

22ND ALASKA STATE LEGISLATURE
1ST SESSION
HOUSE SENATE CONFERENCE COMMITTEE
HB 103/HB 104
MAY 6, 2001
7:51 P.M.

TAPE CC103 01 - 8, SIDE A

CALL TO ORDER

Chair Mulder called the Conference Committee meeting to order at 7:51 p.m.

PRESENT

House:

Representative Eldon Mulder, Chair
Bill Williams, Member
John Davies, Member

Senate:

Senator Dave Donley, [Vice-Chair, pending election]
Senator Pete Kelly, Member
Senator Lyman Hoffman

ALSO PRESENT

David Teal, Director, Legislative Finance Division; Janet Clarke, Director, Division of Administrative Services, Department of Health and Social Services; Jerry Burnett, Staff, Senator Green; Karen Rehfeld, Director, Division of Education Support Services, Department of Education and Early Development.

SUMMARY

#hb103

#hb104

CS FOR HOUSE BILL NO. 103(FIN)(brf sup maj fld)

"An Act making appropriations for the operating and loan program expenses of state government, for certain programs, and to capitalize funds; and providing for an effective date."

CS FOR HOUSE BILL NO. 104(FIN)

"An Act making appropriations for the operating and capital expenses of the state's integrated comprehensive mental health program; and providing for an effective date."

and

SCS CSHB 103(FIN)(BRF SUP MAJ FLD S)

"An Act making appropriations for the operating and loan program expenses of state government, for certain programs, and to capitalize funds; and providing for an effective date."

SCS CSHB 104(FIN)(BRF SUP MAJ FLD S)

"An Act making appropriations for the operating and capital expenses of the state's integrated comprehensive mental health program; and providing for an effective date."

HB 103 and HB 104 were HELD in Committee for further consideration.

All open items

[Meeting tapes and motion sheets are available through the Legislative Library, 465-3808.]

Senator Donley MOVED to reopen item 2: Department of Administration, Centralized Administrative Services, Finance (see motion sheets). There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT the House number for item 2, Department of Administration. There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to reopen item 17: Department of Administration, Information Technology Group (see motion sheets). There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT the House number for item 17, Department of Administration. There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT the House number for item 18, Department of Administration (see motion sheets). There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT the Senate number for item 3: Department of Community and Economic Development, Safe Community Programs (see motion sheets).

Senator Donley MOVED to reopen item 11: Department of Community and Economic Development, Regulatory Commission of Alaska. There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT the Senate number for item 11: Department of Community and Economic Development (see motion sheets).

Senator Donley MOVED to reopen item 6: Department of Corrections, Investments. There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT the Senate number for item 6 plus \$90.5 thousand dollars and replace with PERMANENT FUND DIVIDENDS felon funds, Department of Corrections (see motion sheets). There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to reopen item 6: Department of Education and Early Development, Teaching and Learning Support. There being

NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT the House number for item 6: Department of Education and Early Development (see motion sheets). There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT the Senate number plus \$130 thousand dollars for item 14, Department of Education and Early Development (see motion sheets). Representative Davies pointed out that the appropriation would be significant below the base budget. Senator Donley noted that legislation in the House contains \$484.4 thousand dollars, which would bring the total to \$612 thousand dollars, which is more than is contained in the House budget. Senator Hoffman observed that the funds in the House are not renewable funds; therefore their base would be reduced in FY04. There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT the proposed conference committee amounts for the Department of Environmental Conservation (see motion sheets). There being NO OBJECTION, it was so ordered.

DAVID TEAL, DIRECTOR, LEGISLATIVE FINANCE DIVISION pointed out that there are structural changes in items 8 and 10.

Senator Donley MOVED to ADOPT the House structures for items 8 and 10 in the Department of Environmental Conservation. There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT Senate Intent Language for the Department of Environmental Conservation (see motion sheets). There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to close the Office of the Governor. There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT the proposed conference committee amounts for the Department of Public Safety (see motion sheets). There being NO OBJECTION, it was so ordered.

Representative Davies clarified that item 3 is funded at \$50 thousand dollars from the Investment Loss Trust Fund.

Senator Donley pointed out that there would be funding for additional brown and blue shirts [troopers].

Senator Donley MOVED to ADOPT the Senate number for item 1 in the Department of Transportation and Public Facilities, Commissioner's Office (see motion sheets). Representative Davies OBJECTED. He pointed out that Commissioner's Office is relatively small for the size of the operation. He stressed that it is a core function of administration as required by the federal Highway Act, which must be funded through general funds. He maintained that contractors would be affected.

A roll call vote was taken on the motion to adopt the Senate

number for item 1 in the Department of Transportation and Public Facilities, Commissioner's Office.

IN FAVOR: Senate: Kelly, Donley
House: Mulder, Williams
OPPOSED: Senate: Hoffman
House: Davies

The MOTION PASSED.

Senator Donley MOVED to reopen item 13: Department of Transportation and Public Facilities, Statewide Highways and Aviation Maintenance Needs. There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT the House number for item 13: Department of Transportation and Public Facilities (see motion sheets). There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT the proposed Senate numbers for item 18: the Department of Transportation and Public Facilities, Marine Highway System. There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT Intent Language for the Department of Transportation and Public Facilities item 19:

It is the intent of the legislature that the 3% general fund reduction in Administration and Support, incite more efficient administrative functions and be spread amongst all administrative components within the appropriation.

Representative Davies OBJECTED. He maintained that the intent language was unrealistic, given the amount of money appropriated to the department.

A roll call vote was taken on the motion to adopt item 19 in the Department of Transportation and Public Facilities.

IN FAVOR: Senate: Kelly, Donley
House: Mulder, Williams
OPPOSED: Senate: Hoffman
House: Davies

The MOTION PASSED.

Senator Donley MOVED to ADOPT Intent Language for the Department of Transportation and Public Facilities item 20:

Since the Operating Budget appropriations substantially fund the current level of operations for highway and aviation maintenance, it is the intent of the Legislature that the spring road openings be maintained at the FY01 level. Since continued operation of the functioning maintenance stations is included in FY01 operating plan, it is the intent of the

Legislature that they remain open during FY02. The appropriation for Highways and Aviation shall lapse into the general fund on August 31, 2002.

There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT Intent Language for the Department of Transportation and Public Facilities item 21:

The Department is projecting the depletion of the fund prior to the end of the 02 fiscal year and anticipates that there may be a need to reduce services if that amount is not funded. It is the intent of the Legislature that the Department should take measures to reduce operating costs and increase revenues. If those measures do not allow for the projected 293 to 298 weeks of service, the Department should request a supplemental appropriation.

Representative Davies thought that the item was under-funded but did not object for a vote. There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT the House amounts for Language Section item 3 (see motion sheets). There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT Language Section item 4: \$12,372 million for Learning Opportunity Grants (see motion sheets). There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT the House language for Language Section item 5 and change the fund source from AHFC receipts to general funds (see motion sheets). There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT the House language for Language Section item 11 (see motion sheets). There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT the House language for item 13, language section (see motion sheets). There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT Language Section item 15:

No money appropriated in this section may be used to pay the costs of personal services due to reclassifications of job classes during the fiscal year ending June 30, 2003.

Representative Davies OBJECTED and spoke against the adoption of Language Section item 15.

A roll call vote was taken on the motion to adopt Language item 15.

IN FAVOR: Senate: Kelly, Donley
House: Mulder, Williams
OPPOSED: Senate: Hoffman
House: Davies

The MOTION PASSED.

Senator Donley MOVED to ADOPT Language Section item 16: Medical Assistance.

Representative Davies OBJECTED. He maintained that the language was inappropriate in respects to the constitutional rights of the people of Alaska. Chair Mulder emphasized that the language is a compromise and does not hold the Department of Health and Social Services budget hostage.

A roll call vote was taken on the motion to adopt Language Section item 16.

IN FAVOR: Senate: Kelly, Donley
House: Mulder, Williams
OPPOSED: Senate: Hoffman
House: Davies

The MOTION PASSED.

Senator Donley MOVED to ADOPT Language Section item 17: Medicaid Funds.

Representative Davies OBJECTED.

A roll call vote was taken on the motion to adopt Language Section item 17.

IN FAVOR: Senate: Kelly, Donley
House: Mulder, Williams
OPPOSED: Senate: Hoffman
House: Davies

The MOTION PASSED.

Senator Donley MOVED to reopen the Language Section with the purpose of amending item 15. He MOVED to add "except those specifically budgeted" on line 3, after "2002".

Senator Donley MOVED to ADOPT Language Section item 15 as amended. Representative Davies maintained his objection.

A roll call vote was taken on the motion to adopt Language Section item 15 as amended.

IN FAVOR: Senate: Kelly, Donley
House: Mulder, Williams
OPPOSED: Senate: Hoffman
House: Davies

The MOTION PASSED.

Senator Donley MOVED to close the Language Section. There being NO OBJECTION, it was so ordered.

RECESSED

The Conference Committee recessed at 8:30 p.m.

RECONVENED

The Committee reconvened at 1:03 a.m.

Senator Donley MOVED to reopen the Department of Administration, item 17. There being NO OBJECTION, it was so ordered. Senator Donley MOVED to ADOPT the Senate number on item 17. There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to close the Department of Administration. There being NO OBJECTION, it was so ordered.

Senator Donley MOVED to ADOPT the Fiscal Notes as amended on the fiscal note spreadsheet (copy on file.) [HB 132: Legal and Advocacy was reduced from \$100 to \$85 thousand dollars; HB 172: a new line item was added for Legal Advocacy for \$240 thousand dollars; and HB 179: new line item for Legal Advocacy for \$49 thousand dollars.] Chair Mulder clarified that the fund sources would be general funds.

Representative Davies OBJECTED. He noted the absence of several fiscal notes from the list. pointed out that the Department of Natural Resources fiscal note for \$65 thousand dollars accompanying HB 96 was not listed. He noted that HB 177 was in the Senate Rules Committee and contained \$70.8 thousand dollars for Alaska Public Officers Commission. Senate Bill 149 [Department of Administration, Retirement for \$50 thousand dollars], which was scheduled on the House floor was not contained.

Representative Davies added that the fiscal note list for SB 105 was missing the note for the Department of Law. Chair Mulder pointed out that the notes were received late. Representative Davies pointed out that if the legislation were to pass that the [Victim's Rights] Office would be delayed a year. The legislation calls for victim's restitution.

Representative Davies discussed SB 137. He observed that only not \$2,868.9 of the \$4,553.8 million dollars would be directed to the University of Alaska.

Representative Davies referred to SB 145. He pointed out that there should be \$68.9 general funds in addition to \$125 thousand dollars in other funds.

Senator Donley MOVED to amend the fiscal note appropriations: SB 105 - increase 47.0 to \$200 thousand dollars and change the appropriation from the Department of Corrections to the Department of Law; SB 145 - add \$69.8 thousand dollars for the Department of Corrections. Chair Mulder observed that the appropriations would be general funds. There being NO OBJECTION, it was so ordered.

Mr. Teal noted that the Legislative Finance Division would follow the fiscal notes as closely as possible to locate the correct fund source.

HB 103 and HB 104 were HELD in Committee for further consideration.

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ADJOURNMENT

The meeting was adjourned at 1:30 a.m.