

23RD ALASKA STATE LEGISLATURE
1ST SESSION
HOUSE SENATE CONFERENCE COMMITTEE
HB 75/HB 76
MAY 20, 2003
6:35 P.M.

TAPE CC75 03 - 5, SIDE A

CALL TO ORDER

Sen. Wilken called the Conference Committee meeting to order at 6:35 p.m.

PRESENT

House:

Representative John Harris, Chair
Representative Bill Williams, Member

Senate:

Senator Lyda Green, Vice-Chair,
Senator Gary Wilken, Member

MEMBERS ABSENT

Representative Beth Kerttula, Member [for Rep. Croft]
Senator Lyman Hoffman

ALSO PRESENT

David Teal, Director, Legislative Finance Division; Cheryl Frasca, Director, Division of Management & Budget, Office of the Governor.

SUMMARY

CS FOR SS FOR HOUSE BILL NO. 75(FIN) am(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."

SENATE CS FOR CS FOR SS FOR HOUSE BILL NO. 75(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."

and

CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 76(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."

SENATE CS FOR CS FOR SS FOR HOUSE BILL NO. 76(FIN) am 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."

CCHB 75 and CCHB 76 were was REPORTED out of Committee with a "do pass" recommendation.

Court, Gov., DFG, UA, DEED, DOT, Debt Retirement, Language, Intent, FN, Mental Health

CCHB 75 and CCHB 76 was REPORTED out of Committee with a "do pass" recommendation.

#hb75

#hb76

Vice Chair Green MOVED to REOPEN the Department of Transportation and Public Facilities for the purpose of consideration of amending. There being NO OBJECTION, it was so ordered.

Vice Chair Green MOVED TO ADOPT the Senate numbers for items 18 and 19 for the Department of Transportation and Public Facilities (see motion sheets). Chair Harris observed that Senator Ben Stevens did not object to the change. There being NO OBJECTION, it was so ordered.

Vice Chair Green MOVED TO ADOPT the language for Salary and Benefit Adjustments as contained in a letter dated May 20, 2003 and signed by Cheryl Frasca, Director, Division of Management & Budget, Office of the Governor [copy on file.] There being NO OBJECTION, it was so ordered.

CHERYL FRASCA, DIRECTOR, DIVISION OF MANAGEMENT & BUDGET, OFFICE OF THE GOVERNOR explained that the two unions [Masters, Mates and Pilots and Marine Engineers Association] agreed to a \$75 dollar a month increase.

Vice Chair Green MOVED TO ADOPT the proposed conference committee amounts for Debt Service items 1 - 10 (see motion sheets).

DAVID TEAL, DIRECTOR, LEGISLATIVE FINANCE DIVISION explained that item 2a pertains to the Four Damn Pool. The House and Senate both contained a general fund appropriation to the Four Damn Pool. The Conference Committee is removing the amount from the budget. The appropriation was included in the capital budget.

There being NO OBJECTION, it was so ordered.

Vice Chair Green MOVED TO ADOPT the proposed conference committee amounts for Power Cost Equalization item 11: House - \$7,856 million from the PCE Endowment to the PCE Fund, Senate - \$2,386.3 from the NPR Fund, \$47.7 thousand from the NPR Fund to the Public School Trust Fund, and \$7,111.0 million form the NPR Fund to the PCE Fund.

Mr. Teal explained that the House did not include the House funding of \$1,700 million in Investment Loss funds.

Senator Wilken OBJECTED. He observed that the House and Senate offered a choice in how to calculate the appropriation. The House calculation, proposed in the motion, calculates by statute under federal law. The Senate calculation would use the Alaska Constitution under Article 9, Section 15, which states: all rents and royalties, and severance taxes shall be deposited into the Permanent Fund. He felt that the approach taken would set up tension between the Alaska Constitution and the 1980 federal law. He believed that the approach would divert funds that should be sent to the Permanent Fund through the Constitution. He agreed to fund the appropriation through federal and state statutes with the understanding that a letter from the Leadership of the House and Senate would be sent to the Governor and the Alaska congressional delegation, which could be termed a letter of concern. The letter would ask [the Governor and the Alaska congressional delegation] to investigate and rectify the clear conflict between the Alaska Constitution and federal law. He WITHDREW his OBJECTION.

Chair Harris agreed that a letter would be submitted.

There being NO OBJECTION, it was so ordered.

Vice Chair Green MOVED TO ADOPT Conference Committee language for Power Cost Equalization. There being NO OBJECTION, it was so ordered. Mr. Teal clarified that the Conference Committee language is a blend of House and Senate language, which does not require an additional motion.

Vice Chair Green MOVED TO ADOPT Conference Committee language for Debt Retirement: 23-GH1002\ZA.3. There being NO OBJECTION, it was so ordered.

Vice Chair Green MOVED TO ADOPT the proposed conference committee amounts for the University of Alaska (see motion sheets). There being NO OBJECTION, it was so ordered.

Vice Chair Green MOVED TO ADOPT the proposed conference committee amounts, language, and intent language for the Department of Education and Early Development (see motion sheets). There being NO OBJECTION, it was so ordered.

Vice Chair Green MOVED TO ADOPT the proposed conference committee amounts for the Department of Fish and Game items 1 - 6 (see motion sheets). Mr. Teal clarified that the \$800 thousand in item 9 is a replacement of the general funds removed by the Senate. Item 9 would be a new Conference Committee transaction. There being NO OBJECTION, it was so ordered.

Vice Chair Green MOVED TO ADOPT the proposed conference committee amounts for the Office of the Governor (see motion sheets). There

being NO OBJECTION, it was so ordered.

Vice Chair Green MOVED TO ADOPT the proposed conference committee amounts for the Alaska Court System (see motion sheets). There being NO OBJECTION, it was so ordered.

Vice Chair Green MOVED TO ADOPT the proposed conference committee amounts for the Department of Administration, items 4 and 5 (see motion sheets). There being NO OBJECTION, it was so ordered.

Vice Chair Green MOVED TO ADOPT the proposed conference committee amounts for the Department of Health and Social Services: items 59 - 63 (see motion sheets). There being NO OBJECTION, it was so ordered.

Vice Chair Green MOVED TO ADOPT the proposed conference committee intent language for the Department of Health and Social Services, Human Services Matching Grants. There being NO OBJECTION, it was so ordered.

Vice Chair Green MOVED TO ADOPT the proposed conference committee intent language for the Department of Natural Resources: It is the intent of the Legislature that the Department of Natural Resources consider the finding of the recent Legislative Budget and Audit report for the Division of Agriculture in order to refocus the Division and Require greater accountability and improved performance standards. There being NO OBJECTION, it was so ordered.

Vice Chair Green MOVED TO ADOPT the proposed conference committee intent language for the Department of Public Safety: It is the intent of the Legislature that the Department of Public Safety will continue to look for supportive funding for its vessels by coordinating and contracting with the Department of Fish and Game, National Marine Fisheries Service, and the governmental agencies. There being NO OBJECTION, it was so ordered.

Vice Chair Green MOVED TO ADOPT the proposed conference committee amounts for FY04 Fiscal Notes as contained on the spreadsheet, with the exception of HB 111, which would be zero (copy on file.) There being NO OBJECTION, it was so ordered.

Vice Chair Green MOVED TO ADOPT the proposed conference committee amounts and language for the Mental Health budget contained in the Department of Health and Social Services: items 1 - 19. There being NO OBJECTION, it was so ordered.

Vice Chair Green MOVED RESCIND the Committee's action in adopting the Senate numbers for item 14 in the Mental Health budget contained in the Department of Health and Social Services.

Vice Chair Green MOVED TO ADOPT the House numbers for item 14 in the Mental Health budget contained in the Department of Health and Social Services. She clarified that all the items, with the exception of items 6, 11, 12 and 13 are funded. There being NO

OBJECTION, it was so ordered.

Vice Chair Green MOVED TO CLOSE Conference Committee action on HB 75 and HB 76 and to give the Legislative Finance Division authorization to make any necessary technical and conforming amendments. There being NO OBJECTION, it was so ordered.

CCHB 75 and CCHB 76 were MOVED from Committee.

CCHB 75 and CCHB 76 was REPORTED out of Committee with a "do pass" recommendation.

#75

#76

ADJOURNMENT

The meeting was adjourned at 7:36 p.m.