

MINUTES
SENATE FINANCE COMMITTEE
April 27, 2001
9:31 AM

TAPES

SFC-01 # 87, Side A

CALL TO ORDER

Co-Chair Pete Kelly convened the meeting at approximately 9:31 AM.

PRESENT

Senator Pete Kelly, Co-Chair
Senator Loren Leman
Senator Lyda Green
Senator Gary Wilken
Senator Alan Austerman
Senator Lyman Hoffman
Senator Donald Olson

Also Attending: Witnesses are listed in the summary information in the order they testified.

SUMMARY INFORMATION

SB 29-REAPPROPRIATIONS & CAPITAL APPROPRIATIONS

The Committee took testimony on SB 29. The bill was held in Committee.

#SB29

SENATE BILL NO. 29

"An Act making capital appropriations and capitalizing funds; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date."

DJ WHITMAN testified via teleconference from Seward, and voiced concern about the funding allocation for the Seward Shipyard. He noted that \$1.5 million was "scheduled out for Ketchikan shipyard"

while there is only \$1 million for the Seward shipyard. He stated that both ports serve the Alaska Marine Highway System on a "fair and equal basis" and Seward should be funded equally.

BEN CARDINO testified via teleconference from Seward, and indicated that he felt the same way as Mr. Whitman. He noted that this was not against Ketchikan, but that Seward should receive an equal share of the money that was available.

Co-Chair Kelly directed attention to COMMITTEE SUBSTITUTE SB 29, 22-GS1050/F, page 4, line 4 and the funding information on the Seward Shipyard for \$1 million.

Senator Leman noted that on page 68 of Version "F" is the information on the funding for the Ketchikan shipyard. He informed that it specifies \$1 million of state funds that would be matched by local funds of an additional \$1.5 million. He commented there might have been some misinformation on the amount of state funding and hoped this would clarify it.

Co-Chair Kelly commented that was a good point.

DAVID BROSSOW testified via teleconference from Seward, and commented that Seward would like to be given the opportunity to receive "fair and equal treatment" where funding is concerned.

Senator Austerman responded to comments from the Seward witnesses by stating that the Ketchikan funding was based on a need for a feasibility study for an expansion project there. He asked if there was any expansion program planned for Seward.

Mr. Whitman answered, on behalf of Seward's dry-dock operations, that there is an expansion plan for Seward's dry-dock, and it is just as critical to them as Ketchikan's is to Ketchikan.

Senator Leman stated that he had seen the expansion plan for the Ketchikan shipyard, but had not seen Seward's. He asked, if one was available, to let the Committee members know where it was so they could look at it.

Co-Chair Kelly added that the \$1 million for Seward was not in the governor's budget, but had been added at the request of Senator Torgerson.

NATHAN ORR, Seward City Council, testified via teleconference from Seward, and thanked Senator Torgerson and the Committee for their consideration. He commented that most of the improvements that had been done at the Seward dry-dock were done with private business

funds. With these additional state funds, he added, and perhaps with a match by Seward city funding, the yard could be taken o another level of service.

JAMES PRUITT, President, Seward Ships Dry Dock, testified via teleconference from Seward, commented that his company and Seward are on "a development path." He appreciated the funding support that could create jobs for the community and boost economic development.

Co-Chair Kelly commented that when planning a capital budget, there is a limited amount of money available, and it is not just one community in competition with another, but all communities in a sense are in competition with each other. He said that Senator Torgerson did an "outstanding job" finding \$1 million for the community of Seward.

JANET MCCABE, Board of Directors, Downtown Progress in Anchorage, testified via teleconference from Anchorage, asked for the addition to the budget of \$272,000 for the Anchorage Wellness Court, a therapeutic court at the District Court level. She said that this "program works by getting to the core of the problem". She continued that the court was extremely cost effective because it offset the costs of jail time, alcoholism treatment, court time, and other costs incurred by alcoholism.

Co-Chair Kelly stated \$75,000 is allocated for the Wellness Court, and he thought that was the level of current need. He noted further discussion could take place during the budget process if that funding was inadequate.

AT EASE 9:40 AM/10:57 AM
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ADJOURNMENT

Co-Chair Pete Kelly adjourned the meeting at 10:57 AM