

HOUSE/SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2770

Side 1
Side 2

General Subject:

HB 556 (FY 81 Budget)

Development + University + Nat Res

Log #	Description
548	Hohman: <u>170.0</u> F/AK Native Tourism Assn - No ob UNIVERSITY
588-619	(At Ease?)
623	p 13 - ^(p??) Inter-Collegiate Athletics - Scott: Explained Meekins: Pull out \$ UA - Anchorage + put in separate House
686	p 17 - Scott: External Audit
FCC 80-12, Side 2	
006	Sackett: House + 100.0
●	p 27 - 40.0 Horticulturist transferred in from Dev - Scott: Sugg ^{put on} p 29 Sumner: Moved 20.0 Perma Frost Duncan: Moved 55.0 grants Sea Search Lmt'd, Anke Bay Meekins: Moved AK Eskimo Waling Comm (AEIDC - Scott) Nuppiot
●	p 29 - Meekins: 469.0 No Slope Borough - No ob;
060	p 20 - Meekins: House
●	p 29 - Rogers: Duplication HB 60 reindeer program - No ob;
●	p 33 - Meekins: Intent (Sea) Organized Research
095	Recess 5:05pm - Reconvene 5:20pm
	NATURAL RESOURCES
102	p 165 - Sackett - Sumner: Moved 234.6 Senate fig + the position
●	p 167 - Sumner: 176.4 Resource/Inventory Assessmt - No position
●	p 5 - Sackett: 35.0 Mauveluk CSCR Board - No ob;
145	p 191 - Meekins: 40.0 f/garbage ^{maintenance} pickup Kenai area 30.9 f/park ranger in Nat-Su Dist } No ob;

General Subject: HB 556 (FY 81 Budget)

Natural Resources

log #	Description
	Duxon 20.4 SE Dist park Chilkat St Park } No Meekins: 37.0 ranger fr } obj
175	p205 - No obj (No additions)
	p207 - Lehr: Request add back *396.3 for salmon studies + S fig Lehr: Requests are f/less than originally requested
195	Smith: Stmt on Dept list of projects & how they didn't know ^{f/the} Subcom
	Grogan: H-fig allows 18% increase, S-slightly less; S-disallowed all positions
	Montgomery: \$6500.0 - No obj - Withdraw
	Sumner: Senate - No obj
209	p209 - Grogan explained H-S differences Lehr: Request ^{add} back *145.6 more charters f/shrimp + crab + H fig Meekins: 2061.4 - T
	p207 - Meekins: 95.0 f/sonar monitor Kenai-Ninilchik rivers Spec projects - This f/FY 81 (FY 80 in HB 60)
310	Meekins: New BR U for Special Projects (put 95.0 here)
358	p211 - S+Gov same H is reduction Meekins: House
383	p213 - Grogan: Error here in Both H-S figures - part of DP problem Discussion on Data Processing problem affecting several components Lehr: Stmt ^{190.0 net figure request} on Dept's position (Grogan: memo on this-passed out) Sackett: 1311.4 Grogan: Stmt on Intent/agreed to by both components
446	Meekins: Moved Grogan's figures - No obj Lehr: ^{Adm position} Data Center should remain in Dept F+G + not transferred to Limited Entry
502	p215 - Ground Fish - Lehr: Same as Gov-funded from program rects Sackett: House

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Natural Resources

Log #	Description
	kehr: Shown as inter-agency rects
	Meekins: Move Governor's figure
540	p219 - Sport Fish - Sackett Senate Grogan: Explained (163.2 misc) H-S differences (p226 Intent discussed) Senate kept separate on king salmon; House rolled into one Grogan: 26 new positions discussed - no GF news pos H + (king salmon) Intent
623	p219 - Smith stmt on king salmon intent; House was not to keep open
661	p221 - Sumner - House - Duncan: 35.0 for Poland Creek clip + take program in Skagway
	p223 - No obj
	p FRED Div
FCC	80-13, Side 1
001	kehr: Add 315.0 to Senate - Meekins: so moved Sackett: 30.0 Clear Air inventory Meekins: Moved to adjourn
028	Discussion on when to meet tomorrow (Sat)
039	Adjourn 6pm - Meet tomorrow from 3-5 or 6pm

Tape #: 13 Side 1

RECORDER LOG

Date: 5-24-8Beg. #: 39Time: 3:05

End #: _____

Page: ①General Subject: HB 556

Present: SEN. SACKETT, HARMAN, SUMNER
HOUSE: MONTG, MECKINS, DIXON
LEHR, GREGAN,

Log #	Description
● 39	p. 233 NRMc Skt MVD HS no obj p. 235 Skt MVD HS no obj p. 239 LEHR <u>65.6</u> over bdt for travel <u>no obj</u> Sum : MVD 40.0 ALK 300 GRGN p. 243 WOULD BE BETTER p. 241 PUB COMMUNIC. LEHR ADD 30.0 back Skt MVD HS no obj p. 243 LEHR ASKED for HS BOST Sum : MVD 40.0 ALK 300 no obj
● 166	p 249 Skt - ~~AND~~ ASKED SALLY SMITH ABOUT REDUCTION SALLY (NON-GAME fig W)

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Log #

Description

780
~~790~~

SKT MVD HS BASE

ADD (TOTAL 266.2) 200. fed for research incre
ment

66.6 GM Bio II

intent = 2 bio III fm FBKs to McGrath

1

"

ANCH St Marys

= Gf. WLD BE 66.2 incr. & then just
move 2 biologists= CHRYSAL: explained fuller's concern to
get biol out in field.= ~~no obj.~~ Sally Smith obj = subcommittee
balance wld be re-arranged.

= Skt: still want to use existing pos. not new

= Smith: ex. biol king salmon w/o allowing
deficiency in the Arctic.= Mkns: it is true that bdst^{should} be looked at as
a whole. we need to make general idea
of consistency.= mk. obj.

= Skt MVD HS AS base

GM Biol McGrath

"

"

St Marys

"

"

King Salmon

= Hhm =

= Russ = (5 & 6) we have had Game Biol
king Salmon before = economic reasons

General Subject: _____

Log #	Description
314	RUSS = (f & G) = justify pos, rather than macro level they do now Mkns: ~~About~~ How much \$? Grn: About 163.2 Hm: Asked how the posit. could save resource. RUSS =: one more pressure - there are more airplanes ^{there} now.
364	Mkns: requests are quite significant: asked to hold until he could review (whole pkg) Skt: fine = but we should meet for 3 hrs. tomorrow HOLD GAME DIV. <u>OPEN</u>
397	~~p. 243~~ ~~MASKINS~~ - MVD TO ~~p. 261~~ - ALSO REST TO p. 289 p. 289 - PUB SAFETY - ENFORCEMENT
445	- ~~Rep~~ Smith - on requested positions felt the dept. didn't have legit req. on posit. ^{enf.} Locations were chosen for statewide - posit's in FBES, ANCH, KODIAK Simmer: same argument w/ new posit vs. ^{utilizing} ~~relocating~~ existing posit. Smith: Skt Sum mv Ben Mk ob Sum mv HS Skl obj leave <u>open</u> -89-

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Log #	Description
522	p.293 Skt mvd Sen. mk: obj; Skt: 10 min. break
530	p.293 Skt mv Sen no obj; p.295 Sct mv Hs no obj; p.335 = LEHR PSD OUT B.A. to normalize inspection functions (-)
566	mk: Asked About Types of inspections & duplications poss. of combining efforts lehr: yes, cross-training too p.3 of handout = most from Hess to ^{PUB} PROT. only thing left in ag. insp is one, rec mv to Devel. categ. \$125.0 just for 1st yr (for cross-trng etc.) Hhm: net effect? lehr: \$125.0 over fcc \$ (1 time exp.) mk: Put in Gov's cor mk: Breakdown of 125.0? lehr: hand-out on that.
656	mk mvd re-org #'s on p.3 of handout and \$125.0 no obj TOTAL (2014.8)
	p.349 mk mv Sen

* Side 2
 * footage #5
 General Subject: Wrong

tape 14
 side 1

Log #

Description

p. 367 Grant: 173.0

p. 193 Summ. 46.6 Grnt
 Anch munic. Analysis
 safety & Hlth - recreation

no obj
 MVD

p. 193 Duncan - 367.0 pymt of grants to persons
 rec'd for st/fed grnts Hist site
 (shortfall of fed funds) prog.

Skt - HOLD on that

735 p. 207 SALMON (f & g)

Lehr - we req re-instate 396.3 variety of studies
 statewide studies - read list.

montg: MVD HOLD - no obj.

UNIV OF AK

~~263~~
 Tape 14
 Side 1

p. 13 inter-col athl.

Mk: MVD intent funds incl athl salaries only
 others to UA instr Bd est

no obj

Mk: MVD new BRU UA anch, men's
 basket ball (TOTAL 240.0)

UA Athlet - reduced 970.0 (total 975.0 GF)

new BRU's 2 - Anch
 1 - rest

General Subject:

log #	Description
10	p. 13 mk : ALSO sep. OUT TWO FBKS <u>no obj</u>
p. 33	~~33~~ - org. res. - only slight addition in cost mk MVD DELETE POSIT 14 15 16 insert 170. for AK. native heritage film project w/ HOUSE BASE Skt - <u>obj</u> open
p. 47	INSTR - UA ANCH Skt: MK = ~~SKDL POSIT~~ ~~14, 15, 16, 17, 18~~ Skt-mvd \$7 002.0
p. 53	montg mvd 100.0 alumni assoc. located UA ANCH. in misc. no obj
p. 59	mk - mvd sen. + \$10.0 equip (incl. all + posit) ~~SEE - MVD~~ no obj
p. 61	SCOT 75.0 SEN VOC. TECH TRNG prog. MK = MVD HS minus posit 5 Dun MVD sen + posit 1, 2 ^{add} (74.8) 1909.3. TOTAL no obj
p.	mk: "univ w/o walls" proposal
p. 65	Duncan intent restate to fy 81 change "in the event" to "since there has been"

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Log #	Description
178	p. 49 mk = mvd to ADD 250.0 to Hs fig to fully fund criminal justice center. Scott = should reduce fed recpts rather than incr bdgt. Skt: ~~Hold~~
210	p. 74 - Scott expl. diff. btwn fig. MK + prob. is anch cc Skt - if we accept hs do we have to change anything besides p. 81? Scott - no Scott - expl. MK = ACC \$383. ³ need to function full yr. Skt = put it p. 74 to replace the 203.0 Hs fig. Skt: Sen fig - no obj. p. 81 Skt = Sen fig incr. new total 8772.1 ADD 12.0 dental hygiene prog. mk = 2 cis posit. (8855.5) total MK: +30.0 phys educ prog. p. 77 = CG contract - 2195.3 was total area cost diff was incl ^{SB 199} already for 300.0 Skt = reduce this by 300.0 25 2299.3 total

Tape #: 14

RECORDER LOG

Date: _____

Side 1

Page: 8

General Subject:

HB 556

Log #	Description
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log #	Descr
	p. 77
335	mk. - w/ language ?

Skt - OPEN

352 p.95 - Chukchi CC

meet 10 am. Sunday

387 adj 5:10 pm

Tape #: 14

RECORDER LOG

Date: 5-25-90Beg. #: 387Time: 10:10End #: Page: ①General Subject: HB 556

Present:

SEN: HODMAN, SUMNERHS: MEEKINS, MONTG, FURMANOTHERS: SCOTT, BARKER, J HOGAN, B. HOGAN, LEMP,
GROGAN, JACK FULLER, CAROLLA, M. CHURCH

Log #

Description

87

CALL TO ORDER 10:10 MEEKINS - CO CHAIRHMM - INTENT - O - FOR ATHLETIC DIRECTOR FROM ST. FUNDS
MEEKINS -

449

p. 95 - SCOTT EXPL. PROB. - POINTED TO LETTER FROM FERGUSON
DOESN'T REQUIRE CHANGE IN STATUTESHMM: MVD FOR CHANGE ON p. 95(2ND pt. WOULD BE NEW COMPONENT IN EDUCATION)MONTG: SUGGESTED TO HOLDHMM: ITS JUST BREAKING AWAY FROM UNIV.
STRUCTURE AND ATTACHING 13, 14 TO
SEC. SCHOOL SYST.MONTG: But if it goes here, it could go anywhereMK: WE'LL HOLDHMM: ITS SIMPLE, MAYBE FERGUSON SHOULD SPEAKMONTG: asked for input from Bd. of RegentsMK: Hold - 95 -

Tape #: _____

RECORDER LOG

Date: _____

Page: 2

General Subject: _____

Log #

Description

Hhm mvd to recess til ferguson comes

Dun - O.K. But lets go ahead while we wait

608

Mk. - RECESS tu cau of chair

Tape #: FCC-80 #14RECORDER LOGDate: 5/26/80Beg. #: 608 Side 1Time: 8:40amEnd #: FCC-80 #16 Side 1 (210)Page: ⑤ 1General Subject: FCC on HB 556 (FY 81 Budget)Present: Senators: Sackett, NohmanReprs: Montgomery, Meekins, DuncanOthers: Lehr, Sen. Ferguson, La Rocca, Dave Scott,
Mitt Charney, Rep. Tuller + Zaroff
Brian Rogers

Log #	Description
	<u>Call to order 8:40am.</u>
	<u>U. of Alaska</u>
	<u>p. 95 Chukchi Comm. College</u>
<u>670</u>	<u>Sen. Ferguson explanation</u>
	<u>U of A + REAA contract for</u>
	<u>K. thru High School curriculum</u>
	<u>Hope to have U. function under REAA</u>
	<u>This would be better coordinated better</u>
	<u>function for K thru High School and better</u>
	<u>technical + vocational training</u>
	<u>Reverse tape (Side 2)</u>
<u>001</u>	<u>Sen. Sackett need for combined function in</u>
	<u>Galena as well as Kotzebue - one facility</u>
	<u>which serves K thru High School as well</u>
	<u>as Community College function</u>

General Subject:

Log #	Description
050	Sen. Ferguson - statement re: course selection
060	Problems transferring 2yr. credit course hours to 4 year program
	Montgomery - question concerning REAA control over community college function under Univ. budget.
080	Dave Scott - existing agreement between local school district & U of A. to operate community college in area (statutory agreement required)
099	Ferguson - propose new BRU under Education rather than U of A.
107	Montgomery - Question re: teacher contracts & accreditation
115	Ferguson - Community College would probably work thru Alaska Pacific University.
126	Ferguson - Attempted legislation but felt this would be better route
134	Montgomery - Concern re: labor relations and accreditation
142	Sackett - stmt. re: small communities and high cost of community college function
151	D. Scott - stmt. re: Community College Act. Communities can contract w/ U. of A. to provide ec function.

General Subject: _____

Log #	Description
163	Sackett - p. 95 UofA (Move Chuckchi) New Component NW REAA (Education) p. 33 Motion H + 178.0 (Brian Rogers request) p. 49 Motion to add 250.0 to H figure 1537.9 new total (Meekins) p. 77 question re: area differential cost study Meekins delete 300.0 & place language here & in Budget & Audit 2299.3 new total (300.0 deleted from teacher's contract)
254	p. 125- Duncan (Rep. Zahroff)
264	Misunderstanding when budget put together Move funding so it will go thru DOE rather than UofA - switch 150 to gen. fund rather than prog. receipts.
293	p. 39 (Meekins) previously accepted (5) which deletes journals & periodicals - move to reinstate Sackett object. Brian Rogers - these are scientific journals \$200 to \$300 subscription. Have already cut these back. Need for these in biomedical area.
329	Sackett - 96.0 worth of subscriptions plus existing FY 80 funding, a great amount of money

General Subject: FCC on HB 556 (FY 81 Budget)

Log #	Description
345	Meekins- need to keep up in field thru periodicals Sackett move 50.0 back in.
	p. 134 Nahman requests KCC (427.0 total)
	p. 139 increase Yupik language ^{workshop} KCC 42.0
	p. 137 110.0 village library pilot project. (8) villages in Yukon-Kuskokwim area
	p. 143 50.0 KCC support for borough study in conjunction w/ Assoc. of Village Council
	p. 135 225.0 Wilderness College Project KCC
426	Field courses in archaeology, geology etc.
	p. 125 149.2 in misc. to be redistributed for intended use - Kodiak (redistribution list)
450	p. 111 Duncan add 7.6 to contractual (Senate fig.) + the two positions (take N figure) 7.6 funding for debt for services rendered.
470	Natural Resources — Back to U. of A —
488	p. 197 25.0 bring McGrath part-time admin. up to full time.
	p. 209 63.1 for (grants) Alaska Native Human Resource Development
527	Natural Resources — Commercial Fish p. 207

General Subject: FCC on HB 556 (FY 81 Budget)

Log #	Description
561	p. 207 Brief at ease
577	p. 193 add 367.0 for federal short fall
593	Sackett leave commercial fish & enforcement open until afternoon
609	p. 254 Game - Potter Marsh Rifle Range p. 253 Misc. 13.0 for purchase of above rifle range Rabbit Creek
640	p. 249 New Tape #15 (side 1)
002	17.0 Meekins - 2 positions Kodiak p. 43 (Game Admin)
017	p. 349 Meekins 97.0 47.0 Contractual (operator ^{training} program) 50.0 water system for Klawock p. 289 - Sackett question as to whether to accept H or S figure (5 enforcement officers) Remain open —
046	Nahman (Stimson) question re: Youth Conservation p. 183 Corps. (Youth Employment ^{Education} Program) renamed. Change name back to original (Youth Conservation Corp) unless Fed. reg.'s disallow Lehr to check on Fed. funding p. 265-180.2 Eskimo Walrus Commission (Meekins)

General Subject: FCC on HB 556 (FY 81 Budget)
Final Run through

Log #	Description
101	Education
138	Summer
	p. 17 Ltr. add 25.0 to correspondence BRU (BA) -
	p. 38 Sackett move NW Arctic Tech. Center -
	Kotzebue 150.0 ✓ (this amount dropped out of HB60)
	p. 57 Summer move 600.0 new component
	Alaska Rep. Theatre - Sackett
198	object ✓ ~~Activities~~
	p. 93 Duncan 15.0 Tlingit Haida Council
	First American's Week 1981 ✓
	Montg. 228.0 statewide travel all
	school districts - all activities ✓
246	p. 119 Meekins 1, 2, 5, 6, 7, & 8 (positions) (Fbks.)
	those people & H funding ✓
261	p. 121 - House ✓
	p. 123 - House ✓
271	p. 149 - Sackett move 49.2 Alaska Native
	Oral History (Shagluk, Anvik, Holy
	Cross, Grayling) ✓
	Duncan 75.0 Tlingit Haida Council
	Oral History Southeast ✓
308	Summer 150.0 Munic. Arch. Alaska Historical
	Commission ^{for documented} Oral History ^{Intent:} (Emphasis
	Aviation related)
	Commissioner's Office ✓ -102-

General Subject: FCC on HB 556 (FY 81 Budget)

Log #	Description
	<u>Univ. of Alaska</u>
419	p. 63 Duncan (positive #1) provides outreach + 40.0 in contractual (outreach) ^{Coordinator} 383.4 new total
454	Meekins questions (1) no. of appropriations (2) vacancy 2% or 3% (3) position of Fed. Lands.
	Appropriations U. requested 6 House gave them 9
	Sackett - they can come to Budget + Audit if they wish to transfer.
	D. Scott - Univ. wants separate approp. for each community college.
500	Lehr. - Under Exec. Budget Act - cannot transfer between approp. can transfer between components.
512	Jay Hagan - statement re: fact that above is correct
530	Meekins - loosen up on approp. + see what they do..
	Sackett - no objection to funding community colleges as a pack. - Lehman no.
544	D. Scott reading of 6 approp. request areas. including cooperative extensions (?)
588	Jay Hagan - midway through Jan. (next session)

General Subject:

Log #	Description
	Legislation could handle over & underfunded areas
620	Meekins - 10 cc, statewide & to Univ. requested
	Reverse tape FCC-80 #15, Side 2
001	Scott - rural ed. also separate appropriation
	22 w/o rural ed. 23 with.
	Sackett move 23 appropriations ✓
021	Difference between 2 + 3% vacancy
	Meekins move 2% } ✓
036	Sackett move 2.5% } ✓
	Jay Hogan explain - revision of bill language
	allowing Univ. to make adjustments
	between line items & allocations.
	(Include language in Budget Act ✓)
050	Federal Funding - ?
100	Social Services
	~~p. 99~~ Sackett move 100.0 to Senate Finance
	for Tanana Chiefs Human Monuments
	p. 99, Program Interior Alaska ✓
	Duncan 32.0 to Kodiak Sr. Citizens - Home-
	makers Program. ✓
162	Lehrman - intent & approp. language change
	Human Monuments Project - Bethel ✓
175	p. 157 - Lehr request 50.0 previously deleted
	14 + 5 figure ✓

General Subject: FCC on HB 556 (FY 81 Budget)

Log #	Description
186	<u>Health</u>
215	Sumner - Move to place ^{Delta} Dental study on medicaid data processing under Budget + Audit. p. 101 Sumner - take 100.0 out of 1 million add 100.0 to B+A for the purpose of studying data processing medicaid in state. ✓
253	<u>Public Protection</u> p. 57. Sumner 100.0 misc. for study ✓ matching Alaska's employment needs, educational ability and loan programs to future employment needs (study program).
	<u>Justice</u>
323	p. 113 Duncan p. 7 Sackett move itinerant rural officer 65.3 ✓ (w/ Human Rights Commission) Stimson request p. 113 Duncan 60.0 contractual ✓ (Consultant work Chaplin Program)
410	Meekins 225.0 total 105.0 Univ. of Alaska 120.0 Corrections ForGED work at Lemon Creek Jail

General Subject: FCC on HB 556 (FY 81 Budget)

Log #	Justice	Description
410	p. 160	Meekins add 42.0 ✓
	#15	Magistrate in Quenakuk? 21.0
	#16	Magistrate in Togiak 21.0
		(Nels Anderson Request)
	Development	_____
478	p. 15	135.0 Compromise figure ✓
	p. 17 + forward	- Lehr - supplemental for this section (new approp. language)
	p. 31	140man 100.0 Bethel (munic. grant) for purchase of computer. ✓
		Lehr - reorganization of Div. Economic accepted (Mitt Barker 11455.5 Total)
		Mitt Accepted Senate funding for first 3 items and adjusted remainder.
	Lehr (above Mitt Barker)	is 200.0 ^{under} need 100.0 back in. Added ✓ (100.0)
	p 41 Duncan	- Director of Tourism's Office shall remain in Teneau ✓
462	Lehr	- request move ^{250.0} ~~200.0~~ to Gov.'s Office to fund German Office to promote tourism + econ. dev.
	Reverse New Tape	FCC-80 #16, Side 1
005	p. 41	Summer objective
		Notice passes (250.0 German Office)

General Subject: FCC-NB556 (FY 81 Budget)

Log #	Description
	p41. - 750.0 Nehman Dept. Commerce - Tourism Productive Alaska Musical (AVA Foundation (intent: 1 to 1 match AVA to hold securities of Alaska Musical) Montgomery - Object. Motion - Nehman, Summer for - Motion failed Open.
	~~p 96~~ p. 37 - Loan Fund Admin. 109.4 + 120.0 + 56.5 Closed ✓
	p 96 150.0 Meekins (City of Salmon for city administration) Object: Sackett & Montgomery — Motion fails (Meekins for)
115	p. 117 Sackett 7.0 in travel addition - both Commissioner & Deputy travel to villages (cost more to go from Tureau to Barrow than it does to go to Hawaii.) Transportation
128	p 65 Summer move 11 million (Joke) Sackett 340.0 - Kena, ✓ An. Rd. maintenance
158	General Government
210	Adjourn 12:05 pm to reconvene 12:30 pm

General Subject: HB 556 (FY 81 Budget)

General Government

Present: Sens: Sumner, Holman, Sackett

Reps: Montgomery, Durcan, Meekins

Bud+Mgmt: R Lohr, J Stey

LFD: R Schröder, A Elgee, M Barker, D Scott, J Schilz, J Hogan, R Grogan

Log #	Description
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210	Call to order at 1:05pm
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Meekins: Change mechanical inspector to plumbing inspector \$6.9 in
Public Protection budget (p103)

Holman: 14.5 cost over-runs Natl Guard Armories

245 Sumner: Moved \$6.6 Commissioner's Off Soc Svcs - p103
grant to Bartlett Mem Hosp

w/intent for the following equipment:

Durcan: 25.0 Skagway for X-ray

272 p87 Pub Prot for cost over-runs in Natl Guard Armories (Sackett)
36.0 Bethel 14.0 Nome No obj

p57 - Sumner: Intent ^{100.0} for analysis for AK Job Market
100.0 for Baluga Int'l Marketing Study } No obj

315 Natural Resources - Meekins: proposed compromise

Non-Game & Enfmt move House (xeroxed memo)

T- \$1,100.0 - No obj (Fuller \$1.9M request)

General Subject: HB 556 (FY 81 Budget)

Natural Resources

Log #	Description
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357	Hohman: More addition of 3 other projects - \$200.8 ⁰
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	Sackett: 550.0 ^{Total} Dept F+G f/variety of fish projects
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	Hohman: Nugushiak pink salmon 302.3 ³ Muskokwim 46.9 ³
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431	Break 1:15pm - Recess until 3pm + work till 6pm
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- Do Nat Res, Cap Bud + FN's

Reconvene 4:30pm

Senators: Sackett, Sumner,

Reps: Montgomery, Meekins, Duncan

436	Natural Resources
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p 207 Lehr take ⑤ figure + 396.3 ✓

Sackett moved above -

464	p. 239 Sackett 175.0 Kuskokwim River ✓
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Mgmt. study - problems

re: no. of salmon escaping

on Upper Kuskokwim.

p 345 Sackett 35.3 Fhks. Admin. ^{Asst.} I Environ. ✓

Conservation Permit Center

526	p 249 Sackett 50.0 Delta Bison Range ✓
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p. 277 - Duncan 131.0 total ✓

Biologists - Petersburg, Sitka, Haines

582	Duncan reading of proposed plan. ^{52.1} for above
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p. 261 Lehr (Vessels) Senate ✓

Request (H) Admin Asst position filled ✓

p. 251 Move figure ✓

General Subject: FCC on HB 556 (FY 81 Budget)

Log #	Description
	p. 253 move figure (Sackett) ✓
	p. 255 Sackett move figure + 13.0
	p. 257 move figure ✓
665	p. 267 Crogan - 3 new positions H allowed S did not Summer moved S figure Lehr. position needed to catch up on backlog. Meekins moves H figure - (H figure)
696	p. 269 - Orin p. 275 - Sackett move (S) ✓ p. 279 - Sackett move figure p. 283 total w/intent (continuation figure) p. 285 take the 52.6 Youth Conservation Corps. (Intent) Short fall. in Fed. funding to be replaced by general funds Capital Budget 773 Lehr - Omnibus Budget Amendment (handout) 3 parts Jay Hogan - distribute computer cut sheet. -110-

General Subject: FCC on NB 556 (FY 81 Budget)

Log #	Description
807	2 things in Soc. Services, should show on first page Omnibus B.A.
	1 Lehman - questions re: project deletion. need breakdown Western Region - Aviation & Highways. Lehr - memo from DOT attached to Omnibus B.A.
847	Five minute break 5:00 pm
850	Reconvene - 5:30 pm Lehr explain - Gov. orig budget 3 pages additions & deletions. p. 14 typo. <u>Senate figures</u> (Capital Budget Summary) 365 Seward 435 Dillingham <u>50</u> 850 Program Total Gov. Amended Capital Budget 75 Million Gen. Fund Total Health Senate add funding purchase of Studio Club & Reach
916	Duncan - what we have here is gen. fund and fed. fund - need bond funding to match fed. funding. Lehr - House bond package matches fed. funding

General Subject: _____

log #	Description
939	Sumner Health Funding in Senate budget (Studio Club) represents unique purchase opportunity - Lehr to determine rationale for turning down people project.
956	Sumner - transportation stmt. re: fire suppression - intent that fire suppression not aircraft purchase is maintained as goal. Lease more economical than purchase. Sumner suggest use of 4 PB 4's rather than C 11-15.
997	Duncan p. 10 Budget Summary Duplication Avic ^{Hydro} Village Study (taken care of in Bill) Kriik Arm Title Proj. Change tape # 17 Side 1 out Education - (deleting from Capital - to remain in NB 60)
06	Volcanic Research - U. of Alaska (Mt. Wrangell) possible eruption.
031	U. of A - no questions Social Services - U. of A - deletional instructional equipment (Lehr. NB 60 contained equipment for other campuses left in cc) Social Services - UBI benefits handled by RP

General Subject: FCC on HB 556

Log #	Description
	Holistic Health Program - thru Soc. Serv. to Education and other depts.
	Summer move 1.5 million for Studio Club purchase to be added to Gov.'s Budget Hold.
078	Natural Resources - Senate deleted land disposal survey Summer - Admin. policy Lehr - 6.9 in HB 60 is for this summer 5.9 for next summer. - extensive backup. Summer - want to defer. exactly what they intend to do + where land is located.
110	Analysts to review + comment. (Gov.'s Amend. Budget)
118	Sockett - what happened re: Main Bay Hatchery 2 mil.
128	Lehr BA 11-1 (requested 2.5 mil) that can get by on 2.0 million. Summer reduce 1.25 million fire suppression to 750.0 w/ intent that it be used for rental or lease of aircraft not purchase
	Justice — Hohman remove 625.0 in Trooper housing discourage Gov.

General Subject: _____

Log #	Description
	Development
	Questeen re: Delta Project
	Request for transportation costs ?
	(Sackett + Moss rec'd request from Admin.)
	Mitt Barker - study of energy alternatives
	for Railbelt.
195	Sackett Avik fuel conversion Nulato
	Susitna Leaseability reduction
	Delta 1,543 Grain trans. facilities
	Lehr. 7.5 million Susitna Legis.
	3.8 million in Capital Budget
	p. 10 Amend. Gov. Budget
	Avik Elec. Study included Omnibus hydro. bill ?
243	p. 11 Jenkins Bottom Fish
	Barker - Operating Budget Bottom Fish Planning
	H25.0
	Jennet - 50.0 Bottom Fish Profiles ?
	Lehr - Bottom Fish - Senate & House made
	separate appropriations - would prefer
	One appropriation w/ separate allocations
270	~~Transo~~ Transoiki Project
2	Adjourn 6:10 pm - until 9:00 am tomorrow

Tape #: FCC-80 HB556 #17
Side 1
(293)

RECORDER LOG

Date: 6/2/80

Page: 1

General Subject: FCC on HB 556 (FY 81 Budget)

Present: Representatives: Montgomery, Meekins, Duncan

Senators: Sackett, Nohman, Sumner

Others: Myrt. Charney, Fiscal Analysts: Jerry Schile, Dave Scott,
Alison Elgie, Bob Schroeder, Ron Lehr, Rep. Zahroff, Rep.
Anderson, Sen. Ferguson, Mitt Barker, Rep. Rogers, Joe LaRocca

Log #	Description
293	Call to order - 6:10 pm (Sen. Sackett chairing)
298	Motions - Executive Budget
	Legislature ✓
	Capital
	Fiscal Notes ✓
	1 motion for changes between
	appropriations. small changes, transfers
	F & G. Data Processing
	Language changes in Bill Heading
	Supplementals
	Motion to pass out bill
325	Executive Budget - Lehr. handouts
342	Meekins ^{move} 2 million in revenue sharing reduced in HB 60 (Supplemental)
351	Request - Lehr - add 100.0 to tourism additional money
	182.8 GF in Gen Executive
	+ 200. ~~Council~~ ^{Council} econ. advisors
	600 total (trans. economic enterprise)
	DPDP 2 position + 100 for ~~overhead~~ ^{overhead}

General Subject: FCC on HB556 (FY 81 Budget)

log #	Description
370	150.1 out Masters, Mates & Pilots Fund PERS supp. benefits.
385	Any other additix - Lehr no. Sackett — (of above rundown from Lehr) ✓ move secondary change not including other items
401	Meekins - ✓ 450 DPDP rep. public in reg. hearings.
412	Sackett move F & G Date Center Dept. F & G. Meekins object motion failed (Bfor + Montg.) Meekins motion fails also Johnson ✓ 200.0 C&RA, Nunam Kittusisti Yukon-Kuskokwim Delta renewable & non-renewable resource project Vetoed out of HB60 for insufficient backup. Sackett ✓ 20.0- Social Services Hilltop (Colletta) - Anch. Home ✓ Human Monuments — trans. S. finance to Off Gov. ✓ ~~Blood~~ Bank - Anchorage. 200.0 ✓ ^{60.6} ~~60.6~~ Geologist Fbk's - Hazard Ident. ✓ 114.4 Fisheries research (John Williams) ✓ 4 positions Gen. Gov. - Personnel 93.0 ✓ Ombudsman statewide Terguson 47.9 ✓ Trans. AK Power North. to Office Gov. (Tidal Power Project) - 116 -

General Subject: FCC on NB 536 (FY 81 Budget)

Log #	Description
500	FbKs. grants operating budget. 50.0 energy report
511	Question re: Malone intent language. Meekins amend. motion ^(Sackett H's) re: rail/bt study ✓ Sackett motion carries
	10.0 reductive Parks Off Comm.
	✓ Development 60.0 FbKs pub. ~~ser~~ survey.
	✓ 150.0 Dept ser. student fees. (U. of A) G.E.
597	D. Scott explanation Meekins
✓	100 DOT-communications Eagle River Valley (Held) 400 Parks - Chugach St. Park - delete in NB 60 transfer Kehman - funding in Dev. for AK Native Tourism be placed in Dept. Tourism 170.0 in contractual for contract w/ AK Native Tourism (FY 81 budget transfer) was also in NB 60.
667	
	Reverse tape # 17
	✓ Deanean 2miller for Sea Search U. of A move to Dept. F & G.
009	Legislative Budget
	Charney request 2-9 (Vote by Legis. Council)
	1 186.8
	6 400.0
	7 900.7

General Subject: FCC on NB 5370 (FY 81 Budget)

Log #	Description
	2,597.7 Admin.
	1,949.8
	~~485.4~~ 415.5 (N) research
	485.4 (S) research
	1,760.9 Legal
	2,407.1 Legislature
	1,599.6 off ~~5th~~ (deleted from DOT) for a portion of office space cost.
040	A. Elgee Stmt. re: (N) salary & benefits
	Meekins intent - space occupied by Legis.
	subject to control Legis. Council
	5th Floor under control B & A committee.
	Hohman - question re: current structure re: space
	Meekins - change control from Legis. Affairs
	to B. & A.
	Hohman - some non-finance people on 5th Floor.
	~~Proposed~~ 5th Floor during entire year under control
	B & A committee
097	Brief at ease. —
	Reconvene - Gov. Legislature
	p. 265 (H) figure Meekins
	p. 267 (additions to S) figure
	243.0 remodeling (refurbishing) Meekins
	p. 269. Meekins Gov. H & S same
	Ombudsman - p. 285 295. (H) + previous motion (47.9 Ferguson)

General Subject: FCCor HB 556 (FY 81 Budget)

Log #	Description
128	Legis. Budget includes independent data center. N. Elgie re: 400.0 shortfall. Charney - shortfall will not occur this year Elgie - Legis. intent (handwritten) Sackett - problem tracking down positions pers. tracking & recording
158	Fiscal Notes Meekins - ✓ Move FN HB 752 ✓ SB 161 (390.2) Beckett move to add HB 1021 (ADA) Also SB 26 Meekins move inclusion HCS SB 26 (FN) Beckett - ^(new figure) 1296.6 move to amend FN HCS SB 26 Mohman - HB 752 move to amend by 400.0 FN total 3.9 mill (Cultural facilities) 150 Dillingham 250 Bethel
239	Mohman - SCR 666 Title IX Study increase FN 32,144 (Municipal Statutes Investigative) Sackett - all FN's approved
254	Capital Budget ~~Administration~~
263	Approp. Transfers Meekins -

General Subject:

FC on HB 556 (FY 81 Budget)

Log #	Description
268	~~Meekins~~ 400.0 Div. Parks - Chugiak St. Park Approp. transfer 1116 - Gardiner & change ask consent language change. Add. Gardiner - P.D. (Memo to Meekins - Sackett). Next Mackinnon - Hohman Object - Sackett move Gardiner packet + Mackinnon Hohman - problem w/ Kassar dock. item on Senate put in (small Village study - not intended to be a dock) Meekins (hold aside from motion) 333 Hohman question re: Ch. 50 (NB 60) 383 Meekins motion withdrawn - transfers to be accomplished in NB 710 currently in (5) Finance Hohman - move 250.0 GE for provisions HCR 35 (railroad) - ties into existing approp. for railroad study and identifies as such. 417 Meekins - move intent non-game BRU. 428 Duncan - Memo - mod. to HB 556 (attachment) 428 Lehr - explanatory commencing w/p. 2 8 - 21 transfers

General Subject: _____

Log #	Description
479	Hohman + Lehr. Amendments -
	Lehr #10 Kassar 150.0 C.F.
	Hohman - change Amiak wording -
	Lehr #8 - HB60 corrective
	#9 - driver ed read police training
	#10 - title mod.
	#12 - corrects category
	#13 - Arch/Fbk's intertie - no land purchase
	#14 - trans. 500.0 from Juneau ~~etc~~ cultural
	to Aetke Bay School
	#17 300.0 from Kenai to Nihilchik
	#18 storm repair
535	#19 SB 424 Susitna Gov. Off. to Power Authority
	#21 - Clears up language in SB 424
	Learn if project goes - if not a grant.
	Meekins sic #15 why needed?
	Lehr - Hackney - felt study should be done before
	land purchase.
549	Meekins - Ria from Fbk's does not favor request.
	Lehr - problem w/ as written ^{appropriation} ~~expenditure~~ could
	not be spent.
600	Av. Gross - Selawik agri. project.
670	Meekins - Nat. Resources any problem?
	Lehr - no - office Gov.
	Change Tape #18 Side 1 - 121 -

Subject: FACex 14B 556 (F9 81 Budget)

Pg #	Description
	✓ <u>Sackett - Labor Document approved as amended</u>
013	<u>add</u> ✓ <u>51.8 McKinis - "Arts on the move" Dept. Education</u>
032	✓ <u>Capital Budget - (Pack.)</u>
046	✓ <u>Modifications</u>
	<u>Hobman - move adoption - ask unanimous consent</u>
	<u>Summer - re: intent re: purchase CL 2-15 - negated</u>
	<u>problem is can't get enough aircraft in</u>
	<u>time - previously</u>
	<u>opposed to 4 million purchase</u>
	<u>prefer lease - now intend to go to</u>
	<u>private sector for operation - no other</u>
	<u>option.</u>
	<u>MKA - obj to approve Javis cap. bldg.</u>
	<u>McKinis - asked into fire suppression</u>
88	<u>LEWA - explained fire supp - did not know exactly</u>
	<u>: what aircraft would be chosen</u>
	<u>Summer - PBY best. If they're not avail, will</u>
	<u>use. Be covered well if we have fires.</u>
	<u>ALBANY - Q'D THE PRACTICALITY OF ST. OWNERSHIP</u>
	<u>LEASE OR PURCHASE? LOT SO MUCH THE 4, BUT</u>
	<u>OWNING EQUIP.</u>
	<u>SMITH - Q'D ON AVAIL. OF AIRCRAFT THIS SEASON & NEXT -</u>
	<u>ACCESS TO BOM EQUIP - 2 PBY 9 6-19, & LIBERATORS</u>
	<u>ST. PRIORITY - ST. PBY AFTER JULY 1</u>
	<u>CL 215 AVAIL 2/3 WKS AFTER WE MK COMMITMENT.</u>

18

side 1

RECORDER LOG

Date: 6-2-80

Page: 9

Subject: FCC HB 556

g # Description

138 Montg - have you ever requested PBY from PBY and were denied?

Smith - yes

Simmer - If we restrict lease or purchase of aircraft, will state be in vulnerable position?

Smith - yes - and it's an opportunity to save \$ - 4
Good move for state.Simmer - still opposed to lease or purchase of it -
still looking for other options. Doesn't W

Mkns - consider second part of motion

Hhm - removed his motion

Mkns - moved Gov's prop cap except 1,250,000
fire supp. equip

Simmer - can \$5 mil be used for leasing of aircraft -

Khr - you can't use that until there is a fire.
not as pre-suppr

Simmer - no obj.

Skt (Cap. lggt approved except for 1,250.0

SB 181 fiscal note - approp. not to be pushed through
\$ 1. mil

200 Montg - obj

200 favor Hhm Skt Dun , opp Montg

Mtn - failed

Mackins changed vote

motion passed

-123- -123-

ape #: 18
side 1

RECORDER LOG

Date: 6-2-80

Page: 10

General Subject: fcc - HB556

Pg #	Description
250	Sckt- Data proc. - transfers go back
	Muk. - obj - B
	fv: nh, Sk, Mont. <u>version fld</u>
	* SB DNR. BACK TO F & G. - Duncan obj.
	<u>Mtn failed</u>
256	Adjn 8:40 pm.

Subject: FCC HB 556 (FY 81 Budget)

Hohman, Sackett, Sumner - Montgomery, Meekins, Duncan

Page # Description

256 Call to order 1:45 pm

^{Fast Pass}
269 Sackett: Move for adoption (Hogan Handout) including
lang, CIP, etc Items #1-7 - No ob
Am to motion:

ED: Change Juneau Symphony to Juneau Arts Council / \$25.0 - No ob

287 Hohman: Moved CH 50, p16, L 15 "Hexter" to "services" - No ob

Sackett: \$534^{1/31}M be reduced by 1% - No ob

307 Adjourn 1:45 pm

Tape #: FCC SR 1 #1
side 1

RECORDER LOG

Date: 5/24/80

Page: (1)

General Subject:

Present: Mulcahy, Sumner, Hohman } FCC members
Cotten, Meekins, Hayes }
Sen. Ferguson, Bert Wagner C+ED

Log #	Description
001	Call to order 11:25 am Ferguson presentation - regional offices for Fisheries Enhancement + Nonconforming Housing. Trying to get local input + better service throughout State Remote Blighted Undeveloped Areas - Ferguson recommended Keeping interest rates lower.
133	Questions from Committee. + Discussion on Rural Area Housing Loans.
298	meekins questioned Galena/Ft. Yukon Regional Centers. Ferg. commented.
319	Cotten questioned Flow-Chart. Ferguson Explained. Discussion.
349	Hohman - fiscal impact? Ferg. fln is using some offices that have been set up.
368	Bert Wagner - comments on fln - have a fundamental difference on structuring have no argument on fln.

Subject: FCC SBI

log #	Description
386	Hohman question on loan offices in Anc + Bethel in HB 60. Cost of Office in Bethel? wagner 94.0 in Bethel, 37.0 in Dillingham. Further comments. Hohman suggested Admin Support effort of setting up loan offices. Wagner comments on amount to lend in FY 81 - unknown. Disc. on loan offices. + funding of positions/offices.
499	meekins questions on Wagner's view of Ferguson's proposal. Wagner commented on Fisheries Enhancement Program funding. Nonconforming Housing Loans under AIDA - they are opposed to that; AIDA not set up for that.
528	meekins - Fisheries Enhancement Program + Fisheries Loans? Wagner Explained. Disc on Programs SBI expands hatcheries program Sumner requested projection on restocking of hatcheries Wagner will provide Disc.

General Subject: _____

Log #	Description
598	Hayes questioned P.2, Sec. 7. Disc.
605	meekins' comments on Ferg. presentation & asked Wagnan's response. Wagnan - a lot has to do with the source of funding. Depends how far you want to go with decentralization. Presently all ^{loan} decisions are made in Juneau. Disc. This is a move toward primary lending rather than secondary. Comments on staffing & decision-making process. Sumner requested info. on loan offices in Anc + Fbx.
742	Hohman - operate under Assumption bill will be ready Tues. noon.
Tape Change #1 - side 2	
001	meekins - tec. amendments. - give to staff in written form. meeting schedule - discussed Sun 12: - 3pm
072	Recess 12:15 pm

General Subject: FCC ~~SB~~ SB 1

Present:

Cotten, Hayes, Meekins }
Mulcahy, Hohman, Sumner }Ref. Malone, Sen. Kerula; Robert Dupere, Consultant;
Doogan, AA/Meekins; Kocsis/AA Hohman; Rep. Bettsworth;
Side 2 Sterling Gallagher; Bob Barr, Totem Realty

Log #	Description
073	Call to order 7:45 PM (Meekins)
	Agenda for meeting
124	Hohman: financing needs [(f)] of prepared packet
150	Dupere: Explanation of financing needs (hand-out) + questions from Committee Members
331	Meekins - how much is based on re-fin? None in Sec. 1.
350	Dupere: continued explanation of hand-out. Cotten: How Figures developed? (re-financing) input from real estate people & others testifying on 141. Disc. on Re-financing. + assumptions in Paper.
422	Hohman comments on Refinancing & getting equity from home
447	Meekins - capitalization
459	Malone questioned item #2 & Dupere Explains
484	Sumner question - # people coming to state Dupere comments on #2

Subject:

Log #	Description
500	#3.2 billion is correct figure - Capitalization Dupere "Pent-up" Demand.
508	<u>Business Loans</u> - Dupere ~~com~~ explained hand-out
551	Cotten question - Dupere on editorial comments
573	meekins need for business loans - new business / Dupere response
580	Malone - summary of estimated needs / any source documents? Dupere not a lot available Disc.
618	Fishing Loans - Dupere
625	Auxiliary Needs - Dupere
636	Summary - Dupere
644	Recess 8:20 PM / 8:30 PM Dupere continues - total loan needs
661	Sumner asked for testimony from Bob Baer Real Estate Agent - Anchorage. \$500 million - his estimate of need for new loans for next year statewide (+ \$100 mil backlog). ~~Interest rates~~ ~~Refinancing needs~~ - \$250 million. Refinancing needs - last 2 yrs approx 500 mil
719	Cotten questioned statements / Sumner comment on 10/12% interest rate / Baer comments meekins / Baer response / Disc.

FCCSBI 80#1 side 2
80#2 side 1

Subject:

Log #	Description
736	Sumner/Baer - Equity Extraction \$1.5 Billion highest # \$750/ - lowest #

Tape Change

FCC 80#2 side 1

99	Sumner requested substantiating Data
100	Meekins - Price/Demand & market dropping off at 11% - Baer response. Disc.

101	Cotten - figures # AHFC loans / State loans & average Interest Rates / Baer response. Disc. \$450/500 million sold in Anchorage over last 2 year period.
-----	---

~~102~~

176	Sumner - basis of info? Baer response Meekins comments on estimates. & interest rates/subsidizing
-----	---

236	Baer - types of refinancing: } Renovate lower rate Equity Extraction
-----	--

250	Sumner - comments on Baer/Dapere testimony
-----	--

264	Meekins - Comments - House bill
-----	---------------------------------

FCCSB 1 #80-2 side 1

Subject:

Page #	Description
248	Cotten - Bonding Limits
301	Sumner - ~~substantive~~ undisputed need for \$1 billt for item (a)
315	meekins - market, state could capture entire.
348	Baer - not advocating loans for equity extraction.
367	Needs for Financing - Conclusion? meekins \$500 million - new loans. Sumner - + 100m backlog
38	Cotten - terminology. not just new construction Sumner \$250 million - remodeling need
403	Gallagher - Jnu housing program - comments remodeling 15% of total program
402	Sumner / Baer - Remodeling Demand
435	Sumner / Gallagher - Juneau program
4	
445	Sumner - Refinancing Existing Mortgages figure / meekins comments Cotten assumptions used / Sumner response Disc.
488	<u>Tax Exempt Borrowing</u>
491	Dupere testimony - (c) in hand-out

FCCSB1 #86-2 Side 1

Subject:

pg #	Description
	moved all tax exempt borrowing into one bond package - Dupere testimony
520	McKins question / Dupere response - capturing items that can't go to tax exempt market. Put single purpose agencies together. compared Revenue bonds / G.O. Bonds.
592	Cotton question - clarification, Dupere answer
613	Hohman / Dupere 8.15% rate tax exempt bonds presently
623	Wohlforth -
	Barr - Housing Bonds - high now - 8 1/8% for best credits - Further comments Municipal Bonds 8 1/4 - 9 1/4.
656	McKins - documents explaining 25% concept requested; Dupere will provide

Extent of Consolidation

660	McKins - why consolidate different programs?
	Dupere - efficiency, etc (originally);
	McKins comments / Dupere response
	Hohman / Dupere not essential to consolidate

FCCSB 1 #80-2, Side 1
+ Side 2

Subject:

Pg # Description

700 Dupere - consolidation - reasons for
 724 Cotten Bank Participation / Dupere individual option
 729 Hohman - interest differential? / Dupere explained
 Cotten / Dupere Disc.

Tape change

#80-2, Side 2

001 meekins - Extent of consolidation needs to be
 discussed. Comments on HCSSB 1

005 Bert Wagon - C+ED - concept of AIDA
 meekins/Wagon

007 Sumner - need option to going all one way or
 other / meekins comments

150 Sumner - funding shortage in economy

167 Mulcahy - financial institutions have to look
 at deposits / Sumner response banks
 "investing "outside", State doesn't want
 to replace banks but be in 2nd
 place. / Mulcahy response

229 Cotten - banks' access, Fannymae Rate 17.6%

244 Adjourn 9:40 P.M.

#~~70-3~~ Side 1General Subject: FCC SB 1Present: Cotter, Hayes, Meekins, Sumner, Mulcahy, Hohman.

Log #	Description
001	Call to order 9:00 am (Hohman) <u>Loan Terms. Types of Loans</u>
037	Dupere testimony Discussed what was in HB 60 + this bill - Both bills have a base point - Distributed handout - Discussed interest rates
169	Discussed industrial bond - non-municipal bonds p 7-9 of his handout (10%/25%)
210	Hohman: Financing of hydro-electric projects + what portion to be financed thru bonds (8 1/2% cost to State at current interest rates - 7.23% in 1979) Dupere response 4-6 mos to put pkg together
277	Meekins: Question re: 25% secured by private business Dupere: "You have to fail test to win"
322	Dupere: p 10 of his handout - IDB Bond - listed ADA exceptions
365	Meekins: Don't remember sports facilities in current ADA statutes
386	Wolfarth: Yesterday's testimony; he was wrong, Dupere was right
409	Dupere: Source of financing - taxable bond or tax exempt bonds 25% isn't that great a risk - Fix interest rate or float it

Subject: FCC SB 1

Log #	Description
485	Meekins: Trade-off of stability & accountability Dupere: ^{Accountability thru} Bud + Audit, monthly repts; still has to be appropriated Unallocated reserve account - so there is review - Discussion
586	Hayes: What is magnitude of lapsed balance? Over last 2-3 yrs Dupere: Think about \$4M tied up in loan money; don't know
602	Waggon: Have to check Hohman: Request this info f/Revenue
624	Hayes - Dupere discussed graphs in handout (graphs c+d, p 40 & 41) Projected Balances - Loan Programs Fund + Unallocated Reserve
671	Dupere: Re: p. 19 & 20 - Discussed organizational chart B (less AHFC) This is what will happen - a phasing-in process. Could consolidate loans under one house
728	End Dupere testimony
735	Hohman: Hear from Mike Doogan - Sect
FCC 80-3, Side 2	
001	Doogan: The HB is comprised of 2 documents (5/20/80 - Amendments made on House floor: p 1 - 3 am's to fisheries loans; p 3, line 27 thru p 11: fisheries loan program Hohman: W
092	Doogan: p 11, line 2: AHFC provide financing without loan limitations p 31, line 20: Authorities to provide reporting p 32, line 23-53: AK Industrial Devmt Authority p 53, line 16: Div of Housing Asst - non-conforming loans

[illegible]

General Subject: FCC SB1

Present: Sen: Hohman, Sumner, Mulcahy } FCC
Rep: Meekins, Hayes, Cotten } members

B Dupere, Wohlforth, Barr

MDugan, MBarker

B Wagon, S Gallagher

Log #	Description
001	Call to order (Hohman) 2:55pm
	Sumner: Stmt-Propose establishing continuous flow-automatic continuous funding (re: PF) roll into loan fund (formula funding)
	Meekins-Cotten: Questioned this
184	Meekins: What percentage PF would lapse? Discussion At ease 3:05 - 3:25pm
	Meekins: re Susan Burke letter on PF - Discussed designating where greatest need is/per year basis
235	Sumner: AHFC exerts more on technical basis - Suggest charge them with full-time backup (Use as base)
390	Doogan: Explained what House version re: AHFC & AIDA does concerning reporting requirements - ASHA split out
	Sumner: Feels this is loss of control
326	Meekins: Feels State should not be involved - only if necessary - & should phase itself out of loans to intermed market
	Sumner: Response: taxable bonds
	Dupere: Discussed 7.1% earnings from two retirement funds over
387	S Gallagher: Stmt on pension funds Barr: Comments
420	Gallagher: Rate on taxable, tax-exempt bonds

Subject: FCC SB 1

Log #	Description
431	Johnson: Fed Tax free bonds; arbitrazing at tax payer's expense Meekins: Could State receive more yield; do not advocate this - Disc
487	Sumner: Could back out of capital market; Discussion Any technical problems w/proceeding like this
502	Wohlforth: Re: A central organization ^(AHFC) having jurisdiction over bond market. Stmt on restructuring asset transferring problems Restructuring as contained in HCS has legal implications
587	Gallagher: Discussed what So Carolina does on bond sales
603	Barr response to Cotten's question re: Legislature exercising control State Bond Committee issues bonds on behalf of all Agencies
628	Meekins to Sumner: What are some of goals? Sumner: Response Needs in terms of housing bonds; monitor economy; etc
636	Meekins: Rec to leg the needs OK; but should ^{AIDA} AHFC sell bonds? Need broader view, besides housing, if AHFC/AIDA is controlling entity
690	Meekins: Discussed his views re: AHFC + justification of existence, feels it is worthwhile re: history
711	Sumner: Feels should be central agency assigned control
724	Recess 4 ⁰⁵ _{pm} - Reconvene Meet 8 ⁰⁰ _{am} tomorrow

(5/21)

A NARRATIVE ON SENATE BILL 1

by

Senator George H. Hohman, Jr., Chairman
Legislative Council

January 1980

Dear Alaskan:

The following report explains the Senate proposed legislation regarding utilization and management of the Permanent Fund and the Renewable Resources Development Fund. Some key points of the Senate legislation are:

REDUCE BUREAUCRACY

PROVIDE GREATER CONTROL

MAXIMIZE BENEFITS TO ALASKANS

OPTIMAL PROGRAM ACCOUNTABILITY

LOWER HOUSING COSTS

CONTRIBUTE TO LOWER COST OF LIVING

FINANCIAL DEVELOPMENT FOR
RENEWABLE RESOURCES

SECURE PERMANENT FUND MONIES
WITH HIGH GRADE INVESTMENT

Please feel free to submit any comments you may have regarding this bill to;

Senator George H. Hohman, Jr., Chairman
Legislative Council
Pouch V
Juneau, Alaska 99811

Sincerely,

Senator George H. Hohman, Jr., Chairman
Legislative Council

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INTRODUCTION

In November 1976, Alaskan voters approved a constitutional amendment which provides that at least 25% of certain non-renewable resources revenues be placed in a permanent fund. The amendment requires that the money be used for income-producing investments designated eligible by the legislature. Unless the legislature otherwise stipulates, earnings from the permanent fund will go to the state's general fund.

Because of the impact of the permanent fund on Alaskans, various opinion polls have been conducted to assess public sentiment about state needs and priorities, with emphasis on the structure, management and use of the permanent fund (Dittman for the Senate Committee on the Permanent Fund, Dec., 1977, Rowan Group Report for the Office of the Governor, July, 1977; the Alaska Public Forum Report, March, 1977, and Rowan D-2 Poll, 1978).

In addition to using data generated by public hearings and public opinion polls, the Senate Committee on the Permanent Fund sent questionnaires to individuals in rural Alaska and the Alaska State Chamber of Commerce members for their input regarding permanent fund usage. From the responses received from both the questionnaires and the poll tabulations, various priorities surfaced. Many individuals feel there is a shortage of capital available for lending to business venture and for purchase and construction of housing. Development of renewable resources (including agriculture, timber, and fishing) is a high priority. Community development also received support. At the same time, the respondents strongly urged that the permanent fund principal be invested in hi-grade guaranteed securities, thus maintaining the integrity of the fund for future generations.

The 1977 Senate Committee on the Permanent Fund, chaired by Senator George Hohman, had submitted legislation designed to address the expressed concerns of Alaskan citizens. The committee's legislation proposes to invest 100% of the permanent fund principal in hi-grade securities and use the earnings as a guarantee for issuing revenue bonds. The proceeds of the bonds, plus lapsed balances of the general fund will be used to fund the Alaska Loan Programs Fund, which would concurrently expand the loan programs and consolidate the activities of existing state loan programs into one comprehensive agency. The legislation also developed a plan for usage of the Renewable Resources Development Fund, however the House's program of a seperate corporation prevailed in 1978. The following report will address the Alaska Loan Programs Fund, and the investment and management of the permanent fund. The Renewable Resources Development Corporation is not covered. There is also a section dealing with the Senate proposed Reserve for Capital Outlay Accounts which would be used to finance non-recurring expenditures - - a key to meeting the development needs in the communities where the renewable resources exist.

MANAGEMENT OF THE PERMANENT FUND

Lombard-Wall, Inc., a New York management consultant firm, was assigned the task of making recommendations concerning the management of investment assets of the permanent fund. Lombard-Wall's senior Vice President, Mr. Fred Branditz, came to Alaska specifically to Treasury in order to evaluate the role that group might play in managing the permanent fund principal. In a 1977 report presented to the 1977 Senate Committee on the Permanent Fund, Lombard-Wall recommended the permanent fund be managed and invested by the Division of Treasury for the following

reasons:

- 1) The expertise already exists within the infrastructure for most, if not all, the activities currently contemplated for the permanent fund. The Treasury Division in 1977 administered \$1/2 billion of fixed income securities for the general fund and an additional \$1/2 billion for 7 segregated funds.
- 2) Employing an entirely new staff to manage the permanent fund would present many difficulties and risks.
- 3) The combined resources of the permanent fund, the general fund and the pension funds will create a pool of assets sufficient to employ specialized, sophisticated investment techniques to a degree none would afford individually. Thus all areas will benefit from combined management.
- 4) The revenues accruing to the permanent fund derive from taxes and belong to all of the citizens of Alaska. Therefore, no conflict of interest can result from their management by an existing state agency.
- 5) Accounting techniques currently exist for allocating cost among the various funds.

The Lombard-Wall report also includes an analysis of the capabilities of the Division of Treasury. The report concluded that there is efficiency in management of funds currently assigned to Treasury and that the staff, in particular, appears capable of assuming greater responsibility. Branditz also recommends that the Treasury be reorganized to include delegation of line and staff duties, creation of several new positions, and improvement of certain support functions in order to maximize earnings from the larger pool of assets anticipated.

In addition to the study undertaken by Lombard-Wall, letters received from the Treasury Divisions in other states indicate that

placement of all state funds in the State Treasury is sound public policy.

In accordance with the above recommendations, the 1977 Senate Committee on the Permanent Fund has proposed a reorganization of Treasury to assure a program of sound investment policy, continuity and accountability to the legislative branch of government. SB #1 provides that a Division of Treasury would be created by statute, and headed by a director. The director's position would be non-political with minimum statutory qualifications. The director would be solely accountable for investment policy and management of the general fund, the permanent fund, and all other state funds. Additionally, he would be responsible for the organization and staffing of the Treasury Division.

The proposed legislation specifies those areas authorized for permanent fund investment. Primarily, it limits investment in corporate obligations to those with and 'A' or better rating, and allows only those securities which are federally insured. It may also be invested in Alaska bank certificates of deposit which are secured as to the payment of principal and interest in accordance with Alaska law.

In order to keep the Executive and Legislative branches informed, the Legislative Budget and Audit Committee would provide an annual report regarding the investment activity of the Division of Treasury to the legislature. The legislature may exercise its law-making power to statutorily change the authorized investments allowable in Treasury should the Budget and Audit report reveal a need for such revision. Additionally, investment policy shall be proposed to the legislature during the first ten days of any regular session and only becomes

effective 60 days after presentation unless disapproved by a resolution concurred in by a majority of the members of each house.

RATIONALE FOR ESTABLISHMENT OF THE ALASKA LOAN PROGRAM

Since statehood, the Alaskan legislature has created fifteen loan programs and ten independent corporations to meet the capital needs of various groups or to enhance development of certain industries within the State. Generally, these target groups were unable to obtain adequate financing (either loan dollar amounts, interest rates, or loans of sufficient duration), from private financial institutions within or outside Alaska. The loan programs were not created to compete with private lenders, in fact, bank participation was a requirement of one loan program prior to the administrative directive requiring 25% bond participation in 1979. Rather, as a matter of public policy the loan programs were conceived to provide funds for Alaskan ventures at terms banks could not (i.e. long term money) or would not (i.e. higher levels of risk) capitalize. Most of the loan programs are administered by the Department of Commerce and Economic Development, exceptions being the Agricultural Revolving Loan Fund (Department of Natural Resources); the Scholarship Revolving Loan Fund (Department of Education); and the Senior Citizens Housing Loan Fund (Department of Community and Regional Affairs). The independent corporations - Alaska Housing Finance Corporation, the Alaska Power Authority, the Alaska Development Corporation, the Small Business Development Corporation, the Municipal Bond Bank, the Industrial Development Authority, Alaska Pipeline Authority; Alaska Medical Facility Authority; Alaska Commercial Fishing and Agriculture Board and the Renewable Resources Corporation, are not within the direct purview of any state agency.

The history of the loan programs and independent corporations is somewhat dismal. Once created, these programs often fail to (1) remain operational; (2) comply with legislative intent; (3) operate in an efficient manner; (4) be known to the general population; and (5) come under legislative scrutiny in a timely and regular manner. In addition, there is little standardization among the programs with regard to eligibility criteria, interest rates and terms, and maximum loan amounts.

Two of the independent corporations, the Alaska Development Corporation and the Small Business Development Corporation, are no longer engaged in lending activity. The Alaska Power Authority, created in 1976 was still in the organizational phase in 1977, and the Industrial Development Authority, created in 1967, had become operational only as a result of amendments passed during the 1977 session expanding its authorized areas of activity -- just finances a selected few applicants.

Failure to comply with legislative intent is illustrated by the Alaska Housing Finance Corporation, established in 1971 to meet the mortgage needs of low and moderate income Alaskans in blighted or remote areas of the state where normal bank financing for home purchases is difficult to obtain. AHFC issues its own bonds for lending capital; there is a yearly legislative appropriation for the necessary reserve requirements that such an issue entails. However, AHFC does not come under the Executive Budget Act, and its operations come under legislative scrutiny only when performance audits are done by the Legislative Budget and Audit Committee at three year intervals, (AS 24.20.271(2)). An investigation by the Office of Ombudsman conducted in July, 1977

while not a formal audit, brought to light the facts that AHFC has promulgated no administrative procedures and had made loan policy changes without benefit of required public hearings beforehand. These facts were also noted in an audit performed by the Division of Legislative Audit, dated November 11, 1977, and released in February, 1978. The Ombudsman also stated that information concerning the policy changes had been selectively distributed to the state's financial institutions.

AHFC's 1977 lending activity was distributed on a ratio of 90% urban, 10% rural counter to the corporation's statutory mandate that loan activity shall be concentrated in "remote, underdeveloped or blighted areas", (AS 18.56.010). Although, AHFC has developed a loan program for rural home improvements or building material loans, according to the November 15 audit, (Division of Legislative Audit), the program had received no publicity in 1978. Repeated advance of general fund monies and legislative efforts have failed to result in an effort devoted to the basic legislative intent.

Taken as a whole, internal operation of the various loan programs can be neither damned nor praised. There are instances of good management, very poor management, and the entire spectrum is between. As of 1977, delinquency rates in the loan programs vary from 33% (Agricultural Revolving Loan Fund) to 2% (Veteran's Revolving Loan Fund). Subsequent reports indicate the Veteran delinquent rates were substantially higher. Characteristic of all loan programs is that loan granting, record keeping and collection functions occur within the same division. While an inherently sound practice for private financial institutions, whose goal

goal is maximization of profit, within the bureaucracy of state government inattention to accounting and collection aspects have worked against the best interest of the state, both in loss of return on investment and diminished public confidence in the program. Recommendations issued by the Legislative Budget and Audit Committee after performance audits are almost exclusively in the areas of record keeping (accounting) and collection.

In 1977 the administrative costs for the state loan programs were in excess of \$2 million per year; both the Legislative Budget and Audit Committee and the Director of Business Loans have indicated that economics of scale, efficiencies of operations, and more equal opportunity for loan applicants would probably result were the state loan programs to be consolidated and/or streamlined in some manner.

The initial legislation proposed by the Senate Committee on the Permanent Fund in 1977 would have dissolved all the existing loan programs and independent corporations now in operation. In their place would be created the Alaska Loan Programs Fund, which would lend in all areas now served by these entities. Subsequent events provided the testimony in support of this comprehensive approach.

The lending arm of the Alaska Loan Programs Fund would be a division in the Department of Commerce and Economic Development, with field offices initially established in Anchorage, Fairbanks and Juneau; others will be opened as volume dictates. These offices will provide, in addition to information about the Alaska Loan Program, information concerning state and federal grant programs, and federal and private sources of loans.

Provisions are made in the legislation for individuals and corporations to engage in borrowing through the Alaska Loan Program in cooperation or participation with the private financial institution of their choice.

The scope of activity includes; 1) educational loans, 2) commercial loans with a maximum of \$500,000 per individual and \$5 million maximum for no more than 10 individuals in a project, or a corporation where no more than 10 individuals owning stock assume a personal liability for fisherman, farmers and business purposes in general; 3) residential loans ranging from \$90,000 (Cost of Leasing Index 1978) for a single residence to \$210,000 for a 4-plex; 5) special categories previously covered in existing law; 6) public purpose loans where the Alaska Loan Program will submit a bid for all GO and revenue bonds offered on a competitive basis by a home rule borough or city or general law borough or city under the laws of the state, loans to municipalities of less than 5,000 population through purchase of municipal bonds, industrial development projects conducting exempt activities under federal law, and revenue bonds issued on behalf of a non-profit corporation with approval of the municipality.

The interest rate charged for loans will be standardized, and depending on the cost of the revenue bonds issued, which was projected at the 7% range in 1978, but may be between 7.5% and 8% in 1980. In the event that a reduction in the basic interest rate is deemed desirable, as for veteran's or educational loans, the difference in interest rates charged to the borrower and that paid to the Alaska Loan Programs Fund would be paid on a yearly basis from the general fund.

The present renewable resource corporation could tie into the Alaska Loan Program by working hand in hand with the Alaska Loan Program, performing feasibility studies on renewable resource project loans, and participating in one or more of three ways: 1) interest incentives; 2) equity participation; and 3) loan guarantees. They may also make grants for eligible projects with legislative approval.

Eligibility criteria will also be standardized, the main requirements for individuals being Alaska residency of five years duration and 18 years of age or older, (An exemption for college students is provided). For loans to corporate entities, more than 60% of its co-owner -- shareholders must be Alaska residents for five years or more at the time of application, and the officers of the corporation must assume individual liability for the loan's repayment.

Length of experience will determine the maximum commercial loan amounts once basic eligibility criteria have been met. Percentages of the maximum amount available for borrowing will be reduced if the applicant has less than 5 years experience in the area of loan application.

Maximum loan amounts have, in most cases, been increased to more realistically reflect current costs of living, building, or doing business in the state. Additionally, a cost differential formula has been added to the maximum loan amounts to reflect higher costs incurred in rural areas.

Collateral requirements for commercial and real estate loans will be no less than 90% of the real property held as security, and no less than 80% of equipment held as security -- isolated over 95% for residential housing.

Should a loan become delinquent in excess of 30 days, a loan evaluation committee shall review the loan and consider re-evaluation of its terms and conditions, provided the loan can be restructured in such a way as to protect the interests of the state.

Accounting for the Alaska Loan Programs Fund will be performed by the Department of Administration. Reports will be made by the Departments of Commerce and Revenue to the Legislative Budget and Audit Committee on a monthly basis itemizing loans which are in excess of 30 days delinquent, and outlining the measures taken to insure compliance with conditions and terms of the loan.

Within the Department of Revenue, a division will be created to assume the collection function for all loans made by the Fund. Reports of collection efforts will be made to the Budget and Audit Committee.

The Budget and Audit Committee should do a quarterly review of the performance and status of the lending, accounting and collection procedures of the three agencies involved and will present their findings and recommendations to the legislature for review and action.

FUNDING OF THE ALASKA LOAN PROGRAMS FUND

In the 1977 study primary funding for the Alaska Loan Program would come from proceeds of revenue bonds. Revenue bonds are tax-exempt under Federal law, resulting in lower interest costs to the borrower. There would, however, be no limit on the amount lendable for public purpose loans - those to local government units, public utilities, hospitals, etc. If \$100 million of public purpose bonds are issued then 25 million of bonds could be issued for business purposes -- to include residential housing if the Congress repeals this category.

However, the Governor proposed in 1979 15% of oil and gas receipts go to the program in lieu of 100% interest from the Permanent Fund. Thus the majority of funds initially will be other than bonds.

Because of the low bond interest to the Loan Program, loans can be made to Alaskans at an interest below market rate; the cost of money to the Loan Program plus a 1% service fee for administrative costs of loan processing. Additionally, this type of funding would place no budgetary limits on the amount of money available for lending in any of the loan categories, if in the future there is a drastic decline in oil and gas receipts. Repayment of the bonds would come strictly from repayment of borrowers of the Alaska Loan Program. Following is a brief description of the Alaska Loan Programs Fund and organization of the reserve accounts to be established:

- 1) Alaska Loan Programs Fund - All bond proceeds except those designated in 2) of this section to be placed in this fund.

- 2) Debt Reserve Account - For the purpose of securing each issue of its obligations, the Alaska Loan Programs Fund will pay into this account the maximum amount permissible under Federal law and regulations for tax-exempt obligations. All money in this account may be used when required, when money is not available from the principal and interest account or the capital reserve account solely for the payment of the principal of obligations, the purchase or redemption of obligations, the payment of interest on obligations, or the payment of any redemption premium required to be paid when those obligations are redeemed before maturity. Any interest or income from this account and any amount remaining in the debt service reserve account when the issue secured by the account is fully retired shall be paid to the unallocated reserve account.

3) Allocated Reserve Account - General Fund, for the purpose of securing obligations of the Alaska Loan Program Bonds. It consists of 50% of the income of the Permanent Fund. The purpose here is to provide for better ratings on the bonds which in turn would lower interest costs. These funds transferred into various reserves described below.

4) Unallocated Reserve Account - General Fund. This fund consists of all available cash at the end of a fiscal year after \$100 million. This account provides security for the bonds plus provides funds for the Alaska Loan Program.

5) Comprehensive Loan Program - General Fund, consists of 15% oil and gas receipts. This adds to the Loan Program and security for bonds.

6) Capital Reserve Account - The Commissioner of Revenue shall place an amount equal to 5% of all obligations issued and sold into this account. At the end of each fiscal year, the Commissioner will withdraw or add to the account that amount necessary to maintain the 5% of the obligations secured. Excess funds will be returned to the unallocated reserve account. All money in this account may be used as required for the payment of bond obligation principal, the purchase or redemption of obligations, the payment of interest on obligations, or the payment of any redemption premium required should obligations, be redeemed before maturity. This again adds security for the bonds in raising bond ratings to lower interest costs.

7) Fire Insurance and Liability Reserve Account - The Alaska Loan Program may issue loans without requiring proof of insurance if an additional amount of .6% is made by the borrower. The account shall only be used for reimbursement to the Loan Programs Fund for losses of property not having the insurance coverage.

8) Loss Reserve Account - A special account is established for the purpose of protecting the financial integrity of the fund. The Commissioner of Revenue shall pay into this account an amount equal to 5% of the estimated total amount of all loans to be made by the fund during the first fiscal year of operation. At the first of each succeeding fiscal year and thereafter, an amount necessary to bring the balance of the amount up to 5% of the total amount of loans to be outstanding during the fiscal year shall be paid into the account. The 1% loan service fee, (the difference between state cost of borrowing and cost to borrower), will also be placed in this account and used to reimburse the unallocated reserve account. Thus federal or private mortgage insurance fees are not necessary.

1978 State Loan Programs and Independent Corporations

Lending Agency	Eligibility	Interest	Terms	Amount
Agricultural Loan Fund	AK resident farmer, homesteader or partner of same 2 - 3 years experience			
Short Term		6.0%	1 yr	\$ 25,000
Farm Development		6.0%	30 yr	200,000
Chattel		6.0%	7 yr	100,000
Irrigation		4.0%	10 yr	no max
AK State Development Corp (presently inactive)		legal rt	20 yr	750,000
Child Care Loan Fund	Certificate of need (CRA) required	6.0%	10 yr	10,000
Commercial Fishing Loan	5 yr AK resident; 3 yr license	7.0%	15 yr	150,000
Fisheries Enhancement	For non-profit hatchery permit holder For non-profit corporation	8.0% 8.0%	25 yr 25 yr	300,000 5,000,000
Small Business Dev. Corp.	Through Local Development Corp with/SBA	7.0%	25 yr	
Small Business Loan Fund	AK resident; less than 50 employees	8.0%	5-15 yr	300,000
Student Financial Aid	AK resident; full time graduate undergraduate	5.0% 5.0%	6-10 yr 6-10 yr	5,000 2,500
Tourism Loan Fund	Requires bank participation for loans exceeding \$150,000	8.0%	20 yr	3,000,000
Veterans Loan Fund	AK Veteran; Veteran residing 5 years in state; 6 yr Nat'l Guard			
Personal		7.5%	20-30 yr	10,000
Business		7.5%	same	125,000
Vet occupied duplex		7.5%	same	83,250
Single family		7.5%	same	68,250
Multiple dwelling		7.5%	same	110,000
Water Resources Loan Fund	Public utilities	5.0%	7 yr	
Senior Citizens Dev. Fund	Municipalities and corporations	None Specified		
AK Housing Finance Corp.	Owner occupants; home improvement loans only in rural Alaska			
Conventional				
Single family		7.75%	30 yr	65,000
Duplex		7.75%	same	90,000
FHA/VA Insured				
Single family		7.50%	same	65,000
Duplex		7.50%	same	90,000
Home Improvement		9.50%	15 yr	15,000
Historical Loan Fund	Person, firm, or municipality	6.5%		100,000
AK Industrial Dev. Authority	Industrial development projects with approval of local governmental unit	Through Bond Issue		
Municipal Bond Bank	Municipalities	Through Bond Issue		
AK Power Authority	Not yet operational			

SENATE PROPOSED ALASKA LOAN PROGRAM

STANDARD ELIGIBILITY: Five year Alaskan resident
Eighteen years of age or older, (Except college students)

STANDARD INTERESTS: No more than 1% plus the cost of borrowing to the ALP

INTEREST INCENTIVES: Agricultural loans - standard interest less 1%
Veterans loans - standard interest less 1% (State costs)

TERMS: 30 yr. on loan secured by real property
15 yr. on life of equipment on loans secured by equipment
7 yr. or life of chattel on loans secured by chattel
1 yr. on a loan for working capital

<u>Category</u>	<u>Description</u>
Educational	1) Individual enrolled in full-time college, work study, or vocational program 2) \$4,000 per year for under-graduate; \$8,000 for graduate 3) \$16,000 maximum outstanding allowable
Residential	Consumer Price Index Anchorage 1978 1) \$90,000 for single dwelling \$130,000 for duplex \$170,000 for tri-plex \$210,000 for four-plex 2) Collateral requirements: 90% appraised value of real property 95% in areas lacking FHA mortgages
Commercial	Consumer Price Index Anchorage 1978 1) \$500,000 maximum per individual \$5 million for group of no more than 10 individuals in project or corporation where 10 individuals owning stock assume liability 2) Collateral requirements: 80% appraised value of equipment 90% appraised value of real property
Public Purpose	1) ALP will submit bid for all G.O. and revenue bonds offered on a competitive basis by home rule or general law borough or city 2) Loans to municipalities with population under 5,000 through purchase of municipal bonds 3) Industrial development projects conducting exempt activities under federal law 4) Issue of revenue bonds on behalf of a non-profit corporation with the approval of the municipality in which it is located

ALASKA LOAN PROGRAM

ELIGIBILITY: 5 yr. Alaska resident, minimum 18 yrs. of age
INTEREST: Cost of borrowing to ALP plus 1½ service fee
TERMS: 30 yr. on loan secured by real property
 15 yr. on life of equipment on loans secured by equipment
 7 yr. or life of chattel on loans secured by chattel
 1 yr. on a loan for working capital
COLLATERAL: 80% appraised value of equipment
 90% appraised value of real property
 95% for residential where FHA mortgage not available

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EDUCATIONAL

RESIDENTIAL

PUBLIC PURPOSE

COMMERCIAL

\$4,000 per yr/undergraduate 8,000 per yr/graduate 16,000 maximum outstanding	\$ 90,000 single dwelling 130,000 duplex 170,000 triplex 210,000 fourplex	Eligible Entities Boroughs and cities Municipalities Industrial development projects Non-profit corporations	\$500,000 max per individual \$5 million max per group or corporation assuming individual liability
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ORGANIZATIONAL CHARTS

The following Organizational Charts A through D have been prepared by the Senate Special Committee on the Permanent Fund.

Organizational Chart A

For existing state agencies

Organizational Chart B

For Senate Bill 1, The Senate Special Committee on the Permanent Fund 1978

Organizational Chart C

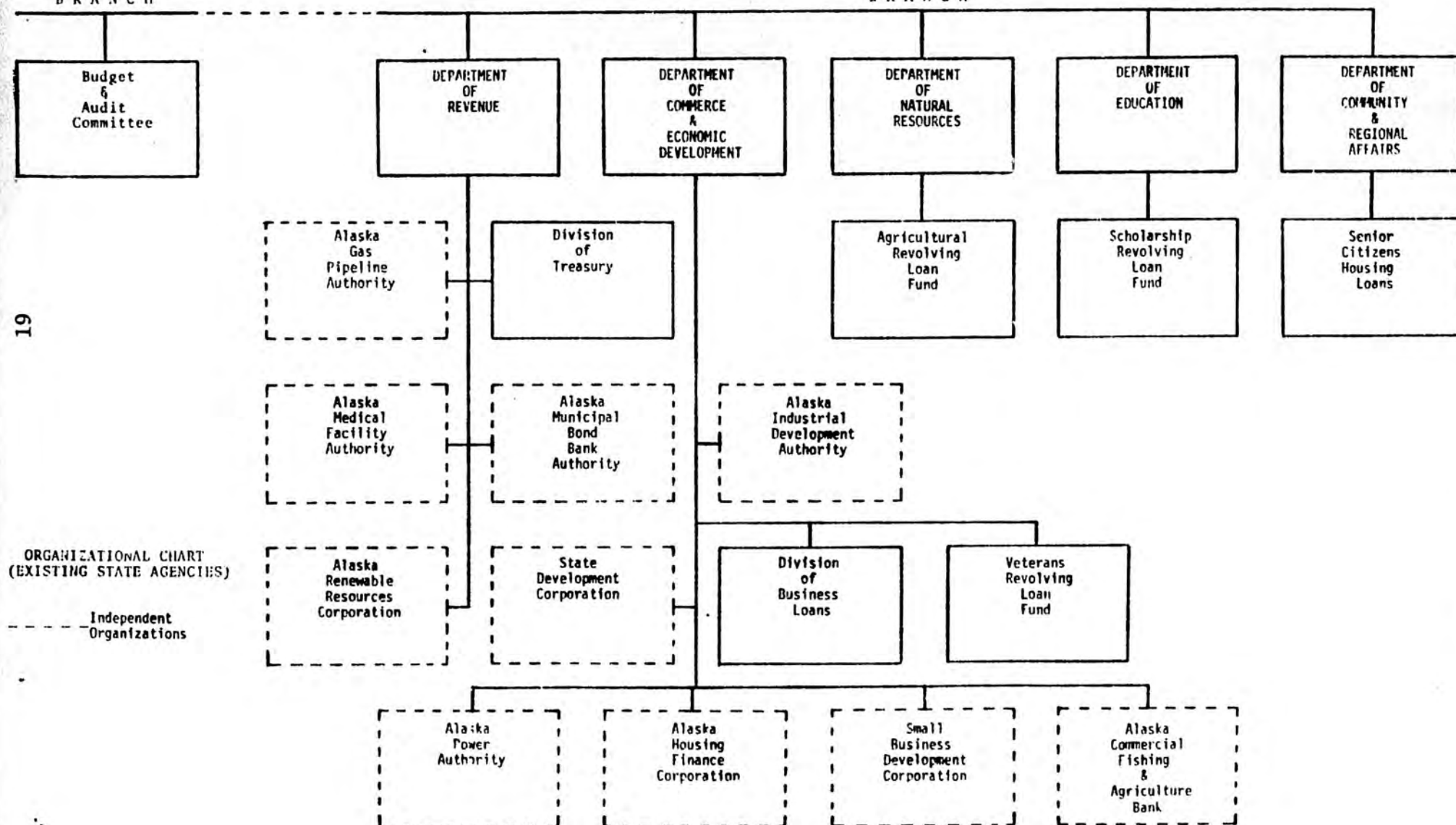
Organizational and flow chart of the permanent fund, renewable resources development fund and the general fund.

Organizational Chart D

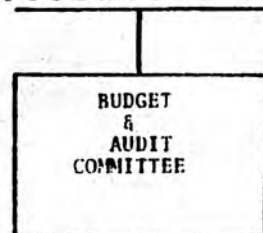
Organizational and flow chart of the permanent fund, renewable resources development fund and the general fund - Senate Interim Committee Proposed Legislation - 1978 Program

LEGISLATIVE
BRANCH

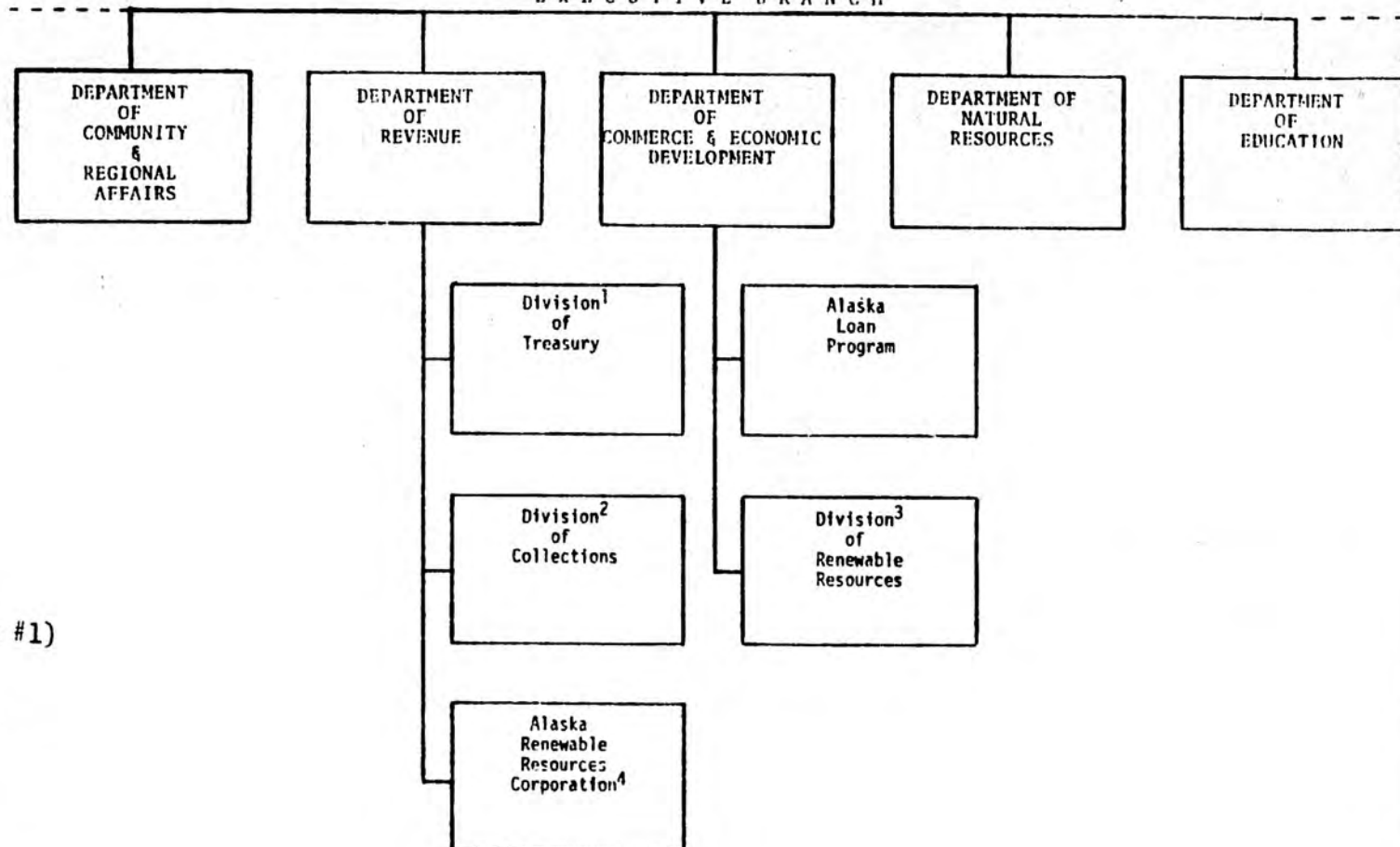
EXECUTIVE
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LEGISLATIVE BRANCH



EXECUTIVE BRANCH



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ORGANIZATION CHART (SENATE BILL 429) (SB #1)

SENATE COMMITTEE ON THE PERMANENT FUND

- 1 Manages all state funds including permanent fund
- 2 Collection agency for Alaska Loan Program
- 3 Provides equity participation or interest incentives through the Alaska Loan Program
- 4 Sunset Law June 30, 1982---activities should be assumed by Dept of Commerce & Economic Development