legal waiver of the security.

9. A rider to the Stern mortgage provided in part:

On default hereunder, no deficiency judgment shall be sought, rendered or entered against the mortgagor and mortgagees will look only to the mortgaged premises.

formerly secured inferior creditor is not entitled to sue on the note. Laclede Inv. Corp. v. Kaiser, 596 S.W.2d 36, 39 (Mo. App. 1980).¹⁰

The \$700,000 obligation was evidenced by a "deed of trust note." By its terms, Moening expressly promised to pay principal and interest. The note also stated:

[E]very party signing . . . this note hereby . . . binds himself thereon as a principal, . . . and promises, if this note is not timely paid and is placed in the hands of an attorney for collection, or suit is brought hereon, to pay all costs of collection, including reasonable attorney's fees.

(Emphasis added). The note constitutes a personal obligation of Moening. It does not preclude AMB from suing directly on the note.

The \$33,000 debt is evidenced by a "single payment promissory note" in which Moening expressly promised to pay principal and interest. In case of default, Moening agreed to pay AMB's collection costs and attorney's fees. It does not limit AMB's ability to sue Moening.

10. The Kaiser note contained the following provision:

No personal liability shall be asserted or be enforceable against the maker, it being intended that the sole remedy of the holder hereof be by the foreclosure of the Deed of Trust and Security Agreement

596 S.W.2d at 39 n.1.

The deeds of trust securing the loans contain a power of sale provision permitting nonjudicial foreclosure. The trust deeds also expressly allow judicial foreclosure.¹¹ They do not limit the creditor's right to ignore the security and sue on the note.

IV. CANCELLING THE NOTES AND TRUST DEEDS

When AMB submitted a proposed judgment on the notes, Moening objected because the judgment did not include an order cancelling the notes and deeds of trust under Civil Rule 78(d).¹² AMB submitted the original notes to the court, but did not submit the trust deeds. AMB requested that the notes not be cancelled in case the personal judgment was returned unsatisfied. The superior court ordered that the notes be marked "Conditionally

11. The trust deed states in part:

In the event that this Deed of Trust is foreclosed as a mortgage and said property sold as a foreclosure sale [the purchasers may make necessary repairs or alterations]

12. Alaska R. Civ. P. 78(d) provides:

In all cases in which a judgment upon a written instrument is entered, such instrument shall be filed with the court, and unless the court otherwise orders, it shall be cancelled by marks and writing upon its face. The clerk shall retain the same in the files unless otherwise directed by the court.

Cancelled." Moening argues that the superior court erred by failing to unconditionally cancel the notes and trust deeds, entering the order without adequate briefing, and entering the order after the notice of appeal was filed.

When judgment is entered on a written instrument, the instrument shall be filed with the court and cancelled on its face, unless the court orders otherwise. Civil Rule 78(d). We perceive no reason why a secured note should not be subject to this general rule. The note merges with the judgment, and any further proceedings will be to enforce the judgment rather than the note.

In contrast, the deeds of trust should neither be filed with the court nor cancelled:

[A] judgment recovered upon a debt secured by a mortgage does not merge the mortgage nor operate as a discharge, abandonment, or release of the mortgage security.

. . . The mortgage continues to secure such debt and is not released, discharged, or satisfied by a judgment on the debt, note, or bond. Such judgment stands subordinate to the mortgage lien.

Silver v. Williams, 175 A.2d 673, 676 (N.J. Super. Ct. Ch. Div. 1961) (emphasis in original), rev'd on other grounds, 178 A.2d 649 (N.J. Super. Ct. App. Div. 1962). In essence, the creditor ends up with a secured judgment.

Although the superior court could have simply cancelled the notes, it had discretion under the rule to order otherwise.

The conditional cancellation order does not constitute an abuse of that discretion.¹³

AFFIRMED.

13. The record does not support Moening's assertion that the conditional cancellation order was entered after Moening filed a notice of appeal. The order was entered on January 7. The notice of appeal contains an initial filing stamp of December 19; however, that stamp was cancelled and the notice shows a second stamped filing date of January 7.

Memos



Official Business

Alaska State Legislature

P.O. BOX V
State Capitol
Juneau, Alaska 99811

MEMORANDUM

January 27, 1988

TO: Senate Members
Joint Economic Recovery Committee

FROM: Senator Arliss Sturgulewski, Co-Chairman
Senator Lloyd Jones, Co-Chairman
Joint Economic Recovery Committee

RE: Joint Economic Recovery Committee

The Senate members will meet on Friday, January 29 at 1:30 pm in the Butrovich room for an organizational meeting.

The Joint Economic Recovery Committee (both Senate and House) will meet at 3:30 pm on Friday, January 29 and at 3:30 pm on Monday, February 1 in the Senate Finance Committee Room.

The schedule will be as follows:

Friday	Alaska Economic Overview -Commissioner Tony Smith -Dave Rose, Alaska Permanent Fund -Lee Gorsuch, ISER
Monday	Alaska Economic Overview -Commissioner Tony Smith - R.E.I.T.'s -Others to be announced

Senate Members: Senators Coghill, Eliason, Faiks, Halford, Josephson, and Zharoff



Official Business

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Joint Economic Recovery Committee

January 29, 1988

Senate Members

Senator Sturgulewski, Co-Chairman
Senator Jones, Co-Chairman

Senator Coghill
Senator Eliason
Senator Faiks
Senator Halford
Senator Josephson
Senator Zharoff

House Members

Representative Gruenberg, Chairman

Representative Adams
Representative Brown
Representative Boucher
Representative Ulmer
Representative Koponen
Representative Navarre
Representative Miller
Representative Rieger



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JOINT COMMITTEE ON ECONOMIC RECOVERY
January 29, 1988
Senate Finance Committee Room

- 3:30 -- Opening Remarks
 Senator Arliss Sturgulewski (Senate Co-chair) ✓
 Senator Lloyd Jones (Senate Co-Chair) ✓
 Representative Max F. Gruenberg, Jr. (House Chair) ✓
- 3:45 -- COMMISSIONER TONY SMITH (Commerce and Economic ✓
 Development)
- 4:10 -- LEE GORSUCH (Institute of Social and Economic
 Research)
- 4:35 -- DAVE ROSE (Alaska Permanent Fund Corporation)
- 5:00 -- Meeting adjourned



Official Business

Alaska State Legislature

P.O. BOX V
State Capitol
Juneau, Alaska 9981

Senate Joint Committee on Economic Recovery

Memorandum

To: Committee Members

From: Senator Jones and Senator Sturgulewski, Co-Chairpersons

Date: February 2, 1988

Subject: Areas of responsibility

At the January 29, 1988 meeting of the Senate Joint Committee on Economic Recovery, the following areas of responsibility were accepted:

- | | |
|---|--|
| Senator Coghill | - review military PX facility policies relating to the availability of PX service to civilians and its affect on local private businesses. |
| Senator Faiks | - develop draft legislation on guaranteed loan program fashioned after SBA Small Business Loan Program. |
| | - develop draft legislation on the bridge bank concept. |
| Senator Halford | - review AIDA policies on caps and delinquency rates for banks. |
| Senator Jones and
Senator Sturgulewski | - develop list of existing legislation that offers short term solutions. |
| | - develop list of proposed legislation that can be finalized and offered this session. |

The Senate committee will meet again early next week. As soon as we can determine an acceptable time and place, it will be announced. If you have invited any speakers on topics of responsibility please advise Senator Sturgulewski's office.



Official Business

Alaska State Legislature

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Juneau, Alaska 99811

Senate Joint Committee on Economic Recovery

Memorandum

To: All Senate Members

From: Senator Jones and Senator Sturgulewski, Co-Chairpersons

Date: February 2, 1988

Subject: Legislation

The Joint Committee on Economic Recovery held its first meeting on January 29, 1988. This committee was created by SCSHCR32(fin). Membership on the committee was appointed by Senator Faiks and Representative Grussendorf respectively. A membership roster is attached for your information. The charge of the committee is to confront with workable solutions the "severe economic crisis that has led to bankruptcies, foreclosures, business failures, and the loss of homes, property, and millions of dollars to Alaskans".

In order to facilitate the workings of the committee, a list of general topic areas has been developed. The topic areas are:

- Business, Banking and Finance
- Resource Development
- Housing

We are compiling a list of legislation dealing with economic recovery. We invite you to submit to the committee a list of up to five pieces of legislation currently under consideration that you would like to see adopted this session that deal with these areas. If you have ideas or areas of interest that have been developed into proposed legislation that could be adopted this session, we encourage you to submit them at this time also. Because of the time constraints of session, your response is needed by Monday, February 8, 1988 and should be sent to Senator Sturgulewski's office.



Official Business

Alaska State Legislature

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State Capitol
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Joint Economic Recovery Committee

January 29, 1988

Senate Members

Senator Sturgulewski, Co-Chairman
Senator Jones, Co-Chairman

Senator Coghill
Senator Eliason
Senator Faiks
Senator Halford
Senator Josephson
Senator Zharoff

House Members

Representative Gruenberg, Chairman

Representative Adams
Representative Brown
Representative Boucher
Representative Ulmer
Representative Koponen
Representative Navarre
Representative Miller
Representative Rieger



Official Business

Alaska State Legislature

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Juneau, Alaska 99811

MEMORANDUM

February 5, 1988

TO: All Senators *[Signature]*

FROM: Senators Jones and Sturgilewski, Co-Chairmen *[Signature]*
Senate Joint Committee on Economic Recovery

RE: Meeting Date

You are invited to attend our next meeting which will be held on Tuesday, February 9, 1988, in the Senate Finance Room. The meeting will begin at 12 noon and end by 1:30 p.m.

On the agenda will be representatives of FDIC from San Francisco and Anchorage. They will brief the committee on developments regarding liquidation of failed bank assets.

Thank you.

Alaska State Legislature



SENATOR
ARLISS STURGULEWSKI

Chairman, Senate Community and Regional Affairs Committee
Vice-Chairman, Senate Judiciary Committee
Member, Senate Resources Committee

2957 SHELDON JACKSON STREET
ANCHORAGE, ALASKA 99508

While in Juneau
P. O. BOX V
JUNEAU, ALASKA 99811
(907) 465-3818

Senate

MEMORANDUM

February 11, 1988

TO: Senator Jan Faiks
President of the Senate

Senator Lloyd Jones, Co-Chairman
Joint Committee on Economic Recovery

FROM: Arliss Sturgulewski, Co-Chairman (initials)
Joint Committee on Economic Recovery

RE: Introduction of legislation by the Joint Committee on Economic Recovery

According to Tam Cook of the Legislative Legal Services, the Joint Committee on Economic Recovery may introduce legislation if a majority of the Senate members on the committee and a majority of the House members vote to approve the introduction of specific legislation. Neither the Senate members nor the House members may introduce legislation without the consent of a majority of the other house members.

The basis for this requirement is contained in SCS HCR 32(Fin) which is attached.

Attachment

Senate Joint Economic Recovery Committee

Wednesday, February 17, 1988

AGENDA

1. Chair-persons remarks: Senator Jones
 Senator Sturgulewski
2. Executive Session
3. Work Session

MEMORANDUM

TO: Senator Sturgulewski
FROM: Senator Jones *JS*
RE: Tonight's meeting

I have a few items I would like to see put on tonight's meeting agenda:

- OK* 1) We should go over legislation the committee wants to introduce.
- OK* 2) We need to develop questions to ask FDIC. They will be here next week, but want their questions ahead of time.
- OK* 3) We should discuss and analyze the "Bridge Bank".
- OK* 4) We should discuss the 2% reduction on home loans--and how much it will cost. If we do it, it should be for all loans on primary residences, not just AHFC financed loans.
- OK* 5) We should go over correspondence we have received from the professionals regarding economic recovery issues. I have attached a letter Jan received from an Anchorage Realtor addressing these issues.
- OK* 6) Lastly, I would like to discuss placing a 3 year Sunset on all of this legislation so we do not create another government boondoggle.

Thanks.

FEB 22 1988

H. Norman Rokeberg
6534 Lakeway Drive
Anchorage, AK 99502

February 18, 1988

Senator Jan Faiks
Alaska State Senate
P.O. Box V
Juneau, AK 99811

Subject: Economic Recovery
Commercial Real Estate

Dear Ms. Faiks:

Attached is an outline of a plan to help stop the downward trend in Alaska's commercial real estate market. In a nutshell, it calls for "imploding" the failed inventory of properties held by the Alaska Industrial Development and Export Authority (AIDEA) on its existing equity.

A brief overview shows Anchorage's real estate problems are a result of over supply and diminished demand. The best statistical example can be seen in the office space market.

Presently, Anchorage has an inventory of 7.8 million square feet, of which 1.7 million is vacant, or 21.7 percent. (These are my preliminary year end numbers.)

During the past 15 years over 6 million square feet of office space was built with annual absorption of approximately 350,000 square feet per year. During the past two years we have experienced a net negative absorption of more than 400,000 square feet.

The drop in demand has depressed rent levels by more than 33%, for example, Class "A" rates have decreased from ranges of \$2.35 to \$1.50 per square foot per month. Income properties are valued on their ability to produce revenues. Warehouse and strip retail rents have dropped by as much as 40 to 50 percent.

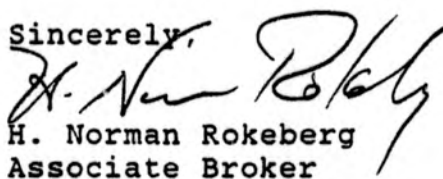
Jan Faiks
February 18, 1988
Page 2

AIDEA, in concert with poor commercial banking practices, was a primary cause of the over supply problem. When traditional mortgage lenders were constrained by prime rates of eighteen percent and more, the State of Alaska clearly meddled with market forces by stimulating construction with IDB subsidized loans. Buildings mushroomed and caused the 1985 real estate recession prior to the oil collapse.

I remain a firm believer in a free market, however, once the State disrupts that market with "economic engineering", it has a social as well as an economic responsibility to help correct its mistake.

Please call me at 563-5500 if you have any questions.

Sincerely,



H. Norman Rokeberg
Associate Broker
Jack White Company

HNR/sc

enclosure

cc: Tony Smith
Dave Rose
Ron Lehr

ALASKA ECONOMIC RECOVERY PROGRAM

Demolition of Commercial Property Alternative

Intent: Use equity of AIDEA to pay for demolition of properties foreclosed upon by AIDEA.

Purpose: Implementation of this public policy will: 1) diminish the supply of commercial property; 2) be a clear statement to the private sector that the state is acting to correct a recognized economic problem; and 3) minimize the demand on the public treasury.

Rationale: The State of Alaska's AIDEA was a proximate cause in creating an over supply of commercial properties. During the boom period of 1982 to 1985, AIDEA subsidized construction of more than 300,000 square feet of office space in the Anchorage market.

Assumptions: Given bond obligations in the 300 million range and an equity of approximately 300 million, AIDEA has the existing resources to assist in curing a problem it helped to create.

Suggested Mechanics: 1) As a first step AIDEA would endeavor to "work out" the problem loan; 2) failing a satisfactory work out, AIDEA would accept a deed-in-lieu or foreclose on property; 3) if a statutory foreclosure is instituted, AIDEA would attach the existing income stream (by assignment of rent provisions) to avoid "creaming" by the borrower; 4) after a suitable period (say six (6) months) if the property could not be resold for cash (i.e., non-AIDEA financing) then the building would be scheduled for demolition; 5) any existing tenants would be relocated and the leases terminated. In the event of relocation, the tenant would be granted a maximum ninety (90) day rent abatement to facilitate relocation; 6) upon completion of the above steps, AIDEA would contract for the total demolition of the building and

foundation: 7) AIDEA would bear the interim holding costs and demolition; 8) participating private lenders would be required to write off their portion of the loan, and 9) the land would be held by AIDEA as part of its asset base until market conditions allow for sale.

Legislative Action: The legislature would adopt the above procedures, together with a public directive prohibiting AIDEA from lending on commercial properties in urban areas anytime in the future.

Conclusions: A similar policy directive could be applied to residential housing loans held by AHFC.

This alternative is not a bail out, as it applies only to failed properties. However, it may aid the liquidity problem by encouraging deed-in-lieu return of property, and, therefore, save some borrowers from bankruptcy.

While this program is not a total solution, it has the following advantages: 1) it requires no state funding; 2) it is relatively simple to implement; 3) it uses an existing organization to execute; and 4) it can be started very quickly.

Submitted by: H. Norman Rokeberg
2/88

TO: Members of the Senate Joint Committee on Economic Recovery

FROM: Senator Lloyd Jones, Co-chair
Senator Arliss Sturgulewski, Co-chair
Senate Joint Committee on Economic Recovery

RE: Notice of Committee Meeting

DATE: February 23, 1988

The Senate Joint Committee on Economic Recovery has scheduled a meeting for Wednesday, February 24, in the Butrovich Room. On the agenda are presentations on SB 471, AIDEA Guaranteed Loan Program, by Bert Wagnon of AIDEA and Jan Sieberts of NBA. Also on the agenda is discussion of legislation that has direct economic impact and has been discussed at previous committee hearings.



Official Business

Alaska State Legislature

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SENATE JOINT COMMITTEE ON ECONOMIC RECOVERY Agenda items for Meeting of February 24, 1988

1. Presentation by Jan Sieberts of NBA on SB471, AIDEA Guaranteed Loan Program and other economic topics.
2. Presentation by Bert Wagon of AIDEA on SB471, AIDEA Guaranteed Loan Program and other economic issues.

Items in binder:

3. Senate Bills already introduced - discussion of bills for committee support.
4. House Bills (information only) - listing of major bills under discussion in the House Joint Committee on Economic Recovery.
5. Proposed Bills - Discuss proposed legislation for sponsorship.
6. FDIC - Discussion of \$250,000 appraisal proposal, Bridge-bank concept, Hallwood Group, Sealaska and other proposals.
7. Reports and Correspondence - review items for applicability and consideration.
8. Consider inserting sunset language in economic recovery legislation.

JOINT COMMITTEE ON ECONOMIC RECOVERY
INFORMATION INDEX

Senate Bills:

- SB 333 - An Act relating to wage, salary, and benefit claims having priority in certain bank liquidations and to certain bank reports required by the Department of Commerce and Economic Development; - Sen. Halford (House Labor & Commerce Committee)
- SB 392 - An Act relating to delinquent loans of Alaska Industrial Development and Export Authority; - Sen. Halford (Senate Finance)
- SB 408 - An Act relating to Alaska stabilization assistance program; - Sen. Kelly and Sturgulewski (S. Fin.)
...Memorandum - Sen. Kelly to All Senators 2/9/88
 - Sen. Kelly to Tam Cook 2/9/88
...Letter - Anthony J. Gumbiner to David Rose 2/18/88
...Text - A Conceptual Plan for an Alaska Stabilization Assistance Program - David Rose.
...Memorandum - Dave to Jan 1/29/88
...Article - Anch Daily News - "Value of Mat-Su Property plunges 15 to 20 percent" - 2/8/88
...Text - Proposal for the Establishment of the Hallwood Alaskan Real Estate Stabilization Trust.
- SB 409 - An Act making a special appropriation to the Alaska stabilization assistance fund; - Sen. Kelly and Sturgulewski (S. Fin)
- SB 471 - An Act establishing a program in the Alaska Industrial Development and Export Authority to guarantee loans and to refinance debt; - Sen Halford (S. Fin)
...Memorandum - Jack Chenoweth to Sen Faiks 2/11/88
...Text - FINANCIAL ASSISTANCE, Guaranteed Loans General Information
...Letter - Robert P. Gray to Sen. Faiks, Halford and Sturgulewski 12/21/87
...Letter - J.K. Sieberts to Sen Faiks 12/12/87
- SB 474 - An Act increasing property exemptions. - Sen. Halford (S. Fin)
- SB 476 - An Act creating the supplemental assistance fund for Railbelt Communities;.... - Sen. Halford (S. Fin)
- SB 477 - An Act making a special appropriation to the Department of Community and regional Affairs for supplemental

municipal assistance to Railbelt communities; -
Sen. Halford (S. Fin)

SCR 32 - Urging the state's financial institutions to adopt more flexible lending and collection policies. - Sen. Fischer (H. L&C)

House: Housing and Banking Subcommittee Pending Legislation

HB 402 - An Act relating to the Alaska Industrial Development and Export Authority; Rules Committee/Governor

HB 429 - An Act relating to an optional exemption from municipal taxation - L & C Committee

HB 430 - An Act relating to the neighborhood business development program; - L & C Committee

HB 431 - An Act making an appropriation to the neighborhood business development fund; - L & C Committee

HB 432 - An Act authorizing the Alaska Housing Finance Corporation to accept trades in certain cases; - Rep. Donley

HB 433 - An Act establishing a moratorium on judicial and nonjudicial foreclosures; - L & C Committee

HB 434 - An Act relating to municipal development and redevelopment - Rep. Menard

HB 457 - An Act relating to the Alaska stabilization assistance program; - Rep. Pettyjohn

HB 458 - An Act making a special appropriation to the Alaska stabilization assistance fund; - Rep. Pettyjohn

Proposed Bills:

An Act providing interim payment reductions of the monthly mortgage payments payable by certain mortgagors on mortgage loans purchased by the Alaska Housing Finance Corporation; - Sen. Halford

An Act providing a temporary reduction of the rate of interest payable by mortgagors on mortgage loans purchased by the Alaska Housing Finance Corporation; - Sen. Faiks

An Act establishing a moratorium on judicial and nonjudicial foreclosures; - Sen. Halford

Urging state agencies that make loans to withhold approval of loans for new construction in areas in which availability of

business and commercial facilities and residences substantially exceeds demand. - Sen. Faiks

Relating to opportunities offered by the present crisis in residential housing. - Sen. Faiks

Relating to the Alaska Industrial Development and Export Authority. - Sen. Faiks

FDIC Information:

Letter - Senators Jones and Sturgulewski and Representative Gruenberg to Lamar Kelly, FDIC 2/5/88

Article - Anchorage Daily News 2/20/88 - Real Estate Bailout? No way witnesses say.

Summary of Anchorage Economic Development Corporation proposal for purchase and management of FDIC assets - Robert B. Flint

A Development Venture Company: An Appropriate Financial Institution for Alaska - Peter McDowell.

Article - Anchorage Times 1/28/88 - Sealaska Eyes FDIC Properties.

Alaska Investment Bank & Trust: A Real Estate Holding Company for the People of Alaska - John M. Bashaw 2/15/88.

Reports and Letters:

Municipality of Anchorage Economic Recovery Program - Mayor Tom Fink.

Economic Recovery Task Force - Anchorage Chamber of Commerce.

Article - Anchorage Daily News - It's time to take economic action - Scott Hawkins.

Article - Seattle Times 2/7/88 - Agency set up to sell assets seeks bailout.

Can State Spending Speed Alaska's Economic Recovery? - ISER

Letter - David L.T. Knudson to Senators Sturgulewski, Faiks, Halford, and Kelly 2/11/88.

Letter - Joseph E. Heintz, Peat Marwick Main & Co. to Governor Cowper 1/8/88.

The Recession, the Real Estate Crash and Alaska's Economic Prospects - Gregg Erickson, OMB

Options to Improve the Alaskan Economy - David A. Rose, PFDC

Memorandum - Commissioner Hugh Malone to Representative Gruenberg
2/19/99.

Memorandum - Alfred G. Zangri, Economist, Dept. of Revenue to
Milt Barker, Dpty Commissioner Dept. of Revenue 2/12/88.

Fact Sheet: The Southwest Plan - FSLIC 2/5/88

Commonwealth North Report

Fortune Properties Market News Vol 4, Issue 1, 1988 - Connie
Yoshimura.

Letter - Norman Rokeberg - Economic Recovery: Commercial Real
Estate.



Official Business

Alaska State Legislature

Senate

Senate Joint Economic Recovery Committee

P.O. BOX V
State Capitol
Juneau, Alaska 99811

MEMORANDUM

TO: Senate members,
Joint Economic Recovery Committee

FROM: Senator Jones, Co-Chair *[Signature]*

RE: Next Meeting

On behalf on Co-Chair Sturgulewski and myself, I wanted to let you know we have scheduled another meeting for Tuesday, March 1, 1988. The meeting will be held at 5:00 PM in the Beltz room.

Larry Chenault and Lamarr Kelly of FDIC will be present to answer questions.

Thank you.

Senate Joint Economic Recovery Committee

AGENDA

March 1, 1988

1. FDIC Representatives:

**Larry Chenault
Lamarr Kelly**

2. Bernie Karl, K&K Recycling

3. Set time of next meeting



Official Business

Alaska State Legislature

P.O. BOX V
State Capitol
Juneau, Alaska 99811

SENATE JOINT COMMITTEE ON ECONOMIC RECOVERY

TO: Members of the Senate Joint Committee on Economic Recovery

FROM: Senator Lloyd Jones, Co-chair *LJ*
Senator Arliss Sturgulewski, Co-chair *AS*
Senate Joint Committee on Economic Recovery

RE: Notice of Committee Meeting

DATE: March 1, 1988

The Senate Joint Committee on Economic Recovery has scheduled a meeting at 5:00 P.M. on Thursday, March 3, in the Butrovich Room. The agenda will include discussion and finalization of existing and proposed legislation that has been submitted to the Committee for consideration. We would encourage those who have submitted legislation to review it with the Committee at that time.

Members are asked to bring the notebooks that were provided at the February 24 meeting.

MEMORANDUM

TO: Senate Joint Economic Recovery Committee members
FROM: Senator Jones
RE: FDIC liquidation policy proposal

Attached is AIDA's response to Mr. Lowe's proposal from our last meeting.

PROPOSAL TO ECONOMIC RECOVERY COMMITTEE

MARCH 3, 1988

FDIC sells troubled loans to AIDA for 25¢ on the dollar - no recourse to FDIC. Fund assets until resold up to maximum of 12 months.

AIDA to sell to banks at 30¢ on dollar. AIDA to pay carrying costs, taxes repairs etc but not collection costs.

AIDA to buy back uncollectable loans up to 5 years. Could resell them at any price to anyone - no recourse.

Banks be allowed to buy loans up to a given per cent of capital if a branch in area of loan - on first go around. After that any bank could purchase.

If bank repackages and sells a loan that was purchased from AIDA, AIDA would receive a percentage of any profit generated from the sale.

AIDA or Teachers Retirement could keep or sell as they wished on any terms loans in which they had participated.

AIDA could pool consumer loans under \$25,000 & sell them in packages or could issue bonds that would be retired as loans pay off.

Banks could carry loans off balance sheet. They would not be subject to criticism from regulatory authorities.

This plan could be implemented using a TASK FORCE of bank representatives, FDIC and AIDA officials. The services of a consulting firm and legal counsel (such as SEAFIRST can provide) could bring the program into existence.



ALASKA INDUSTRIAL DEVELOPMENT
AND EXPORT AUTHORITY

1577 "C" STREET • SUITE 304 • ANCHORAGE, ALASKA 99501-5177 • (907) 274-1651

March 7, 1988

Mr. Jim Lottsfeldt
Office of Senator Lloyd Jones
Alaska State Legislature
P.O. Box V
Juneau, Alaska 99811

SUBJECT: Proposed Liquidation of FDIC Assets

Dear Mr. Lottsfeldt:

Thank you for forwarding the outline of the FDIC liquidation plan to me. My understanding is that you would like the Authority's comments on such a proposal before the scheduled 5:00 pm meeting on Monday, March 7, 1988.

My understanding of the proposal would have the Authority purchase the assets currently held by the FDIC in the amount of approximately \$200.0 million for .25¢ on the dollar or for about \$50.0 million. The Authority would then sell to Alaskan banks these same assets for .30¢ on the dollar or about \$60.0 million. It also appears the banks will have recourse to the Authority to put any loan back to the Authority and be paid for it for a period of five years. It also appears the Authority will pay the carrying costs, i.e. taxes, insurance, repairs, etc. even while the banks "own" the loan.

I am unsure what such a program would accomplish. The banks should endorse such a program in that it appears they receive a five year risk free option to sell the property for greater than .30¢ on the dollar and if it does not work out, the Authority will repurchase the loan from them.

Mr. Jim Lottsfeldt

March 7, 1988

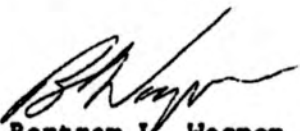
Page Two

The proposal seems a trifle bizarre in that there has been much discussion on "FDIC Dumping" yet here we are dumping first to the Authority for .25¢ on the dollar, then the banks have the option of dumping to someone else. While hopefully not sounding too negative, this appears to be an exercise in activity that most likely accomplishes nothing. The end result is the banks would sell the property most likely to the same people, firms and groups, etc. that the FDIC will.

The "carrot", I guess, for having the Authority assume the risk on the loans (the banks have recourse to put them back to the Authority) is the differential between what they are purchased for, (\$50.0 million) and sold to the banks for, (\$60.0 million).

What is overlooked is that this portfolio has already been picked over once by National Bank of Alaska and some of these loans may be worth 80% to 90% of their par amount while I am sure many are worthless. I question how the sale of such marginal properties will be the negative force discussed when much of the testimony has illustrated the flight to quality in commercial space.

Respectfully,



Bertram L. Wagnon
Executive Director

BLW/ss

H- FYI
Rod

SENATE JOINT ECONOMIC RECOVERY COMMITTEE

House JCER Sub-committee Status Report
as of 3/4/88

Housing and Banking Sub-committee:

Rep. Brown & Rep. Reiger - Co-Chairs

Final report expected last ten days of March.

Bills considered for endorsement:

HB432 - Authorizing AHFC to accept trades.

HB433 - Moratorium on judicial and nonjudicial foreclosures.

Proposed - Affecting the HOAP program.

Affecting the mobile home market.

Resource Development, Transportation, Employment and Industry
Sub-committee:

Rep. Miller & Rep. Navarre - Co-chairs

Final report date undecided.

Bills considered for endorsement:

Thirty-six pieces of legislation have been reviewed.

Small Business Sub-committee:

Rep. Boucher - Chair

Final report expected to be complete 3/10.

Bills considered for endorsement:

HB45 - Relating to Alaska business bidders preference.

HB97 - Relating to cable television.

HB219 - Appropriation: Alaska Center/International Business.

HB310 - Relating to public works and public construction.

HB352 - Worker's Compensation.

HB430 - Neighborhood Business Development Center.

HB431 - Appropriation: Neighborhood Business Development Fund.

SB166 - Regulations that affect businesses and small
municipalities.

Interior Region Sub-committee:

Rep. Koponen - Chair

Final report expected to be completed 3/7.

Bills considered for endorsement:

HB253 - Relating to Alaska Research Policy Act & Science &
Engineering Advisory Commission.

HB430 - Act relating to Neighborhood Business Development
Fund.

HB431 - Appropriation to the Neighborhood Business Development
Fund.

Southeast Region Sub-committee:

Rep. Ulmer - Chair

Final report expected before 3/11.



OFFICIAL BUSINESS

Alaska State Legislature

Senate

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SENATE JOINT COMMITTEE ON ECONOMIC RECOVERY

TO: Members of the Senate Joint Committee on Economic Recovery

FROM: Senator Lloyd Jones, Co-chair *LJ*
Senator Arliss Sturgulewski, Co-chair *AS*
Senate Joint Committee on Economic Recovery

RE: Notice of Committee Meeting

DATE: March 7, 1988

The Senate Joint Committee on Economic Recovery has scheduled a meeting at 5:00 P.M. on Wednesday, March 9, in the Butrovich Room. The agenda will include discussion and finalization of existing and proposed legislation that has been submitted to the Committee for consideration. We would encourage those who have submitted legislation to review it with the Committee at that time.

Members are asked to bring the notebooks that were provided at the February 24 meeting.

ALASKA STATE LEGISLATURE

Home Address
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While in Juneau
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Juneau, AK 99811
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Senator Lloyd Jones

MEMORANDUM

TO: Senate Members,
Joint Economic Recovery Committee

FROM: Senator Jones, Co-Chair *LJ*

RE: Monday meeting

Senator Sturgulewski and I want to let you know that the House and Senate Joint Economic Recovery Committees will meet together to hear Economist, Dr. Ryan Amacher. Afterwards, the Senate committee will meet with Tony Gumbiner, chairman of the Hallwood Group,

The meeting will be held at 5:00 PM in the Senate Finance room on Monday, March 7, 1988.

Dr. Amacher, from Clemson University, has visited Juneau in the past as part of his work with the University of Alaska. Dr. Amacher is Senate Finance's guest for his visit but he has also been briefed about what the Joint Economic Recovery Committee is looking at in order to address the present market decline. I have attached Dr. Amacher's resume for informational background.

Also, we have invited the Hallwood Group to meet with our committee to discuss their proposal for a private sector "bridge bank." The Chairman of the Hallwood group, Tony Gumbiner, will be present to represent his organization.

ALSO JIM CAIRNS
CHAIRMAN OF ALLIANCE GROUP

CURRICULUM VITAE

Ryan C. Amacher

December 1987

<u>Home Address:</u>	Tarnwood Farm Route 5 Seneca, S.C. 29678	<u>Home Phone:</u>	(803) 882-4075
<u>Office Address:</u>	College of Commerce and Industry Clemson University Clemson, S.C. 29634-1301	<u>Office Phone:</u>	(803) 656-3177
<u>Date of Birth:</u>	November 9, 1945; Medford, Wisconsin.		
<u>Marital Status:</u>	Married; Susan Smith Amacher (1967).		
<u>Citizenship:</u>	U.S.A.		
<u>Education:</u>	A.B. Ripon College	May, 1967	Economics
	Ph.D. University of Virginia	June, 1971	Economics

Permanent Appointments:

Dean, College of Commerce and Industry, Clemson University, July 1981-Present.

Professor of Economics, Clemson University, July 1981-Present.

Chairman, Department of Economics, Arizona State University, July 1977-June 1981.

Professor of Economics and Associate Professor of Economics, Arizona State University, July 1975-June 1981.

Senior International Economist, U.S. Treasury, 1974-1975.

Assistant Professor of Economics, University of Oklahoma, 1972-1974,
Associate Professor, 1974.

Economist, General Electric TEMPO, Center for Advanced Studies, 1971-1972.

Instructor, University of Virginia, 1970-1971.

Graduate Instructor, Principles of Economics, University of Virginia, 1968-1970.

Research Assistant, University of Virginia, Summer, 1968.

Special Appointments:

Lecturer, University of Alaska, program on Economic Development Strategy and Tax Policy for State of Alaska, Anchorage and Juneau, February 1987, sponsored by the Alaska Council on Economic Education.

Lecturer, Universidad Pontificia Bolivariana, Medellin, Colombia, S.A. (organized a joint program between Clemson University and UPB), 1986.

Lecturer, summer session, University of Aix-Marseille, Aix-en-Provence, France, 1985.

Lecturer, Ecole Supérieure de Commerce de Pau, France (formalized a joint program between ESC and Clemson which leads to a Master's in Industrial Management from Clemson and a diploma from ESC), 1985.

Lecturer, special program on Joint U.S.-Caribbean Textile Trade issues, Barbados, 1984.

Lecturer, China Textile University, Shanghai, PRC (established joint CTU/Clemson University educational exchange program), 1984.

Special Commentator, Carolina Journal, Educational Television, Columbia, S.C. (taped 35 3-minute issue-oriented spots), 1984-Present.

Lecturer, Third American-Romanian Business Exchange, Stefan Gheorghiu Academy, Bucharest, Romania, 1978.

Consulting and Professional Activities:

Governor's Appointee, South Carolina Council on Competitiveness, 1987-Present. Chair, Subcommittee on Taxation.

Member, Board of Directors, CFI, Arizona, 1987-Present.

Member, Transition Team for Economic Development, Governor-Elect Carroll Campbell, November 1986-January 1987.

Member, Board of Trustees, Citizens and Southern Bank of South Carolina, 1986-Present.

Charter Member, Economic Advisory Committee, and Board of Directors, Business Week, South Carolina Chamber of Commerce, 1986-Present.

Member, Continuing Accreditation Committee, American Assembly of Collegiate Schools of Business, 1986-Present.

Member, Initial Accreditation Committee, American Assembly of Collegiate Schools of Business, 1984-1986.

Member, Visitation Committee, American Assembly of Collegiate Schools of Business, 1983-1985.

Member, Board of Directors, South Carolina Council on Economic Education, 1983-Present.

Consultant, South Carolina State Chamber of Commerce, June 1983-Present.

Consultant, South Carolina Textile Manufacturers Association, May 1982-Present.

Governor's Appointee, Textile Industry Study Committee, November 1981-Present.

Member, Energy Committee of South Carolina Chamber of Commerce, April 1982-1985.

Member, Board of Directors, S.C. Small Business Development Center, 1981-Present; Chairman, 1983-1986.

Member, The Productivity Task Force (South Carolina), April 1982-August 1983.

Member, Governor Richard Riley's Education Transition Team, 1982-1983.

Consultant, Federal Trade Commission, December 1981-August 1983.

Consultant, Mountain West Research, 1979-1981.

Consultant on Tax Reform, Governor Bruce Babbitt, Arizona, May 1979-June 1981.

Member, Legislative Committee on Property Tax Reform, Arizona Senate, 1979.

Consultant, U.S. Treasury, 1972-1977.

Administrative Experience:

Clemson University, July 1981-Present.

Dean of college composed of 127 faculty and 40 staff in the School of Business (Departments of Economics, Finance, Management, and Marketing), the School of Accountancy, the School of Textiles, the Office of Professional Development, the Small Business Development Center, and the Center for Policy Studies, with a combined annual budget of \$11.3 million. Major responsibility in raising over \$5.3 million in support and endowment funds since 1981. Raised \$770 thousand private cash contribution in fiscal year 1986-87. Made frequent speeches to business and industrial groups and presentations to the South Carolina Budget and Control Board.

Arizona State University, 1977-1981.

Chairman of a 32-person department, responsible for budget, recruiting, scheduling and curriculum development. Frequent interaction with committees of the state legislature.

U.S. Treasury, 1974-1975.

Assistant to the Deputy Assistant Secretary for Research. Responsible for administration for 20 economists and 10 supporting staff. Duties included budget and personnel matters (including recruiting).

Major University Committees:

Clemson University

Advisory Board, Center for the Study of the Black Experience in Higher Education, 1987-Present.

Advisory Board, Emerging Technology, Development, and Marketing Center, 1987-Present.

Army Advisory Committee, 1987-Present.

Board of Directors, Clemson University Foundation, sole University member, 1987-Present.

Facilities Planning Committee, 1987-Present.

Commission on Salaries and Fringe Benefits, 1985-Present.

President's Council, 1982-1985.

Commission on Student Affairs, 1981-Present.

Deans Council, 1981-Present.

Commission on Faculty Affairs, 1981-1983.

Arizona State University

Pacific Basin Institute Planning Committee, 1980-1981.

Goldwater Chair Search Committee, 1977-1979.

Long-Range Planning Committee, 1976-1977.

University of Oklahoma

Member of Dean's Ad Hoc Advisory Committee, 1973-1974.

Chairman of Recruiting Committee, 1972-1973.

Honors and Awards:

Distinguished Alumnus, Ripon College, 1987.

Honorary Inductee, Phi Psi, 1984.

Award for Outstanding Contributions, South Carolina Textile Manufacturers Association, 1983.

Honorary Inductee, Delta Sigma Pi, 1983.

Honorary Inductee, Beta Gamma Sigma, 1979.

Brookings Policy Fellowship, 1974 (declined).

Governor's Fellow, University of Virginia, 1969-1971.

Omicron Delta Epsilon, 1968.

Professional Affiliations:

Member: American Economic Association, Western Economic Association, Society for the Study of Public Choice, Southern Economic Association, Southern Textile Association, Southern Deans Association, American Assembly of Collegiate Schools of Business, National Council for Textile Education, The Textile Institute.

Reviewer: Journal of Political Economy, American Economic Review, Economic Inquiry, Public Finance Quarterly, Prentice-Hall, Wadsworth, National Science Foundation, Houghton Mifflin,

Southern Economic Journal, Journal of Money, Credit and Banking.

Academic Fields of Interest: Microeconomic Theory; Public Finance; International Economics.

Books:

Principles of Economics (Cincinnati: South-Western Publishing Co., 1981), [1st edition, 1981; 2nd edition, 1983; 3rd edition, 1986, with H. Ulbrich].

Principles of Macro-Economics (Cincinnati: South-Western Publishing Co., 1980), [1st edition, 1980; 2nd edition, 1983; 3rd edition, 1986, with H. Ulbrich].

Principios De Macroeconomia (Cincinnati: South-Western Publishing Co., 1983). Spanish translation of **Principles of Macro-Economics**, translated by E.A. Cabarroty.

Principles of Micro-Economics (Cincinnati: South-Western Publishing Co., 1980), [1st edition, 1980; 2nd edition, 1983; 3rd edition, 1986, with H. Ulbrich].

Principios De Microeconomia (Cincinnati: South-Western Publishing Co., 1984). Spanish translation of **Principles of Micro-Economics**, translated by E.A. Cabarroty.

Public Sector Managerial Economics (Cincinnati: South-Western Publishing Co., in progress).

Challenges to a Liberal International Economic Order, edited by R.C. Amacher, G. Habler, and T.D. Willett (Washington: American Enterprise Institute, 1980).

The Economic Approach to Public Policy: Selected Readings, edited, and with independent contributions by R.C. Amacher, R.D. Tollison, and T.D. Willett (Ithaca: Cornell University Press, 1976).

The Law of the Sea: U.S. Interests and Alternatives, edited by R.C. Amacher and R.J. Sweeney (Washington: American Enterprise Institute, 1976).

Yugoslavia's Foreign Trade (New York: Praeger Publishers, 1972).

The Economics of the Military Draft (Morristown, N.J.: General Learning Press, 1973), with J.C. Miller, M.V. Pauly, R.D. Tollison, and T.D. Willett. Reprinted as a chapter in **The Military Draft: Selected Readings on Conscription**, edited by M. Anderson (Palo Alto: Hoover Institution Press, 1982).

Articles, Chapters in Books, and Notes:

- "Principles of Economics: From Now Until Then," Journal of Economic Education, forthcoming.
- "Comment on Thurow, Marris, Shelton-Colby, and Gardner--'Beyond Protectionism, New Problems, New Approaches,'" World Policy Journal, Winter 1985-86.
- "Economic Value of an In-House Editor," Public Choice, Vol. 48, No. 2, 1986, with J. McDowell.
- "The Behavior of Regulatory Activity Over the Business Cycle: An Empirical Test," Economic Inquiry, January, 1985, with R. Higgins, W. Shughart, and R. Tollison. Reprinted in Mackay, Miller, and Yandle, Public Choice and Regulation: A View From Inside the Federal Trade Commission (Stanford: Hoover Institution Press, 1987). Summarized in "Readings of Particular Interest," Regulation (Washington, D.C.: American Enterprise Institute).
- "International Markets versus the New International Economic Order: Challenges to the Independence of Nation States," New Horizons in East-West Relations, edited by M. Jackson and J. Woodson (New York: Columbia University Press, 1984).
- "Inflation in The Planned Economies: Reply," Southern Economic Journal, October, 1984, with P. Culbertson.
- "Economics and Public Policy," chapter in Social Science and Public Policy: The Roles of Academic Disciplines in Policy Analysis, edited by G.J. McCall and G.H. Weber (Port Washington, N.Y.: Associated Faculty Press, 1984).
- "Unemployment Rates and Political Outcomes: An Incentive for Manufacturing a Political Business Cycle," Public Choice, 38: 1982, with W.J. Boyes.
- "On the Integration of Labor Markets: A Definition and Test of the Radical Segmentation Hypothesis," Journal of Labor Research, Spring, 1981, with R.J. Sweeney.
- "The New International Economic Order and the Distribution of Gains from Trade: Lessons From The 'Real World.'" The Journal of Social and Political Studies, Spring/Summer, 1980.
- "The Problems of Youth Employment: Comment," Proceedings of Governor's Conference on Full Employment, edited by P.L. Burgess, Arizona State University, 1979.
- "Understanding the Conflict Between Theory and Practice," Problems of the International Economy, edited by A.L. Chickering (San

Francisco: Institute for Contemporary Studies, 1979), with W.J. Boyes.

"The Political Business Cycle: A Review of Theoretical and Empirical Evidence," ACES Bulletin, Fall/Winter, 1979, with W.J. Boyes, T. Deaton, and R. Tollison.

"Politicians and Polity: Responsiveness in American Government," Southern Economic Journal, October, 1979, with W.J. Boyes.

"Macroeconomic Policies and Political Incentives in Democratic Governments: A Test of the Political Business Cycle," ACES Bulletin, Vol. XXI, No. 1, Spring, 1979, with W.J. Boyes.

"Analyzing International Externalities: The Case of the Law of the Sea Negotiations," Public Goods and Public Policy, edited by Loehr and Sandler (Beverly Hills: Sage Publications, 1978), with R.D. Tollison.

"Cycles in Senatorial Voting Behavior: Implications for the Optimal Frequency of Elections," Public Choice, #3, 1978, with W.J. Boyes.

"Eastern Europe's Stake in the Law of Sea Negotiations," East-West Business: Theory and Evidence, edited by Josef Brada (Bloomington: Indiana University Press, 1978).

"Inflation in the Planned Economies: Some Estimates for Eastern Europe," Southern Economic Journal, October, 1978, with W.P. Culbertson, Jr.

"A Note on the Webb-Pomerene Law and the Webb-Cartels," The Antitrust Bulletin, Summer, 1978, with R.D. Tollison and R.J. Sweeney.

"Structural Disequilibrium and Growth Retardation in the Soviet Union," Weltwirtschaftliches Archiv, Heft 2, 1977, with D. Conger.

"The Externality Argument for In-Kind Transfers: A Defense," Kyklos, Fasc. 2, 1977, with T. Sandler.

"A Menu of Distributional Considerations," The Economic Approach to Public Policy: Selected Readings (Ithaca: Cornell University Press, 1976), with R.D. Tollison and T.D. Willett.

"International Commodity Cartels and the Threat of New Entry: Implications of Ocean Mineral Resources," Kyklos, Fasc. 2, 1976, with R.J. Sweeney.

"Risk Avoidance and Political Advertising: Neglected Issues in the Literature on Budget Size in a Democracy," The Economic Approach to Public Policy: Selected Readings (Ithaca: Cornell University Press, 1976), with R.D. Tollison and T.D. Willett.

- "The Economic Approach to Social Policy Questions: Some Methodological Perspectives," The Economic Approach to Public Policy: Selected Readings (Ithaca: Cornell University Press, 1976), with R.D. Tollison and T.D. Willett.
- "Property Rights Within Government and Devices to Increase Government Efficiency," Public Finance Quarterly, April, 1976, with R.D. Tollison.
- "State Trading and the Question of Discrimination: The Yugoslav Case," Economic Inquiry, September, 1975.
- "Budget Size in a Democracy: A Review of the Arguments," Public Finance Quarterly, April, 1975, with R.D. Tollison and T.D. Willett.
- "The Economic Theory of Clubs: A Geometric Exposition," Public Finance, Nos. 3-4, 1974, with L. Allen and R.D. Tollison.
- "Fiscal Preference and Balanced Budget Fiscal Policy," Public Choice, Fall, 1974, with R.D. Tollison.
- "Purchasing Power Parity Theory and Economic Reform in Yugoslavia," Journal of Political Economy, July/August, 1974, with J.S. Hodgson.
- "Yugoslav Trade in the Years of the Reform," East European Quarterly, Vol. III, No. 2, 1973.
- "Import Controls on Foreign Oil: Comment," American Economic Review, December, 1973, with R.D. Tollison and T.D. Willett.
- "The Economics of Fatal Mistakes: Fiscal Mechanisms for Preserving Endangered Predators," Public Policy, with R.D. Tollison and T.D. Willett, Summer, 1972. Reprinted in The Economic Approach to Public Policy: Selected Readings (Ithaca: Cornell University Press, 1976).

Book Reviews, Research Reports, and Other Publications:

- "Making It In Worldwide Markets: How Can a U.S. Business Move Forward in Today's International Environment?" Keynote speech, Association of the Nonwoven Fabrics Industry, printed in INDA 86 14th Annual Technical Symposium, October, 1986.
- "Review of The United States and Multilateral Resource Management," Journal of Comparative Economics, 10, 1986.

- Operation Baseline: An Audit of South Carolina's Economy**, South Carolina State Chamber of Commerce, November, 1985, coordinator and contributor.
- "Good Times and Bad Times in the Textile Industry," **Summer Technical Conference Papers** (Gastonia: Textured Yarn Association of America, July, 1985).
- "The Relationship of Technology to the U.S. Position in the World's Textile Market," **Proceedings of the American Association for Textile Technology, Inc.**, March, 1985.
- "Excise Taxes Overlooked in Tax Reform Proposals," **The American Legion**, September, 1985.
- "Testimony Before U.S. Congress," **Federal Enforcement of Textile and Apparel Import Quotas**, Committee on Government Operations, U.S. House of Representatives, November 18, 1984.
- "The United States Textile Industry," **Textile Science, Technology, and Economics** (Shanghai: East China Institute of Textile Science and Technology, 1984) with E. Vaughn and C. Rogers.
- "Trade: The New International Order and The United States Market," **Textile Science, Technology, and Economics** (Shanghai: East China Institute of Textile Science and Technology, 1984).
- "Testimony Before U.S. Congress on Small Business Development," testimony before the U.S. House of Representatives, Committee on Small Business, Parren J. Mitchell, Chairman, December 9, 1983.
- "Review of **Toward a Science of Politics**," **Southern Economic Journal**, July, 1982.
- "Teaching Supply Side Economics," in **Strategies for Teaching Economics**, by J.R. Clark, Joint Council on Economic Education, 1981.
- "Review of **Industrial Man and Industrialism in Retrospect**," **Southern Economic Journal**, January, 1981.
- "Comments on The Teaching of Introductory Economics," in **Economics: Strategies for Teaching Principles of Economics in Two-Year Colleges**, edited by J.R. Clark, Joint Council on Economic Education, 1980.
- "Recruiting Economics Majors," **Collegiate News and Views**, 1980, with R.J. Sweeney.
- "Review of **Defending the National Interest**," **Southern Economic Journal**, January, 1980.

- "The Economics of Taxation," Chapter 2 in Toward Tax Reform, under auspices of Arizona Academy, published by Center for Public Affairs, Arizona State University, September, 1979.
- "Review of Cost of Preventive Services," Annals of Regional Science, March, 1979.
- "Winning Federal Grants in Maricopa County," Arizona Business, January, 1977, with S. Hoffman.
- "The Public Sector," Chapter V in Arizona's Economy: Yesterday, Today and Tomorrow, under auspices of Arizona Academy, Occasional Paper No. 12, Bureau of Business and Economic Research, College of Business Administration, Arizona State University, 1976, pp. 85-98, with W.J. Boyes.
- "New York City and The Urban Financial Crises; Implications for Phoenix," Arizona Business, June/July, 1976, with W. Boyes.
- "Has the Government of Business Become the Business of Government?" American Issues Forum, edited by R. Rice, Arizona State University, June, 1976.
- "Review of Redistribution Through Public Choice," Annals of Regional Science, March, 1976.
- "Review of Money and Finance in Contemporary Yugoslavia," East European Quarterly, Vol. IX, No. 2, 1975.
- International Aviation Policy Review: Rates, Fares, and Costs, Report of Working Group 2, Council of Economic Advisors, June 2, 1975, with others.
- International Aviation Policy Review: Air Transport Environment, Report of Working Group 8, Department of State, May 28, 1975, with others.
- "Review of Inflation and Economic Development in Brazil: 1946-1964," Annals of Regional Science, March, 1975.
- "Review of Economic Policy in Socialist Yugoslavia," East European Quarterly, Vol. VII, No. 2, 1974.
- "Review of The All Volunteer Army: An Analysis of Demand, Supply and The Case Against a Volunteer Army," American Political Science Review, with R.D. Tollison, June, 1974.
- "Review of Analysis of Public Systems," Annals of Regional Science, December, 1973.

Innovations for Achieving an All-Volunteer Force, report prepared for the Office of the Secretary of Defense (Washington, D.C.: General Electric TEMPO, January, 1972), with others.

References provided on request.



OFFICIAL BUSINESS

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SENATE JOINT COMMITTEE ON ECONOMIC RECOVERY

TO: Members of the Senate Joint Committee on Economic Recovery

FROM: Senator Lloyd Jones, Co-chair
Senator Arliss Sturgulewski, Co-chair
Senate Joint Committee on Economic Recovery

RE: Notice of Committee Meeting

DATE: March 11, 1988

The Senate Joint Committee on Economic Recovery has scheduled a meeting at 5:00 P.M. on Monday, March 14, in the Butrovich Room. The agenda will include discussion and finalization of existing and proposed legislation that has been submitted to the Committee for consideration. We would encourage those who have submitted legislation to review it with the Committee at that time.

Members are asked to bring the notebooks that were provided at the February 24 meeting.

SENATE JOINT ECONOMIC RECOVERY COMMITTEE
MEETING CANCELLATION NOTICE

The meeting of the Senate Joint Economic Recovery Committee scheduled for 5 P.M. March 14 in the Butrovich Room has been cancelled. A rescheduled time and place will be announced.



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SENATE JOINT COMMITTEE ON ECONOMIC RECOVERY

TO: Representative Max Gruenberg, Chairman
House Joint Committee on Economic Recovery

FROM: Senator Arliss Sturgulewski, Co-Chairman
Senator Lloyd Jones, Co-Chairman

DATE: March 15, 1988

RE: Committee Endorsement of Legislation

The Senate Joint Committee on Economic Recovery has reviewed the following legislation and recommends passage by the Fifteenth Alaska Legislature.

SCR32 - by Senator Paul Fischer - "Urging the state's financial institutions to adopt more flexible lending and collection policies."

*House
&
Banking*

Status: House Labor & Commerce Committee.

This legislation urges banks, the Alaska Building Authority, the Alaska Industrial Development and Export Authority and other financial institutions to adopt a flexible position when servicing loans by amending procedures to allow for collection moratoriums and flexible payment schedules to allow for realistic and practical loan workouts.

SB333 - by Senator Rick Halford - "An Act relating to wage, salary and benefit claims having priority in certain bank liquidations and to certain bank reports required by the Department of Commerce and Economic Development; and providing for an effective date."

H & B

Status: House Labor & Commerce Committee

This bill provides for quarterly reporting by a bank of the financial condition of that bank. It also assigns a high priority to wage, salary and benefit claims in cases of certain bank liquidations.

Robbarness SB392 - by Senator Rick Halford - "An Act relating to delinquent loans of the Alaska Industrial Development Authority; and providing for an effective date."

Status: House Labor & Commerce Committee

This bill allows the Authority the flexibility of adopting regulations defining under what circumstances AIDEA will discontinue purchasing loans from a financial institution because of the institution's loan default rate. Statute currently causes AIDEA to discontinue purchasing loans from an institution with a default rate of 2% or more.



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SENATE JOINT COMMITTEE ON ECONOMIC RECOVERY

TO: Members of the Senate Joint Committee on Economic Recovery

FROM: Senator Lloyd Jones, Co-chair *LD*
Senator Arliss Sturgulewski, Co-chair *AS*
Senate Joint Committee on Economic Recovery

RE: Notice of Committee Meeting

DATE: March 15, 1988

The Senate Joint Committee on Economic Recovery has scheduled a meeting at 5:00 P.M. on Wednesday, March 16, in the Butrovich Room. The agenda will include discussion and finalization of existing and proposed legislation that has been submitted to the Committee for consideration. We would encourage those who have submitted legislation to review it with the Committee at that time.

Members are asked to bring the notebooks that were provided at the February 24 meeting.



OFFICIAL BUSINESS

Alaska State Legislature

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SENATE JOINT COMMITTEE ON ECONOMIC RECOVERY

TO: Senator Jan Faiks
Senate President

FROM: Senator Arliss Sturgulewski, Co-Chairman
Senator Lloyd Jones, Co-Chairman
Senate Joint Committee on Economic Recovery

RE: SB 471

DATE: March 17, 1988

During the meeting of the Senate Joint Committee on Economic Recovery on March 16, 1988, the Committee unanimously endorsed the concepts contained in SB 471 - "An Act establishing a program in the Alaska Industrial Development and Export Authority to guarantee loans and to refinance debt..." and recommends that it proceed through the standing committee hearing process.

cc: Max Gruenberg, Chairman
House Joint Committee on Economic Recovery

ALASKA STATE LEGISLATURE

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Senator Lloyd Jones

MEMORANDUM

TO: Senate Members,
Joint Economic Recovery Committee

FROM: Senator Lloyd Jones, Co-Chair *LJ*

DATE: March 21, 1988

RE: Tuesday meeting

Senator Sturgulewski and I want to let you know that we have scheduled a Joint Economic Recovery Committee meeting for this Tuesday, March 22, 1988. This will possibly be our final meeting and its very important you attend. The meeting will begin at 5:00 pm in the Senate Finance room.

We will be going through our collection of Senate bills and resolutions to decide which pieces of legislation we are going to support. Attached is a list of the legislation under review and its status.

Lastly, I think it is important that sunset provisions be added to any legislation we adopt. However, the standing committees are probably the best forum to accomplish this task.

Please bring your notebooks.

**Legislation list for
Senate Joint Economic Recovery Committee**

SCR 32 Urging the state's financial institutions to adopt more flexible lending and collection policies. (Fischer) status: (H) L&C

This resolution has been adopted by the committee.

SB 333 An Act relating to wage, salary and benefit claims having priority in certain bank liquidations and to certain bank reports required by the Department of Commerce and Economic Development. (Halford) status: (H) L&C

This bill has been adopted by the committee.

SB 392 An Act relating to the Alaska Industrial Development and Export Authority; and providing for an effective date. (Halford) status: (H) L&C

This is a new version of SB 392; the copy in your notebook is no longer accurate. This bill has been adopted by the committee.

/ SB 408 An Act relating to Alaska stabilization assistance program. (Kelly) status: (S) Fin

SB 409 An Act making a special appropriation to the Alaska stabilization assistance fund. (Kelly) status: (S) Fin

2 SB 471 An Act establishing a program in the Alaska Industrial Development and Export Authority to guarantee loans and refinance debt. (Halford) status: (S) Fin

SB 474 An Act increasing property exemptions. (Halford) status: (S) Fin

SB 476 An Act creating the supplemental assistance fund for Railbelt Communities. (Halford) status: (S) Fin

**Legislation list for
Senate Joint Economic Recovery Committee**

- SB 477 An Act making a special appropriation to the Department of Community and Regional Affairs for supplemental municipal assistance to Railbelt communities. (Halford) (S) Fin

Also, there is other proposed legislation we should consider.

- SB An Act providing interim payment reductions of the monthly mortgage payments payable by certain mortgagors on mortgage loans purchased by the Alaska Housing Finance Corporation. (Halford)
- SB An Act providing a temporary reduction of the rate of interest payable by mortgagors on mortgage loans purchased by the Alaska Housing Finance Corporation. (Faiks)
- SB An Act establishing a moratorium on judicial and nonjudicial foreclosures. (Halford)
- SCR Urging state agencies that make loans to withhold approval of loans for new construction in areas in which availability of business and commercial facilities and residences substantially exceed demand. (Faiks)
- SCR Relating to opportunities offered by the present crisis in residential housing. (Faiks)
- SCR Relating to the Alaska Industrial Development and Export Authority. (Faiks)
- SB An Act authorizing the Alaska Industrial Development and Export Authority to become an equity participant in certain loans; and providing for an effective date. (Faiks)
- SB An Act amending the authority of lending institutions to make equity participation agreements in conjunction with certain loans. (Halford)

**Legislation list for
Senate Joint Economic Recovery Committee**

3 SJR

Urging a change under the Internal Revenue Code in the tax treatment of the transfer of a residence subject to a mortgage that is a recourse loan when the indebtedness on the residence is discharged through foreclosure, repossession, or surrender of the property. (Halford)

Lastly, Senator Kerttula has requested that the committee consider the following:

SB 484
status:

An Act restructuring the debt of certain dairy farmers. (Kerttula)
(S) Res

4. HJR FURGIBILITY

5. Willow Park

6. HB 432

7. HB - LAD

8. HB - LIABILITY

Alaska State Legislature



SENATOR
ARLISS STURGULEWSKI

Chairman, Senate Community and Regional Affairs Committee
Vice-Chairman, Senate Judiciary Committee
Member, Senate Resources Committee

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Senate

MEMORANDUM

March 21, 1988

TO: All Members
Senate Joint Committee on Economic Recovery

FROM: Senator Arliss Sturgulewski 

RE: Existing and proposed legislation

I have reviewed the existing and proposed legislation before the Senate Committee on Economic Recovery and would suggest that we concentrate on those specific pieces outlined in this memo.

I have used the following guidelines in the selection of this legislation.

1. The December 1, 1987 Briefing Paper by the Institute of Social and Economic Research (ISER) suggests several important considerations.

A. That state spending is part of the current economic problem because of high state budgets in the early 1980's. They stated, "Unless it [state spending] can be sustained [it] will have a destabilizing impact on the economy." We know now that we cannot sustain those high budgets with our present income.

B. That "the recession is progressively dissipating and is likely to end over the course of the coming year." If this view is correct, the state must be cautious in its response to the economic recovery to avoid disrupting the natural market forces and simply prolonging the adjustment period.

C. That "an increase in state spending will not hasten an enduring economic recovery unless the increased spending can be sustained or the state's basic industries increase their economic output to match a future decline in state spending." The state has a limited ability to sustain increased spending, however, all basic industry (oil, fish, timber, and mining) in the state show healthy signs of increased growth in the near future and will aide the economic recovery. This, of course, is the typical economic stimulus in most economies not government spending.

2. State financial programs such as AHFC, AIDEA and the various state loan programs have significant impact on the financial health of the economy because of the large dollar contribution that they represent. They should exercise maximum flexibility in their response to distressed borrowers without the state simply providing more funding which it has only a limited ability to do.

3. Because of the limited funding available from the state, it should encourage private sector financial institutions to respond to the economic recovery. This can be accomplished in two ways, one would be to assist private financial institutions in the refinancing of troubled loans; and two, to encourage new loans in businesses that will aide the economic recovery through job creation and economic growth in the state.

4. The distribution of cash into the economy has an immediate effect on the economy. The jobs bill that was recently passed will soon be having a positive impact throughout the state. Another source of cash is the permanent fund dividend distribution.

I would recommend that we endorse the following specific legislation and concepts for appropriate standing committee review:

A. The concept of a "Bridge Bank" is contained in SB 408. This legislation offers a potential for relieving the pressure of property management for private financial institutions and some state agencies. However, it should be structured to encourage private sector management, limited state contributions and provisions for eventual repayment of the contributions, to the state.

B. SB 471, which the committee endorsed previously, has several elements that I feel are beneficial to the economic recovery process. It will need further refinement in the Senate Finance Committee and I would recommend that they review setting a cap or maximum limit to the total amount of loan funds that can be guaranteed by AIDEA. This will prevent uncontrollable liability at some future date. I would also recommend that AIDEA develop guidelines for allowing private financial institutions to offer refinanced debt packages as well as guidelines for new business loans that will stimulate economic growth. Finally, in order to evaluate its progress, I would suggest a sunset date on the AIDEA loan guarantee program.

C. SJR , Urging a change under the IRS Code. This resolution petitions the IRS to review its policy of taxing forgiven negative equity in cases of foreclosure.

D. HJR , Relating to residential real estate. This resolution specifically petitions state loan programs and lending agencies to use the maximum flexibility at their disposal in order to keep their portfolios as active as possible.

E. HJR , Willow Park Demolition. Calls for the demolition of the substandard Willow Parking Housing Project with funding for the demolition spelled out in an agreement between the state and municipality. It further

calls upon the federal government to fund and carry out the relocation of the involved dislocated families. This project, in addition to being substandard, poses serious health concerns because of asbestos insulation.

F. HB 432, Authorizing the AHFC to accept trades in certain cases. This legislation would allow individuals to trade into mortgages of greater/lesser obligation with AHFC. This would allow borrowers with greater resources to purchase homes with larger mortgages making those loan packages active and those borrowing on the margin to trade into more affordable housing, once again reactivating those loans. The Labor and Commerce amended version includes a provision for reducing negative equity that should be reviewed in the committee hearing process.

G. HB , "Authorizing the Department of Community and Regional Affairs to modify the terms of its mortgage loans; and providing for an effective date." Allows the Housing Assistance Section to modify home loans in certain cases.

H. HB , Notice requirements on a Deed of Trust." Requires lender to inform the borrower in the note securing the loan of all methods of recourse in the event of default.

I. Investigate early dividend and/or increased dividend. Request the Alaska Permanent Fund managers to present the opportunity to provide an early dividend or a substantially higher dividend than currently projected for the year 1988.



Official Business

Alaska State Legislature

Senate

A
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March 22, 1988

Dr. Lester C. Thurow
Dean
School of Economics
Massachusetts Institute of Technology
E52-473
Cambridge, Massachusetts 02139

Dear Dean Thurow:

Thanks again for your willingness to examine the enclosed materials and confer with me again, with a view to providing advice to the Legislature of Alaska.

By this letter, I want to reiterate the concerns that led me to consult you on these matters.

The economy of the "railbelt" -- the region of Alaska which lies between Seward and Fairbanks, and includes Anchorage (where I come from) -- is in shambles today. Some observers think that things are "bottoming out", and others foresee more disasters ahead.

Some observers say the Legislature should do nothing, and argue that it was in part policies of state government which precipitated the present crisis. I think that they mean that at the peak of the oil boom, the legislature authorized subsidies for home construction and home ownership, and created loan programs which provided financing for office buildings.

It is also argued that if more banks fail, there is no reason for legislative concern; when the market warrants additional institutions, they will come to Alaska (and Alaska does allow interstate bank operations).

It is contended, too, that the present economic plight has "winners" as well as "losers". For example, the "winners" are said to be tenants of apartments whose rental rates have declined, or small business people who have smaller overheads today because of the prevailing economic downturn. The "losers" are portrayed as investors, or "speculators", people who took risks and should understand that capitalism can be harsh, or even cruel, but that it is not government's business to "bail out" those who may not have been "prudent".

Of course, there is a contrary view that more bank failures will promote a very undesirable oligopoly in financial services, notwithstanding the survival of credit unions. There is also concern that unless the state works to stabilize

property values, there will be a "downward spiral" that will further erode the tax base for local governments, cause more people (including small businesses) to be "under water", produce more layoffs (in both public and private sectors), have adverse psychological effects, and reduce the liquidity and lending capacity of the banking system.

The tenant, some Alaskans will contend, who is enjoying lower rents is probably also making less money at the workplace, if he or she is even employed, and is likely to encounter reduced fringe benefits, such as health coverage. The small business renting office facilities at lower cost probably has reduced revenues, too, and a much tougher time getting working capital from lenders -- especially if the value of any collateral which the business offers is reduced in the present economy.

After you have reviewed the materials attached, I would appreciate another call at (907) 465-4525. We could then discuss how, when, and under what conditions you might be willing to participate with senators and representatives by teleconference. I should add that I have talked to the President of the Senate, Senator Jan Faiks, the Majority Leader of the House of Representatives, Representative Max Gruenberg, and the co-chair of the Senate Committee on Economic Recovery, Senator Arliss Sturgelewski, and they are all interested in receiving any comments or recommendations you might have.

Should you have any questions, or if there are other materials I can supply, please don't hesitate to let me know.

Thank you for your interest and responsiveness to my request. As a lay person, I have been an admirer of your writings and commentary in The New York Review of Books and other periodicals and forums, and I value very much any advice you can give us. I find that all of us here, regardless of party affiliation, are interested in doing what makes good public policy sense. The economic situation, perhaps, is in a way bringing out the best in Alaska's elected officials because the situation is too serious for "business as usual".

With best wishes, I am

Sincerely,



Joe P. Josephson

cc: Hon. Jan Faiks
✓ Hon. Arliss Sturgelewski
Hon. Lloyd Jones
Hon. Max Gruenberg

3/22/88

Senate Joint Economic Recovery Committee
AGENDA

✓ SCR 32 Urging the state's financial institutions to adopt more flexible lending and collection policies. (Fischer) status: (H) L&C

*This resolution has been adopted by the committee.
SCR 32 is in your notebook.*

✓ SB 333 An Act relating to wage, salary and benefit claims having priority in certain bank liquidations and to certain bank reports required by the Department of Commerce and Economic Development. (Halford) status: (H) L&C

*This bill has been adopted by the committee.
SB 333 is in your notebook.*

✓ SB 392 An Act relating to the Alaska Industrial Development and Export Authority; and providing for an effective date. (Halford) status: (H) L&C

This is a new version of SB 392; the copy in your notebook is no longer accurate. This bill has been adopted by the committee.

SB 408 An Act relating to Alaska stabilization assistance program. (Kelly) status: (S) Fin

SB 408 is in your notebook.

SB 409 An Act making a special appropriation to the Alaska stabilization assistance fund. (Kelly) status: (S) Fin

SB 409 is in your notebook.

SB 471 An Act establishing a program in the Alaska Industrial Development and Export Authority to guarantee loans and refinance debt. (Halford) status: (S) Fin

There is a Sponsor Substitute for SB 471

✓ SB 474 An Act increasing property exemptions. (Halford) status: (S) Fin

*passed
SB 474 is in your notebook.*

SB 476 An Act creating the supplemental assistance fund for Railbelt Communities.
(Halford) status: (S) Fin

SB 476 is in your notebook.

SB 477 An Act making a special appropriation to the Department of Community and
Regional Affairs for supplemental municipal assistance to Railbelt communities.
(Halford) (S) Fin

SB 477 is in your notebook.

Also, there is other proposed legislation we should consider.

SB An Act providing interim payment reductions of the monthly mortgage payments payable by certain mortgagors on mortgage loans purchased by the Alaska Housing Finance Corporation. (Halford)

This bill is in your notebook.

SB An Act providing a temporary reduction of the rate of interest payable by mortgagors on mortgage loans purchased by the Alaska Housing Finance Corporation. (Faiks)

This bill is in your notebook.

SB An Act establishing a moratorium on judicial and nonjudicial foreclosures.
(Halford)

This bill is in your notebook.

SCR Urging state agencies that make loans to withhold approval of loans for new construction in areas in which availability of business and commercial facilities and residences substantially exceed demand. (Faiks)

This resolution is in your notebook.

SCR Relating to opportunities offered by the present crisis in residential housing.
(Faiks)

This resolution is in your notebook.

SCR Relating to the Alaska Industrial Development and Export Authority.
(Faiks)

This resolution is in your notebook.

SB An Act authorizing the Alaska Industrial Development and Export Authority to become an equity participant in certain loans; and providing for an effective date.
(Faiks)

This bill will be distributed.

SB An Act amending the authority of lending institutions to make equity participation agreements in conjunction with certain loans. (Halford)

This bill will be distributed.

SJR Urging a change under the Internal Revenue Code in the tax treatment of the transfer of a residence subject to a mortgage that is a recourse loan when the indebtedness on the residence is discharged through foreclosure, repossession, or surrender of the property. (Halford)

This resolution will be distributed.

SB work draft for An Act creating the Economic Stabilization Act of 1988 et al...

This resolution will be distributed.

Lastly, Senator Kerttula has requested that the committee consider the following:

SB 434 An Act restructuring the debt of certain dairy farmers. (Kerttula) status: (S) Res

This bill will be distributed.
