

Special Legislative Session Hammers Out Flood Relief Bills

The special session of the state legislature called to deal with aiding the flood victims of the Tanana Valley

area lasted six days at the state capitol in Juneau.

The legislation was geared for fast action in which House and Senate floor rules were suspended to expedite the passage of 34 bills introduced of which 31 were passed.

The special session passed two new tax bills, one a "head" tax bill, as the legislators dubbed it, in which each gainfully employed person will pay ten dollars a year toward a special disaster fund; the other, a one per cent hike on oil and gas production making the tax on that industry at the total of two per cent.

Apparently confident of the outcome of the special legislative session, Governor Walter J. Hickel said in his office in Juneau last Monday:

"Thirty-one bills have been put in. This is going to be amazing. It's practically a major legislation."

Remarking on the House Bill No. 12, or head tax bill, the Governor said, "I think it is a liberal program... I think it's a responsible bill. The federal government paid business revenue shortfalls in the Anchorage earthquake in 1964. This bill is going to

be more liberal than the government.

"The way it's to be funded makes sense. Ten dollars a

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Special Session . . .

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year payment by each of our working citizens to contribute to the fund until \$7.5 million is reached. I think it is a real progressive thing."

Early in the special session when it was pointed out to the legislature that this program would be more liberal than President Johnson would have proposed, Gov. Hickel replied, "Gentlemen, we could not solve the problem of the flood if we were as conservative as the Texas Democrats."

The new tax bills enacted will help to pay for the expenses of damage of the flood in August and then the money coming in from the taxes imposed will be used to build up a \$7.5 million disaster fund.

When that figure is reached, taxes will lapse automatically and reimposed when the fund shrinks below \$5 million.

DEBATE

When the "head" tax bill was debated in the House, following are some of the remarks of the legislators.

Rep. Tom Fink: "This tax is not necessary. State has adequate funds and still has a surplus of more than \$14 million. This legislation should be taken up at the general session."

Rep. Gene Guess: "The way this bill is drafted, it will fade in and out."

Rep. Jalmur Kerttula: "We should wait till the regular session... We are confusing the hour. There is no need to pass the bill for the next two or three months. I am philosophically opposed to passing it now."

Rep. Ted Stevens: "I am for the bill."

Rep. Sassara: "This is a regressive bill."

Rep. William Hensley: "I agree it is a regressive tax. The people in my district earn very little money. Our people would have to hunt seals, probably for days, to get enough money to pay the tax."

Rep. Donald Young: "The recovery of Fairbanks is very important to the people in my district. The economy of Fairbanks is vital to them because many of them work there. They want its recovery. They're willing to help Fairbanks. I'm willing to vote for the bill."

Rep. Terry Miller: "The way the bill is written, it would tax everyone, residents and non-residents. It's not a hidden tax—it's there for everyone to see. This is not a business as usual. This is more than a unhappy tax. I will vote for passage."

Rep. Tom Balone: "Many of the people in my district make \$500 dollars a year or less and as the bill is written they, too, would have to pay \$10 dollars like the man who makes \$100 thousand dollars would pay his \$10 dollars."