

HOUSE/SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2588

Representative Haugen objected. However, the motion carried and \$110.0 general funds were appropriated.

Fairbanks Regional Office Generator (22.3 G.F.) Rep. Naughton said he had no recommendation to make on this item. Rep. Cowper said they are worried about the power going off all the time. However, he moved to appropriate "0". No objection, it was set at "0".

Chilkoot Weir Addition (63.6 G.F.) Rep. Naughton recommended \$63.6 G.F. No objection, so ordered.

Big Lake Expansion (315.0 G.F.) and Tutka Expansion (420.0 G.F.) Rep. Naughton recommended that both these items be approved for general funds. Rep. Gruening moved to appropriate \$315.0 and \$420.0 general funds. No objection, so ordered.

Oil Spill Analysis Equipment (145.0 G.F.) Representative Naughton moved to appropriate \$145.0 general funds for this. Rep. Haugen objected. The motion carried by a vote of 6 to 2 (Haugen and Gruening opposed).

This concluded the recommendations on NRMEC.

EDUCATION (page 16)

EDUCATION

Sewer Repair, Installation (65.0 G.F.) Subcommittee Chairman Gruening recommended "0". No objection, so ordered.

Film Acquisition, State Library (100.0 G.F.) Rep. Gruening moved to adopt \$50.0 in general funds. No objection, so ordered.

Rare Alaskana, State Library (10.0 G.F.) Rep. Gruening moved to adopt "0". No objection, so ordered.

Museum Acquisition (25.0 G.F.) Rep. Gruening moved "0" for this item. No objection, so ordered.

Lighting, Carpeting for Juneau Museum (32.0 G.F.) Rep. Gruening recommended "0". No objection, so ordered.

Kodiak FM Radio Equipment (16.9 G.F.) Rep. Malone moved "0" for this item. No objection, so ordered.

VARIOUS TRANSLATORS

T.V.
Translators

Rep. Gruening brought up the subject of translators, reporting that there has been a budget prepared (not in Governor's budget) for completion of the translator project that would extend KAKM to Talkeetna, Homer and Palmer. Requested amount is \$108.0. He also mentioned cost overruns of \$18.4 on repairs needed for the Bird Creek System (4.0) and the Mini T.V. Station in Seward (14.4).

After a considerable discussion about T.V. translators, Representative Malone recommended that we appropriate \$108.4 general funds to the Educational Broadcasting Commission for the extension of the translator system to the balance of the Western Kenai Peninsula and Mat-Su Borough, and provide \$18.4 within that amount for a Mini T.V. station in Seward. Rep. Duncan moved to adopt this recommendation. No objection, so ordered. \$108.4 was approved.

Extend
Translator
System &
Mini-T.V.
Station in
Seward

Rep. Guy then provided the committee with some information he had received on the translator system for Kuskokwim Community College. The request is for \$221.9 to complete the instructional T.V. system at Kuskokwim Community College (KYUK translators).

Representative Malone moved to appropriate \$222.0 in general funds for completion of the instructional T.V. system at Kuskokwim Community College. This will be a grant to the Kuskokwim Community College. No objection, so ordered.

Instructional
T.V. System
Kuskokwim
C. C.

Anchorage Consortium Library (add-on). Representative Malone moved to appropriate \$50.0 general funds for the Anchorage Consortium Library. No objection, so ordered.

Anchorage
Consortium
Library

Rasmussen Library. (add-on) Rep. Cowper moved to appropriate \$10.0 general funds for rare books at the Rasmussen Library. No objection, so ordered.

Rare Books
Rasmussen
Library

Rep. Haugen moved to adopt the following intent: That the Division of Communications develop cost figures for television translator systems in Southeast Alaska, with regard to a hook-up from Ketchikan to Skagway and Haines. The motion was restated by Chairman Malone as follows: That the Division of Communications develop costs for a public broadcast T.V. System for Southeast Alaska. No objection, the motion was adopted.

Intent
Re Develop
Costs for
SE Alaska
T.V. System

School at Brown's Court. Representative Naughton spoke in favor of providing funds for a model school at Brown's Court, which was a request from Rep. Swanson. Rep. Malone moved that \$225.0 general funds be appropriated for a school at Brown's Court. This will be a grant to REAA #14 from the Dept. of Education. No objection, so ordered.

School at
Brown's
Court

Rep. Malone brought up a request he had received from Rep. Osterback for a harbors study at St. Paul and an airport study at Sandpoint. He said the committee could consider this under an appropriation bill it has in committee.

Adjournment. Consideration of the general fund portion of the capital budget being concluded, the Chairman adjourned the meeting at 6:10 p.m.

Adjournment
6:10 p.m.

HOUSE FINANCE COMMITTEE
Monday, April 19, 1976
10:10 a.m.

Members present: All members were present except Rep. Buchholdt. PRESENT

Others present: Jim Rhode, Assistant to Rep. Malone; Jay Hogan, Director, Legislative Finance Division; Bob Schroeder, Glen Vernon, Bob Grogan, Milt Barker, and Alison Farnan, Fiscal Analysts, Legislative Finance Division.

Rep. Malone called the meeting to order to go over the budget totals. BUDGET TOTALS

<u>Public Protection:</u>	<u>Total</u>	<u>General Fund</u>
Governor's request	\$19.3 million	\$15.0 million
Committee approved	18.5	14.4
<u>Justice:</u>		
Governor's request	67.6	63.9
Committee approved	66.9	63.2
<u>Development:</u>		
Governor's request	38.5	35.7
Committee approved	40.6	37.7
<u>General Government:</u>		
Governor's request	54.6	37.7
Committee approved	52.7	37.0
<u>Social Services:</u>		
Governor's request	99.5	40.9
Committee approved	93.5	39.8
<u>Health:</u>		
Governor's request	51.5	34.4
Committee approved	48.5	32.0

<u>Transportation:</u>	<u>Total</u>	<u>General Fund</u>	BUDGET TOTALS
Governor's request	\$118.9 million	\$100.1 million	
Committee approved	117.4	98.7	
<u>Natural Resources:</u>			
Governor's request	58.4	41.5	
Committee approved	55.2	38.9	
<u>Education:</u>			
Governor's request	267.9	218.4	
Committee approved	266.1	218.3	
<u>University of Alaska:</u>			
Governor's request	93.9	50.5	
Committee approved	95.0	52.8	

(Tape stopped at #1604, 11:15 a.m.)

Rep. Malone moved to delete \$82,100 from program services, Protective Services, Social Services component and reinstate Alcantra budget at the request level of \$630,400. The motion carried unanimously. The new committee approved total for Social Services is \$94.0 million. General Fund, \$40.1 million.

REINSTATE-
MENT OF
ALCANTRA
BUDGET,
NEW SOCIAL
SERVICES
TOTAL

The meeting was adjourned at 12:00.

Tape H76-65
Beg. 0429
End 1604

HOUSE FINANCE COMMITTEE
Monday, April 19, 1976
1:30 p.m.

Chairman Malone called the meeting to order. All members were present excepting Gruening and Buchholdt.

S.B. 731, the bond issue for parks and recreations capital improvements, in the amount of seven million dollars, was compared to H.B. 613, its amendments from the House Resources Committee with attached letter.

SB 731
COMPARISON

Duncan saw the problem of development as much more important to fund than land acquisition because that was what the people want, he said.

HB 613

Malone agreed, but said the parks could not get property through eminent domain nor buy it reasonably. He thought the committee should limit the bond issue to park development, and put the question to the committee.

Duncan make a motion to report out Finance Committee Substitute for SB 731 incorporating the House Resources Committee amendments for HB 613, projects 4, 10 and 11.

MOTION

Naughton objected. He thought all acquisition dollars should be deleted. Gruening also objected. Malone said there was another million in federal matching funds. That money was in the budget bill and until they knew what projects are approved, they would not know what to appropriate, he added.

Malone asked Gruening where the Chugiach acquisitions were. They were described to be Rabbit Creek and three homesteads which block access. Haugen and Malone expressed their opposition to allowing purchase of lands adjacent to parks.

DISCUSSION

Malone made a recommendation for the \$300,000 item -- to take \$100,000 of it to put in the Totem Bight Park restoration, Ketchikan. Asked where it was, he replied it wasn't any place. He said unless that is restored quickly there wouldn't be much left there to restore. As to the Homer-Kachemak

Bay acquisition, land won't go away. His second recommendation was to provide some funding for state fairs.

FURTHER
DISCUSSION

Shortly after Chairman Malone handed the gavel to Mr. Naughton and left the room, Mr. Naughton declared a recess at the call of the chair.

RECESS

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HOUSE FINANCE COMMITTEE
Monday, April 19, 1976
7:10 p.m.

Members present: All members were present except Reps. Buchholdt and Naughton.

PRESENT

Others present: Rep. Ted Smith; Rep. Sam Cotton; and Bob Grogan, Fiscal Analyst, Legislative Finance Division.

Rep. Smith explained to the committee the projects listed in SB 731.

SB 731
G.O. BONDS
PARKS &
RECREATIONAL
AREAS

Rep. Malone moved to amend the amount for portable sanitary facilities from \$85,000 to \$50,000. There was no objection, so the motion was adopted.

Rep. Gruening moved to set up a new Section 3 to establish a \$100,000 appropriation for the Department of Community and Regional Affairs to make community beautification grants on a statewide basis. There was no objection, so the motion was adopted.

INCLUSION OF
COMMUNITY
BEAUTIFICATION
GRANTS

Rep. Naughton joined the meeting at 7:25.

Rep. Malone moved to set up a new Section 4 of the bill making an appropriation of \$2,000,000 to the Outdoor Recreational, Open Space, and Historical Properties Development Fund according to Chapter 32 Session Laws of Alaska, 1976. There was no objection, so the motion was adopted.

Rep. Gruening moved the figure of \$900,000 for the Chugach State Park acquisition. Rep. Malone objected to the motion, but the motion carried.

Rep. Malone moved the figure of \$250,000 for Chilkat State Park development. There was no objection, so the motion was adopted.

Rep. Naughton moved the figure of \$50,000 for Chilkat State Park acquisition. Rep. Malone objected, but the motion carried.

Rep. Malone moved \$75,000 figure for the Deep Creek Wayside. There was no objection, so the motion was adopted.

Rep. Malone moved \$250,000 figure for Fort Abercrombie. There was no objection, so the motion was adopted.

SB 731

Rep. Naughton moved \$235,000 for the Denali State Park development. There was no objection, so the motion was adopted.

Rep. Gruening moved to delete the Kenai Peninsula development of \$255,000. Rep. Malone objected, but the motion carried.

Rep. Malone moved that a new item be placed in the bill, Totem Bight Restoration, Ketchikan, \$100,000, for totem pole restoration. There was no objection, so the motion was adopted.

INCLUSION OF
TOTEM BIGHT
RESTORATION

Rep. Itta moved that action be rescinded. The motion failed.

Rep. Malone moved \$100,000 for Kachemak Bay State Park development. There was no objection, so the motion was adopted.

Rep. Malone moved \$100,000 for Kachemak Bay State Park acquisition. There was no objection, so the motion was adopted.

Rep. Malone moved the figure of \$25,000 for Pleasant Camp. There was no objection, so the motion was adopted.

Rep. Duncan moved to line item Eaglecrest Recreational Area in Juneau, \$150,000. It would be a \$100,000 deletion from Section 4 of the bill to make it \$1,900,000. Rep. Cowper objected, but the motion carried.

INCLUSION OF
EAGLECREST
RECREATIONAL
AREA

Rep. Naughton moved the figure of \$75,000 for the Ninilchik Camp. There was no objection, so the motion was adopted.

Rep. Malone moved the figure of \$50,000 for the Caines Head Recreation Area. The motion carried.

Rep. Malone moved the figure of \$725,000 for the Chugach State Park development. There was no objection, so the motion was adopted.

Rep. Malone moved to restore the local government projects portion to \$2,000,000. There was no objection, so the motion was adopted.

Rep. Naughton moved the figure of \$100,000 for statewide planning projects. There was no objection, so the motion was adopted.

SB 731

Rep. Cowper moved the figure of \$25,000 for the Nancy Lake Utility improvements. There was no objection, so the motion was adopted.

Rep. Naughton moved the figure of \$250,000 for the Dry Creek Campground. There was no objection, so the motion was adopted.

Rep. Cowper moved the figure of \$50,000 for the Clam Gulch parking improvements. There was no objection, so the motion was adopted.

Rep. Cowper moved to delete the Nancy Lake Recreation Area acquisition. Rep. Gruening objected, but the motion carried.

Rep. Cowper moved the figure of \$75,000 for the Dry Creek Archaeological site. There was no objection, so the motion was adopted.

Discussion began on inclusion of state fairs in bond issues. Rep. Cowper moved the following figures: Tanana, \$450,000; Palmer, \$450,000; Kodiak, \$140,000; Ninilchik, \$20,000. Rep. Duncan objected to the exclusion of the S.E. Fair. Rep. Malone moved to amend the motion by reducing the Chugach acquisition to \$800,000 and Denali to \$200,000 and changing the S.E. Fair to \$100,000 and the Ninilchik Fair to \$25,000. The amended motion was adopted.

INCLUSION OF
STATE FAIRS

Rep. Malone suggested drafting a letter of intent stating that it's desired that the appropriation for community beautification be for communities of 1,000 population or less.

LETTER OF
INTENT

Rep. Naughton moved to adopt a Committee Substitute for SB 731 incorporating the changes and report out the same. There was no objection, so the motion was adopted. The committee report was circulated with the majority signing "do pass" recommendation. So, CS for SB 731 was reported out with a "do pass" recommendation.

CS for SB 731
REPORTED OUT
DO PASS REC

The meeting was adjourned at 10:55.

HOUSE FINANCE COMMITTEE
Tuesday, April 20, 1976
9:30 a.m.

Chairman Malone called the meeting to order. All members present excepting Gruening, with Clark Gruening and Brena Itta entering late. Glenn Vernon, budget analyst and visiting highschool students and teachers were also present from Anchorage.

The University of Alaska bond issue in the amount of \$15 million to pay the cost of capital improvements, HB 617 was before the committee, together with CSSB 587, G.O. Bonds of \$12 million for U. of A. capital improvements and SB 734 and SB 734 for G. O. bonds in the amount of \$15,000,000 for cost of capital improvements, U. of A. These represented 37 MM worth of requests that had come into committee to be fit into a 25 MM proposal made by the chairman and assented to by the committee members. CSB 587

The chairman had the committee refer to a Legislative Finance synopsis prepared of all the bond issues in to date. The Governor had suggested that 240 MM would be the ceiling on bond bills and the Finance committee wanted fifty percent above that figure because of placement of emphasis on the rural schools this year.

HB 617 was described as placing emphasis on the three main campuses and had come from Select Subcommittee of the House. Details in this bill were discussed reflecting cost of campus classroom expansion and the strong possibility of AMU property acquisition by the state with a recently submitted proposal by the AMU board and counter proposal by the state. HB 617

Gruening thought that information was incomplete. The chairman asked members to hold the bill for the evening meeting. He assigned HB 659 to Duncan, HB 871 to Cowper, and to himself, HB 897 and SB 605. The committee meeting was adjourned at 10:15.

1:30 p.m.

The meeting "met on adjournment" at 1:00 for a testimony on Alaska Methodist University presented by Mr. Gruening. At 3:00 p.m. a caucus review was called and the remainder of the afternoon was to have been spent on the operating budget.

WY B. HAMMOND
GOVERNOR

*Pres. Wellenbach
appears to talk*



11:30 a.m. meeting

CSSB 587

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

4-20-76

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Key

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start)*

Sachsis

12:

Ostrachy

Osterback

April 14, 1976

The Reverend A. C. Wischmeier
Chairman
Board of Trustees
Alaska Methodist University
Providence Drive
Anchorage, Alaska 99501

Dear Chairman Wischmeier and Members of the Board:

The purpose of this letter is to convey to you the Administration's response to the proposal offered by the members of the Board of Trustees during their recent visit to Juneau. Their response is offered after considerable discussion with representatives of the executive branch as well as the legislature.

The following are the basic points of this proposal:

- (1) The State of Alaska will purchase the lands and facilities as outlined in earlier agreements. Alaska Methodist may retain twenty-seven and one-half acres adjacent to Providence hospital.
- (2) The State will pay \$15.5 million for said property. The \$2.3 million already paid in Fiscal '76 shall be applicable to the purchase price. A \$3 million payment shall be made from the General Fund for Fiscal '77. The remainder shall be funded through a bond issue offered for voter approval in the fall of '76.
- (3) Because the State is purchasing the land and facilities for use by the State, there will be no recovery option for Alaska Methodist University on the property or facilities included in the sale.
- (4) The State is willing to lease portions of the facilities for use by Alaska Methodist University under the usual leasing arrangements.
- (5) AMU will apply proceeds of the sale to education in Alaska.

*100% of AMU
sales guaranteed*

course, all provisions of this proposal are subject to legislative approval.

While I am not willing to include additional details or obligations as part of the negotiated sales purchase, I do plan to encourage the transfer of the nursing program to the University of Alaska to protect its accreditation and I shall

Reverend Wischmeier

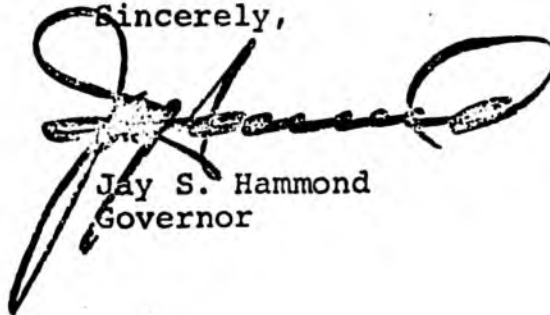
-2-

April 14, 1976

encourage the University of Alaska to provide for completion of academic programs by the third and fourth year students of Alaska Methodist University.

It is my studied opinion that this is a fair and just offer and that it is also in the best interest of the State of Alaska.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jay S. Hammond". The signature is stylized with large loops and a long horizontal stroke.

Jay S. Hammond
Governor

*Just further to your...
...a lot to trust of...
...concerns*

alaska methodist university

SALES PROPOSAL APRIL 17, 1976

The Board of Trustees of Alaska Methodist University, on April 16, 1976, agreed to the following sales proposal for its lands and facilities to the State of Alaska as outlined in the option agreement dated June 5, 1975. This proposal amends Alaska Methodist University's proposal of Contract Sale delivered to the administration and legislature during the week of April 5, 1976, and is in response to the Governor's letter of April 14, 1976, and to the proposed House Resolution No. 5.

The following are the basic points of this proposal:

1. A.M.U. will sell the lands and facilities as outlined in earlier proposals. A.M.U. will retain twenty-seven and one-half acres adjacent to Providence Hospital.
2. A.M.U. will sell said property for \$15.5 million. The \$2.3 million already paid in fiscal 76 will be applied against the sales price.
3. An installment sales contract will be entered into between A.M.U. and the State for said sale providing the following:
 - A. \$3 million downpayment.
 - B. Six year equal annual payments at interest.
 - C. Right for state to prepay all of the principal and interest at anytime during six years.
 - D. Standard mortgage default provisions regarding foreclosure upon failure to make timely payments.
 - E. Release of mortgage at time debt for purchase is paid in full.
4. State to assume bond indebtedness of approximately \$3 million on facilities. (Currently HUD and HEW bonds totaling \$2.7 million

SALES PROPOSAL

April 17, 1976

PAGE TWO

plus accrued interest are outstanding. Said bonds are due serially in

1975 through 2000 at 3 3/8% and 3 5/8% interest).

STATE FINANCE COMMITTEE
Tuesday, April 20, 1976
7:00 p.m.

Chairman Malone called the meeting to order. All members were present excepting Gruening and Cowper who arrived later. Also present were Joe LaRocca, the press, Rep. Osterback, Glenn Vernon and Allison Farnan, the latter two budget analysts. PRESENT

Bond bill SB 734 for the University was brought out. Duncan pointed out that the amount for the bond bills together would amount to 29.8: SB 734 and CSSB 587. UNIVERSITY BOND BILL

SB 734

Chairman Malone handed out work lists of amounts from which the committee could work to make their recommendations.

Cowper arrived.

25 MILLION

Malone made an advisory motion that the committee hold to the sum of 25 million dollars. There was no objection, and in the form of a motion this was adopted. Haugen, however, registered dissatisfaction, saying there were 10 MM unissued bonds and he would like to see the university clean up what they have on hand. He quoted from the official statement of the U. of A. The two things he would support were the construction cost for 10 MM and the new museum at 15 MM, now under construction.

HAUGEN'S
OBJECTION

Haugen moved the first page of the second year impact sheet from which the committee was working. The total would have been 20 MM. Buccholdt objected. Itta objected. Motion failed 4 to 5.

Cowper moved to accept the recommendations on both pages as to individual campuses, with the provision that further motions can be made with individual categories.

MOTION BY
COWPER

Chairman Malone quieried, "What you want to do is to set a limit on each campus".

LIMIT ON EACH
CAMPUS

Cowper moved the total figures for each campus for SB 734. Basically it would set a limit on each campus to the amount set out in the proposal on a school by school basis; in other words, an acceptance of the subtotals.

During discussion, Naughton commented that the Seward Science Center was not all that pressing. He recalled the history of placing the Marine Science Center, first in Kodiak, but that aborted, then in Anchorage where there was no "water" and now Seward. It should be in Kodiak where it was planned in the first place, he said.

SEWARD MARINE
SCIENCE CENTER

Itta agreed with him. She added that expenditures were also unnecessary for classroom and faculty offices in Anchorage because of the impending sale to the state of the AMU campus. Instead, Barrow and Kotzebue extension centers could use more money and she made an ammended motion to this effect. Chairman Malone restated the action that she was moving an amendment to Cowper's motion. Gruening objected, but the amendment motion passed.

Gruening made a second amenment motion to Cowper's motion to add in the Marine Science Center at Seward to support Phase II of the project there. Naughton did not like the idea as he thought the science center was not supportive of better fisheries but was doing things such as extracting gold from the ocean. Malone read a description of their program. The amendment vote lost 4 to 3.

Haugen said that action was an outrageous mistake. He made a motion to rescind the committee's action for failing to adopt the motion which he originally had made to adopt the first page of proposals in the amount of 20 MM. That included the Seward Marine Science Center. His motion failed 1 to 7.

LIMIT
FOR
EXPENDITURE
SET

Buccholdt made a motion for \$1,050,000 as in the proposal for the lab space of 6500 sq. ft. for the Marine Science Center in Seward and to write it in a second committee substitute on page 1, line 29. During discussion, Guy said if they were to include lab space they ought also to include the holding tanks. Malone agreed. Gruening said that although they had large tanks there now they needed certain ones specified for salt and for fresh water relating to research. Haugen said the 2.9 MM original request included a dock for 800.0 and read from the justification page in the blue book the list of items they requested. With no objection, Buccholdt's motion was adopted. The Seward Marine Science lab figure was set at \$1,050,000.

Cowper asked if the committee was now over the original 25.0 MM budget limit and Haugen said they were by 25,800,000. "We added Barrow and Kotzebue at 750.0 and 500.0 respectively", he said. Malone said that would come to \$800,000 above the working figure.

After researching the nature of Kotzebue's request, finding that half of it went to faculty housing, and hearing Itta suggest they could get along without that, Malone made a motion they take out 500.0 from Kotzebue. The motion passed 6 to 3. There was 300.0 yet to cut.

Following a brief recess Gruening made a motion to take out equal amounts from the Anchorage and Fairbanks -- \$150,000. That amount in Anchorage could be taken out of the Student Center.

%AGE CUT
FOR JNU
FAI
ANC

Cowper responded by saying he thought some ought to come out of Juneau. Duncan made a motion to apply a percentile to each budget creating a subtraction figure from Fairbanks of 160.0, from Anchorage, 100.0 and from Juneau, 40.0. "Nothing is fairer than that", he concluded.

Duncan amended Clark Gruening's motion to the above figures. Gruening objected. Duncan's motion carried.

Further actions resulted from the working list available to members of the committee.

ADOPTIONS MOVED
INTO NEW HCS

Malone recommended in the form of a motion that the committee adoptions be incorporated into a House committee substitute for SB 734 to give 25.0 MM to the University of Alaska with allocations as adopted. The motion carried.

Malone made a motion to change the enabling language in sec. 3 to the amount 87,500. That was adopted.

LANGUAGE AMT.
CHANGED

Duncan made a motion to report out HCS SB 734, and to ask unanimous consent. It was majority Do Pass.

After a brief recess again, the GO Bonds SB 582 and HB 609 for ports and small boat harbors were brought out and compared. The committee was to decide whether to write the bill in committee or to write it in free conference. The goal for the evening was established. They would set a sum total and put constraints on the number of projects to be included.

HCS SB 734
REPORTED OUT

BOAT HARBOR
BILLS

Itta objected to Item 17 (Kake). They were working from a backup piece of material sent over from Don Statter, director of Small Boat Harbers, DPW.

HB 609
SB 582

Naughton reminded the committee that ports and small boat harbors for these communities were as roads and airports to others. He made a motion to set the spending figure at a total of 25.0 MM which was to include the Fairbanks-Chena River Control project. Gruening considered the figure too high. He would go for a 20.0 limit, plus the Fairbanks-Chena River Control project. Malone agreed with Gruening. After further discussion, Naughton's motion carried 7 to 1.

TO A SUB-
COMMITTEE

Chairman Malone said that because of the complexity of agency requests he would assign the bill to a sub-committee to revise it and bring it back Thursday morning. He appointed Naughton, Haugen and Guy.

Malone directed the committee to use the working figure of 25.0 MM which would include the Chena River Flood Control project.

Mr. Osterback, Representative from Sand Point, appeared before the committee with bills for his district for ports and harbors.

The bills were: HB 736, Special Appropriation to the Dept. of Public Works for pier and float construction at Sand Point, and King Harbor for \$800,000; HB 737, special appropriation to the Dept. of Public Works for a Feasibility Study for St. Paul and St. George at \$50,000; HB 746, special appropriation to the Dept. of Public Works for port facilities at Unalaska at \$750,000; and HB 765, Cold Bay/Unalaska GOB for \$2,500,000, a special fund which would be known as the "1976 Cold Bay Airport Construction Fund". It would be used for float planes.

OSTERBACK'S
HARBOR &
FEASIBILITY
BILLS

Regarding HB 736, Mr. Osterback said he wanted \$400,000 for Sand Point and King Cove each. Several boats were broken up there this past year, he said.

Regarding HB 737, he said there is no more fur sealing in those two communities now but there are rich fishing grounds to be exploited; but they had no processing plant. He described the area from Cape Niningham 200 miles SE to Dutch Harbor.

Regarding HB 765 for Unalaska, he said many boats have to put in at Dutch Harbor because there is no place at Cold Bay. It was near the oil activity in the Bering Sea and many tankers from all over use it. Reeve and Flying Tigers also use it. The dock was crippled up, in bad shape and the service to the chain lessened.

After hearing all the explanations, the chairman thanked Mr. Osterback.

ADJOURNMENT

The meeting was adjourned at 11:30 p.m.

mb