

*Amd #1*

**FY16 OPERATING BUDGET AMENDMENT (TECHNICAL)**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Reps. Neuman and Thompson

**DEPARTMENT:** Department of Commerce, Community and Economic  
Development

**APPROPRIATION:** Insurance Operations

**ALLOCATION:** Insurance Operations

**POSITIONS:** Add 2 PFT PCNs and delete 2 Non-Perm PCNs

**EXPLANATION:** The House Subcommittee deleted a total of \$598.2 and deleted 8 PFT positions in Insurance Operations. The intent was to delete 6 PFT positions and 2 Temporary positions. This amendment corrects the error.

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Rep. Neuman and Thompson

**DEPARTMENT:** Department of Commerce, Community and Economic  
Development

**DELETE THE FOLLOWING LANGUAGE**

\* **Sec. 12.** DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT. (h) The sum of \$345,000 is appropriated from federal receipts for energy projects to the Department of Commerce, Community, and Economic Development, Alaska Energy Authority for operating costs associated with emerging energy technology fund data collection for the fiscal years ending June 30, 2016, June 30, 2017, and June 30, 2018.

**EXPLANATION:** The Governor's FY15 supplemental request includes \$345,000 of federal receipts as a multi-year appropriation. After discussions with the department, it was determined that both this appropriation and the supplemental appropriation are better described as a capital project. The intent of the House Finance Committee is to include the full amount (\$690.0) of federal receipts as a supplemental capital project.

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Neuman, Thompson

**DEPARTMENT:** Education and Early Development

**APPROPRIATION:** Teaching and Learning Support

**ALLOCATION:** Student and School Achievement

**DELETE:** \$350,000 General Funds, 1004

**EXPLANATION:** This removes funding that was not requested by the Governor.  
Funds were for a statewide license for Microsoft Academies to be used by  
all public schools.

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Reps. Wilson, Neuman, and Thompson

**DEPARTMENT:** Labor and Workforce Development

**APPROPRIATION:** Workers' Compensation

**ALLOCATION:** Workers' Compensation Appeals Commission

**ADD:** \$439.6 Workers Safety & Compensation Administration Account (1157)

**POSITIONS:** 2 PFTs

**EXPLANATION:** This amendment restores the Workers' Compensation Appeals Commission subcommittee decrement. AS 23.30.008(a) specifies that the "commission shall be the exclusive and final authority for the hearing and determination of all questions of law and fact arising under this chapter in those matters that have been appealed to the commission, except for an appeal to the Alaska Supreme Court." Defunding the Commission without repealing this statute leaves aggrieved workers with no recourse. If the Commission is eliminated in statute, the fiscal note should remove the funding.

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Reps. Muñoz and Edgmon

**DEPARTMENT:** Fish and Game

**APPROPRIATION:** Commercial Fisheries

**ALLOCATION:** Commercial Fisheries Entry Commission

**ADD:** It is the intent of the legislature that moving the Commercial Fisheries Entry Commission Allocation under the Commercial Fisheries Appropriation does not diminish or affect their statutorily designated budgetary or judicial autonomy or authority; nor does this move grant the Commissioner of Fish and Game or designee any budgetary or operational control over the Commercial Fisheries Entry Commission.

**EXPLANATION:** This intent language is to preserve the independent and quasi-judicial autonomy of the Commercial Fisheries Entry Commission.

*Amd #6*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Neuman and Thompson

**DEPARTMENT:** Department of Fish and Game

**ADD:** It is the intent of the legislature that the department focus research and management dollars on fishery systems which have stocks of concern, in order to satisfy its constitutional responsibility of managing for sustained yield.

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Rep. Saddler, Neuman, Thompson

**DEPARTMENT:** Health and Social Services

**APPROPRIATION:** Behavioral Health

**ALLOCATION:** Alcohol Safety Action Program (ASAP)

**ADD:** \$500,000 Alcohol and Other Drug Abuse Treatment & Prevention  
Fund, 1180  
\$703,800 General Fund, 1004

**DELETE:** \$1,203,800, General Fund/Program Receipts, 1005

**EXPLANATION:**

This action amends a change made by the DHSS Budget Subcommittee; it replaces GF Program Receipts with money from the general fund and from the Alcohol and Other Drug Abuse Treatment & Prevention Fund.

Collections for the ASAP program are currently maximized and additional GF/Program receipts are not available. Over 80% of the participants in the 24-7 Sobriety Program are deemed indigent by the courts and are not required to pay the testing fees themselves. DHSS estimates that, without the funding provided by this amendment, ASAP would be able to test less than 20% of participants in the 24-7 Sobriety Program. People unable to be tested and monitored often remain incarcerated, increasing costs to the state.

*Amd #8*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Neuman, Thompson and Saddler

**DEPARTMENT:** Health and Social Services

**APPROPRIATION:** Office of Children's Services

**ALLOCATION:** Family Preservation

**DELETE:** \$2,938.4 UGF (1004)

**EXPLANATION:** The Office of Children's Services plans to partner with the Division of Public Assistance to use available TANF grants to provide funding for Child Advocacy Centers with federal funds. The receipt authority in the Division of Public Assistance is already present.

**DEPARTMENT:** Health and Social Services

**APPROPRIATION:** Office of Children's Services

**ALLOCATION:** Family Preservation

**ADD:** \$2,938.4 I/A Receipt Authority (1007)

**EXPLANATION:** In order to use Division of Public Assistance grants, the Office of Children's Services requires Interagency Receipt authority.



**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee  
**TO:** HB 72  
**OFFERED BY:** Rep. Edgmon, Neuman, Thompson

**DEPARTMENT:** Administration  
**APPROPRIATION:** Public Communications Services

**ALLOCATION:** Public Broadcasting Commission  
**ADD:** \$21,800 General Fund (1004)

**ALLOCATION:** Public Broadcasting – Radio  
**ADD:** \$1,182,700 General Fund (1004)

**ALLOCATION:** Public Broadcasting – T.V.  
**ADD:** \$295,500 General Fund (1004)

**EXPLANATION:** This amendment restores a total of \$1,500,000 in the Public Communications Services appropriation, or 87% of the House subcommittee proposed budget reduction of \$1,716,000.

This amendment would increase funding for

- **Public Broadcasting Commission** from \$24,900 to \$46,700;
- **Public Broadcasting – Radio** from \$1,353,000 to \$2,535,700; and
- **Public Broadcasting – T.V.** from \$337,800 to \$633,300.

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Representatives Neuman, Thompson

**DEPARTMENT:** Administration

**APPROPRIATION:** Centralized Administrative Services

**ALLOCATION:** Office of the Commissioner

**ADD** the following language:

It is the intent of the legislature that, in FY2016, the Department of Administration implements the plan to consolidate statewide information technology services including IT procurement, IT support, IT contractual services and IT services currently performed by executive branch state employees. The stated goal of the plan is to improve services while reducing executive branch information technology spending. The legislature established a savings goal of approximately 30%--estimated to be \$67,000,000--over three fiscal years. It is the intent of the legislature that the Department of Administration submit a report to the House and Senate Finance Committees annually by January 15th, for the next three years, identifying in detail the path and tasks to achieve the total savings.

**APPROPRIATION:** Enterprise Technology

**DELETE** intent language reading:

It is the intent of the legislature that the Department of Administration, through implementation of its five-year statewide plan to consolidate statewide information technology services, including procurement, support, and contracting services previously done by state employees, realize twenty five million dollars in savings statewide during FY2016. It is the intent of the legislature that the Department of Administration submit a report identifying and detailing these savings to the House and Senate Finance Committees by January 15, 2016.

**EXPLANATION:** Facilitate implementation of the Department of Administration 2015 Enterprise Strategic IT Plan

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Neuman, Thompson, Munoz & Edgmon

**DEPARTMENT:** University of Alaska

**APPROPRIATION:** University of Alaska

**ALLOCATION:** Various (21 Allocations)

**TOTAL ADD: \$10,831.2 UGF (1004)**

The University of Alaska budget recommended by the subcommittee contains \$334,768.5 of Unrestricted GF. That amount is \$35,831.2 below Mgt Plan for FY15. This amendment will bring the FY16 UGF budget to \$25 million below the FY15 Mgt Plan.

The University estimates that approving the subcommittee recommendation would result in the elimination of approximately 178 positions throughout the state. This amendment would allow the University to retain approximately 75 of those positions (and provide associated services) throughout the University of Alaska system.

Individual allocations, line-item breakouts, and impacts of this amendment are as follows:

**ALLOCATION: Statewide Services**

**ADD:** **\$402.6 UGF (1004)**  
\$348.1 personal services  
\$ 54.5 travel  
(House Finance Subcommittee recommended reduction: \$3,691.7)

**EXPLANATION:** This amendment restores \$402.6 UGF (and retains four positions) in support of the University's core business and compliance functions. These core functions—accounting, land management, risk management, institutional research and management reporting, audit, treasury, debt management and procurement oversight—assure that University resources are properly utilized, safeguarded, and reported in accordance with state and federal governmental requirements. The expertise and role of Statewide Services is unduplicated within the University system.

**ALLOCATION: Office of Information Technology (OIT)**

**ADD: \$280.6 UGF (1004)**

\$280.6 personal services

(House Finance Subcommittee recommended reduction: \$2,224.3)

**EXPLANATION:** This amendment restores \$280.6 UGF (and retains three positions) in support of statewide IT services. The OIT provides and maintains the University's wide area network that connects all campuses to each other, the lower 48 and the internet to support teaching, learning and research.

The OIT provides a consolidated, efficient means of delivery for common-good IT services, allowing individual campuses to focus on IT services unique to local needs and avoid duplication of systems best provided centrally.

**ALLOCATION: Systemwide Education & Outreach**

**ADD: \$32.5 UGF (1004)**

\$32.5 personal services

(House Finance Subcommittee recommended reduction: \$257.8)

**EXPLANATION:** This amendment restores \$32.5 UGF (and retains one position) in support of the Systemwide Education & Outreach core mission—to prepare a qualified workforce and provide programs designed to attract, place, and retain high quality teachers.

**ALLOCATION: Anchorage Campus**

**ADD: \$2,564.5 UGF (1004)**

\$1,214.7 personal services

\$ 849.8 travel

\$ 500.0 contractual services

(House Finance Subcommittee recommended reduction: \$6,777.8)

**EXPLANATION:** This amendment restores \$2,564.5 UGF (and retains between ten and fifteen positions) in the areas of student services, fundraising, faculty in high-demand programs and the library. Even with the restoration in this amendment, personnel and services in the following areas will be affected:

- Chancellor's Office: fundraising, Academic Affairs.
- Arts & Sciences: elimination of full-time terms.
- Engineering: eliminate master's programs.
- College of Business: eliminate AAS programs, eliminate MPA program (partner with UAS).
- College of Education: eliminate superintendent prep program.
- Administrative Services (facilities, athletics, HR, financial services): service reductions, including elimination of at least one sport.

The 50% travel reduction recommended by the subcommittee would likely cause the end of athletic programs. This amendment would allow partial travel funding for athletics, program-delivery supervision in teacher education, union professional development and student recruitment. All other University travel would need to be severely curtailed.

The addition of \$500.0 in Contractual Services will enable UAA to absorb expected utility cost increases.

**ALLOCATION: Small Business Development Center**

**ADD:           \$27.8 UGF (1004)**  
                  \$13.9 personal services (71000)  
                  \$13.9 contractual services (73000)  
                  (House Finance Subcommittee recommended reduction: \$47.5)

**EXPLANATION:** This amendment restores \$27.8 UGF to facilitate required match funding for federal awards.

**ALLOCATION: Kenai Peninsula College**

**ADD:           \$110.6 UGF (1004)**  
                  \$14.1 personal services  
                  \$96.5 contractual services  
                  (House Finance Subcommittee recommended reduction: \$329.4).

**EXPLANATION:** This amendment restores \$110.6 UGF (and retains one position), and allows for retention of adjunct positions and the courses they teach. Contractual services funds will provide for absorption of expected utility cost increases. The same explanation applies to the three colleges listed below.

**ALLOCATION: Kodiak College**

**ADD:           \$47.1 UGF (1004)**  
                  \$11.2 personal services  
                  \$35.9 contractual services  
                  (House Finance Subcommittee recommended reduction: \$122.6)

**ALLOCATION: Mat-Su College**

**ADD:           \$80.4 UGF (1004)**  
                  \$ 11.8 personal services  
                  \$ 68.6 contractual services  
                  (House Finance Subcommittee recommended reduction: \$234.2)

**ALLOCATION: Prince William Sound College**

**ADD: \$69.7 UGF (1004)**  
\$26.5 personal services  
\$43.2 contractual services  
(House Finance Subcommittee recommended reduction: \$147.6)

**ALLOCATION: Fairbanks Campus**

**ADD: \$3,310.6 UGF (1004)**  
\$2,352.3 personal services  
\$ 958.3 travel  
(House Finance Subcommittee recommended reduction: \$7,555.4)

**EXPLANATION:** The subcommittee recommendation would cause a reduction of 50-60 staff, faculty and research positions, with significant adverse impact on University academic programming, research initiatives that directly support and benefit Alaskans, and staffing and employment levels within the Fairbanks community and throughout the state.

This amendment restores \$3,310.6 UGF (and retains 28 positions) and may allow for eight academic programs to be retained. Programmatic impacts include the following.

**University & Student Advancement (USA)**

The restored funding may allow University and Student Advancement (USA) to retain five of 25 employees, with significant degradation of the capacity to

- process student admission applications,
- register students,
- review and process student transcripts,
- receive, manage, and distribute student financial aid and meet federally-mandated deadlines for financial aid reporting,
- respond to student and parent inquiries, and
- advise students.

**Chancellor's Office & Operations**

The restored funding will allow UAF to retain a minimal level of Title IX investigator support, which helps improve response related to sexual harassment/assault allegations. A reduction in IT support and funding would inhibit eLearning programs and the ability to maintain online course delivery, reducing distance delivery capacity.

**Administrative Services**

The restored funding may allow Administrative Service areas to retain five to ten of the 35-40 positions that would be lost under the subcommittee's recommendations. The UAF Fire Department would also be retained, although it may experience some reduction. With this amendment, degradation of administrative services include

- processing of checks for vendors,
- Human Resources services,
- facilities maintenance, and
- student aid in the form of scholarships and talent grants.

#### Academic Programs

Due to anticipated funding reductions, 12 academic programs are in “recommend elimination” status at this stage of review. A reduction in state funding will cause UAF to revisit the programs undergoing special program review and add additional programs to the list of programs to be eliminated.

The following program or services areas may also be impacted:

- the Kodiak Seafood and Marine Science Facility,
- the Farm facilities in Fairbanks and Palmer,
- the UA Press
- academic advising—losing some ground on the student success initiative that has been so effective in raising UAF graduation rates,
- library service, and
- student fees, which will be increased to cover instructional supplies.

If funding is returned in future years, it is very difficult to rebuild these programs and maintain academic quality and program accreditation. Academic program cuts take years to complete. Lack of retention of high quality faculty will result, diminishing future educational efforts.

#### Travel

The travel funding restoration will help UAF maintain some of its critical business operations and outreach functions. There will still be substantial effects on

- student recruitment,
- student experiential learning opportunities,
- professional and required certification for employees
- faculty collaboration with other universities and
- athletic team travel, thus likely eliminating the sports programs.

#### **ALLOCATION: Fairbanks Organized Research**

**ADD:**               **\$616.7 UGF (1004)**  
                          \$461.4 personal services  
                          \$155.3 contractual services  
                          (House Finance Subcommittee recommended reduction: \$922.8)

**EXPLANATION:** This amendment restores \$616.7 UGF (and retains six positions). UAF would make efforts to retain the Veterinary Medicine Program (recently state funded and partnered with Colorado State University); although this program may still be subject to some level of reduction.

The subcommittee recommendation would eliminate roughly ten full-time staff positions. For comparison purposes, this would equate to the elimination of all UAF animal handling capacity and research in the following areas:

- both the Fairbanks and Palmer Farms,
- the large animal research station,
- fish studies,
- laboratory animals,
- the Veterinary Medicine Program,
- marine mammals, and
- hibernation studies.

**ALLOCATION: Cooperative Extension Services**

**ADD:**               **\$29.5 UGF (1004)**  
                          \$29.5 travel  
                          (House Finance Subcommittee recommended reduction: \$50.0)

**EXPLANATION:** This amendment restores \$29.5 UGF for outreach services and support including youth programming and the Marine Advisory Program (MAP).

**ALLOCATION: Bristol Bay Campus**

**ADD:**               **\$22.3 UGF (1004)**  
                          \$2.8 personal services  
                          \$19.5 contractual services  
                          (House Finance Subcommittee recommended reduction: \$66.8)

**EXPLANATION:** This amendment restores \$22.3 UGF to preserve funding for a portion of one position.

**ALLOCATION: Chukchi Campus**

**ADD:**               **\$14.5 UGF (1004)**  
                          \$1.2 personal services  
                          \$13.3 contractual services  
                          (House Finance Subcommittee recommended reduction: \$45.6)

**EXPLANATION:** This amendment restores \$14.5 UGF to preserve funding for a portion of one position.



**ALLOCATION: Interior-Aleutians Campus**

**ADD:**               **\$30.8 UGF (1004)**  
                          \$6.6 personal services  
                          \$24.2 contractual services  
                          (House Finance Subcommittee recommended reduction: \$82.5)

**EXPLANATION:** This amendment restores \$30.8 UGF to preserve funding for a portion of one or two positions in order to reduce the impact on rural learning centers.

**ALLOCATION: Kuskokwim Campus**

**ADD:**               **\$53.6 UGF (1004)**  
                          \$10.4 personal services  
                          \$43.2 contractual services  
                          (House Finance Subcommittee recommended reduction: \$147.4)

**EXPLANATION:** This amendment restores \$53.6 UGF to preserve funding for one faculty position.

**ALLOCATION: Northwest Campus**

**ADD:**               **\$39.4 UGF (1004)**  
                          \$16.9 personal services  
                          \$22.5 contractual services  
                          (House Finance Subcommittee recommended reduction: \$76.7)

**EXPLANATION:** This amendment restores \$39.4 UGF towards funding for a portion of one position. However, changes in staff contracts to 10 months may be necessary as reductions are expected to be multi-year.

**ALLOCATION: College of Rural and Community Development**

**ADD:**               **\$140.1 UGF (1004)**  
                          \$59.0 personal services  
                          \$81.1 contractual services  
                          (House Finance Subcommittee recommended reduction: \$276.9)

**EXPLANATION:** This amendment restores \$140.1 UGF to allow the Rural Student Services advisor to be retained; preserving positive strides made in student retention and graduation rates.

The subcommittee recommendations would eliminate one Developmental Education faculty and one Rural Student Services advisor (recently funded by State of Alaska) and a reduction in youth support for the Rural Alaska Honors Institute may still be necessary to meet overall reduction levels. This decrement will reduce CRCDC's

ability to pursue and secure receipt authority through federal and private funding sources.

**ALLOCATION: UAF Community and Technical College**

**ADD:               \$74.9 UGF (1004)**  
                      (\$4.1) personal services  
                      \$79.0 contractual services  
                      (House Finance Subcommittee recommended reduction: \$269.5)

**EXPLANATION:** This amendment restores \$74.9 UGF to reduce impact on workforce programs.

**ALLOCATION: Juneau Campus**

**ADD:               \$558.6 UGF (1004)**  
                      \$360.6 personal services  
                      \$198.0 travel  
                      (House Finance Subcommittee recommended reduction: \$1,405.3)

**EXPLANATION:** Personal Services funding of \$360.6 will restore four of the five affected positions in order to ensure that UAS will continue to be able to support student retention efforts in Student Services and the academic departments. Travel funding of \$198.0 will allow UAS to continue delivering high-quality teacher education around the state.

The subcommittee recommendation may impact the following areas:

- students services: loss of 3 FTE (\$255.0)
- Academic affairs: loss of 1.5 staff FTE (\$140.0)
- term faculty: (\$90.0)
- closure of three buildings \$320.0 (Bookstore/Admin, Schaible House, Ellsworth House)
- reduced travel for direct supervision of rural students, faculty development and participation in conferences.

**ALLOCATION: Ketchikan Campus**

**ADD:               \$40.7 UGF (1004)**  
                      \$40.7 personal services  
                      (House Finance Subcommittee recommended reduction: \$116.2)

**EXPLANATION:** This amendment restores \$40.7 UGF for partial funding of a restructured advising position that is key for student success.

**ALLOCATION: Sitka Campus**

**ADD:**           **\$48.0 UGF (1004)**  
                  \$48.0 personal services  
                  (House Finance Subcommittee recommended reduction: \$152.0)

**EXPLANATION:** This amendment restores \$48.0 UGF in personal services for a law enforcement faculty position. This would allow UAS to continue to offer classes in Law Enforcement in partnership with Mt. Edgecumbe and at the Alaska Law Enforcement Training Academy.

**ALLOCATION:**           Budget Reductions/Additions - Systemwide

**ADD:**           **\$754.2 General Fund (1004)**

**EXPLANATION:**

This amendment appropriates the general fund portion of the University of Alaska Federation of Teachers (UAFT) FY2016 Salary Increases.

**ADD:**           **\$1,081.5, general funds (1004)**

**EXPLANATION:** Restore one-time funding for UA facilities maintenance and repair, funded in the Governor's amended budget, but removed by the House Finance Subcommittee. This funding would be distributed to the various campuses based on current need.

**ADD:**           **\$400.0, general funds (1004)**

**EXPLANATION:** Restore one-time funding for student advising, funded in the Governor's amended budget, but removed by the House Finance Subcommittee. This funding would replace FY2015 funding for the Juneau Campus (\$181.5) and the UAF College of Rural and Community Development (\$218.5).

Advisors have had a high degree of success in improving retention rates of rural Alaskan students, as demonstrated in UAF's increasing retention and graduation rates. Without this targeted advising, these students are at greater risk for degree completion in a timely manner.

*Amd #12*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Reps. Neuman and Thompson

**ADD a new subsection to section 4 (Legislative Intent):**

It is the intent of the legislature that all state agencies and instrumentalities that intend to contract for basic or applied research, including consultation, undertaking a study, performing a needs assessment, or providing an analysis, pursue discussions and negotiations with the University's Vice-President for Academic Affairs and Research to determine if the University can provide that service to the agency, and if so, to obtain that service from the University unless contrary to the best interests of the State or contrary to another provision of law.

**EXPLANATION:**

The directive to contract with the University is subject to negotiation—including negotiations regarding the cost of services—as indicated by the phrase “in the best interests of the State.”

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Rep. Edgmon

**DEPARTMENT:** University of Alaska

**APPROPRIATION:** University of Alaska

**ADD:** It is the intent of the legislature to have the University of Alaska focus the majority of additional decrements through reduction in management positions from below the chancellor level through the levels of: Associate Deans; Vice, Assistant, and Associate Vice Provosts; Vice, Assistant, and Associate Vice Chancellor; and Shaping Alaska's Future staff.

**EXPLANATION:** The University of Alaska can consolidate positions to increase efficiencies and reduce overlapped job duties.

*Amd #14*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Representatives Neuman, Thompson & Saddler

**DEPARTMENT:** Health and Social Services

**APPROPRIATION:** Behavioral Health

**ALLOCATION:** Behavioral Health Treatment and Recovery Grants

**DELETE:** \$500,000 UGF 1004

**DEPARTMENT:** Health and Social Services

**APPROPRIATION:** Senior and Disabilities Services

**ALLOCATION:** Senior Community Based Grants

**ADD:** \$500,000 UGF 1004

**EXPLANATION:** This amendment removes funding from the Behavioral Health Treatment and Recovery Grants in order to add funding to the Senior Community Based Grants to restore funding for Adult Day Services. Adult Day Services provided through Senior Community Based Grants allow family caregivers to maintain their own employment schedules by providing day care to seniors, enabling them to return to their own homes every evening instead of moving in to more expensive alternatives. The Senior Community Based Grants program encompasses multiple services with a total budget of \$16,608.8; the Adult Day Services portion comprises \$1,575.0 of that total. A \$500.0 reduction is a 31.7% cut.

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Rep. Pruitt, Neuman, Thompson

**DEPARTMENT:** Natural Resources  
**APPROPRIATION:** Land & Water Resources  
**ALLOCATION:** Forest Management & Development

**ADD:** \$245,200 General Fund, 1004  
\$400,000 Timber Rcp, 1155

**POSITIONS:** Add 3 positions in the Ketchikan Area Office and 1 position in the Juneau Office

**EXPLANATION:** Use timber receipts to fund operations of southeast forestry offices.

Currently timber receipts alone aren't enough to cover operations of the timber sale program in southeast. This amendment reinstates southeast forestry offices at a reduced level using timber receipts to help fund operations with some UGF.

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Representatives Neuman, Thompson & Pruitt (for Rep. Colver)

**DEPARTMENT:** Department of Natural Resources

**APPROPRIATION:** Fire Suppression, Land & Water Resources

**ALLOCATION:** Fire Suppression Preparedness, Fire Suppression Activity

**TRANSFER:** Transfer the Fire Suppression Preparedness allocation (\$1,486.6 Fed, \$15,984.5 UGF, \$398.9 I/A Rcpts, \$850.8 CIP Rcpts, 200 PCNs) from the Fire Suppression appropriation to the Land & Water Resources appropriation.

Transfer the Fire Suppression Activity allocation (\$11,960.4 Fed, \$6,659.1 UGF, \$1,500.0 Other, 0 PCNs) from the Fire Suppression appropriation to the Land & Water Resources appropriation.

**EXPLANATION:** This amendment transfers the Fire Suppression Preparedness and Fire Suppression Activity allocations into the Land & Water Resources appropriation. These two allocations and the Forest Management & Development allocation make up the Division of Forestry. Consolidating the division into a single appropriation would facilitate cooperative efforts and eliminate the need for RSAs within the division, reducing the administrative burden on the department.



*Amd #17*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Reps. Neuman and Thompson

**AMEND THE FOLLOWING LANGUAGE**

\* **Sec. 6. PERSONAL SERVICES TRANSFERS.** It is the intent of the legislature that agencies restrict transfers to and from the personal services line. It is the intent of the legislature that the office of management and budget submit a report to the **house and senate finance committees** [Legislature] on January 15, 2016, that describes and justifies all transfers to and from the personal services line by executive branch agencies during the first half of the fiscal year ending June 30, 2016, and submit a report to the **house and senate finance committees** [Legislature] on October 1, 2016, that describes and justifies all transfers to and from the personal services line by executive branch agencies for the entire fiscal year ending June 30, 2016.

**EXPLANATION:** This amendment clarifies that OMB will need to submit the personal services transfers report to the house and senate finance committees.

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Reps. Neuman, Thompson, Saddler and Munoz

**DEPARTMENT:** Legislature  
**APPROPRIATION:** Legislative Council  
**ALLOCATION:** Administrative Services

**DELETE:** \$681,500 General Fund (1004)

**EXPLANATION:** This reduces the budget by 5% to reflect further efficiencies and cost reductions.

**DEPARTMENT:** Health and Social Services  
**APPROPRIATION:** Juvenile Justice  
**ALLOCATION:** Youth Courts

**ADD:** \$530,900 General Fund (1004)

**EXPLANATION:** This amendment would restore funding for statewide youth court grants and rural community diversion panels across the state. These youth courts and community diversion panels provide early intervention and serve as a community-based diversion program to youth who have been referred to juvenile probation for misdemeanor charges, District Court for status offenses, or school suspensions.

AS 47.12.410 states "The legislature may appropriate 25 percent of the fines imposed under AS 12.55.035 and collected and separately accounted for by the state under AS 37.05.142 to the department for distribution to youth courts established and operating under AS 47.12.400."

**DEPARTMENT:** University of Alaska

**APPROPRIATION:** University of Alaska

**ALLOCATION:** Anchorage Campus

**ADD:** \$125,000 MHTAAR (1092)  
\$125,000 General Fund (1004)  
1 PFT, 2 PPT

**EXPLANATION:** Funding for the Alaska Justice Information Center/University of Alaska Anchorage Justice Center to compile, analyze, and report justice data for policymakers and practitioners in order to improve public safety, increase justice system accountability, and reduce recidivism. In addition, the Alaska Justice Information Center will complete a cost-benefit (Pew Trust Results First) analysis. The Pew Trust offers the benefit of its modeling efforts, expertise and advice to states that are willing to gather and report data on evidence-based outcomes. The Trust requires:

- a letter of endorsement from both the legislature and executive branch;
- state funded efforts to compile, analyze and prepare reports; and
- maintain the database.

The anticipated line item breakdown is:

- personal services, \$227.3
- travel, \$7.7
- contractual, \$15.0

## **ADD THE FOLLOWING LANGUAGE SECTION**

Sec. XX. LEGISLATIVE INTENT LANGUAGE RELATING TO REDUCING ALASKA RECIDIVISM: It is the intent of the legislature that the Department of Corrections, Department of Health and Social Services, Department of Labor and Workforce Development, Alaska Mental Health Trust Authority, Alaska Housing Finance Corporation, Alaska Criminal Justice Commission, and Alaska Court System continue to work collaboratively to implement a recidivism reduction plan using evidence-based practices for the purpose of slowing Alaska's three percent prison population growth rate and reduce its 63 percent recidivism rate.

The above-identified state agencies shall continue to engage in and support meaningful consultation with Alaska Native entities on the design, content and operation of the Alaska Justice system with the purpose of reducing the overrepresentation of Alaska Native people in this system. Further, these entities shall work together to:

1. analyze the state's criminal justice data to identify the factors driving Alaska's rate of prison population growth;
2. identify evidence-based or promising practices that will address each of those factors; and
3. outline a plan for the implementation of each proposed practice that:
  - a. identifies the service or treatment program proposed;
  - b. identifies the number of inmates or returning citizens to be served; and
  - c. includes a five consecutive year, beginning in FY 2017, phased-in outline of the programs and services to be implemented and the cost per fiscal year.

The implementation plan shall include effectiveness and efficiency measures addressing, but not limited to:

1. recidivism rates and cost per client served of current practices and programs;
2. recidivism rates and cost per client served of proposed practices and programs;
3. quality assurances;
4. fidelity to the model assurances; and
5. projected savings to the State of Alaska.

The draft implementation plan described herein shall be delivered to the Office of Management and Budget by September 30, 2015 so it can be considered for inclusion in the Governor's FY17 budget and legislative proposals. The final implementation plan shall be delivered to the legislature by January 22, 2016.

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Representatives Neuman and Thompson (Governor's request)

**DEPARTMENT:** Labor and Workforce Development

**APPROPRIATION:** Labor Standards & Safety

**ALLOCATION:** Occupational Safety & Health

**ADD:** \$300,000 Workers' Safety and Compensation Administration Account (WSCAA) (1157)

**EXPLANATION:** This increases designated general funds (DGF) in the Occupational Safety and Health (AKOSH) to offset a corresponding unrestricted general fund (UGF) reduction.

The subcommittee reduced the UGF that supports AKOSH activities by \$759,600, and increased the DGF (WSCAA) supporting AKOSH by \$459,600 to help offset a portion of the UGF reduction. Recent fund projections demonstrate there is a sufficient WSCAA fund balance to offset the entire UGF decrease, which will allow AKOSH to continue the extremely effective workplace safety consultation activities that this UGF previously supported.

With this funding, the AKOSH consultation and training team has developed a seafood processing training course in partnership with a major seafood producer in Alaska to increase workforce training and awareness of hazards common to the seafood processing industry. The seafood industry has historically experienced a high rate of lost time accidents; to respond, AKOSH focused additional efforts on training these workers. Not only does this training provide awareness about the hazards, but it provides awareness necessary to develop a positive culture about workplace safety within the workforce. This additional training and consultation is a key reason why Alaska's workplace injury rate dropped to a historic low in FY2014.

A \$300,000 cut to AKOSH will impact the delivery of consultation and training services to private sector employers and workers across Alaska. These services help reduce workplace accidents and would be curtailed by the subcommittee reduction.

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Representatives Muñoz, Neuman and Thompson

**DEPARTMENT:** Labor and Workforce Development

**APPROPRIATION:** Business Partnerships

**ALLOCATION:** Construction Academy Training

**ADD:** \$2,504,200 General Fund 1004

**EXPLANATION:** This amendment would restore 80% of the funding for the Construction Academy to allow this program to continue to train young people and adults for employment and apprenticeship programs in the high-demand construction and trade industry. The construction industry requires an estimated 700 new workers every year to keep up with demand. The high demand for a construction workforce is driven by 1) an aging workforce; 2) job growth in the industry; and 3) a desire to reduce Alaska's dependence on nonresident workers.

*Amd #21*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Neuman, Thompson

**DEPARTMENT:** Labor and Workforce Development

**APPROPRIATION:** Business Partnerships

**ALLOCATION:** Construction Academy Training

**ADD INTENT:**

It is the intent of the legislature that the department implement a plan to annually supplant \$600,000 of general funds with private or federal fund sources until, after a five-year period, the Construction Academy Training program uses no general funds.

*Amd #22*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Muñoz

**DEPARTMENT:** Labor and Workforce Development

**APPROPRIATION:** Vocational Rehabilitation

**ALLOCATION:** Special Projects

**ADD:** \$118,400 UGF 1004

**EXPLANATION:** This Amendment would restore funding for the Interpreter Referral Program. The Americans with Disabilities Act was passed in 1990, and the interpreter referral program came about in the early 1990's. There are 2 grantees through Vocational Rehabilitation, Southeast Alaska Independent Living, and Access Alaska (in Fairbanks). The cost of this program is \$300 per referral, and this does not include the fees that the interpreter charges. There are approximately 10 interpreters in the state that receive referrals.



**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Rep. Edgmon

**DEPARTMENT:** Labor and Workforce Development

**APPROPRIATION:** Business Partnerships

**ALLOCATION:** Southwest Alaska Vocational and Education Center  
Operations Grant

**ADD:** \$78,700 General Fund (1004)

**ALLOCATION:** Alaska Technical Center

**ADD:** \$265,000 General Fund (1004)

**ALLOCATION:** Northwest Alaska Career and Technical Center

**ADD:** \$173,000 General Fund (1004)

**EXPLANATION:** The CS removed all of the general funds, \$1,099,400, from the three allocations. This amendment restores \$516,700.

This amendment would increase funds for

- **Southwest Alaska Vocational and Education Center** from \$375,300 to \$454,000;
- **Alaska Technical Center** from \$1,126,000 to \$1,391,000; and
- **Northwest Alaska Career and Technical Center** from \$375,300 to \$548,300.

*Amd #24*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Rep. Edgmon

**DEPARTMENT:** Commerce, Community and Economic Development

**APPROPRIATION:** Community and Regional Affairs

**ALLOCATION:** Community and Regional Affairs

**ADD:** \$100,000 UGF (1004)

**EXPLANATION:** This amendment adds back \$100,000 of the \$200,000 subcommittee reduction to the Alaska Legal Services grant. The grant amount will now be \$450,000.

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Representatives Neuman, Thompson, Edgmon

**DEPARTMENT:** Education and Early Development

**APPROPRIATION:** Alaska Library and Museums

**ALLOCATION:** Online with Libraries (OWL)

**ADD:** \$761,800 Alaska Higher Education Investment Fund (1226)

**ADD:** It is the intent of the legislature that libraries utilizing Online with Libraries (OWL) establish a fee structure that covers the cost of OWL in FY2017.

**EXPLANATION:** This amendment restores the amount requested in the Governor's Amended Budget, but replaces general funds with money from the Alaska Higher Education Investment Fund. This program is aligned with the mission of the Higher Education Investment Fund because it enables students in rural areas to take distance classes and tests that are needed for the Alaska Performance Scholarship program.

*Amd # 26*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Neuman, Thompson

**DEPARTMENT:** Education and Early Development

**APPROPRIATION:** Teaching and Learning Support

**ALLOCATION:** Student and School Achievement

**DELETE:** \$525,000 General Funds, 1004

**ADD:** \$525,000 Alaska Higher Education Investment Fund, 1226

**EXPLANATION:** This fund source change for the College and Career Readiness Assessment (SAT, ACT, or WorkKeys) is aligned with the goal of the Alaska Higher Education Investment Fund and supports the Alaska Performance Scholarship program. Students must take one of these tests to be eligible for an Alaska Performance Scholarship.

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Reps. Neuman, Thompson, Munoz, Saddler, Gattis & Edgmon

**DEPARTMENT:** Department of Education and Early Development

**APPROPRIATION:** Alaska Library and Museums

**ALLOCATION:** Library Operations

**ADD:** \$3,600,000 Alaska Higher Education Investment Fund (1226)

**EXPLANATION:**

Currently there are 122 rural schools funded through the broadband program, bringing these schools up to the minimum of 10MB. This is a tremendous opportunity for the State to leverage its investment at a 4:1 ratio on a statewide basis, meaning this \$3.6 million can leverage an additional \$14.4 million in federal funding.

Broadband access is critical to the delivery of distance courses for students and teachers in rural areas to improve the quality of education and increase graduation rates.

This amendment uses money from the Alaska Higher Education Investment Fund as this purpose is consistent with the goals of the fund.

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Representative Neuman, Thompson

**DEPARTMENT:** Department of Education and Early Development

**APPROPRIATION:** Teaching and Learning Support

**ALLOCATION:** Student and School Achievement

**DELETE:** \$1,000,000 Unrestricted General Funds, 1004

**EXPLANATION:** SERRC was granted funds for a pilot Science, Technology, Engineering and Math (STEM) program through the operating budget during a time of significant budget surpluses. This program currently serves 45 students at a cost of close to \$22,000 per student.

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Neuman, Thompson and Gattis

**DEPARTMENT:** Education and Early Development

**APPROPRIATION:** Alaska Postsecondary Education Commission

**ALLOCATION:** WWAMI Medical Education

**DELETE:** It is the intent of the legislature that the department begin discontinuing the WWAMI program. After the 2015 cohort begins, the department shall reduce the number of students accepted by 50% annually. The number of students accepted in 2016 shall be 10; 2017, 5 students; 2018, 2 students and no new students in 2019. The funding will be reduced accordingly for the reduced number of students.

**ADD:** It is the intent of the legislature that the Alaska Postsecondary Education Commission give notice of termination of the WWAMI agreement. The termination clause requires a three years' formal written notice to the other parties and that no new students would be admitted to the WWAMI program

**EXPLANATION:** Any party of WWAMI may terminate the agreement with three years' formal written notice. This language serves as notice to terminate the program in three fiscal years. No new students will be admitted in 2017-19, and the program will be completed at the end of FY20.

**DELETE:** \$1,482.4 General Fund (1004)

**ADD:** \$1,482.4 Higher Education Investment Fund (1226)

**EXPLANATION:** The subcommittee changed 50% of WWAMI funding from the general fund to the Higher Education Investment Fund. The effect of this amendment is that 100% of WWAMI's funding will now come from the Higher Education Investment Fund.

*Amd # 30*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Rep. Edgmon

**DEPARTMENT:** Education & Early Development

**APPROPRIATION:** Teaching and Learning Support

**ALLOCATION:** Pre-Kindergarten Grants

**ADD:** \$1,900,000 UGF (1004)

**EXPLANATION:**

This restores Pre-Kindergarten grants to the level proposed in the Governor's Amended Budget.



**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee  
**TO:** HB 72 / HB 73  
**OFFERED BY:** Representatives Neuman and Thompson

**DEPARTMENT:** Education and Early Development  
**APPROPRIATION:** Teaching and Learning Support  
**ALLOCATION:** Statewide Mentoring

**ADD:** \$500.0 Alaska Higher Education Investment Fund (1226)

**EXPLANATION:** The purpose of this amendment is to add \$500.0 of the \$750.0 for the Statewide Mentoring Program that the House Finance Subcommittee reduced.

The Statewide Mentoring Program includes two specific activities: the Alaska Statewide Mentor Project (ASMP) and the Alaska Administrative Coaching Project (AACP). The ASMP supports the profession of teaching in Alaska. The program provides individualized support to first- and second-year teachers, developing an effective teaching force that is responsive to the diverse academic needs and cultural backgrounds of all students. Since the beginning of the program in 2004, teacher retention has increased from a 67% retention rate to a 77% retention rate. Additionally, in-state research shows a positive impact of mentoring on the learning of students who have new teachers who are receiving mentoring.

The AACP component provides coaching to Alaska's new principals. Data collected indicates that early career principals overwhelmingly report that the knowledge and skills necessary for effective school leadership are learned through the AACP.

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Representatives Neuman and Thompson

**DEPARTMENT:** Education and Early Development

**APPROPRIATION:** Alaska Library and Museums

**ALLOCATION:** Live Homework Help

**ADD:** \$ 138,200 Higher Education Investment Fund 1226

**EXPLANATION:** Live Homework Help assists Alaskan student to do well in courses, participate in statewide initiatives such as the Alaska Performance Scholarship Awards, meet goals and prepare for post-secondary success by providing online tutoring services with accomplished and vetted tutors.

Last year Live Homework Help delivered 25,046 tutoring sessions online in math, physics, chemistry, biology and writing for grades four through early college. It is a widely used, beneficial, and less expensive alternative to in-person sessions requiring travel, especially in rural Alaska.

Using the Higher Education Investment Fund for this purpose is consistent with the goals of the fund.

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Muñoz

**DEPARTMENT:** Transportation/Public Facilities

**Part 1:**

**APPROPRIATION:** Marine Highway System

**ALLOCATION:** Marine Vessel Operations

**ADD:** **\$700,000 Unrestricted General Funds**

**Explanation:** This addition changes the decrement for “Service Level Reduction and Efficiencies” from \$6 million to \$5.3 million by adding \$.7 million back to Personal Services.

**Part 2:**

**ALLOCATION:** Marine Vessel Operations

**Transfer \$1 million from the Services line-item to the Personal Services line-item.**

**Explanation:** The intent of this action is to decrease repair/maintenance on equipment and machinery (Expenditure Account 73676) by \$1 million and apply it to Personal Services to lessen the impact to service levels. This expenditure account had Actuals of \$117.3 in FY14, but has \$1.3 million budgeted for FY16.

**Part 3:**

**ALLOCATION:** Marine Vessel Operations

**Transfer \$1 million from the Commodities line-item to the Personal Services line-item.**

**Explanation:** The intent of this action is to decrease commodities by \$1 million and apply it to Personal Services to lessen the impact to service levels. This expenditure account has \$7.8 million budgeted for FY16.

**Part 4:**

**ALLOCATION:** Marine Vessel Operations

**ADD:** **\$1,500,000 Unrestricted General Funds**

ALLOCATION: Marine Vessel Fuel

**DELETE: \$1,500,000 Unrestricted General Funds**

**Explanation:** The intent of this action is to decrease Marine Vessel Fuel by \$1.5 million and apply it to Personal Services to lessen the impact to service levels. With average fuel delivery costs now projected to be lower in FY16 over FY15, it is rational to assume that the overall cost for fuel will decrease.

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Muñoz

**DEPARTMENT:** Transportation/Public Facilities

**APPROPRIATION:** Marine Highway System

**ALLOCATION:** Marine Vessel Operations

**ADD:** **\$1,800,000 Alaska Marine Highway System Funds  
(Fund Code 1076)**

**Explanation:** This increase would stem from a fare increase of 4.5% to be applied to the Winter 2015 and Summer 2016 schedule.

**ADD INTENT LANGUAGE:**

It is the intent of the legislature that the Alaska Marine Highway System continue existing service levels during the peak summer months and any reduction in service levels will occur during non-peak months.”



**POSITIONS:** ADD: 3 PFT positions

**EXPLANATION:** This portion of the amendment allows the state to accept Federal and Mental Health Trust funds for three positions associated with Medicaid expansion.

---

**DEPARTMENT:** Health and Social Services  
**APPROPRIATION:** Public Assistance  
**ALLOCATION:** Public Assistance Field Services

**ADD:** \$2,777.3 (\$1,385.6 Fed [1002], \$1,385.7 MHTAAR [1092])

**POSITIONS:** ADD: 23 PFT positions

**EXPLANATION:** This amendment allows the state to accept Federal and Mental Health Trust funds for 23 positions associated with the expansion of Medicaid.

---

**DEPARTMENT:** Health and Social Services  
**APPROPRIATION:** Departmental Support Services  
**ALLOCATION:** Commissioner's Office

**ADD:** \$0.0

**POSITIONS:** Establish a project manager to manage Medicaid expansion team.

**EXPLANATION:** This amendment adds a temporary position to manage the Medicaid expansion team – not money or PFTs..

---

**DEPARTMENT:** Health and Social Services  
**APPROPRIATION:** Medicaid Services  
**ALLOCATION:** Behavioral Health Medicaid Services

**ADD:** \$4,799.5 Fed (1002)

**EXPLANATION:** This portion of the amendment allows the department to accept \$4,799.5 in Federal funds that will benefit Behavioral Health.

---

**DEPARTMENT:** Health and Social Services

[REDACTED]

[REDACTED]



**APPROPRIATION:** Medicaid Services  
**ALLOCATION:** Adult Preventative Dental Medicaid Services

**ADD:** \$5,381.2 Fed (1002)

**EXPLANATION:** This portion of the amendment allows the department to accept \$5,381.2 in Federal funds that will benefit Adult Preventative Dental services.

---

**DEPARTMENT:** Health and Social Services  
**APPROPRIATION:** Medicaid Services  
**ALLOCATION:** Senior and Disabilities Medicaid Services

**ADD:** \$2,908.8 Fed (1002)

**EXPLANATION:** This portion of the amendment allows the department to accept \$2,908.8 in Federal funds that will benefit Senior and Disability Medicaid services.

---

**DEPARTMENT:** Health and Social Services  
**APPROPRIATION:** Medicaid Services  
**ALLOCATION:** Health Care Medicaid Services

**ADD:** \$132,348.9 Fed (1002)

**EXPLANATION:** This portion of the amendment allows the department to accept \$132,348.9 in Federal funds that will provide the opportunity for healthcare to the over 40,000 individuals without it in Alaska, create 4,000 jobs, and inject money into the state's economy.

---

**DEPARTMENT:** Health and Social Services  
**APPROPRIATION:** Medicaid Services  
**ALLOCATION:** Health Care Medicaid Services

**DELETE WORDAGE:** No money appropriated in this appropriation may be expended for services to persons who are eligible pursuant to 42 United States Code section 1396a(a)(10)A(i)(VIII) and whose household modified adjusted gross income is less than or equal to one hundred thirty-three percent of the federal poverty guidelines.

**EXPLANATION:** This portion of the amendment deletes wordage that prohibits the expenditure of Medicaid funding on the expansion population.

~~\_\_\_\_\_~~

~~\_\_\_\_\_~~



## Healthy Budgets

# Annual State Spending on Expansion

		2016	2017	2018	2019	2020	2021
C O S T S	State Match for Health Care Costs	\$0	\$3,804.0	\$9,854.0	\$12,064.0	\$16,346.0	\$19,587.0
	Administrative Costs for Medicaid expansion (State General Fund)	\$0*	\$1,392.0	\$1,478.0	\$1,499.0	\$1,600.0	\$1,625.0
	State Costs:	\$0	\$5,196.0	\$11,332.0	\$13,563.0	\$17,946.0	\$21,212.0
O F F S E T S	Chronic & Acute Medical Assistance (CAMA)	\$1,000.0	\$1,300.0	\$1,400.0	\$1,500.0	\$1,500.0	\$1,500.0
	Corrections	\$4,100.0	\$7,000.0	\$7,000.0	\$7,000.0	\$7,000.0	\$7,000.0
	Behavioral Health Grants	\$1,500.0	\$5,000.0	\$9,000.0	\$13,000.0	\$16,000.0	\$16,000.0
	State Offsets	\$6,600.0	\$13,300.0	\$17,400.0	\$21,500.0	\$24,500.0	\$24,500.0
	<b>Net Savings to State GF</b>	<b>(\$6,600.0)</b>	<b>(\$8,104.0)</b>	<b>(\$6,068.0)</b>	<b>(\$7,937.0)</b>	<b>(\$6,554.0)</b>	<b>(\$3,288.0)</b>
	<b>Federal Match</b>	<b>\$145,435.0</b>	<b>\$170,633.0</b>	<b>\$195,514.0</b>	<b>\$200,683.0</b>	<b>\$204,087.0</b>	<b>\$204,928.0</b>

\* FY16 Administrative Cost is being funded by the Alaska Mental Health Trust Authority



And #35,  
 pg 4

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki


**DEPARTMENT:** Education and Early Development

**APPROPRIATION:** Teaching and Learning Support

**ALLOCATION:** Early Learning Coordination

**ADD:** \$357.5 UGF (1004)

**EXPLANATION:** Restores all funds to the Parents as Teachers program and adds \$50.0 to reach more families. Parents as Teachers was passed as a bill by the Legislature because it is the most cost-effective way to provide Pre-K education to young children, and is proven to save money by graduating more students, reducing social service and criminal costs, and increasing a student's future earning potential and educational attainment.



**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

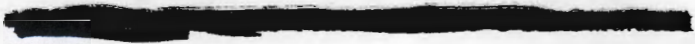
**DEPARTMENT:** Education and Early Development

**APPROPRIATION:** Teaching and Learning Support

**ALLOCATION:** Early Learning Coordination

**ADD:** \$287.5 UGF (1004)

**EXPLANATION:** Restore the Governor's proposed level of funding to the Parents as Teachers program. Parents as Teachers was passed as a bill by the Legislature because it is the most cost-effective way to provide Pre-K to young children, and is proven to save states money by graduating more students, reducing social service and criminal costs, and increasing a student's future earning potential and educational attainment.



**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

**DEPARTMENT:** Education and Early Development

**APPROPRIATION:** Teaching and Learning Support

**ALLOCATION:** Pre-Kindergarten Grants

**ADD:** \$2,500.0 UGF (1004)

**EXPLANATION:** Adds \$500.0 to FY15 Pre-K Grants funding level. Alaska is one of the few states without a statewide Pre-K. In 2007 the state started a pilot \$2 million Pre-K program, intending to reach more children as its success was proven. That has occurred. This amendment adds a modest \$500,000 increment to this successful effort.



**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

**DEPARTMENT:** Education and Early Development

**APPROPRIATION:** Teaching and Learning Support

**ALLOCATION:** Pre-Kindergarten Grants

**ADD:** \$1,900.0 UGF (1004)

**EXPLANATION:** Restore all funding to the Pre-K grants deleted by the Subcommittee. This is the mainstay of Alaska's state voluntary classroom Pre-K program and has proven to improve intellectual growth.

[REDACTED]

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki


**DEPARTMENT:** Education and Early Development

**APPROPRIATION:** Teaching and Learning Support

**ALLOCATION:** Early Learning Coordination

**ADD:** \$937.5 UGF (1004)

**EXPLANATION:** This amendment restores the Best Beginnings program to the level of funding in the Governor's budget. Best Beginnings fosters strong partnerships with local and statewide entities that promote early learning opportunities for children to start school prepared to succeed. Studies show children with more books in the home are more likely to become good readers. Best Beginnings supports Imagination Libraries and early childhood partnerships that provide services in 113 Alaskan communities with an enrollment of 23,603. These partnerships promote healthy parent-child interaction, higher quality early care and learning, and parent education. The program costs \$30 per year per child (0-5), and is funded through a combination of state and private sources, nearly half of which are raised locally. In FY 2014 the partnerships raised \$1.40 (cash and in-kind) for every Best Beginnings dollar they received.



*Am# 41*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

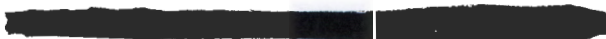
**DEPARTMENT:** Education and Early Development

**APPROPRIATION:** Teaching and Learning Support

**ALLOCATION:** Student and School Achievement

**ADD:** \$320.0 UGF (1004)

**EXPLANATION:** This amendment restores the Subcommittee's cut to the K-3 Literacy Project. This allocation allows school districts to perform early literacy screening for students in kindergarten through third grade. These funds also provide intervention direction for educators, parents, and agencies that work with children to improve literacy for all learners. Approximately 40,000 students are served.





*Amd #42*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

**DEPARTMENT:** Education and Early Development

**APPROPRIATION:** Teaching and Learning Support

**ALLOCATION:** Student and School Achievement

**ADD:** \$150.0 UGF (1004)

**EXPLANATION:** This amendment reverses the Subcommittee's cut to the Statewide Literacy project. The State Literacy Institute is designed to support and train teachers in literacy instruction from preschool to graduation. This allocation supports presenter contracts and expenses, EED staff costs for organization and travel to the institute, facility and conference expenses, and scholarship and support for teachers to attend. In 2014, 118 participants from 11 different districts and organizations participated. This amendment restores the Governor's proposed level of funding for the program.





**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

Page 1, line 2, following "**capitalizing funds**";:  
Insert "**lapsing appropriations**"

Page 76, line 18, following "APPROPRIATIONS.":  
Insert "(a)"

Page 76, line 19:  
Insert new subsections to read:

"(b) the unexpended and unobligated balance on June 30, 2015, estimated to be \$17,973,847, of the appropriation made in sec. 01, ch. 16, SLA 2013, page 12, lines 20-21, lapses to the general fund on June 30, 2015."

**EXPLANATION:** This causes the available general fund balance appropriated to the Anchorage – U-Med District Northern Access project to lapse into the general fund. The Bragaw Road extension in Anchorage is not an affordable project compared to other priorities in this fiscal climate.

"(c) \$6 million of the unexpended and unobligated balances, estimated to be a total of \$6,681,700, of the appropriations made in sec. 4, ch. 16 SLA 2013, page 105, lines 20-24, and sec. 4, ch. 18, SLA 2014, page 87, lines 10-11, and without elimination of any department positions, lapses to the general fund on June 30, 2015."

**EXPLANATION:** This causes the available general fund balance appropriated to Susitna-Watana Hydroelectric projects to lapse into the general fund. The Susitna Dam would serve the same customers as the two gasline projects being considered by the State at this time, and all three projects will bring excess power to the railbelt. This amendment withdraws the remaining unobligated funds with appropriated to the Susitna Dam in a time of budget shortfalls. This lapse does not affect any positions at DCCED.


**DEPARTMENT:** Education and Early Development  
**APPROPRIATION:** K-12 Aid to School Districts  
**ALLOCATION:** Additional Foundation Funding



**ADD:** \$62,243.7 UGF (1004)

**ADD:** Language: The sum of \$62,243.7 is appropriated from the general fund to the Department of Education and Early Development to be distributed as state aid to districts according to the average daily membership for each district adjusted under AS 14.17.410(b)(1)(A) - (D) for the fiscal year ending June 30, 2016. If any portion of the \$32,243.7 intended to be appropriated in HB278 passed in 2014 is appropriated in FY16, and distributed through the foundation formula per the language in HB278, the amount of this appropriation shall be reduced by that appropriated amount.

**EXPLANATION:** HB278 effectively flat funds schools in the coming two school years, and staff and education cuts, even under HB278 without the Governor's reductions, will be seen in Mat-Su, Juneau, Fairbanks and other districts. This amendment seeks to prevent staff cuts, and make up for some prior year's cuts. HB278 passed in 2014 adds a \$50 Base Student Allocation increase at a roughly cost of \$12.5 million. But in the coming school year HB278 grant funds to be distributed through the Foundation Formula fall by \$11,710,000, effectively nullifying the Base Student Allocation Increase. According to a recent 2015 Legislative Research Report, the amount in this amendment will hold schools even with inflation compared to last school year. Without this amount, the Mat-Su School District predicts a roughly \$2 - \$3 million deficit; Fairbanks estimates it will lose between 30 - 70 educators, and the Juneau School District has stated in the Juneau Empire that it will pile more educator cuts on top of prior year cuts.





# LEGISLATIVE RESEARCH SERVICES

Alaska State Legislature  
Division of Legal and Research Services  
State Capitol, Juneau, AK 99801

*Amd # 43, pg 3*

(907) 465-3991 phone  
(907) 465-3908 fax  
research@akleg.gov

---

## Research Brief

TO: Representative Les Gara  
FROM: Chuck Burnham, Legislative Analyst  
DATE: February 19, 2015  
RE: Inflation Adjusting and Offsetting the Loss of Selected Education Funding in Ch. 15 SLA 2014  
*LRS Report 15.266*

---

*You asked about certain elements of education funding in Ch. 15 SLA 2015 (HB 278). Specifically, you wanted us to adjust for inflation the Base Student Allocation (BSA) and grant awards in that legislation. In addition, you asked that we calculate a BSA amount necessary to compensate for the grant awards should that funding be completely eliminated, and total increases to the codified BSA to account for the combined impact of inflation and elimination of grant awards.*

---

As you know, the bulk of Alaska's public K-12 school funding is determined using a statutorily defined formula to calculate the amount of state aid paid to each individual school district each year. Adopted in 1998, and codified at AS § 14.17.410, the formula is intended to equitably distribute aid for education throughout the state.<sup>1</sup> Incorporated into this formula are factors intended to account for variations in school size, geographic cost differences, populations of students with special and intensive needs, correspondence programs, federal aid, and the ability of communities to provide local contributions.<sup>2</sup> The funding amount to which the formula outlined above is applied is known as the Base Student Allocation (BSA). Section 27, Chapter 15 SLA 2014 establishes the BSA for FY 2015 at \$5,830, and increases that amount by \$50 in both fiscal years 2016 (\$5,880) and 2017 (\$5,930).

Among the other funding mechanisms included in HB 278 are grant awards to school districts based on the adjusted average daily membership (AADM) of students as calculated by the funding formula referenced above.<sup>3</sup> Grant amounts are delineated in § 27, Ch. 15 SLA 2014 as follows:<sup>4</sup>

- FY 15—\$43,953,500
- FY 16—\$32,243,700
- FY 17—\$19,904,200

We made the calculations you requested with the following assumptions:

- A \$100 increase to the BSA equates to a \$25 million increase in state aid to school districts;<sup>5</sup>
- The annual rate of inflation for fiscal years 2016 and 2017 will be 2.62 percent;<sup>6</sup>

---

<sup>1</sup> Senate Bill 36, Chapter 83 SLA 1998.

<sup>2</sup> The Alaska Department of Education and Early Development provides an overview of the public school funding formula at <http://www.eed.state.ak.us/news/pdf/fundingprogramoverview.pdf>.

<sup>3</sup> Pursuant to your instructions, we do not take into consideration any other funding mechanisms for education or school facilities.

<sup>4</sup> Fiscal year 2015 marks the fourth consecutive year that grant funding outside the formula has been provided. For the previous three years, the amounts of total funding were \$20 million, \$25 million, and \$46 million in fiscal years 2012, 2013, and 2014, respectively ([http://education.alaska.gov/schoolfinance/pdf/base\\_allocation\\_chart.pdf](http://education.alaska.gov/schoolfinance/pdf/base_allocation_chart.pdf)). For those years, language in the appropriating legislation indicates that the "one-time" grant awards were to offset high energy costs; however, HB 278 does not delineate a similar purpose for the grant awards therein.

<sup>5</sup> FY2015 Governor's Operating Budget, Department of Education and Early Development, Foundation Program, December 12, 2013, page 7, [http://omb.alaska.gov/ombfiles/15\\_budget/EED/Proposed/comp141.pdf](http://omb.alaska.gov/ombfiles/15_budget/EED/Proposed/comp141.pdf).

<sup>6</sup> We arrived at this estimated rate of inflation by averaging the annual change to the consumer price index (CPI) for the Anchorage metropolitan area from 2004 through 2013 (<http://laborstats.alaska.gov/cpi/cpi.htm>).

- There will be no change to student enrollment during the next ten years;<sup>7</sup> and
- Future students will remain similarly distributed geographically and otherwise match the characteristics of students currently enrolled in the Alaska public K-12 education system.

The attached table shows the results of our calculations, with BSA amounts rounded to the nearest dollar. On the far left of the table, codified BSA amounts and the impact of inflation on those figures are shown. As you can see, the BSA would have to be increased by \$102 and \$207 to keep up with projected inflation rates in fiscal years 2016 and 2017, respectively. Likewise, the center of the table shows the impact of inflation-proofing the grant awards in Ch. 15 SLA 2014. To compensate for inflation, the respective BSA increases over the next two fiscal years would be \$47 and \$101. Adding the above figures, increases to the BSA totaling \$149 in FY 2016 and \$308 in FY 2017 would be required to inflation-proof the BSA and grant amounts.

The two columns on the far right of the attached table address the outright elimination of one-time grant funds. The inside column illustrates how much the BSA would have to increase over codified figures to offset the elimination the inflation-adjusted, grant awards in question. As you can see, the value of those inflation-adjusted grants, expressed in terms of the BSA, equate to \$176 and \$181 in fiscal years 2016 and 2017, respectively. The final column on the right shows that to both inflation-proof the BSA and offset the elimination of inflation-adjusted grant awards, codified BSA amounts would have to be increased by \$278 in FY 2016 and \$388 in FY 2017.

#### A Note Regarding the Underlying Math

Calculating the figures discussed above based on our assumptions is a relatively simple process. Following guidelines published by the Office of Management and Budget, a \$100 change to the BSA roughly equates to a corresponding \$25 million change in state aid to school districts. Therefore, one can calculate the impact on the BSA of increases or reductions to funding through the foundation formula by taking any amount in millions, dividing by 25, and multiplying by 100. So, for example, the formula to calculate a \$15.5 million reduction to funding is as follows:

$$(-15.5 \div 25) \times 100 = -62$$

So, in this example, a reduction of \$15.5 million in foundation funding results in a decrease of \$62 in the BSA. To put the underlying formula another way, a \$1 million change to foundation funding generates a corresponding \$4 change in the BSA.<sup>8</sup>

We hope this is helpful. If you have questions or need additional information, please let us know.

<sup>7</sup> We note that the Alaska Department of Labor and Workforce Development estimates that the 5 through 18 age group will increase about 16 percent from 2015 to 2025 (<http://laborstats.alaska.gov/pop/projected/pub/popproj.pdf>).

<sup>8</sup> It is important to emphasize that this formula provides a very shorthand means to generate rough estimates. Over time, changes in student populations and their geographic location will render this methodology less accurate.

**Inflation Adjustment of the Base Student Allocation (BSA) and the One-Time Grant Awards to School Districts Codified in Ch. 15 SLA 2014, and BSA Increases Required to Offset Elimination of Grant Awards, Fiscal Years (FY) 2015-2017**

Fiscal Year	Base Student Allocation <sup>1</sup>			One-Time Grant Awards <sup>2</sup>			Total BSA Increase to Inflation-Proof the Codified BSA and Grant Award	BSA Increase to Offset <i>Elimination</i> of Entire Inflation-Adjusted Grant Award <sup>4</sup>	Total BSA Increase to Inflation-Proof the Codified BSA and Offset <i>Elimination</i> of Entire Inflation-Adjusted Grant Award <sup>5</sup>
	Codified Amount	Inflation-Adjusted BSA	Difference (inflation adjusted minus) codified)	Codified Grant Amounts in Ch. 15 SLA 2014	Inflation-Adjusted Grants	BSA Change Required to Inflation-Proof Grant Awards <sup>3</sup>			
<b>2015</b>	\$5,830			\$42,953,500					
<b>2016</b>	\$5,880	\$5,982	\$102	\$32,243,700	\$44,070,291	\$47	\$149	\$176	\$278
<b>2017</b>	\$5,930	\$6,137	\$207	\$19,904,200	\$45,216,119	\$101	\$308	\$181	\$388

**Notes:** All BSA amounts are rounded to the nearest dollar. The calculation underlying these figures assumes that \$100 of BSA equates to \$25 million in state aid to school districts and that the total numbers, geographic distribution, and other characteristics of future student populations remain the same as existed in FY 2014. All inflation-adjusted amounts and associated BSA calculations should be considered rough estimates and hypothetical.

1) These columns compare the difference between actual figures in Sec. 27 Ch. 15 SLA 2014 and inflation-adjusted figures using the FY 2015 grant amount as the unadjusted base. Inflationary changes for FY 2016 and FY 2017 were made based on the average annual change in the Anchorage Consumer Price Index between 2004 and 2014 (2.6 percent). The BSA is the per-pupil amount of state aid to school districts that is used to calculate total aid through the funding formula in AS § 14.17.410.

2) Amounts from Sec. 55 Ch. 15 SLA 2014 were inflation-adjusted in the same manner as the BSA figures.

3) This column indicates the amount of statewide BSA required to roughly equal the difference between codified and inflation-adjusted grant amounts. That is, in FY 2016, for example, the BSA would need to increase by \$47 dollars to equal the roughly \$11.8 million that would have accrued were the FY 2015 grants indexed to the Anchorage CPI.

4) These figures reflect the amount the BSA would need to be increased to offset the complete elimination of grant awards were those awards first inflation-adjusted. Specifically, for example, in FY 2016, it would require an increase to the BSA of \$176 to replace the elimination of \$44 million.

5) These sums are reached by adding the difference between the inflation-adjusted BSA and the codified BSA to the BSA increase required to offset elimination of the entire inflation-adjusted grant awards.

**Sources:** Ch. 15 SLA 2014; "State of Alaska FY 2015 Governor's Operating Budget: Department of Education and Early Development Foundation Program Component Budget Summary," p. 7, [https://www.omb.alaska.gov/ombfiles/15\\_budget/EED/Proposed/comp141.pdf](https://www.omb.alaska.gov/ombfiles/15_budget/EED/Proposed/comp141.pdf). All inflation-adjustments and grant offset amounts are Legislative Research calculations.

Form #43, pg 5



**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

**DEPARTMENT:** Education and Early Development

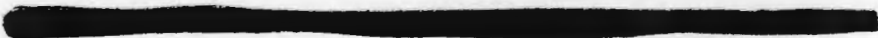
**APPROPRIATION:** K-12 Aid to School Districts

**ALLOCATION:** Additional Foundation Funding

**ADD:** \$32,243.7 UGF (1004)

**ADD:** Language: The sum of \$32,243,700 is appropriated from the general fund to the Department of Education and Early Development to be distributed as state aid to districts according to the average daily membership for each district adjusted under AS 14.17.410(b)(1)(A) - (D) for the fiscal year ending June 30, 2016.

**EXPLANATION:** This amendment returns the amount of funding promised in HB278 passed in 2014 to K-12 through the foundation formula.





# LEGISLATIVE RESEARCH SERVICES

Alaska State Legislature  
Division of Legal and Research Services  
State Capitol, Juneau, AK 99801

*Amdt # 44, pg 2*

(907) 465-3991 phone  
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research@akleg.gov

## Research Brief

TO: Representative Les Gara  
FROM: Chuck Burnham, Legislative Analyst  
DATE: February 19, 2015  
RE: Inflation Adjusting and Offsetting the Loss of Selected Education Funding in Ch. 15 SLA 2014  
LRS Report 15.266

---

*You asked about certain elements of education funding in Ch. 15 SLA 2015 (HB 278). Specifically, you wanted us to adjust for inflation the Base Student Allocation (BSA) and grant awards in that legislation. In addition, you asked that we calculate a BSA amount necessary to compensate for the grant awards should that funding be completely eliminated, and total increases to the codified BSA to account for the combined impact of inflation and elimination of grant awards.*

---

As you know, the bulk of Alaska's public K-12 school funding is determined using a statutorily defined formula to calculate the amount of state aid paid to each individual school district each year. Adopted in 1998, and codified at AS § 14.17.410, the formula is intended to equitably distribute aid for education throughout the state.<sup>1</sup> Incorporated into this formula are factors intended to account for variations in school size, geographic cost differences, populations of students with special and intensive needs, correspondence programs, federal aid, and the ability of communities to provide local contributions.<sup>2</sup> The funding amount to which the formula outlined above is applied is known as the Base Student Allocation (BSA). Section 27, Chapter 15 SLA 2014 establishes the BSA for FY 2015 at \$5,830, and increases that amount by \$50 in both fiscal years 2016 (\$5,880) and 2017 (\$5,930).

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So, in this example, a reduction of \$15.5 million in foundation funding results in a decrease of \$62 in the BSA. To put the underlying formula another way, a \$1 million change to foundation funding generates a corresponding \$4 change in the BSA.<sup>8</sup>

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**Inflation Adjustment of the Base Student Allocation (BSA) and the One-Time Grant Awards to School Districts Codified in Ch. 15 SLA 2014, and BSA Increases Required to Offset Elimination of Grant Awards, Fiscal Years (FY) 2015-2017**

Fiscal Year	Base Student Allocation <sup>1</sup>			One-Time Grant Awards <sup>2</sup>			Total BSA Increase to Inflation-Proof the Codified BSA and Grant Award	BSA Increase to Offset Elimination of Entire Inflation-Adjusted Grant Award <sup>4</sup>	Total BSA Increase to Inflation-Proof the Codified BSA and Offset Elimination of Entire Inflation-Adjusted Grant Award <sup>5</sup>
	Codified Amount	Inflation-Adjusted BSA	Difference (inflation adjusted minus) codified)	Codified Grant Amounts in Ch. 15 SLA 2014	Inflation-Adjusted Grants	BSA Change Required to Inflation-Proof Grant Awards <sup>3</sup>			
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<b>2016</b>	\$5,830	\$5,982	\$102	\$32,243,700	\$44,070,291	\$47	\$149	\$176	\$278
<b>2017</b>	\$5,930	\$6,137	\$207	\$19,904,200	\$45,216,119	\$101	\$308	\$181	\$388

**Notes:** All BSA amounts are rounded to the nearest dollar. The calculation underlying these figures assumes that \$100 of BSA equates to \$25 million in state aid to school districts and that the total numbers, geographic distribution, and other characteristics of future student populations remain the same as existed in FY 2014. All inflation-adjusted amounts and associated BSA calculations should be considered rough estimates and hypothetical.

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3) This column indicates the amount of statewide BSA required to roughly equal the difference between codified and inflation-adjusted grant amounts. That is, in FY 2016, for example, the BSA would need to increase by \$47 dollars to equal the roughly \$11.8 million that would have accrued were the FY 2015 grants indexed to the Anchorage CPI.

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**Sources:** Ch. 15 SLA 2014; "State of Alaska FY 2015 Governor's Operating Budget: Department of Education and Early Development Foundation Program Component Budget Summary," p. 7, [https://www.omb.alaska.gov/ombfiles/15\\_budget/EED/Proposed/comp141.pdf](https://www.omb.alaska.gov/ombfiles/15_budget/EED/Proposed/comp141.pdf). All inflation-adjustments and grant offset amounts are Legislative Research calculations.

*Amended 4/4, pg 4*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Kawasaki, Guttenberg and Gara

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** Statewide Services

**ADD:** \$ 3,691.7

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** Office of Information Technology

**ADD:** \$ 2,224.3

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** System wide Education and Outreach

**ADD:** \$ 257.8

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** Anchorage Campus

**ADD:** \$ 6,777.8

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** Small Business Development Center

**ADD:** \$ 47.5

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** Kenai Peninsula College

**ADD:** \$ 329.4



**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** Kodiak College

**ADD:** \$ 122.6

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** Matanuska-Susitna College

**ADD:** \$ 234.2

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** Prince William Sound College

**ADD:** \$ 147.6

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** Bristol Bay Campus

**ADD:** \$ 66.8

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** Chukchi Campus

**ADD:** \$ 45.6

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** College of Rural and Community Development

**ADD:** \$ 276.9

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** Fairbanks Campus

**ADD:** \$ 7,555.4

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** Interior-Aleutians Campus





**ADD:** \$ 82.5

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** Kuskokwim Campus

**ADD:** \$ 147.4

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** Northwest Campus

**ADD:** \$ 76.7

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** Fairbanks Organized Research

**ADD:** \$ 922.8

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** UAF Community and Technical College

**ADD:** \$ 269.5

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** Cooperative Extension Service

**ADD:** \$ 50.0

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** Juneau Campus

**ADD:** \$ 1,405.3

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** Ketchikan Campus



**ADD:** \$ 116.2

**DEPARTMENT:** University of Alaska  
**APPROPRIATION:** University of Alaska  
**ALLOCATION:** Sitka Campus

**ADD:** \$ 152.0



*Amd # 46*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Representatives Guttenberg and Gara

**DEPARTMENT:** University of Alaska

**APPROPRIATION:** University of Alaska

**ALLOCATION:** Juneau Campus, Fairbanks Campus

**ADD:** \$400.0 UGF 1004 (Juneau Campus, \$181.5; Fairbanks Campus, \$218.5)

**POSITIONS:** 3 PFTs; 2 PPT (2 counselors, 2 advisors, 1 research specialist)

**EXPLANATION:** A minimal investment in counseling services will continue to yield positive results. These funds replace one-time funding provided by the Alaska Legislature in FY15.

UAS Coordinator for Student First Year Experience Retention:  
\$115.7


Active counseling early in students' university careers has proven invaluable in advancing the University's goal of graduating more students in less time.

UAS Disability Support Coordinator: \$65.8

Student requests for accommodations of disabilities have increased fivefold from 2009 to 2012.

UAF Comprehensive Rural Student Advising Bristol Bay and Kuskokwim Campuses Program Completion: \$218.5

UAF's rural campuses deliver place-based courses that allow students to receive training in or near their home communities, yielding higher graduation and, ultimately, employment rates among rural students.



*Amd # 47*

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Representatives Guttenberg and Gara

**DEPARTMENT:** Education and Early Development

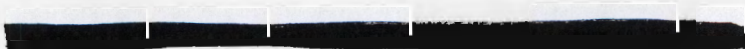
**APPROPRIATION:** Alaska Library and Museums

**ALLOCATION:** Online With Libraries (OWL)

**ADD:** \$ 761.8 UGF 1004

**POSITIONS:** 0.5

**EXPLANATION:** OWL provides bandwidth, teleconferencing, and library support statewide, which has proven critically important to entire communities, especially in rural Alaska. Without the program, many communities could not afford Internet access for official and private citizen use. OWL enables Alaskans to conduct necessary state and municipal business on line, reducing the need for more expensive travel.



*Amd #48*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

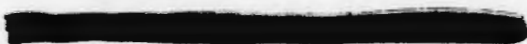
**DEPARTMENT:** Education and Early Development

**APPROPRIATION:** Alaska Libraries and Museums

**ALLOCATION:** Library Operations

**ADD:** \$3,000.0 UGF (1004)

**EXPLANATION:** This amendment accepts the Governor's \$2,000.0 cut, and restores the Subcommittee's further \$3,000.0 cut to the broadband access project, so that students are able to access online courses in communities with smaller schools and smaller academic curricula for students.





*Amd # 49*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Representatives Guttenberg and Gara

**DEPARTMENT:** Education and Early Development

**APPROPRIATION:** Alaska Library and Museums

**ALLOCATION:** Live Homework Help

**ADD:** \$ 138.2 UGF 1004

**EXPLANATION:** Last year, Live Homework Help delivered nearly 25,000 tutoring sessions on line, a widely used, beneficial, and less expensive alternative to in-person sessions requiring travel, especially in rural Alaska.

**[REDACTED]**

*Amd # 50*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Gara, Guttenberg, and Kawasaki

**DEPARTMENT:** Education

**APPROPRIATION:** Teaching and Learning Support

**ALLOCATION:** Alaska Learning Network

**ADD:** \$599.7 UGF (1004)

**EXPLANATION:** GovAmd cut the Alaska Learning Network by \$250,000 and the House Subcommittee eliminated the program. This amendment returns the funding level to the GovAmd level.



*Amd #51*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

**DEPARTMENT:** Labor & Workforce Development

**APPROPRIATION:** Employment Security

**ALLOCATION:** Adult Basic Education

**ADD:** \$197.5 GF/Match (1003)

**EXPLANATION:** This amendment restores the Subcommittee's cut of \$25.0 UGF as well as the Governor's \$172.5 UGF cut. GED requirements have become more difficult in recent years and this amendment reinstates support for Alaskans seeking a GED so they may ultimately succeed in the workforce, and not cost the state more money in state services for those who do not work.

The Governor's and the House Subcommittee actions reduced the UGF in this allocation (Adult Basic Education) by 8.9% (to \$1,958.8 UGF).

[REDACTED]

*Amd # 52*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

**DEPARTMENT:** Education and Early Development

**APPROPRIATION:** Teaching and Learning Support

**ALLOCATION:** Statewide Mentoring

**ADD:** \$750.0 UGF (1004)

**EXPLANATION:** This amendment restores the full amount cut from the Statewide Mentoring program, as removed by the Subcommittee. This helps Alaska retain teachers so rural students don't suffer from constant teacher turnover.

[REDACTED]

*Amd # 53*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Representatives Guttenberg and Gara

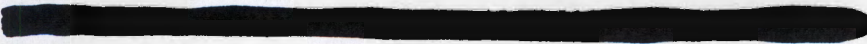
**DEPARTMENT:** Labor and Workforce Development

**APPROPRIATION:** Business Partnerships

**ALLOCATION:** Business Services

**ADD:** \$456.0 UGF 1004

**EXPLANATION:** Despite low oil prices and low production, continuing loss of older, retiring workers who must be replaced means the workforce needs around 1,000 new construction workers each year. This amendment restores the Career and Technical Education Plan's Oil and Gas Training Program to accommodate industry needs with Alaska-trained Alaska workers.



Amd #54

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Representatives Guttenberg and Gara

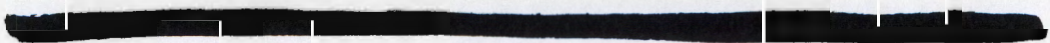
**DEPARTMENT:** Labor and Workforce Development

**APPROPRIATION:** Business Partnerships

**ALLOCATION:** Construction Academy Training

**ADD:** \$3,128.0 UGF 1004

**EXPLANATION:** The Alaska Construction Academies train Alaskan high school students and adults and place them into high-demand construction and trade apprenticeship programs, as defined by the Alaska Workforce Investment Board. Public testimony establishes an annual demand for about 1,000 new construction workers each year in Alaska. A misinterpretation of the department's mission ("*The Alaska Department of Labor and Workforce Development promotes safe and legal working conditions and opportunities for employment in Alaska.*") led to elimination of funding for programs serving K-12 students, even if those programs lead directly to employment upon graduation from high school.



*Amd #55*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73


**OFFERED BY:** Representatives Kawasaki, Guttenberg and Gara

**DEPARTMENT:** Natural Resources  
**APPROPRIATION:** Land & Water Resources  
**ALLOCATION:** Forest Management & Development

**ADD:** \$1,292.9 (UGF) \$400.0 Timber Rcp.

**POSITIONS:** Add 11 PFT Positions

**EXPLANATION:** This funding supports ten state jobs in SE Alaska that are essential to the region's timber industry. These positions perform all the infrastructure prep work that allows the private sector to perform the logging. They are responsible for building bridges, creating roads and marking trees for harvest. The SE Alaska logging industry is much more than just chopping down trees. These logs are then barged to lumber mills where they are converted to building material. The closure of the offices in Ketchikan, Juneau and Haines would decimate, if not absolutely eliminate, this industry and be extremely detrimental to the economic vitality and diversification of the region.





*Amd #56*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Representatives Guttenberg and Gara

**DEPARTMENT:** Labor and Workforce Development  
**APPROPRIATION:** Commissioner and Administrative Services  
**ALLOCATION:** Commissioner's Office

**POSITIONS:** 2 PFTs  
Restore PCNs 07-1003 and 07-1037

**EXPLANATION:** Maintain the \$321.9 General Fund reduction, but not by PCN.  
Commissioners should be allowed to craft and manage their top management teams, without position-by-position instruction from the Legislature.





*Amd # 57*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Representatives Guttenberg and Gara

**DEPARTMENT:** Labor and Workforce Development

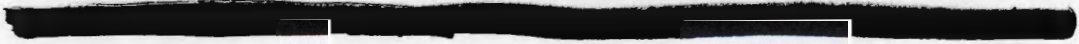
**APPROPRIATION:** Workers' Compensation

**ALLOCATION:** Workers' Compensation Appeals Commission

**DELETE:** Maintain \$439.6 Workers Safety & Compensation Administration Account (1157) reduction, contingent on repeal of relevant statute.

**POSITIONS:** 1 PFT

**EXPLANATION:** AS 23.30.008 (a) specifies, "The commission shall be the exclusive and final authority for the hearing and determination of all questions of law and fact arising under this chapter in those matters that have been appealed to the commission, except for an appeal to the Alaska Supreme Court." Defunding the Commission without repealing this statute leaves aggrieved workers with no recourse. Corrective legislation is forthcoming from the department; this reduction should proceed contingent on repeal of relevant statute.



*Amd #58*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee  
**TO:** HB 72  
**OFFERED BY:** Representatives Guttenberg and Gara

**DEPARTMENT:** Health and Social Services  
**APPROPRIATION:** Public Health  
**ALLOCATION:** Bureau of Vital Statistics

**ADD:** \$168.2 General Fund Program Receipts 1005 (DGF)

**POSITIONS:** 2 PFTs (PCNs 06-1760 and 06-1761)

**EXPLANATION:** If the Fairbanks field office of the Bureau of Vital Statistics can be closed and its services provided on line, the Anchorage and Juneau field offices can do the same. This amendment is intended to place the entire system up for further discussion.

[REDACTED]

*Amd #59*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

**OFFERED BY:** Representatives Guttenberg and Gara

**DEPARTMENT:** Natural Resources

**APPROPRIATION:** Land and Water Resources


**ALLOCATION:** Geological and Geophysical Surveys

**ADD:** 1,000.0 UGF 1004

**DELETE:**

**POSITIONS:** 4 PFTs: airborne geophysics supervising geologist; coal/geothermal geological scientist; technical/software assistant; and administrative assistant

**EXPLANATION:** Continued mapping of mineral and geothermal resources is a critical first step toward advancing the development of Alaskans' natural resource wealth. New mining is wholly dependent on new surveys of previously unmapped areas, and uncovering new energy sources is vitally important to reducing energy costs for Alaskans, especially those in rural parts of the state. Private industry does very little of this sort of work, and when it does, the information is proprietary. The state's program makes public not only the initial maps, but the very valuable ground-truthed mapping and sampling information.



*Amd # 60*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

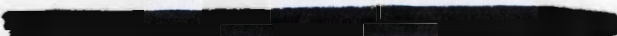
**DEPARTMENT:** Labor and Workforce Development

**APPROPRIATION:** Vocational Rehabilitation

**ALLOCATION:** Special Projects

**ADD:** \$118.4 UGF (1004)

**EXPLANATION:** This amendment restores the Governor's cut to the Interpreter Referral Program. The Interpreter Referral Program Provides face-to-face interpreters for deaf Alaskans so they can communicate at work and in life activities. Without these services, the state would likely pay more in social services for deaf Alaskans who are unable to work.



*Amd #61*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee


**TO:** HB 72

**OFFERED BY:** Representatives Guttenberg and Gara

**DEPARTMENT:** Health and Social Services  
**APPROPRIATION:** Senior and Disabilities Services  
**ALLOCATION:** Senior Community Based Grants

**ADD:** \$500,000 UGF 1004

**EXPLANATION:** Adult Day Services provided through Senior Community Based Grants allow family caregivers to maintain their own employment schedules by providing day care to seniors, enabling them to return to their own homes every evening instead of moving in to more expensive alternatives. The Senior Community Based Grants program encompasses multiple services with a total budget of \$16,608.8; the Adult Day Services portion comprises \$1,575.0 of that total. A \$500.0 reduction is a 31.7% cut.





*Amd #62*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Kawasaki, Guttentberg and Gara

**DEPARTMENT:** Health and Social Services

**APPROPRIATION:** Public Assistance

**ALLOCATION:** Senior Benefits Payment Program

**ADD:** \$5,871.2 (UGF). Restores funding to 16Adj Base level. Reverses 16GovEndo cut.

**EXPLANATION:** Alaska faces exponential growth in the senior population with a doubling of the senior population in the next 10 years (roughly 70,000 to 140,000). The Senior Benefits Payment Program provides vital supplemental funding to low-income seniors that allow them to stay in their homes. Keeping seniors at home saves the state thousands of dollars and slows their move up the continuum of care. With the pending Senior Tsunami, it is prudent to invest in cost saving measures that will reduce spending later. Eligibility is income based and is divided into three categories; 75%, 100% and 175% of the Federal Poverty Level.



*Amd #63*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

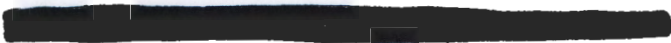
**DEPARTMENT:** Health and Social Services

**APPROPRIATION:** Office of Children's Services

**ALLOCATION:** Early Childhood Grants for Disabled Infants and Young Children

**ADD:** \$237.3 UGF (1004)

**EXPLANATION:** This restores a Subcommittee cut to the most needy, harmed foster youth and the cut will cost the state more than it saves in the long run.



**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

**DEPARTMENT:** Health and Social Services

**APPROPRIATION:** Office of Children's Services

**ALLOCATION:** Family Preservation

**DELETE:** \$2,938.4 UGF (1004)

**EXPLANATION:** The Office of Children's Services plans to partner with the Division of Public Assistance to use available TANF grants to provide funding for Child Advocacy Centers with federal funds. The receipt authority in the Division of Public Assistance is already present.

**DEPARTMENT:** Health and Social Services

**APPROPRIATION:** Office of Children's Services

**ALLOCATION:** Family Preservation

**ADD:** \$2,938.4 I/A Receipt Authority (1007)

**EXPLANATION:** In order to use Division of Public Assistance grants, the Office of Children's Services requires Interagency Receipt authority.

**DEPARTMENT:** Health and Social Services


**APPROPRIATION:** Office of Children's Services

**ALLOCATION:** Front Line Social Workers

**ADD:** \$2,726.7 UGF (1004); \$681.7 Fed (1002)

**POSITIONS:** ADD: 28 PFT positions

**EXPLANATION:** The Office of Children's Services suffers from a severe shortage of support staff, Front Line Caseworkers, licensing staff, and Independent Living Program staff who help youth succeed as adults with job training and education. The caseload in Anchorage and the Matsu is 70% higher than the national standard. Adding these positions will get us much of the way to the recommendations in the 2012 study that recommended 45 new positions at OCS. Since that 2012 study, we have seen an increase of 600 foster youth, meaning that our staff shortage has grown since that study.





The additional federal receipt authority is due to a 20% federal match on the \$2,726.7 devoted to the allocation category for these staff of front line social workers.

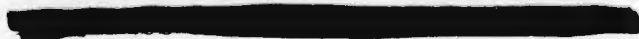
**DEPARTMENT:** Health and Social Services  
**APPROPRIATION:** Office of Children's Services  
**ALLOCATION:** Family Preservation

**ADD:** \$211.3 UGF (1004)

**EXPLANATION:** This adds \$211.3 GF to Employment Training Vouchers. The funds are going to assist youth aging out of foster care in attending job training programs, continued education and postsecondary education, so that they can successfully transition into being independent adults who do not need to rely on expensive state services.

**ADD A LANGUAGE SECTION.**

If any portion of the \$2,938,400 federal TANF funding that will be used to support the Child Advocacy Centers in the Department of Health and Social Services, Family Preservation, is not received, that amount is appropriated from the general fund to Family Preservation and an equal amount is decremented from the Department of Health and Social Services, Front Line Social Workers.



Office of Children's Services  
Frontline Support w/Youth Vouchers  
Executive Summary

Operating Budget					Onetime Costs				
71000	\$2,608.1	Federal Receipts		643.0	71000	\$0.0	Federal Receipts		38.6
72000	\$350.0	General Fund Match		2,822.2	72000	\$0.0	General Fund Match		154.6
73000	\$495.9				73000	\$0.0			
74000	\$11.2				74000	\$193.2			
75000	\$0.0				75000	\$0.0			
Total	\$3,465.2	Total		\$3,465.2	Total	\$193.2	Total		\$193.2

Personal Services					Travel		Services		Supplies		Equipment - One time Cost	
FYXX	Count	Title	Cost	Total	Cost	Total	Cost	Total	Cost	Total	Cost	Total
	1	Protective Services Specialist IV	132.2	132.2	\$5.0	\$5.0	\$7.8	\$7.8	\$0.4	\$0.4	\$6.4	\$6.4
	3	Protective Services Specialist II (ILP)	114.1	342.3	\$15.0	\$45.0		\$23.4		\$1.2		\$19.2
	9	Protective Services Specialist	98.2	883.8	\$15.0	\$135.0		\$70.2		\$3.6		\$57.6
	6	Office Assistant	69.6	417.6	\$0.0	\$90.0		\$46.8		\$2.4		\$38.4
	4	Community Care Licensing Specialist	104.3	417.2	\$4.0	\$60.0		\$31.2		\$1.6		\$25.6
	5	Social Services Associate	83.0	415.0	\$3.0	\$15.0		\$39.0		\$2.0		\$32.0
							Lease space	\$27.5			Multi Function Printer, Filing, Phone Network	\$14.0
							Youth Vouchers	\$250.0				
Total for 12 months	28			\$2,608.1		\$350.0		\$495.9		\$11.2		\$193.2
Grand Total				\$3,658.4								

## Assumptions:

- Costs for full 12 months
- Based on SFY2015 Salary Schedule on a average statewide level
- Federal match rate will be blended 20/80

## Assumptions for Costs

- Services will be \$7,800 per PCN each year for IT, Telecommunications, phones, and utilities (cell L14).
- Services - Lease each year will be \$982 per PCN (cell M17)
- Commodities will be \$400 per PCN each year for general office supplies (cell O14).
- Equipment: For every 20 PCN a multi-function printer at \$10K (cell S17)
- Equipment one time costs of \$6.4K for each PCN to set up workstation, furniture, computer, software, phone, supplies (R14)
- \$250K in employment training voucher funds to help with the growing number of foster youth (GF) (M18)

Final #14, pg 3



# Office of Children's Services



Executive Summary of the 2012  
Hornby, Zeller and Associates Workload Study



### Transfer of Responsibility for Case Specific Activities

HZA also used the workload study data to identify work that could be shifted from case carrying staff to support staff. A strategy that could be employed and possibly increase efficiencies with less addition to the overall staffing levels. Using the data from the RMS process, HZA was able to identify that a monthly average of 13.2 to 14.6 hours/worker would be made available for case carrying staff to devote to case work activities, were various administrative tasks shifted away from case carrying workers, and reassigned to OA or SSA staff. A detailed analysis is presented as to what tasks should be reassigned and which should not. Based on the analysis, HZA identified a total of 2,695 hours each month that caseworkers spend on activities that could otherwise be provided by the Social Services Associates or the Office Assistants. However, HZA points out that "while the intent is to transfer full responsibility for support activities to support staff, it is unrealistic to expect that will be possible." However, if 75% or 2,021 hours of the support activities were transferred to support staff, that there would be increased efficiencies.

HZA's recommendations for additional staff:

31 total FTEs are needed in the support positions (SSA and OA) while

13 Community Care Licensing Specialists position are also needed.

*This equates to:*

- 1 SSA for every 4.2 caseworkers
- 1 office assistant for every 3.9 caseworker
- 1 SSA for every 4.7 Community Care Licensing Specialists
- 1 office assistant to every 4.3 Community Care Licensing Specialists

This staffing structure would essentially enable frontline caseworkers and licensing staff to spend increased quantities and quality time in the field doing what is categorically the activity most likely to shorten length of foster care stays, increase safety of kids in both in and out of home placements and will also ensure enhanced abilities to improve outcomes for the well being and permanency needs of children served.

Workers will not be as tied to their desks completing endless amounts of data input or driving children to and from family contact or other appointments. With specialized and dedicated staff focused on administrative support to staff and social service associates providing real assistance to enormous case management duties, training can be tailored to meet those needs to increase effectiveness and quality. Those improvements will improve outcomes for the families served and those families providing temporary care.

# Foster Youth in Care, 2011-14

Data source: <http://dhss.alaska.gov/ocs/Pages/statistics/overview.aspx>  
Chart prepared by office of Rep. Les Gara

2,349 foster youth  
December 2014  
(most recent  
datapoint)

1,890 foster youth  
December 2012  
(7 months after  
Workload Study  
released)

1,791 foster youth  
December 2011  
(while Workload Study  
was being conducted)



*Amd #65*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

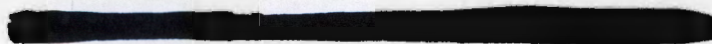
**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

**DEPARTMENT:** Health and Social Services  
**APPROPRIATION:** Office of Children's Services  
**ALLOCATION:** Family Preservation Grants

**ADD:** \$500.0 UGF (1004)

**EXPLANATION:**

This amendment restores both the Subcommittee's \$330.5 cut and the Governor's \$169.5 cut. Family Preservation Grants are used to keep families together so youth do not end up in long term foster care. This not only is beneficial for children, but saves the state significant money in terms of lower foster care daily reimbursement rates, and in terms of relieving the pressure to hire additional social workers. Keeping families together is much cheaper than placing kids in foster care.





*Amd # 66*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee  
**TO:** HB 72 / HB 73  
**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

**DEPARTMENT:** Health and Social Services  
**APPROPRIATION:** Department Support Services  
**ALLOCATION:** Commissioner's Office

**ADD:** \$500 G/F Match (1003)  
**DELETE:** \$500 I/A Receipts (1007)


**DEPARTMENT:** Health and Social Services  
**APPROPRIATION:** Department Support Services  
**ALLOCATION:** Administrative Support Services

**ADD:** \$3,500 UGF (1004)  
**DELETE:** \$3,500 I/A Receipts (1007)

**DEPARTMENT:** Health and Social Services  
**APPROPRIATION:** Department Support Services  
**ALLOCATION:** Information Technology Services

**ADD:** \$500 UGF (1004)  
**DELETE:** \$500 I/A Receipts (1007)

**EXPLANATION:** The HSS Subcommittee requires the department to cut \$4.5 million, which is an unallocated cut that will harm the ability of the department's eight divisions to assist Alaska's most vulnerable seniors, children, and disabled individuals. The department cannot absorb this additional cut, which was proposed to be used to pay for salary and infrastructure costs.





*Amd # 67*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Kawasaki, Guttenberg and Gara

**DEPARTMENT:** Department of Natural Resources

**APPROPRIATION:** Division of Agriculture

**ALLOCATION:** Farm to School

**ADD:** \$181.0 (UGF).


**DEPARTMENT:** Health and Social Services

**APPROPRIATION:** Public Health

**ALLOCATION:** Chronic Disease Prevention and Health Promotion

**ADD:** \$734.7 (UGF).

**EXPLANATION:** Restore the Obesity Prevention Program. These additions restore 16Gov amended levels. In 2013, 65% of Alaskan adults were overweight or obese and the state has high rates of childhood and youth obesity. In 2006 the annual medical costs for obese individuals nationwide were \$1,429 higher than those of healthy weight individuals. Farm to School brings local produce into school lunches. FTS fosters economic development in the agricultural sector and promotes healthy eating in our schools. The obesity prevention program raises awareness for childhood obesity and reduces health costs associated with the epidemic later in life. This small investment today will save us tremendous funds later. Thousands of Alaskans rely on these services for balanced school lunches and non-bias information on the real-world consequences of obesity.



*Amd #68*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Kawasaki, Guttenberg and Gara


**DEPARTMENT:** Administration  
**APPROPRIATION:** Public Communication Services  
**ALLOCATION:** Public Broadcasting - Radio

**ADD:** \$1,634.0 (UGF).

**DEPARTMENT:** Administration  
**APPROPRIATION:** Public Communication Services  
**ALLOCATION:** Public Broadcasting – T.V.

**ADD:** \$405.0 (UGF).

**EXPLANATION:** GovAmd cut the Public Broadcasting Radio budget by 18.5% (\$613.0) and the T.V. budget by 18% (\$150.1). This amendment reduces that cut to 10% of the 15MgtPln budget and allows Public Broadcasting budgets to be maintained and provide vital informational services to our communities while also cutting the budget. Thousands of Alaskans rely on these services for balanced local, state, federal and international news. Providing this funding will allow these stations to find additional funding to prevent a large loss of service. Additionally, public radio and television can be an essential service in times of emergency such as floods, forest fires, earthquakes, extreme weather events and many more public dangers.



*Amd # 69*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Kawasaki, Guttenberg and Gara

**DEPARTMENT:** Administration  
**APPROPRIATION:** Public Communication Services  
**ALLOCATION:** Public Broadcasting - Radio

**ADD:** \$1,966.0 (UGF).

**DEPARTMENT:** Administration  
**APPROPRIATION:** Public Communication Services  
**ALLOCATION:** Public Broadcasting – T.V.

**ADD:** \$488.1 (UGF).

**EXPLANATION:** GovAmd cut the Public Broadcasting Radio budget by 18.5% (\$613.0) and the T.V. budget by 18% (\$150.0). This amendment restores the 15MgtPln budget and allows Public Broadcasting to continue to provide vital informational services to our communities while also cutting the budget. Thousands of Alaskans rely on these services for balanced local, state, federal and international news. Providing this funding will allow these stations to find additional funding to prevent a large loss of service. Additionally, public radio and television can be an essential service in times of emergency such as floods, forest fires, earthquakes, extreme weather events and many more public dangers.



*Amd # 70*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73


**OFFERED BY:** Representative Gara, Guttenberg, Kawasaki

**DEPARTMENT:** Administration  
**APPROPRIATION:** Legal and Advocacy Services  
**ALLOCATION:** Office of Public Advocacy

**ADD:** \$508.0 UGF (1004)

**POSITIONS:** Add: 5 PFT positions

**EXPLANATION:** Guardians ad Litem (GALs) advocate on behalf of children, often taken from their parents, who have been determined to be Children In Need of Aid. The GAL program is currently severely understaffed. Currently each GAL serves on average 88 children. The national recommended level is 40. Without adequate staffing, the GALs are not able to advocate for the vulnerable youth they are supposed to help by letting the courts know their treatment, educational, and other needs. The GALs often are unable to get to know the youth they are supposed to represent.



*Amd # 71*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Kawasaki, Guttentberg and Gara

**DEPARTMENT:** Health and Social Services

**APPROPRIATION:** Juvenile Justice

**ALLOCATION:** Youth Courts

**ADD:** Restore 16GovEndorsed funding level at \$530,900 (UGF).

**EXPLANATION:** Alaska is facing a severe prison crisis as we've reached 101% capacity and are on pace to either send Alaskans to the Lower 48 for incarceration or build a new prison. One huge cost savings to the state is Youth Court. Not only is Youth Court's recidivism rate half that of the youth who go through the conventional judicial route, but each offender that Youth Court saves the state almost 10 times as much as it costs to administer the program. According to a 2014 study, Youth Court would only need to divert *four youth* in order to garner savings to completely cover the program's cost. For a reasonably small investment today, we can save large amounts in the future while keeping Alaskans out of prison and in the work force. It is in the state's best financial, judicial and social interest to keep this program.

[REDACTED]

*Amd # 72*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki


**DEPARTMENT:** Commerce, Community, and Economic Development

**APPROPRIATION:** Community and Regional Affairs

**ALLOCATION:** Community and Regional Affairs

**ADD:** \$200.0 UGF (1004) to Alaska Legal Services Named Grant Recipient

**EXPLANATION:** This amendment restores the Governor's proposed level of funding to the Alaska Legal Services Corporation. Alaska Legal Services Corporation (ALSC) is the largest provider of free civil legal help to victims of domestic violence, seniors, disabled individuals, veterans, and the homeless. Each year, ALSC serves approximately 6,400 low-income Alaskans in both urban and rural locations. Funding ALSC makes financial sense: every dollar invested in ALSC generates five dollars in economic benefits to ALSC's clients, their communities, and the state. ALSC already operates on a significantly reduced budget. Due to a lack of funds, they are forced turn away one person for each person they accept.



*Amd # 73*

**OFFERED IN:** The House Finance Committee  
**TO:** HB 72  
**OFFERED BY:** Representatives Guttenberg and Gara

**DEPARTMENT:** Administration  
**APPROPRIATION:** Legal and Advocacy Services  
**ALLOCATION:** Public Defender Agency

**ADD:** \$387.5 UGF 1004

**EXPLANATION:** Restore cut proposed by Governor and accepted by Finance Committee. Eliminating contract services will create a future backlog of cases and appeals requiring even more funds to resolve. PDA is working to foster in-house capacity to reduce the need for contract services.

**[REDACTED]**



*Amd # 74*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Gara, Guttenberg, and Kawasaki

**DEPARTMENT:** Public Safety

**APPROPRIATION:** Alaska State Troopers

**ALLOCATION:** Alaska Bureau of Investigation

**ADD:** \$191.5 UGF (1004)

**POSITIONS:** 2 PFT positions

**EXPLANATION:** Cold case investigators help solve murders that have to date been unsolved. Alaska's cold case investigators have been successful. This amendment restores two of the four positions the Governor cut.

**[REDACTED]**

*Amd # 75*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

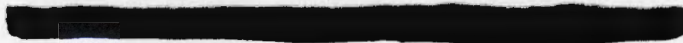
**OFFERED BY:** Representatives Kawasaki, Guttenberg and Gara

**DEPARTMENT:** Public Safety  
**APPROPRIATION:** Alaska State Troopers  
**ALLOCATION:** Alaska Wildlife Troopers

**ADD:** \$146.8 (UGF)

**POSITIONS:** Add 1 PFT position

**EXPLANATION:** This amendment restores the Wrangell trooper position that was decremented by the Governor and accepted by the House Subcommittee.



*Amd #76*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Kawasaki, Guttenberg and Gara

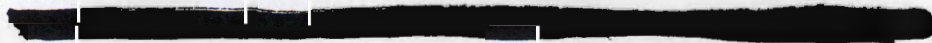
**DEPARTMENT:** Department of Public Safety

**APPROPRIATION:** Alaska Wildlife Troopers

**ALLOCATION:** Aircraft Section

**ADD:** \$1,187.0 (GF)

**EXPLANATION:** This amendment restores half of an increment requested by the Governor that was not approved by the subcommittee. According to the Department of Public Safety, an audit actually recommended even more than the 8 permanent full time employees that were originally financed. These positions would impact the ability of Alaska Wildlife Troopers to maintain their aircraft. The Division must enforce Fish and Game regulations in the entire 586,000 square miles of Alaska as well as its 36,000 miles of coastline. The Aircraft Section provides the Department with aircraft that are safe and dependable to complete their patrols and other law enforcement assignments.



*Amd # 77*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Kawasaki, Guttenberg and Gara

**DEPARTMENT:** Natural Resources

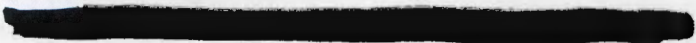
**APPROPRIATION:** Administration & Support Services

**ALLOCATION:** Recorder's Office

**ADD:** \$202.0 (UGF).

**POSITIONS:** 2 PFT Positions

**EXPLANATION:** These funds would reopen the Recorder's Offices in Ketchikan and Sitka, but allow those offices in Homer and Valdez to close. Ketchikan and Sitka are isolated from the road system and residents do not have access to a Recorder's Office. While there is a department-wide effort to make all filings electronic, access to a physical office is paramount to protecting the rights of Alaskans.



*Amd # 78*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

**DEPARTMENT:** Commerce, Community, and Economic Development

**APPROPRIATION:** Tourism Marketing & Development

**ALLOCATION:** Tourism Marketing

**DELETE:** \$3,000,000 Unrestricted General Fund (1004)

**ADD:** \$1,500,000 Statutory Designated Program Receipt (1108)

**ADD:** Language Section: An amount not to exceed \$1,500,000 is appropriated to the Department of Commerce, Community and Economic Development, Tourism Marketing and Development from the unrestricted general fund to match each dollar in excess of \$2,700,000 contributed by the tourism industry.

**EXPLANATION:**

This amendment removes \$3 million UGF from the Tourism Marketing budget; reducing UGF funding from \$9,264,400 to \$6,264,400. The Tourism Marketing budget also includes \$2.7 million of Statutory Designated Program Receipt (SDPR) authority for receipts collected from the tourism industry. This amendment increases SDPR authority to \$4.2 million. The language portion of this amendment will match up to \$1.5 million of the newly authorized SDPR with UGF. This one-time match will retain the level of Tourism Marketing in the Finance CS, while reducing the UGF budget by \$1.5 million.



*Amd #79*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72

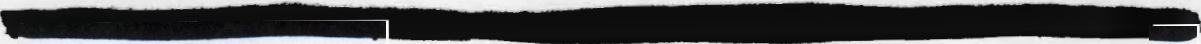
**OFFERED BY:** Representatives Guttenberg and Gara

**DEPARTMENT:** Natural Resources  
**APPROPRIATION:** Administration and Support Services  
**ALLOCATION:** Citizen's Advisory Commission on Federal Areas

**DELETE:** \$288.1 UGF 1004

**POSITIONS:** 1 PFT, 1 FT seasonal (11 months/year)

**EXPLANATION:** Unnecessary function of state government.





*Amd # 80*

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Rep. Guttenberg


**DEPARTMENT:** Revenue  
**APPROPRIATION:** Language Section  
**ALLOCATION:** Fund Capitalization

**ADD:** \$500,000,000 UGF 1004  
Add text: "not to exceed \$500,000,000"

**DELETE:** \$700,000,000 UGF 1004  
Delete text: "estimated to be \$700,000,000"

**EXPLANATION:** Amend language HB 72, page 70, lines 4-9 as follows:

(d) If the balance of the oil and gas tax credit fund (AS 43.55.028) is insufficient to purchase transfer tax credit certificates issued under AS 43.55.023 and production tax credit certificates issued under AS 43.55.025 that are presented for purchase, the amount by which the tax credit certificates presented for purchase exceeds the balance of the fund, not to exceed \$500,000,000 [estimated to be \$700,000,000] is appropriated from the general fund to the oil and gas tax credit fund (AS 43.55.028).





**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 72 / HB 73

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

Page 1, line 2, following "**capitalizing funds**";:  
Insert "**lapsing appropriations**"

Page 76, line 18, following "APPROPRIATIONS."  
Insert "(a)"

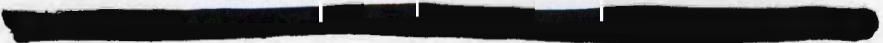
Page 76, line 19:  
Insert new subsections to read:

"(b) the unexpended and unobligated balance on June 30, 2015, estimated to be \$17,973,847, of the appropriation made in sec. 01, ch. 16, SLA 2013, page 12, lines 20-21, lapses to the general fund on June 30, 2015."

**EXPLANATION:** This causes the available general fund balance appropriated to the Anchorage – U-Med District Northern Access project to lapse into the general fund. The Bragaw Road extension in Anchorage is not an affordable project compared to other priorities in this fiscal climate.

"(c) \$6 million of the unexpended and unobligated balances, estimated to be a total of \$6,681,700, of the appropriations made in sec. 4, ch. 16 SLA 2013, page 105, lines 20-24, and sec. 4, ch. 18, SLA 2014, page 87, lines 10-11, and without elimination of any department positions, lapses to the general fund on June 30, 2015."

**EXPLANATION:** This causes the available general fund balance appropriated to Susitna-Watana Hydroelectric projects to lapse into the general fund. The Susitna Dam would serve the same customers as the two gasline projects being considered by the State at this time, and all three projects will bring excess power to the railbelt. This amendment withdraws the remaining unobligated funds with appropriated to the Susitna Dam in a time of budget shortfalls. This lapse does not affect any positions at DCCED.



*Amd #81, pg 2*



January 8, 2015

Pat Pitney, Director  
State of Alaska  
Office of Management and Budget  
PO Box 110001  
Juneau, AK 99811-0001

Subject: Alaska Energy Authority Response to Administrative Order 271

RE: Susitna-Watana Hydroelectric Project

Dear Ms. Pitney:

In response to Administrative Order No. 271 (AO 271) dated December 26, 2014, the Alaska Energy Authority (AEA) has prepared the following information to comply with paragraph "C" of AO 271 for Susitna-Watana Hydro. As per email approval dated December 31, 2014 from the Office of the Governor Chief of Staff, Jim Whitaker, AEA was granted a deadline of January 9 to comply with paragraph "C".

Completion of the Federal Energy Regulatory Commission (FERC) licensing process would require an estimated additional funding of \$102 million based on the current Integrated Licensing Process. The additional funding is needed to complete the FERC approved studies and prepare the license application. Obtaining a FERC license would position the State to move forward with a project that would provide long-term affordable energy and consistent with State of Alaska energy policy, chapter 82, session law 2010. AEA is currently assessing licensing options that would provide the State with licensing schedule flexibility that may potentially reduce licensing costs.

**Summary of project funding (in thousands):**

Authorized Funds - State of Alaska appropriations	\$ 192,072.8
Expenditures (as of December 31, 2014)	(158,476.0)
Non-Discretionary:	
Encumbered funds	(19,250.8)
Unencumbered funds required to complete essential tasks	(4,614.5)
Budgeted personnel costs for remainder of FY2015	(2,179.8)
Estimated personnel costs for FY2016 (July-December 2015)	(870.0)
Total Non-Discretionary	(26,915.1)
Balance of Authorized Funds	6,681.7