

ALASKA LEGISLATURE COMMITTEE FILES 1981-1982 8672

2033 HSA HJR 67 - SB 72

HJR 67

The Capital Investment Fund

A proposal by
Commonwealth North

SITUATION

**The
need
to build
an
economic
backbone**

In 1976 the Legislature and the people of Alaska approved the creation of a state Permanent Fund, a savings account for future generations. Now, another fund is needed to provide what the Permanent Fund cannot—investment in an infrastructure.

The Alaska Capital Investment Fund offers the state an opportunity to transcend its colonial economy and hasten the day when it can join its sister states in the benefits which a broad-based market economy brings.

FREEDOM FROM “BOOM AND BUST”

Alaska is fortunate to be enjoying a time of revenue surplus. The state's leadership can now free the state from its inordinate dependence on the South 48 and build a year-round economy.

If Alaska is not to go the way of the boom towns of the western frontier, it is imperative that there be reinvestment of current revenues within the state. That reinvestment should be in projects which create an economic backbone on which the private sector can build.

WHERE SHOULD WE INVEST? ALASKA!

Alaska's surface transportation facilities are woefully deficient. The Alaska Railroad operates only between Seward and Fairbanks, leaving huge areas without rail service. America's interstate highway system does not touch Alaska—alone of all the states. In Alaska the basic means of transportation for people and freight is by air, the most expensive of all means of travel and commerce.

Much of the same can be said of the state's basic utilities. There is a clear need to develop cost-effective, modern utilities and to integrate them wherever possible.

WE HAVE THE OPPORTUNITY AND THE ABILITY.

Historically, Alaska has been capital-poor. Now, however, Alaska's public sector has the opportunity and the ability to invest in the most meaningful form of capital, the transportation and power projects that will allow the economy to diversify. This type of capital development also inherently contains the ability to achieve a goal of great merit: it can knit together rural and urban Alaska.

A UNIQUE STATE—A UNIQUE SOLUTION

This brochure describes how such an Alaska Capital Investment Fund can be established and how it might best be managed.

Parallel institutions in other states and Canada have been studied, including the Texas Railroad Commission, the Seattle Port Authority and the Alberta Heritage Fund. None of them, however, reflects the unique opportunity faced by the current generation of Alaskans.

This unique situation requires a unique solution.

SOLUTION

Alaska Capital Investment Fund



RESOURCE DEVELOPMENT
Over 95% of state revenue

Generates economic activity that in turn re-supplies state treasury.

10% of revenues
(expected to increase to 15 to 20%)*

STATE TREASURY

15% of revenues

75% of revenues

PERMANENT FUND

interest earned
returns to
General Fund

ALASKA CAPITAL INVESTMENT FUND

Energy and
transportation
infrastructure

GENERAL FUND

1. State operations and housekeeping.
2. Capital improvements/schools, libraries, government buildings.
3. Loan programs.

*Note: Through special appropriations, the legislature has dedicated much greater amounts to the Permanent Fund than required by law. In fiscal year 1981-82, 29% of revenues were so dedicated. In FY 1981-82, 11%. (Source: Alaska Department of Revenue)

The aim of the Alaska Capital Investment Fund is to channel a portion (roughly 15%) of current revenues into the financing of Alaska's economic infrastructure. This fund will provide the mechanism for addressing basic major project needs in a controlled, coordinated fashion. It will ensure maximum positive ripple effects through all segments of the economy in both rural and urban Alaska.

ENERGY AND TRANSPORTATION— ALASKA NEEDS TO START NOW.

Many legislative leaders have gone on record in support of utilizing part of the state's resource revenues to provide Alaskans with inflation-proof energy and vital transportation links. The Alaska Capital Investment Fund would ensure that such projects take place on a timely basis and in a manner compatible with Alaska's environmental and social needs.

THE PERMANENT FUND SERVES ONE NEED— THE INVESTMENT FUND ANOTHER.

Certainly, the existing Permanent Fund represents a step toward ensuring that a portion of Alaska's wealth is preserved for future generations. The Alaska Capital Investment Fund represents a second, and equally important, step to secure benefits for future Alaskans. Unlike the Permanent Fund, this fund would be mandated to invest the dollars which belong to all Alaskans within the state itself for the benefit of both this generation and those to follow.

THE "DIVIDENDS"—NEW JOBS, NEW SERVICES AND ECONOMIC SECURITY.

Through the Capital Investment Fund, the principal will be put to work immediately in Alaska. Its "dividends" will include employment opportunities created by the projects; services to Alaskans derived from the completed projects themselves; and future economic security and stimulation based upon the bedrock of the fund's capital investments.

Implementation of this concept will provide jobs throughout Alaska and provide a more equal access to the promising opportunities that will be available in the years ahead.

THE CREATION AND MANAGEMENT OF THE FUND.

The formula for dedicating revenues to the Alaska Capital Investment Fund involves no legal novelty, as the operation of the Permanent Fund has demonstrated.

A constitutional amendment has been drafted for the consideration of the Legislature (see below). When passed, it would be placed before the voters of the state for ratification—hopefully at the general election in November 1982.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA that Article IX, Constitution of the State of Alaska, is amended by adding a new section to read:

SECTION 16. ALASKA CAPITAL INVESTMENT FUND. At least fifty percent* of all mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments and bonuses received by the State shall be placed in a capital investment fund, which shall be used for the planning, design, and construction of large-scale capital improvements, regional in scope, which add to the economic infrastructure of the State. The fund shall be governed by a Board of Trustees as provided by law. The Board shall be appointed by the Governor, subject to confirmation by a majority of the members of the legislature in joint session.

This amendment would dedicate at least 50% of mineral lease rentals, royalties, royalty sale proceeds and bonuses from mineral leases to the Capital Investment Fund. These revenues are estimated to amount to approximately one billion dollars per year, which is the equivalent of 15% of the state's current annual income.

Supporting legislation also has been drafted to create the mechanism for administering the fund.

The draft legislation, patterned after that creating the Permanent Fund, provides the statutory guidelines for the ongoing operation of the fund. A number of proposals are incorporated in that legislation, including the following:

1. A Board of Trustees

Five Trustees would be appointed by the Governor and approved by the Legislature, as is the case with the Per-

manent Fund. The Trustees would serve staggered terms of office, six years in length.

2. Project selection

The duties of the Board and its staff would include research and preparation of plans and specifications for identified projects, and for the solicitation, review, and approval of bids for design and construction of the projects. Trustees and staff would insure project compliance with applicable state and federal regulations, including those relating to environmental impact.

3. Legislative approval

Although all revenues deposited in the Capital Investment Fund would be constitutionally dedicated, the Legislature would continue to exercise responsibility for proposed projects through the appropriations process. Project budgets would be submitted to the Legislature for approval prior to construction, thus providing additional assurance that all projects meet statutory requirements. Any amounts not approved by the Legislature would remain in the Capital Investment Fund for future appropriation to qualified projects.

4. Construction by the private sector

The staff would supervise construction of projects in accordance with the approved plans for those projects, and generally perform the functions of an "owner" in overseeing the quality of the work done. The actual construction, however, would be undertaken by the private sector, thereby creating jobs and economic stimulation while avoiding the creation of another state bureaucracy.

5. Completed project approval

Completed projects would be examined and reviewed for conformity with project specifications and bidding requirements, as well as with state and federal regulations. Compliance would be a prerequisite before acceptance by the Trustees and release of the builders.

*Note: this formula, similar to that of the Permanent Fund, amounts to roughly 15% of annual state revenue

6. Operations of finished projects

Following conclusion and acceptance of a project, the Trustees would turn it over to an appropriate entity, such as the Power Authority, a Port Authority, or a Railroad Authority, for actual operations. The Capital Investment Fund itself would have no post-construction operational authority, thus eliminating another potential source of state bureaucracy.

WHAT KIND OF INVESTMENTS?

The Alaska Capital Investment Fund would identify and build only those projects that truly add to the long-term economic health of the state. The criteria for such projects should include the following:

1. They must be very large and be of a complex nature

These will be projects which by their very essence involve large amounts of money, sophisticated studies, professional project management and that, in most instances, have useful lives exceeding 100 years.

2. They must be regional or larger in scope

The benefits from these projects should extend beyond the confines of any one local government. They must be of such dimension that historically local governments and the private sector have been unable to accomplish them.

3. They must improve the regional economic outlook

Upon project completion, the long-range regional economic outlook should be vastly enhanced. The area should become significantly more attractive for the investment of additional private capital and the creation of jobs that remain after project construction is completed.

4. They should be self-liquidating

For the most part, these projects ought to be self-liquidating. In other words, projects should have the ability to finance or (ultimately after completion) refinance themselves through the issuance of revenue bonds. Also, they should have the ability to generate revenue sufficient to cover their debt service, if any; the cost of annual maintenance and operations; and the prospect of attracting new capital.

5. Exceptions

Sometimes a project may not meet all of the above criteria and still be eligible. For example, a railroad between two relatively small population centers might not meet the self-liquidating criteria and still be deemed essential for the long-term development of the state or region as a whole.

6. Examples of possible projects

- Deep water ports capable of berthing ships for worldwide markets.
- Hydroelectric generation facilities
- Railroads
- Causeways that cross or tunnel large natural barriers
- Airports meeting international standards as well as the above regional criteria

Examples of projects that would *not* qualify for funding by the Alaska Capital Investment Fund include: local public works; "quality of life" projects, such as Anchorage's "Project 80's"; governmental buildings such as city halls, state buildings, courthouses or schools; highways and roads; social projects; projects within the capacity of local government or private sector financing, such as minehead equipment or specialized dock facilities.

Questions and Answers

Question

Will this fund benefit rural areas of the state?

Answer

Yes. One way to assist rural Alaska is to provide jobs close to home so that village residents don't have to go to Anchorage, Fairbanks or the North Slope to earn a cash income. In the years ahead, transportation links and utilities can be a vital assistance to Regional and Village Corporations as well as to other rural Alaskans.

Question

If the Legislature will continue to have the final say over the appropriation for these projects, what has changed from the present system?

Answer

The money in the Capital Investment Fund will have a fence around it. The legislature can refuse to appropriate money for a specific project recommended by the Trustees, but it cannot spend those dollars for housekeeping, frivolous schemes or porkbarreling.

Question

Why not broaden the Permanent Fund legislation to allow for investment in projects of this kind?

Answer

The Permanent Fund was established by Alaska voters to be just that - permanent. Most Alaskans want to keep that fund as a savings account rather than invest it in capital projects.

Question

Why doesn't the private sector build this infrastructure, as has been done in Texas and other resource states?

Answer

In our state the land is publicly owned. Unless we are ready to deed great portions of state land to private companies (as was done when the railroads spanned the continent), it is almost impossible for the private sector to accomplish these projects.

Question

Are there precedents for these kinds of public projects?

Answer

Yes, many of them. Examples of projects built by government include the Erie Canal, the Hoover Dam, the Houston Ship Canal, the Port of Seattle and the Alaska Railroad.

The urgency of this proposal

Some issues that surface in Alaska are matters that can be dealt with now or later. But in the case of the creation of an economic infrastructure, time is of the essence. The costs are such, in fact, that it may be a case that if it's not done now, it won't be possible to do at all.

"Broadening the economic base" has become nearly a cliché in the dialogue of Alaska citizens and policy makers. To accomplish this important task will require the tying together of the state through modern, all-weather transportation systems and low-cost power facilities. Those are the primary areas that deserve investment, certainly at the level of 15 % of state income. Those are the goals of the Alaska Capital Investment Fund.

Commonwealth North is a non-profit corporation, organized and existing under the laws of the State of Alaska. Non-partisan in nature, its purpose is to inject enlightened vitality into the world of commerce and public policy.

As well as providing a forum for national and international speakers, working committees study critical issues facing the state and the nation and prepare well-researched action papers, such as this one.

**The Commonwealth North
Alaska Capital Investment
Fund Committee:**

Loren Lounsbury, Chairman
Bertram Beneville
Clarence V. Chatterton
Harry Donahue
Dave Heatwole
Roger Herrera
Robert Hickel
Rick Mystrom
Bob Retherford
Glenda Rhodes
William Sheffield
James Singleton
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A report by



**COMMONWEALTH
NORTH**

935 West Third Avenue
Anchorage, Alaska 99501
(907) 276-1111

Additional copies available: \$1 each

NJR-67am - Judiciary fill case
3718

NJR-67

High

Scheduled for:

Thursday & Friday, 25 and
26, in Judiciary
March 1

What happened.

Paul is rescheduled

Call = Judiciary for when
Ray's going to be gone.

Get most recent stuff +
put copies.

If fiscal note from different
depts = if legal opinion or
position paper = put copies
and show Ray =

Call Jud - First = later in week

~~Ray has to discuss
rescheduling for hearing
w/ Barnes personally~~

3/15/82 Will be scheduled either
for 3/17 or 3/18 for hearing.

HJR-66

Hight-

RETD MAR 10 1982

Still in Judiciary

1. Ask to schedule it for hearing.

Julia
~~Barney~~ Barnes

HJR needs to be scheduled
what has to be done before
rescheduling it =

Next week?

Then when Barnes' calls
back, they will say
what they need before
it is rescheduled.

RETD MAR 10 1982

~~4/6/82~~ I will call Bill Cook again
tomorrow to find out what is
needed to reschedule the Bill.

It will probably be next week.

RETD MAR 11 1982

Julia said it would not be set
next week.atch

HJR

69

COMMITTEE REPORT

HOUSE

(5)

FURTHER: JUDICIARY

1/11/82

Date: 3/23/82

Mr. Speaker:

The Committee on STATE AFFAIRS has had HJR 69

Proposing an amendment to the Constitution of the State of Alaska relating to the Alaska permanent fund.

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HJR 69 same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation IS SOLID?
- referred to the _____ Committee

**MEMBERS SIGNING
DO PASS**

[Signature]

**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

[Signature]

[Signature]

[Signature]

[Signature]

CHAIRMAN

3-23-82

AMENDMENT

OFFERED IN THE HOUSE: BY: State Affairs
To: amend HOUSE BILL No. HJR 69
SENATE BILL No. _____
PAGE: _____ LINE: _____

Line 20:

Insert language that voter approval is required for additional monies beyond the 25% which is already an established figure.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. HJR 69
 Title Constitutional Amendment relating to the Permanent Fund
 Requested by House State Affairs Committee Date 2/8/82

II. FISCAL DETAIL
 Agency Affected _____
 Program Category Affected _____
 BRU, Program, Or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

No change in revenues.

IV. DATE 2/8/82 PREPARED BY Robert W. Elliott
 AGENCY Department of Revenue
 PHONE 465-2173
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH 5
JUNEAU, ALASKA 99811
PHONE: (907) 465-2300

March 9, 1982

The Honorable Ray H. Metcalfe
Chairman
House State Affairs Committee
Room 102 - Capitol Building
Juneau, Alaska

Dear Mr. Metcalfe:

Re: House Joint Resolution No. 69

House Joint Resolution No. 69, proposing an amendment to the Constitution of the State of Alaska relating to the Alaska permanent fund, was introduced in the House on January 11, 1982 and was referred to the House State Affairs and Judiciary Committees.

For the consideration of the House State Affairs Committee, I am enclosing copies of Fiscal Notes prepared by Mr. Anselm Staack, Treasury Comptroller and Mr. Robert W. Elliott, Research Analyst, Research Section of the Department of Revenue concerning the subject Resolution.

Sincerely,



R. D. Stevenson
Special Assistant

Enclosures

cc: The Honorable Ramona L. Barnes
Chairwoman
House Judiciary Committee

Joseph K. Donohue
Deputy Commissioner
Department of Revenue

Anselm Staack
Treasury Comptroller
Department of Revenue

Robert W. Elliott
Research Analyst
Department of Revenue

REC'D MAR 9 1982

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HJR 69 (1/11/82)
 Title Constitutional Amendment - Alaska Permanent Fund
 Requested by House State Affairs Committee Date 3/2/82

II. FISCAL DETAIL

Agency Affected Alaska Permanent Fund
 Program Category Affected _____
 BRU, Program, Or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars) SEE ANALYSIS SECTION

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars) SEE ANALYSIS SECTION

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS SEE ANALYSIS SECTION

FULL TIME						
PART TIME						
TEMPORARY						

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

Original Alaska Permanent Fund dedication limit set at 25% (language removes the "at least twenty-five" percent contribution). Provides additional specific language that constitutionally allows additional appropriations to the fund and additional dedicated percentages of royalties, etc., which also can only be used for income producing investments within the State of Alaska.

Potential effects exist for additional administrative costs dependent on types of investments made; however, not determinable at this time.

Anselm C. Staack

IV. DATE March 2, 1982 PREPARED BY Anselm C. Staack, Treasury Comptroller
 AGENCY Department of Revenue, Treasury Division
 PHONE 465-2350
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HJR 69
 Title Constitutional Amendment relating to the Permanent Fund
 Requested by House State Affairs Committee Date 2/8/82

II. FISCAL DETAIL

Agency Affected _____
 Program Category Affected _____
 BRU, Program, Or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME						
PART TIME						
TEMPORARY						

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

No change in revenues.

IV. DATE 2/8/82 PREPARED BY Robert W. Elliott
 AGENCY Department of Revenue
 PHONE 465-2173

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

H J R

7 1

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH 5
JUNEAU, ALASKA 99811
PHONE: (907) 465-2300

January 26, 1982

The Honorable Ray H. Metcalfe
Chairman
House State Affairs Committee
Room 102 - Capitol Building
Juneau, AK 99811

Re: House Joint Resolution No. 71

Dear Representative Metcalfe:

House Joint Resolution No. 71, proposing an amendment to the Constitution of the State of Alaska relating to incurring general obligation indebtedness for veterans housing, was introduced in the House on January 12, 1982, and was referred to the House State Affairs, Judiciary and Finance Committees.

For the consideration of the House State Affairs Committee, I am enclosing a copy of a Fiscal Note prepared by Thomas K. Williams, Commissioner, Department of Revenue concerning the proposed legislation.

Sincerely,



R. D. Stevenson
Special Assistant

RDS:m11
Enclosure

cc: The Honorable Ramona L. Barnes
Chairwoman
House Judiciary Committee

The Honorable Al Adams
Chairman
House Finance Committee

Thomas K. Williams
Commissioner of Revenue
Department of Revenue

Joseph K. Donohue
Deputy Commissioner, Taxation
Department of Revenue

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HJR 71
Title Constitutional Amendment for G.O. bonds for veterans housing
Requested by House State Affairs Committee Date _____

II. FISCAL DETAIL

Agency Affected Revenue/State Bond Committee
Program Category Affected General Government
BRU, Program, Or Subprogram(s) Affected _____
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	None	Unknown	Unknown	Unknown	Unknown	Unknown

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

This proposed amendment to the State Constitution seeks to take advantage of existing provisions in the Internal Revenue Code which allow tax-exempt bonds to be issued to finance housing for veterans, provided those bonds are either general obligation bonds of a state or are guaranteed by the general obligation (or full faith and credit) of a state. Unlike tax-exempt bonds which AHFC may currently issue (which don't have the guarantee of the State's full faith and credit), the bonds under the proposed amendment would not be subject to the same strict eligibility requirements that are imposed under the federal tax law for the AHFC tax-exempt bonds. In addition, the authority for AHFC to issue tax-exempt bonds at all will expire after 1983 unless Congress acts to extend this deadline; there would be no such expiration problem for the veterans bonds under the proposed amendment.

Continued on next page

IV. DATE January 26, 1982 PREPARED BY Thomas J. Williams
AGENCY Revenue
Original: Legislative Finance PHONE 465-2300
cc: Budget and Management
Prime Sponsor (First Legislator Named)
33-001 (Rev. 12/81)

The reason for this provision in the Internal Revenue Code favoring veterans housing when financed by bonds secured by the full faith and credit of a state is that the author of the 1980 legislation which so curtailed AHFC's tax-exempt program was Representative Al Ullman of Oregon. Oregon's constitution specifically authorized the State of Oregon to issue its general obligation bonds to finance veterans housing. As one can see from my description of the difference between AHFC-type programs and Oregon's veterans program, Mr. Ullman was quite successful in protecting the special interests of his home constituency.

Unfortunately for the security of Oregon's veterans program, Mr. Ullman was not re-elected to Congress in 1980, and consequently a representative from another state (Mr. Rostenkowski of Illinois) is Chairman of the House Ways and Means Committee (where all tax legislation would originate). With Mr. Ullman gone, there is much less assurance that the federal tax laws won't be changed to limit or cut off the tax-exempt status of state general obligation bonds for veterans housing, especially as the Reagan Administration is looking at cutting off certain tax-exempt bond programs as a means of gaining additional income taxes and reducing the projected federal deficits.

Despite these uncertainties over its future, the federal tax law currently allows state general obligation bonds for veterans housing to be tax-exempt. Assuming that this law is not changed, an amendment to the Constitution of the State of Alaska authorizing the issuance of such bonds would allow veterans to get mortgages financed based on tax-exempt rates and thereby reduce the amount of State subsidies needed for housing statewide through AHFC.

There are two ways to go in amending the State Constitution to set up a veterans housing bond program. One is to have the State itself issue general obligation bonds. The other is to have a different entity like AHFC actually issue the bonds, which would then be guaranteed by a pledge of the full faith and credit of the State of Alaska. Under this second approach the voters would have to ratify and approve a specified amount of bonds to be so guaranteed, just as (under the first alternative) they would have to ratify and approve the amount of general obligation bonds that the State would directly issue for veterans housing. In other words, from the perspective of having the people vote on the amount to which the full faith and credit of the State would be pledged in support of the financing of veterans housing, both approaches are essentially the same.

From the perspective of the State's continued credit rating, however, the difference between the two approaches would be significant. Under the first approach the bonds that are issued are direct obligations

of the State, while under the second they would be contingent obligations -- that is, AHFC would first have to be unable to meet the debt service of the bonds on its own before there would be a call placed against the resources of the State (of course, if such a call were made, it would be a paramount demand upon the State's resources, the same as with the State's own general obligation bonds). The difference boils down to this -- under the first approach the payment of the debt service on the veterans housing bonds is a paramount demand on the State's resources each and every time an installment of the debt service comes due, and the State would have to come up with the money to meet that debt service payment regardless of any cash flow problems it might temporarily be experiencing at the due date; whereas, under the second approach, AHFC would first have to be unable to meet the debt service on the veterans housing bonds before the State would be subject to the paramount demand upon its resources. With AHFC acting as a buffer between the bondholders and the State under the second approach, it provides an additional measure of assurance that the debt service on the veterans housing bonds will be paid in full and on time. This assurance becomes greater, the more AHFC's own programs and financial strength remain sound.

The disadvantage of the first approach (which is to have the State issue general obligation bonds directly) is best illustrated by the example of Oregon. Oregon financed veterans housing through general obligation bonds issued in its own name. As the program continued over the years, Oregon issued millions and millions of dollars of its own general obligation bonds for veterans housing and millions more for regular capital projects. Eventually its credit rating started to slip, making it more and more expensive for Oregon to finance either the veterans mortgages or its capital projects. Today both Oregon's credit rating and its capacity to borrow are materially impaired as the result of its veterans housing bond program.

The constitutional amendment as proposed in HJR 71 would follow the same approach as Oregon used. I believe (as does the State Bond Committee's Financial Advisor) that if the State of Alaska is going to pledge its full faith and credit for bonds issued to finance veterans housing and thereby take advantage of a present feature of the Internal Revenue Code, the better way to do this is with an instrumentality of the State like AHFC serving as the actual issuer of the bonds and with the State pledging its full faith and credit to guarantee those bonds. Ultimately, we should be able to issue more bonds with a better credit rating and at lower interest rates.

I would therefore recommend for the Committee's consideration the following change to HJR 71 -- delete lines 12 - 19 and substitute the following:

SECTION 8. STATE DEBT. No state debt shall be contracted [UNLESS AUTHORIZED BY LAW] for capital improvements nor shall the full faith and credit of the State be pledged to guarantee bonds issued by the State or an instrumentality of the State to finance housing for veterans, unless authorized by law and ratified by a majority of the qualified voters of the State who vote on the question. The State may, as provided by law and without ratification, contract debt for the purpose of repelling invasion, suppressing insurrection, defending the State in war, meeting natural disasters, or redeeming indebtedness outstanding at the time this constitution becomes effective.

This language would allow the second approach to be taken instead of going the way Oregon did, but at the same time it would allow the State to issue general obligation bonds in its own name, without having to re-amend the State Constitution to do so, in the event AHFC (or whatever instrumentality is set up to issue the veterans housing bonds) for some reason proves to be unsatisfactory.

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

January 28, 1982

SUBJECT: HJR 71 -- GO Bonds for Veterans

TO: Representative Ray H. Metcalfe
Chairman, House State Affairs Committee

FROM: Billy G. Berrier *BGB*
Director
Division of Legal Services

As you requested I have prepared two alternative drafts for the committee substitute.

Alternative 1 is the draft adopted by the committee. I have made no changes to it as you requested. The draft has two significant problems.

You have furnished a copy of a presentation by Commissioner Tom Williams of the Department of Revenue. The purpose of the change is to allow agency financing (through the Alaska Housing Development Corporation) with a full faith and credit guarantee by the state as well as direct bonding by the state itself.

The additional language is unnecessary since a full faith and credit guarantee of an instrumentality obligation is by definition creating state debt. This could cause interpretative problems when contrasted with the term state debt as used in this section and elsewhere in the constitution. It could also be restrictive since the term state debt is broader. This is the kind of language that is properly used in a bond bill authorizing a guarantee. The bill would deal with a particular financing situation. It would not be improper in an authorization bill but an authorization bill is evidently not necessary unless the legislature desires by law to limit the financing procedure. It is however not consistent with other usage in the constitution which is the basic document of government.

REC'D JAN 28 1982

Representative Ray H. Metcalfe

Page 2

January 28, 1982

It also creates an inadvertent but quite significant constitutional change not related to the intent of the resolution.

Under the current constitutional provisions state debt may be incurred only for capital improvements. The intent of the resolution is to also allow state debt for veterans housing loans. In addition this language would also on its face allow state debt to be incurred for any other purpose without an authorizing vote of the people, making that requirement only applicable to state debt for capital improvements or veterans loans. While some states do allow the legislature alone to contract state debt without voter approval in certain circumstances there is no indication the committee intended this significant change.

This results since contracting state debt is within the power of the legislature except as restricted by the constitution. This section is the only restriction on that power in the Alaska Constitution. The suggested wording narrows the limitation to these two categories.

I have discussed my reservations with Commissioner Williams who agrees that expanding the authority of the legislature to contract state debt was not an intended result and should be corrected. I have also discussed the language with him and, at his suggestion, with Mr. Eric Wohlforth who is bond counsel for, among others, the Alaska Housing Finance Corporation. Mr. Wohlforth agrees that the instrumentality guarantees sought to be authorized are authorized by the original language. However, Mr. Wohlforth did suggest the language would be improved by inserting the term "loans" following the term "housing" on line 14, page 1 since the obvious intent is to use funds for loan purposes. I agree this improves the language and after again talking with Commissioner Williams he also agreed with Mr. Wohlforth's suggestion.

I have therefore prepared Alternative 2 which has made only that change. In this alternate the same ends are accomplished without the problems attendant on Alternative 1.

BGB:jdn

Enclosures

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HJR 71
 Title Constitutional Amendment for G.O. bonds for veterans housing
 Requested by House State Affairs Committee Date _____

II. FISCAL DETAIL

Agency Affected Revenue/State Bond Committee
 Program Category Affected General Government
 BRU, Program, Or Subprogram(s) Affected _____

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	None	Unknown	Unknown	Unknown	Unknown	Unknown

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

This proposed amendment to the State Constitution seeks to take advantage of existing provisions in the Internal Revenue Code which allow tax-exempt bonds to be issued to finance housing for veterans, provided those bonds are either general obligation bonds of a state or are guaranteed by the general obligation (or full faith and credit) of a state. Unlike tax-exempt bonds which AHFC may currently issue (which don't have the guarantee of the State's full faith and credit), the bond under the proposed amendment would not be subject to the same strict eligibility requirements that are imposed under the federal tax law for the AHFC tax-exempt bonds. In addition, the authority for AHFC to issue tax-exempt bonds at all will expire after 1983 unless Congress acts to extend this deadline; there would be no such expiration problem for the veterans bonds under the proposed amendment.

Continued on next page

IV. DATE January 26, 1982 PREPARED BY *Thomas L. Williams*
 AGENCY Revenue
 Original: Legislative Finance PHONE 465-2300
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH 5
JUNEAU, ALASKA 99811
PHONE: (907) 465-2300

January 26, 1982

The Honorable Ray Metcalfe, Chairman
House State Affairs Committee
Pouch V
Juneau, AK 99811

Re: HJR 71

Dear Mr. Chairman:

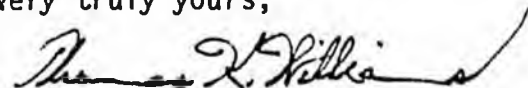
I have received and reviewed copies of Alternatives 1 and 2 for a Committee Substitute for HJR 71. Alternative 1 incorporates the language which I recommended both in my analysis in the Fiscal Note for this Resolution and in my personal testimony before your Committee.

After discussion of both alternatives with legislative counsel and with the State Bond Committee's bond counsel, I am persuaded that Alternative 2 is superior to Alternative 1. One of my concerns was that the phrase "state debt" might not allow bonds to be issued by an instrumentality of the State that were guaranteed by a pledge of the State's full faith and credit. As I pointed out, we would not want to limit ourselves to the case where the State alone would be able to issue such bonds, as Oregon did. However, bond counsel has reassured me that such a guarantee by the State would be "state debt" as that phrase is used in the Constitution.

In addition, legislative counsel explained to me the superiority of having the phrase "unless authorized by law" where it is in Alternative 2, instead of where it would have been in my proposal (Alternative 1).

Therefore, I have no further drafting problems or suggestions with respect to Alternative 2, and I further recommend that if your Committee wishes to act favorably on HJR 71, Alternative 2 should be used as the basis for a Committee Substitute

Very truly yours,



Thomas K. Williams
Commissioner of Revenue

TKW

cc: Representative Cotten

This proposed amendment to the State Constitution seeks to take advantage of existing provisions in the Internal Revenue Code which allow tax-exempt bonds to be issued to finance housing for veterans, provided those bonds are either general obligation bonds of a state or are guaranteed by the general obligation (or full faith and credit) of a state. Unlike tax-exempt bonds which AHFC may currently issue (which don't have the guarantee of the State's full faith and credit), the bonds under the proposed amendment would not be subject to the same strict eligibility requirements that are imposed under the federal tax law for the AHFC tax-exempt bonds. In addition, the authority for AHFC to issue tax-exempt bonds at all will expire after 1985 unless Congress acts to extend this deadline; there would be no such expiration problem for the veterans bonds under the proposed amendment.

The reason for this provision in the Internal Revenue Code favoring veterans housing when financed by bonds secured by the full faith and credit of a state is that the author of the 1980 legislation which so curtailed AHFC's tax-exempt program was Representative Al Ullman of Oregon. Oregon's constitution specifically authorized the State of Oregon to issue its general obligation bonds to finance veterans housing. As one can see from my description of the difference between AHFC-type programs and Oregon's veterans program, Mr. Ullman was quite successful in protecting the special interests of his home constituency.

Unfortunately for the security of Oregon's veterans program, Mr. Ullman was not re-elected to Congress in 1980, and consequently a representative from another state (Mr. Rostenkowski of Illinois) is Chairman of the House Ways and Means Committee (where all tax legislation would originate). With Mr. Ullman gone, there is much less assurance that the federal tax laws won't be changed to limit or cut off the tax-exempt status of state general obligation bonds for veterans housing, especially as the Reagan Administration is looking at cutting off certain tax-exempt bond programs as a means of gaining additional income taxes and reducing the projected federal deficits.

Despite these uncertainties over its future, the federal tax law currently allows state general obligation bonds for veterans housing to be tax-exempt. Assuming that this law is not changed, an amendment to the Constitution of the State of Alaska authorizing the issuance of such bonds would allow veterans to get mortgages financed based on tax-exempt rates and thereby reduce the amount of State subsidies needed for housing statewide through AHFC.

There are two ways to go in amending the State Constitution to set up a veterans housing bond program. One is to have the State itself issue general obligation bonds. The other is to have a different entity

like AHFC actually issue the bonds, which would then be guaranteed by a pledge of the full faith and credit of the State of Alaska. Under this second approach the voters would have to ratify and approve a specified amount of bonds to be so guaranteed, just as (under the first alternative) they would have to ratify and approve the amount of general obligation bonds that the State would directly issue for veterans housing. In other words, from the perspective of having the people vote on the amount to which the full faith and credit of the State would be pledged in support of the financing of veterans housing, both approaches are essentially the same.

From the perspective of the State's continued credit rating, however, the difference between the two approaches would be significant. Under the first approach the bonds that are issued are direct obligations of the State, while under the second they would be contingent obligations -- that is, AHFC would first have to be unable to meet the debt service of the bonds on its own before there would be a call placed against the resources of the State (of course, if such a call were made, it would be a paramount demand upon the State's resources, the same as with the State's own general obligation bonds). The difference boils down to this -- under the first approach the payment of the debt service on the veterans housing bonds is a paramount demand on the State's resources each and every time an installment of the debt service comes due, and the State would have to come up with the money to meet that debt service payment regardless of any cash flow problems it might temporarily be experiencing at the due date; whereas, under the second approach, AHFC would first have to be unable to meet the debt service on the veterans housing bonds before the State would be subject to the paramount demand upon its resources. With AHFC acting as a buffer between the bondholders and the State under the second approach, it provides an additional measure of assurance that the debt service on the veterans housing bonds will be paid in full and on time. This assurance becomes greater, the more AHFC's own programs and financial strength remain sound.

The disadvantage of the first approach (which is to have the State issue general obligation bonds directly) is best illustrated by the example of Oregon. Oregon financed veterans housing through general obligation bonds issued in its own name. As the program continued over the years, Oregon issued millions and millions of dollars of its own general obligation bonds for veterans housing and millions more for regular capital projects. Eventually its credit rating started to slip, making it more and more expensive for Oregon to finance either the veterans mortgages or its capital projects. Today both Oregon's credit rating and its capacity to borrow are materially impaired as the result of its veterans housing bond program.

The constitutional amendment as proposed in HJR 71 would follow the same approach as Oregon used. I believe (as does the State Bond

Committee's Financial Advisor) that if the State of Alaska is going to pledge its full faith and credit for bonds issued to finance veterans housing and thereby take advantage of a present feature of the Internal Revenue Code, the better way to do this is with an instrumentality of the State like AHFC serving as the actual issuer of the bonds and with the State pledging its full faith and credit to guarantee those bonds. Ultimately, we should be able to issue more bonds with a better credit rating and at lower interest rates.

I would therefore recommend for the Committee's consideration the following change to HJR 71 -- delete lines 12 - 19 and substitute the following:

only if may

SECTION 8. STATE DEBT. ~~No~~ state debt shall be contracted [UNLESS AUTHORIZED BY LAW] for capital improvements nor shall the full faith and credit of the State be pledged to guarantee bonds issued by the State or an instrumentality of the State to finance housing for veterans, unless authorized by law and ratified by a majority of the qualified voters of the State who vote on the question. The State may, as provided by law and without ratification, contract debt for the purpose of repelling invasion, suppressing insurrection, defending the State in war, meeting natural disasters, or redeeming indebtedness outstanding at the time this constitution becomes effective.

This language would allow the second approach to be taken instead of going the way Oregon did, but at the same time it would allow the State to issue general obligation bonds in its own name, without having to re-amend the State Constitution to do so, in the event AHFC (or whatever instrumentality is set up to issue the veterans housing bonds) for some reason proves to be unsatisfactory.

Strike words / 57
Veterans
II cant your objectives be measured in some language
III. was full faith and credit behind previous sales
IV interest rate of no full faith
V Fed I.R.S. req change would wipe out language



Alaska State Legislature

House of Representatives

Committee on State Affairs

Official Business

NOTIFICATION SHEET
BILL NO. - *HJR 71*

Pouch V
State Capitol
Juneau, Alaska 99811

1-25 + 2-3

NAME	ORGANIZATION	PHONE NO.
<i>Sam Cotton</i>		
<i>Gov's office Kaw Stack</i>	<i>1-22</i>	
<i>Denna Chie</i>	<i>1-22 Revenue</i>	
<i>Harry Goldbar</i>	<i>AHFC 1-22</i>	



Alaska State Legislature

House of Representatives

Committee on State Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

Official Business

NOTIFICATION SHEET
BILL NO. ~~SB 114~~ HJR 71

223

NAME	ORGANIZATION	PHONE NO.
Bradley	Senate	
VFW	1-26 no ans.	62428
V A	1-26 no ans.	67472
UFW Arch Legion	Mr. Anderson	2768213
Harold Eastman	VFW (no paper)	69603-8643300
St. Louis Soc Assn		6-1950
General Sherid	(Nat. Guard) Military Affairs	4600

HJR

80

COMMITTEE REPORT

HOUSE

FURTHER:

Date: 2/1/81

Mr. Speaker:

The Committee on STATE AFFAIRS has had HR 30

involving the Yukon Territory Legislative Assembly and the Council of Northwest Territories to meet with the Alaska State Legislature.

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Chairman
CHAIRMAN

A M E N D M E N T

OFFERED IN THE HOUSE:

By: State Affairs

To: amend HOUSE BILL No. HJR 80

SENATE BILL No. _____

PAGE: _____

LINE: _____

Page 1, lines 10 & 12

delete the word "neighbors"

Page 1, lines 11 & 13

delete the parenthesis around the word "neighbours"

Page 1, delete lines 20 - 29

Introduced: 2/3/82
Referred: State Affairs

BY PHILLIPS, ROGERS, BETTISWORTH,
BROWN, DUNCAN, GARDINER, MALONE,
MOSS, RANDOLPH, VASKA, FULLER,
MARTIN, METCALFE, HAYES, COTTEN
AND CATO

1 IN THE HOUSE

2 HOUSE JOINT RESOLUTION NO. 80
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 TWELFTH LEGISLATURE - SECOND SESSION

5 Inviting the Yukon Territory Legisla-
6 tive Assembly and the Council of
7 Northwest Territories to meet with
8 the Alaska State Legislature.

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

10 WHEREAS the Yukon Territory and Northwest Territories are neighbors
11 (neighbours) of the State of Alaska; and

12 WHEREAS the physical, cultural, and political climates of these neighbors
13 (neighbours) are similar to those of Alaska; and

14 WHEREAS we share common problems of remote federal governing of our
15 affairs; and

16 WHEREAS we face similar obstacles in the development of our resources;
17 and

18 WHEREAS we share common problems and opportunities in transportation
19 systems, including the proposed extension of rail service between Alaska and
20 British Columbia and the proposed Alaska Highway natural gas pipeline; and

21 WHEREAS existing transportation systems interconnect Alaska, the Yukon
22 Territory, and the Northwest Territories; and

23 WHEREAS several fish and game species migrate across the border between
24 Alaska and the Yukon Territory, resulting in difficult management issues,
25 especially for salmon and caribou; and

26 [WHEREAS the United States and Canadian governments are currently nego-
27 tiating a treaty concerning the Porcupine caribou herd that would impact
28 local management of game in Alaska, the Yukon, and the Northwest Territories;
29 and]



LEGISLATIVE ASSEMBLY OFFICE
BOX 2703
WHITEHORSE, YUKON
Y1A 2C6

TELEPHONE:
403-667-5422

YUKON BRANCH

January 6, 1982

Mr. Joe L. Hayes
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, Alaska
99811

Dear Mr. Speaker:

I am writing further to our telephone conversation of this date regarding an exchange of meetings between the representatives of the Alaska State Legislature and of the Yukon Legislative Assembly.

As I explained, in Canada all parliamentarians belong to an organization called the Commonwealth Parliamentary Association. This association is broken down into jurisdictional branches. Members of the Yukon Legislative Assembly, therefore, are also members of the Yukon Branch of the Commonwealth Parliamentary Association.

Through this organization we endeavour, each year, to arrange meetings with other Canadian branches to discuss matters of mutual concern. In southern Canada it is common for provincial branches to meet annually with representatives of those states which border on their provinces. I should think a similar arrangement between Alaska and Yukon would be quite beneficial.

At the annual meetings of the Yukon Branch of the CPA I have made a practice of raising the question of an interparliamentary visitation between ourselves and representatives of the Alaskan Senate and the House of Representatives. Members of our Branch have agreed that this would be desirable and have urged the executive of the Branch to pursue such visitations.

During the past few years we have communicated with your predecessor, with the President of the Senate and with Representative Randy Phillips but have, as yet, been unable to make satisfactory arrangements.

In our conversation today you indicated that you would welcome a specific proposal from us. The other Vice-President of our

...2

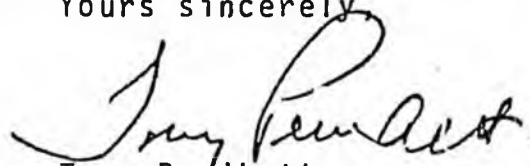
Branch, Hon. Chris Pearson, has been consulted and we would suggest that a delegation from our Assembly visit Juneau sometime during the period of March 8 to March 13. We recognize that you would wish to consult your colleagues on this matter and will await an invitation in which you specify the dates on which we might be able to visit you.

We certainly would wish to return your hospitality and would hope to have you visit our jurisdiction sometime later in 1982 or, perhaps, in early 1983.

I should mention that our general practice is to invite delegations of five to eight from other jurisdictions and, in turn, to send delegations of about five when we are travelling elsewhere. This makes it possible to hold small informal meetings which are often quite informative.

Thank you for your interest in fostering better relations between our two Legislatures.

Yours sincerely



Tony Perikett
Vice-President, Yukon Branch
Commonwealth Parliamentary
Association

HJR

82

COMMITTEE REPORT

HOUSE

(5)

FURTHER:

2/12/82

Date: 3/19/82

Mr. Speaker:

The Committee on STATE AFFAIRS has had HJR 82

Relating to the plight of the Siberian Pentecostals who are on a hunger strike in the U.S. Embassy in Moscow.

under consideration and ~~(a majority of the committee)~~ ~~(the committee)~~ reports it back with the following recommendations:

do pass do not pass

do pass with attached amendments(s)

replace with CS for HJR 82 same title new title
and recommends _____

AND attaches a "Letter of Intent" New Fiscal Note

reports it back without recommendation AS FOLLOWS

referred to the _____ Committee

MEMBERS SIGNING
DO PASS

[Signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]

Ray W. Dalpe
CHAIRMAN

A M E N D M E N T

OFFERED IN THE HOUSE:

By: State Affairs

To: CS (Final) HOUSE BILL No. HJR 82

SENATE BILL No. _____

PAGE: _____

LINE: _____

Adopt attached CS in final form.

Original sponsors: Beirne and Miller

Offered:
Referred: Finance

IN THE HOUSE

BY BEIRNE AND MILLER

CS FOR HOUSE JOINT RESOLUTION NO. 82

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWELFTH LEGISLATURE - SECOND SESSION

Relating to the plight of the Siberian
Pentecostals who are on a hunger
strike in the U.S. Embassy in Moscow.

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

WHEREAS there are two Siberian families, the Vashchenkos and the Chmykhalovs, who have been refuged in the United States Embassy in Moscow since June 27, 1978, in an attempt to get American help in their campaign to leave the Soviet Union for America to enjoy the exercise of religious freedom as members of the Pentecostal faith; and

WHEREAS the efforts of the United States Embassy officials and the federal administration have been unsuccessful to date in securing Soviet permission for the emigration of the Vashchenkos and the Chmykhalovs; and

WHEREAS Lydia Vashchenko and her mother, Augustina Vashchenko, underwent a painful and health-threatening hunger strike late in 1981 and early in 1982, to bring attention to their plight in order to affect speedy resolution of their dilemma by the Soviet Union; and

WHEREAS the courage and determination displayed by the Vashchenkos and the Chmykhalovs in their struggle to obtain freedom is an inspiration to all who value religious freedom and individual human rights; and

WHEREAS the failure of the Soviet Union to allow the emigration of these two families is a violation of the Helsinki Accords and the 1948 Declaration of Human Rights, both of which were signed by the USSR;

BE IT RESOLVED by the Alaska State Legislature that the people of the State of Alaska reaffirm their belief that the truths set forth in the American Declaration of Independence are still self-evident -- that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness; and be it

FURTHER RESOLVED that the federal administration and Congress are urged to make every reasonable effort to secure an expeditious resolution of the emigration requests of the Vashchenkos and Chnykalovs to reaffirm the self-evident truths upon which the United States of America was founded and continues to symbolize for all people who cherish those truths.

FURTHER RESOLVED that President Reagan is asked to communicate to American and other delegates to the May 1982 International Peace Conference in Moscow his hope that the plight of the "Siberian Seven" will be voiced and explored during the process of the conference.

COPIES of this resolution shall be sent to the Honorable Ronald Reagan, President of the United States; the Honorable George Bush, Vice President of the United States and President of the Senate; the Honorable Thomas P. O'Neill, Jr., Speaker of the House of Representatives; the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative members of the Alaska delegation in Congress; and Ambassador Anatoly Dobrynin, Soviet Ambassador to the United States.

HCR

8

RESOLUTION

"HOUSE OF WICKERSHAM"

WHEREAS a significant portion of Alaska's history is recorded during the years 1900 through 1930 only in the diaries and papers and manuscripts of Alaska's pioneer judge, James Wickersham; and

WHEREAS the House of Wickersham, located in Juneau, Alaska, is also of major historical significance as it was the first large home built in Alaska after the purchase from Russia and is a fine example of Victorian architecture of the period and is built on the site of the New Boston Gold Mining Claim and was owned first by the principals of the Treadwell Mine and was later acquired by Judge Wickersham as his home; and

WHEREAS the House of Wickersham is certified on the National Register of Historic Places and the private collection of historic papers is of major proportion along with the historic photo files and artifacts; and

WHEREAS the histories of Nome, the Aleutians, Fairbanks, Eagle, Anchorage, Mt. McKinley, Valdez, Skagway, Wrangell, Sitka, Ketchikan and Juneau are preserved and represented in these early documents, making the Wickersham collection of major statewide importance; and

WHEREAS in years past most of the major private historic collections have been sold off or moved out of Alaska being lost forever to future generations; and because this is probably the last and most important and largest private Alaskan historical collection remaining; and

WHEREAS, in Juneau's centennial year, it seems appropriate that this historical treasure of our state should be recognized and preserved for the benefit of all Alaskans now and in centuries to come;

NOW THEREFORE BE IT RESOLVED that the Alaska Visitors Association, acting on the sponsorship and request of the Juneau Chapter of AVA, recommends to the Governor and appropriate State officials, and to each member of the Legislature, and the Alaska Congressional Delegation that negotiations be commenced for the State to acquire the historic real property known as the House of Wickersham and the Wickersham collection of documents, photos, diaries, and artifacts; and

BE IT FURTHER RESOLVED that the State initiate a plan to restore the home and preserve the documents in proper historic and museum quality professionalism to allow historians, scholars, and all Alaskans to view and share this historic treasure, and

BE IT FURTHER RESOLVED that the above resolution would be distributed to all the above named individuals.



ALASKA VISITORS ASSOCIATION

Please reply to:

Post Office Box 2220
Anchorage, Alaska 99510
(907) 279-4116

**Tourism
is everybody's
business.**

March 4, 1981

Honorable Mike Miller
Pouch V
Juneau, AK 99811

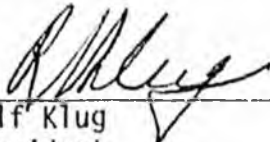
Dear Representative Miller:

The attached "House of Wickersham" Resolution was passed by the Alaska Visitors Association Board of Directors at their meeting in Juneau, February 23, 1981.


We respectfully draw it to your attention and request any assistance you may be able to offer in the implementation of this resolution.

Sincerely,

ALASKA VISITORS ASSOCIATION



Rolf Klug
President



Gary Walker
Executive Director

RK:GW/b1

Attachment

RESOLUTION NO. 6

SUBJECT: "HOUSE OF WICKERSHAM"

WHEREAS, a significant portion of Alaska's documented and written history during the years 1900 through 1930 is recorded only in the diaries and papers and manuscripts of Alaska's pioneer judge, James Wickersham; and

WHEREAS, the House of Wickersham, located in Juneau, Alaska, is itself also of major historical significance because it probably is the first large home built in Alaska after the purchase from Russia and is a fine example of Victorian architecture of the period and is built upon the site of the New Boston Gold Mining Claim and was owned first by the principals of the Treadwell Mine and was later acquired by Judge Wickersham as his home; and

WHEREAS, the House of Wickersham is certified on the National Register of Historic Places and the private collection of historic documents, diaries and papers is of major significance along with the historic photo files and artifacts; and

WHEREAS, the histories of Nome, the Aleutians, Fairbanks, Eagle, Anchorage, Mt. McKinley, Valdez, Skagway, Wrangell, Sitka, Ketchikan and Juneau are preserved and represented in these early documents, making the Wickersham collection of major statewide importance; and

WHEREAS, in years past most of the major private historic collections have been sold off or moved out of Alaska being lost forever to future generations; and because this is probably the last and single most important and largest private Alaskan historical collection remaining; and

WHEREAS, it seems appropriate that this historical treasure of our state should be recognized and preserved for the benefit of all Alaskans now and in centuries to come;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Alaska Visitors Association, acting on the sponsorship and request of the Juneau Chapter of AVA, recommends to the Governor and appropriate state officials, and to each member of the Legislature, and the Alaska Congressional Delegation that negotiations be commenced for the State to consider the acquisition of the historic real property known as the House of Wickersham and the Wickersham collection of documents, photos, diaries and artifacts; and

BE IT FURTHER RESOLVED that the appropriate state officials be requested to coordinate with the various federal government agencies and private foundations who have grants and matching funds for such historical restoration and preservation; and

BE IT FURTHER RESOLVED that the State consider the implementation of an appropriate plan coordinated to restore the home and preserve the documents to allow historians, scholars and all Alaskans and visitors to Alaska to view and share this historic treasure; and

BE IT FURTHER RESOLVED that the above Resolution be distributed to all the above named state administration, legislative and congressional officials.

HCR

46

COMMITTEE REPORT

HOUSE

6/20/81

(3)

FURTHER:

6/20 Material changed from
Indiciary to:

Date: 7/29/81

Mr. Speaker:

The Committee on STATE APPROPRIATIONS has had HSK 15

Proposing amendments to the Uniform Rules of the Alaska State
Legislature.

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

A M E N D M E N T

OFFERED IN THE HOUSE:

BY: State Affairs

TO: HCR 46 HOUSE BILL No. _____

SENATE BILL No. _____

PAGE: _____

LINE: _____

Page 5, line 26

delete "of the majority"

Page 5, line 27

delete "of the minority"

A M E N D M E N T

#4

TO: CSHCR 46(SA)

By Metcalfe

Page 2, line 10:

Delete "Each caucus shall" and insert The majority and minority shall each"

Page 2, line 22:

Delete "and caucuses" and insert "the majority, and the minority"

Page 2, lines 25 - 27:

Delete "Each caucus shall determine the number of staff assigned to caucus members, to committees, and to the caucus itself" and insert "The majority and the minority shall each determine the number of staff to be assigned to itself, to its members, and to committees"

A M E N D M E N T

#1

TO: CSHCR 46(SA)

By Metcalfe

Page 3, line 10:

Delete "AND OFFICES" and insert ", OFFICES, AND OFFICE EQUIPMENT"

Page 3, line 17:

After "space" insert "and comparable quality and quantity of office equipment"

A M E N D M E N T

#3

TO: CSHCR 46(SA)

By Metcalfe

Page 5, following line 3:

Insert the following new material:

* Sec. 8. Rule 37(a) of the Uniform Rules of the Alaska State Legislature is amended to read:

(a) Any member, group of members, standing or [,] special [, OR JOINT] committee may introduce a bill, subject to the provisions of these Uniform Rules. A bill must be introduced, in proper form as approved by the enrolling secretary of the legislature, with the original and two carbon copies delivered to the chief clerk or secretary. The bill is then assigned a number which it retains through subsequent changes and substitutions. The bill is considered formally introduced when the clerk or secretary reads the heading and title aloud in open session (first reading). Bills may be introduced through the Rules Committees by the governor and the permanent interim committees pursuant to provisions of law.

Renumber subsequent sections accordingly

A M E N D M E N T

#2

TO: CSHCR 46(SA)

By Metcalfe

Page 5, line 12, after "committees."

Delete "The" and insert "Except for the general appropriation bill, the"

BILLS BY METCALFE

- HB 339: "An Act relating to the judicial review of administrative regulations."
- HB 340: "An Act providing for the review of regulations and the cessation of effectiveness of regulations not approved by law; and providing for an effective date."
- HB 428: "An Act relating to litigation involving state actions; and amending Rules 6 and 65 of the Rules of Civil Procedure."
- HB 429: "An Act relating to the judicial review of administrative regulations."
- HB 476: "An Act making a special appropriation to the Department of Natural Resources to match federal money spent for the transfer of federal land to the state; and providing for an effective date."
- HB 523: "An Act making a special appropriation to the Department of Transportation and Public Facilities for construction of access from Whittier to Portage, and providing for an effective date."
- HB 559: "An Act relating to loans by the Alaska Housing Finance Corporation."
- HB 560: "An Act making special appropriations to the Department of Transportation and Public Facilities for preliminary engineering and design projects and for right-of-way acquisitions; and providing for an effective date."
- HB 568: "An Act repealing the Alaska coastal management program; and providing for an effective date."
- HB 594: "An Act relating to state capital projects; and providing for an effective date."
- HB 613: "An Act relating to relocations of the state capital; repealing and reenacting the law enacted by the initiative popularly known as the 'Frank Initiative' to provide for the determination of the costs of capital relocation, amending laws relating to the New Capital Site Planning Commission, and conditionally repealing laws relating to relocation of the state capital."

- HB 618: "An Act relating to state aid to municipalities for capital projects; and providing for an effective date."
- HB 619: "An Act relating to labor relations involving teachers and school districts."
- HCR 46: Proposing amendments to the Uniform Rules of the Alaska State Legislature.
- HCR 47: Requesting the Alaska Supreme Court to establish a fee of 10 cents per page for the photocopying of all public court records.
- HJR 28: Proposing amendments to the Constitution of the State of Alaska relating to review and annulment of regulations by standing committees of the legislature.
- HJR 54: Proposing amendments to the Constitution of the State of Alaska authorizing the legislature to submit its acts to the voters for approval or rejection.
- HJR 66: Proposing amendments to the Constitution of the State of Alaska relating to dedication of proceeds of a severance tax on oil or gas production.

Alaska State Legislature



House of Representatives

RAY METCALFE

POUCH V
JUNEAU, ALASKA 99811

P.O. BOX 4-2788
ANCHORAGE, ALAS. 99509

PROPOSED JOINT RULES AMENDMENTS BY METCALFE

RULE 1(e). Change to read as follows:

"(e) The presiding officer shall announce, not later than the day following [HIS] election, the appointment of a Committee on Committees consisting of the presiding officer [HIMSELF] as chairman and four other members. The committee is responsible for nominating the chairman and members of the standing committees as set out [FORTH] in Rule 20 to serve for the two-year duration of the legislature. With exception that the number of committee assignments per member may vary in the minimum amount which is mathematically necessary to allow an uneven number of members to be assigned to each committee, each member shall otherwise be assigned to a number of committees equal to that number of committees to which any other member is assigned. An exception to the equal number of assignments rule shall be made for those members of the Finance Committee who shall serve only on one standing committee. In addition to standing committee assignments, a member may serve on one special committee, interim committee or sub-committee at any one time. The membership of each committee shall total to an uneven number. [AND THE MINORITY IS ENTITLED TO AT LEAST ONE SEAT ON EACH STANDING COMMITTEE.] The report of the Committee on Committees is subject to approval by a majority vote of the full membership of the house."



FREE

Federation's Role in our Enterprise Economy

ThA

November 24, 1981

To: Alaska House of Representatives
Majority Coalition

From: GFWC Anchorage Women's Club FREE Committee

Dear Representatives:

The second session of the 12th Alaska State Legislature will soon be upon us. You are now planning its direction.

When you were members of the minority, complaints were heard that while you did not agree with the appropriation and policy decisions that were made, you were powerless to change the outcome.

You took control of the House because you were disenchanted with the status quo. Now that you are in power, you have an opportunity to make changes.

We urge you not to follow the same procedures that have frustrated you in the past. Explore new and innovative methods for the legislative process. Prove to us that you have something better to offer the people of Alaska.

Respectfully,

GFWC Anchorage Women's Club
FREE Committee

Pauline Martens

Pauline Martens
General Chairman

cc: Anchorage Daily News
The Anchorage Times

For the record, this is an informal hearing of the House State Affairs Committee, chaired by Rep. Ray Metcalfe, being held at the Municipal Assembly Chambers, November 23, 1981 at(time). Present are:

.....
.....
.....

The legislation to be reviewed this morning is as follows:

1. HCR 46, proposing amendments to the uniform rules of the Alaska State Legislature which are basically designed to equalize the authority of all legislators and preclude the emergence of power figures within the legislature, who, in turn deny the constituency of other legislators the right to proper representation.
2. HCR 17, proposing amendments to the Uniform Rules, eliminating committees on free conference and eliminating powers of free conference in committees on conference.
3. HCR 18 Proposing amendments to the Uniform Rules establishing a limitation on the authority on committees on conference to consider and report on bills on appropriations.

The purpose of the meeting is to gather public input, both technical and philosophical on the value of these legislative proposals.

Those wishing to present testimony please sign up at the door, giving your name and organization affiliation and a one sentence comment on the nature of your input. For the record please begin your testimony with your name and organization affiliation and the nature or applicability of your testimony to follow.



Alaska State Legislature

House of Representatives

Committee on Rules

Pouch V
State Capitol
Juneau, Alaska 99811

Official Business

MEMORANDUM

TO: Rep. Ray Metcalfe
FROM: Rep. Jack Fuller
Chairman, Rules Committee
DATE: March 2, 1981

You have requested floor scheduling of HCR 46, proposing amendments to the Uniform Rules, and HB 339, relating to judicial review of administrative regulations.

I brought these two pieces of legislation up at today's Policy Committee meeting. The measures may be calendared when you have 21 votes.

REC'D MAR 3 1982

High
HCR-46 Linda
Fuller Rules (Lm204) 277

FEB 24 1982

Contacted Linda (she
calendar all hearings). I
asked that your bill be
scheduled asap, preferably
the first week in March or
the week of the 15th of March.

She will let me know
as soon as it has been set.

However, I will call each
day and see if it can be
scheduled soon.

Passed out of Committee.

See if it is calendared

3/1/82

HCR-46 - Rules Linda

3/1/82 Talked to Linda
(she schedules all
hearings for Rules.)

I gave her dates when
you would be available
and requested early
scheduling on HCR-46.

MAR 2 1982

(High Priority)

March 3, '82: See copy of
Attached note memo received
today.

S

B

5

COMMITTEE REPORT

HOUSE

4/1
1981

5/21/81

FURTHER:

(5)

Date: _____

Mr. Speaker:

The Committee on STATE AFFAIRS has had CSSSSE 5(JW)

"An Act relating to the effectiveness of administrative regulations."

under consideration and reports it back as follows:

- do pass do not pass
- do pass with ¹⁴⁰attached amendments(s) same title
- replace with CS for STATE AFFAIRS new title
- and recommends do pass
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

POUCH K - STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3600

May 29, 1981

The Honorable Mike Miller
Chairman
State Affairs Committee
House of Representatives
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Re: CSSSSB 5 (Jud) -- "Effectiveness of
Administrative Regulations"

Dear Mike:

I would like to briefly state the Department of Law's opposition to this bill. It is three-fold:

- A. constitutional problems
- B. policy problems
- C. technical problems in section 3.

It is easy to discern some legislators' frustration regarding administrative regulations. It is not so easy, however, to pinpoint the cause of that frustration or the nature of the problem which is intended to be addressed by bills such as this one.

In testifying before the Senate Judiciary Committee, Senator Fahrenkamp, the prime sponsor of this bill, stated that she has three basic reasons for its introduction: (1) she believes that not all regulations accurately implement the intent of the legislature; (2) she believes that there are too many regulations; and (3) she believes that some regulations exceed the authority granted the adopting agency.

(1) As to intent: first of all, it is usually difficult to determine legislative intent. There are few committee reports, and committee files and tapes have been difficult to use. Secondly, under current provisions in the Administrative Procedure Act, the legislature has plenty of opportunity to participate in the regulation-adopting process, in order to assure that legislative intent is in fact being implemented. Thirdly, if the legislature does not agree with a decision of an executive agency as to what the probable intent of the legislature was when enacting the enabling

legislation, the legislature certainly may enact amendatory legislation, establishing guidelines, stating prohibitions, or setting out some limits on the exercise of the agency's authority.

Through all the discussions and hearings on this and related bills over the past few years, I have not been able to determine exactly why any legislator feels that the current system is not adequate to assure the implementation of the legislative intent behind a statute. The legislature controls the language of the enabling legislation. It also controls the content of the legislative journals. It has access to executive agency personnel. AS 44.62.190(a)(6) assures that all individual legislators and the Legislative Affairs Agency are sent advance notice of proposed regulations. And AS 44.62.220 sets out the right to petition for a change in the regulations. It must also be remembered that not all legislators will agree among themselves as to the intent of a particular statute. And the current legislature might not agree with the intent of an earlier legislature.

(2) As to quantity: there may well be legislative and public concern that there are too many administrative regulations. But the public is also concerned that there are too many statutes. Most people do not make the technical, legal distinction between statutes and administrative regulations when objecting to the degree of governmental control over their activities. Regulations are a crucial element in helping an agency avoid being arbitrary. Any effort to cut down on the number of administrative regulations should be done on a discriminating basis, not by means of a shotgun approach. Decisions must be made as to which ones are unnecessary. CSSSSB 5 (Jud) does not make that sort of necessary discrimination. It just lets Time do the work.

3. As to authority: any question of the authority given an agency to adopt an administrative regulation is a matter for the courts. The legislature passes the laws, the executive branch executes them, and the judicial branch decides disputes concerning them. Among the disputes involving the laws are those that challenge the validity of an administrative regulation as one exceeding the authority of the adopting agency. A system which usurps the judicial function in this regard is probably invalid. See Chadha v. Immigration and Naturalization Service, 634 F.2d 408 (9th CCA, 1980).

That last paragraphs alludes to the constitutional problem which concerns us. In CSSSSB 5 (Jud), the legislature would be establishing a system which would prevent the executive branch from exercising its discretion and executing the laws. It imposes an unreasonable delay and, since bills often fail to pass for reasons quite apart from their merit, it institutionalizes a system for completely preventing an executive agency from executing the law. Administrative regulations constitute a crucial element in the implementation of any program or function. Many supreme court decisions have ruled that agency action taken in the absence of necessary administrative regulations is in fact invalid. The failure of a regulation-approving bill to pass would afford the responsible agency no guidance as to the appropriate implementation of the statute and thus its efforts under the constitution to "execute the laws" would be frustrated.

Whether or not a court would rule that this bill is unconstitutional, we believe that it is bad policy. Many functions of the state government require prompt action to be taken. This may or may not necessitate emergency regulations. The bill does not generally exempt emergency regulations, nor would it allow for making emergency regulations permanent. But even when there is not a true "emergency," it is often necessary to adopt regular regulations expeditiously. I believe that various state agencies will testify before your committee with regard to the problems they would encounter in specific programs if this bill were to become law.

Section 3 of the bill partially exempts a regulation adopted as an emergency regulation under the authority of a law enacted by this session of the legislature. However, considering the number of laws likely to be passed by this legislature and the number currently on the books, the probability that an emergency will arise under existing law rather than new law is extremely high. Thus, the bill prevents an executive agency from dealing with a true emergency situation under current law. This point has been made at earlier stages of this bill's consideration, yet sec. 3 has not been changed to deal with it. It is difficult to understand what it intended by it and what the legislature would expect an agency faced with that kind of problem to do.

Honorable Mike Miller

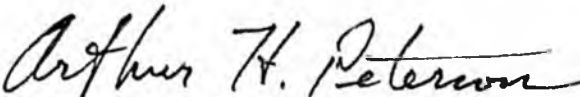
-4-

May 29, 1981

Thank you for your consideration of these comments.

Yours truly,

WILSON L. CONDON
ATTORNEY GENERAL

By: 
Arthur H. Peterson
Assistant Attorney General
and Regulations Attorney

AHP:cb

cc: Keith Specking
Legislative Assistant
Governor's Office

S

B

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1B 54

FACT SHEET

PROPOSED 1981 LEGISLATION

The Department of Military Affairs has asked the Governor to introduce one bill in the 1981 Legislation.

The bill has three parts:

The first part proposes that the reimbursement of tuition and fees for members who attend an educational, vocational or training school in Alaska be extended to retired members. This proposal is designed to provide an additional incentive to stay in the Guard until retirement and reward, in a small way, those retired members who would like to continue their education. We anticipate that no more than 15 members would take advantage of this proposal each year. The average reimbursement is \$125.00 per year per person, making the total cost of this proposal between 2 and 3 thousand dollars annually.

The second proposal is designed to protect the families of the lower rank enlisted members from a dramatic financial loss in the event of an extended State Duty period. It provides a minimum of \$65.00 per day in FY 82 and an adjustment for inflation each year thereafter. It also ensures that members called to State Active Duty are covered by the Workman's Compensation Act. The fiscal impact of this proposal would be felt only in the event of a major disaster. The funding would come from the Governor's Emergency Fund.

The third part is identical to a bill submitted by the Governor last year and proposes a restructuring of the reenlistment bonus. A reenlistment bonus in the amount of \$3,000 will be paid for the first 6 year reenlistment only. The payments will be \$1,000 each, payable every two years. At the end of the initial reenlistment, the bonus stops. Payments would be made to the Guard members during their 6th through 12th year of total military service. This period has been determined as the "decision making" time for Guard members as to whether to stay until retirement or quit. We feel that paying this bonus during the decision years is the best possible use of a reenlistment bonus and conforms very closely to the bonus offered by the Federal Government for the active component personnel. Those members currently receiving a reenlistment bonus under AS 26.05.265 would continue to receive those bonus payments.

Same as SB 54

24-15

week from Friday Fairbanks
Evening hearing Capital Move
Sat morning Anchorage
All Day hearing -
Ketchikan back to Juneau

H.B. 351
1630
3:00
3:48
291
H.B. 351
in April
to Finance Committee
275

Ketchikan on Mon Monday afternoon
Monday night & Tuesday morning

20

- FRIDAY, MARCH 27

ACIKSA
JUNEAU - FAIRBANKS
6:15 - 7:05 AS 67/AS 87

⊕ SAT. MARCH 28
7:00 - 7:50 AS 92

⊗ FAIRBANKS TO ANCHORAGE
SUNDAY, MARCH 29
ANCHORAGE TO JUNEAU
11:50 - 4:55 AS 66

⊗ MONDAY, MARCH 30
1:45 - 4:05 AS 64
JUNEAU TO KETCHIKAN

KETCHIKAN TO JUNEAU
10:00 - 10:50 pm AS 64 [50]

JUNEAU TO KETCHIKAN
LEAVE 12:20 pm
1:10 pm

Belgian

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COMMITTEE REPORT

HOUSE

3/13/81

FURTHER:

(5)

Date: 6-1-81

Mr. Speaker:

The Committee on STATE AFFAIRS has had SSSB 72am

"An Act relating to veterans and public records."

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
- new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING

DO PASS

[Handwritten signatures]

MEMBERS HAVING

OTHER RECOMMENDATIONS:

[Handwritten signature]

CHAIRMAN

SPONSOR SUBSTITUTE FOR SB 72

AS A RESULT OF RESEARCH THIS PAST SUMMER, IT WAS DISCOVERED THAT MOST STATES ALREADY PROVIDE THE VETERANS' BENEFIT THAT THIS BILL PROVIDES. IN FACT, 42 STATES PROVIDE FREE RECORDING AND COPIES OF THE ARMED FORCES REPORT OF SEPARATION (SOMETIMES REFERRED TO AS DD214 OR DISCHARGE CERTIFICATE) AND FREE COPIES OF OTHER DOCUMENTS REQUIRED TO DETERMINE THE ELIGIBILITY OF AN APPLICANT FOR A STATE OR FEDERAL VETERANS BENEFIT.

IF THIS BILL IS PASSED, A CERTIFIED COPY OF THE REQUIRED RECORDS CAN BE OBTAINED, WITHOUT CHARGE, BY THE STATE VETERANS' AFFAIRS DIVISION, THE U. S. VETERANS ADMINISTRATION, THE APPLICANT HIMSELF, OR A PERSON AUTHORIZED TO ACT ON THE APPLICANTS BEHALF.

A VETERAN MAY RECORD, WITHOUT CHARGE, HIS REPORT OF SEPARATION FROM THE SERVICE AT A DISTRICT RECORDERS OFFICE (WHICH COMES UNDER THE DEPARTMENT OF NATURAL RESOURCES) AND THAT OFFICE SHALL PERIODICALLY SUBMIT COPIES OF THE SEPARATION REPORT TO THE BUREAU OF VITAL STATISTICS (WHICH COMES UNDER THE DEPT. OF HEALTH AND SOCIAL SERVICES).

THE BUREAU OF VITAL STATISTICS WILL KEEP COPIES OF SEPARATION REPORTS RECEIVED OF ALL PERSONS WHO ARE BONA FIDE RESIDENTS OF ALASKA AND WHO ACTIVELY SERVED IN THE ALASKA TERRITORIAL, THE ORGANIZED RESERVES, THE *State* NATIONAL GUARD, THE U. S. ARMY, NAVY, *Air Force* MARINE CORPS, OR COAST GUARD

WHICH COMES UNDER THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES.

IN THIS WAY, AN AUTHORIZED GOVERNMENT AGENCY OR PERSON CAN APPLY TO ONLY ONE AGENCY TO OBTAIN MOST OF THE DOCUMENTS (SUCH AS AN ARMED FORCES SEPARATION REPORT, MARRIAGE CERTIFICATE, DEATH CERTIFICATE, ETC.) WHICH MAY BE NEEDED TO DETERMINE AN APPLICANTS' ELIGIBILITY FOR A STATE OR FEDERAL VETERANS BENEFIT.

IN ADDITION TO INDIVIDUAL VETERANS, BOTH THE STATE VETERANS AFFAIRS DIVISION AND THE U. S. VETERANS ADMINISTRATION SUPPORT THIS BILL BECAUSE IT WILL EXPEDITE THEIR WORK IN SERVING VETERANS. IT WILL SAVE BOTH TIME AND MONEY. THE FISCAL NOTE WAS ONLY \$600.00.

I URGE THE PASSAGE OF THIS STATE VETERANS' BENEFIT THAT MOST OTHER STATES ALREADY PROVIDE.

DISTRIBUTED BY SENATOR BRAD BRADLEY