

York, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Carolina, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming, District of Columbia, Hawaii and Puerto Rico. Some of the foregoing are quite restrictive and apply only to selected cases.

The problem has reached such proportions in the United States that as a result of representations made to the Congress of the United States in connection with the 1952 and 1954 Federal aid to highways hearing, the Congress directed that a study be made of the problem, in section 11 of the Federal Aid to Highways Act of 1954. Such an investigation was made under the supervision of the Secretary of Commerce and a detailed report on the findings is contained in House Document No. 127, 84th Congress, 1st session.

It is the recommendation of Chugach Electric Association, that appropriate Federal legislation be considered and funds be appropriated to the agencies engaged in the construction of highways and roads in the Territory of Alaska, for the purpose of fair and equitable contributions to the cost of relocation of the cooperative's facilities, where such are necessitated by highway improvements. Similar Territorial legislation will be sought and should be encouraged to apply equally inside and outside of incorporated areas. Failure to do so could very well stifle the development of electrification in the Territory of Alaska, without which the finest highways to be built would only lead from one ghost town to another.

Mr. O'BRIEN. Is there anyone else present who would be satisfied to place their statement in the record who does not particularly want to testify beyond the written statement?

(No response.)

(Discussion off the record.)

Mr. O'BRIEN. The plan will be for Mr. Abbott and Delegate Bartlett to stay here during the lunch hour and also to stay here while the other members of the committee visit the airbase briefly this afternoon. We will return after that visit, as I understand it.

The committee as a whole is very grateful to the two gentlemen for their endurance.

Mr. ABBOTT. Mr. Fischer. Do you have a prepared statement, Mr. Fischer?

Mr. FISCHER. No; I do not.

Mr. ABBOTT. Would you be seated and give your full name and occupation and so on?

STATEMENT OF VICTOR FISCHER, EXECUTIVE SECRETARY, LEAGUE OF ALASKAN CITIES

Mr. FISCHER. My name is Victor Fischer. I am the executive secretary of the League of Alaskan Cities.

I would only like to make a very brief statement since the committee in its travels through the Territory will hear plenty about the problems of the individual communities.

As you have traveled around, you probably have noticed already the progress that has been made in Alaska in recent years, and also the need for additional facilities in the communities of Alaska as well as in the country as a whole.

Now, the League of Alaskan Cities generally represents the municipalities insofar as a congressional committee like this is concerned, through the presentation of facts and bases for legislation that will be of assistance to municipalities in providing the basic facilities.

You, of course, are familiar with the Alaska public-works program, in which case the League of Alaskan Cities submitted one such report for the extension of the program. Therefore, I do not feel we should go into too much detail, since when further legislation comes up we will do so again.

I would just like to point out that the APW program has been of tremendous assistance to Alaskan communities, municipalities, and school districts in providing for the basic necessities. The program will now extend to 1959, and we hope that in the interim sufficient appropriations will be made to keep up the progress that has already been made.

Now yesterday there was a substantial amount of testimony given by the city of Anchorage about the matter of bonding and the general financial problems facing Alaska and the municipalities. What I would like to point out is that Anchorage is in a fortunate position when it comes to bonds, because most of the Alaskan communities are of a population of less than 3,000. There are only 4 communities that have more than 5,000 population. Their bonding position is such that they, in effect, are unable to issue any bonds and sell them at any kind of a reasonable rate on the open market.

On this particular subject we would be glad to submit in the future, or I could give you some facts now, the figures in bonds actually issued by Alaska municipalities in relation to their bond authorization.

Mr. BARTLETT. Before you proceed, might I ask you to tell us a little bit about the League of Alaskan Cities?

Mr. FISCHER. The League of Alaskan Cities is an association of municipalities. At this time we represent the eight largest municipalities in the third and fourth divisions and a new member is joining us in southeastern Alaska.

The league is set up on the basis exactly similar to those more or less similar to those in the 43 States that currently have municipal leagues, and the basic functions are coordination of effort among municipalities, exchange of information, and education of municipal officials themselves to do a better job and, finally, work upon legislation that would be of benefit to municipalities both on the Territorial and Federal levels.

Mr. BARTLETT. And how long has the league been in existence?

Mr. FISCHER. Since 1950. I have been its executive secretary since July of 1953.

Mr. BARTLETT. Would you recall the names of the various communities that belong?

Mr. FISCHER. The communities that belong at the present time are Anchorage, Cordova, Fairbanks, Kodiak, Palmer, Seldovia, Seward, and Valdez.

Mr. BARTLETT. What is the town that is joining?

Mr. FISCHER. Ketchikan is joining the League of Alaskan Cities effective October 2.

Mr. BARTLETT. Now will you proceed.

Mr. FISCHER. The one thing I would like to stress, in addition, is that the league feels that the position of Alaskan communities can be improved only through the general development of Alaska as a whole. Toward that purpose the league has during past conventions adopted various resolutions, most of which are designed to benefit the Territory and not just the municipal corporations.

Among the things that the league feels are basic to the development of Alaska are improved highways. The league has over the years studied this problem and worked upon it, and it is felt that communities like Cordova and others will never really develop unless they can be tied into an efficient highway system that fully opens up the remainder of the hinterland to proper development.

In this connection we have analyzed various forms that such highway aid can take. We have in the past tried to lobby, you might say, for increased appropriations for the Alaska Road Commission. However, these have been declining, and it is our position now that further effort should be made to bring Alaska in under the Federal highway program. We realize, of course, the problems involved in that through the need for Alaskan participation. In that connection, the Congress in its deliberations upon Alaska statehood during recent years has always been fully cognizant of this problem of joining the Federal-aid highway program and has, therefore, in the bills that were considered during the current and last sessions included provisions for special grants for initial construction and maintenance of roads during, I believe, a 7- or 8-year period.

We believe that further study should be given to this particular problem and the possibility of enacting legislation to bring Alaska in under the Federal-aid highway program with this provision as included in the recent statehood bills, such as H. R. 2535.

These should be given further study, and we would favor enactment, if possible.

The next and last major topic that I would like to bring out is that the League of Alaskan Cities is very much in favor of statehood for Alaska. This, again, ties into the need for development and the municipalities have become convinced that development of Alaska is vital to the development and growth of its communities.

I would also like to make one more remark. Yesterday the chairman asked one of the witnesses a question about the enactment of some of the provisions of the statehood bill as a preliminary to statehood. In other words, trying to further the development and prepare Alaska for statehood.

The league has in the past always worked for legislation that has materially contributed to development or could materially contribute. We feel that the highway program is such a program. However, it is certainly no substitute for statehood, because under statehood, under the existing proposed bills, we would have an opportunity to share on this basis.

These are sort of intrameasures. We don't feel we should give up the fight for statehood, and we certainly don't want to compromise.

It is just like this committee not very long ago approved a bill which was enacted to authorize the Alaska Road Commission to construct highways through incorporated municipalities. That is something that would have come with statehood and participation in the Federal-aid highway program. This will benefit—Alaska benefits only for a 1- or 2-year period. So that it is not really an either-or proposition. We are for statehood first. In the meantime we want to do everything we can to further the development of Alaska.

Mr. ABBOTT. Well, is what you are saying, Mr. Fischer, under the various grants provided for in H. R. 2535, during the session of Congress just ended, that with or without statehood you feel that some of those grants should be made to the Territory so that they might proceed, and if statehood accompanies them, all the better?

Mr. FISCHER. That is right. We don't feel it should be an either-or proposition. We would like to see an approved highway program started immediately in Alaska even if it only goes on for 6 months, and then 6 months or later the State, if the statehood bill is enacted, we haven't lost anything.

Mr. BARTLETT. Mr. Fischer, you feel, as I gather, that if the committee were willing to give these special highway benefits in the statehood bill, then a committee—it wouldn't be this particular committee—from my viewpoint, ought to be willing to translate those same benefits into a bill to include Alaska in the Federal-aid system?

Mr. FISCHER. It would certainly seem reasonable in view of all the statements that have been made about developing Alaska and preparing it.

Mr. BARTLETT. And that would ease, of course, the burden upon the Territory during the transition period, which was the intention in the statehood bill?

Mr. FISCHER. That is right. I think everyone here is fully cognizant of the burden that immediate and general formula participation the Federal-aid highway program would put upon Alaska, and this would certainly help in the transitional period. I might add that it would help alleviate some of the problems created through a tremendously long period of neglect of highways in Alaska by the Federal Government.

Mr. BARTLETT. If I interpret your remarks correctly, however, you do not believe a single bill, a package bill, or a series of separate bills would constitute a substitute for statehood.

Mr. FISCHER. No; definitely not.

Mr. BARTLETT. You believe then that the resources of Alaska can come to their true potential only with the grant of statehood?

Mr. FISCHER. Yes.

Mr. BARTLETT. Mr. Utt?

Mr. UTT. With reference to bond issues, there was evidence given yesterday here that the city of Anchorage had never defaulted in any bond issue. Have any of these eight cities who are members of the league ever defaulted in any bond issue?

Mr. FISCHER. No, sir.

Mr. UTT. To your knowledge, have any other cities in Alaska outside of the league ever defaulted?

Mr. FISCHER. I would like to put it this way: All bonds issued by any municipality in Alaska have always been repaid. In other words, all creditors have been satisfied.

To explain my remarks, quite a few years ago—I don't know exactly when. I think it was during the early part of the depression—one small Alaskan community couldn't meet its obligations, and the Territorial government made the necessary appropriation to cover that. I think that subsequently the municipality repaid the Territorial government.

Mr. BARTLETT. And I believe, if I may so inform Mr. Utt, that the amount was on the order of \$40,000.

Mr. FISCHER. Yes; but otherwise there has been no default at all. Even in this case the payments were made.

Mr. UTT. You made reference to the Alaska Road Commission. Now is that Commission headed by Mr. Ghiglione?

Mr. FISCHER. Yes; he is the Commissioner of Roads.

Mr. UTT. And have the league members found him cooperative in his administration of that office?

Mr. FISCHER. I would like to put it this way: The league has worked with Mr. Ghiglione primarily upon the enactment of the bill to which we previously referred to authorize construction of highways

through municipalities. In that case, Mr. Ghiglione, as well as the Interior Department, favored the enactment of such legislation. So that we have no particular complaint on that score, although we would have preferred a somewhat broader bill on that subject.

Mr. UTT. Broader than he would recommend?

Mr. FISCHER. Yes; broader than was recommended by the Interior. In other words, we felt that in various municipalities the impact of Federal facilities would have justified inclusion of roads classified as secondary roads within this bill rather than just the through highway system, which is very limited in Alaska, and particularly in view of the fact that secondary roads can be constructed within municipalities under the Federal-aid highway program.

Mr. BARTLETT. Mr. Utt, would you yield?

Mr. UTT. Yes.

Mr. BARTLETT. I find myself cast in a strange role, that of entering a word of defense for the Interior Department, or of supplemental information rather, when I say that there was substantial opposition in the Senate committee likewise to a broadening of the bill.

Mr. UTT. Now with reference to Alaska statehood, you say the league members support that legislation?

Mr. FISCHER. That is right.

Mr. UTT. Would it be your belief that certain progressive steps prior to the granting of statehood, which may be delayed for some years, depending upon the complexion of the Congress, that certain progressive steps would retard that legislation, such as granting the elective right of a governor in the Territory? If that were granted, do you think that would stall statehood legislation, or would it lead to it perhaps?

Mr. FISCHER. If I may speak as an individual rather than for the league, I think strong arguments can be made both ways. I think that if you grant all these individual items that would come with statehood, sooner or later, Alaska could go to Congress and say, "We have got everything but statehood itself. So you might as well give us statehood."

On the other hand, Alaskans can point to a lot of injustices. If many of these injustices were met and then Alaskans came to Congress and said, "We have everything but statehood," Congress may well say, "Yes, the only thing you don't have is 2 Senators and 1 Representative and the right to vote for President. And we don't think that that means enough to justify the dilution of the strength of the larger States in the Senate." And, therefore, statehood may be delayed. So that it is a very difficult point to answer.

As one who believes very firmly in statehood, I think that we should—we have to work toward statehood all the way through because that is the only way we will achieve our true position as citizens. If we can in the meantime obtain legislation that will actually help develop Alaska, that is fine. I mean certainly no Alaskan will object to it.

Mr. UTT. In very simple terms, your answer to my question is "Yes" and "No."

Mr. FISCHER. Right.

Mr. UTT. That is all.

Mr. ABBOTT. I have 1 or 2 questions.

Mr. Fischer, were you present yesterday during the testimony in the last part of the afternoon by 1 or perhaps 2 witnesses who in

what might be described as a speculative mood, but in response to questions, suggested that there was some relationship to the present Federal control of fisheries, commercial fisheries, and opposition to statehood?

Mr. FISCHER. I was present; yes, sir.

Mr. ABBOTT. Do you subscribe to that—that a portion or substantial part of the opposition of statehood may come from a fear or belief that it would be accompanied by Territorial or State control of commercial fisheries?

Mr. FISCHER. Again speaking strictly as an individual, I think that the factor of the salmon industry is present. I believe, however, it is not so much in terms of the control of committees of Congress or individuals in Congress, but they operate rather through the bringing up of issues designed to sidetrack statehood.

We have over the years, primarily from the spokesmen of the salmon industry, heard arguments thrown out that this statehood bill doesn't contain enough land. Next time we hear there is too much land, there is not enough money for this, there is not enough money for that. We have to partition Alaska. We have to do such and such.

Mr. ABBOTT. You don't credit the salmon industry with all these arguments?

Mr. FISCHER. Certainly not directly.

Mr. ABBOTT. But are you saying they enter with some enthusiasm in promoting them?

Mr. FISCHER. I would say again nobody would very seriously listen to the salmon industry if they went before Congress and said, "Defense considerations require the partition of Alaska." I mean certainly nothing along those lines.

Mr. ABBOTT. In any case, it is perhaps in the academic field.

There is one thing I would like to call your attention to. Comments have been made on it, and in view of the mission of your group, I would like to call your attention to the fact that we now have pending, in fact have held two hearings on, H. R. 4883, I believe, by Mr. Engle, which is 1 of the 11 bills we have proposed to establish a system for Federal payments to States and governmental subdivisions in lieu of taxes by reason of Federal land ownership.

It occurs to me that, as suggested yesterday, the contribution which the city of Anchorage might make as a corporate entity and any of your other areas up here in terms of impact—and we are not talking, of course, of military impact on schools or Federal construction workers' impact, but rather what portion of your tax base has been removed by reason of tax exemption of Federal property.

The Bureau of the Budget advised us through the office of former Gov. Howard Pyle, who is the President's Federal-State liaison man, we now understand, that with some qualifications we may expect an initial report by the administration on those proposed bills. It would be appreciated if your group might help bring to your municipalities in Alaska some understanding of what the approach is.

Mr. FISCHER. If I may say a few words, I think that the cities in Alaska are aware of this problem. I was going to request the inclusion in the record of resolutions passed by our 1954 convention.

Mr. BARTLETT. Without objection, they will be included.

(The resolutions referred to follow:)

RESOLUTIONS OF THE 1954 CONVENTION, LEAGUE OF ALASKAN CITIES, FAIRBANKS,
NOVEMBER 4-6

STATEHOOD, CONSTITUTIONAL CONVENTION

Whereas the League of Alaskan Cities firmly believes that statehood for Alaska would stabilize governmental operations and promote the development of Alaska and its cities through the extension to the people of Alaska of the basic rights, responsibilities, and freedoms guaranteed to citizens of the United States of America: Now, therefore, be it

Resolved by the League of Alaskan Cities, That it hereby endorses immediate statehood for all of Alaska on the general terms embodied in the Butler committee bill of 1954; and be it further

Resolved, That to expedite accomplishment of this objective the Territorial legislature be and hereby is requested to authorize and appropriate for a constitutional convention at the earliest opportunity, and directing maximum use of applicable material available from the Statehood Committee, the University of Alaska, and other sources.

ROADS THROUGH CITIES

Whereas the primary road system of the Territory of Alaska now terminates at the boundaries of the Alaskan municipalities; and

Whereas the traffic originating along said primary Federal highway system passes through many of the municipalities, causing hardships, traffic hazards, and inequitable financial burdens to said municipalities; and

Whereas throughout the remainder of the United States the Federal Government accepts its responsibility to treat urban portions as part of the highway network; and

Whereas it is deemed essential in the development of Alaska and its cities that the highway system be planned, constructed, and maintained as one unit: Now, herefore, be it

Resolved, That the League of Alaskan Cities hereby requests the Congress of the United States to authorize and instruct the Alaska Road Commission to construct arterial highways through Alaskan municipalities, and to allocate funds for this purpose.

ALASKA PUBLIC WORKS

Whereas the Alaska public works program has greatly assisted Alaskan communities in the provision of needed public works; but

Whereas immediate needs are still very extensive; and

Whereas to fully carry out the purposes of the Alaska Public Works Act and aid in the development of the Territory of Alaska which continues to experience rapid growth in population, in large part caused by national defense activity, further implementation is required: Now, therefore, be it

Resolved, That the League of Alaskan Cities hereby petitions the Congress of the United States to appropriate a minimum of \$10 million for said Alaska public works program.

COMMUNITY FACILITIES

Whereas the Defense Housing and Community Facilities Act, Public Law No. 139, will expire July 1, 1955, unless extended by action of Congress; and

Whereas the community facilities program provided for in said law for national defense impacted communities will continue to be sorely needed in the Territory of Alaska after said expiration date; and

Whereas Alaska, as the corridor between Asia and North America, continues to be the first line of defense of the United States, which position is emphasized by recent authorizations for Arctic defense installations: Now, therefore, it is hereby

Resolved by the League of Alaskan Cities, That Congress is hereby urged to not only extend the effective period of Public Law No. 139, but also to appropriate funds necessary to carry out its purposes.

NEW TOWNSITE ACT

Whereas at the present time four separate townsite laws cover the creation of townsites in Alaska and the disposition of land therein; and

Whereas said laws are too involved and too restrictive to further the proper development of the Territory of Alaska and of its communities, and frequently retard the passage of townsite lands into private or local community ownership: Now, therefore, be it

Resolved, That the League of Alaskan Cities request the Senate and House of Representatives of the United States Congress to repeal the existing townsite acts applicable to Alaska and to consolidate the most desirable features of those acts into one new comprehensive townsite act in order that the Secretary of the Interior may provide for the survey and disposition of lands occupied for townsite purposes in an expeditious and equitable manner.

PAYMENT IN LIEU OF TAXES AND ASSESSMENT

Whereas Federal agencies located in the cities of Alaska do not share in the cost of municipal government because they occupy tax-exempt property, while receiving all the benefits provided by municipal services; and

Whereas Federal agencies rarely pay assessments for improvements which are of benefit to their properties; and

Whereas the lack of Federal contribution for municipal services and improvements creates an excessive burden upon citizens and taxpayers of Alaskan communities: Now, therefore, be it

Resolved, That the League of Alaskan Cities does hereby request that the United States Congress authorize and require payment of special assessments and payment in lieu of taxes for municipal services provided those offices, facilities, and properties that are located within the cities of Alaska equivalent to the amount that would be paid in the event that such properties were privately owned and operated, such payment representing an equitable payment for municipal services rendered such properties.

ALASKA ROAD COMMISSION APPROPRIATIONS

Whereas expansion of the road system of the Territory of Alaska is vitally needed for further development of Alaska in the national interest and for the national defense, as well as for use by residents of Alaska; and

Whereas there exists today in the Territory of Alaska an unprecedented interest by private corporations in the exploration and development of the great variety of natural resources possessed by the Territory of Alaska, which exploration and development would be greatly augmented and assisted by vigorous prosecution of roadbuilding activity: Now, therefore, be it

Resolved, That the Congress of the United States is hereby urged to appropriate in the neighborhood of \$25 million per year to be administered by the Alaska Road Commission for such roadbuilding program.

LAND SURVEYING AND MANAGEMENT

Whereas less than 1 percent of Alaska is presently surveyed, and title to the public lands within the Territory of Alaska may not be transferred to private ownership until such lands are surveyed; and

Whereas facilities and personnel in the land offices for administration of the responsibilities connected with acquisition of the public domain and its resources are inadequate; and

Whereas development of the Territory is continuously hampered by the fact that less than 1 percent of the lands within the Territory are held in private ownership; and

Whereas present fund limitations and the ever-growing interest in the Territory, the lack of resource studies, landownership maps, counseling service to interested applicants, expeditious processing of applications and claims, and sufficient land surveys, new development, including the search for oil, is constricted to a degree

inimical to the best interests of Alaska and of the whole of the United States: Now, therefore, be it

Resolved, That the League of Alaskan Cities request the United States Congress to furnish sufficient funds to the Secretary of the Interior to enable him and his authorized representatives to carry out an expanded and adequate survey, land office, and land management program within the Territory of Alaska.

FEDERAL INSURANCE OF MUNICIPAL BONDS

Whereas the rapid growth of Alaskan cities, caused by defense impact and Federal activities, has created a high demand upon cities to construct numerous community facilities and public works; and

Whereas many of these municipal public works are having to be financed by individual Alaskan municipalities, since the Alaska public works program can meet only part of the need, thereby requiring the issuance and sale of an increasing number of municipal bonds; and

Whereas the experience of Alaskan cities in the sale of their bonds reveals that interest rates charged the cities are exorbitant in comparison with the interest rates enjoyed by most cities within the United States; and

Whereas bond buyers and financial analysts have repeatedly stated that the lack over the years, of statehood for Alaska, with resultant instability of the political affairs of the Territory, is one of the major factors that influences the high interest rates required for Alaska's municipal bonds: Now, therefore, be it

Resolved, That the League of Alaskan Cities petition the Congress of the United States to provide a Federal insurance program to fully and unconditionally guarantee legally qualified general obligation and revenue municipal bonds of Alaskan cities both as to principal and interest upon the cities' agreeing to pay an annual insurance premium not to exceed one-fourth of 1 percent of the bond principal involved from year to year, with the result that these insured bonds can be sold by Alaskan cities on par with interest rates enjoyed by stateside cities; that such improvement in financial costs will encourage Alaskan cities to construct more of the normal community facility requirements on their own initiative; that municipally owned utilities within Alaska will then share equal opportunity in cost of money with the Rural Electrification Administration cooperatives; that this procedure of Federal insurance for Alaskan municipal bonds will not require advance Federal appropriations, as the experience record of bond redemptions by Alaskan cities reflects that all obligations to bond holders have always been met and, therefore, indicates that this Federal insurance may never require any appropriations; and that this equality of financial costs will give encouragement to Alaskan cities to continue working diligently in fully meeting their responsibility in the development of the Territory.

FEDERAL BUILDINGS AND POST OFFICES

Whereas many Alaskan cities presently lack Federal and post-office buildings and existing Federal and post-office buildings in many Alaskan cities are inadequate to meet present-day requirements; and

Whereas the lack of adequate housing of Federal and post-office activities has resulted in substandard service, inefficiency, and greater expense to the Government; and

Whereas the continued rapid growth in population in Alaska is creating further problems in housing Federal activities; and

Whereas the Administrator, General Services Administration, and the Postmaster General have submitted to the Congress a report covering Federal and post-office building requirements in Alaska; and

Whereas the Congress has enacted Public Law 519, 83d Congress, 2d session, which provides authority for the Administrator, General Services Administration, to construct public buildings under purchase contracts: Now, therefore, be it

Resolved, That the League of Alaskan Cities hereby petitions the Congress of the United States to appropriate funds for the construction of Federal and post-office buildings in Alaska to meet current and future requirements for building space; and be it further

Resolved, That the League of Alaskan Cities hereby petitions the Administrator, General Services Administration, to immediately provide Federal and post-office

buildings in Alaska to meet the more urgent requirements under authority of said Public Law 519.

APPROPRIATION FOR RIVER AND HARBOR PROJECTS

Whereas Alaska's general coastline is $1\frac{1}{2}$ times greater than that of the continental United States; and

Whereas over 12,000 vessels of all types operate within Alaskan waters and over \$90 million annually is derived from its maritime industry; and

Whereas based upon surveys and reports by the Corps of Engineers, United States Army, Congress has authorized 22 river and harbor projects in Alaska with a total estimated construction cost of approximately \$12.5 million; and

Whereas the Congress during the past 9 years has appropriated in excess of \$1.3 billion, with less than three-tenths of 1 percent of this amount allocated to Alaskan projects; and

Whereas the full development of the maritime industry of Alaska is being retarded because of the lack of adequate river and harbor facilities: Now, therefore, be it

Resolved, That the League of Alaskan Cities hereby petitions the Congress of the United States to appropriate construction funds for authorized river and harbor projects in Alaska at its next session.

MORTGAGE INSURANCE

Whereas the recent act of Congress deleting the authority of FNMA to accept assignments of FHA-insured mortgages in Alaska has largely stopped the construction of dwelling units in Alaska, particularly homes for individual families which constitute the backbone of a stable population, but with regard to which the President may authorize further participation by FNMA in the premises: Now, therefore, it is

Hereby urged by the League of Alaskan Cities that the President exercise his above-referenced power to rectify the damage already done and enable the needed resumption of construction in Alaska under FHA insured mortgages.

SHIPPING RESTRICTIONS

Whereas the waterborne movement of passenger and freight traffic to, from, and within Alaska is restricted by chapter 250, section 27, of the Merchant Marine Act, 1920 (Jones Act); and

Whereas the restrictions and discrimination of said act have contributed to an extremely high cost of goods and services to the people of Alaska and to the civil and military agencies of the Federal Government in Alaska: Now, therefore, be it

Resolved, That the League of Alaskan Cities urges the Congress of the United States to remove the discrimination against Alaska contained in the Jones Act to the end that waterborne services to, from, and within Alaska may be increased.

FREIGHT RATE DISCRIMINATION

Whereas the present classification of transcontinental cargo destined for Alaska under foreign export rates carries freight rates grossly discriminatory against Alaskan consumers, contributing to abnormally high living costs and retarding development: Now, therefore, be it

Resolved by the League of Alaskan Cities, That cargo destined for Alaska be reclassified to come under the domestic export rate now applicable to shipments destined for Hawaii.

AMENDMENT OF MC'CARRAN ACT

Whereas the McCarran Immigration Act discriminates against the United States citizens of Alaska by subjecting them to screening upon entry into other parts of the United States: Now, therefore, be it

Resolved, That the League of Alaskan Cities urge Congress to amend the McCarran Act to remove the provision for screening of travelers between Alaska and the continental United States.

JUVENILE DETENTION AND CORRECTION HOMES

Whereas in all the vast Territory of Alaska there exists not one single public facility for the detention of delinquent or temporarily homeless juveniles; and

Whereas the continued neglect of this need forces municipal and other Government officials to release such youths or confine them to jails: Now, therefore, be it

Resolved, That the League of Alaskan Cities petitions the 1955 Alaska Territorial Legislature to provide enabling legislation and funds for the erection and maintenance of detention and correction homes for boys and girls in each of the judicial divisions of Alaska.

ALASKA LEGISLATIVE COUNCIL

Whereas there was created by the 21st Legislature of the Territory of Alaska the legislative council constituted for and instructed to study, analyze, and present legislation for the benefit of the Territory; and

Whereas the council and its staff have produced excellent research and legislative proposals during their brief existence; and

Whereas it appears in the public interest that the council further broaden its activities aimed toward producing better legislation: Now, therefore, be it

Resolved, That the League of Alaskan Cities go on record in continued full support of the Alaska Legislative Council, and offer its cooperation and help in the work of the council; and be it further

Resolved, That the League of Alaskan Cities does hereby urge the Alaska Territorial Legislature to appropriate adequate funds for the legislative council so that it may carry out its assigned duties in an efficient manner to the end that all people of the Territory will benefit to the greatest extent possible.

TERRITORIAL PARKS

Whereas there presently exists a woeful lack of parks, camp sites, scenic overlooks, historical markers, and other recreation facilities and;

Whereas the provision of such facilities would serve the residents of Alaska, as well as the ever-increasing tourist industry: Now, therefore, be it

Resolved, That the League of Alaskan Cities does hereby urge the Alaska Territorial Legislature to vest responsibility for the provision of the needed recreation facilities in a Territorial agency and to make an adequate appropriation therefor.

HEALTH AND WELFARE

Whereas the population of Alaska is constantly increasing with a corresponding increase in the caseloads of the Territorial departments of health and welfare: Now, therefore, be it

Resolved by the League of Alaskan Cities, That the next Alaska Legislature be requested to appropriate enough money to adequately carry on the health and welfare programs, including the cost of necessary transportation of patients within the Territory.

GUARD ARMORIES

Whereas the Alaska National Guard does not have facilities in which to adequately carry out its operations; and

Whereas Federal funds are available on a matching fund basis for erection of armories; and

Whereas it is a recognized responsibility of the Territory to provide for the National Guard: Now, therefore, be it

Resolved, That the League of Alaskan Cities endorses the bill whereby the Territory of Alaska would provide funds for construction, maintenance, opera-

tion, and administration of armories for the National Guard in Alaska, it being the concensus of city representatives at the league meeting that their respective cities would be willing to furnish suitable sites.

PUBLIC SERVICE COMMISSION STUDY

Whereas the field of public utilities and other public services rendered outside of incorporated municipalities is a regulatory vacuum under existing laws in Alaska, and is a complex subject which requires careful investigation and study before appropriate legislation is enacted: Now, therefore, be it

Resolved, That the League of Alaskan Cities hereby urges the legislative council to make such investigation and study and to recommend suitable legislation for enactment at the 1957 session of the legislature.

ANNUAL LEGISLATIVE SESSIONS

Whereas the problems of Alaska and volume of legislative work required for good government have increased tremendously, and it is apparent that one 60-day session of the Alaska Legislature every 2 years is not sufficient to meet the need: Now, therefore, be it

Resolved by the League of Alaskan Cities, That the Alaska Territorial Legislature is hereby requested to memorialize the Governor to call an extraordinary session during every even-numbered calendar year, and express the willingness of the Territory to pay the expense of such extraordinary sessions.

COMPREHENSIVE PLAN FOR ALASKA

Whereas the Alaska Development Board has made economic studies helpful to the development of particular areas and cities; and

Whereas there exists a definite need for a comprehensive plan for the development and future growth of Alaska as a whole, including coordinated plans for highways, parks, transportation, and other facilities; and

Whereas the Alaska Development Board appears to be the most qualified agency to undertake the preparation of such comprehensive plan: Now, therefore, be it

Resolved by the League of Alaskan Cities, That the Alaska Territorial Legislature is hereby requested to authorize and require said board to prepare a comprehensive development plan for Alaska, and appropriate sufficient funds therefor.

CIVIL DEFENSE

Whereas a strong civil-defense organization is necessary for the protection of the people of Alaska and of the United States; and

Whereas the League of Alaskan Cities recognizes the continuing obligation of municipalities to support the civil-defense program on the same uninterrupted level as that for the national defense: Now, therefore, be it

Resolved, That the League of Alaskan Cities urges all officials and citizens of Alaska to support fully the civil-defense effort; and be it further

Resolved, That the Alaska Territorial Legislature is hereby requested that certain portions of the money appropriated for civil defense not be restricted to expenditure with Federal matching funds only.

STATISTICS FOR POLITICAL SUBDIVISIONS

Whereas the Territorial treasurer must keep individual city, school district, and public utility district accounts for receipt of moneys for tobacco tax, liquor tax, and business licenses in order to refund such moneys to incorporated municipalities and such districts; and

Whereas the statistical information available from such accounts would be of inestimable value to the individual municipalities and districts concerned; Now, therefore, be it

Resolved, That the League of Alaskan Cities requests the Territory of Alaska, and endorses enabling legislation, if necessary, to provide individual municipalities, school districts, public utility districts, and chambers of commerce with the statistical information on which their Territorial refunds are based.

ASSOCIATION OF ALASKA SCHOOL BOARDS

Whereas the school boards of Alaska's incorporated school districts are organizing an association to coordinate activities and considered mutual problems; and

Whereas the League of Alaskan Cities deems this to be a progressive and constructive effort: Now, therefore, be it

Resolved, That the League of Alaskan Cities commend the creation of the Association of Alaska School Boards and extend its best wishes to the new organization; and be it further

Resolved, That the League of Alaskan Cities offer its cooperation to the Association of Alaska School Boards on any matter involving mutual interest.

COST-OF-LIVING SURVEY

Whereas the United States Department of Labor has insufficient funds to compile and publish cost-of-living statistics for Alaska; and

Whereas cost-of-living survey statistics are widely used, and valuable to business, labor, government, and the general public; and

Whereas the league has been advised that management and labor organizations could undertake such surveys on a volunteer basis; and

Whereas the executive committee of the League of Alaskan Cities deems it proper to encourage member cities, as well as other Alaskan cities, to cooperate in bringing about cost-of-living surveys: Now, therefore, be it

Resolved, That the executive committee of the League of Alaskan Cities request that member cities, as well as all other Alaskan cities, cooperate in organizing management and labor teams to perform the cost-of-living survey work in their respective cities and areas; and be it further

Resolved, That the United States Secretary of Labor is hereby requested to furnish technical assistance in establishing this program and to compile and publish the survey results; and be it further

Resolved, That the commissioner of labor for Alaska, the University of Alaska Extension Service, chambers of commerce, labor organizations, Associated General Contractors, and other agencies and groups, are hereby requested to cooperate and assist in this program.

Mr. FISCHER. One of those resolutions refers to payment in lieu of taxes and assessments upon property. I might further add that we have looked into various programs on payments in lieu of taxes. We have discussed the matter with the American Municipal Association in Washington, which represents about 12,000 cities. And I assure you, if we could get the Canadian system enacted in the United States we would be very, very happy.

Mr. ABBOTT. Off the record.

(Discussion off the record.)

Mr. ABBOTT. I believe that is all I have, Mr. Chairman.

The contribution which you might make in terms of statistics would arm Mr. Bartlett, of course, and when some of the so-called impact area Congressmen arise to point out that 23 percent of their area is federally owned, or 16 or 18 percent, he could certainly, I assume, dramatically announce in Alaska it is 99½ percent.

Mr. BARTLETT. It will be done dramatically, Mr. Fischer.

Mr. FISCHER. Mr. Chairman, I would just like to point out that the problem is really extremely serious in Alaska where you have operations, as was pointed out yesterday, such as the Alaska Railroad that own a lot of property within the municipality like Anchorage, Seward,

Fairbanks, independent school districts, and Alaskans find themselves in a position of what can we do about it.

The people in Seward certainly are not going to start screaming for payments in lieu of taxes after they have worked for years to obtain the rehabilitation of the Alaska Railroad link to Seward. So it is a very complicated situation which we hope will be recognized.

Mr. UTT. Mr. Chairman. I direct your attention to testimony this morning to the effect that the city of Anchorage does not levy a solvent-credit tax. Are there any cities, members of your league, who levy a solvent-credit tax?

Mr. FISCHER. None to my knowledge.

Mr. UTT. And can you give me the reason for not doing that?

Mr. FISCHER. I think I am no expert on this particular subject. I have heard some discussions of it, and it appears that the problem would be one that if you tax those on the same basis as other property, and it would have to be probably equally taxed, you would just make it prohibitive for people to keep bonds and stocks, deposits of money.

Mr. UTT. It would be prohibitive. Why are you stuck with 1 millage tax? Our tax is one mill on solvent credits and 65 mills on property taxes.

Mr. FISCHER. Delegate Bartlett might correct me, but I believe the organic act has specific provisions in it for equal taxation of all classes of property. So possibly in this case it might be it is easier to ignore it than discriminate.

Mr. UTT. Well, that organic act could be changed. I could sit here with a million dollars worth of stocks and bonds and pay no taxes, and you have a house and pay a considerable amount of taxes.

Mr. FISCHER. That is right.

Mr. UTT. I would hazard a guess that your solvent credits in the Anchorage area alone will equal the assessed valuation of all of your property, and it would be a source of revenue of probably \$100,000 in this community.

Mr. FISCHER. That certainly would be a substantial amount.

Mr. UTT. And if it does take a change in the organic act, we should look into that and not penalize them with the same millage rate as you have on real property.

Mr. FISCHER. We will certainly look into this further at your suggestion.

Mr. BARTLETT. Thank you, Mr. Fischer. And you have left the resolutions adopted at the last meeting for the reporter?

Mr. FISCHER. Yes, I have.

Mr. ABBOTT. Mr. Owen, or Senator Owen.

STATEMENT OF ALFRED A. OWEN, JR., MEMBER OF THE ALASKA SENATE, THIRD DIVISION, ANCHORAGE, ALASKA

Mr. OWEN. Mr. Chairman, my name is Alfred A. Owen, Jr., a member of the Alaska Senate, Third Division, Post Office Box 307, Anchorage, Alaska.

I should like to speak briefly on a number of subjects, the first one, however, being the elective governor bill which has been introduced over a series of congressional sessions, sometimes by our Delegates, sometimes by the very distinguished Senator Butler.