

MINUTES
SENATE FINANCE COMMITTEE
March 30, 2001
9:16 AM

TAPES

SFC-01 # 58, Side A
SFC 01 # 58, Side B

CALL TO ORDER

Co-Chair Dave Donley convened the meeting at approximately 9:16 AM.

PRESENT

Senator Dave Donley, Co-Chair
Senator Jerry Ward, Vice Chair
Senator Loren Lemam
Senator Lyda Green
Senator Gary Wilken
Senator Alan Austerman
Senator Lyman Hoffman
Senator Donald Olson

SUMMARY INFORMATION

HB 103-APPROP: OPERATING BUDGET
HB 104-APPROP: MENTAL HEALTH BUDGET

The Committee heard from the following subcommittees: Department of Natural Resources, Department of Military and Veterans Affairs, Department of Labor and Workforce Development, Department of Transportation and Public Facilities, Department of Corrections, Department of Administration, and Department of Health and Social Services. The subcommittee recommendations were adopted and the bill was held in Committee.

#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."

Department of Natural Resources

Senator Lemman, Chair
Senator Phillips
Senator Torgerson
Senator Pearce
Senator Lincoln

Senator Lemman noted the larger membership of this subcommittee is due to the "diversity of issues" and their importance to the state.

Senator Lemman reminded of the previous year allocation to this department of \$68.6 million of which \$37,371,100 were general funds. He informed that the governor requested a greater than \$2 million increase for FY 02 and that the co-chair of this Committee, Co-Chair Donley, instructed the subcommittee to provide an allocation of \$37.5 million general funds. Senator Lemman reported the subcommittee is giving an actual recommendation of \$37,252,500. He noted that this amount is below the limit, but cautioned against planning other uses for the remaining funds saying there might be need for adjustments within this department.

Senator Lemman continued that the subcommittee recommendation increases the department's budget by \$2.1 million, although the general fund allocation is reduced.

Senator Lemman expressed that the budget recommendations are consistent with his and other members of the subcommittee's goals. He shared that these goals are to streamline government and to allow the department to pursue its mission to develop Alaska's land and water resources.

Senator Lemman listed the subcommittee recommendations as follows.

- Approve all Line Item Transfers, position adjustments, transfers in and transfers out, One Time Items, and the FY 01 salary increases.
- \$825,000 increase at the request of the Division of Oil and Gas to address vacancy, recruitment and retention of technical personnel - part of this increase was funded

with AHFC receipts.

- Approve \$300,000 general fund increment to Water Development as part of the solution to retool the water permitting program. In anticipation of statutory and regulatory changes, language is recommended that will appropriate I/A receipts from the Federal Non-Point Source pollution funds in the Department of Environmental Conservation. This funding will relieve general fund pressure in this division for FY 02. It may be necessary to supplement this funding with \$90,000 general fund match.
- Authorizing \$248,000 from the State Land Disposal Income Fund to enable the Division of Mining, Land and Water to survey new subdivisions and offer new land sales.
- Authorizing \$280,000 in timber receipts to support value-added timber sales.
- Including language allowing the Department of Natural Resources to receive federal receipts for fire suppression activities above the budgeted level, if necessary.
- Including language allowing the Department of Natural Resources to attempt a pilot project in preparation for this year's fire season. After further consulting with the department, my recommendation to the Committee is that we make this an FY 02 fire season (April 15, 2002 - June 15, 2002).
- Replacing \$103,600 general funds with AHFC Dividends in the Fairbanks Office Building Chargeback component.

Senator Leman next listed the items requested in the governor's budget but not recommended by the subcommittee.

- \$75,000 general funds for cartographer in Information Resource Management (House did not fund)
- \$57,500 general funds for position to increase computer support/Interdepartmental Data Processing Chargeback (House did not fund)
- \$160,000 general funds for Park Ranger in Wood-Tikchik State Park (House did not fund)
- \$350,000 general funds for Mobile Initial Attack Force 20 PPT state positions (House did not fund)
- Computer support
- Park ranger
- Mobile initial attack force

Senator Olson asked for further information regarding aircraft

leasing maintenance.

Senator Leman responded that he had little knowledge of this matter.

Senator Olson stated that he had no knowledge either and suggested that more research should be done before approving leasing such aircraft.

Senator Leman assured that action would not occur before the next fiscal year. He noted that other states have used these aircraft and have been satisfied. He stated he would share the information that he does have.

Co-Chair Donley suggested that in the time before this program begins Senator Olson would have an opportunity to work with the department.

Senator Austerman expressed appreciation to the Division of Legislative Finance for the fiscal analyst's assistance with developing the budgets for the departments which he chaired the subcommittees.

Department of Military and Veterans Affairs

Senator Austerman, Chair
Senator Phillips
Senator Therriault
Senator Wilken
Senator Davis

Senator Austerman shared that the governor requested \$1.12 million over the amount allocated in FY 01. Included in the governor's request, Senator Austerman listed 14 vacant positions.

Senator Austerman relayed concerns regarding \$200,000 general funds for disaster planning and the state's emergency coordination, which he noted the House of Representatives approved. He stated that the subcommittee does not recommend this item and instead recommends utilizing these funds in various other projects.

Senator Austerman described how the subcommittee otherwise allocated the \$200,000 general funds in its recommendation. He stated that \$21,000 would be spent for grants, \$19,000 would replace a reduction in oil and hazardous material response funding, and \$140,000 would fully fund the increases to the food service costs for the youth academy.

Senator Austerman compared the FY 01 general fund allocation of \$7.7 million to the \$8.3 million FY 02 general fund limit imposed by the Senate Majority, and the \$8.4 million general fund budget approved by the House of Representatives. He stated that while the subcommittee recommendation is \$37,400 less than the House of Representative's allocation, the amount is \$478,000 above the limit established by the Senate Majority.

Senator Leman asked if the intent of the funding request for the state emergency coordination center is for 24-hour operation.

Senator Austerman affirmed.

Senator Leman asked if the subcommittee chair had considered using contracted services to operate the system.

Senator Austerman explained the "Christmas tree" method employed by two private corporations in relaying phone calls in a pyramid fashion. He learned that this type of system is in operation on the Kenai Peninsula and noted that the subcommittee had contacted representatives for feedback. He stated that according to the Department of Military and Veterans Affairs, there is no guarantee that contact would be made with the correct parties during an emergency. He said this is because there is no method of checking that the intended parties were contacted. He remarked that the subcommittee was still considering private contracting as a possibility because it is less expensive.

Department of Labor and Workforce Development

Senator Austerman, Chair
Senator Torgerson
Senator Elton

Senator Austerman detailed the differences between the governor's request of \$986,000 for 12 new positions and the subcommittee recommendation for the FY 02 Department of Labor and Workforce Development operating budget.

Senator Austerman relayed the two items that differ from the House of Representative's version:

- A fund change of \$90,000 from general funds match to STEP funds in Employment Services
- A \$90,000 increment of general funds for Vocational Rehabilitation.

Senator Austerman stated the subcommittee's allocation

recommendation is the same amount as approved by the House of Representatives and also meets the allocation limit issued by the Senate Majority.

Senator Austerman noted that the general fund allocation recommended by the subcommittee for FY 02 is less than the amount allocated in FY 01. He explained this is primarily the result of provisions from HB 387 of the twenty-first legislative session that shifted funds from the Occupational Safety and Health Administration (OSHA) funds and workers compensation funds.

Department of Public Safety

Senator Austerman, Chair
Senator Green, Vice-Chair
Senator Cowdery
Senator Taylor
Senator Lincoln

Senator Austerman detailed three changes

- Under Alaska State Trooper Detachments \$250,000 was approved with I/A receipts from the governor's budget.
- Under Fish and Wildlife Protection \$250,000 was approved with I/A receipts from the governor's budget.
- An additional \$140,000 was approved from the general fund to go toward funding another state trooper.

Senator Austerman spoke of a question raised by Senator Robin Taylor regarding interagency receipts and the governor's use of aircraft belonging to the Department of Public Safety. Senator Austerman informed that flight logs indicate two-thirds of the use of the aircraft stationed in Juneau has been for transporting the governor instead of conducting Alaska State Trooper business. He cited a figure of \$800 per hour as the cost of using and maintaining this aircraft. He calculated the total cost for the governor's use to be over \$600,000. He referenced an interagency (I/A) receipt agreement between the Office of the Governor and the Department of Public Safety whereby \$155,000 was provided for these expenses. Therefore, he stated, the aforementioned subcommittee recommendations provide the remaining funds to cover the expenses.

Senator Austerman addressed the \$140,000 increment for new Alaska State Troopers and Wildlife Protection Officers explaining that the subcommittee recommends additional positions over the number approved by the House of Representatives.

Senator Austerman pointed out the \$790,000 general fund increase over the FY 01 appropriation in the FY 02 subcommittee recommendation and compared this to the \$5 million increase requested by the governor.

Senator Lemman noted the Senate Majority-provided allocation limit was exceeded by exactly \$140,000, which he noted is the same amount as the additional state trooper positions item. He asked if this was deliberate.

Senator Austerman stated that it was not and explained the total cost of the additional trooper positions is approximately \$600,000 and that the I/A receipts transferred from the Office of the Governor are used to offset all but \$140,000 of that expense.

Senator Lemman next asked whether the I/A receipts from the Office of the Governor budget could be increased by \$140,000 to cover the entire cost of the additional positions.

Senator Austerman answered that it could be done.

Senator Lemman wanted to know if this would be reasonable using the calculations for the aircraft usage.

Senator Austerman responded that it would depend upon the calculation of the number of hours the aircraft was used by the Office of the Governor versus the cost of operation.

Senator Wilken asked how many positions are included in the personnel increase.

Senator Austerman replied the increase would consist of four Fish and Wildlife Protection Officers "brown shirts" and three Alaska State Troopers "blue shirts" using general funds and five Alaska State Troopers using federal funds totaling 12 new positions.

Senator Olson asked the total amount of aircraft owned by the department and how many of those are helicopters.

Senator Austerman estimated there to be 46 aircraft and five helicopters.

Senator Olson asked what happens with attrition due to accidents and if the department could purchase replacements under the provisions of this budget.

Senator Austerman replied that this budget does not contain funds for new acquisitions or replacements.

Co-Chair Donley explained that the department obtains aircraft in several ways: confiscation, "gifts" from the federal Drug Enforcement Administration, purchases through the capital budget, and contractual purchases. He offered to work with Senator Olson over the interim to further detail this matter as he stated the Committee could benefit from Senator Olson's expertise regarding aircraft. Co-Chair Donley clarified that funds to purchase an aircraft would be capital budget expenditure.

Senator Austerman was reminded of conversations with the Department of Fish and Game about the contractual purchase of aircraft, and it was determined the item would be a capital expenditure.

Senator Green referenced funding for additional personnel other than public safety officers.

Co-Chair Donley expounded the subcommittee recommendation includes funding for two additional positions in the crime lab for the DNA database development.

Senator Austerman noted this item was inserted when the budget was being considered in the House of Representatives.

Senator Green commented the number of additional personnel in this department is "impressive".

Department of Transportation and Public Facilities

Senator Ward, Chair
Senator Cowdery
Senator Taylor
Senator Hoffman

Senator Ward stated the subcommittee recommendation replaces one-time funding used for salary increases. He noted the recommendation "added capital improvement projects receipt authority request" to better account for indirect costs of the federal capital projects.

Senator Ward informed that the recommendation includes increments for state general funds to match federal capital improvement project (CIP) funds for the purpose of increasing engineer's salaries to improve retention and recruitment.

Senator Ward continued that the recommendation adds general funds for increased rural airport maintenance in both the Central and Northern Regions.

Senator Ward noted the subcommittee recommendation replaces the public building funds and highway working capital funds with general funds for highway station maintenance.

Senator Ward stated the recommendation grants the additional positions requested for the Ted Stevens International Airport in Anchorage and the Fairbanks International Airport.

Senator Ward listed the inclusion of Alaska Marine Highway receipt authority in the subcommittee recommendation.

Senator Ward stated the recommendation reduces the general funds in the Administration and Support appropriation by three-percent.

Senator Ward read intent language recommended by the subcommittee, "It is the intent of the legislature that three-percent general funds reduction in Administration and Support [undecipherable] more efficient administrative function and be spread amongst all administrative [undecipherable] with this appropriation."

Senator Ward informed that the recommendation also transfers funding of 14 positions from the Southeast Region Facilities to the Department of Administration allocating for the administration of the state facilities located in the region. He noted this fund transfer was requested.

Senator Ward cited the total appropriation as \$327,510,500. He noted the Senate Majority target was \$97,451,000 general funds and the subcommittee recommended an allocation of \$97,430,900, which is \$20,000 below the limit. He also pointed out that enough state matching funds are included to secure all available federal funds.

Department of Corrections

Senator Ward, Chair
Senator Cowdery
Senator Therriault
Senator Lincoln

Senator Ward told that the subcommittee created a new appropriation category for the Division of Institutions, and recommends transferring funding for the director's office of this division into that component.

Senator Ward noted the subcommittee recommendation also moves the out-of-state contracts into the funding component for the Division of Institutions, Director's office. He explained this is primarily the private prison facility in Arizona, which currently houses some

Alaskan inmates for the state.

Senator Ward stated that the subcommittee also recommends funding the Point Mackenzie Farm Program under a new Budget Request Unit (BRU).

Senator Ward noted the subcommittee recommends creating a new BRU for the Parole Board and reduce funding for travel by the board.

Senator Ward shared that the recommendation reduces the Administration and Operations BRU by 1.5 percent. He stated the intent is the reduction would be absorbed within the various institutions through identification and implementation of efficiencies.

Senator Ward stated the recommendation eliminates funding for positions including a strategic planner, a court monitor, the Alaska Judicial Council special assistant and the legislative liaison.

Senator Ward pointed out the subcommittee recommendation increases funding from the amount approved by the House of Representatives for the Sixth Avenue Jail. He relayed that the department "made the case" that the facility would be unable to begin operations as scheduled with the amount of funding provided by the House of Representatives. He stated that this appropriation would allow the department to consolidate the majority of the prison population in Anchorage as opposed to transferring inmates to outlying facilities, including the private prison in Arizona. He noted the subcommittee recommends fully funding the facility for six months compared to the four months of funding proposed by the House of Representatives.

Senator Ward announced the subcommittee's recommended allocation for the department is a total of \$173,526,600. Of this amount, he listed the general funds comprise \$145,251,600 and the limit imposed by the Senate Majority is \$146,001,000. He stated that the subcommittee allocation is \$848,400 below the limit.

Senator Hoffman asked the cost to operate the Sixth Avenue Jail for six months.

Senator Ward responded the recommendation appropriates an additional \$200,000 to the \$400,000 recommended by the House of Representatives. He stressed that by opening the Anchorage facility on schedule, fewer Alaskan inmates would need to be housed in Arizona.

Senator Hoffman wanted to know the system-wide "vacancy factor" as submitted by the department.

Senator Ward stated that the department estimates the projected growth at three-percent, which he remarked is not the growth rate "that the subcommittee gave them." He said the subcommittee anticipates a lower growth rate.

Senator Olson asked the cost of the contracts with private prison corporations and asked if the state contracted any facilities other than the one located in Florence, Arizona.

Senator Ward replied that the Arizona prison is the one the state has contracted with. He listed the total appropriation for this contract is approximately \$20 million. He pointed out that the department and the subcommittee forecast a lower amount for this facility once inmates are transferred from Arizona to the Sixth Avenue Jail. He noted that not all inmates housed out of state would be returned.

Senator Austerman asked if the subcommittee had a discussion about whether the opening of the Anchorage facility would eliminate the need to house any inmates in the private Arizona prison. He understood there to be a significant turnover rate in the inmates at the Arizona facility, partly due to court activities. He asked if the Sixth Avenue Jail facility would reduce the amount of travel and transfer costs to and from Arizona.

Senator Ward stated that testimony presented by the department assures him that placing all institution funding in the new BRU, would allow the department to limit inmate transfers to the Arizona facility to convicts with over six months of their sentences remaining. He stressed that it would still be necessary to send some inmates to the private facility after the opening of the Anchorage jail. He shared that an application has been submitted to the court requesting the state be released from the provisions in the Cleary vs. State of Alaska ruling. He remarked that funding for correctional institutions has increased since this court decision was issued.

Senator Hoffman shared that there have been complaints there have been no increases for contract jails for five years and asked how the subcommittee recommendation addressed this.

Senator Ward responded, "It doesn't really do very much." He elaborated that the contract jails across the state are "at very best a status quo". He stressed the subcommittee had many discussions on the issue as well as the need to address capital

improvements to these contract jails. He shared that according to maintenance reports, these facilities are no longer sufficient and that the conditions are resulting in increased operational costs. He indicated that he plans on addressing, in the capital budget, the matter of bringing the facilities up to state and federal requirements. He remarked that further consolidations are not possible until these facilities are brought up to the necessary standards.

Senator Hoffman added that the communities operating these contract jails are facing increased operational costs of ten-percent over the past five years in addition to increased payroll expenses. He stressed that these communities complain that housing these inmates is the responsibility of the state but the communities are instead subsidizing the costs.

Senator Ward did not disagree with Senator Hoffman's statements, but stressed that the funds "were allocated in such a manner that they have enough funds to operate the community jails right now." Senator Ward admitted that this does not eliminate the need for capital funds to address the condition of the facilities. He suggested that general obligation bonds was one mean in which to generate the necessary funds.

Senator Austerman asked for clarification of "status quo" in the funding of the operating costs of the community jails. He wanted to know if the House of Representatives increased the allocation.

Senator Ward answered that the governor's budget requested \$400,000 and the House of Representatives provided a \$200,000 increment. He noted that subcommittee recommends a \$200,000 allocation less the 1.5 percent reduction for administration and operating expenses. He stressed that even the full amount does not address the situations in some jails of doors falling off hinges and other maintenance problems.

Department of Administration

Senator Ward, Chair
Senator Taylor
Senator Elton

Senator Ward stated the subcommittee recommendation for the FY 02 operating budget provides a 1.1 percent increase of \$1,644,000 general funds, which he said totals \$150,996,600. He noted the Senate Majority imposed allocation limit is \$151 million and the subcommittee recommendation is \$3,400 below that amount.

Senator Ward informed that available federal receipts had increased by 20.3 percent in the amount of \$1,589,000, bringing the total of federal receipts to \$9,404,100.

Senator Ward remarked that other funding sources increased by 1.9 percent in the amount of \$2,193,000, totaling \$118,840,400 in other funds.

Senator Ward listed the total funding increase from the FY 01 allocation to be \$279,241,100.

Senator Ward noted that all costs of the negotiated labor contracts held the previous year are included in the subcommittee's recommendation. He explained that one-time labor costs have been replaced with general funds, totaling approximately \$599,300.

Senator Ward gave the subcommittee's recommendation to accept all agency transfers as requested, which is a \$1,092,000 general fund increase to the Department of Administration. He elaborated that this completes the reorganization of public facilities programs from the Department of Transportation and Public Facilities to the Department of Administration. He pointed out the Department of Administration received a net increase of 19 full-time, five part-time, and one temporary positions.

Senator Ward listed information shown on the subcommittee report as follows.

Retirement and Benefits:

\$713,900 Additions to the Division of Retirement and Benefits for various systems enhancements and increases due to retiree and benefit programs (other funds)

Group Health Insurance:

\$ 53,800 Increase for retirement systems litigation (other funds)

State Owned Facilities:

\$148,800 State Owned Facilities Public Building Operations Costs (other funds)

Alaska Longevity Programs Management:

\$604,500 Upgrade Pioneer's Homes Nurses, Nurses Aide or Nurses Assistant positions (Alaska Housing Finance Corporation (AHFC) dividends)

Senior Services: \$774,100 general funds; \$1,589,300 federal receipts; \$959,600 other funds

\$444,400 Assisted Living Rate Increase (general fund portion) (partial funding of \$572,400)

\$118,400 Improve Medicaid Waiver processing (general fund portion)

\$100,000 Long Term Care Ombudsman Position (general funds)
\$100,000 Assisted Living Licensing (general funds)
\$564,300 Grants to Support Family Caregivers (federal receipts)
\$100,000 Robert Wood Johnson Foundation Grant Award (other funds)
\$708,600 Increases for substance abuse treatment for seniors, innovative respite, family caregiver support, ADRD training for in-home providers, and adult day quality improvements (other funds)
\$120,000 Increase grants to fund additional cost for Senior Employment statewide
Alaska Oil and Gas Conservation Commission:
\$500,100 Increases for lease costs, database development, implementation, data management, and administrative costs as well as funding for engineer and geologist salaries (other funds)
Office of Public Advocacy:
\$250,000 Increase for Child in Need of Aid caseload (general funds)
\$100,000 Trust Fund Accounting (other funds)
Department of Motor Vehicles: Structural changes made to the leases through individual appropriations for Anchorage area DMV leases. Transfers from within the Leases Appropriation will fund the new appropriations and no new funding is included.
\$118,500 Private Partner Audits (AHFC dividends)
\$200,000 Replace one-time funding of Investment Loss Trust Funds (ILTF)-non contract costs (AHFC dividends)
\$170,000 Polaroid Contract Increase (general funds)

Senator Leman inquired about the transfer of personnel from the Department of Transportation and Public Facilities. He remembered 14 positions reported in the Department of Transportation and Public Facilities, but noted the Department of Administration reports 25 positions.

Senator Ward replied that the same number of positions transferred from the Department of Transportation and Public Facilities would transfer to the Department of Administration. He added that the Department of Administration would be attempting to reduce maintenance cost by consolidating efforts and these savings should be reflected in the next year's budget.

Senator Lemman next asked if the Department of Administration discussed the cost of upgrading the outside of State Office Building in Juneau and whether this work could be performed within the existing budget.

Senator Ward responded that the subcommittee requested the department do this within the existing budget. However, he was not sure if it was possible.

Senator Lemman referenced the subcommittee report on the Division of Motor Vehicles, particularly regarding leases for facilities in Anchorage. He asked if it were correct there would be no net increase for these lease expenses. He stated that these satellite offices have proven successful.

Senator Ward affirmed and explained how the subcommittee specifically identified each Division of Motor Vehicles satellite locations to make it clear that these stations could not be combined.

Senator Lemman predicted the new facility located on Spenard Road, would incur increased costs. He asked how the department would address this expense.

Senator Ward replied that the subcommittee recommends denying this particular budget request because it decided that a facility this large was unnecessary.

Co-Chair Donley added this is consistent with the budget adopted by the House of Representatives.

Senator Ward expressed that customers are appreciative of the satellite offices due to shorter waiting times.

Senator Wilken asked if the issue regarding the satellite structure of the public radio and television stations that was raised earlier in the session had been resolved by the subcommittee and if so, how.

Senator Ward responded the subcommittee recommends increasing the allocation approved by the House of Representatives.

Senator Wilken recalled an increased need for over one million dollars.

Senator Ward assured the subcommittee recommendation is funding this request at "the appropriate amount" to meet its need.

Senator Wilken referred to the Public Defenders Agency and asked how the subcommittee's addressed the budget of this division.

Senator Ward answered this division was funded at the same level as it was in FY 01 in the subcommittee recommendation.

Co-Chair Donley pointed out the subcommittee's recommendation to increase funding to the Office of Public Advocacy.

Senator Green asked if funds for the Long Term Care Ombudsman budget were transferred from the Mental Health Trust Authority (MHTA) in the subcommittee recommendation.

Senator Ward responded the recommendation is to increase the Long Term Care Ombudsman budget by \$100,000.

Senator Green clarified this office was being moved from Department of Administration.

Senator Ward affirmed.

Senator Hoffman asked for a comparison of the subcommittee's recommendation for leases funding to the governor's request.

Senator Ward answered this item is recommended to be funded at the same level as requested in the governor's proposed budget.

Department of Health and Social Services

Senator Green clarified the action of the budget subcommittee. She cited a memorandum from herself, as chair of this subcommittee, to Co-Chair Donley dated March 28, 2001 [copy on file] as follows.

In the Medical Assistance/Medicaid Services component all state funds are to be shown as general funds (GF)/match.

In addition to GF/match 1003, the House Budget shows:

\$10,354,500 GF	1004
364,000 GF/Prgm	1005
29,333,100 GF/MH	1037
13,379,100 Tobacco Setl	1119

The intent of the subcommittee is for the funds to be derived from the sources shown by the House and to be identified as matching funds for the federal receipts in this budget component.

AT EASE 10:14 AM / 10:22 AM

Senator Ward moved to adopt the budget subcommittee reports and the Department of Health and Social Services subcommittee clarification memorandum.

There was no objection and the subcommittee reports and clarification were ADOPTED.

Senator Ward moved to adopt the governor's proposed budget of \$50,564,000 for pupil transportation.

The governor's recommended pupil transportation budget was ADOPTED without objection.

#

ADJOURNMENT

Co-Chair Dave Donley adjourned the meeting at 10:27 AM