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FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 65 / HB 66

OFFERED BY: Representative Austerman

Part A

DEPARTMENT: Administration
APPROPRIATION: Violent Crimes Compensation Board
ALLOCATION: Violent Crimes Compensation Board

DELETE: \$300,000 Crime Victim Compensation Fund (1220)

EXPLANATION: This amendment more closely aligns the expenditure authorization of the Violent Crimes Compensation Board to the anticipated funds available in the Crime Victim Compensation Fund.

Part B

DEPARTMENT: Commerce, Community and Economic Development
APPROPRIATION: Alcoholic Beverage Control Board
ALLOCATION: Alcoholic Beverage Control Board

ADD: \$5,400, General Fund Program Receipts (1005)
DELETE: \$5,400, Unrestricted General Fund Receipts (1004)

EXPLANATION: The Alcoholic Beverage Control (ABC) Board's budget is primarily program receipts. In FY12, funding was transferred to the ABC Board from the Department of Administration for ETS/EPR Chargebacks and for Office of Administrative Hearings. This amendment replaces all UGF in the allocation with General Fund Program Receipts.

Part C

DEPARTMENT: Commerce, Community and Economic Development
APPROPRIATION: Alaska Industrial Development and Export Authority
ALLOCATION: Alaska Industrial Development and Export Authority

ADD: \$9,300, Alaska Industrial Development & Export Authority Receipts (1102)
DELETE: \$9,300, Unrestricted General Fund Receipts (1004)

EXPLANATION: \$9.3 of UGF was allocated to AIDEA as part of a statewide offset for DOA core service increases. This is the only Unrestricted General Fund Receipts (UGF) within the Alaska Industrial Development and Export Authority allocation. This amendment replaces UGF with Alaska Industrial Development & Export Authority Receipts.

Part D

DEPARTMENT: Corrections
APPROPRIATION: Inmate Health Care
ALLOCATION: Behavioral Health Care

DELETE: \$260.0 MHTAAR (1092) IncM transaction
ADD: \$260.0 MHTAAR (1092) IncT transaction with a funding date range of FY14-FY16

EXPLANATION: The Mental Health Trust Authority provided an end date of FY16 for this item. A temporary increment (IncT) transaction is more appropriate when funding is added to the base for a specified time period.

Part E

DEPARTMENT: Education and Early Development
APPROPRIATION: Teaching and Learning Support
ALLOCATION: Teacher Certification

ADD: \$10,200, General Fund Program Receipts (1005)
DELETE: \$10,200, Unrestricted General Fund Receipts (1004)

EXPLANATION: The Teacher Certification budget is primarily program receipts. Starting in FY08, transfers and salary adjustments added a small amount of UGF to the budget. This amendment replaces all UGF in the allocation with General Fund Program Receipts.

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Part F

DEPARTMENT: Law
APPROPRIATION: Civil Division
ALLOCATION: Torts & Workers' Compensation

DELETE: \$10,400, Unrestricted General Funds (1004)

DEPARTMENT: Law
APPROPRIATION: Civil Division
ALLOCATION: Labor and State Affairs

ADD: \$10,400, Unrestricted General Funds (1004)

EXPLANATION: Although all UGF was transferred from Torts to Labor and State Affairs in FY13, FY14 salary adjustment calculations and an associated fund source change placed \$10,400 of UGF in the Torts allocation. This is the only Unrestricted General Fund Receipts (UGF) within the Torts & Workers' Compensation allocation. This amendment transfers the \$10,400 UGF from the Torts & Workers' Compensation allocation to the Labor and State Affairs allocation.

Part G

DEPARTMENT: Public Safety
APPROPRIATION: Fire and Life Safety

AMEND:
The amount appropriated by this appropriation includes **up to \$125,000 of** the unexpended and unobligated balance on June 30, 2013, of the receipts collected under AS 18.70.080(b).

EXPLANATION: Based on excess balances for the past three fiscal years, \$125,000 appears to provide sufficient carryforward potential for the Fire and Life Safety appropriation.

Part H

DEPARTMENT: Public Safety
APPROPRIATION: Alaska Police Standards Council

AMEND:
The amount appropriated by this appropriation includes **up to \$125,000 of** the unexpended and unobligated balance on June 30, 2013, of the receipts collected under AS 12.25.195(c), AS 12.55.039, AS 28.05.151, and AS 29.25.074 and receipts collected under AS 18.65.220(7).

EXPLANATION: This conditional language has been included in the Alaska Police Standards Council appropriation for several years with a cap of \$125,000. Removal of this cap was requested in the FY14 Governor's request and is being restored with this amendment.

Part I

DEPARTMENT: Public Safety
APPROPRIATION: Statewide Support
ALLOCATION: Statewide Information Technology Services

AMEND:

The amount allocated for Statewide Information Technology Services includes **up to \$125,000 of** the unexpended and unobligated balance on June 30, 2013, of the receipts collected by the Department of Public Safety from the Alaska automated fingerprint system under AS 44.41.025(b).

EXPLANATION: This conditional language has been included in the Statewide Information Technology Services (formerly Alaska Criminal Records and Identification) allocation for several years with a cap of \$125,000. Removal of this cap was requested in the FY14 Governor's request and is being restored with this amendment.

Part J

DEPARTMENT: Transportation and Public Facilities
APPROPRIATION: Design, Engineering and Construction
ALLOCATION: Central Design and Engineering Services

Page 35, lines 24-27, amend as follows:

The amount allocated for Central Design and Engineering Services [COMPONENTS] includes the unexpended and unobligated balance on June 30, 2013[,] of [THE] general fund program receipts collected by the Department of Transportation and Public Facilities for the sale [AND] or lease of excess right-of-way.

ALLOCATION: Northern Design and Engineering Services

Page 35, lines 30-33, amend as follows:

The amount allocated for Northern Design and Engineering Services [COMPONENTS] includes the unexpended and unobligated balance on June 30, 2013[,] of [THE] general fund program receipts collected by the Department of Transportation and Public Facilities for the sale [AND] or lease of excess right-of-way.

ALLOCATION: Southeast Design and Engineering Services

Page 36, lines 5-8, amend as follows:

The amount allocated for Southeast Design and Engineering Services [COMPONENTS] includes the unexpended and unobligated balance on June 30, 2013[,] of [THE] general fund program receipts collected by the Department of Transportation and Public Facilities for the sale [AND] or lease of excess right-of-way.

APPROPRIATION: Marine Highway System
ALLOCATION: Marine Vessel Operations

Remove "Southeast Alaska" from the transaction decrementing \$2,861.0 from this allocation. The decrement would then apply to generic service level reductions, cost control and efficiencies.

Part K

AGENCY: Legislature
APPROPRIATION: Budget and Audit Committee
ALLOCATION: Legislative Audit

ADD: \$100,000, Unrestricted General Fund Receipts (1004) IncT (FY14-FY15)
DELETE: \$100,000, Unrestricted General Fund Receipts (1004) Inc

EXPLANATION: Because this increment is associated with a specific audit, a temporary increment is more appropriate than an addition to the base budget.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN), Draft Version "C"

OFFERED BY: Rep. Austerman

DEPARTMENT: Administration

APPROPRIATION: Enterprise Technology Services

ALLOCATION: ALMR Payment on Behalf of Political Subdivisions (new)

ADD: \$500,000 general funds (1004)

EXPLANATION:

The Governor's budget included a \$500,000 language appropriation to the Department of Commerce, Community, and Economic Development. The department would have transferred the funds to the Department of Administration as a payment on behalf of political subdivisions for the Alaska Land Mobile Radio system under a cost allocation methodology adopted by the Department of Administration.

This amendment retains the original purpose of the funding without the unnecessary transfer between departments.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN), Draft Version "C"

OFFERED BY: Rep. Austerman

DEPARTMENT: Commerce, Community and Economic Development

APPROPRIATION: Alaska Seafood Marketing Institute

ALLOCATION: Alaska Seafood Marketing Institute

LANGUAGE

Amend section 12(h)(3) page 59, lines 15-17, to read:

(3) The sum of \$7,286,400[\$7,772,200] from the general fund, for the purpose of matching industry contributions collected by the Alaska Seafood Marketing Institute for the fiscal year ending June 30, 2012;

EXPLANATION:

This reduction of \$485,800 is 1/16th of ASMI's unrestricted general fund appropriation, the same percentage general fund reduction that was assessed to tourism marketing. ASMI has sufficient general fund program receipt carry forward revenue to mitigate the impact of this general fund reduction.

FY 2014 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN) / CSHB66(FIN) Draft Versions "C"

OFFERED BY: Reps. Wilson and Austerman

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

DELETE: \$2,611,800 general funds (1004)

DELETE THE FOLLOWING INTENT:

It is the intent of the legislature that the department work with the Association of Alaska School Boards and school districts to ensure that digitization One-to-One funding is used to provide professional development in the form of training for teachers involved in working with new technologies. The legislature wants to ensure that equipment purchased with the digitization funding be used to full advantage to provide the best and most complete education experience possible. The department is requested to report to the legislature by January 15, 2014, regarding the progress and status of the project.

ALLOCATION: Online with Libraries (OWL) (new)

ADD: \$761,800 general funds (1004)

ALLOCATION: Live Homework Help (new)

ADD: \$138,200 general funds (1004)

EXPLANATION: This amendment deletes \$2.6 million GF that was accepted in subcommittee (of the \$5.9 million requested by the Governor for digitizing education in Alaska). It also creates two new allocations within Teaching and Learning Support and funds them at the amounts requested by the Governor. This amendment reduces the subcommittee recommendation by \$1,711,800. With the approval of this amendment, the Alaska Learning Network (AKLN) (\$1.1 million) and Statewide Technology Rollout (\$3.9 million) will not be funded.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN) / CSHB66(FIN), Draft Versions “C”

OFFERED BY: Reps. Muñoz and Edgmon

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

ADD: \$100,000 General Fund/Mental Health (1037) (IncM)

EXPLANATION:

This amendment will help more students and youth with disabilities make the transition from school to work and from home to independent living in areas such as employment, education and training, independent living, and community participation. These services are part of the Mental Health Trust Authority Statewide Comprehensive Plan.

This program helps keep Alaska youth with disabilities in the state, helping them become productive and healthy members of their communities. Over the past ten years, it has helped 12,203 students and 978 staff. All school districts can participate in it. To date, 43 of 54 have done so.

No new positions are created by this amendment.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee
TO: CSHB 65(FIN), Draft Version "C"
OFFERED BY: Reps. Wilson, Thompson, Neuman, Munoz, Edgmon, Holmes,
Costello, Stoltze and Austerman

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

ADD: \$100,000 General Fund (1004)

EXPLANATION: This amendment restores \$100,000 to the Best Beginnings program. Best Beginnings is a public private partnership that works to ensure children in Alaska begin school ready to learn in communities statewide.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN), Draft Version "C"

OFFERED BY: Reps. Muñoz and Austerman

DEPARTMENT: Department of Environmental Conservation
APPROPRIATION: Spill Prevention and Response

ADD:

It is the intent of the legislature that the Department of Environmental Conservation provide recommendations to the legislature on or before the start of the second session of the Twenty-eighth Alaska State Legislature, January 21, 2014, that identify ways to manage the oil and hazardous substance release prevention and response fund as a viable, long-term funding source for the state's core spill prevention and response initiatives. The plan should include an analysis of prior expenditures from the fund for the remediation of state-owned contaminated sites and a proposal to expeditiously remediate state owned contaminated sites.

EXPLANATION:

The Department of Environmental Conservation has noted in its detail budget submission that managing the oil and hazardous substance release prevention and response fund as a viable, long-term funding source for the state's core spill prevention and response initiatives is critical, according to the Legislative Finance Division.

Agency projections show that revenues collected from the four-cent per barrel conservation surcharge are not adequate to fund spill prevention and response programs. The surcharge revenue is the primary funding source for the prevention account and that revenue is not sufficient to sustain Alaska's core spill prevention and response program over the long term.

Beginning in Fiscal Year 2015, annual funding available from this account will be at least \$5 million less than will be required to continue the current level of service. Members of the House Finance Department of Environmental Conservation Budget Subcommittee expressed an interest in working with the administration to find a way to address this shortfall. This intent language encourages the agency to do so.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN), Draft Version “C”

OFFERED BY: Reps. Muñoz and Austerman

DEPARTMENT: Department of Environmental Conservation
APPROPRIATION: Water

ADD:

It is the intent of the legislature that the Department of Environmental Conservation, to the extent feasible, make information regarding cruise ship mixing zones, including geographical areas, available to the public on the agency's web site.

EXPLANATION:

The House Finance Department of Environmental Conservation Budget Subcommittee discussed how to help keep the public better informed about cruise ship discharges, especially near fishing grounds and other areas. The agency is working on ways to post on-line more information about its activities. This intent language encourages the department to continue doing so in regards to its cruise ship program.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN), Draft Version "C"

OFFERED BY: Rep. Muñoz

DEPARTMENT: Department of Fish and Game

APPROPRIATION: Commercial Fisheries

ALLOCATION: Southeast Region Fisheries Management

ADD: \$550,000 General Fund (1004)

EXPLANATION:

This funding is to help the Division of Commercial Fisheries:

1. Continue salmon stock identification projects known as port sampling programs to evaluate salmon stocks in commercial net and troll fisheries. Funding is needed to replace support that is set to expire under federal Alaska sustainable salmon fisheries grants. The Department of Fish and Game requested state funds for this to replace a loss of federal Pacific Salmon Treaty monies.
2. Genetic stock identification for sockeye salmon.
3. Chinook biometric analyses in support of U.S. and Canadian Pacific Salmon Treaty negotiators.

This increment may also be used in support of aerial surveys of salmon streams in Yakutat and Southeast Alaska. A reduction of federal funds is putting this program at risk.

Without this funding, the Southeast port sampling program will cease to exist after July 1, 2013. Port samplers collect vital data that are used to implement sustainable salmon fisheries throughout the region and help prove that Alaska is meeting obligations under the Pacific Salmon Treaty.

Commercial fishing groups are concerned that without the information from port sampling – as well as genetic stock identification, Chinook biometric analyses, and aerial surveys – they will face reduced fishing opportunities and that insufficient funding for the department will hurt its ability to manage salmon fisheries in Southeast Alaska.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN) / CSHB 66(FIN), Draft Versions "C"

OFFERED BY: Representative Austerman

DEPARTMENT: Fish and Game

APPROPRIATION: Commercial Fisheries

ALLOCATION: Westward Region Fisheries Management

ADD: \$150,000 Test Fisheries Receipts (1109)

EXPLANATION:

This provides additional funding so the golden king crab observers are funded from test fish receipts as are the observers for the Bristol Bay red king crab and snow crab fisheries. This request is unanimously supported by the Crab Observer Oversight Task Force.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN), Draft Version "C"

OFFERED BY: Reps. Thompson and Austerman

DEPARTMENT: Military and Veterans' Affairs

APPROPRIATION: Alaska Aerospace Corporation

ALLOCATION: Alaska Aerospace Corporation

ADD: \$2,918,700 General Funds 1004

LANGUAGE

AMEND Sec. 17, DEPARTMENT OF MILITARY AND VETERANS' AFFAIRS,
by adding a new subsection to read:

(b) If the Alaska Aerospace Corporation does not secure a multi-year commercial launch service contract for the Kodiak Launch Complex on or before June 30, 2013, the appropriation from the general fund to the Alaska Aerospace Corporation, Alaska Aerospace Corporation allocation in sec. 1 of this Act shall be reduced by \$3,000,000.

INSERT a new bill section to read:

Sec. --. CONTINGENT EFFECT. The appropriation made in sec. 17(b) of this Act is contingent as set out in sec. 17(b) of this Act.

EXPLANATION:

In FY13 the State of Alaska provided a one-time increment of \$8.0 million GF. It was the State's understanding that Alaska Aerospace Corporation [AAC] would not become wholly dependent on the State to provide funding for operations and maintenance. The State understands that AAC has potential contracts that will be fulfilled in FY14. To that end, the legislature will provide funding in FY14 to AAC to allow AAC to secure a contract by June 30, 2013. If no multi-year commercial launch service contract is secured by that date, funding will be reduced by \$3.0 million.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN), Draft Version "C"

OFFERED BY: Representatives Costello and Austerman

DEPARTMENT: Natural Resources

APPROPRIATION: Oil and Gas

ALLOCATION: Oil and Gas

LANGUAGE

Page 62, following line 2:

Insert a new subsection to read:

"(e) The amount necessary, not to exceed \$600,000, is appropriated from the general fund to the Department of Natural Resources, Division of Oil and Gas, for the purpose of retaining expert contractors to examine commercial terms for service of the North Slope gas commercialization project and ensure compliance with the terms of the Alaska Gasline Inducement Act license under AS 43.90.100 - 43.90.260."

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee
TO: HB 65
OFFERED BY: Representatives Costello and Austerman

DEPARTMENT: Natural Resources
APPROPRIATION: Oil and Gas
ALLOCATION: Oil and Gas

LANGUAGE

Page 62, following line 2:

Insert a new subsection to read:

"(e) The amount necessary, not to exceed \$500,000, for costs related to royalty oil and gas valuation matters, including audit disputes, reopener provisions under royalty settlement agreements, establishing minimum royalty values, disposition of royalty in kind, and similar matters is appropriated from the general fund to the Department of Natural Resources, Division of Oil and Gas, for the fiscal year ending June 30, 2014."

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN) / CSHB66(FIN), Draft Versions "C"

OFFERED BY: Reps. Muñoz and Austerman

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

DELETE: \$36,000,000 University of Alaska Restricted Receipts (1048)

EXPLANATION:

This amendment would reduce unrealized University of Alaska Restricted Receipts, Fund Code 1048 (Designated General Funds), by \$36,000,000 to an amount that comes closer to reflecting how much the University of Alaska raises in tuition, fees, and other sources.

Previous University budgets have included significant receipt authority that is unrealizable, according to discussions with University officials and members of the House Finance University of Alaska Budget Subcommittee. This over-authorization for "hollow receipts" creates the appearance that the University has more funding than what it can generate.

For example, in Fiscal Year 2012, the legislature authorized nearly \$314.1 million in University receipts. The University ended that fiscal year generating almost \$272.4 million – a difference of roughly \$41.7 million.

This \$36,000,000 amendment neither reduces revenue to the University nor affects spending in Fiscal Year 2014. It is a technical adjustment to provide more accurate receipt information for this Designated General Fund source.

**2013 Legislature - Operating Budget
Agency Totals - Governor Structure**

Numbers and Language Agencies: Univ
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Agency: University of Alaska

	[1] 12 Final	[2] 12Actual	[2] - [1] 12 Final to 12Actual	
Total	899,923.8	834,635.7	-65,288.1	-7.3 %
 <u>Objects of Expenditure</u>				
Personal Services	512,986.1	503,226.9	-9,759.2	-1.9 %
Travel	25,650.8	22,105.3	-3,545.5	-13.8 %
Services	230,347.8	182,222.8	-48,125.0	-20.9 %
Commodities	66,356.5	65,348.9	-1,007.6	-1.5 %
Capital Outlay	17,606.5	14,252.9	-3,353.6	-19.0 %
Grants, Benefits	37,225.9	34,187.0	-3,038.9	-8.2 %
Miscellaneous	9,750.2	13,291.9	3,541.7	36.3 %
 <u>Funding Sources</u>				
1002 Fed Rcpts (Fed)	142,953.7	127,577.3	-15,376.4	-10.8 %
1003 G/F Match (UGF)	4,777.3	4,777.3	0.0	
1004 Gen Fund (UGF)	345,256.4	345,256.4	0.0	
1007 I/A Rcpts (Other)	16,201.1	12,383.9	-3,817.2	-23.6 %
1037 GF/MH (UGF)	605.2	605.2	0.0	
1048 Univ Rcpt (DGF)	314,092.1	272,397.2	-41,694.9	-13.3 %
1061 CIP Rcpts (Other)	10,430.7	10,034.5	-396.2	-3.8 %
1092 MHTAAR (Other)	1,343.7	1,343.7	0.0	
1151 VoTech Ed (DGF)	5,042.6	5,042.6	0.0	
1174 UA I/A (Other)	59,221.0	55,217.6	-4,003.4	-6.8 %
 <u>Positions</u>				
Perm Full Time	4,701	4,701	0	
Perm Part Time	222	222	0	
Temporary	0	0	0	

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**2013 Legislature - Operating Budget
Agency Totals - Governor Structure**

Numbers and Language Agencies: Univ
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Agency: University of Alaska

	[1] <u>12 Final</u>	[2] <u>12Actual</u>	[2] - [1] <u>12 Final to 12Actual</u>	
<u>Funding Summary</u>				
Unrestricted General (UGF)	350,638.9	350,638.9	0.0	
Designated General (DGF)	319,134.7	277,439.8	-41,694.9	-13.1 %
Other State Funds (Other)	87,196.5	78,979.7	-8,216.8	-9.4 %
Federal Receipts (Fed)	142,953.7	127,577.3	-15,376.4	-10.8 %

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FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee
TO: CSHB 65(FIN), Draft Version "C"
OFFERED BY: Representatives Austerman and Costello

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

DELETE: \$250,000 general funds (1004)

EXPLANATION:

This amendment deletes the funding for the second year of a two-year project of the Institute of Social and Economic Research (ISER) on Alaska Education Policy Research.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN), Draft Version “C”

OFFERED BY: Rep. Muñoz by Request of Rep. Seaton

LANGUAGE

AMEND Sec. 21, UNIVERSITY OF ALASKA, by adding a new subsection to read:

(--)The sum of \$68,400 is appropriated from the general fund to the University of Alaska, Kenai Peninsula College, for mandatory comprehensive student advising.

This section has an effective date of July 1, 2013.

EXPLANATION:

The Kenai Peninsula College Kachemak Bay Campus serves an area population of 14,000 people and needs a position to provide year-round, consistent, and comprehensive advising services – especially for those who are working to qualify for Alaska Performance Scholarships.

Duties will include improving student retention and success, providing academic and financial aid counseling, and guidance on how to complete admissions, select classes, and develop viable academic plans.

The position will help strengthen recruitment of area high schools’ graduating seniors, including Native Alaskans and those from Russian Old Believer villages.

FY 2014 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN), Draft Version "C"

OFFERED BY: Rep. Edgmon

DEPARTMENT: University of Alaska

APPROPRIATION: University of Alaska

ALLOCATION: Bristol Bay Campus

ADD: \$55,000 UGF (1004)
\$55,000 Univ Rcpt (1048)

EXPLANATION: There is presently a waiting list for the Bristol Bay Campus Nursing program and this request will help fund the nursing faculty member. Producing more nursing graduates will help meet employer needs and fill the increasing statewide demand for nurses, specifically nurses for rural Alaska.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN), Draft Version "C"

OFFERED BY: Rep. Muñoz

LANGUAGE

AMEND Sec. 21, UNIVERSITY OF ALASKA, by adding a new subsection to read:

(--) The sum of \$90,000 is appropriated from the general fund and \$27,800 in receipts of the University of Alaska as described in AS 37.05.146(b)(2) for a total of \$117,800 to the Juneau Campus of the University of Alaska for the Center for Mine Training."

This section has an effective date of July 1, 2013.

EXPLANATION:

The University of Alaska Center for Mine Training at the Juneau Campus was created in June 2011 after Hecla Greens Creek donated \$300,000 to the program. It is becoming an internationally recognized center for training miners with state-of-the-art training aids, faculty, and facilities.

It works in cooperation with the University of Alaska Mining and Petroleum Training Service to provide Mine Safety and Health Administration training, such as entry-level mining classes, that lead to good-paying jobs in Alaska mines.

The \$117,800 request is for the center's training director who also serves as an assistant professor who teaches courses supported by the Hecla Greens Creek donation as part of the Hecla Greens Creek Mining Training Career Pathway. The director teaches two statewide introductory courses that serve as the first steps in a pathway that leads to a career in mining. Students then enter a UA Mine Mechanics Occupational Endorsement and Power Technology Associates of Applied Sciences certificate programs with an emphasis in diesel mechanics – all funded by the Hecla Greens Creek donation. The director also operates a mine simulator and represents the UA mine training program locally, regionally, across the state, nationally, and internationally.

This program creates jobs in Southeast Alaska. By putting this appropriation in the language section, it assures that this program will be funded.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN), Draft Version "C"

OFFERED BY: Reps. Munoz, Thompson, Edgmon and Austerman

DEPARTMENT: University of Alaska

APPROPRIATION: University of Alaska

ADD INTENT:

It is the intent of the legislature that the University of Alaska use funding appropriated by the legislature to pay operating costs associated with opening new facilities.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN), Draft Version "C"

OFFERED BY: Reps. Wilson and Thompson

LANGUAGE

AMEND Sec. 25, FUND CAPITALIZATION, by inserting a new subsection after subsection (g) to read:

(h) The sum of \$125,000,000 is appropriated from the general fund to the Alaska Industrial Development and Export Authority sustainable energy transmission and supply development fund (AS 44.88.660). The appropriation made in this subsection is contingent on approval by the Alaska Energy Authority of a loan of no less than \$10,000,000 from the sustainable energy transmission and supply development fund (AS 44.88.660) for the purpose of advancing the use of North Slope natural gas in the Fairbanks area.

ADD Contingent Effect to sec 35:

The appropriation made in sec. 25(h) of this Act is contingent as set out in sec. 25(h) of this Act."

EXPLANATION: Capitalizing the AIDEA sustainable energy transmission and supply development fund will provide the financing component to HB 74/SB 23.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 65

OFFERED BY: Representative Austerman

DEPARTMENT: Fund Transfers

APPROPRIATION: OpSys DGF Transfers (non-add)

ALLOCATION: Power Project Fund

LANGUAGE

Add the following subsection on page 74, following line 11:

“(p) The sum of \$10,000,000 is appropriated from the general fund to the power project fund (AS 42.45.010) for the purpose of making a loan to the Cordova Electric Cooperative for the Humpback Creek hydroelectric project. The appropriation made in this subsection is contingent on the approval by the Alaska Energy Authority of a loan not to exceed \$9,123,000 from the power project fund to the Cordova Electric Cooperative for the Humpback Creek hydroelectric project.”

Page 77, following line 20:

Insert a new bill section to read:

“Sec. 35. CONTINGENT EFFECT. The appropriation made in sec. 26(p) of this Act is contingent as set out in sec. 26(p) of this Act.”

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee
TO: CSHB 65(FIN) / CSHB 66(FIN) Draft Versions "C"
OFFERED BY: Representatives Gara, Guttenberg and Kawasaki

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

ADD: \$242,500 General Funds (1004)

EXPLANATION: Restores Governor's FY14 budget proposal for Parents as Teachers, a cost-effective Pre-Kindergarten effort for students who do not attend Pre-K classes. In FY13, legislation (SB182) was passed to fund this effort with three years of an additional \$3.3 million to reach students across the state. That fiscal note was vetoed down to \$492,500. This amendment restores funding to the base amount requested by the Governor in his FY14 budget.



OUTCOME: PAT parents engage in more language- and literacy-promoting behaviors with their children.

PAT is as effective for the lowest-income families as for those with more moderate incomes. Of particular note were the positive effects on parenting behavior and the impacts made on language- and literacy-

promoting behaviors for families with very low income. In families with very low income, those who participated in PAT were more likely to read aloud to their child and tell stories, say nursery rhymes, and sing with their child.

Wagner, M. and Spiker, D. Multisite Parents as Teacher Evaluation: Experience and Outcomes for Children and Families, 2001. www.sri.com/policy/cehs/early/pat.html

PAT parents engaged in a wide variety of activities that supported learning in the home. Over 75% of PAT parents reported taking their child to the library regularly, modeling enjoyment of reading and writing several times a week, and giving children the opportunities to purchase or receive books several times a month.

Phannenstiel, J., Lambson, T. and Yarnell, V. The Parents as Teachers Program: Longitudinal follow-up to the second wave study. Overland Park, KS: Research & Training Associates 1996.

OUTCOME: PAT parents are more knowledgeable about child-rearing practices and child development.

Parents who received the neuroscience infused *Born to Learn* curriculum showed improvements in parent knowledge (general development and neuroscience knowledge), parenting behavior, and parenting attitudes.

McGilly, K. (2000) Chicago Born to Learn Neuroscience Project: Final Report to Robert R. McCormick Tribune Foundation. St. Louise, MO: Parents as Teachers National Center, Inc.

95% of parents rate PAT as "very special" and over 85% report that they learned to more effectively interact with their child, understand child development more, and spend more time with their children.

Research and Training Associates (2002) BIA Family and Child Education Program: 2001 Report.

OUTCOME: PAT children score higher on kindergarten readiness tests and on standardized measures of reading, math and language in first through fourth grades.

PAT children scored significantly higher on standardized measures of reading and math at the end of first grade than did comparison children. Teachers rated PAT children's achievement progress higher than control group children's progress in all areas.

Phannenstiel, J. New Parents as Teachers Project: A Follow-Up Investigation. Overland Park, KS: Research & Training Associates, 1989.

PAT children were rated by their teachers as performing at high levels of proficiency in all areas assessed. When compared to their grade-level peers, 91% of PAT children were rated



by their teachers as equal to or better than average. Overall, the relative level of achievement children demonstrated at age three on completion of the PAT program was maintained at the end of the first/second grade.

Phannenstiel, J., Lambson, T. and Yarnell, V. The Parents as Teachers Program: Longitudinal follow-up to the second-wave study. Overland Park, KS: Research and Training Associates, 1996.

Third graders who had received PAT services with screening services from birth to age three scored significantly higher on standardized measures of achievement than their non-participating counterparts. PAT children had a national percentile rank of 81, while non-participating students rank of 63 on the Stanford Achievement Test. PAT graduates were less likely to receive remedial reading assistance or to be held back a grade in school. In fourth grade, PAT graduates still scored significantly higher overall and on all Stanford Achievement subtests (reading, math, language, science social studies) than did non-PAT fourth graders.

Coates, D. Early childhood evaluation. Missouri: A Report to the Parkway Board of Education, 1994; Coates, D. Memo on one-year update on Stanford scores of students early childhood evaluation study group; Parents As Teachers program leads to elementary school success, Parkway School District news, Spring, 1997.

Pre-kindergarten assessments showed that compared to matched comparisons, PAT children had better language skills and were twice as likely to be reading-ready by kindergarten.

Drazen, S. and Haust, M. Raising reading readiness in low-income children by parent education. Paper presented at the annual meeting of American Psychological Association, August 1993.

PAT children showed better school readiness at the start of kindergarten, higher reading and math readiness at the end of kindergarten, higher kindergarten grades, and fewer remedial education placements in first grade. PAT children continued to perform better than non-PAT children on standardized tests of reading and math achievement in second grade. Compared to non-PAT children, PAT children required half the rate of remedial and special education replacements in third grade.

Drazen, S. and Haust, M. The effects of the Parents and Children Together (PACT) Program on school achievement. Binghamton, NY: Community Resource Center, 1995. Drazen, S. and Haust, M. Lasting academic gains from an early home visitation program. Paper presented at the annual meeting of the American Psychological Association, August, 1996.



Upon entry to kindergarten, PAT children scored significantly higher than children from the comparison groups on measures of language and self-help/social skills.

Coleman, M. Rowland, B. & Hutchings, B. Parents as Teachers:

Policy implications for early school intervention. Paper presented at the 1997 annual meeting of the National Council on Family Relations, Crystal City, VA, November, 1997; Parents as Teachers: Kindergarten screening final report. Rutherford County, VA: Rutherford County Schools, May 1998.

For all areas of development, teachers rated PAT children higher, with 5 of 8 areas achieving statistical significance. PAT children also had better attendance, with an average of 95%. 65% of the PAT third graders scored in the proficient or advanced categories of the Colorado Student Assessment Program (CSAP) achievement test, as compared to 54% of the comparison group. More than one-fourth of the comparison group scored in the unsatisfactory range on the CSAP, while only 3% of the PAT third graders scored in this range.

O'Brien, T., Gamett, D.M., and Proctor, K. (2002). Impact of the Parents as Teachers Program. Cañon City, CO (Fremont County) School Year 1999-2000. Center for Human Investment Policy, Graduate School Public Affairs, University of Colorado at Denver.

Findings from a school readiness assessment project involving 3,500 kindergartners in Missouri showed that Parents as Teachers achieves its goal of preparing children for success in school. Among children whose care and education were solely home-based, those whose families partici-

pated in PAT scored significantly higher on the School Entry Profile. However, the highest performing children were those who participated in PAT combined with pre-school, center-based child care, or both.

Children from high-poverty schools scored above average on all areas of development when they entered kindergarten with a combination of PAT and any other pre-kindergarten experience (preschool, center-based care, and/or home based care).

Phannenstiel, J. School Entry Assessment Project: Report of Findings, 1999. For the full School Entry Assessment Project report, go to <http://www.patnc.org/researchevaluation.asp#beyond>.

A recently published journal article reports that parent participation in PAT has important effects on children's school readiness and that PAT is "highly effective in helping impoverished parents prepare their children to enter school." The most powerful finding that emerged from the study was that the school readiness scores of children in high poverty schools with no pre-school enrichment (PAT or preschool). In addition, when children attending high poverty schools participated in both PAT and preschool, their scores were significantly higher than those of children in low poverty schools with no preschool enrichment (PAT or preschool).

Phannenstiel, J.C., Seitz, V., & Zigler, E. (2002) Promoting school readiness. The role of Parents as Teachers Program. *NHSA Dialog: A Research-to-Practice Journal for the Early Intervention Field*, 6, 71-86.

Conclusion

In sum, PAT has a long history of evaluation research that reflects positive outcomes for families and young children.



FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN) / CSHB 66(FIN), Draft Versions “C”

OFFERED BY: Representatives Gara, Guttenberg and Kawasaki

DEPARTMENT: Education and Early Development

APPROPRIATION: Teaching and Learning Support

ALLOCATION: Pre-Kindergarten Grants

DELETE: \$2,000,000 GF (1004) OTI

ADD: \$2,480,000 GF (1004)

EXPLANATION: This amendment restores \$2 million of one-time funding to the base budget of the Pre-Kindergarten Grants as requested in the Governor’s FY14 budget proposal. It also restores the \$480,000 increment requested by the Governor in this FY14 budget.

In 2010 the Commissioner of the Department of Education stated his intention that this 310 student pilot project would be expanded upon proof that it enhances student achievement. It has been proven to enhance learning in a state that ranks 45th in the nation in 4th grade reading levels.

Rose Foley

From: Herman, Marcy J (EED) <marcy.herman@alaska.gov>
Sent: Wednesday, March 06, 2013 11:37 AM
To: Rep. Les Gara
Cc: Rose Foley (rose_foley@legis.state.ak.us)
Subject: DEED

Follow Up Flag: Follow up
Flag Status: Flagged

Rep. Gara,

Commissioner Hanley has asked me to forward this email to you regarding early learning and early literacy programs.

There is no evidence of duplication between the Head Start program and the state funded Pre-K program. While the Pre-K program has resulted in additional Head Start classes, those are students that were not being served otherwise. No student attends both a Pre-K class and a Head Start class that would have existed without the Pre-K grant.

Best Beginnings and Parents as Teachers are early literacy programs not pre-k programs. These programs supplement an early learning program whether government funded or privately funded.

Additionally, according to data from the National Institute for Early Education Research (NIEER), Alaska ranks #1 for quality standards of our pre-k program. Alaska is one of five states who meet all ten quality standards benchmarks. Alaska also ranks #37 for access to pre-k in our state. We serve 2% of our four year old population while the national average is 28%.

Please let us know if you have related questions or if you need additional information.

Sincerely,

Marcy Herman
Special Assistant to the Commissioner
Alaska Department of Education & Early Development
P.O. Box 110500
Juneau, AK 99811
(907)465-2803

As in years one and two the same six districts received the same level of funding through the third year of the competitive grant. The six districts provided services to 211 children and their families in the fall 2011 through spring 2012 school year. This represents a decrease of 15% compared to year two and an increase of 5.5% over the 200 children served in the first year of the grant.

Year Three Numbers of Children Served and Grant Amounts

Anchorage	2	39	\$167,684
Bering Strait	4	47	\$362,828
Juneau	2	43	\$201,073
Lower Kuskokwim	2	30	\$337,732
Nome	2	35	\$219,539
Yukon-Koyukuk	2	17	\$235,445
Total	14	211	\$1,614,301

The remaining \$85,699 provided the majority of the costs for program evaluations.

This report presents information on the third year performance of the AP3 project in both child outcomes and in program outcomes.

In year three, as in previous years, child outcome data was gathered through the use of the Peabody Picture Vocabulary Test (PPVT) and the Developmental Indicators for the Assessment of Learning (DIAL – 3). Program outcomes were evaluated through the use of the Early Childhood Environmental Rating Scale (ECERS - R).

Determining Child Outcomes

Peabody Picture Vocabulary Test, Fourth Edition (PPVT-4)

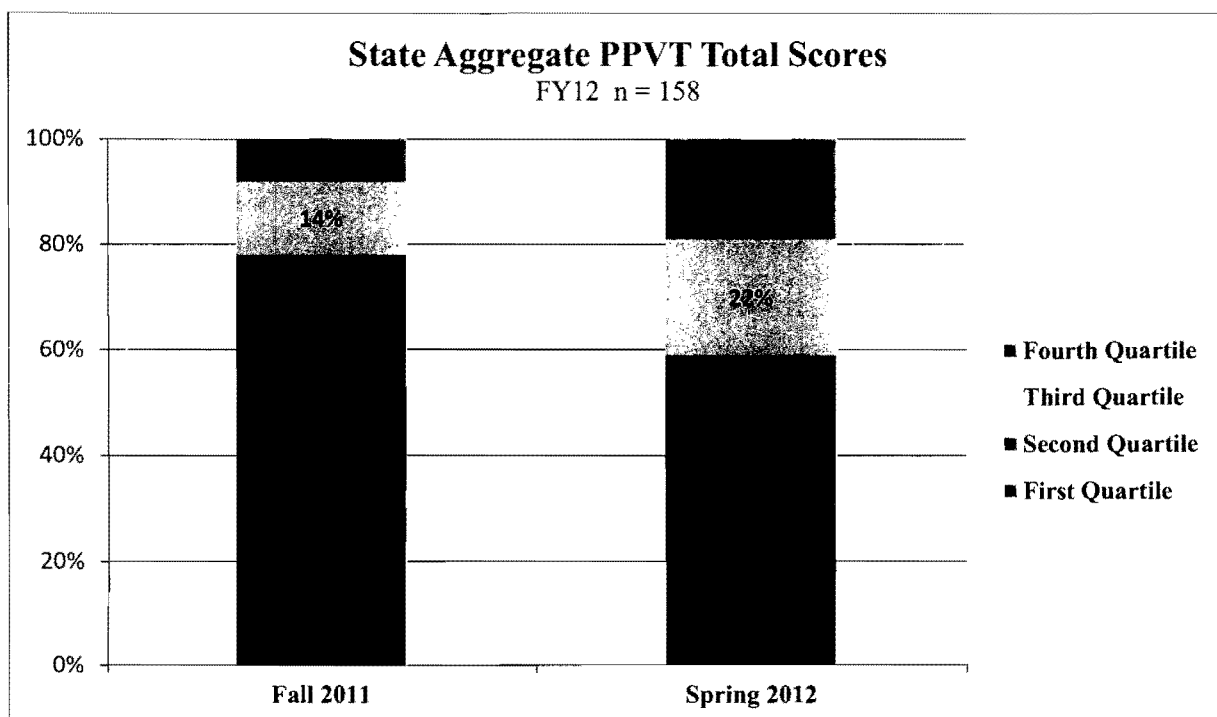
The PPVT provides information on vocabulary and receptive language development. It is a norm-referenced test designed to assess children's scholastic aptitude in terms of verbal ability from age 2 years 6 months, to age 7 years and 4 months. The PPVT is an English language assessment that has been in use with large numbers of early childhood settings for many years. It is known for its correlation to later school success. This assessment allows for national comparison and for growth model use in a pre and post methodology.

Each fall and spring, students' receptive English vocabulary is measured using the Peabody Picture Vocabulary Test, Fourth Edition (PPVT-4). The results provided are for students who completed both fall and spring assessment data for the 2011-2012 school year.

Based on the national percentile rankings of the PPVT, the percentage of students in each quartile was as follows:

158 Students Total (n)	Fall 2011	% of (n)	Spring 2012	% of (n)
Fourth Quartile (75 th -100 th percentile)	13	8%	30	19%
Third Quartile (50 th -74 th percentile)	22	14%	34	22%
Second Quartile (25 th -49 th percentile)	39	25%	45	28%
First Quartile (0-24 th percentile)	84	53%	49	31%

In the spring, 11% more students scored in the fourth quartile than in the fall. The first quartile decreased by 22%.



As well as percentile national comparison the PPVT provides an Age Equivalence compared to national norms for same age children. The chart below illustrates the number and percentage of children compared to those national norms along a continuum from more than 2 years below national norms to more than two years above national norms.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN) / CSHB 66(FIN), Draft Versions “C”

OFFERED BY: Representatives Gara, Guttenberg and Kawasaki

DEPARTMENT: Education and Early Development

APPROPRIATION: Teaching and Learning Support

ALLOCATION: Early Learning Coordination

ADD: \$137,500 General Funds (1004)

EXPLANATION: Restores Governor’s FY14 budget proposal for Best Beginnings. Best Beginnings is an efficient, low cost, effective Pre-K early learning effort.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN) / CSHB 66(FIN), Draft Versions “C”

OFFERED BY: Representatives Gara, Guttenberg and Kawasaki

DEPARTMENT: Health and Social Services

APPROPRIATION: Children’s Services

ALLOCATION: Infant Learning Program Grants

ADD: \$400,000 General Fund/Mental Health (1037)

EXPLANATION: Restores Governor’s FY14 budget proposal. The Infant Learning Program provides screening, evaluation and early intervention services for children ages 0-3 with developmental delays. Services provided support rather than supplant the natural care-giving roles of families, and providers seek to promote a family’s autonomy.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: HB 65 / HB 66

OFFERED BY: Representatives Gara, Guttenberg and Kawasaki

DEPARTMENT: Education and Early Development

APPROPRIATION: K-12 Support

ALLOCATION: Foundation Program

ADD: New Language Section: Sec. 14(b)

The sum of \$60,000,000 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 each of the fiscal years ending June 30, 2014; June 30, 2015; and June 30, 2016.

Renumber sections accordingly.

ADD: Intent Language:

It is the intent of the legislature that the FY15 and FY16 budgets shall include \$40,000,000 increments in each year also 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) so schools can plan their budgets.

EXPLANATION: This FY14 increment will avoid educator and staff cuts, which have been seen in Mat-Su, Anchorage, Kodiak, Juneau and other Alaska communities. It will allow for the replacement of lost education staff over the past two years.

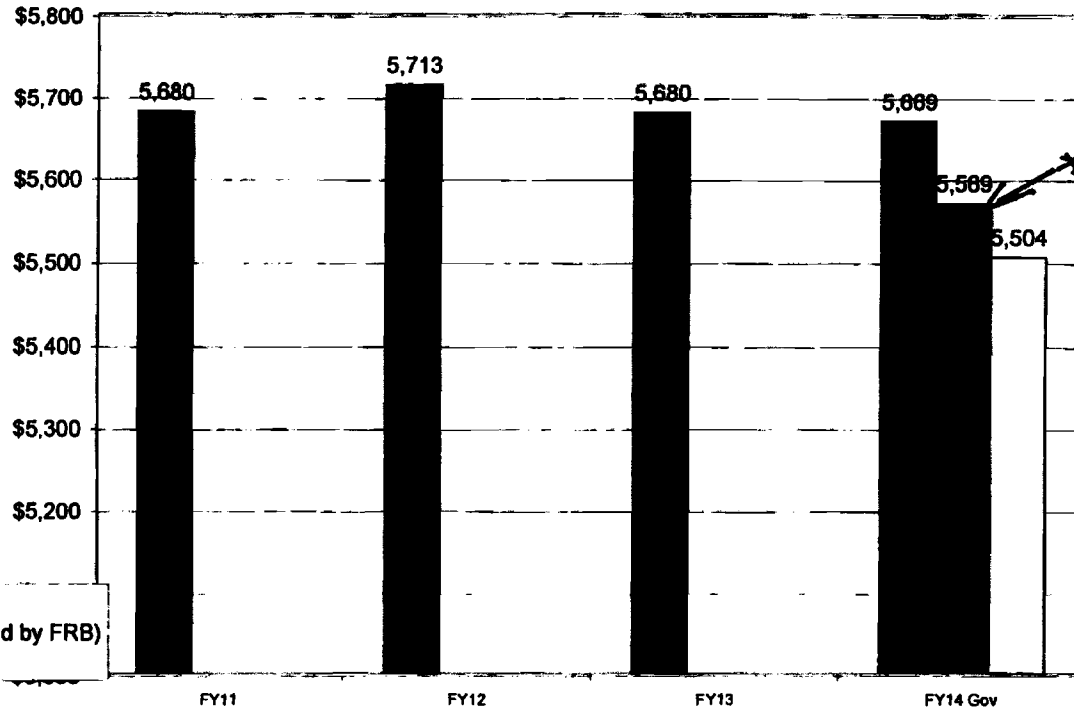
The intent language will allow school classroom funding to keep up with inflation, and will allow schools to plan their budgets for the coming year as was intended with forward funding of education costs.

**K-12 Base Student Allocation (BSA)--Adjusted for Year-to-Year Equivalency
(in FY11 Dollars--With FY14 Inflation as shown in Legend)**

Conclusion: The inflation-adjusted BSA Equivalent (excluding pupil transportation) indicates that K-12 funding available in the classroom lost ground to inflation in FY13.

If there is no inflation for 2014, the BSA Equivalent for FY14 will be approximately \$11 below the FY11 level.

Each 1% of inflation assumed for FY14 will reduce the inflation adjusted FY14 BSA Equivalent by about \$56.



- No Inflation for 2014
- 1.8% Inflation for 2014 (as projected by FRB)
- 3% Inflation for 2014

	FY11	FY12	FY13	FY14 Gov
Number of students	129,047	128,886	129,021	129,323
Inflation Rate (Prior Calendar Year)	1.8%	3.2%	2.2%	

	FY11	FY12	FY13	FY14 Gov	Inflation Rate for FY14	BSA increase/ (reduction) to Make Funding Equivalent to FY11 BSA	Approximate cost of Increasing the FY14 BSA to keep pace with inflation (\$millions)
Statutory BSA	5,680	5,680	5,680	5,680			
BSA Adjusted for Changes in Formula Factors	5,680	5,815	5,859	5,881			
Adjustments for Funding Outside the Formula	-	82	135	101			
Adjustments for TRS paid by School Districts	-	-	-	-			
Pupil Transportation Formula (BSA Equivalent) (omitted)	268	257	300	303			
Total BSA Equivalent	5,680	5,897	5,993	5,982			
BSA Equivalent in FY11 Dollars	5,680	5,713	5,680	5,669	0.0%	11	2.6
BSA Equivalent in FY11 Dollars				5,569	1.8%	111	27.5
BSA Equivalent in FY11 Dollars				5,504	3.0%	176	43.5

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FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN) / CSHB 66(FIN), Draft Versions "C"

OFFERED BY: Representatives Gara, Guttenberg and Kawasaki

DEPARTMENT: Labor and Workforce Development

APPROPRIATION: Business Partnerships

ALLOCATION: Business Services

ADD: \$250,000 STEP (1054)

EXPLANATION: This amendment restores 50% of the cut to the State Training and Employment Program (STEP) program. The STEP program is funded through a set-aside from the Unemployment Insurance Trust Fund. This program provides training and job skills to people eligible for unemployment benefits to help them get back to work in good-paying jobs.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN) / CSHB 66(FIN), Draft Versions "C"

OFFERED BY: Representatives Gara, Guttenberg and Kawasaki

DEPARTMENT: Alaska Court System

APPROPRIATION: Therapeutic Courts

ALLOCATION: Therapeutic Courts

ADD: \$1,165,000 General Fund/Mental Health (1037)

EXPLANATION: This amendment restores the Governor's FY14 budget proposal for base funding of Therapeutic Courts operating since 2001 in Anchorage, Bethel, Fairbanks, Juneau and Ketchikan. It also funds the Governor's requested FY14 increment to expand Therapeutic Courts to Kenai and Palmer.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN) / CSHB 66(FIN), Draft Versions "C"

OFFERED BY: Representatives Gara, Guttenberg and Kawasaki

DEPARTMENT: Health and Social Services

APPROPRIATION: Behavioral Health

ALLOCATION: Unallocated Reduction

ADD: \$8,368,800 General Funds (1004)

EXPLANATION: Restores Governor's FY14 budget proposal for Behavioral Health services and grants. The Division of Behavioral Health serves Alaskans in a variety of important ways, by acting to:

- 1) Prevent and treat mental health conditions;
- 2) Help Alaskans with mental illness avoid long-term institutionalization or jail;
- 3) Transition people from illness to productivity, including stable housing;
- 4) Treat Alaskans willing to resolve their substance abuse problems, and reduce waiting lists for this treatment;
- 5) Provide early intervention with mental health problems so they are caught early, don't grow, can be treated, and harm and illness are avoided or minimized.
- 6) Address and prevent the epidemic of suicide, particularly in rural Alaska.
- 7) Fund the Alaska Psychiatric Institute.
- 8) Provide Fetal Alcohol Syndrome support.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN) / CSHB 66(FIN), Draft Versions "C"

OFFERED BY: Representatives Gara, Guttenberg and Kawasaki

DEPARTMENT: University of Alaska

APPROPRIATION: University of Alaska

ALLOCATION: Budget Reductions/Additions - Systemwide

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

\$2,000,000 Univ Rcpt (1048)

EXPLANATION: These funds are intended to be used by the University of Alaska to fund the High Demand Program requests. This unallocated increment will allow the University to determine which programs will be funded.

FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN) / CSHB 66(FIN), Draft Versions "C"

OFFERED BY: Representative Gara, *Kawasaki*

DEPARTMENT: Military and Veteran's Affairs

APPROPRIATION: Alaska Aerospace Corporation

ALLOCATION: Alaska Aerospace Corporation

DELETE: \$2,500,000 General Fund (1004)

ADD: Intent: It is the intent of the legislature that these funds be used to maintain the facility. This facility has no rocket launch contracts and has not for two years. Facility management is directed to achieve future contracts, or secure an operator, such that it will become self-funded by July 1, 2014.



Kodiak Launch Complex – Mission Support History



YEAR	MONTH	SPONSOR	MISSION
1998	NOV	USAF	AIT-1
1999	SEP	USAF	AIT-2
2001	MAR	USAF	QRLV-1
	SEP	NASA/USAF	Kodiak Star
	NOV	USASMDC	STARS WCRRF
2002	APR	USAF	QRLV-2
2004	DEC	MDA	IFT-13C
2005	FEB	MDA	IFT-14
2006	FEB	MDA	FT04-1
	SEP	MDA	FTG-02
2007	MAY	MDA	FTG-03
	SEP	MDA	FTG-03a
2008	JUL	MDA	FTX-03
	DEC	MDA	FTG-05
2010	NOV	USAF	STP S26
2011	SEP	ORS/USAF	TacSat-4

Additional Details

- AAC has demonstrated that KLC can support vehicle processing and launch operations year round.
- KLC was originally run as a basic launch facility requiring the customer to bring most of their own equipment.

Over time, AAC has taken ownership of most aspects of range operations to include :

- Ground safety
- Communications (Including Classified)
- Meteorology
- Instrumentation
- Launch Operations
- Governmental Coordination

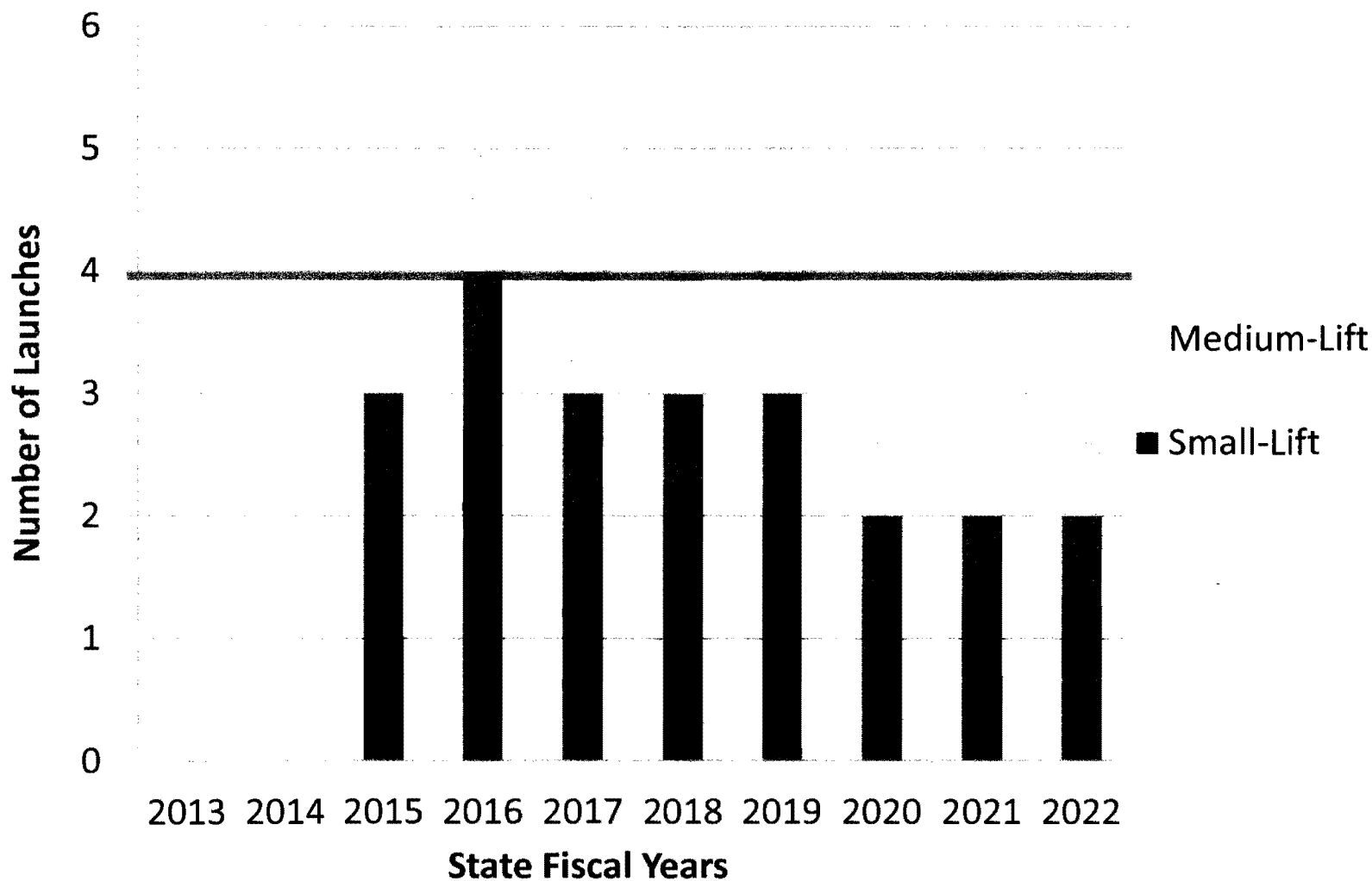
Denotes Winter Launches (~44% of total)

Note

KLC served as a satellite ground station in support of the NFIRE-2B mission executed at Vandenberg Air Force Base.

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distributed by Rep. Kawas

2013 – 2021 Launch Projections



Next Launch: August 2014

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distributed by Rep. Kawasaki



Federal Aviation
Administration

COMMERCIAL SPACE TRANSPORTATION: 2012 YEAR IN REVIEW



JANUARY 2013

Commercial Satellite and Launch Trends

The commercial space transportation market is driven largely by the demand for launches of GEO telecommunications satellites and to a lesser, but potentially growing, extent by a variety of NGSO payloads. Historically, the majority of commercial launches have been to GEO. Usually, GEO launches deploy larger payloads and require larger launch vehicles, thus generating more revenue than launches to NGSO.

The supply of launch vehicle options continues to increase, despite only a marginal increase in demand for launches. Competition remains strong between United States, Russian, European, and multinational providers, while new entrants are entering, reentering, or advancing toward the commercial market. For example, the Land Launch version of the Zenit, the Dnepr, the Soyuz (launched and marketed by Arianespace), and the Falcon 9 are all competing for commercial launches. The Japanese are marketing the H-IIB commercially, and Indian and Chinese providers, although limited by United States export control policies, also target commercial launch customers. The newly introduced Vega and Orbital's Antares vehicle, which has yet to make its first flight, are both set to join this diverse set of launch vehicles offered on a commercial basis, with commercial launches planned for each in 2013.

Small Vehicle Commercial Launch Trends

The commercial use of small launch vehicles has declined in the last five years. In 2008, there were eight such launches; that number was cut in half to four in 2009 and 2010; in 2011, there was a single launch; and there was none in 2012. However, in 2013, two commercial Dnepr launches for primary payloads Dubaisat and Kompsat are expected. Vega also intends to launch commercial payloads in 2013. The recent decrease in the number of commercial launches on small vehicles is due to some small vehicles no longer being offered, such as the Falcon 1 and Kosmos 3M, and the increased opportunity for small payloads, especially micro and nano-satellites (cubesats), to fly inexpensively as piggyback payloads on the Atlas V or Falcon 9. The Antares inaugural flight later this year will also fly cubesats as secondary payloads.

New vehicles are expected to become available within the next two to three years. They include Athena and Super Strypi/SPARK (United States), Epsilon (Japan), and Long March 6 (China). These vehicles are designed to launch several micro- and small-class payloads at a time. With many small NGSO satellites launching as piggyback payloads on larger vehicles, existing and upcoming small-class launch vehicles may be limited to the smaller market of time-sensitive delivery of payloads in orbit.

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Internationally Competed Launches

The terms “commercial payload” and “commercial launch” are complex and open to interpretation. (See Appendix II for definitions of these terms.) Figure 20 shows trends for each country whose launch providers compete in the international marketplace. The chart reflects only launch service providers competing in the international marketplace for open-bid launch service contracts. From 2008 to 2012, there were 103 internationally competed launch events. Over the past five years, national satellite operators in countries such as Russia and China more often turn directly to the services of their domestic launch providers. NASA’s commercial crew and cargo program will result in additional commercial launches; however, since those launches are competed only within the United States, the additional launches will not increase the total number of internationally competed launches.

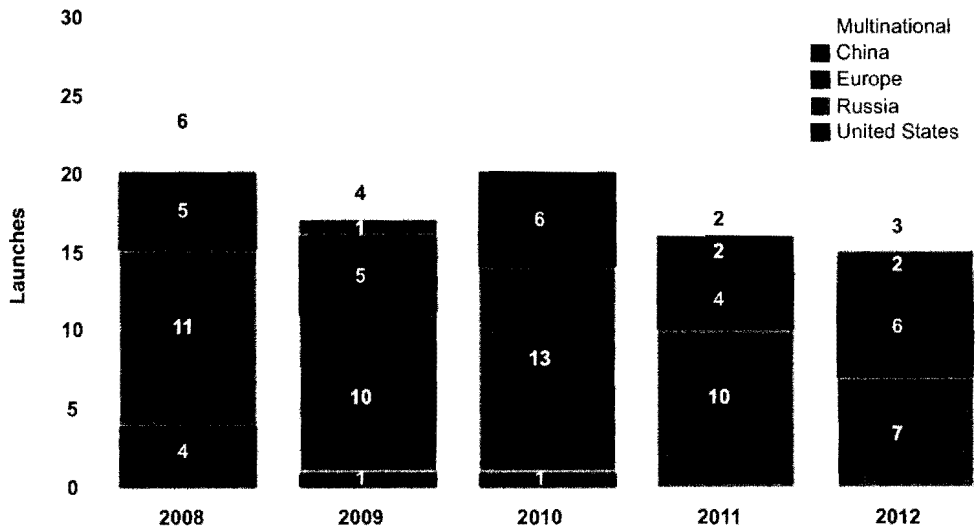


Figure 20. Five-Year Worldwide Internationally Competed Launch Events (2008-2012)

distributed by Dr. Kawasaki

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FY14 OPERATING BUDGET AMENDMENT

OFFERED IN: The House Finance Committee

TO: CSHB 65(FIN) / CSHB 66(FIN), Draft Versions "C"

OFFERED BY: Representative Gara, *Kawasaki*

DEPARTMENT: Commerce, Community and Economic Development

APPROPRIATION: Economic Development

ALLOCATION: Economic Development

ADD: If a Qualified Trade Association (QTA) collects \$2 million of additional matching funds not currently in the budget by July 1, 2013 then the unexpended and unobligated balance of the FY14 appropriation for Tourism Marketing Funding, not to exceed \$13 million, is reappropriated to the QTA as a grant for a tourism marketing program approved by the Department.

EXPLANATION: This conditional language allows a Qualified Trade Association (QTA), such as the Alaska Travel Industry Association, the opportunity to receive state funding set aside for tourism marketing, provided that the QTA is able to raise additional funds from the travel industry. If this occurs, \$13 million of the \$15 million appropriated to the Department of Commerce, Community and Economic Development for Tourism Marketing Funding will be reappropriated to the QTA.