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FOURTEENTH LEGISLATURE - SECOND SESSION

JUNEAU, ALASKA

FRIDAY

June 20, 1986

FINAL SUPPLEMENT

As Secretary of the Senate I wish to certify as to the correctness of the First Supplement of the Fourteenth Legislature, Second Session.

MESSAGES FROM THE GOVERNOR

HB 699

Message dated May 23 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE BILL NO. 699
Creating the Railbelt energy fund; and
providing for an effective date.

Chapter 29, SLA 1986

SCR 42

Message dated May 24 and received May 28, stating the Governor read the following resolution and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CONCURRENT RESOLUTION NO. 42
Relating to a legislative committee to study
the state's tax policy.

Legislative Resolve No. 51

HCR 62

Message dated May 24 and received May 28, stating the Governor read the following resolution and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CONCURRENT RESOLUTION NO. 62
Suspending Uniform Rules 41(b), 24(c), and
35 of the Alaska State Legislature concerning
Senate Bill No. 402.

Legislative Resolve No. 52

SB 468

Message dated May 24 and received May 28, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR CS FOR SENATE BILL NO. 468 (LOANS)
Creating the Railbelt energy council; and providing
for an effective date.

Chapter 30, SLA 1986

SB 475

Message dated May 24 and received May 28, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE BILL NO. 475 am
Designating the woolly mammoth (*Mammuthus*
primigenius) as the state fossil.

Chapter 31, SLA 1986

HB 693

Message dated May 24 and received May 28, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HB 693 cont'd

CS FOR HOUSE BILL NO. 693 (SA) am
Establishing the Alaska research policy.

Chapter 32, SLA 1986

SB 367

Message dated May 24 and received May 28, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR CS FOR SENATE BILL NO. 367(L&C) am H
Relating to Alaskan resident employment preference; and providing for an effective date.

Chapter 33, SLA 1986

SB 409

Message dated May 24 and received May 28, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR CS FOR SENATE BILL NO. 409 (JUD) am H
Relating to a right to farm.

Chapter 34, SLA 1986

SB 405

Message dated May 24 and received May 28, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SENATE BILL NO. 405 (FIN)
Relating to loans under the Alaska grain reserve program; and providing for an effective date.

Chapter 35, SLA 1986

HB 614

Message dated May 25 and received May 28, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR HOUSE BILL NO. 614 (HESS) (title am)
Extending the termination date of the Board of Dental Examiners; and providing for an effective date.

Chapter 36, SLA 1986

HB 493

Message dated May 25 and received May 28, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 493 (JUD)
Making corrective amendments to the Alaska Statutes as recommended by the revisor of statutes; and providing for an effective date.

Chapter 37, SLA 1986

HB 697

Message dated May 25 and received May 28, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR HOUSE BILL NO. 697 (HESS)
Prohibiting municipal sales tax on purchases made with food stamps; and providing for an effective date.

Chapter 38, SLA 1986

HB 251

Message dated May 25 and received May 28, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE BILL NO. 251
Extending the termination date of the
Board of Veterinary Examiners; and
providing for an effective date.

Chapter 39, SLA 1986

SB 45

Message dated May 25 and received May 28, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR CS FOR SENATE BILL NO. 45 (JUD)
Relating to hospital inspections and
investigations by the Department of
Health and Social Services.

Chapter 40, SLA 1986

HB 477

Message dated May 25 and received May 28, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR HOUSE BILL NO. 477 (FIN) am S
Making, amending, and repealing appropriations
for energy programs; and providing for an
effective date.

Chapter 41, SLA 1986

SB 477

Message dated May 25 and received May 28, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SB 477 cont'dCS FOR SENATE BILL NO. 477 (FIN)

Making a special appropriation to the Alaska Power Authority for reviewing and evaluating Railbelt electric power alternatives; and providing for effective date.

Chapter 42, SLA 1986

HB 227

Message dated May 25 and received May 28, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR HOUSE BILL NO. 227 (FIN)

Relating to fish processors and primary fish buyers; and providing for an effective date.

Chapter 43, SLA 1986

HB 534

Message dated May 25 and received May 28, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR HOUSE BILL NO. 534 (JUD)

Relating to violent crimes compensation; and providing for an effective date.

Chapter 44, SLA 1986

SR 13

Message dated May 28 was received, stating the Governor read the following resolution and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE RESOLUTION NO. 13

Honoring the Pages, Sergeant-at-Arms, and Assistant Sergeant-at-Arms of the Alaska Senate.

Senate Resolve No. 10

SCR 36

Message dated May 28 was received, stating the Governor read the following resolution and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR CS FOR SENATE CONCURRENT
RESOLUTION NO. 36 (FIN)

Establishing a joint special committee on
mental health trust land.

Legislative Resolve No. 53

HCR 18

Message dated May 28 was received, stating the Governor read the following resolution and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR HOUSE CONCURRENT RESOLUTION NO. 18 (RES)

Relating to the Bristol Bay salmon management
policies of the Department of Fish and Game.

Legislative Resolve No. 54

HJR 60

Message dated May 28 was received, stating the Governor signed the following resolution and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR HOUSE JOINT RESOLUTION NO. 60 (SA)

Relating to the International Year of Peace.

Legislative Resolve No. 55

Legislative Resolve No. 56 is on page 3050.

SCR 44

Message dated May 28 was received, stating the Governor read the following resolution and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CONCURRENT RESOLUTION NO. 44
Suspending Uniform Rules 41(b), 24(c), and
35 of the Alaska State Legislature concerning
House Bill 305.

Legislative Resolve No. 57

HCR 65

Message dated May 28 was received, stating the Governor read the following resolution and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CONCURRENT RESOLUTION NO. 65 am
Suspending Uniform Rule 42(e) of the Alaska
State Legislature concerning Senate Bill 377.

Legislative Resolve No. 58

HCR 47

Message dated May 28 was received, stating the Governor read the following resolution and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CONCURRENT RESOLUTION NO. 47
Relating to establishing a Joint Special
Committee on state employee compensation.

Legislative Resolve No. 59

HB 281

Message dated May 28 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 281 (RES)
Relating to trapping cabin permits.

Chapter 45, SLA 1986

SB 457

Message dated May 28 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SENATE BILL NO. 457 (HESS) am H
Relating to the State Physical Therapy Board;
and providing for an effective date.

Chapter 46, SLA 1986

SB 254

Message dated May 28 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SENATE BILL NO. 254 (L&C) am H
Relating to workers' compensation.

Chapter 47, SLA 1986

SB 442

Message dated May 28 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SENATE BILL NO. 442 (FIN)
Relating to reciprocal insurers that provide marine insurance; and providing for an effective date.

Chapter 48, SLA 1986

SB 474

Message dated May 28 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR SENATE BILL NO. 474 (L&C)
Relating to exemptions from licensing requirements as electrical administrators; and providing for an effective date.

Chapter 49, SLA 1986

HB 20

Message dated May 28 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR SPONSOR SUBSTITUTE FOR
HOUSE BILL NO. 20 (L&C) am S
Relating to interest on deposits collected by public utilities.

Chapter 50, SLA 1986

HB 694

Message dated May 28 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE BILL NO. 694
Relating to the establishment of the
Metlakatla Housing Authority.

Chapter 51, SLA 1986

SB 269

Veto message of May 28 was received:

Re: HOUSE CS FOR CS FOR SENATE BILL NO. 269 (JUD)
Relating to cabins on state land; and providing for an effective date.

Dear Senator Bennett:

Under the authority of Art. II, sec. 15 of the Alaska Constitution, I have vetoed HCS CSSB 269 (Jud), which would have established two more cabin programs in Alaska. One program was a good one; the second program, however, was both bad law and poor public policy.

Section 2 of the bill would have created a new land disposal program - one that automatically and arbitrarily excludes the vast majority of Alaskans. That's not right. There is a way to address the issues raised by HCS CSSB 269 (Jud), but selling an acre of public land to an exclusive owner - outside of the state land disposal programs - is neither fair nor appropriate.

First, I believe we can set up a public use cabin program, such as the one described in the bill, by administrative means. I have directed Natural Resources Commissioner Wunnicke to do just that.

I have also directed Commissioner Wunnicke to look for a practical, equitable and constitutional solution to the problem of unauthorized use of private cabins on state land, especially in the Fairbanks area. We've already done that in several instances in other areas, and I am committed to finding a solution for the people of the Interior.

Our constitution tells us that we've got a responsibility to encourage the development and settlement of our land. We have a lot of programs that do that, including 15 cabin programs. They follow both the letter and the spirit of our law. We encourage Alaskans to participate in those programs, which give all Alaskans a fair chance to own some property. We go out of our way to make sure everyone has an equal change.

SB 269

HCS CSSB 269 doesn't give everyone a fair and equal chance. Giving a small group of people an exclusive opportunity to buy choice state land, after years of unauthorized use, is unfair to those Alaskans who have bought or proved up on state land through lawful land disposal programs. Through the administrative measures I have outlined in this letter, we can address the Legislature's concerns, without compromising our principles of equal opportunity for all Alaskans.

HB 288

Message dated May 30 and received June 3, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 288 (RES) am S
Relating to the taking of fish and game
for subsistence and personal use; and
providing for an effective date.

Chapter 52, SLA 1986

HB 491

Message dated May 30 and received June 3, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR HOUSE BILL NO. 491 (FIN)
Relating to the disposition of federal
funds received by the state from
competitive leasing of oil and gas in
the National Petroleum Reserve -
Alaska; and providing for an effective
date.

Chapter 53, SLA 1986

SB 204

Message dated May 29 and received June 3, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SB 204 cont'dCONFERENCE CS FOR SENATE BILL NO. 204

Relating to contracts for architectural, engineering, and land surveying services; and providing for an effective date.

Chapter 54, SLA 1986

SB 309

Message dated May 29 and received June 3, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR CS FOR SENATE BILL NO. 309 (RULES)

Relating to royalty gas contracts; and providing for an effective date.

Chapter 55, SLA 1986

SB 297

Message dated May 29 and received June 3, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 297 (FIN)

Relating to the practice of naturopathy; and providing for an effective date.

Chapter 56, SLA 1986

HB 181

Message dated May 31 and received June 3, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR 2d SPONSOR SUBSTITUTE FORHOUSE BILL NO. 181 (FIN) am

Relating to the maintenance of marine vessels of the state; and providing for an effective date.

Chapter 57, SLA 1986

HB 513

Message dated May 31 and received June 3, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 513 (FIN)

Relating to a budget limitation and to reserve funds; and providing for an effective date.

Chapter 58, SLA 1986

HB 470

Message dated May 31 and received June 3, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 470 (FIN)

Relating to the release of oil and hazardous substances; repealing the oil mitigation account; and providing for an effective date.

Chapter 59, SLA 1986

SB 278

Message dated June 3 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR CS FOR SENATE BILL NO. 278 (FIN)

Relating to impoundment and registration of motor vehicles; senior citizen motor vehicle tax exemptions; licensing of certain drivers; fees for driver's licenses and permits; refusal to submit to a chemical test for intoxication; and the driver's license compact.

Chapter 60, SLA 1986

SB 470

Message dated June 3 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SB 470 cont'd

CS FOR SENATE BILL NO. 470 (JUD)
Relating to the Uniform Common Interest
Ownership Act.

Chapter 61, SLA 1986

HB 689

Message dated June 3 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR HOUSE BILL NO. 689 (JUD)
Relating to required equipment on, and the
transportation of certain loads by, motor
vehicles.

Chapter 62, SLA 1986

SB 251

Message dated June 3 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SENATE BILL NO. 251 (HESS)
Relating to regulation of the practice of
psychology; and providing for an effective
date.

Chapter 63, SLA 1986

HB 426

Message dated June 3 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 426 (HESS)
Relating to regulation of postsecondary
educational institutions.

Chapter 64, SLA 1986

HB 161

Message dated June 3 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 161 (FIN)

Relating to the interest rate, loan conditions and repayment provisions of scholarship loans; and providing for an effective date.

Chapter 65, SLA 1986

SB 334

Message dated June 3 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SPONSOR SUBSTITUTE FOR
SENATE BILL NO. 334 (RES)

Relating to Hatcher Pass Public Use Area.

Chapter 66, SLA 1986

HB 44

Message dated June 3 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 44 (FIN)

Relating to marine park units of the state park system; and providing for an effective date.

Chapter 67, SLA 1986

SB 138

Message dated June 3 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SENATE BILL NO. 138 (FIN) am
Relating to pricing and marketing of alcoholic beverages.

Chapter 68, SLA 1986

HB 68

Message dated June 3 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR HOUSE BILL NO. 68 (RULES)
Relating to motor vehicle liability insurance.

Chapter 69, SLA 1986

SB 113

Message dated June 3 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR SENATE BILL NO. 113 (FIN) am H
Relating to state and municipal tax
exemptions; and providing for an
effective date.

Chapter 70, SLA 1986

SB 294

Message dated June 3 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR CS FOR SENATE BILL NO. 294 (RES) am H
Relating to guiding; and providing for
an effective date.

Chapter 71, SLA 1986

HB 407

Veto message dated June 3 was received:

Re: SENATE CS FOR CS FOR HOUSE BILL NO. 407 (RES)
Relating to the use of, and certain reports
and records concerning game animals.

Dear Senator Bennett:

Under the authority of art. II, sec. 15, of the Alaska Constitution, I have vetoed SCS CSHB 407(Res). This bill has two main sections: one section deals with what portions of big game animals can be used as trapping bait and the

HB 407 cont'd

other section requires state agencies to keep certain harvest information and reports confidential. Both sections create an unacceptable risk of abuse and possible damage to Alaskans' interests in their wildlife resources.

Section 1 defines what portions of big game animals can be used as bait for trapping. Much of this provision already is addressed by existing regulations (5 AAC 92.210). The major new provisions included in this bill allow the Department of Public Safety to give trappers written permission to use for trap bait the parts of an animal, killed by a motor vehicle, that are unfit for human use. This provision could be open to serious abuses. It will be very difficult to determine the true cause of death if a carcass is several days old. But more importantly, it will be difficult to determine whether the meat being used as bait is really the same meat that was included in the written permission from the Department of Public Safety. It will also be very difficult to mark the meat in such a way that its origin can be determined.

Another provision of sec. 1 allows trappers to set traps in the immediate vicinity of a game animal that has died of natural causes, if they report the activity and the location to the Department of Public Safety at the earliest opportunity. This provision also could lead to abuses. Again, after an animal is dead for several days, it is difficult to determine the cause of death.

Both of these provisions could lead to an increase in illegal taking of big game animals. The Department of Public Safety will not be in a position to monitor these uses of big game animals and to ensure adequate enforcement. Declining revenues make this task even more difficult and the potential for abuses even more serious.

This section of the bill increases the risks to wildlife populations on which Alaskans rely heavily. Moose and caribou, for example, are extremely important food sources throughout the state. Before enacting a bill allowing use of these animals as trap bait, we must be certain that meat would not be destroyed deliberately. We do not have that assurance with this bill.

The second section of the bill deals with the confidentiality of trapping or hunting documents. This is an area of sensitive public policy requiring a balance between the public's right to information about the use of public resources and the individual hunter's or trapper's reasonable expectation of privacy. Most Alaskans would agree that information about a person's financial situation and specific trapping area should be confidential. The information could have adverse effects on individual financial interests and other reasonable expectations of privacy. However, this bill is much broader than is necessary to achieve those ends. And the constitutional rights to privacy already adequately protects them. Consequently, the bill is a

HB 407 cont'd

serious infringement on the public's right to know about the nature and extent of uses of public resources. This provision also could be used to hide illegal or unethical behavior from the public.

The bill's confidentiality provisions go far beyond the reasonable expectation of privacy that should be recognized. Under SCS CSHB 407(Res), the identities of hunters or trappers, their addresses, and "other information that identifies individual trappers or hunters" must be kept secret -- even though no financial information is included. The bill would cover harvest information normally reported by big game hunters as well as trappers. According to the bill, this information must be kept secret if it is supplied on any required "trapping or hunting document," including virtually all the sealing, tagging, and other harvest reports required under Alaska law.

Alaska has a long tradition of hunting and trapping. Our laws recognize the importance of these activities. There is no reason to suggest, as does this bill, that secrecy in reporting the harvests of game or furbearers is necessary. The careful balance between Alaskans' reasonable expectations of privacy and the public's right to have information about the use of their resources should, in this instance, be resolved in favor of full and open disclosure.

HB 606

Veto message dated June 3 was received:

Re: CS FOR HOUSE BILL NO. 606 (FIN) am
Relating to art in public places;
and providing for an effective date.

Dear Senator Bennett:

I have vetoed HB 606 which would have required that the percentage of construction costs for art in public buildings be reduced from one percent to one-half percent, and would have placed other stipulations on the program.

Alaska's Percent for Art program, initiated by the Legislature ten years ago, is not costly. In the ten years that have passed since the program was begun, just over \$2.2 million has been allocated for art in 78 public facilities, and additional funds have been allocated for art in schools. Clearly, a very small percentage of the state's budget has gone to public art.

HB 606 would substantially reduce the percentage of funds available for public art at a time when shrinking capital budgets by themselves will limit those funds. In the

HB 606 cont'd

future, I believe it is safe to assume that more and more of the capital budget will go for water and sewer improvements rather than buildings, so the allocations for public art will decrease automatically.

Two of the bill's provisions are going to be implemented administratively. I have directed the Department of Transportation and Public Facilities to guarantee greater public participation, and to require that each artist responsible for a work of art be credited on a plaque to be placed near the work of art.

The Percent for Art program provides opportunities for visual artists and the public which are not provided by any other source. In my opinion, the program is Alaska's investment in the artistic and cultural resources of the State and it will ensure that a rich heritage is left to the future citizens of Alaska.

SB 370

Message dated June 4 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR SENATE BILL NO. 370 (JUD) am H
 Relating to aid to families with dependent children and to child support and enforcement; and providing for an effective date.

Chapter 72, SLA 1986

HB 331

Message dated June 5 and received June 6, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 331 (JUD) am S
 Relating to the theft of commercial fishing gear.

Chapter 73, SLA 1986

HB 423

Message dated June 5 and received June 6, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR HOUSE BILL NO. 423 (JUD)
Relating to persons found not guilty by
reason of insanity.

Chapter 74, SLA 1986

SB 408

Message dated June 5 and received June 6:

Re: CS FOR SENATE BILL NO. 408 (FIN)
Relating to state aid to education; and
providing for an effective date.

Chapter 75, SLA 1986

Dear Senator Bennett:

I am today signing into law CSSB 408(Fin), which revises the foundation program for state aid to education. I am satisfied that, on balance, this bill represents a better school funding formula than the suspended provisions of Title 14, ch. 17, Alaska Statutes, which would otherwise become effective again on July 1, 1986.

The bill does have a number of technical problems. I am signing the bill into law, however, under the assumption that most of those problems can be taken care of through administrative implementation and regulations. For instance, AS 14.17.021(c), as amended by this bill, does not provide for the calculation of the equalized percentage figure for REAA school districts. Because the state's past practice has always been to provide for full funding of those districts, and because none of the legislation and none of the school funding bills in this year's legislature suggested a different result, the administration will interpret this legislation to provide for a 100 percent equalized percentage for REAA districts. Several other technical problems have been brought to the attention of the Revisor of Statutes.

One of the reasons I am signing this bill into law is to assure that local school districts in Alaska can continue to receive federal funds. The Department of Education has concluded that the state is in a better position to pass the disparity test required under federal regulations than it would be under the statutes that would become effective if this bill were vetoed.

SB 408 cont'd

I still think that the school foundation program needs improvement. Of course I am disappointed that my own bill on school finance was not enacted by the legislature this year. I think that this bill, however, addresses some of the problems in that area. I look forward to working with the legislature to make further refinements and improvements in the future.

HB 355

Message dated June 5 and received June 6, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 355 (RES)

Authorizing the establishment and implementation of on-board observer programs; and providing for an effective date.

Chapter 76, SLA 1986

SB 469

Message dated June 5 and received June 6, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE BILL NO. 469

Exempting commercial fishermen from workers' compensation coverage.

Chapter 77, SLA 1986

SB 453

Message dated June 5 and received June 6, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE BILL NO. 453

Relating to memorial scholarship revolving loans, creating the A.W. (Winn) Brindle memorial scholarship loan; and providing for an effective date.

Chapter 78, SLA 1986

HB 58

Message dated June 5 and received June 6, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 58 (FIN) am S
Relating to the fisheries business tax;
and providing for an effective date.

Chapter 79, SLA 1986

HB 700

Message dated June 5 and received June 6, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SPONSOR SUBSTITUTE FOR
HOUSE BILL NO. 700 (FIN) am
Relating to regulation of alcoholic beverages
and enactment of municipal ordinances.

Chapter 80, SLA 1986

HB 228

Message dated June 5 and received June 6, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR HOUSE BILL NO. 228 (FIN)
Relating to retirement benefits for part-
time teachers.

Chapter 81, SLA 1986

HB 252

Message dated June 5 and received June 6, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 252 (FIN)
Relating to state retirement benefits;
and providing for an effective date.

Chapter 82, SLA 1986

SB 233

Message dated June 5 and received June 6, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SENATE BILL NO. 233 (FIN)

Adding obligations of the state or instrumentalities of the state to the list of collateral that may be used to secure certain investments of the Alaska permanent fund; and providing for an effective date.

Chapter 83, SLA 1986

SB 209

Message dated June 5 and received June 6, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SENATE BILL NO. 209 (RULES)

Creating the Alaska State Fire Commission; and providing for an effective date.

Chapter 84, SLA 1986

HB 284

Message dated June 5 and received June 6, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 284 (RULES) am S

Relating to elections; and providing for an effective date.

Chapter 85, SLA 1986

SB 415

Message dated June 5 and received June 6, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE BILL NO. 415

Relating to school board composition.

Chapter 86, SLA 1986

SB 391

Message dated June 5 and received June 6, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SPONSOR SUBSTITUTE FOR
SENATE BILL NO. 391 (SA) am

Relating to the ethical conduct of governmental activities; and providing for an effective date.

Chapter 87, SLA 1986

HB 114

Message dated June 5 and received June 6, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 114 (JUD)

Relating to correctional facilities, and the imprisonment and rehabilitation of offenders.

Chapter 88, SLA 1986

Chapter Numbers 89 and 90 are on page 2990.

Chapter Numbers 91 and 92 are on page 2991.

SB 402

Message, dated June 6 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR CS FOR SENATE BILL NO. 402 (RULES) am H
Relating to games of chance.

Chapter 93, SLA 1986

HB 208

Message dated June 6 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HB 208 cont'd

SENATE CS FOR HOUSE BILL NO. 208 (FIN) am S
Authorizing salmon classics.

Chapter 94, SLA 1986

Chapter Numbers 95 and 96 are on page 2991.

Chapter Number 97 is on page 2992.

SB 418

Message dated June 6 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SENATE BILL NO. 418 (RES)
Relating to the Alaska minerals commission;
and providing for an effective date.

Chapter 98, SLA 1986

SB 456

Message dated June 6 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE BILL NO. 456
Relating to the Board of Nursing Home
Administrators; and providing for an
effective date.

Chapter 99, SLA 1986

SB 412

Message dated June 6 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE BILL NO. 412
Relating to claims against the state.

Chapter 100, SLA 1986

HB 482

Message dated June 6 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR HOUSE BILL NO. 482 (RES)
Relating to protection of natural rangeland.

Chapter 101, SLA 1986

Chapter Number 102 is on page 2992.

SB 333

Message dated June 6 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR CS FOR SENATE BILL NO. 333 (LOANS)
Relating to the Alaska State Building
Authority.

Chapter 103, SLA 1986

SB 348

Message dated June 6 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR SENATE BILL NO. 348 (FIN)
Making a special appropriation for the
1986 Iditarod sled dog race; and
providing for an effective date.

Chapter 89, SLA 1986

SB 324

Message dated June 6 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR SENATE BILL NO. 324 (RES)
Relating to grants for water quality enhance-
ment programs; and providing for an effective
date.

Chapter 90, SLA 1986

HB 486

Message dated June 6 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE BILL NO. 486
Relating to financing expansion of the power plant on the Fairbanks campus of the University of Alaska; and providing for an effective date.

Chapter 91, SLA 1986

SB 355

Message dated June 6 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR CS FOR SENATE BILL NO. 355 (JUD) am H
Relating to a court facility in Fairbanks; and providing for an effective date.

Chapter 92, SLA 1986

SB 466

Message dated June 6 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE BILL NO. 466
Extending the termination date of the Alcoholic Beverage Control Board; and providing for an effective date.

Chapter 95, SLA 1986

SB 473

Message dated June 6 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE BILL NO. 473
Extending the termination date of the Real Estate Commission; and providing for an effective date.

Chapter 96, SLA 1986

HB 601

Message dated June 6 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE BILL NO. 601
Abolishing inactive boards, councils,
commissions, and centers.

Chapter 97, SLA 1986

HB 494

Message dated June 6 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 494 (L&C)
Relating to liens for labor or material
furnished.

Chapter 102, SLA 1986

HB 314

Message dated June 6 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR HOUSE BILL NO. 314 (FIN)
Relating to the Alaska Public Utilities
Commission Act; and providing for an
effective date.

Chapter 104, SLA 1986

HB 98

Message dated June 6 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HB 98 cont'd

SENATE CS FOR CS FOR HOUSE BILL NO. 98 (FIN)

Relating to medical assistance; and providing for an effective date.

Chapter 105, SLA 1986

SB 341

Message dated June 6 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR CS FOR SENATE BILL NO. 341 (FIN)

Relating to state procurement practices and procedures; and providing for an effective date.

Chapter 106, SLA 1986

HB 380

Message dated June 7 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 380 (FIN)

Relating to public utility water and sewer service extensions.

Chapter 107, SLA 1986

HB 647

Message dated June 7 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 647 (FIN)

Establishing requirements for warning placards; establishing requirements and limiting liability for municipal reporting programs for hazardous materials and hazardous waste; and providing for an effective date.

Chapter 108, SLA 1986

SB 349

Message dated June 7 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SENATE BILL NO. 349 (FIN)
Relating to the reorganization of private debt at a Delta Project.

Chapter 109, SLA 1986

HB 193

Message dated June 7 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 193 (FIN)
Allowing agricultural production credits;
and providing for an effective date.

Chapter 110, SLA 1986

HB 377

Message dated June 7 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE BILL NO. 377
Requiring inclusion of recommended plans for improving access by the handicapped to public buildings and facilities in the capital improvement program recommended by the governor to the legislature.

Chapter 111, SLA 1986

SB 319

Message dated June 7 and received June 9:

Re: HOUSE CS FOR CS FOR SENATE BILL NO. 319 (HESS)
Creating the special education service agency;
and providing for an effective date.

Chapter 112, SLA 1986

SB 319 cont'd

Dear Senator Bennett:

Today I have signed HCS CSSB 319(HESS). This law creates the special education service agency and places that agency under the supervision of the Governor's Council for the Handicapped and Gifted. I have reservations about the governance structure for the new agency, and the agency's relationship with the duties of the Departments of Education and Health and Social Services. However, I am convinced that the one-year sunset provision (sec. 5) will provide an adequate opportunity for review of the agency's activities. The services provided by the agency are certainly crucial to special education students and to the school districts that serve these children.

During the interim, I have asked the Departments of Education and Health and Social Services, with the Governor's Council for the Handicapped and Gifted, to review the services provided by the new agency and make recommendations for improving and strengthening this legislation.

HB 218

Message dated June 7 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 218 (JUD)

Relating to standards of conduct of legislators and legislative employees and to the Select Committee on Legislative Ethics; and providing for an effective date.

Chapter 113, SLA 1986

HB 471

Message dated June 7 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR SPONSOR SUBSTITUTE FOR
HOUSE BILL NO. 471 (RULES) am S

Relating to the abuse and exploitation of children.

Chapter 114, SLA 1986

HB 499

Message dated June 7 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 499 (JUD)
Giving priority to payment of past due
child support from a decedent's estate.

Chapter 115, SLA 1986

SB 263

Message dated June 7 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR SENATE BILL NO. 263 (HESS)
Relating to disqualification for certain
state loan programs for failure to pay
child support.

Chapter 116, SLA 1986

HB 237

Message dated June 7 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 237 (JUD)
Relating to pension reform; and providing
for an effective date.

Chapter 117, SLA 1986

SB 379

Message dated June 7 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SENATE BILL NO. 379 (FIN)
(re-engrossed) (title am)
Relating to the premium tax for domestic
and foreign insurers; and identifying the
tax years to which the Act applies.

Chapter 118, SLA 1986

HB 704

Message dated June 8 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE BILL NO. 704 am
Relating to the disposal of state materials.

Chapter 119, SLA 1986

HB 562

Message dated June 8 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR HOUSE BILL NO. 562 (L&C)
Relating to the adoption of bylaws by a cooperative.

Chapter 120, SLA 1986

HB 307

Message dated June 8 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE BILL NO. 307
Extending the termination date of the Alaska Code Revision Commission and amending the statute relating to its responsibilities; and providing for an effective date.

Chapter 121, SLA 1986

HB 418

Message dated June 8 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE BILL NO. 418
Relating to liability for providing emergency medical care.

Chapter 122, SLA 1986

HB 242

Message dated June 8 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 242 (FIN)

Relating to automatic data processing;
and providing for an effective date.

Chapter 123, SLA 1986

HB 454

Message dated June 8 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 454 (FIN)

Relating to compensation of state officers;
establishing a commission on compensation
of state officers; and providing for an
effective date.

Chapter 124, SLA 1986

HB 406

Message dated June 8 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR HOUSE BILL NO. 406 (FIN)

Relating to investment of funds from
deferred compensation.

Chapter 125, SLA 1986

HB 485

Message dated June 8 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR HOUSE BILL NO. 485 (JUD)

Relating to powers and duties of guardians.

Chapter 126, SLA 1986

HB 255

Message dated June 8 and received June 9, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 255 (HESS)

Authorizing the Department of Health and Social Services to enter into agreements concerning the care and custody of Native children.

Chapter 127, SLA 1986

SB 171

Message dated June 9:

RE: HOUSE CS FOR CS FOR SENATE BILL NO. 171 (FIN) am H
Making special appropriations for capital projects;
and providing for an effective date.

Chapter No. 128, SLA 1986

CONFERENCE CS FOR HOUSE BILL NO. 500

Making appropriations for the operating and loan program expenses of state government; and providing for an effective date.

Chapter No. 129, SLA 1986

SENATE CS FOR CS FOR HOUSE BILL NO. 574 (FIN)

Making, amending, transferring, and repealing operating and capital appropriations; and providing for an effective date.

Chapter No. 130, SLA 1986

Dear Senator Bennett:

I have signed into law the three bills referenced above, provided for the operating and capital expenses of state government in Fiscal Year 1987. In so doing, I have exercised my line-item veto authority, under Article II, Section 15, of the Alaska Constitution, to reduce or eliminate a number of appropriations. These line-item reductions or vetoes total \$1.9 million in general funds for operating expenses, \$14.3 million for capital expenses, and \$29 million in reappropriated funds for both capital and operating expenses. The total vetoes of \$45.2 million in general funds leave \$1.845 billion in operating funds, \$215.6 million in capital funds and \$123.6 million in the reappropriation Act for FY 1987.

My decision to veto \$45.2 million in appropriations and reappropriations was a difficult one, made necessary by the combined impact of the legislature's financial decisions in the closing hours of the 1986 session. Among those decisions were appropriations made from the reserve funds of

SB 171 cont'd

the Alaska Permanent Fund and the Alaska State Housing Authority, as well as the failure of legislation related to the Alaska Student Loan Program. Because the Alaska Constitution prohibits deficit spending, the legislature left me with no choice but to veto projects in order to balance FY 1987 expenditures with projected income.

One of the vetoes blocks an appropriation of \$17.4 million from several accounts established for the payment of late applications for Alaska Permanent Fund dividends. Although sufficient funds would have remained to pay late dividend applications -- had I allowed the appropriation to become law -- I chose to veto it to ensure that enough money is there to meet the needs of this important program, and to allow time for public hearings and more discussion on the use of these reserve accounts by the Fifteenth Alaska Legislature.

The legislature also appropriated \$10 million from a reserve account of ASHA, but I have vetoed this appropriation. Instead, the ASHA Board of Directors intends to transfer \$7.5 million to the general fund, leaving enough in reserve to offset the effects of reduced federal housing funds and to compensate for the lag between the start of the state and federal fiscal years.

As you know, one of the final decisions of the 1986 session concerned the source of funding for the Alaska Student Loan program. The Senate adopted legislation to create a new corporation that would have arranged bond financing for about half of the \$61 million in student loans that are to be issued in FY 1987. When that legislation failed to pass the House, the result was the continued funding of all student loans from the general fund. Unfortunately, the legislature failed to reduce its overall appropriations to compensate for this \$30 million decision, leaving me no choice but to reduce the budget accordingly.

In all, the legislature appropriated approximately \$264 million from a variety of loan funds, reserve accounts, and unexpended capital funds to help provide funding for the daily expenses of government in the coming year. My vetoes reduce that amount to \$240.6 million.

The most critical appropriation went to, not from, a reserve fund, however. The budget reserve fund established by SCS CSHB 513(Fin) (Chapter 58, SLA 1986) sets aside about \$425 million for meeting future revenue shortfalls, and my approval of these budget bills today completes the transfer of those funds to the new reserve account. When you consider the estimated \$1.1 billion in undistributed income deposited in the Alaska Permanent Fund by SCS CSHB 28(Fin) (Chapter No. 25, SLA 1986), the 1986 legislature was responsible for saving more than \$1.5 billion. I'm convinced that the wisdom of those two decisions will only become more evident in the years ahead, when we may have even less petroleum revenue.

SB 171 cont'd

While these three bills help save money for the future, they also reduce the size of government by cutting back on our operating costs. The \$1.845 billion appropriated for the operations of state agencies in FY 87 is 7.9 percent less than the legislature provided in FY 86. This reduction is the largest annual cut in operating expenses Alaska has seen in more than 15 years, and although it will require some major adjustments by state agencies, this budget reduction is in the overall best interests of Alaska. Clearly, we must fashion a government the people are willing to pay for, and the FY 87 operating budget takes us a step closer to the goal of a government providing the services a modern state requires and can afford.

Although the capital budget is reduced from the immediate past, the expenditures authorized by this legislation will help build Alaska by funding construction of education facilities and water and sewer projects. When \$413 million in federal funds are included, the capital budget will total more than \$630 million in FY 1987, following the line-item vetoes and reductions I am forwarding to you in these bills.

Line item reductions and vetoes:

Page 3, lines 16 and 18:

* * * * *		* * * * *
* * * * *	DEPARTMENT OF ADMINISTRATION	* * * * *
* * * * *		* * * * *
	APPROPRIATION	GENERAL
	ITEMS	FUND
SOCIAL SERVICES		
OLDER ALASKANS		
COMMISSION		
HANDICAPPED EQUIPPED SENIOR		
CITIZEN'S VAN-NIKISKI (ED 7-15)		
	20,000 WS	20,000 WS
	25,000	25,000
GENERAL GOVERNMENT		
ALASKA PUBLIC BROADCASTING COMMISSION		
BUILDING ACQUISITIONS/KAKM ANCHORAGE		
(ED 7-15)	320,000 WS	320,000 WS
	400,000	400,000

Page 4, lines 7 and 15:

* * * * *		* * * * *	
* * * * *	DEPARTMENT OF REVENUE	* * * * *	
* * * * *		* * * * *	
	APPROPRIATION	GENERAL	OTHER
	ITEMS	FUND	FUNDS
GENERAL GOVERNMENT			
AUTOMATED TREASURY ACCOUNTING AND			
MANAGEMENT SYSTEM (ED 4)			
	67,800 WS	62,100 WS	
	83,300	77,600	5,700

SB 171 cont'd

* * * * * * * * * *
 * * * * * DEPARTMENT OF MILITARY * * * * *
 * * * * * & VETERANS AFFAIRS * * * * *
 * * * * * * * * * *

Page 9, lines 7, 10, 16, 18, 20 and 21:

PUBLIC PROTECTION

SITKA ARMORY UPGRADE (ED 3)
 200,000 WS 200,000 WS
~~250,000 250,000~~

FAIRBANKS NATIONAL GUARD ARMORY
 REPAIRS (ED 20) 143,400 WS 143,400 WS
~~179,200 179,200~~

* * * * * * * * * *
 * * * * * DEPARTMENT OF NATURAL RESOURCES * * * * *
 * * * * * * * * * *

NATURAL RESOURCE MANAGEMENT
 STATE PARKS REHABILITATION AND DEVELOPMENT

CHILKAT BALD EAGLE PRESERVE
 DEVELOPMENT (ED 2) 80,000 WS 80,000 WS
~~100,000 100,000~~

CHUGACH STATE PARK REHABILITATION
 AND ACCESS IMPROVEMENTS (ED 7-15)
 160,000 WS 160,000 WS
~~200,000 200,000~~

CAPTAIN COOK STATE PARK FACILITIES
 (ED 7-15) 80,000 WS 80,000 WS
~~100,000 100,000~~

KODIAK STATE PARKS RENOVATION AND UPGRADE:
 FORT ABERCROMBIE, BUSKIN, SHUYAK
 (ED 27) 80,000 WS 80,000 WS
~~111,000 111,000~~

Page 10, lines 17 and 18:

NINILCHIK FAIR ASSOCIATION/IMPROVEMENTS
 (ED 5) 20,000 WS 20,000 WS
~~25,000 25,000~~

RIKA'S LANDING HISTORICAL
 PRESERVATION (ED 17) 50,000 WS 50,000 WS
~~100,000 100,000~~

* * * * * * * * * *
 * * * * * DEPARTMENT OF FISH & GAME * * * * *
 * * * * * * * * * *

Page 11, lines 5, 8, 9, 10, 13 and 21:

HATCHERY
 INCUBATORS AND REARING 545,800 WS 545,800 WS
 CONTAINERS ~~638,000 638,000~~

SB 171 cont'd

			-- ALLOCATIONS --	
KLAWOCK HATCHERY INCUBATORS AND			148,100	WS
REARING CONTAINERS (ED 2)			<u>185,100</u>	
HIDDEN FALLS HATCHERY INCUBATORS				
AND REARING CONTAINERS, AND BARRIER NET		100,700		WS
(ED 3)		<u>125,900</u>		
CANNERY CREEK/MAIN BAY HATCHERY			120,000	WS
INCUBATORS (ED 6)			<u>150,000</u>	

	APPROPRIATION		GENERAL	
	ITEM		FUND	
POTTER MARSH BOARDWALK	(ED 7-15)			
	128,000	WS	128,000	WS
	<u>160,000</u>		<u>160,000</u>	
* * * * *			* * * * *	
* * * * *	DEPARTMENT OF PUBLIC SAFETY		* * * * *	
* * * * *			* * * * *	
PUBLIC PROTECTION				
LICENSE PLATE PURCHASE				
	120,000	WS	120,000	WS
	<u>150,000</u>		<u>150,000</u>	

Page 12, line 15::

* * * * *			* * * * *	
* * * * *	DEPARTMENT OF TRANSPORTATION/PUBLIC		* * * * *	
* * * * *	FACILITIES		* * * * *	
* * * * *			* * * * *	

	APPROPRIATION		GENERAL		OTHER
	ITEMS		FUND		FUNDS
TRANSPORTATION					
ANNUAL HIGHWAY PLANNING WORK PROGRAM					
ANNUAL HIGHWAY PLANNING WORK PROGRAM					
	1,750,000	WS	320,000	WS	
	<u>1,830,000</u>		<u>400,000</u>		1,430,000

Page 17, lines 21, 22 and 24:

LAURANCE ROAD RECONSTRUCTION DESIGN				
(ED 20)	124,000	WS	124,000	WS
	<u>155,000</u>		<u>155,000</u>	
SAFETY REFLECTORS-STEESSE				
HIGHWAY-MONTANA CREEK/MP 80 AND CENTRAL				
MP/128	110,400	WS	110,400	WS
(ED 20)	<u>138,000</u>		<u>138,000</u>	
GLACIER CONTROL (ED 17)				
	20,000	WS	20,000	WS
	<u>25,000</u>		<u>25,000</u>	

SB 171 cont'd

Page 18, lines 4 - 9:

	APPROPRIATION ITEM		GENERAL FUND	
PANGUINGUE CREEK ROAD (ED 17)	146,400	WS	146,400	WS
	<u>183,000</u>		<u>183,000</u>	
COPPER CENTER LAND DISPOSAL ROAD ACCESS (ED 17)	36,000	WS	36,000	WS
	<u>45,000</u>		<u>45,000</u>	
CITY OF NENANA RAILROAD CROSSING (ED 17)	40,000	WS	40,000	WS
	<u>50,000</u>		<u>50,000</u>	
NABESNA ROAD/RECONSTRUCTION/IMPROVEMENTS (ED 17)	80,000	WS	80,000	WS
	<u>100,000</u>		<u>100,000</u>	
HOLMES/MARKEY RECONSTRUCTION PRELIMINARY ENGINEERING (ED 18)	120,000	WS	120,000	WS
	<u>150,000</u>		<u>150,000</u>	
ROAD/HIGHWAY HISTORICAL STUDY (ED 20)	28,000	WS	28,000	WS
	<u>35,000</u>		<u>35,000</u>	

Page 19, line 15:

	APPROPRIATION ITEMS		GENERAL FUND		OTHER FUNDS
SOUTHEAST REGION HIGHWAYS	21,009,000	WS	2,020,000	WS	
	<u>21,039,000</u>		<u>2,050,000</u>		18,989,000

Page 20, lines 7, 10 and 22:

DOUGLAS HIGHWAY MAINTENANCE SEAL COAT (ED 4)				-- ALLOCATIONS --	
				120,000	WS
				<u>150,000</u>	
	APPROPRIATION ITEMS		GENERAL FUND		OTHER FUNDS
SOUTHEAST REGION AVIATION	9,480,500	WS	640,000	WS	
	<u>9,500,500</u>		<u>660,000</u>		8,840,500
				-- ALLOCATIONS --	
SKAGWAY AIRPORT LAND ACQUISITION AND APRON AND RUNWAY EXIT IMPROVEMENTS (ED 2)				80,000	WS
				<u>100,000</u>	

SB 171 cont'd

Page 21, line 7:

	APPROPRIATION ITEMS	GENERAL FUND	OTHER FUNDS
SOUTHEAST PORTS & HARBORS			
SITKA ENGINEERING/DESIGN COMMERCIAL			
BOAT HARBOR (ED 3)			
	80,000	80,000	WS
	<u>100,000</u>	<u>100,000</u>	

***** DEPARTMENT OF ENVIRONMENTAL *****			
***** CONSERVATION *****			

Page 22, lines 5, 6 and 8:

NORTH SLOPE BOROUGH - ANAKTUVUK PASS			
LANDFILL (ED 22)			
	300,000	WS	300,000
	<u>500,000</u>		<u>500,000</u>
NORTH SLOPE BOROUGH - ATQASUK			
LANDFILL AND ACCESS ROAD (ED 22)			
	200,000	WS	200,000
	<u>250,000</u>		<u>250,000</u>
NORTH SLOPE BOROUGH-WAINWRIGHT			
SUPPLY LINE (ED 22)			
	300,000	WS	300,000
	<u>500,000</u>		<u>500,000</u>

***** DEPARTMENT OF CORRECTIONS *****			

Page 23, lines 7, 14, 15, 18, 19, 22 and 23:

	APPROPRIATION ITEMS	GENERAL FUND	OTHER FUNDS
ADMINISTRATION OF JUSTICE			
STATEWIDE RENOVATION, REPAIR,			
EQUIPMENT, AND EXPANSION			
	400,000	WS	400,000
	<u>500,000</u>		<u>500,000</u>

***** UNIVERSITY OF ALASKA *****			

UNIVERSITY OF ALASKA			
STATEWIDE PROGRAMS AND SERVICES			
BUTOVICH BUILDING CONSTRUCTION PHASE IV			
(ED 20)			
	6,000,000	WS	6,000,000
	<u>6,265,000</u>		<u>6,265,000</u>

SB 171 cont'd

	APPROPRIATION ITEMS		GENERAL FUND	OTHER FUNDS
FIRECODE & SAFETY IMPROVEMENTS				
(ED 99)	400,000	WS	400,000	WS
	500,000		500,000	
UNIVERSITY OF ALASKA, FAIRBANKS				
DUCKERING BUILDING ADDITION				
EQUIPMENT (ED 20)				
	240,000	WS	240,000	WS
	300,000		300,000	
LIBRARY EQUIPMENT (ED 20)				
	80,000	WS	80,000	WS
	100,000		100,000	
UNIVERSITY OF ALASKA, ANCHORAGE				
CAMPUS SECURITY AND FIRE MONITORING SYSTEM (ED 7-15)				
	128,800	WS	128,800	WS
	161,000		161,000	
COLLEGE OF ARTS AND SCIENCES				
HEATING VENTILATION AND AIR CONDITIONING				
UPGRADE (ED 7-15)				
	640,000	WS	640,000	WS
	800,000		800,000	

Page 24, lines 8, 18 and 19:

ANCHORAGE COMMUNITY COLLEGE				
BUILDING "A" FIRE DOORS CODE CORRECTION (ED 7-15)				
	100,000	WS	100,000	WS
	125,000		125,000	

PRINCE WILLIAM SOUND COMMUNITY COLLEGE				
PURCHASE AND RENOVATE NEW CAMPUS				
FACILITY (ED 6)				
	1,200,000	WS	1,200,000	WS
	1,500,000		1,500,000	

WS RENOVATE AND REFURBISH DORMITORIES				
(ED 6) 200,000 WS 200,000 WS				

Page 25, lines 12 - 14, 19 - 21 and 23:

* * * * *

* * * * * GRANTS TO MUNICIPALITIES * * * * *

* * * * * (AS 37.05.315) * * * * *

* * * * *

GENERAL GOVERNMENT				
ED 2 INSIDE PASSAGE				
ANGOON-MATERIALS SITE DEVELOPMENT				
(ED 2)	120,000	WS	120,000	WS
	150,000		150,000	

SB 171 cont'd

	APPROPRIATION ITEM		GENERAL FUND	
HAINES-PORT CHILKOOT DOCK IMPROVEMENTS (ED 2)	400,000	WS	400,000	WS
	<u>500,000</u>		<u>500,000</u>	
HAINES-CHILKAT CENTER PARKING LOT PAVEMENT (ED 2)	40,000	WS	40,000	WS
	<u>50,000</u>		<u>50,000</u>	
HOONAH-WATER/WASTEWATER PROJECT (ED 2)	450,000	WS	450,000	WS
	<u>575,000</u>		<u>575,000</u>	
HYDABURG-CITY STREET UPGRADE (ED 2)	40,000	WS	40,000	WS
	<u>50,000</u>		<u>50,000</u>	
YAKUTAT-WATER AND SEWER PROJECTS (ED 2)	10,400	WS	10,400	WS
	<u>13,000</u>		<u>13,000</u>	
WS - CRAIG WASTE WATER TREATMENT PLANT (ED 2)	100,000		100,000	WS
Page 26, lines 4, 6, and 13 - 22:				
HAINES-FLOCCULATION TANK (ED 2)	72,000	WS	72,000	WS
	<u>90,000</u>		<u>90,000</u>	
KLAWOCK-TOTEM PARK RESTORATION (ED 2)	20,000	WS	20,000	WS
	<u>25,000</u>		<u>25,000</u>	
THORNE BAY-RAINY LANE UTILITIES PHASE II (ED 2)	438,000	WS	438,000	WS
	<u>600,000</u>		<u>600,000</u>	
ED 3 BARANOF-CHICHAGOF SITKA-ROAD PAVING PROGRAM (ED 3)	2,080,000	WS	2,080,000	WS
	<u>2,600,000</u>		<u>2,600,000</u>	
TENAKEE SPRINGS-PUBLIC FACILITIES IMPROVEMENTS (ED 3)	18,000	WS	18,000	WS
	<u>22,500</u>		<u>22,500</u>	
SITKA - WATERLINE TO AIRPORT (ED 3)	318,000	WS	318,000	WS
	<u>397,500</u>		<u>397,500</u>	
SITKA-CASTLE HILL IMPROVEMENT & UPGRADE (ED 3)	20,000	WS	20,000	WS
	<u>25,000</u>		<u>25,000</u>	

SB 171 cont'd

	APPROPRIATION ITEM		GENERAL FUND	
SITKA-PIONEER HOME CEMETARY UPGRADE & MAINTENANCE (ED 3)	25,000	WS	25,000	WS
	71,000		71,000	
ED 4 JUNEAU				
JUNEAU-AIRPORT CONTROL TOWER/OLD TERMINAL IMPROVEMENTS (ED 4)	400,000	WS	400,000	WS
	500,000		500,000	
JUNEAU-BOAT HARBORS, LAUNCH RAMPS, & OTHER SHORE RELATED PROJECTS (ED 4)	400,000	WS	400,000	WS
	500,000		500,000	
Page 27, lines 4 - 8, 15, 17 and 20:				
JUNEAU-PAVING, LIGHTING, AND OTHER STREET AND SIDEWALK IMPROVEMENTS (ED 4)	1,000,000	WS	1,000,000	WS
	2,000,000		2,000,000	
ED 5 KENAI-COOK INLET				
KENAI PENINSULA BOROUGH-ROBINSON LOOP ROAD PAVING (ED 5)	640,000	WS	640,000	WS
	800,000		800,000	
KENAI PENINSULA BOROUGH-ALTERNATE EMERGENCY ESCAPE ROUTE NIKISKI (ED 5)	295,000	WS	295,000	WS
	350,000		350,000	
NIKISKI FIRE HALL IMPROVEMENTS (ED 5)	24,000	WS	24,000	WS
	30,000		30,000	
ED 6 PRINCE WILLIAM SOUND				
VALDEZ-COMMERCIAL BOAT HARBOR PHASE III (ED 6)	576,000	WS	576,000	WS
	720,000		720,000	
WS GORDOVA NORTH CONTAINMENT				
INDUSTRIAL PARK (ED 6)	760,000		760,000	WS
ANCHORAGE-LAKE OTIS BOULEVARD:				
TUDOR TO ABBOTT (ED 7-15)	9,000,000	WS	9,000,000	WS
	9,600,000		9,600,000	
Page 28, lines 5 - 12:				
ANCHORAGE-SPENARD ROAD: MCRAE ROAD TO INTERNATIONAL AIRPORT ROAD (ED 7-15)				
	2,780,000	WS	2,780,000	WS
	3,475,000		3,475,000	
ANCHORAGE-DIMOND BOULEVARD: NEW SEWARD HIGHWAY TO 88TH AVENUE (ED 7-15)				
	300,000	WS	300,000	WS
	975,000		975,000	

SB 171 cont'd

	APPROPRIATION ITEM		GENERAL FUND	
ANCHORAGE-36TH AVENUE: OLD SEWARD HIGHWAY TO MAC INNES STREET (ED 7-15)				
	800,000	WS	800,000	WS
	<u>1,000,000</u>		<u>1,000,000</u>	
ANCHORAGE-SOUTH ANCHORAGE LIMITED LIFE ROAD SERVICE AREAS/ROAD & DRAINAGE IMPROVEMENTS (ED 7-15)				
	500,000	WS	500,000	WS
	<u>1,500,000</u>		<u>1,500,000</u>	
ANCHORAGE-EAGLE RIVER/CHUGIAK ROAD SERVICE AREA/ROAD & DRAINAGE IMPROVEMENTS (ED 7-15)				
	1,200,000	WS	1,200,000	WS
	<u>1,500,000</u>		<u>1,500,000</u>	
ANCHORAGE-D-13 PEDESTRIAN SAFETY FACILITIES IMPROVEMENTS (ED 7-15)				
	300,000	WS	300,000	WS
	<u>550,000</u>		<u>550,000</u>	
ANCHORAGE-NEIGHBORHOOD STREET ILLUMINATION SOUTH MOUNTAIN VIEW (ED 7-15)				
	160,000	WS	160,000	WS
	<u>200,000</u>		<u>200,000</u>	
ANCHORAGE-CAMPBELL AIRSTRIP ROAD LIMITED SERVICE ROAD DISTRICT SAFETY UPGRADE (ED 7-15)				
	160,000	WS	160,000	WS
	<u>200,000</u>		<u>200,000</u>	

Page 29, lines 19 - 21:

ED 17 INTERIOR HIGHWAYS

NENANA - STREET IMPROVEMENTS (ED 17)				
	200,000	WS	200,000	WS
	<u>250,000</u>		<u>250,000</u>	
DELTA JUNCTION-MULTI PURPOSE PAVILLION (ED 17)				
	680,000	WS	680,000	WS
	<u>850,000</u>		<u>850,000</u>	
ANDERSON-LOCAL SERVICE ROADS (ED 17)				
	280,000	WS	280,000	WS
	<u>350,000</u>		<u>350,000</u>	

Page 30, line 5, 8, 10, 17 and 18:

WS ROAD SERVICE AREA BLOCK GRANT				
(ED 18)				
	700,000		700,000	WS

ED 19-21 FAIRBANKS DISTRICTS

FAIRBANKS NORTH STAR BOROUGH - FIRE SERVICE AREA BLOCK GRANT (ED 20)				
	400,000	WS	400,000	WS
	<u>500,000</u>		<u>500,000</u>	
FAIRBANKS NORTH STAR BOROUGH-MARY SIAH RECREATION CENTER UPGRADE (ED 19-21)				
	80,000	WS	80,000	WS
	<u>100,000</u>		<u>100,000</u>	

SB 171 cont'd

	APPROPRIATION ITEM		GENERAL FUND	
ED 17 INTERIOR HIGHWAYS				
DOT LAKE-VOCATIONAL EDUCATION				
BUILDING RELOCATION AND RENOVATION (ED 17)				
	40,000	WS	40,000	WS
	<u>50,000</u>		<u>50,000</u>	
DELTANA CORPORATION ROAD PROJECT				
(ED 17)	300,000	WS	300,000	WS
	<u>650,000</u>		<u>650,000</u>	
TOK UMBRELLA CORPORATION ROAD				
IMPROVEMENTS (ED 17)	300,000	WS	300,000	WS
	<u>650,000</u>		<u>650,000</u>	
NORTHWAY VILLAGE COUNCIL LOCAL ROAD				
IMPROVEMENTS (ED 17)	80,000	WS	80,000	WS
	<u>100,000</u>		<u>100,000</u>	
EAGLE VILLAGE COUNCIL COMMUNITY				
HALL CONSTRUCTION/RENOVATION (ED 17)				
	40,000	WS	40,000	WS
	<u>50,000</u>		<u>50,000</u>	
COPPER CENTER VILLAGE COUNCIL				
ARCTIC ENTRIES (ED 17)				
	16,000	WS	16,000	WS
	<u>20,000</u>		<u>20,000</u>	

Page 34, lines 5, 13 and 20:

ED 19 INTERIOR HIGHWAYS				
CIRCLE-GRAVEYARD CREEK CEMETARY				
(ED 19-21)	15,000	WS	15,000	WS
	<u>33,500</u>		<u>33,500</u>	
ED 26 BRISTOL BAY-ALEUTIAN ISLANDS				
KOLIGANEK - COMMUNITY CENTER				
(ED 26)	80,000	WS	80,000	WS
	<u>100,000</u>		<u>100,000</u>	
ED 27 KODIAK-EAST ALASKA PENINSULA				
KARLUK-FIREFIGHTING EQUIPMENT				
PURCHASE (ED 27)	100,000	WS	100,000	WS
	<u>120,000</u>		<u>120,000</u>	

Page 35, lines 7, 16 and 17:

* SEC. 3 THE FOLLOWING SETS OUT THE FUNDING OF THE APPROPRIATIONS MADE IN THE PRECEDING SECTION OF THIS ACT.

CAPITAL PROJECTS	
FEDERAL RECEIPTS	355,171,600
GENERAL FUND MATCH	20,927,000

SB 171 cont'd

	194,653,100 WS	
GENERAL FUND	208,930,200	
REVENUE BONDS	2,860,000	
HIGHWAY WORKING CAPITAL FUND	14,400,000	
INTERNATIONAL AIRPORT REVENUE FUND	17,700,000	
PROGRAM RECEIPTS	11,850,000	
PUBLIC EMPLOYEES RETIREMENT FUND	2,800	
TEACHERS RETIREMENT SYSTEM FUND	2,900	
TRAINING AND BUILDING FUND	916,500	
NATIONAL PETROLEUM RESERVE FUND	2,155,000	
	\$620,638,900 WS	
*** TOTAL FUNDING ***	\$634,916,000	
	\$620,638,900 WS	
* * * * TOTAL BUDGET * * * * *	\$634,916,000	

HB 500

RE: CONFERENCE CS FOR HOUSE BILL NO. 500

Making appropriations for the operating and loan program expenses of state government; and providing for an effective date.

Chapter No. 129, SLA 1986

Message dated June 9 from Governor Sheffield is on page 2999.

Line item reductions and vetoes:

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* * * * *
* * * * * DEPARTMENT OF EDUCATION * * * * *
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Page 24, line 24:

	APPROPRIATION ITEMS	GENERAL FUND	OTHER FUNDS
COMMISSIONS AND BOARDS			
	WS 3,256,600 WS	2,518,800	
	3,266,600	2,528,800	737,800

Page 25, lines 12 and 13 - 15:

	--ALLOCATIONS--
ALASKA STATE COUNCIL ON THE ARTS (3 POSITIONS)	WS 2,706,700
	2,716,700

~~WS THE SUM OF \$10,000 IS APPROPRIATED TO THE KENAI
PENINSULA COUNCIL FOR THE PERFORMING ARTS AS A ONE-TIME
GRANT. WS~~

HB 500 cont'd

Page 26, lines 21, 22 and 23 - Page 27, line 5:

	APPROPRIATION ITEMS	GENERAL FUND	OTHER FUNDS
LIBRARY & MUSEUM OPERATIONS			
	WS 6,787,900	WS 6,103,300	
	6,792,900	6,108,300	684,600

-- ALLOCATIONS --

LIBRARY OPERATIONS (64 POSITIONS)		WS 4,832,900	
		4,837,900	

WS \$45,000

THE SUM OF ~~\$50,000~~ IS APPROPRIATED TO THE DEPARTMENT OF EDUCATION, DIVISION OF LIBRARIES AS A GRANT TO KENAI PENINSULA LIBRARIES. IT IS TO BE ALLOCATED TO THE FOLLOWING COMMUNITIES IN THIS MANNER: ANCHOR POINT \$5,000; HOMER \$10,000; KENAI \$10,000; NINILCHIK \$5,000; ~~STERLING \$5,000;~~ WS SOLDOTNA \$10,000; AND TUSTUMENA \$5,000.

* * * * * * * * * *
 * * * * * DEPARTMENT OF HEALTH & SOCIAL SERVICES * * * * *
 * * * * * * * * * *

Page 42, lines 5, 8, 16 - 19, 21 and 22:

	APPROPRIATION ITEMS	GENERAL FUND	OTHER FUNDS
ALCOHOL AND DRUG ABUSE SERVICES			
	WS 14,789,602	WS 12,922,202	
	14,848,000	12,980,600	1,867,400

-- ALLOCATIONS --

ALCOHOL ABUSE GRANTS		WS 11,594,202	
		11,652,600	

~~WS IT IS THE INTENT OF THE LEGISLATURE THAT THE ALASKA CENTER FOR RESPONSIBLE ALCOHOL CONTROL BE AWARDED A DESIGNATED GRANT OF \$58,398 TO ENSURE CONTINUATION OF THIS PROGRAM. WS~~

	APPROPRIATION ITEMS	GENERAL FUND	OTHER FUNDS
COMMUNITY MENTAL HEALTH GRANTS			
	WS 10,256,400	WS 9,694,500	
	10,448,400	9,886,500	561,900

-- ALLOCATIONS --

COMMUNITY MENTAL HEALTH GRANTS		WS 8,470,600	
		8,662,600	

HB 500 cont'd

Page 43, lines 9 - 11:

\$100,000 ^{WS}
THE SUM OF ~~\$292,000~~ IS APPROPRIATED TO THE DEPARTMENT AS A DIRECT GRANT TO THE SOUTHCENTRAL COUNSELING CENTER FOR EMERGENCY SERVICES. WS

* * * * * * * * * *
* * * * * DEPARTMENT OF PUBLIC SAFETY * * * * *
* * * * * * * * * *

Page 68, lines 13, 15, and 20 - 26:

	APPROPRIATION ITEMS	GENERAL FUND	OTHER FUNDS
ADMINISTRATION			
WS	10,377,800	WS 9,832,000	
	<u>10,452,800</u>	<u>9,907,000</u>	545,800
-- ALLOCATIONS --			
COMMISSIONER'S OFFICE (6 POSITIONS)		WS 569,900	
		<u>644,900</u>	

~~WS THE SUM OF \$75,000 IS APPROPRIATED TO THE DEPARTMENT OF PUBLIC SAFETY FOR PUBLIC SAFETY CLASSES AT TANANA VALLEY COMMUNITY COLLEGE IN THE AREA OF LAW ENFORCEMENT, FIRE SCIENCE, CORRECTIONS, PROBATION AND PAROLE WITH TRAINING GEARED TO POLICE OFFICERS, STATE TROOPERS, VILLAGE PUBLIC SAFETY OFFICERS, VOLUNTEER FIREMAN AND PARALEGAL PERSONNEL.~~
WS

* * * * * * * * * *
* * * * * LEGISLATURE * * * * *
* * * * * * * * * *

Page 102, line 7:

	APPROPRIATION ITEMS	GENERAL FUND
LEADERSHIP	WS 2,460,000	WS 2,460,000
	<u>4,000,000</u>	<u>4,000,000</u>

Page 105, lines 4 - 8:

~~HB 440 AN ACT RELATING TO A RECREATION MANAGEMENT PLAN IMPLEMENTING THE BRISTOL BAY AREA RECREATION PLAN APPROPRIATED TO DEPARTMENT OF NATURAL RESOURCES WS~~
74,200 74,200 WS

Page 106, lines 13 - 17 and 18 - 21:

~~HB 535 RELATING TO INSURANCE REQUIREMENTS FOR OBTAINING REGISTRATION AND INSURANCE REQUIREMENT FOR MOTOR DRIVEN CYCLES WS~~
~~APPROPRIATED TO DEPARTMENT OF PUBLIC SAFETY WS~~
15,000 15,000 WS

HB 500 cont'd

APPROPRIATION ITEMS	GENERAL FUND	OTHER FUNDS
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~~HB 587 AN ACT RELATING TO GENERAL GRANT LAND ENTITLEMENTS
 APPROPRIATED TO DEPARTMENT OF NATURAL RESOURCES WS
 49,600 49,600 WS~~

Page 107, lines 16 - 19:

~~SB 275 AN ACT RELATING TO THE RELEASE OF MOTOR VEHICLE
 RECORDS WS
 APPROPRIATED TO DEPARTMENT OF PUBLIC SAFETY WS
 49,000 49,000 WS~~

Page 108, lines 23 - 26:

~~SB 461 AN ACT RELATING TO NAMING THE ROBERT J. MITCHELL
 EXPRESSWAY WS
 APPROPRIATED TO DEPARTMENT OF TRANSPORTATION/
 PUBLIC FACILITIES WS
 WS 6,000 WS 4,000 WS 2,000~~

* SEC. 23. THE FOLLOWING SETS OUT THE FUNDING OF THE APPROPRIATIONS MADE IN THE PRECEDING SECTION OF THIS ACT.

Page 111, lines 15 and 24:

DEPARTMENT OF EDUCATION		
FEDERAL RECEIPTS	39,935,700	
GENERAL FUND MATCH	1,168,100	
	540,674,000	WS
GENERAL FUND	540,689,000	
INTER-AGENCY RECEIPTS	3,862,200	
PROGRAM RECEIPTS	1,635,300	
SCHOOL FUND (CIGARETTE TAX)	3,500,000	
DONATED COMMODITY HANDLING FEE ACCOUNT	186,900	
PUBLIC LAW 81-874/GENERAL FUND	25,644,100	
TRAINING AND BUILDING FUND	247,800	
CAPITAL IMPROVEMENT PROJECT RECEIPTS	504,900	
PUBLIC SCHOOL FUND	8,000,000	
	625,359,000	WS
*** TOTAL FUNDING ***	\$625,374,000	

Page 112, lines 3 and 9:

DEPARTMENT OF HEALTH & SOCIAL SERVICES		
FEDERAL RECEIPTS	91,732,300	
GENERAL FUND MATCH	71,733,100	
	163,260,402	WS
GENERAL FUND	163,510,800	

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HB 500 cont'd

INTER-AGENCY RECEIPTS	5,545,300	
PROGRAM RECEIPTS	3,286,400	
TITLE 20	5,401,500	
PERMANENT FUND DIVIDEND	4,211,700	
CAPITAL IMPROVEMENT PROJECTS RECEIPTS	288,300	
	345,459,002	WS
*** TOTAL FUNDING ***	345,709,400	

Page 114, lines 13 and 16:

DEPARTMENT OF PUBLIC SAFETY		
FEDERAL RECEIPTS	2,149,200	
GENERAL FUND MATCH	39,100	
	78,754,300	WS
GENERAL FUND	78,829,300	
INTER-AGENCY RECEIPTS	829,800	
PROGRAM RECEIPTS	1,165,400	
	82,937,800	WS
*** TOTAL FUNDING***	83,012,800	

Page 116, lines 15, 18, 20, 22 and 27:

LEGISLATURE		
GENERAL FUND	29,640,000	WS
	31,180,000	
INTER-AGENCY RECEIPTS	225,000	
PROGRAM RECEIPTS	6,000	
	29,871,000	WS
*** TOTAL FUNDING ***	31,411,000	

NEW LEGISLATION

FEDERAL RECEIPTS	908,200	WS
	910,200	
GENERAL FUND MATCH	968,400	
GENERAL FUND	1,003,400	WS
	1,195,200	
FISH AND GAME FUND	200,000	
PROGRAM RECEIPTS	383,800	
PUBLIC EMPLOYEES RETIREMENT FUND	-65,400	
NATIONAL PETROLEUM RESERVE FUND	24,499,400	
	27,897,800	WS
*** NEW LEGISLATION ***	28,091,600	
	2,505,777,302	WS
*** OPERATING BUDGET ***	2,507,657,700	
	2,533,675,102	WS
*** TOTAL BUDGET ***	2,535,749,300	

HB 574

RE: SENATE CS FOR CS FOR HOUSE BILL NO. 574 (FIN)
Making, amending, transferring, and repealing
operating and capital appropriations; and
providing for an effective date.

Chapter No. 130, SLA 1986

Message dated June 9 from Governor Sheffield is on page 2999.

Line item reductions and vetoes:

Page 10, lines 8 - 10:

\$16,000

* Sec. 34. The sum of ~~\$20,000~~ is appropriated from the general fund to the Department of Education for payment as a grant under AS 37.05.316 to the City of Hydaburg School District for a school van.

Page 19, lines 12 - 25:

~~WS * Sec. 82. The unexpended and unobligated balance of the appropriation made in sec. 2, ch. 20, SLA 1984, page 3, line 17 (Sitka Granite Creek Sewer Interceptor \$2,700,000) is repealed. WS~~

~~WS * Sec. 83. The unexpended and unobligated balance of the appropriation made in sec. 30, ch. 82, SLA 1981, page 159, line 11 (Centennial Building Upgrade \$1,500,000) is repealed. WS~~

\$134,400 WS

* Sec. 84. The sum of ~~\$168,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the City and Borough of Sitka for Price/Jarvis Street road and utility costs.

\$ 85,600 WS

* Sec. 85. The sum of ~~\$107,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the City and Borough of Sitka for Katlian Street parking lot construction.

Page 19, line 26 - Page 20, line 4:

* Sec. 86. Section 2, ch. 45, SLA 1984, page 19, line 15 is amended to read:

	APPROPRIATION ITEM	GENERAL FUND	
Sitka-Landfill area <u>and</u> public			
use area development	WS 362,000	362,000	WS
[REDEVELOPMENT]	<u>365,000</u>	<u>365,000</u>	
	[350,000]	[350,000]	

HB 574 cont'd

Page 21, lines 19 - 21:

\$750,000 WS

* Sec. 95. The sum of ~~\$803,959~~ is appropriated from the general fund to the Department of Education for payment as a grant under AS 37.05.316 to the Lower Kuskokwim School District for Kipnuak School.

Page 23, lines 23 - 26:

\$13,300 WS

* Sec. 106. The sum of ~~\$16,600~~ is appropriated from the general fund to the Department of Community and Regional Affairs for payment as a grant under AS 37.05.316 to the Copper River Native Association for purchase of a senior citizen van.

Page 24, lines 8 - 11:

\$4,000 WS

* Sec. 109. The sum of ~~\$5,000~~ is appropriated from the general fund to the Department of Transportation and Public Facilities for installation of street lights at the Richardson Highway and Copper Center Loop Road intersection.

Page 25, lines 1 - 5 and 17 - 20:

\$120,000 WS

* Sec. 115. The sum of ~~\$150,000~~ is appropriated from the general fund to the Department of Community and Regional Affairs for payment as a grant under AS 37.05.316 to the League of United Latin American Citizens for the Hispanic Services and Information Agency Project in Anchorage for the fiscal year ending June 30, 1987.

\$136,000 WS

* Sec. 119. The sum of ~~\$170,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the City of Kotzebue for costs associated with the 1986 Inuit Circumpolar Conference.

Page 26, lines 19 - 21:

\$36,000

* Sec. 122. The sum of ~~\$45,000~~ is appropriated from the general fund to the Legislative Finance Division for House Finance Committee education funding related activities for the fiscal year ending June 30, 1987.

HB 574 cont'd

Page 28, lines 5 - 11 and 20 -25:

\$40,000 WS

* Sec. 129. The sum of ~~\$50,000~~ is appropriated ? WS to the Legislative Affairs Agency, House Transportation Committee, for a contract with the Highway Users Federation in Washington, D.C. for a report on the Department of Transportation and Public Facilities.

~~WS. * Sec. 130. The sum of \$30,000 is appropriated from the general fund to the University of Alaska, Prince William Sound Community College for rental space in the City of Cordova for the fiscal year ending June 30, 1987. WS~~

~~WS. * Sec. 133. The unexpended and unobligated balance of the appropriation made in sec. 295, ch. 105, SLA 1985 (Seward Coal Loading Facility \$1,760,000) is repealed. WS~~

\$ 60,000 WS

* Sec. 134. The sum of ~~\$200,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the City of Seward for the Seward Marine Industrial Park.

Page 29, line 20 - Page 30, line 3:

\$32,000 WS

* Sec. 140. The sum of ~~\$40,000~~ is appropriated from the general fund to the Department of Health and Social Services for payment as a grant under AS 37.05.316 to the Southern Region Emergency Medical Services Council for North Pacific Rim for a full-time EMS trainer for the Prince William Sound area for the fiscal year ending June 30, 1987.

\$100,000 WS

* Sec. 141. The sum of ~~\$140,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the City of Seward for costs associated with diesel power generation assistance.

\$31,800 WS

* Sec. 142. The sum of ~~\$39,700~~ is appropriated from the general fund to the Department of Health and Social Services, State Office of Alcohol and Drug Abuse, for the Seward Life Action Council program operations for the fiscal year ending June 30, 1987.

Page 30, lines 4 - 7:

\$ 80,000 WS

* Sec. 143. The sum of ~~\$100,000~~ is appropriated from the general fund to the Department of Transportation and Public Facilities for a grant under AS 37.05.316 to the Aviation Safety Foundation for a safety training program for the fiscal year ending June 30, 1987.

HB 574 cont'd

Page 38, lines 21 - 27:

* Sec. 179. Section 2, ch. 24, SLA 1984, page 14, line 16 is amended to read:

		APPROPRIATION		GENERAL	
		ITEM	FUND		
Kasaan-Dock Construction	WS	185,000	185,000	WS	
(ED 2)		200,000	200,000		
		[125,000]	[125,000]		

Page 41, lines 18 - 20 and 25 - 27:

~~WS * Sec. 194. The unexpended and unobligated balance of the appropriation made in sec. 286, ch. 50, SLA 1980, page 95, line 8 (Arctic Boulevard-Airport to Raspberry - \$1,200,000) is repealed. WS~~

~~WS * Sec. 196. The unexpended and unobligated balance of the appropriation made in sec. 286, ch. 50, SLA 1980, page 73, line 7 (Minnesota/International Airport Beautification - \$1,633,000) is repealed. WS~~

Page 42, lines 2 - 5:

\$10,600 WS

* Sec. 198. The sum of ~~\$13,200~~ is appropriated from the general fund to the Department of Administration, Older Alaskans Commission for payment as a grant under AS 37.05.316 to the Salvation Army for operation of a senior citizens shuttle in Anchorage for the fiscal year ending June 30, 1987.

Page 43, lines 12 - 15 and 25 - 27:

\$16,000 WS

* Sec. 204. The sum of ~~\$20,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.316 to the Ninilchik Senior Citizens, Inc., for completion of the Ninilchik Senior Citizens Center.

\$15,000 WS

* Sec. 207. The sum of ~~\$20,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the City of Homer for completion of the Homer Senior Citizens Center.

Page 44, lines 16 - 19:

\$66,400 WS

* Sec. 212. The sum of ~~\$83,000~~ is appropriated from the general fund to the Department of Natural Resources for seismic and volcanic monitoring of Mt. St. Augustine and other existing statewide seismic monitoring stations for the fiscal year ending June 30, 1987.

HB 574 cont'd

Page 45, lines 26 - 28:

\$24,000 WS

* Sec. 218. The sum of ~~\$30,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the City of Haines for the Southeast Alaska State Fair.

Page 46, line 28 - Page 47, line 1:

\$40,000 WS

* Sec. 223. The sum of ~~\$50,000~~ is appropriated from the general fund to the Department of Corrections for payment as a grant under AS 37.05.316 to Gastineau Manor, Inc. for renovation to meet program and security needs.

Page 50, lines 17 - 23:

~~WS * Sec. 247. The unexpended and unobligated balance of the appropriation made in sec. 2, ch. 10, SLA 1983, page 15, line 9 (Anchorage - Alcohol Treatment Facility - \$88,000) is repealed and reappropriated to the University of Alaska, Anchorage, for design, renovation and relocation costs associated with the establishment of the Public Affairs Program in accordance with recommendations of the Senate's Egan Committee for the William A. Egan School of Public Affairs. WS~~

Page 53, line 29 - Page 54, line 3:

\$4,000 WS

* Sec. 264. The sum of ~~\$5,000~~ is appropriated from the general fund to the Department of Health and Social Services for payment as a grant under AS 37.05.316 to the Interior Region Emergency Medical Services Council for training and equipment.

Page 61, line 27 - Page 62, line 1:

\$29,600

* Sec. 299. The sum of ~~\$37,000~~ is appropriated from the general fund to the Department of Administration, Alaska Public Broadcasting Commission, for payment as a grant under AS 37.05.316 to Terminal Radio for purchase of equipment and start-up costs for Terminal Radio Station in Valdez,

Page 62, lines 2 - 5 and line 29 - Page 63, line 4:

\$16,000 WS

* Sec. 300. The sum of ~~\$20,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the Kenai Peninsula Borough for the Anchor Point Fire Department for relocation of the Anchor Point Fire Station.

\$2,000,000 WS

* Sec. 306. The sum of ~~\$3,300,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the Municipality of Anchorage for emergency maintenance, maintenance reduction and drainage to limited road service areas in House Districts 7 and 8.

HB 574 cont'd

Page 64, line 16 - Page 65, line 1:

~~WS * Sec. 319. The sum of \$75,000 is appropriated from the general fund to the Department of Community and Regional Affairs for payment as a grant under AS 37.05.316 to the Alaska Native Land Management Association for a training program. WS~~

\$531,400 WS

* Sec. 320. The sum of ~~\$664,200~~ is appropriated from the general fund to the Department of Commerce and Economic Development, office of the commissioner, for payment as a grant under AS 37.05.316 to the Alaska Repertory Theater for operations.

~~WS * Sec. 321. The sum of \$100,000 is appropriated from the general fund to the Department of Education, office of the commissioner, for payment as a grant under AS 37.05.316 to the Anchorage Symphony Orchestra for Anchorage artistic programs. WS~~

~~WS * Sec. 322. The unexpended and unobligated balance of the appropriation made in sec. 80, ch. 101, SLA 1982, page 106, line 15 (Manley Hot Springs library clinic \$50,000) is repealed. WS~~

Page 65, lines 2 - 4:

~~WS * Sec. 323. The unexpended and unobligated balance of the appropriation made in sec. 30, ch. 82, SLA 1981, page 137, line 8 (Manley Hot Springs clinic/library building - \$70,000) is repealed. WS~~

Page 70, line 23 - Page 71, line 5:

WS * Sec. 341. Section 26, ch. 98, SLA 1985, page 26, lines 16 - 18 is amended to read:			
	APPROPRIATION	GENERAL	OTHER
	ITEMS	FUND	FUNDS
K-12 Support	549,463,800	516,963,800	32,500,000
	[549,475,800]	[516,975,800]	
	ALLOCATIONS		
Foundation program	494,432,200		
Foundation supplemental support	1,245,500		
WS	[1,257,500]		WS

Page 73, lines 8 - 10:

~~WS * Sec. 354. The sum of \$50,000 is appropriated from the general fund to the Department of Education, office of the commissioner, for payment as a grant under AS 37.05.316 to the Alaska Fine Arts Camp for operations. WS~~

HB 574 cont'd

Page 75, lines 10 - 22:

* Sec. 364. Section 675, ch. 105, SLA 1985 is amended to read:

\$695,000 WS

Sec. 675. The sum of ~~\$775,000~~ [\$375,000] is appropriated from the general fund to the Department of Transportation and Public Facilities for payment as a grant under AS 37.05.316 to the Glen Alps Road Service Area for design engineering, [AND] right-of-way acquisition and construction of [FOR] Upper DeArmour Road.

~~WS * Sec. 365. Section 319, ch. 171, SLA 1984, page 50, line 20 is amended to read:~~

	APPROPRIATION ITEM	GENERAL FUND
Data Processing Systems and Equipment (ED 99)	3,914,000	3,914,000
WS	[4,000,000]	[4,000,000]

Page 77, lines 16 - 19:

\$225,000 WS

*Sec. 371. The sum of ~~\$450,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the Municipality of Anchorage for pedestrian safety facilities in House District 8.

Page 78, lines 4 - 8:

\$1,200,000 WS

* Sec. 374. The sum of ~~\$1,500,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the Municipality of Anchorage for Alaska Neighborhood Housing Services, Inc. for housing and business loans to be used in Spenard, Government Hill, Nanaka Valley and other distressed neighborhoods.

Page 79, line 17 - Page 80, line 1:

~~WS * Sec. 380. Section 34, ch. 107, SLA 1983, page 72, line 23 is amended to read:~~

	APPROPRIATION ITEM	GENERAL FUND
ANICLA Federal Land Planning	247,422	247,422
WS	[269,700]	[269,700]

HB 574 cont'd

~~WS * Sec. 381. Section 4, ch. 24, SLA 1984, page 60, line 15 is amended to read:~~

	APPROPRIATION ITEM	GENERAL FUND
Vessel Seizure Costs (ED 99)	80,000	80,000
WS	[160,000]	[160,000] WS

Page 80, lines 6 - 11:

~~WS * Sec. 383. The balance as of May 12, 1986, of that portion of the general fund of the Alaska State Housing Authority identified as "Unrestricted-Designated" and "Undesignated" in the 1985 Annual Report dated August 1, 1985, or \$10,000,000, whichever is less, is appropriated from the general fund of the Alaska State Housing Authority to the general fund in the state treasury. WS~~

Page 82, lines 11 - 14, 22 - 28:

\$25,000 WS

* Sec. 396. The sum of ~~\$55,000~~ is appropriated from the general fund to the Department of Natural Resources for the operations of the Citizen's Advisory Commission on Federal Areas for the fiscal year ending June 30, 1987.

\$60,000 WS

* Sec. 399. The sum of ~~\$75,000~~ is appropriated from the general fund to the University of Alaska Agriculture and Forestry Experiment Station for the completion of the Rosie Creek Research project.

\$6,600 WS

* Sec. 400. The sum of ~~\$8,290~~ is appropriated from the general fund to the Department of Health and Social Services for payment as a grant under AS 37.05.316 to the Interior Region Emergency Medical Services Council for training and equipment.

Page 83, lines 3 - 5:

\$7,100

* Sec. 402. The sum of ~~\$8,900~~ is appropriated from the general fund to the Legislative Affairs Agency for continued operation of the Homer Teleconference Center for the fiscal year ending June 30, 1987.

Page 84, lines 16 - 26:

* Sec. 410. The unexpended and unobligated balance of the appropriation made in sec. 2, ch. 18, SLA 1984, page 3, line 4 (Matanuska-Susitna Borough, Sutton to Skwenta Bank Erosion Protection - \$70,000) is repealed and reappropriated as follows:

HB 574 cont'd

\$37,310 WS

(1) the sum of ~~\$40,000~~ is appropriated to the Department of Administration for payment as a grant under AS 37.05.315 to the Matanuska - Susitna Borough for the Meadow Lakes Volunteer Fire Department Fire Truck; and

\$23,322 WS

(2) the sum of ~~\$25,000~~ is appropriated to the Department of Administration, Alaska Public Broadcasting Commission for payment as a grant under AS 37.05.316 to Terminal Radio for Tower Construction Expenses.

Page 86, lines 4 - 12

* Sec. 417. The unexpended and unobligated balance of the appropriation made in sec. 4, ch. 25, SLA 1982, page 13, line 6 (Plant Material Center Building - \$600,000) is repealed and reappropriated as follows:

(1) the sum of \$100,000 is appropriated to the Department of Administration for payment as a grant under AS 37.05.315 to the Kenai Peninsula Borough for the Nikiski Fire Service Area Emergency Escape Route;

~~WS (2) the sum of \$45,000 is appropriated to the Department of Administration for payment as a grant under AS 37.05.315 to the City of Gordova for the North Containment Industrial Park Development; WS~~

Page 87, lines 10 - 19:

~~WS * Sec. 422. The sum of \$300,000 is appropriated from the housing development grant fund (AS 18.55.998) to the Department of Administration for payment as a grant under AS 37.05.315 to the City of Houston for the Senior Citizens Center. WS~~

~~WS * Sec. 423. Section 34, ch. 107, SLA 1983, WS page 79, line 25 as amended by sec. 140, ch. 105, SLA 1985 is amended to read:~~

	APPROPRIATION GENERAL	
	ITEM	FUND
Match for Ch. 25/82 projects	13,212,200	13,212,200
WS	[13,412,200]	[13,412,200] WS

Page 88, line 25 - Page 89, line 3:

~~WS * Sec. 428. Section 2, ch. 24, SLA 1984, WS page 9, line 20 as amended by sec. 378, ch. 105, SLA 1985 is amended to read:~~

	APPROPRIATION GENERAL	
	ITEM	FUND
Civil Air Patrol Hangar Construction or Acquisition	850,000	850,000
WS	[1,100,000]	[1,100,000] WS

HB 574 cont'd

Page 89, lines 9 - 13 and 18 - 28:

~~WS * Sec. 430. The sum of \$86,525 is appropriated from the general fund to the Department of Community and Regional Affairs for payment as a grant under AS 37.05.316 to Med-Alert, Inc. for personal medical alarm and monitoring services that will be provided without charge to sick and frail Anchorage senior citizens. WS~~

~~WS * Sec. 432. Section 3, ch. 96, SLA 1985, page 15, line 4 is amended to read:~~

	APPROPRIATION ITEMS	GENERAL FUND	OTHER FUNDS
Cohoe Loop Road Upgrade (ED 5)	200,000	200,000	
	[2,200,000]		[2,000,000]
<u>Kenai/Funny River Bridge - preliminary engineering, design and construction</u>			
WS (ED 5)	<u>2,010,000</u>	<u>10,000</u>	<u>2,000,000</u> WS

Page 90, lines 19 - 21:

~~WS * Sec. 438. The unexpended and unobligated balance of the appropriation and allocation made in sec. 26, ch. 98, SLA 1985, page 39, lines 4 and 21 (Maniilaq Senior Center - \$972,800) is repealed. WS~~

Page 91, lines 4 - 27:

~~WS * Sec. 441. The unexpended and unobligated balance of the appropriation made in sec. 80, ch. 101, SLA 1982, page 90, line 9 (Kotzebue fire suppression system - \$230,000) is repealed. WS~~

~~WS * Sec. 442. The unexpended and unobligated balance of the appropriation made in sec. 80, ch. 101, SLA 1982, page 96, line 5 (Kotzebue Day Care - \$647,000) is repealed. WS~~

~~WS * Sec. 443. The unexpended and unobligated balance of the appropriation made in sec. 2, ch. 10, SLA 1983, page 18, line 22 (Kotzebue - NANA search and rescue - \$290,000) is repealed. WS~~

~~WS * Sec. 444. The unexpended and unobligated balance of the appropriation made in sec. 80, ch. 101, SLA 1982, page 87, line 12 (Nome storm drainage - \$500,000) is repealed. WS~~

~~WS * Sec. 445. The unexpended and unobligated balance of the appropriation made in sec. 2, ch. 24, SLA 1984, page 35, line 6 (Kivalina erosion control project - \$135,000) is repealed. WS~~

HB 574 cont'd

~~WS * Sec. 446. The unexpended and unobligated balance of the appropriation made in sec. 319, ch. 171, SLA 1984, page 50, line 22 (NANA region TV transmitter - \$50,000) is repealed. WS~~

~~WS * Sec. 447. The unexpended and unobligated balance of the appropriation made in sec. 34, ch. 107, SLA 1983, page 98, line 17 (Kivalina water and sewer - \$150,000) is repealed. WS~~

~~WS * Sec. 448. The unexpended and unobligated balance of the appropriation made in sec. 3, ch. 96, SLA 1985, page 6, line 14 (Nome Youth Facility Renovation and Repair - \$147,000) is repealed. WS~~

Page 92, lines 2 - 20:

~~WS * Sec. 450. The unexpended and unobligated balance of the appropriation made in sec. 30, ch. 82, SLA 1981, page 116, line 10 (White Mountain School Gym - \$1,200,000) is repealed. WS~~

~~WS * Sec. 451. (a) Section 30, ch. 82, SLA 1981, WS page 114, line 22 as amended by sec. 498, ch. 105, SLA 1985, is amended to read:~~

	APPROPRIATION	GENERAL
	ITEM	FUND
Rural Education	23,882,545	23,882,545
	[23,902,545]	[23,902,545]

~~(b) Section 30, ch. 82, SLA 1981, page 115, line 4 is amended to read:~~

	ALLOCATIONS
Shishmaref	1,967,000
Elementary	[1,987,000]
WS School	

WS

~~WS * Sec. 452. The unexpended and unobligated balance of the appropriation made in sec. 30, ch. 82, SLA 1981, page 117, line 11 as amended by sec. 112, ch. 171, SLA 1984 (Emmonak High School Addition and Pilot Station Elementary School sewer installation - \$394,100) is repealed. WS~~

Page 93, lines 9 - 14 and 25 - 27:

~~WS * Sec. 458. The unexpended and unobligated balance of the appropriation in sec. 476, ch. 105, SLA 1985 (Point Lay litter control - \$2,000) is repealed. WS~~

~~WS * Sec. 459. The unexpended and unobligated balance of the appropriation made in sec. 4, ch. 24, SLA 1984, page 69, line 13 (Nome Correctional Center - \$2,500,000) is repealed. WS~~

~~WS * Sec. 463. The unexpended and unobligated balance of the appropriation made in sec. 30, ch. 82, SLA 1981, page 118, line 7 (Nome Lifesaving Facility - \$1,500,000) is repealed. WS~~

HB 574 cont'd

Page 94, lines 12 - 14 and line 29 - Page 95, line 2:

~~WS * Sec. 468. The unexpended and unobligated balance of the appropriation made in sec. 286, ch. 50, SLA 1980, page 82, line 16 as amended by sec. 462, ch. 105, SLA 1985 (Airport Lighting \$4,695,500) is repealed. WS~~

~~WS * Sec. 473. The unexpended and unobligated balance of the appropriation made in sec. 3, ch. 96, SLA 1985, page 18, line 19 (Nome airport terminal site preparation \$300,000) is repealed. WS~~

Page 95, lines 14 - 16:

~~WS * Sec. 477. The unexpended and unobligated balance of the appropriation made in sec. 304, ch. 171, SLA 1984 (Norton Sound Health Corporation Senior Citizen Facility \$1,625,000) is repealed. WS~~

Page 96, lines 26 - 28 and line 29 - Page 97, line 2:

\$125,000 WS

* Sec. 490. The sum of ~~\$180,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the City of Teller for a seawall.

\$180,000 WS

* Sec. 491. The sum of ~~\$225,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the City of Savoonga for equipment.

Page 97, lines 3 - 15, 20 - 22, 29 - Page 98, line 3:

\$1,200,000 WS

* Sec. 492. The sum of ~~\$2,500,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the City of Kotzebue for a public safety facility.

\$1,500,000 WS

* Sec. 493. The sum of ~~\$2,115,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the City of Nome for the port project.

~~WS * Sec. 494. The sum of \$80,000 is appropriated from the general fund to the Department of Health and Social Services for payment as a grant under AS 37.05.316 to the Southcentral Counseling Center for equipment. WS~~

\$140,000 WS

* Sec. 495. The sum of ~~\$175,000~~ is appropriated from the general fund to the Legislative Affairs Agency for the joint special committee on tax policy to conduct a comprehensive review of the state's tax policy on economic growth and employment.

HB 574 cont'd

\$70,200 WS

* Sec. 497. The sum of ~~\$80,000~~ is appropriated from the general fund to the Department of Education for payment as a grant under AS 37.05.316 to Perseverance Theater for facilities.

\$16,000 WS

* Sec. 500. The sum of ~~\$20,000~~ is appropriated from the general fund to the Department of Education, division of museums, for payment as a grant under AS 37.05.316 to the Institute of Alaska Native Arts, Inc. for a cultural enhancement program.

Page 98, lines 4 - 6, 14 - 17 and 26 - 28:

\$6,400 WS

* Sec. 501. The sum of ~~\$8,000~~ is appropriated from the general fund to the Legislative Affairs Agency for the Rural Research Agency research activities.

\$500,000 WS

* Sec. 504. The sum of ~~\$510,000~~ is appropriated from the general fund to the Department of Community and Regional Affairs for payment as a grant under AS 37.05.316 to the Alaska Native Foundation for the Cape Beaufort Coal Feasibility Project final phase.

\$24,000 WS

* Sec. 507. The sum of ~~\$30,000~~ is appropriated from the general fund to the Department of Transportation and Public Facilities for the installation of a flashing light near the Homer Middle and Junior High School.

Page 99, line 26 - Page 100, line 2:

~~WS * Sec. 512. Section 4, ch. 24, SLA 1984, WS page 57, line 7 is amended to read:~~

	APPROPRIATION	GENERAL
	ITEM	FUND
Rural electrification	3,212,000	3,212,000
WS	[3,281,000]	[3,281,000] WS

Page 101, lines 2 - 8:

~~WS * Sec. 520. The sum of \$26,152 is appropriated from the general fund to the Legislative Affairs Agency for operation expenses of the Bethel legislative information office for the fiscal year ending June 30, 1987. WS~~

\$24,800 WS

* Sec. 521. The sum of ~~\$31,000~~ is appropriated from the general fund to the Legislative Affairs Agency for the operating expenses of the Naknek, Newhalen, St. Paul, Sand Point, Togiak, and Unalaska teleconference centers during the fiscal year ending June 30, 1987.

HB 574 cont'd

Page 102, lines 23 - 26:

\$400,000

* Sec. 530. The sum of ~~-\$500,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the Municipality of Anchorage, Chugiak Eagle River Road Service Board, for road improvements.

Page 103, lines 2 - 5 and 13 - 21:

\$4,000,000 WS

* Sec. 532. The sum of ~~-\$4,500,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the City of Ketchikan for the Ketchikan Comprehensive Water Plan, construction of pipelines, reservoirs and pump stations.

\$128,000 WS

* Sec. 535. The sum of ~~-\$160,000~~ is appropriated from the general fund to the Department of Fish and Game for payment as a grant under AS 37.05.316 to the Cook Inlet Aquaculture Association for the Cook Inlet River systems including Port Graham and English Bay lake fertilization and propagation projects.

\$158,400 WS

* Sec. 536. The sum of ~~-\$198,000~~ is appropriated from the general fund to the Department of Health and Social Services for payment as a grant under AS 37.05.316 to the Alaska Youth Advocates for a runaway shelter program in Anchorage for the fiscal year ending June 30, 1987.

Page 104, lines 2 - 5, 7, 9, 10, 15, 16, 18, 20, 21 - 28:

38,658,882 WS

* Sec. 539. The sum of ~~-\$51,655,061~~ is appropriated from the general fund to the Department of Administration for payment as grants under AS 37.05 to the following municipalities for water, sewer and solid waste facilities:

APPROPRIATION	AMOUNT
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WS Akhiok - Sanitary Landfill Relocation	\$ 50,000
	15,000,000 WS
Anchorage - Eklutna Water Project	16,000,000
WS Chuathbaluk - Waste Disposal Improvements	100,000
	3,148,600 WS
Fairbanks - Water and Sewer	3,935,765

HB 574 cont'd

	350,000 WS	
Fort Yukon - Water/Sewer System	450,000	
	1,400,000 WS	
Galena - Water and Sewer System - (Phase II)	1,500,000	
WS Ketchikan - Comprehensive Water Plan Year One:		
Pipelines, Reservoirs/Pump Stations and		
Miscellaneous	4,500,000 WS	
	440,000 WS	
King Cove - Water and Sewer Expansion	759,924	
	800,000 WS	
Kivalina - Water and Sewer Expansion	1,636,200	
	72,700 WS	
Klawock - Sewer Improvements	90,900	
Kodiak Island Borough - Services District I Water/Sewer	1,250,000	1,000,000 WS
		1,250,000
	600,000 WS	
Koyuk - Water and Sewer	718,000	
Page 104, line 29 - Page 105, lines 1, 3, 4, 8 - 15, 17, 19, 20 - 23, 28 and 29:		
Marshall - Water and Sewer System/Safe Water Facility	300,000	250,000 WS
WS Mekoryuk - Waste/Water Disposal Improvements	450,000 WS	
WS Nenana - Water/Sewer, Phase II	2,727,000	1,000,000 WS
WS Nome - Water and Sewer and Related Utilities	300,000 WS	
	1,200,000 WS	
Nulato - Water and Sewer System - (Phase II)	1,400,000	
Quinhagak - Water and Waste Disposal Improvements	300,000	250,000 WS
		300,000
Ouzinkie - Water and Sewer Improvements	663,570	500,000 WS
		663,570
Palmer - Water and Sewer	1,081,700	865,400 WS
		1,081,700
Port Lions - Water and Sewer Renovations	345,420	250,000 WS
		345,420

HB 574 cont'd

St. Mary's Water and Sewer System	500,000 WS
	<u>800,000</u>
Selawik - Water and Sewer	161,772 WS
	<u>761,772</u>
Tununak - Water/Waste Disposal Improvements	750,000 WS
	<u>950,000</u>
White Mountain - Water and Sewer	990,000 WS
	<u>1,454,400</u>

\$ 8,132,060

* Sec. 540. The sum of ~~\$13,404,157~~ is appropriated from the general fund to the Department of Environmental Conservation for payment as grants for capital projects to the following municipalities and unincorporated communities participating in the village safewater program under AS 46.07:

APPROPRIATION	AMOUNT
Aniak - Waste Disposal Improvements	500,000 WS
Atmautluak - Waste Disposal Demonstration Project	40,000 WS

Page 106, lines 2 - 10, 16, 18, 19, 23 - 25:

Buckland - Water and Sewer and Solid Waste	500,000 WS
	<u>691,749</u>
Chignik Lagoon - VSW Project Completion	230,000 WS
	<u>363,600</u>
Egegik - Sewer System	477,400 WS
	<u>642,572</u>
Golovin - Water and Sewer	600,000 WS
	<u>727,200</u>
Glennallen - Water and Sewer	1,000,000 WS
	<u>2,727,000</u>
Hooper Bay - Water, Sewer and Solid Waste	800,000 WS
	<u>1,026,406</u>
Igiugig - Water and Sewer	410,000 WS
	<u>500,000</u>
Iliamna - Sewer and Water	366,400
	<u>423,500</u>
Kalskag - Safe Water Facility	250,000 WS
Metlakatla - Storm Drains	454,500 WS
Newhalen - Sewer System	400,000 WS
	<u>499,000</u>

HB 574 cont'd

Nikiski Landfill	136,350	WS
St. George - VSW Project	300,000	WS
	650,000	
St. Michael - Water and Sewer	1,000,000	WS
	1,216,020	
St. Paul - Water, Sewer and Sanitary Landfill	300,000	WS
	808,000	

Page 107, lines 2 - 5, 7, 9 - 12 and 20 - 26:

\$13,279,650 WS

* Sec. 541. The sum of ~~\$15,333,747~~ is appropriated from the general fund to the Department of Environmental Conservation for payment as grants under AS 46.03 to municipalities for water, sewer and solid waste facilities:

APPROPRIATION	AMOUNT	
Cordova - Copper River Highway Sewer	645,500	WS
	\$ 818,100	
Juneau - City and Borough - Water and Sewer	4,000,000	WS
	5,000,000	
Kenai - Thompson Park Water and Sewer Improvements	562,100	WS
	702,597	
City of Kodiak - Water, Sewer, Solid Waste and Landfill	500,000	WS
	1,250,000	

~~WS * Sec. 543. Section 53, ch. 120, SLA 1980, WS~~
~~page 81, line 7, as amended by sec. 200, ch. 105, SLA 1985~~
~~is amended to read:~~

	APPROPRIATION ITEM	GENERAL FUND	
Alternative Energy Demonstration Projects	400,062	400,062	
WS	[460,900]	[460,900]	WS

Page 108, line 25 - Page 109, line 7:

~~WS * Sec. 550. (a) The sum of \$35,000,000 is appropriated from the general fund to the Alaska Student Loan Fund in the Alaska Student Loan Corporation for student loans. WS~~
~~WS (b) The sum of \$2,000,000 is appropriated from the general fund to the Alaska Student Loan Corporation for a capital reserve fund. WS~~
~~WS (c) The sum of \$2,084,100 is appropriated from program receipts to the Student Loan Corporation for operating the student loan program. WS~~

HB 574 cont'd

~~WS (d) All right, title and interest in loans of the student scholarship loan fund, and all right, title and interest in all loans, notes, and other instruments of security made in connection with those loans are transferred and appropriated to the student loan fund of the Alaska Student Loan Corporation to a maximum of \$300,000,000. WS~~

Page 109, line 10 - Page 110, line 2:

~~WS * Sec. 552. (a) The unexpended and unobligated portions of the appropriations made in secs. 17 and 18, ch. 101, SLA 1982 are repealed and reappropriated to the Department of Revenue for the purpose of paying claims for prior year permanent fund dividends. WS~~

~~WS (b) The appropriation made in (a) of this section is not a one-year appropriation and does not lapse in accordance with AS 37.25.010. WS~~

~~WS * Sec. 553. Section 1, ch. 6, SLA 1983 WS
is amended to read:~~

~~WS Section 1. The sum of \$41,000,000 is appropriated to the Department of Revenue from the Permanent Fund Dividend Fund (AS 43.23.045) to pay for 1982 permanent fund dividends. The unexpended and unobligated portion of the appropriation made by this section lapses into the general fund June 30, 1986. WS~~

~~WS * Sec. 554. Section 32, ch. 107, SLA 1983, page 14 is amended by adding the following after line 11:~~

~~WS The unexpended and unobligated portion of the appropriation made on line 11 lapses into the general fund June 30, 1986. WS~~

~~WS * Sec. 555. Section 4, ch. 44, SLA 1984, is amended to read:~~

~~Sec. 4. The unexpended and unobligated portion of the appropriation made by sec. 2 of this Act lapses into the general fund June 30, 1986. The unexpended and unobligated portion of the appropriation made by sec. 3 of this Act lapses into the dividend fund (AS 43.23.045) June 30, 1985. WS~~

Page 110, lines 3 - 29:

~~WS * Sec. 556. Section 14, ch. 122, SLA 1984, WS
is amended to read:~~

~~Sec. 14. The income of the Alaska permanent fund allocated annually to pay permanent fund dividends as provided in AS 43.23.045(b) is appropriated to the dividend fund (AS 43.23.045(a)) for the payment of the 1984 permanent fund dividend and administrative costs. The unexpended and unobligated portion of the appropriation made by this section lapses into the~~

~~WS general fund June 30, 1986. WS~~

HB 574 cont'd

WS ~~* Sec. 557. Section 15, ch. 122, SLA 1984,~~ WS
is amended to read:

~~Sec. 15. The sum of \$7,985,700 is appropriated to the dividend fund (AS 43.23.045) from the net income of the Alaska permanent fund earned during the fiscal year ending June 30, 1983, for the payment of the 1984 permanent fund dividend. The unexpended and unobligated portion of the appropriation made by this~~
WS ~~section lapses into the general fund June 30, 1986.~~ WS

~~WS * Sec. 558. The sum of \$100,000 is appropriated from the general fund to the Department of Transportation and Public Facilities for the Kenai/ Funny River bridge.~~ WS

\$ 80,000

* Sec. 559. The sum of ~~\$100,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the Kenai Peninsula Borough for Cohoe Loop Road.

~~WS * Sec. 560. The sum of \$250,000 is appropriated from the general fund to the Department of Public Safety for payment as a grant under AS 37.05.316 to the Soldotna Civil Air Patrol squadron.~~ WS

\$120,000

* Sec. 561. The sum of ~~\$150,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the Kenai Peninsula Borough for phase two of the North Fork Road completion.

Page 111, lines 1 - 4, 9 - 23 and 27 - 29:

\$100,000 WS

* Sec. 562. The sum of ~~\$135,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the Kenai-Peninsula Borough for the Ridgeway/Sterling Fire Service Area - firehouse construction.

\$ 88,000 WS

* Sec. 564. The sum of ~~\$110,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the Kenai Peninsula Borough for the Anchor Point Fire Service Area - firehouse construction.

\$50,000 WS

* Sec. 565. The sum of ~~\$90,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the Kenai Peninsula Borough for the Kalifonsky Beach Fire Service Area firehouse construction.

HB 574 cont'd

\$16,000 WS

* Sec. 566. The sum of ~~\$20,000~~ is appropriated from the general fund to the Department of Community and Regional Affairs for payment as a grant under AS 37.05.316 to the Ninilchik Senior Citizen's Center for renovations.

\$15,000 WS

* Sec. 567. The sum of ~~\$20,000~~ is appropriated from the general fund to the Department of Administration for payments as a grant under AS 37.05.315 to the City of Homer for the Homer Senior Citizens Center construction.

~~WS * Sec. 569. The unexpended and unobligated balance of the appropriation made in sec. 286, ch. 50, SLA 1980, page 83, line 22, as amended by sec. 61, ch. 106, SLA 1983 (Navigational aids \$1,475,000) is repealed. WS~~

Page 112, lines 25 - 27:

\$120,000

* Sec. 572. The sum of ~~\$150,000~~ is appropriated from the general fund to the Department of Community and Regional Affairs for payment as a grant under AS 37.05.316 to the Visual Arts Center for building improvements.

Page 113, lines 3 - 5 and 18 - 22:

\$17,800 WS

* Sec. 574. The sum of ~~\$22,300~~ is appropriated from the general fund to the Legislative Affairs Agency for operating expenses during the fiscal year ending June 30, 1987.

\$20,000 WS

* Sec. 578. The sum of ~~\$60,000~~ is appropriated from the general fund to the Department of Commerce and Economic Development, Alaska Power Authority for payment as a grant under AS 37.05.316 to Middle Kuskokwim Electric Cooperative for electric generators in Chuathbaluk, Crooked Creek, and Stony River.

Page 114, lines 17 - 22:

~~WS * Sec. 585. Section 26, ch. 98, SLA 1985, page 101, line 12 is amended to read:~~

	APPROPRIATION	GENERAL
	ITEM	FUND
Municipal revenue sharing	59,592,200	59,592,200
WS	[59,632,200]	[59,632,200]

HB 574 cont'd

Page 115, lines 4 - 9:

\$120,000 WS

* Sec. 589. The sum of ~~\$150,000~~ is appropriated from the general fund to the Department of Transportation and Public Facilities for the Kake seaplane float dock repairs and improvements.

\$160,000 WS

* Sec. 590. The sum of ~~\$200,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the City of Klawock for road improvements.

Page 116, lines 2 - 4 and 9 - 15:

\$ 700,000 WS

* Sec. 597. The sum of ~~\$1,200,000~~ is appropriated from the general fund to the Department of Education for payment as a grant under AS 37.05.316 to Copper River School District for Phase II school construction.

~~WS * Sec. 599. The sum of \$500,000 is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the Fairbanks North Star Borough for road block grant. WS~~

\$1,500,000 WS

* Sec. 600. The sum of ~~\$2,000,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the City of Valdez for the purpose of petroleum property devaluation relief during the fiscal years 1986, 1987 and 1988.

Page 117, lines 3 - 9:

~~WS * Sec. 606. The sum of \$100,000 is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the City of Russian Mission for completion of the multipurpose building. WS~~

\$100,000 WS

* Sec. 607. The sum of ~~\$150,000~~ is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the City of Shageluk for construction of a fire hall.

Page 118, lines 16 - 19:

~~WS * Sec. 618. The sum of \$144,200 is appropriated from the general fund to the Department of Commerce and Economic Development, Alaska Power Authority, for payment as a grant under AS 37.05.315 to the City of Napaskiak for power plant relocation. WS~~

HB 574 cont'd

Page 119, lines 3 - 5:

* Sec. 623. The sum of ~~\$120,000~~ ^{\$100,000} is appropriated from the general fund to the Department of Administration for payment as a grant under AS 37.05.315 to the City of Bettles for a fire hall.

Page 120, lines 1 - 28:

~~WS * Sec. 632. Section 3, page 14, line 18, HCS CSSB 171(Fin) am H, before the Fourteenth Legislature, Second Session, is amended to read:~~

	APPROPRIATION ITEMS	GENERAL FUND	OTHER FUNDS
Central	34,738,600	975,000	33,360,300
Region Aviation	[38,769,600]	[1,378,300]	[37,391,300]
WS			WS

~~WS * Sec. 633. The appropriations made in sec. 3, page 15, lines 18 - 20, HCS CSSB 171(Fin) am H, before the Fourteenth Legislature, Second Session (Anvik Airport apron expansion - \$1,594,000; Crooked Creek Airport improvements - \$1,406,000; and Bethel Airport improvements - \$1,031,000) are repealed. WS~~

~~WS * Sec. 634. Section 3, page 18, line 10, HCS CSSB 171 (Fin) am H, before the Fourteenth Legislature, Second Session, is amended to read:~~

	APPROPRIATION ITEMS	GENERAL FUND	OTHER FUNDS
Northern Region	23,920,000	1,732,000	21,820,000
Aviation	[27,600,000]	[2,100,000]	[25,500,000]
WS			WS

~~WS * Sec. 635. The appropriations made in sec. 3, page 19, lines 7 and 9 (Minchumina Airport Improvements - \$2,280,000, and Rampart Airport Improvements - \$1,400,000) are repealed. WS~~

~~WS * Sec. 636. Section 3, page 26, line 13, HCS CSSB 171 (Fin) am H, before the Fourteenth Legislature, Second Session, is amended to read:~~

	APPROPRIATION ITEM	GENERAL FUND
Thorne Bay - Rainy Lane		
Utilities Phase II (ED 2)	525,000	525,000
	[600,000]	[600,000]
WS		WS

HB 574 cont'd

Page 120, line 29 - Page 121, line 16:

~~WS * Sec. 637. Section 3, page 25, line 20, WS
HCS CSSB 171 (Fin) am H, before the 14th Alaska Legislature,
Second Session, is amended to read:~~

	APPROPRIATION ITEM	GENERAL FUND	
Hydaburg - City Street Upgrade (ED 2)	100,000	100,000	
WS	[50,000]	[50,000]	WS

\$20,000 WS

* Sec. 638. The sum of ~~\$25,000~~ is appropriated from the general fund to the Department of Community and Regional Affairs for payment as a grant under AS 37.05.317 to the community of Klukwan for construction and design of the Bald Eagle Cultural Heritage Center.

~~WS * Sec. 639. Section 3, page 26, line 11, WS
HCS CSSB 171 (Fin) am H, Fourteenth Legislature, Second
Session, is amended to read:~~

	APPROPRIATION ITEM	GENERAL FUND	
Yakutat Road Projects (ED 2)	200,000	200,000	
WS	[100,000]	[100,000]	WS

HB 430

Message dated June 9 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 430 (L&C)
Regulating audiologists, hearing aid
dealers and the dispensing of hearing
aids.

Chapter 131, SLA 1986

SB 472

Message dated June 9 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SB 472 cont'dHOUSE CS FOR CS FOR SENATE BILL NO. 472 (FIN)

Relating to the interim management of the mental health trust; and providing for an effective date.

Chapter 132, SLA 1986

HB 182

Message dated June 9 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 182 (FIN)

Relating to the disposition of unclaimed property.

Chapter 133, SLA 1986

HB 533

Message dated June 9 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE BILL NO. 533

Relating to the issuance of tax-exempt, state-guaranteed revenue bonds by the Alaska Housing Finance Corporation to finance mortgages for qualifying veterans under AS 18.56; and providing for an effective date.

Chapter 134, SLA 1986

SB 150

Message dated June 9 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR CS FOR SENATE BILL NO. 150 (RES)

Making miscellaneous amendments to the Alaska Water Use Act (AS 46.15); establishing procedures for administrative and judicial adjudication of water rights under that Act; and providing for an effective date.

Chapter 135, SLA 1986

HB 506

Message dated June 9 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR SPONSOR SUBSTITUTE
FOR HOUSE BILL NO. 506 (JUD)

Relating to joint insurance arrangements;
and providing for an effective date.

Chapter 136, SLA 1986

HB 305

Message dated June 9 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 305 (L&C) am S

Relating to barbers, hairdressers, and
cosmetologists; and providing for an
effective date.

Chapter 137, SLA 1986

HB 696

Message dated June 9 was received, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 696 (FIN) am S

Relating to financial administration of
state government; the provision of and
charges for state services; accounting
for receipts of state agencies; the sale
of miscellaneous state property; and
the acceptance and deposit of miscellaneous
receipts of state agencies; and providing
for an effective date.

Chapter 138, SLA 1986

HB 63

Veto message received June 9:

Re: SENATE CS FOR CS FOR HOUSE BILL NO. 63 (L&C) am S
Relating to the plumbing code; and providing for
an effective date.

Dear Senator Bennett:

Under the authority of art. II, sec. 15, of the Alaska Constitution, I have vetoed SCS CSHB 63(L&C) am S, relating to the plumbing code.

Although the original version of this bill was introduced by me last year, it has been amended to include a provision that makes it unacceptable. Section 4 of the bill proposes a new AS 18.60.735(b) to provide that a municipality will be liable (1) to a property owner for the cost of removing plumbing installed in compliance with a municipal standard if the plumbing is held to violate a state standard, (2) to a property owner for the cost of replacing the plumbing with plumbing that meets state standards, and (3) to the state for any liability incurred for damages resulting from plumbing methods or materials that meet municipal but not state standards. The bill does not make clear what "violating a state standard" means. Does any deviation from the state-adopted code subject the municipality to liability regardless of the significance of the deviation and regardless of whether the standard is more stringent or safer? Does the answer to that question apply equally to methods and materials? The answers to these questions are not given in the bill.

This potential liability for every difference between state and municipal standards is a matter of grave concern to the municipalities. Since the state must rely on municipal enforcement of appropriate standards, it is necessary to assure that the relationship between the state and municipal requirements is clearly spelled out and that potential liability is fairly placed. I intend to reintroduce my original version of this bill next session.

SJR 40

Message dated June 10 and received June 11, stating the Governor signed the following resolution and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR SENATE JOINT RESOLUTION NO. 40 (JUD) am H
Proposing an amendment to the Constitution
of the State of Alaska relating to annul-
ment of regulations by the legislature.

SB 377

Message dated June 10 and received June 11, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CONFERENCE CS FOR SENATE BILL NO. 377
Relating to civil actions; amending Alaska
Rules of Civil Procedure 49, 52, 58, and
82; and providing for an effective date.

Chapter 139, SLA 1986

SB 187

Message dated June 10 and received June 11, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CONFERENCE CS FOR SENATE BILL NO. 187
Relating to adoption; and providing for an
effective date.

Chapter 140, SLA 1986

HB 321

Message dated June 10 and received June 11, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR HOUSE BILL NO. 321 (FIN) am
Relating to adverse claims and boundary
disputes; and providing for an effective
date.

Chapter 141, SLA 1986

HB 160

Message dated June 10 and received June 11, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR HOUSE BILL NO. 160 (FIN)
Relating to utilities and encroachments
in state airports, public facilities,
and highways; relocation of utilities;
and providing for an effective date.

Chapter 142, SLA 1986

HB 241

Message dated June 10 and received June 11, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 241 (FIN)

Relating to fiscal administration of the University of Alaska; and providing for an effective date.

Chapter 143, SLA 1986

SB 140

Message dated June 10 and received June 11:

Re: CONFERENCE CS FOR SENATE BILL NO. 140
Relating to the rights of the terminally ill;
and providing for an effective date.

Chapter 144, SLA 1986

Dear Senator Bennett:

I have today signed CCS SB 140, on the rights of the terminally ill. I have signed it because I believe that the bill, based on the Uniform Rights of the Terminally Ill Act, as promulgated by the National Conference of Commissioners on Uniform State Laws (NCCUSL), is a significant and worthwhile step in preserving an individual's right to die with dignity and to refuse life-sustaining treatment that would only prolong the agony of dying. The bill provides for what has been called a "living will."

However, during the Alaska Legislature's consideration of this bill, proposed AS 18.12.040(c) was amended to deny this right to a pregnant woman. By deleting the clause that appeared in the original version and in the Uniform Act as promulgated by the NCCUSL -- "unless the declaration provides otherwise" -- the Alaska Legislature has probably rendered the provision unconstitutional. I am advised, however, by the Department of Law that the provision is probably severable from the rest of the bill, so that if it is held invalid, the benefits provided by the rest of the bill could still be given effect.

I firmly support the general concept of this bill, and therefore, have signed it into law.

HB 603

Message dated June 10 and received June 11, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 603 (L&C)
Relating to dispensing opticians; and
providing for an effective date.

Chapter 145, SLA 1986

HB 641

Message dated June 10 and received June 11, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 641 (HESS)
Relating to generic drugs, pharmaceuticals,
and the Board of Pharmacy; repealing the
marijuana therapeutic research program;
and providing for an effective date.

Chapter 146, SLA 1986

HB 627

Veto message dated June 10 and received June 11.

Re: SENATE CS FOR CS FOR HOUSE BILL NO. 627 (RES) am S
Relating to appropriation of water.

Dear Senator Bennett:

Under article II, sec. 15., of the Alaska Constitution, I have vetoed SCS CSHB 627, relating to the appropriation of water. After careful and lengthy review of this legislation by myself personally and all involved state agencies, we have unanimously concluded that the legal problems created by this bill would be so severe that I have no choice but to veto it.

The attorney general has advised me that the major flaw in this bill is that its enactment into law would remove the State of Alaska from compliance with federal water quality law. As a consequence, our goal of state management of the federal permit program for placer mining would be seriously jeopardized. I want the state to assume this program, the legislature wants us to assume this program, and so does our

HB 627 cont'd

congressional delegation. Even more importantly, the mining industry wants us to assume it. In fact, the framers of this legislation wanted the state to assume the program and provided for repeal of portions of the bill once that was accomplished.

We all agree that state assumption of the federal program would provide direct benefits to the industry by making the bureaucracy more efficient; by giving us local, in-state permit processing; and by letting the state set enforcement policy priorities.

If everyone's goal is assumption of the federal permit program as quickly as possible, signing this bill into law is not the best way to accomplish that. Instead, this bill invites, if not compels, greater preemptive federal involvement in water quality management. It is virtually guaranteed to lead us directly to court and keep us there. I don't believe anyone wants that, nor will it help anyone. I fully intend to have the state's application to assume the permitting program ready to go by January. I refuse to jeopardize this commitment by signing a bill that I believe will keep us in court until it's too late to benefit Alaskans.

The other parts of the bill directly related to placer mining would required discharged water to be no cleaner than intake water. Contrary to statements made by some, the state has not and does not require miners to produce water cleaner than Mother Nature's. In addition, no miner will be punished for not cleaning up some other miner's discharges. In the attached directive from myself to my resources commissioners, I am once again making that policy clear and hope that this puts this issue to rest.

Some Alaskans have told me that signing this legislation into law would be perceived as a symbol of my commitment to helping the placer mining industry. I believe that direct action that produces tangible results is preferable. The state should assume a greater role in water quality management, and it doesn't make sense to prevent that in the pursuit of mere symbols. It is not fear of federal intervention that colors my view of this bill. However, I am leery of signing a bill that will only get us involved in needless lawsuits that disrupt our pursuit of our main goal.

This summer's mining season will provide much of the information we need to properly evaluate current water quality rules. State grant projects to research the technology and mining practices needed to increase fine gold recovery, and to reduce water use and pollution will continue. Additionally, the state will be assisting the U.S. Bureau of Mines and the Environmental Protection Agency in field testing a promising chemical flocculant, known as polyethylene oxide (PEO), this summer. This research will

HB 627 cont'd

approaches and technologies to increase profitability and reduce water pollution, and has developed an administrative framework to move the industry toward compliance with law, thus avoiding the possibility of judicial decisions adverse to the industry's survival.

I direct you to continue your efforts to provide technical assistance to the industry, to work cooperatively with each other to relieve administrative burdens and provide responsible regulation, and to communicate with all parties interested in this issue. In particular:

1. The Department of Environmental Conservation (DEC) should actively initiate state assumption of the federal National Pollutant Discharge Elimination System (NPDES) permit program under Section 402 of the Clean Water Act, including preparation of budgetary costs and any needed legislation, to accomplish assumption. I intend to ask the Legislature to authorize state assumption of the NPDES permit program next year.
2. DEC and the Department of Natural Resources should complete the Innovative Demonstration Grant programs that enable working placer miners to research ways to increase fine gold recovery and reduce water pollution. A report should be prepared which analyzes the results of the program and recommends additional areas of promising research. I will propose such additional research needs to the Legislature for their consideration.
3. All three agencies should continue to conduct enforcement actions for the placer industry in line with the intent of Sections 1, 2, and 3(b) of SCS CSHB 627 to require water discharged by a mine to be no cleaner than water received for use. DEC's water quality standards should continue to incorporate natural background conditions in their limits so that it remains the case that no miner need discharge water cleaner than natural conditions.
4. DEC should monitor the Environmental Protection Agency's development of Best Available Technology Economically Achievable (BATEA) effluent limitations for the placer industry due in draft in January 1987. When these draft limits are published, DEC should coordinate an analysis that determines if attainment of BATEA by the industry would put them into compliance with existing water quality standards. If not, then the agencies should specify what additional measures would be necessary to achieve compliance, and should identify any other alternatives which should be considered.
5. All three agencies should work through the Department of Commerce and Economic Development to assist the Alaska Minerals Commission as it considers, among other issues, placer mining. My Administration can provide

HB 627 cont'd

assistance that will enable the Commission to understand the complex issues in this and provide recommendations on how further to aid the industry during this transition period.

I appreciate your attention to this matter and look forward to your progress reports.

cc: Commissioner Loren Lounsbury
Department of Commerce
and Economic Development

SJR 50

Message dated June 20 was received, stating the Governor signed the following resolution and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SENATE JOINT RESOLUTION NO. 50 (RES)
Relating to the incidental catch of high-value fish stocks within the United States exclusive economic zone.

Legislative Resolve No. 56

COMMUNICATIONS

Reports received in the Office of the Senate Secretary:

Alaska Permanent Fund Corporation Monthly
Financial Report, April 1986

Annual Report 1985 from the Department of
Corrections

The Alaska Economy Year-End Performance
Report 1985 from the Department of
Commerce and Economic Development

Annual Report 1985 from the Alaska Bar
Association

SPECIAL COMMITTEES

The President appointed June 13:

SB 468

RAILBELT ENERGY COUNCIL

Senator Faiks
Senator Coghill

(House members are Representatives Cotten and Frank.)

HCR 47

JOINT SPECIAL COMMITTEE ON STATE EMPLOYEE COMPENSATION

Senator Sturgulewski, Chairman
Senator Ray
Senator Josephson

(House members are Representatives Duncan, Larson and Adams.)

SCR 42

JOINT SPECIAL COMMITTEE ON STATE'S TAX POLICY

Senator Ferguson, Chairman
Senator Eliason
Senator Abood

(House members are Representatives Grussendorf, Sund and Martin.)

SCR 36

JOINT SPECIAL COMMITTEE ON MENTAL HEALTH TRUST LAND

Senator Halford, Chairman
Senator Fahrenkamp
Senator Paul Fischer

(House members are Representatives Pourchot, Gruenberg and Pignalberi.)

SR 10

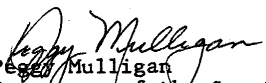
SENATE SELECT COMMITTEE ON STATE LICENSING PROCEDURES

Senator Bennett, Chairman
Senator Rodey
Senator Kelly

INDEX TO VETOED AND REDUCED BILLS IN 1986

<u>TITLE</u>	<u>Action</u>	<u>Page</u>
<u>HOUSE CS FOR CS FOR SENATE BILL NO. 171</u>	Item	2999
<u>(FIN) am H</u>	Veto	-
Making special appropriations for capital projects; and providing for an effective date.		3013
<u>HCS FOR CS FOR SENATE BILL NO. 269</u>	Veto	2974
<u>(JUD)</u>		
Relating to cabins on state land; and providing for an effective date.		
<u>SENATE CS FOR CS FOR HOUSE BILL NO. 63</u>		
<u>(L&C) am S</u>		
Relating to the plumbing code; and providing for an effective date.	Veto	3043
<u>SENATE CS FOR CS FOR HOUSE BILL NO. 407</u>	Veto	2980
<u>(RES)</u>		-
Relating to the use of, and certain reports and records concerning game animals.		2982
<u>CONFERENCE CS FOR HOUSE BILL NO. 500</u>	Item	3013
Making appropriations for the operating and loan program expenses of state government; and providing for an effective date.	Veto	-
Governor's letter on page 2999		3017
<u>SENATE CS FOR CS FOR HOUSE BILL NO. 574</u>	Item	3018
<u>(FIN)</u>	Veto	-
Making, amending, transferring and repealing operating and capital appropriations; and providing for an effective date.		3040
Governor's letter on page 2999		
<u>CS FOR HOUSE BILL NO. 606 (FIN) am</u>	Veto	2982
Relating to art in public places; and providing for an effective date.		
<u>SENATE CS FOR CS FOR HOUSE BILL NO. 627</u>	Veto	3046
<u>(RES) am S</u>		-
Relating to appropriation of water.		3048

This final supplement of the Senate Journal completes the official record of the Second Session, Fourteenth Legislature.


Peggy Mulligan
Secretary of the Senate