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FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Representative Neuman

Part A) Amend sec. 24, Fund Transfers, by adding a new subsection to read:

(j) An amount equal to the interest earned on amounts in the aviation fuel tax account (AS 43.40.010(e)) during the fiscal year ending June 30, 2017, is appropriated to the aviation fuel tax account (AS 43.40.010(e)).

Part B) Amend sec. 27, Shared Taxes:

DELETE: (b) The amount necessary, estimated to be \$200,000, to refund to local governments their share of an aviation fuel tax or surcharge under AS 43.40 for the fiscal year ending June 30, 2017, is appropriated from the proceeds of the aviation fuel tax or surcharge levied under AS 43.40 to the Department of Revenue for that purpose.

ADD: (b) An amount equal to the proceeds of aviation fuel taxes or surcharges levied under AS 43.40 and collected during the fiscal year ending June 30, 2015, estimated to be \$141,800, is appropriated from the aviation fuel tax account (AS 43.40.010(e)) to the Department of Revenue to refund to local governments their share of the proceeds of taxes or surcharges levied under AS 43.40 for the purpose of paying capital and operating costs of airports for the fiscal year ending June 30, 2017.

Part C)

DEPARTMENT: Transportation and Public Facilities

APPROPRIATION: Administration and Support
ALLOCATION: Commissioner's Office

ADD: \$47,900 Rural Airport Receipts 1244 (Other)

DELETE: \$47,900 GF/ Program Receipts 1005 (DGF)

APPROPRIATION: Administration and Support
ALLOCATION: Statewide Administrative Services

ADD: \$138,700 Rural Airport Receipts 1244 (Other)
\$254,900 Rural Airport Receipts I/A 1245 (Other)

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DELETE: \$138,700 GF/ Program Receipts 1005 (DGF)
\$254,900 Interagency Receipts 1007 (Other)

APPROPRIATION: Administration and Support
ALLOCATION: Statewide Aviation

ADD: \$3,038,900 Rural Airport Receipts 1244 (Other)

DELETE: \$3,038,900 GF/ Program Receipts 1005 (DGF)

APPROPRIATION: Highways, Aviation and Facilities
ALLOCATION: Central Region Highways and Aviation

ADD: \$678,500 Rural Airport Receipts 1244 (Other)

DELETE: \$678,500 GF/ Program Receipts 1005 (DGF)

APPROPRIATION: Highways, Aviation and Facilities
ALLOCATION: Northern Region Highways and Aviation

ADD: \$1,608,200 Rural Airport Receipts 1244 (Other)

DELETE: \$1,608,200 GF/ Program Receipts 1005 (DGF)

APPROPRIATION: Highways, Aviation and Facilities
ALLOCATION: Southcoast Region Highways and Aviation

ADD: \$381,700 Rural Airport Receipts 1244 (Other)

DELETE: \$381,700 GF/ Program Receipts 1005 (DGF)

APPROPRIATION: Highways, Aviation and Facilities
ALLOCATION: Central Region Highways and Aviation

ADD: \$1,426,100 Aviation Fuel Tax Revenue 1239 (Other)

DELETE: \$1,426,100 General Funds 1004

APPROPRIATION: Highways, Aviation and Facilities

ALLOCATION: Northern Region Highways and Aviation

ADD: \$2,471,700 Aviation Fuel Tax Revenue 1239 (Other)

DELETE: \$2,471,700 General Funds 1004

APPROPRIATION: Highways, Aviation and Facilities

ALLOCATION: Southcoast Region Highways and Aviation

ADD: \$828,300 Aviation Fuel Tax Revenue 1239 (Other)

DELETE: \$828,300 General Funds 1004

EXPLANATION:

In January 2015, the FAA contacted the Department of Revenue regarding tracking the proceeds of the aviation fuel tax to ensure that the state was meeting federal requirements (federal register volume 64, number 30, page 7716--February 16, 1999). The federal government requires proceeds of aviation fuel taxes—and other revenue from airports constructed with federal receipts—to be spent for capital or operating costs of airports. Previously, the State (and FAA) considered expenditure tracking unnecessary because annual state expenditures on airports far exceeded annual aviation revenue.

Three fund codes were created in response to the federal concern for more explicit tracking. Code 1239 (Aviation Fuel Tax) will be used to track appropriations of aviation fuel tax collections, code 1244 (Rural Airport Receipts) will be used to track appropriations of rural airport lease/ other receipts, and code 1245 (Rural Airport Receipts I/A) will be used to track appropriations of rural airport lease/ other receipts from other state agencies. The codes are classified as dedicated (Other) funds (due to the federally restricted use of airport revenue) and may be used in the DOT&PF budget for capital or operating appropriations for airports. The reclassification of expenditures from general funds to dedicated revenue will also require the Department of Revenue to reclassify the revenue stream as restricted revenue.

Aviation Fuel Tax receipts will be appropriated based on the most recent closed fiscal year's actual tax collections. So for FY17, the appropriation level would be the amount of FY15 collections, which were \$4.7 million.

This amendment is a net zero fund source change.

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256

OFFERED BY: Representative Neuman

DEPARTMENT: Commerce, Community and Economic Development

APPROPRIATION: Alaska Gasline Development Corporation

ALLOCATION: Alaska Gasline Development Corporation

ADD: \$6,231,600 In-State Natural Gas Pipeline Fund (1229)
\$4,154,400 Alaska Liquefied Natural Gas Project Fund (1235)

POSITIONS: Add: 26 Permanent Full-time Positions

EXPLANATION:

This amendment funds AGDC in FY17. All funding and positions in the agency were removed in the committee substitute. This amendment establishes AGDC's FY17 operating budget authority at \$10,386.0 and restores 26 positions. The 60/40 split of funding between codes 1229 and 1235 reflects the anticipated workload of the agency.

AGDC's FY16 budget was \$13,249.9 with 38 PCNs.

AGDC's FY17 Governor's Request was \$12,949.8 with 38 PCNs

This amendment is a \$2.6 million (20%) reduction from the Governor's Request and a reduction of 12 full-time positions. Travel expenses and commodities have been reduced to reflect spending expectations.

The Corporation's two allocations will be consolidated into one allocation. This structure allows AGDC to implement the organizational changes necessary to more accurately reflect the corporation's three programmatic responsibilities – Alaska LNG, ASAP and In-State Gas Aggregation.

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee
TO: HB 256 / HB 257
OFFERED BY: Representatives Neuman and Edgmon

PART A

DEPARTMENT: Transportation and Public Facilities
APPROPRIATION: Highways, Aviation and Facilities
ALLOCATION: Northern Region Highways and Aviation

ADD: \$1,414,000 Vehicle Rental Tax Receipts 1200

DELETE: \$1,414,000 General Funds 1004

EXPLANATION:

Vehicle Rental Tax Receipts are appropriated based the most recent closed fiscal year's actual tax collections. So for FY17, the appropriation level would be the amount of FY15 collections, which were \$9.7 million.

The FY17 budget currently has appropriated \$8.3 million of Vehicle Rental Tax Receipts. The funds are appropriated to the Departments of

- Commerce, Community, and Economic Development, \$336.7 in the Economic Development allocation;
- Natural Resources, \$2,984.3 in the Parks Management and Access allocation;
- Transportation and Public Facilities, \$4,999.2 in Central Region Highways and Aviation allocation.

This amendment is a net zero fund source change to fully appropriate the remaining amount of Vehicle Rental Tax Receipts (Designated General Funds) to the Department of Transportation and Public Facilities, bringing its amount of Vehicle Rental Tax to \$6,413.2.

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PART B

DEPARTMENT: Law
APPROPRIATION: Criminal Division
ALLOCATION: Third Judicial District: Outside Anchorage

ADD: \$340,000 UGF (1004)

POSITIONS: ADD: 2 PFT

EXPLANATION:

This amendment restores funding for the Dillingham District Attorney's office. The Governor's original budget proposed closing the office. That decision was reversed and funding was requested through a budget amendment, but that request was rejected at the subcommittee level.

Without this amendment, criminal cases in the Bristol Bay region will be prosecuted via visits by a staff attorney or attorneys from Anchorage. This affects the entire criminal justice system in the area.

PART C

DEPARTMENT: Law
APPROPRIATION: Criminal Division
ALLOCATION: Criminal Appeals/Special Litigation

ADD: \$318,700 General Fund 1004

EXPLANATION: In total, the department plans on putting approximately \$700,000 towards the Public Integrity Unit, approximately \$400,000 of which comes from restructuring. To complete the unit, the department needs \$318,700 more. The Public Integrity Unit is a unit to focus on three specific areas—use of force by law enforcement, potential misconduct in correctional facilities and white collar crime including fraud perpetrated upon the State.

By consolidating these matters into one unit within the Office of Special Prosecutions, the matters would be given the attention they deserve by experts in the area while relieving some of the burden experienced by other attorneys and staff.

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FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee
TO: HB 256 / HB 257
OFFERED BY: Representatives Neuman and Saddler

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

ADD: \$500,000 General Funds 1004

EXPLANATION: The Governor's FY2017 proposed budget requested a transfer of \$500.0 UGF from Work Services component to Field Services component for Division of Public Assistance to maintain needed staffing levels. This transaction was requested to "true up the budget" to match expenditures over the past few years. Public Assistance has internally made this transfer through a revised program approved through OMB in past years. This request in FY2017 was to enact this transfer in the budget. The Legislative Finance Analyst classified this transfer as an increment request instead of a transfer. DPA would need to delete at least 10 positions (with the corresponding loss of federal funds) to meet this reduction. This would severely hamper eligibility determinations which could lead to federal non-compliance and a corrective action plan.

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Representatives Neuman, Saddler and Munoz

DEPARTMENT: Health and Social Services

APPROPRIATION: Senior and Disabilities Services

ALLOCATION: Senior Community Based Grants

ADD: \$450,000 General Funds 1004

EXPLANATION: Home and Community Based Senior Grants fund non-profit agencies to provide services to physically frail individuals 60 years of age and over, individuals of any age with Alzheimer's Disease or Related Disorders (ADRD), and caregivers to assist these Alaskans to maintain as much independence as possible and improve their quality at home or in a community-based setting. This restores funding to the level proposed by the Governor.

FY2017 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Representatives Neuman and Pruitt

DEPARTMENT: Commerce, Community and Economic Development

APPROPRIATION: Alaska Energy Authority

ALLOCATION: Statewide Project Development, Alternative Energy and Efficiency

ADD: \$2,000,000 Renewable Energy Grant Fund (1210)

EXPLANATION:

A Governor's amendment inadvertently removed this funding which is necessary to assure ongoing prior year grants can be managed to completion.

This amendment restores Renewable Energy Fund receipts to the Alaska Energy Authority's operating budget for management of existing grants.

As part of a reprioritization of energy programs, new Renewable Energy Fund grants will not be issued. However, the Alaska Energy Authority requires Renewable Energy Fund receipt authority to continue project and grants management for the existing portfolio of 133 grants from prior solicitations. No additional Renewable Energy Fund capitalization will be needed; the fund balance contains amounts sufficient for this operating budget appropriation.

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Wallace
3/2/16

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE NEUMAN

TO: CSHB 256(FIN), Draft Version "X"

1 Page 73, following line 7:

2 Insert a new subsection to read:

3 "(u) The sum of \$250,000 is appropriated from federal receipts to the emerging
4 energy technology fund (AS 42.45.375) for capital projects."

EXPLANATION:

A Governor's amendment inadvertently deleted the federal receipts available for appropriation to the emerging energy technology fund. These funds are necessary to support existing projects.

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FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 257

OFFERED BY: Representatives Neuman, Thompson, Saddler, Munoz and Edgmon

DEPARTMENT: Health & Social Services

APPROPRIATION: Behavioral Health

ALLOCATION: Behavioral Health Treatment & Recovery Grants

Add a new section titled Health and Social Services following section 7 to read (FY16 effective date):

The sum of \$30,000,000 is appropriated from the general fund to the Department of Health and Social Services, Behavioral Health, Behavioral Health Treatment and Recovery Grants for a pilot program to develop additional substance use disorder (SUD) services for the fiscal years ending June 30, 2016, June 30, 2017, June 30, 2018 and June 30, 2019.

EXPLANATION: This amendment appropriates \$30 million of Unrestricted General Funds (GF/MH code 1037) to the Department of Health and Social Services/Behavioral Health Treatment and Recovery Grants to develop additional substance use disorder (SUD) services.

By expanding (SUD) services, the state has the opportunity to decrease costs resulting from untreated alcohol and drug dependency. Success will be measured by reduced utilization of emergency departments, public safety resources and correctional facilities as well as lower incidence of child maltreatment.

Grants will be used to fill gaps in the SUD continuum of care based on community needs assessments and grantees must have the capacity to identify and deliver reductions in GF costs associated with criminal justice, emergency room, and child maltreatment systems.

Grantees will work with the Alaska Justice Information Center, the Department of Health and Social Services, and the Department of Corrections to identify evidence based practices and evaluate treatment

outcomes related to the utilization of the criminal justice system including recidivism reduction. Grantees will also work with the Department of Health and Social Services with respect to strategies and outcomes targeting reductions in the use of emergency rooms and child maltreatment and other substance use related GF cost centers.

Approximately 62,815 Alaskan adults needed treatment for an illicit drug or alcohol problem in the past year, according to the National Survey of Drug Use and Health (April, 2014). However, in FY15, only 8,194 adults (13 percent) received SUD treatment services in Alaska. Further, the behavioral health system is serving many clients too late, leading to an increased demand for crisis and acute services, and corresponding shortages in less intensive services. Recent assessments indicate a need for early intervention and engagement, intensive outpatient, and crisis intervention services, based on the federal Substance Abuse & Mental Health Services Administration's (SAMHSA's) ideal continuum of behavioral health care and the American Society of Addiction Medicine (ASAM) levels of care.

Both Alaska and national experience demonstrate that treatment works. Access to treatment can cut drug use in half, reduce criminal activity up to 80 percent, and reduce arrests up to 64 percent.¹ Research also shows that the younger a person starts using drugs, the greater the likelihood of a future disorder², making prevention and early intervention a key to stopping the progression of SUD.

¹ As cited in: Preventing and Treating Substance Use Disorders: A Comprehensive Approach. Published by the National Council for Community Behavioral Healthcare. <http://www.thenationalcouncil.org/wp-content/uploads/2013/05/Substance-UseDisorders.pdf>

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FY17 OPERATING BUDGET AMENDMENT

Offered In: The House Finance Committee

To: HB 256

Offered By: Rep. Mark Neuman

DEPARTMENT: Office of the Governor

APPROPRIATION: Office of Management and Budget

ALLOCATION: Office of Management and Budget

ADD: It is the intent of the legislature that the office of management and budget work with executive branch agencies to reduce hollow receipt authority when preparing the Fiscal Year 2018 budget.

Explanation:

Hollow receipt authority refers to excess authorization in a budget bill for funding sources that are not unrestricted general funds.

There are many reasons for this. An agency does not know at the time the legislature approves a budget how much the state will get in federal funds or how much it may collect in fees for licenses, vehicle or business registrations, permits, university tuition, cruise ship passenger head taxes, and other sources. It only can provide legislators an estimate for all that. More often than not, that number may be more than what a department will actually get. In other cases, an estimate may initially be accurate, but, over time, federal grants may shrink or revenue sources may decline.

As a result, in many departments, the legislature approves receipt authority that does not have real money behind it – thus inflating the apparent cost of state government. The purpose of the intent language is to have the Office of Management and Budget work with state agencies, allocation by allocation, to determine what each one truly needs in receipt authority and, thus, provide figures that more accurately represent the state budget and produce a clearer and leaner picture of state spending for both legislators and the public.

This work is not unprecedented. In 2013, the Legislative Finance Division, the House Finance Committee, and the University of Alaska worked together to reduce University hollow receipt authority which, according to one estimate at the time, was in excess of \$40 million in designated general funds (DGF). The budget approved by the legislature and enacted into law that year ended up reducing University hollow receipts by nearly \$36 million in DGF – \$36 million less than what the governor had proposed.

Similar work applied to next year's budget cycle would help provide a clearer, leaner, more accurate picture of state spending and bring more clarity to the nature of hollow receipt authority and how much of it each agency truly needs.

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Representatives Saddler and Neuman

DEPARTMENT: Health and Social Services

APPROPRIATION: Medicaid Services

ALLOCATION: Health Care Medicaid Services

ADD: 7,000,000 Federal Funds 1002

DELETE: 7,000,000 General Funds 1004

EXPLANATION:

This amendment reduces the Health Care Medicaid Services General Fund budget by \$7.0 million and offsets the decrease with an increase in Federal Funds. The Department of Health and Social Services (DHSS) recently received word from the Centers for Medicare and Medicaid Services that policy changes affecting the Federal Medical Assistance Percentage (FMAP) have been made. One impact of the changes is that the State of Alaska will become eligible for reimbursement at 100% for transportation and accommodation services for Alaska Natives and American Indians instead of the current FMAP rate for those services of 50%. The DHSS believes that total potential annual savings resulting from the reimbursement rate change will be \$27.0 million. Currently, the House Finance Budget Subcommittee for DHSS has recommended a General Fund reduction total of \$20.0 million for the potential savings. This amendment will increase the General Fund reduction to a total of \$27.0 million, which brings the budget in-line with DHSS estimated first year savings, and provides an offsetting increase in Federal Funding to accommodate the increased FMAP.

DEPARTMENT: Health and Social Services

APPROPRIATION: Department Support Services

ALLOCATION: Commissioner's Office

ADD: \$275,900 General Fund Match 1003
\$275,900 Federal Funds 1002

ADD: 4 PFT positions

EXPLANATION:

This amendment creates the Tribal Federal Liaison Section in the Commissioner's Office of the Department of Health and Social Services. The section will work aggressively to move forward on the new Centers for Medicare and Medicaid Services (CMS) policy regarding reimbursement for transportation and accommodation services for Alaska Natives and American Indians (AN/AI). This work is necessary to obtain maximum and timely savings associated with this policy change.

This section will have statewide multi-division and departmental responsibility for effectively implementing tasks to obtain maximum refinancing and savings associated with the CMS policy on tribal claiming. It would include federal tribal liaison work with CMS, covering all aspects of the Alaska Medicaid program. Enhanced federal funding for the Medicaid program is contingent upon development and implementation of referrals, care plans and claiming for services to AN/AI. This will require maintaining and amending the Medicaid State Plan in accordance with federal requirements and regulations. As such, this section will provide department-wide oversight, expert policy analysis, and coordination with tribal and non-tribal providers to meet the new CMS policy requirements.

Without creation of the new office, the DHSS will be unable to aggressively pursue the additional savings from the policy changes.

Tribal Federal Liaison Section:

This section would work to aggressively move forward on the new Centers for Medicare and Medicaid Services (CMS) policy to obtain maximum savings in as quick a timeline as possible. This section would have statewide multi-division and departmental responsibility for effectively implementing tasks to obtain maximum refinancing and savings associated with the CMS policy clarification on tribal claiming. It would include federal tribal liaison work with CMS, covering all aspects of the Alaska Medicaid program. Enhanced federal funding for the Medicaid program is contingent upon development and implementation of referrals, care plans and claiming for services to Alaska Native and American Indians (AN/AI). This will require maintaining and amending the Medicaid State Plan in accordance with federal requirements and regulations. As such, this section will provide department-wide oversight and expert policy analysis to meet the new CMS policy requirements.

The lead position will be a Division Operations Manager or Executive Director. The section will consist of 3 additional PCN's outlined in the attachment provided. These positions will consist of two Medical Assistance Administrator IVs and a Medical Assistance Administrator I. These PCN's will be based in Juneau. They will provide outreach, education, technical assistance and troubleshooting for tribal and non-tribal providers around the tribal claiming policy. This section will develop manuals, guidelines, and other materials specific to tribal claiming policy under Alaska Medicaid. To achieve these tasks, this section will work on a multitude of tasks, highlighting the following:

- Coordinate with CMS on policy clarification of tribal referrals, care plans and claiming
- Coordinate with Alaska Native Health Board and tribal organizations
- Coordinate with non-tribal providers in and out of state, in areas such as long term care, behavioral health, primary care, pharmacy, etc
- Coordinate with other Departments on existing contracts, such as DOA and DOC
- Coordinate across divisions to maximize and operationalize referrals, care plans, etc
- Coordinate across Health Information Exchange to maximize HITECH funds
- Coordinate with Fiscal intermediary to build and maintain correct coding in the system
- Coordinate with FMS to maximize and streamline claiming on CMS reports
- Draft associated regulations, state plan amendments, rule-making activities, and administrative code changes as necessary.

Duties include reviewing, analyzing, and monitoring state and federal statutes, regulations, and policies for impacts to the State Plan; soliciting and evaluating information about tribal and non-tribal programmatic and operational changes within the Alaska Medicaid program to determine if they require conforming State Plan amendments; developing and submitting referral and care plans to CMS for approval, and responding on behalf of the state to federal requests for additional information. This will require training state Medicaid staff on State Plan structure,

requirements, amendment process, and tribal consultation associated with changes. Additionally, this section will provide policy and procedural analysis for the effective management of Medicaid/Medical Assistance activities across divisions and inter and intra Departmental efforts. As such, this section will coordinate Medical Assistance activities, information and reporting to ensure compliance with state and federal laws and regulations. This section will serve as the Department liaison with tribal and non-tribal providers and the federal government. It will also focus on Medicaid programs and associated health care issues while maintaining access to medical care.

Ultimately the goal of this section is to move toward increased savings in FY 2017 and achieve full referral services at 100% federal match as quickly as possible.

**Estimated Personal Services Costs
Tribal Federal Liaison Section**

Title	Number of Positions	Range	Position Cost	Potential Federal Share (50%)			Travel ⁽¹⁾	Services	Commodities	One-Time Commodities	Total
Division Operations Manager	1	24	\$ 143,951	\$	71,976	\$	4,800	\$ 9,400	\$ 2,000	\$ 7,600	\$ 167,751
Medical Assistance Administrator IV	2	21	\$ 234,256	\$	117,128	\$	4,800	\$ 18,800	\$ 4,000	\$ 15,200	\$ 277,056
Medical Assistance Administrator I	1	16	\$ 87,919	\$	43,960	\$	-	\$ 9,400	\$ 2,000	\$ 7,600	\$ 106,919
Totals	4		\$ 466,126.0	\$	233,063	\$	9,600	\$ 37,600	\$ 8,000	\$ 30,400	\$ 551,726

1) Assumes four trips per year at \$1,200 per trip. Only one Medical Assistance Administrator IV will travel.

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FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee
TO: HB 256 / HB 257
OFFERED BY: Representatives Muñoz, Edgmon and Neuman

DEPARTMENT: Administration
APPROPRIATION: Public Communications Services
ALLOCATION: Public Broadcasting - Commission
ADD: \$44,400 General Fund 1004
ALLOCATION: Public Broadcasting - Radio
ADD: \$2,036,600 General Fund 1004
ALLOCATION: Public Broadcasting - T.V.
ADD: \$600,000 General Fund 1004
TOTAL: \$2,681,000 General Fund 1004

EXPLANATION: This restores funding to the Governors amended budget levels.

Without these additional funds 70% of the stations will have lost between 20-40% of their operating revenue; 33% of the stations will lose 45-80% of operating revenue when federal funding losses kick in; more than 80 jobs will be lost; fiber interconnection between KTOO and Alaska Public Media in Anchorage will be lost cutting off distribution of 360 North/Gavel to Gavel to Alaska Public Media for broadcast in Anchorage and on Alaska Rural Communications Service; and Gavel to Gavel will make significant cutbacks on the number of meetings covered and will no longer have engineering support from Alaska Public Media.

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FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Representatives Muñoz, Neuman and Saddler

DEPARTMENT: Environmental Conservation

APPROPRIATION: Agency-Wide

ALLOCATION:

ADD: It is the intent of the legislature that the Department of Environmental Conservation improve efficiencies in permitting and consider the economic impacts of increasing permit fees before imposing increased fees on users.

EXPLANATION: This intent language was approved by the subcommittee for inclusion in HB 256.

FY17 OPERATING BUDGET AMENDMENT

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OFFERED IN: The House Finance Committee
TO: HB 256 / HB 257
OFFERED BY: Representatives Muñoz and Neuman on behalf of Rep. Foster

PART A

DEPARTMENT: Health and Social Services
APPROPRIATION: Juvenile Justice
ALLOCATION: Nome Youth Facility

ADD: \$1,693,900 General Fund UGF (code 1004) as One-time Item

ADD POSITIONS: 15 PFT positions, and 3 Temp positions

ADD INTENT: It is the intent of the legislature that the Division of Juvenile Justice collaborate with the community of Nome and with tribal and public health organizations to transition the Nome Youth Facility from state to local ownership; and to deliver to the Legislature by January 17, 2017, a plan for utilizing the facility to better meet regional needs for youth correctional, health and rehabilitative services.

PART B

DEPARTMENT: Health and Social Services
APPROPRIATION: Public Assistance
ALLOCATION: Alaska Temporary Assistance Program

DELETE: \$1,693,900 G/F Match (UGF) (code 1003)
ADD: \$1,693,900 Federal Receipts (code 1002)

EXPLANATION:

Part A of this amendment restores the House Subcommittee reduction closing the Nome Youth Facility.

The Nome Youth Facility is the only secure location for housing juvenile offenders in the region. Its closure would leave Alaska State Troopers and local law enforcement without the capacity to hold offenders while awaiting transfer to an outside DJJ facility.

Part B removes UGF from the Alaska Temporary Assistance Program and adds an equal amount of Federal Receipt authority. There is a possibility that a portion

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of the funding expended on the PCE Program can be used toward the state's maintenance of effort (MOE). If so, this decrement will not impact ATAP payments.

The department expects that funds currently being used in PCE could be counted toward the State's match for federal funds. This number would represent about 4% of PCE user's being ATAP qualified.

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Representative Lynn Gattis

DEPARTMENT: Department of Administration

APPROPRIATION: General Services

ALLOCATION: Central Mail

DELETE: \$2,800.0 I/A Rcpts 1007

POSITIONS: Delete: 7 PFT positions

EXPLANATION: In 2004, Central Mail was a centralization effort that was only ever implemented in Juneau, and the remainder of the state remained decentralized. It is free for the United States Post Office (USPS) postal carriers to receive and deliver State of Alaska mail. However, the state of Alaska pays USPS to hold state mail and employs state mail carriers to sort and deliver all State of Alaska mail in Juneau. The State of Alaska cannot continue to pay for services that are free under USPS.

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee
TO: HB 256 / HB 257
OFFERED BY: Representatives Thompson, Munoz and Edgmon

DEPARTMENT: University
APPROPRIATION: University of Alaska
ALLOCATION: Budget Reductions/Additions - Systemwide

ADD: \$25,000,000 General Funds, fund code 1004

EXPLANATION: This amendment reverses a portion of the cut to the University of Alaska made as an unallocated reduction:

- In FY15, approximately \$28 million in state dollars were used to support research; by leveraging this investment. The UAF faculty used \$116 million in grants and contracts for research. This reflects an average of \$4.10 of external funding for every dollar of state general fund investment.
- Without unrestricted general fund support, the vast majority of UA's research as well as public service outreach activities cannot be sustained. Many grants require some portion of state funds to match contributions at a defined ratio—UA will no longer be eligible to receive such external funds without state funding directed to this purpose.
- More than 80 percent of all research activity across the university system is conducted in areas directly related to Alaska and results in new knowledge relevant to Alaskans and Alaskans' way of life.
- University research and service bring money to the State of Alaska, as with any other economic enterprise similar to the mining industry, the seafood industry, the oil and gas industry, or any other basic industries that drive the state's economy. The economic multiplier generates employment, payroll, and business sales throughout the state.
- A \$10 million cut to state support of research may equate to \$30-\$60 million loss to the local economy.

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FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance

TO: HB 256 / HB 257

OFFERED BY: Representative Lynn Gattis

DEPARTMENT: Education and Early Development Services
APPROPRIATION: Teaching and Learning Support
ALLOCATION: Student and School Achievement

CONDITIONAL LANGUAGE: Page 12, following line 27: Insert new material to read: "The amount allocated for program administration and operations shall not include federal receipts for the ANSWERS program."

EXPLANATION: ANSWERS is Alaska's P-20W Statewide Longitudinal Data System pre-school through grade 20 and the workforce SLDS. The ANSWERS database will lose all sources of funding at the end of FY 2016. It is the purpose of this amendment to encourage ACPE to focus on its core mission of students entering the Alaskan workforce and not maintenance of a database.

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Representative Wilson

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

DELETE: \$190,000 Total Personal Services
\$ 50,000 (UGF 1004)
\$140,000 (I/A Receipts 1007)

POSITIONS: DELETE 1 PFT

EXPLANATION: The mission of the Department of Labor and Workforce Development is to provide safe and legal working conditions and to advance opportunities for employment (per AS 23.05.010). At this time, it is prudent to eliminate one of the two deputy commissioner positions. This reduction still leaves one deputy commissioner and two special assistants to the commissioner in the Commissioner's Office. Even with the reduction, the department will still be able to fulfill its mission.

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FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Representatives Kawasaki, Guttenberg, Gara

DEPARTMENT: Department of Education and Early Development

APPROPRIATION: Teaching and Learning Support

ALLOCATION: Pre-Kindergarten Grants

ADD: \$2,000,000 General Fund 1004 (UGF)

EXPLANATION: This amendment restores the FY2017 funding level proposed by the Governor. Alaska ranks 37 out of 40 states for providing access to pre-kindergarten education (National Institute for Early Education Research 2013). Intensive preschool interventions can be highly cost effective and have positive impacts into adulthood. Young children who receive high quality early education do better in school academically and are more likely to stay in school, graduate and go on to attend college and enter the job market in higher numbers. Alaska has a responsibility to provide the best education possible for its children.

#19pg1

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee
TO: HB 256 / HB 257
OFFERED BY: Representatives Gara, Guttenberg, Kawasaki

DEPARTMENT: Department of Education and Early Development
APPROPRIATION: Teaching and Learning Support
ALLOCATION: Early Learning Coordination

ADD: \$500,000 General Fund 1004

EXPLANATION: This amendment restores Parents as Teachers grants to the FY2017 funding level in the Governor's amended budget. 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.

Parents as Teachers

2014-2015 Affiliate Performance Report

Parents as Teachers is an evidence-based parent education and family engagement model serving families throughout pregnancy until their child enters kindergarten. Below is a summary of services that were provided by 1,388 affiliates from U.S., U.K., and Canada.



Parents as Teachers

Parents as Teachers
Explanatory
Document #1

#19 pg 2

Population Reach

Families Served



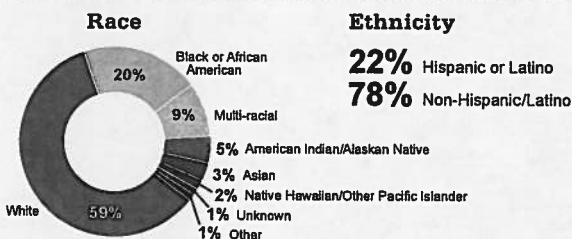
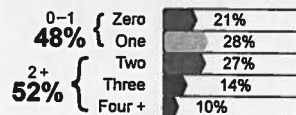
125,885

Children Served

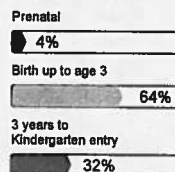


159,889

High-Needs Characteristics



Ages of Children Served



Program Services and Impact

Personal Visits

1.3 million



1,259,646 personal visits were delivered, an average of 10 visits per family

Group Connections

Average # of group connections per affiliate = 39

48,680 Enrolled families attended

Immunizations



85% of 19 - 35 month olds reported up-to-date

Family-Centered Assessment

66%

Resource Connections

75%

Goals Documented

65%

Percentages represent at least 1 per family

Completed Screenings

65%

Children who received a complete screening (95,685)

14% = 14,056 referred for further assessment

61% = 8,626 received follow-up services

16,588 Potential delays/concerns identified

Development 9,175

Vision 1,328

Hearing 2,390

Physical Health 1,545

Social-emotional/mental health 2,150

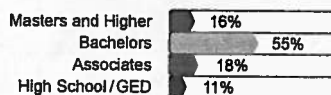
Program Characteristics

Parent Educators



5,114 Total
3,922 Full-time
1,192 Part-time

Parent Educator Level of Education

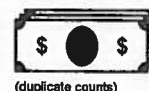


Types of Organizations that House Affiliates



Funding Sources

33% Federal
51% State
18% Local
9% Private



(duplicate counts)



Twitter Facebook YouTube 800.587.5639

Parents as Teachers
Explanatory Document
#2

Page 1 of 2
#19/13

RESEARCH

CENTER FOR EARLY
ED EVAL

PERRY PRESCHOOL
STUDY

Lifetime Effects
Video

News Briefing
Transcript

Historical Narrative

2015 CEE
CONFERENCE

PRESCHOOL
COMPARISON

HIGHSCOPE
CURRICULUM

HEAD START
RESEARCH

INTERNATIONAL
RESEARCH

PRESENTATIONS &
ARTICLES

LINKS TO RELATED
RESEARCH

STATE-FUNDED
PRESCHOOLS

INSTRUMENT
DEVELOPMENT

RESEARCH > PERRY PRESCHOOL STUDY

HighScope Perry Preschool Study

Lifetime Effects: The HighScope Perry Preschool Study Through Age 40 (2005)

This study — perhaps the most well-known of all HighScope research efforts — examines the lives of 123 children born in poverty and at high risk of failing in school.

From 1962–1967, at ages 3 and 4, the subjects were randomly divided into a program group that received a high-quality preschool program based on HighScope's participatory learning approach and a comparison group who received no preschool program. In the study's most recent phase, 97% of the study participants still living were interviewed at age 40. Additional data were gathered from the subjects' school, social services, and arrest records.

The study found that adults at age 40 who had the preschool program had higher earnings, were more likely to hold a job, had committed fewer crimes, and were more likely to have graduated from high school than adults who did not have preschool. See Figures 1 and 2 for more information.

Figure 1
Major Findings: HighScope Perry Preschool Study at 40

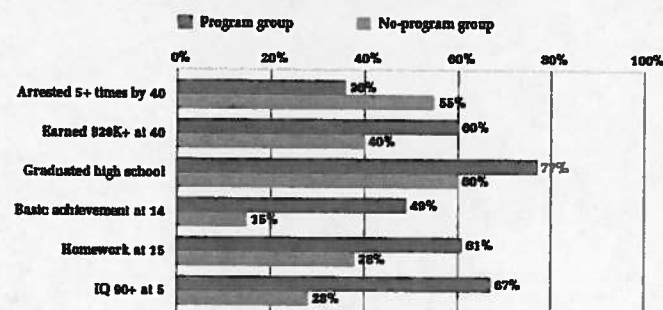
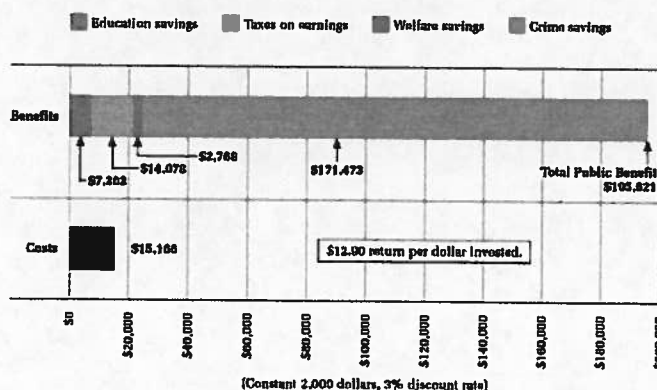


Figure 2
HighScope Perry Preschool Program Public Costs and Benefits



RELATED SOURCES

"Benefits, Costs, and Explanation of the HighScope Perry Preschool Program," by Lawrence J. Schweinhart, Ph.D. Paper presented at the Meeting of the Society for Research in Child Development, Tampa, Florida, April 26, 2003.

"Early Lessons," by Emily Hanford, American RadioWorks, American Public Media, 2009.



Video Clip: Lifetime Effects
— The Perry results through
age 40

TEDx Video Clip: The
Extraordinary ROI in High-
Quality Preschool

Related Product
Lifetime Effects: Monograph
with full report on the study

PDF summary:
The age 40 results

Press Release:
HighScope Perry Preschool
study

News briefing on age 40
findings transcript

Social Programs That Work
Information on Perry Study
from the Coalition for
Evidence-Based Policy

Updates on cost-benefit
analysis
New tables present revised
data for Lifetime Effects
monograph

"How the HighScope Perry Preschool Project Grew: A Researcher's Tale" by Lawrence J. Schweinhart, Ph. D. Research Bulletin, Phi Delta Kappa Center for Evaluation, Development, and Research, June 2002, No. 32.

"The HighScope Perry Preschool Project," by Greg Parks, Office of Juvenile Justice and Delinquency Prevention (OJJDP) Justice bulletin, October 2000.

"Lasting Benefits of Preschool Programs," by Lawrence J. Schweinhart, Ph.D., ERIC EECE Publications — Digests, EDO-PS-94-2, January 1994, ERIC Clearinghouse on Elementary and Early Childhood Education.

REFERENCES (HIGHSCOPE PUBLICATIONS)

Schweinhart, L. J., Montie, J., Xiang, Z., Barnett, W. S., Belfield, C. R., & Nores, M. (2005). *Lifetime effects: The HighScope Perry Preschool study through age 40*. (Monographs of the HighScope Educational Research Foundation, 14). Ypsilanti, MI: HighScope Press.

Barnett, W. S. (1996). *Lives in the balance: Age-27 benefit-cost analysis of the HighScope Perry Preschool Program* (Monographs of the HighScope Educational Research Foundation, 11). Ypsilanti, MI: HighScope Press.

Schweinhart, L. J., Barnes, H. V., & Weikart, D. P. (1993). *Significant benefits: The HighScope Perry Preschool study through age 27* (Monographs of the HighScope Educational Research Foundation, 10). Ypsilanti: HighScope Press.

For a list of additional discussions of the Perry study in refereed journals, click [here](#).

Parents as Teachers
Explanatory
Document #2
page 2 of 2
#19194

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FY17 OPERATING BUDGET AMENDMENT**OFFERED IN:** The House Finance Committee**TO:** HB 256 / HB 257**OFFERED BY:** Representatives Guttenberg, Gara, Kawasaki**DEPARTMENT:** Department of Education and Early Development**APPROPRIATION:** Teaching and Learning Support**ALLOCATION:** Early Learning Coordination**ADD:** \$320,000 General Fund (UGF) 1004

EXPLANATION: This amendment restores Best Beginnings Grants to the FY2017 funding level in the Governor's amended 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 over 20,000. 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.

21

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Kawasaki, Guttenberg, Gara

DEPARTMENT: Department of Education and Early Development
APPROPRIATION: Teaching and Learning Support
ALLOCATION: Alaska Learning Network

ADD: \$400,000 General Fund 1004 (UGF)

EXPLANATION: Adds funding to allow for the continuation of the Alaska Learning Network Program.

22

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Kawasaki, Gara, Guttenberg

DEPARTMENT: Department of Education and Early Development

APPROPRIATION: Alaska Library and Museums

ALLOCATION: Online With Libraries (OWL)

ADD: \$761,800 General Fund 1004 (UGF)

EXPLANATION: Restores Online with Libraries to the FY17 Governor's Amended budget level.

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Subcommittee

TO: HB 256 / HB 257

OFFERED BY: Representatives Gara, Guttenberg, and Kawasaki

DEPARTMENT: Department of Health and Social Services
APPROPRIATION: Medicaid Services
ALLOCATION: Adult Preventative Dental Medicaid Services

ADD: \$2,882,700 Fed Rcpts (1002)
\$2,882,700 G/F Match (1003)
\$ 279,000 General Fund (1004)

EXPLANATION:

Medicare does not provide dental coverage for seniors, with very minor exceptions. The state therefore adopted a limited dental plan for seniors. Without this amendment the state's senior dental plan will be significantly reduced. Alaska will also lose \$2.88 million, which will impact the economy.

- Preventive dental services help control higher medical costs by preventing more serious dental issues such as infections, extractions, etc.
- Preventive dental services help individuals retain their natural teeth or provide for dentures which help with nutrition as well as cosmetic appearance which helps individuals maintain employment and stay in the work force
- Prevents emergency room visits for dental issues which could have been taken care of with preventive services

24

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee
TO: HB 256 / HB 257
OFFERED BY: Representative Gara, Guttenberg, Kawasaki

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

ADD: \$450,000 General Fund (1004)

EXPLANATION: The subcommittee's 5% cut reduced funding for seniors who wish to continue living independently at home, instead of in an institution. This funding also supports programs like Meals on Wheels and other senior nutrition projects at community centers. Without this amendment, people suffering from conditions such as Alzheimer's and extreme frailty will be less likely to continue living with dignity at home.

25

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Representative Gara, Guttenberg, Kawasaki

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

ADD: \$640,000 GF/MH (1037)

EXPLANATION: The subcommittee's cuts reduce help to Alaskans with developmental disabilities. This assistance is used to help vulnerable people live with dignity, learn, and care for themselves. These funds provide assistance for organizations like Hope Community Resources, which promotes a better quality of life.

26

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee
TO: HB 256 / HB 257
OFFERED BY: Representative Gara, Guttenberg, Kawasaki

DEPARTMENT: Health and Social Services
APPROPRIATION: Senior and Disabilities Services
ALLOCATION: General Relief/Temporary Assisted Living

ADD: \$365,000 General Fund (1004)

EXPLANATION: This cut will reduce emergency housing and help for seniors and those with other significant challenges. It provides housing for people who would otherwise be homeless, until stable housing can be secured.

27 pg 1

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Representatives Kawasaki, Gara, Guttenberg

DEPARTMENT: Health and Social Services

APPROPRIATION: Public Assistance

ALLOCATION: Senior Benefits Payment Program

ADD: \$5,137,900 General Fund 1004 (UGF)

EXPLANATION: This amendment restores the FY2017 funding level proposed by the Governor. 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 Silver 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. Eliminating benefits to 5,438 people and households will cost the state in the long run.

#27 pg 2

Senior Household Size	Senior Benefits Program Gross Annual Income Limit (Effective 3/1/2015)		
	\$250 monthly payment	\$175 monthly payment	\$125 monthly payment
Individual	0 - \$11,040 (\$920 per month)	11,041 - \$14,720 (\$1,227 per month)	14,721 - \$25,760 (\$2,146 per month)
Married Couple	0 - \$14,940 (\$1,245 per month)	14,941 - \$19,920 (\$1,660 per month)	19,921 - \$34,860 (\$2,905 per month)

On February 11, 2016, you contacted the Department of Health and Social Services regarding Senior Benefits Payment Program. The following is submitted in response:

- *Can you provide me with numbers if someone were interested in eliminating the top two (bottom two) payment levels in the Senior Benefits Payment Program. Please break the cost out as follows:*

- *Eliminate funding for the top income level: \$XX*
- *Eliminate funding for the top two income levels: \$XX*

Annual Projected Benefit Costs :

Payment level \$250 per month - \$4,839,000

Payment level \$175 per month - \$10,048,500

Payment level \$125 per month - \$8,022,000

Caseloads counts as of December:

Payment level \$250 per month - 1,613

Payment level \$175 per month - 4,785

Payment level \$125 per month - 5,348

Reduced to \$5,137,900 March 1st

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Representatives Guttenberg, Gara, Kawasaki

DEPARTMENT: Department of Health and Social Services

APPROPRIATION: Behavioral Health

ALLOCATION: Behavioral Health Treatment and Recovery Grants

ADD: \$3,000,000 GF/MH (UGF) 1037

EXPLANATION: This amendment restores the FY2017 funding level proposed by the Governor, which removes \$5.7 million of UGF that is to be replaced with Medicaid funds. The House Finance Subcommittee's proposal further reduces the Behavioral Health Treatment and Recovery Grants program by 8.1% (on top of the Governor's reductions).

#29

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Representative Gara, Guttenberg, Kawasaki

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

ADD: \$542,400 General Fund (1004)

POSITIONS: Add: 5 PFT Positions

EXPLANATION: Guardian ad Litem in Alaska (who represent children in OCS cases) have "among the highest" caseloads "in the United States," according to Office of Public Advocacy Director Rick Allen. Current averages are between 110-120 children per GAL. "GAL caseloads have risen 58% in the past 12-18 months," according to Mr. Allen.

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Representative Gara, Guttenberg, Kawasaki

DEPARTMENT: Department of Health and Social Services
APPROPRIATION: Office of Children's Services
ALLOCATION: Front Line Social Workers

ADD: \$1,034,300 General Fund (1004)
\$258,600 Federal Receipts (1002)

POSITIONS: ADD: 10 PFT Positions

EXPLANATION: Since the addition of needed staff in 2015, the number of foster youth has grown from 2,450 to 2,879 today. The staff added in 2016 helped neglected and abused youth, but since then more than 400 youth have come into OCS. Caseworkers' caseloads remain with well above recommended caseloads. The system is over-stressed, and we need to have a system that is responsive to abused and neglected children, foster and natural parents, and that gets children out of the foster care system into permanent, loving homes.

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Representative Gara, Guttenberg, Kawasaki

DEPARTMENT: Department of Health and Social Services
APPROPRIATION: Medicaid Services
ALLOCATION: Health Care Medicaid Services

ADD: \$13,300,000 GF/Match (1003)

EXPLANATION: This amendment restores the FY17 funding level proposed by the Governor. The Commissioner of Health and Social Services has stated that the department may achieve \$6.7 million in savings by increasing the allowable federal reimbursement for Indian Health Services beneficiaries travel, and the Governor's budget proposes a corresponding \$6.7 million cut to this category of travel expenses. The current subcommittee budget proposal contains a misunderstanding that \$13.3 million will be available for Indian Health Services beneficiaries on top of the \$6.7 million the Governor's budget reflects as anticipated state savings. Without this amendment, there will be a \$13.3 million unallocated cut to Medicaid's recipients.

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Representatives Guttenberg, Gara, Kawasaki

DEPARTMENT: Department of Health and Social Services
APPROPRIATION: Alaska Pioneer Homes

DELETE INTENT: "It is the intent of the legislature that the Division of Pioneer Homes work to achieve savings through the privatization of food and janitorial services in all the Pioneer Homes as has been accomplished in the Juneau Pioneer Home."

APPROPRIATION: Alaska Pioneer Homes
ALLOCATION: Pioneer Homes

DELETE: (\$532,500) 1005 General Fund/Program Receipts (DGF)

ADD: \$532,500 1004 General Fund (UGF)

ADD INTENT LANGUAGE:

"It is the intent of the legislature that receipts collected from an annual waitlist fee shall be deposited into the General Fund."

EXPLANATION: This amendment restores the FY2017 funding level proposed by the Governor, while maintaining the intention of the Subcommittee to implement an annual waitlist fee to offset expenditures from the General Fund to the Alaska Pioneer Homes.

#33

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Kawasaki, Guttenberg, Gara

DEPARTMENT: Department of Health and Social services

APPROPRIATION: Public Assistance

ALLOCATION: Energy Assistance Program

ADD: \$9,174,300 General Fund 1004 (UGF)

EXPLANATION: Restores funding for the Alaska Heating Assistance Program to FY16 Management Plan level.

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Subcommittee

TO: HB 256 / HB 257

OFFERED BY: Representatives Kawasaki, Guttenberg, Gara

DEPARTMENT: Department of Health and Social Services

APPROPRIATION: Public Assistance

ALLOCATION: Public Assistance Field Services

ADD: \$500,000 General Fund 1004 (UGF)

EXPLANATION: Restores Governor's request to Public Assistance Field Services, retaining approximately 10 positions for eligibility determinations.

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Representative Gara, Guttenberg, Kawasaki

DEPARTMENT: Department of Health and Social Services
APPROPRIATION: Public Assistance
ALLOCATION: Alaska Temporary Assistance Program

ADD: \$5,000,000 G/F Match (UGF) (code 1003)

EXPLANATION: Restores a \$5 million cut to the Adult Temporary Assistance Program.

The Subcommittee reduction risks taking Alaska below Alaska's required TANF maintenance of effort. If this occurs, Alaska would lose federal TANF funding and have to pay a penalty. DHSS is trying to qualify other programs to meet the maintenance of effort requirements with AHFC, but they have not received that approval. ATAP is a benefit payment to low income families with dependent children, who are required to seek job training and work, and there is a five year limit on this benefit. This used to be called Aid to Families with Dependent Children. Families cannot have more than \$1,412/mo. for a family with one child, or \$1,590 for a family of two.

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Kawasaki, Guttenberg, Gara

DEPARTMENT: Department of Administration

APPROPRIATION: Public Communications

ALLOCATION: Alaska Public Broadcast Commission

ADD: \$46,700 General Fund 1004 (UGF)

DEPARTMENT: Department of Administration

APPROPRIATION: Public Communications

ALLOCATION: Alaska Public Broadcast - Radio

ADD: \$2,786,600 General Fund 1004 (UGF)

DEPARTMENT: Department of Administration

APPROPRIATION: Public Communications

ALLOCATION: Alaska Public Broadcast - TV

ADD: \$633,300 General Fund 1004 (UGF)

EXPLANATION: This amendment returns to the FY16 Management Plan numbers and maintains the Public Broadcasting budgets, thus providing 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.

#37 pg 1

29-GH2740\X.18
Wallace
3/7/16

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE GUTTENBERG

TO: CSHB 256(FIN), Draft Version "X"

GARA KAWASAKI

1 Page 1, line 2, following "funds;":

2 Insert "lapsing appropriations;"

3

4 Page 78, line 25, following "APPROPRIATIONS.":

5 Insert "(a)"

6

7 Page 78, following line 26:

8 Insert a new subsection to read:

9 "(b) The unexpended and unobligated general fund balances of the following
10 appropriations lapse into the general fund on June 30, 2016:

11 (1) sec. 2(a), ch. 50, SLA 1997 (Alaska Aerospace Development Corporation,
12 Kodiak Launch Complex - \$5,000,000);

13 (2) sec. 2(b), ch. 50, SLA 1997 (Alaska Aerospace Development Corporation,
14 Kodiak Launch Complex - \$23,000,000);

15 (3) sec. 9(a), ch. 2, FSSLA 1999 (Alaska Aerospace Development
16 Corporation, Kodiak Launch Complex);

17 (4) sec. 1, ch. 82, SLA 2003, page 3, lines 15 - 16 (Department of Community
18 and Economic Development, Kodiak launch site infrastructure - \$38,000,000);

19 (5) sec. 1, ch. 82, SLA 2003, page 44, line 31, and allocated on page 49, lines
20 24 - 26 (Department of Transportation and Public Facilities, surface transportation program,
21 Knik Arm Crossing environmental impact statement - \$33,600,000);

22 (6) sec. 1, ch. 3, FSSLA 2005, page 3, lines 27 - 28 (Department of
23 Commerce, Community, and Economic Development, Kodiak launch site infrastructure -

1 \$36,000,000);

2 (7) sec. 1, ch. 82, SLA 2006, page 3, lines 30 - 31 (Department of Commerce,
3 Community, and Economic Development, Kodiak Launch Complex infrastructure -
4 \$15,000,000);

5 (8) sec. 4, ch. 30, SLA 2007, page 84, lines 31 - 32 (Department of
6 Commerce, Community, and Economic Development, Kodiak Launch Complex infrastructure
7 - \$15,000,000);

8 (9) sec. 13, ch. 29, SLA 2008, page 88, lines 9 - 10 (Department of
9 Commerce, Community, and Economic Development, Kodiak Launch Complex infrastructure
10 - \$17,500,000);

11 (10) sec. 1, ch. 15, SLA 2009, page 3, lines 9 -10 (Department of Commerce,
12 Community, and Economic Development, Kodiak Launch Complex infrastructure -
13 \$17,500,000);

14 (11) sec. 7, ch. 43, SLA 2010, page 19, lines 9 - 12 (Department of
15 Commerce, Community, and Economic Development, Alaska Aerospace Corporation,
16 Kodiak Launch Complex sustainability - \$4,000,000);

17 (12) sec. 7, ch. 43, SLA 2010, page 38, line 11, and allocated on page 38, lines
18 12 - 14 (Department of Transportation and Public Facilities, roads to resources, Ambler
19 mining district access planning, design and engineering - \$4,000,000);

20 (13) sec. 1, ch. 5, FSSLA 2011, page 101, line 25, and allocated on page 101,
21 lines 28 - 29 (Department of Transportation and Public Facilities, roads to resources, Ambler
22 mining district - \$1,250,000);

23 (14) sec 31, ch. 5, FSSLA 2011 (Department of Military and Veterans'
24 Affairs, sustained maintenance and operations of the Alaska Aerospace Corporation and the
25 Kodiak Launch Complex - \$4,000,000);

26 (15) sec. 1, ch. 17, SLA 2012, page 133, line 28, and allocated on page 133,
27 lines 29 - 30 (Department of Transportation and Public Facilities, roads to resources, Ambler
28 mining district - \$4,000,000);

29 (16) sec. 1, ch. 16, SLA 2013, page 3, lines 28 - 31 (Department of
30 Commerce, Community, and Economic Development, Alaska Industrial Development and
31 Export Authority, Ambler mining district access - \$8,500,000);

1 (17) sec. 1, ch. 16, SLA 2013, page 80, line 13 (Department of Transportation
2 and Public Facilities, economic development, Juneau access - \$4,600,000);

3 (18) sec. 4, ch. 16, SLA 2013, page 105, lines 20 - 24 (Department of
4 Commerce, Community, and Economic Development, Alaska Energy Authority, energy
5 generation projects, Susitna-Watana hydroelectric project - \$95,200,000);

6 (19) sec. 32(b), ch. 16, SLA 2013 (Department of Transportation and Public
7 Facilities, Juneau access project);

8 (20) sec. 1, ch. 18, SLA 2014, page 3, lines 16 - 18 (Department of
9 Commerce, Community, and Economic Development, Alaska Industrial Development and
10 Export Authority, Ambler mining district access project - \$8,500,000);

11 (21) sec. 1, ch. 18, SLA 2014, page 63, line 4, and allocated on page 63, line
12 11 (Department of Transportation and Public Facilities, economic development, Juneau
13 access - \$35,000,000);

14 (22) sec. 1, ch. 18, SLA 2014, page 63, line 4, and allocated on page 63, lines
15 12 - 13 (Department of Transportation and Public Facilities, economic development, Knik
16 Arm bridge project development - \$55,000,000);

17 (23) sec. 4, ch. 18, SLA 2014, page 87, lines 10 - 11 (Department of
18 Commerce, Community, and Economic Development, Alaska Energy Authority, Susitna-
19 Watana hydroelectric project - \$20,000,000)."

20
21 Page 79, line 8:

22 Delete "Sections 29, 32(a), and 32(c)"

23 Insert "Sections 29, 31(b), 32(a), and 32(c)"

#37 pg 4

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3891

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Subcommittee

TO: HB 256 / HB 257

OFFERED BY: Representatives Gara, Guttenberg, Kawasaki

DEPARTMENT: Department of Law
APPROPRIATION: Criminal Division
ALLOCATION: Criminal Justice Litigation

ADD: \$500,000 General Fund 1004 (UGF)

ADD: 3 PFT

EXPLANATION: Adds funds for 3 District Attorney Positions. To be located within existing offices and not to cause a need for additional office space costs.

Protecting Alaskans

Referrals and Accepted in CY13-CY15

FELONIES	Referred for Prosecution	Accepted for Prosecution	Percentage Accepted	Percentage Declined
2013	6,887	5,701	82.7%	17.3%
2014	6,752	5,538	82.0%	18.0%
2015	6,974	5,472	78.4%	21.6%

MISDEMEANORS	Referred for Prosecution	Accepted for Prosecution	Percentage Accepted	Percentage Declined
2013	24,833	23,016	92.6%	7.4%
2014	23,347	21,315	91.2%	8.8%
2015	20,592	17,762	86.2%	13.8%

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Representative Gara, Guttenberg, Kawasaki

DEPARTMENT: Department of Public Safety
APPROPRIATION: Council on Domestic Violence and Sexual Assault
ALLOCATION: Council on Domestic Violence and Sexual Assault

ADD: \$340.0 UGF (1004)

EXPLANATION: This amendment restores funding for batterer intervention programs and victim services. Without this funding, community-based batterer intervention programs would be terminated and funding for victim service agencies would be reduced to FY13 levels.

DEPARTMENT: Department of Public Safety
APPROPRIATION: Council on Domestic Violence and Sexual Assault
ALLOCATION: Council on Domestic Violence and Sexual Assault

ADD: \$75.0 UGF (1004)

POSITIONS: ADD: 1 PFT Position

EXPLANATION: Restores funding to Girls on the Run and Coaching Boys Into Men. Both of these programs teach youth boundaries to prevent sexual assault.

Girls on the Run – \$35.0 will help maintain status quo for coordination, evaluation, and statewide outreach in the communities of: Haines, Yakutat, Cordova, Fairbanks, Sitka, Wrangell, Ketchikan, Kake, Juneau, Homer, and Kachemak Selo. GOTR also aligns with a new bill that was introduced by Sen. Costello that encourages students up to 8th grade to engage in physical activity during the school week (SB 200: Mandatory Physical Activity in Schools).

Coaching Boys Into Men – \$40.0 will help maintain two statewide trainings and technical assistance throughout the

year for high school coaches. CBIM was utilized in the Southeast and rural communities of: North Slope, Seward Peninsula, Yukon-Kuskokwim Delta, the Aleutians, the Matanuska-Susitna district, Kenai Peninsula, and Prince William Sound. In 2015, CBIM trained 176 coaches, administrators, and advocates. This had a positive impact on young Alaskans in 36 communities.

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FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Subcommittee

TO: HB 256 / HB 257

OFFERED BY: Representatives Kawasaki, Gara, Guttenberg

DEPARTMENT: Department of Public Safety

APPROPRIATION: Alaska State Troopers

ALLOCATION: Alaska Wildlife Troopers

ADD: \$479,300 General Fund 1004 (UGF)

POSITIONS: ADD 2 PFT

EXPLANATION: Restores 1 Wildlife Trooper Captain and 1 Wildlife Trooper as well as funds for Sea and Flight patrol time and overtime.

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FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Representatives Kawasaki, Guttenberg, Gara

DEPARTMENT: University of Alaska

APPROPRIATION: University of Alaska

ALLOCATION: Budget Reductions/Additions - Systemwide

ADD: \$50,787,000 General Fund 1004 (UGF)

EXPLANATION: Restores funding to FY16 Management Plan levels.

DEPARTMENT: University of Alaska

DELETE ALL INTENT: Delete ALL of the following Intent

(A) It is the intent of the legislature that the Board of Regents of the University of Alaska return to the legislature with a specific plan for consolidation that includes specified timelines for anticipated results by the end of the 2016 calendar year; the plan would include, but would not be limited to, the university restructuring to one administrative unit with one accreditation.

(B) It is the intent of the legislature that the University of Alaska prioritize and streamline its Personal Services within the Statewide Services Allocation.

(C) It is the intent of the legislature that the University of Alaska conduct a comprehensive and transparent cost-to-revenue analysis, which does not include student fees or appropriations from the State of Alaska's General Funds as revenue, for all of its intercollegiate athletics programs; furthermore, the university is to report back to the legislature with its findings by the fifteenth day of the 2017 Legislative Session.

(D) It is the intent of the legislature that the University of Alaska better utilize community buildings, school district buildings, and other facilities in close proximity to its existing "brick and mortar" campuses and satellite facilities that have low utilization rates of face-to-face classes only if the restructuring results in a decreased total cost; furthermore, the university is to report back to the legislature with its general plan to increase its use of "co-location" by the fifteenth day of the 2017 Legislative Session.

(E) It is the intent of the legislature that the President of the University of Alaska make it one of his very highest priorities to improve student retention and graduation rates.

(F) It is the intent of the legislature that the University of Alaska increase contributions from alumni and private industry by a combined twenty percent, as well as seek out productive public-private partnerships in an effort to increase self-supporting revenue and achieve a balanced, sustainable budget.

(G) It is the intent of the legislature that the University of Alaska increase its incoming enrollment for the Alaska Performance Scholarship and UA Scholars Program recipients by five percent.

(H) It is the intent of the legislature that the University of Alaska further develop and improve upon its utilization of its land grants in order to generate additional revenue; furthermore, the university will create a comprehensive plan to expand its land grants as they relate to generating revenue and present it to the legislature no later than the fifteenth day of the 2017 Legislative Session.

(I) It is the intent of the legislature that the University of Alaska focus FY17 UGF budget reductions on (1) non-core mission programs and services; and (2) reduced personal services for all employees across the board or through furloughs.

EXPLANATION: Removes all legislative intent wordage regarding the University of Alaska

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee
TO: HB 256 / HB 257
OFFERED BY: Representatives Guttenberg, Gara, Kawasaki
DEPARTMENT: Labor and Workforce Development
APPROPRIATION: Employment and Training Services
ALLOCATION: Workforce Development

ADD: \$414,300 General Fund (UGF) 1004

DELETE INTENT LANGUAGE:

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

EXPLANATION: This amendment restores the Governor's FY17 proposed funding levels, and removes intent language requiring the department to no longer require any general funds for Workforce Development by FY21. The department has already made much progress in soliciting federal and other non-state funds, and is continuing to do so. Workforce Development programs help to build the state's economy; this is not an appropriate place to reduce funding.

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee
TO: HB 256 / HB 257
OFFERED BY: Representatives Guttenberg, Gara, Kawasaki
DEPARTMENT: Labor and Workforce Development
APPROPRIATION: Commissioner and Administrative Services
ALLOCATION: Labor Market Information

ADD: \$300,000 General Fund (UGF) 1004

EXPLANATION: This amendment would reverse the proposed decrement to the Labor Market Information appropriation and accept the Governor's request to continue to fund an Economist III, Research Analyst III, and Research Analyst II positions. Cutting these positions would result in eliminating important data sources and reports that are used by legislators, policy makers, and the private sector. Funding these positions will result in a greater benefit to the state than would be saved by the proposed to be cut.

According to the department, the proposed cuts would have the following effects on services:

- Eliminate work on the Alaska Career Information System, a valuable resource that provides data on career options to students, career counselors, education and training programs, and other users.
- End publication of the Population Overview and Population Projections which policy makers across the state rely on.
- End work on the Alaska Training Clearinghouse, the only place where all training programs in Alaska are listed and sorted by training type, geographic area, and funding options.
- Significantly reduce support for occupational data collection which will degrade the value of information available to policy makers and the private sector.
- Reduce the capacity for the department to be available to provide detailed data and presentations for public and private sector entities. So far in 2016 audiences for these presentations included a statewide housing summit, the Anchorage Building Owners and Managers Association, the Kenai Peninsula Economic Development District, the Juneau Bar Association, and other public and private sector organizations.

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FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Representatives Guttenberg, Gara, Kawasaki

DEPARTMENT: Department of Fish and Game

APPROPRIATION: Wildlife Conservation

ADD WORDAGE: No funding in this appropriation may be used to fund Intensive Management or Predator Control programs.

ALLOCATION: Wildlife Conservation

DELETE: \$100.6 Fish and Game Funding (Other) 1024

DELETE: \$301.7 Fed Receipts 1002

EXPLANATION: This amendment deletes funding for Intensive Management/Predator Control programs. The amount of \$402.3 is based on FY15 expenditures (combined Fish and Game Fund and Federal Receipts) for Intensive Management/Predator Control (FY16 expenditures are not yet available). It is the intent of this amendment that no funding (Federal, GF, or Other) be expended on Intensive Management/Predator Control, and that instead those Federal/Other funds be used to promote and maintain healthy habitats and wildlife populations through means other than predation control.

FY17 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 256 / HB 257

OFFERED BY: Representatives Guttenberg, Gara, Kawasaki

DEPARTMENT: Department of Natural Resources

APPROPRIATION: Parks and Outdoor Recreation

ALLOCATION: Parks Management & Access

ADD: \$241,200 General Fund (UGF) 1004
\$87,200 General Fund/Program Receipts (DGF) 1005

EXPLANATION: This amendment restores the Governor's FY17 proposed funding levels. Cuts to this division negatively impact the department's ability to provide access and collect user fees for Alaska State parks and recreation areas.