

HOUSE FINANCE COMMITTEE
February 7, 2014
1:33 p.m.

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CALL TO ORDER

Co-Chair Austerman called the House Finance Committee meeting to order at 1:33 p.m.

MEMBERS PRESENT

Representative Alan Austerman, Co-Chair
Representative Mark Neuman, Vice-Chair
Representative Mia Costello
Representative Les Gara
Representative David Guttenberg
Representative Lindsey Holmes
Representative Cathy Munoz
Representative Tammie Wilson

MEMBERS ABSENT

Representative Bill Stoltze, Co-Chair
Representative Bryce Edgmon
Representative Steve Thompson

ALSO PRESENT

Pat Kemp, Commissioner, Department of Transportation and Public Facilities; Mary Siroky, Director, Division of Administrative Services, Department of Transportation and Public Facilities; Jeff Ottesen, Director, Division of Program Development, Department of Transportation and Public Facilities; Gary Folger, Commissioner, Department of Public Safety; Dan Spencer, Director, Division of Administrative Services, Department of Public Safety.

PRESENT VIA TELECONFERENCE

Colonel Jim Cockrell, Director, Division of Alaska State Troopers, Department of Public Safety.

SUMMARY

HB 266 APPROP: OPERATING BUDGET/LOANS/FUNDS

HB 266 was HEARD and HELD in committee for further consideration.

HB 267 APPROP: MENTAL HEALTH BUDGET

HB 267 was HEARD and HELD in committee for further consideration.

FY 15 BUDGET OVERVIEWS:

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES
DEPARTMENT OF PUBLIC SAFETY

#hb266

#hb267

HOUSE BILL NO. 266

"An Act making appropriations for the operating and loan program expenses of state government and for certain programs, capitalizing funds, and making reappropriations; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund."

HOUSE BILL NO. 267

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

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Co-Chair Austerman discussed the agenda for the day.

^FY 15 BUDGET OVERVIEW: DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

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PAT KEMP, COMMISSIONER, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES (DOT), discussed changes and efficiencies that had been implemented in the past year. He provided a PowerPoint presentation titled "Alaska Department of Transportation and Public Facilities FY 2015 Governor's Request Overview" (copy on file). He discussed the executive organization on slide 2. He relayed that the

department worked in up to six "silos"; it had worked hard to "clear the decks." He discussed his experience at DOT and his understanding of problems that existed. He recalled being asked by Governor Parnell to head the department; he had communicated his ideas about how to move the department forward in a more efficient way. He shared that his ideas to effect change included the ability to bring some of the department's long-term employees into the commissioner's office to help straighten out inefficiencies. He was amazed at the progress they had made in a year's time. He had formed an executive team that worked to steer the department and provide improved communication with the legislature; the goal was to take pressure off of regional directors. He detailed that when regional directors were asked to do things it directly impacted DOT's ability to deliver projects and plow roads. He had also created an executive management team that met once a month and included regional directors. He likened the executive management team to running a ship; captains ran ships, but it was not possible to go anywhere without the engineers. He referenced the ferry system.

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Commissioner Kemp believed the department was going in the right direction; he was working to bring improvements to all levels of the organization. He believed the efforts would result in improvements to the transportation system.

Co-Chair Austerman noted that committee questions would be held until after the presentation.

Commissioner Kemp discussed 2013 accomplishments on slide 3. Noteworthy accomplishments included routine services and operations (e.g. plowing roads and building projects). He detailed that DOT was making a significant reduction in its deferred maintenance backlog. He referred to a handout titled "Department of Transportation and Public Facilities Joint Transportation Committee Meeting" dated January 23, 2014 (copy on file). He shared that pavement rutting was a substantial problem statewide; in the past Juneau's Egan Drive had been paved every five years due to wear from studded tires. Approximately 15 years ago DOT began to use much harder rock in the pavement in Juneau; it had taken 15 years to bring the harder rock to the remainder of the state, but it had been accomplished in the current year. The department had also written a policy that the hard rock

would be incorporated into pavements, primarily in the Anchorage bowl that had soft rock. He underscored that the change could save the state tens to hundreds of millions of dollars over the long-term; saved money would be applied to the rest of the highway systems needing improvement. He noted that in the past year DOT had paved Anchorage's Dimond Boulevard and Debarr Road with the hard rock mix.

Commissioner Kemp highlighted that DOT had given the railroad a new market; materials were being sourced in Alaska instead of from the Lower 48 or Canada. He believed real efficiencies were taking place. He provided an example of regulations related to speed limits. He detailed that Representative Eric Feige had asked about speed limits on the state's rural National Highway System (NHS) roads. Subsequently, DOT had identified problems and made changes in the policy. The department was currently installing signs that met comfortable driving speeds. He remarked that the changes were DOT's shining star for the year related to the governor's goal of undoing unnecessary regulations and policies.

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Commissioner Kemp spoke to the Anchorage airport master plan, which DOT would wrap up shortly. The master plan dialed back a plan to create an additional runway. He liked that the department would maximize everything it could at the existing facility before considering another runway. He relayed that someday another runway may be needed, but the department was currently on a good track. He was proud of the decision.

Commissioner Kemp turned to slide 4 titled "Where are We Headed." He believed the new federal highway bill MAP-21 was problematic. He stated that the bill would have an impact on local community projects and secondary roads maintained by the department. He explained that MAP-21 focused on NHS roads and took away funding for local roads; adjustments would need to be made and some communities would lose as a result of the law. He shared that there was such a significant backlog that he was not confident the gap could be filled with state funds due to current revenue problems. The department would focus on its mission and essential public services, locate more efficiencies, and continue to improve communications. He referred to the department's goal to use "plain talk" instead of acronyms.

Additionally, DOT would continue to make changes that were sustainable. He noted that he would meet with directors and section chiefs the following week.

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Commissioner Kemp believed DOT was on the right track. He asked the committee to trust the direction the department was headed.

MARY SIROKY, DIRECTOR, DIVISION OF ADMINISTRATIVE SERVICES, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES, addressed the department's mission to "keep Alaska moving through service and infrastructure" on slide 5. Core services included the construction of transportation infrastructure and facilities, maintenance and operations of the state transportation systems, and measurement standards/commercial vehicle enforcement. She relayed that the department's commercial vehicle enforcement program was responsible for ensuring commercial vehicles were safe during operation and that loads did not damage the state's roads. The program had a secondary function of providing assurance that any measuring devices were accurate (e.g. measuring jet fuel, baggage at airports, or produce in the grocery store).

Ms. Siroky highlighted department priorities on slide 6:

- Live within our means
- Take care of what we have
- Operate and maintain safe and reliable roads, airports, ferries & facilities
- Ensure Alaska has the transportation infrastructure necessary to grow the economy
- Develop and implement efficiencies in both the operating and capital budgets

Ms. Siroky referenced the department's statutory requirements on slide 7 and its assets on slide 8. She communicated that DOT had over 3,000 full-time positions and 18 new center line miles of roadway in the current year. She addressed the department's organization on slide 9. She moved to slide 9 and relayed that the department's organization had not changed. There were executive teams in place that provided the commissioner with information. John Bender was the department's new deputy commissioner for

aviation, who joined the department in December 2013. She directed attention to challenges facing the department on slide 10. Challenges included the federal transportation bill MAP-21, balancing the department's budget against public needs, changing conditions, and expectations. She elaborated that the department impacted every citizen in the state; being able to meet the public's needs at a specific time could be a challenge. She discussed other challenges such as congestion in Anchorage traffic, an increase in federal oversight, and budgeting for the severity of winters and events. She reported that the department did not anticipate needing to ask for a supplemental appropriation for clearing the recent avalanche that blocked the road to Valdez. She added that the department did need to balance the severity of winter against its summer maintenance programs; summer maintenance programs shrank to absorb increases in winter costs. Over the long-term DOT's deferred maintenance costs had been reduced.

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Ms. Siroky pointed to slides 11 through 13 that showed recent images of the runway in Seward and the avalanche in Thompson Pass. She looked at a map on slide 14 showing the 511 snapshot of driving conditions on the day of the avalanche. The snapshot indicated a variety of hazardous driving conditions that the department had been working to sand and keep as ice-free as possible. The efforts represented work the department did on a daily basis.

Ms. Siroky turned to slide 15 titled "DOT&PF Regional Boundaries." The organization was divided into three regions and two systems, which maintained and operated roads, airports, and ferries. She noted that the two systems were the international airport and marine highway system. Slide 16 pertained to the Central region and budget resources used in the area. The Central region was responsible for urban areas including Anchorage, Mat-Su, the Kenai Peninsula, and Western Alaska; it was comprised of 651 positions and 20 percent of the department's operating budget. The region also included traffic signal maintenance (funding was transferred to the Municipality of Anchorage for signals it operated), the Whittier Tunnel, and the Knik Arm Bridge and Toll Authority (KABATA).

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Ms. Siroky turned to slide 17 and discussed the Northern Region that encompassed the highest number of road-miles. The region housed 718 positions and represented slightly over 20 percent of the department's operating budget. The region was responsible for the Dalton Highway and villages in the Yukon River area up to the North Slope. The Southeast region was the smallest, which included communities from Yakutat and everything south (slide 18). The region provided support to the state's marine highway system (i.e. terminal design and construction).

Ms. Siroky looked at slide 19 related to the Alaska International Airport System. The system was made up of 488 positions and had a budget of \$82 million from all fund sources including federal (funds were made up of revenues brought in from rates and fees); the system accounted for approximately 13 percent of the budget. She discussed that the department maintained the Ted Stevens and Fairbanks International Airports and had airport police and fire employees. She spoke to the Alaska Marine Highway System on slide 20. The system was comprised of 935 positions and accounted for approximately 25 percent of the department's budget; it brought in over \$50 million of its \$162 million budget request via fees and costs. She highlighted challenges with the system including aging vessels and requirements to meet US Coast Guard regulations. Slide 21 focused on the department's Measurement Standards and Commercial Vehicle Enforcement, which included 64 positions and accounted for approximately 1 percent of the department's budget.

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Ms. Siroky discussed Public Facilities on slide 22, which was accounted for 0.7 percent of the department's budget. She discussed that the division employed architects who were responsible for designing buildings and retrofits; each region had public facilities and maintenance workers maintaining the buildings. The Commissioner's Office, and Administrative Services supported other divisions with budgeting, finances, information technology, and human resources. She shared that the Division of Program Development was focused on capital budget, long range planning, federal aid agreements, and the highway safety program; the division accounted for 0.9 percent of the department's operating budget.

Ms. Siroky addressed the State Equipment Fleet on slide 28 that supported regional construction. The division employed 165 positions, which were primarily mechanic positions. The Statewide Design and Engineering Services division provided the policy structure for much of the department's work; it also housed a bridge design section that conducted bridge engineering and inspections. Additionally, the division included a materials lab that helped with measuring road materials. The Statewide Aviation Division provided administrative support and was primarily responsible for aviation leasing; the division accounted for 0.5 percent of the department's operating budget. She noted that the division also provided some policy direction related to aviation issues (slide 28).

Ms. Siroky discussed efficiencies on slide 29. The department had put ice breakers in place that broke up ice primarily at intersections. The ice breakers had been piloted in Fairbanks and the machines had been ordered for use in Anchorage as well. She communicated that the breakers provided substantial savings. The department had determined that the use of anti-icing chemicals prior to a large snowfall reduced the need for plowing and sand. Additionally, DOT had implemented a vegetation management program where herbicides were used to save money on brush cutting. She mentioned hard aggregate that increased pavement life. The department had eliminated low-use equipment and was working to simplify processes. She noted that DOT had recently held a two-day summit with some of its engineers to discuss automation, agree on policies and procedures, and develop recommendations for the department.

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Ms. Siroky addressed how the DOT operating budget FY 14 management plan differed from the FY 15 adjusted base on slide 30. She relayed that like any other department there had been salary and health insurance increases. She detailed that some one-time items had been reversed including payments made under union contracts and some fiscal notes. The department was transferring the Nome Office Building to Department of Administration and its state digital mapping project to the Department of Natural Resources (DNR). She noted that DNR was better at mapping than DOT.

Ms. Siroky addressed the operating budget FY 15 adjusted base compared to the governor's FY 15 request on slide 31. The department's overall increase was \$43,700; DOT had worked very hard to keep requests limited to items that it could not absorb. Additional requests included funding for 10 new facilities that had been added in FY 14 and FY 15; the facilities included snow removal equipment buildings, a warehouse and sand storage buildings. The department had eliminated approximately 21 Position Control Numbers (PCN) for a total of \$1.5 million. Additionally, a small reduction had been made to the highway safety corridor Safe Driving program (the total equaled funds received from the Bureau of Highway Patrol associated with drunk driving); the figure was estimated to be down about \$7,000. She discussed a request for an increase in general funds for the department's rural airport maintenance contracts and insurance; DOT had well over 100 contracts with small operators responsible for plowing rural airports. She elaborated that the cost of the operations and contracts continued to increase. She explained that the department worked diligently to keep the costs as low as possible; when substantial increases were requested under the request for proposal (RFP) process, DOT opted to put the RFP back out for additional bids.

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Ms. Siroky continued to highlight items shown on slide 31. The department paid the Alaska Railroad Corporation for service on DOT signal crossings; the agreement renewal showed an increase of \$123,000. She addressed a lease cost accumulated shortfall of approximately \$138,000. She reiterated that the increases listed were those the department was not able to absorb. She shared that AMHS was requesting \$60,000 for an additional maintenance person to help care for terminals; AMHS had been able to provide half of the funds, but needed the remaining funding. The AMHS also needed a small amount of general funds for a Bellingham, WA terminal lease increase. The department was hoping to eventually be out of the building within the next few years. The last request was for general funds to help pay the Municipality of Anchorage for its maintenance of DOT traffic signals.

Ms. Siroky moved to FY 15 operating budget changes on slide 32:

- Salary and Health \$1,351.3
- New Initiatives \$453.7
- Maintain Current Level of Service \$1,110.7
- Deletion of Long-Term Vacant Positions (15 full-time; 2 part-time; 4 non-perm) (\$1,513.0)
- Technical Adjustments (\$342.6)
- One Time Items (\$1,181.9)

Ms. Siroky elaborated on slide 32. New initiatives were primarily related to new facilities. The increment to maintain current level of service pertained to small requests the department was unable to absorb. Slide 33 included a pie chart depicting DOT's FY 15 operating budget; its budget was composed of approximately \$350 million in general funds, \$278 million in other funds, and \$2.8 million in federal funds. Slide 34 included a pie chart showing FY 15 operating budget fund sources. She explained that the department paid for capital project work with capital improvement project (CIP) receipts from the capital budget. The department had received gas pipeline funds for the first time in the prior year, which were shown on the slide. Slide 36 showed how DOT allocated its general funds. She outlined the expenditures including \$160 million on the marine highway system, \$140 million on highways and aviation, and \$22 million on maintenance and operations; the three sectors of the department represented the people "doing what DOT does" and were the parts of the department that people interfaced with. Remaining sectors representing construction funds included administration support, planning, commercial vehicle enforcement, and design and engineering.

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Ms. Siroky communicated the department's pride in the data shown on slide 36. She pointed to the graph and noted that although the growth of all funds was 3.3 percent, the department had worked hard over the past four years to stabilize growth. She relayed that DOT was working to keep its general fund growth at a minimum; however, there was slow and steady growth going forward. The department had started to use the 10-year plan to track what it believed the increased cost of the operating budget would be with construction projects. She elaborated that DOT was beginning to track the projected increase for construction

projects coming online; the chart illustrated that the projections accounted for the slow and steady increase.

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JEFF OTTESEN, DIRECTOR, DIVISION OF PROGRAM DEVELOPMENT, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES, discussed the capital budget on slide 38. He explained that DOT separated responsibility for the capital budget from other funds due to the large size of the budgets. He added that the capital budget was filled with a multitude of federal requirements, which necessitated specialists in the area. Slide 38 included a pie chart showing the FY 15 capital budget request. The majority of the budget was made up of close to \$1 billion in federal funds. He detailed that the proposed budget was larger than in past years in an attempt to get out of a trap DOT had been in for several years. He elaborated that DOT had been busily working in the last quarter of the year to get the programs out; the federal funding fell into the "use or lose" category. The department was concerned that the level of overtime was jeopardizing staff's desire to stay with DOT; there had been summers where staff had worked Memorial Day, July Fourth, and Labor Day. Therefore, the plan was to get some of the work forward funded for reimbursement from the federal government the next year. The goal was to level the workload and eliminate stress. He noted that the department's general fund request (shown in green) had been substantially reduced from prior years; it was the lowest he had seen in several years, which was a reflection of DOT's understanding of the current difficult fiscal environment.

Mr. Ottesen turned to slide 39 that showed the department's capital construction projects measured by dollars spent on advertising in a calendar year. He noted that DOT had provided committee members with a copy of its general fund budget earlier in the week. He relayed that there was up to a 600 percent variance in the document from one year to the next; however, the variance was much less on slide 39. He explained that projects required many steps to complete; there was a limit to the work that could be done. He elaborated that despite years of high swings in funding, the department's output of plan sets for contractors to bid on, was much more level. He stated that the dollars input could not match the level of work pushed out the door

without increasing and decreasing staffing levels, which was not practical.

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Ms. Siroky provided a snapshot of performance levels on slide 40. The top left chart showed a change in traffic fatalities per 100 million vehicles traveled. She detailed that although no deaths were acceptable to DOT, it was proud that the number of highway deaths in FY 13 was at a 10-year low. She detailed that there had been approximately 50 deaths per 100 million vehicles traveled; the reduction was a result of construction projects; the department worked to construct safe transportation infrastructure. She relayed that according to FY 13 numbers, none of the state's highway safety corridors qualified as highway safety corridors. She noted that the corridors were a partnership between DOT and the Department of Public Safety. The upper right chart related to National Highway System Miles showed an increase in the number of miles that met national highway system criteria; the department was slowly increasing the number over time. The lower left chart depicted the change in the number of rural airports that were closed seasonally; DOT was working to decrease the number by one each year. The airports excluded from the list were open year-round. There were currently six airports that were closed seasonally, there were either significant costs associated with bringing the airport up to a year-round standard and/or the airport was very small, which would require a cost-risk analysis. The department planned that the number of airports on the list would continue to be reduced by one every two to three years.

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Ms. Siroky discussed the final measure on the lower right of slide 40 related to the AMHS car deck capacity. She detailed that the department generated significant revenue from the car deck. She elaborated that the chart provided a good representation of how the state's boats were being used for what the department wanted, which was to transport Alaskan citizens as opposed to tourists. The number had peaked in 2010, but a steady increase had begun to occur. She concluded on slides 41 and 42 with DOT information sources.

Co-Chair Austerman looked at operating budget funding sources (slide 34). He pointed to CIP that accounted for 24 percent of the department's budget. He wondered how the department determined how much delegated to each project from operations. He wondered if the figure was 5 percent of each project.

Ms. Siroky replied that the department had an indirect cost allocation plan that it worked through a federal process for determination, which varied by mode. The department was authorized by the federal government for road constructions for approximately 5.7 percent; it had been collecting at about 4.6 to 4.7 percent. The department felt that it kept its indirect rate at a modest amount for services provided. She defined indirect expenses as any costs that were impacting a capital construction project, but were too difficult or onerous to charge to the project. She noted that the department had staff who billed people for capital project work; having the staff track all of their time for each individual project would be onerous. The department did not spend any of its indirect money on maintenance and operations for any of its facilities, which was clear in federal guidelines.

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Co-Chair Austerman remarked that he had wanted to ensure that the figure was not 30 to 40 percent like the University of Alaska. He asked whether an inner island ferry increment of \$500,000 was a recommendation from DOT.

Commissioner Kemp replied in the negative.

Co-Chair Austerman asked about fuel tanks near the Yakutat airport. He explained that the airport had been told that it may need to move fuel tanks away from the airport at its cost. He asked for detail.

Commissioner Kemp did not know. Ms. Siroky added that the department would follow up with the information.

Co-Chair Austerman elaborated that the airport had been told by DOT that it would have to move the fuel tanks based on a Federal Aviation Administration requirement. He asked the department to provide him with the information.

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Representative Guttenberg pointed to an Alaska Railroad Corporation signal crossing agreement line item on slide 31. He asked if the amount represented an increase and wondered what the corporation was doing on the issue. He remarked that he had a problem with the crossings. Ms. Siroky replied that the increment was related to the devices maintained by the railroad that allowed state roads to cross the tracks.

Representative Guttenberg discussed major problems with railroad crossings in Fairbanks. He detailed that one of the problems related to the settling out of roadbeds. He observed that crews reset the beds and raised the road. He asked who was responsible for the upkeep and whether the cost was included in the increment on slide 31.

Commissioner Kemp replied in the affirmative. He detailed that the state roadways crossed railroad right-of-ways; therefore the state was responsible for keeping the road meeting the tracks in good shape; the railroad provided the maintenance and was reimbursed by DOT. He added that the traffic signals were also a component.

Representative Guttenberg asked who had primacy over the right-of-way. Commissioner Kemp replied that the railroad had primacy.

Representative Guttenberg asked if the \$15 million increment for international airport construction bonds was bonding authority the department was paying off (slide 38). Commissioner Kemp replied in the affirmative. Representative Guttenberg asked if there was bonding authority remaining. Commissioner Kemp replied that the department would follow up on the question. He added that DOT did not plan on requesting any additional bonded funds for some time.

Representative Guttenberg asked about an aggregate interest rate paid on the bonds. He noted that the department could follow up with the information. He pointed to slide 39 and referenced construction projects the department staff could not keep up with. He asked about how far behind construction schedules were running.

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Commissioner Kemp replied that the problem would cease to exist in the near future. He explained that currently DOT was redefining the Statewide Transportation Improvement Program (STIP) and working to understand the federal MAP-21 changes. His goal for the past year had been to get one year ahead in the STIP program to relieve the department stress and to put out better products. The department would soon be one year ahead. He predicted that within 10 years it would be 2 to 3 years ahead. He added that there were many large projects coming to "the pinnacle" at present (e.g. Seward and Parks Highways, Juneau access, and other).

Representative Guttenberg thanked the department for the 511 that had been helpful on selecting driving routes.

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Representative Munoz wondered whether the department had looked at what it would cost to bring ferry service to Prince of Wales Island from Ketchikan if the inner island ferry service was discontinued. Commissioner Kemp replied that DOT was looking at the issue.

Representative Munoz asked if the Lituya vessel was part of the review. Commissioner Kemp replied in the negative.

Representative Gara asked about a cost estimate for the clearing of the avalanche from the Richardson Highway in Thompson Pass. Ms. Siroky did not have an estimate at present. She would follow up with the information.

Representative Gara asked about the amount spent from the general fund on the Juneau Access project the prior year and in the current year. He believed the road was planned to end with a ferry terminal. Ms. Siroky did not have the number. The department would follow up with the data.

Representative Gara asked about the Juneau Access increment proposed by DOT in the current year. Commissioner Kemp believed he capital request was \$30 million.

Representative Munoz interjected that the legislature approved \$10 million in the prior-year budget; the governor's proposed budget included \$5 million in undesignated general funds and \$30 million in federal receipt authority.

Representative Gara wondered if the state could choose to use the \$30 million in federal funding on another project. Commissioner Kemp replied that the \$5 million request was part of the funding plan for Juneau Access; the funding plan consisted of federal aid and general funds. He explained that the match for the \$30 million would come out of the match appropriation.

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Co-Chair Austerman clarified Representative Gara's question. Commissioner Kemp replied that the \$30 million in federal funds were not earmarked for the specific project.

Representative Gara asked about the airport expansion in Anchorage, which the legislature had been told was not moving forward. He wondered why the airport and the city had been meeting at least as recently as December on a land trade task force. He surmised that a task force to trade land for that expansion was unnecessary if the expansion was not going ahead.

Commissioner Kemp answered that the municipality was driving the task force due to its need for a new snow dump area. He stated that it just happened that that snow dump area enhanced the department's ability to construct a runway one day. He believed it was a good working relationship. He added that the municipality was the lead agency and DOT was partnering with it.

Representative Gara remarked that he had "one more question on this runway that is apparently not going ahead; that concerns me." He relayed that he had friends living in the area and "their understanding was that they were told when the airport came by and said we're going to build triple pane windows for you that that was money that the airport was spending in anticipation of an expanded runway." He asked if the state was spending money in anticipation of a runway that it had not decided to go ahead with, "or was that for something else?"

Commissioner Kemp replied in the negative.

Representative Gara asked if the expenditures were for something else. Commissioner Kemp answered that they were for something else.

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Representative Costello pointed to slide 35 and asked for a breakdown of funding for highways and aviation items shown in the pie chart. Ms. Siroky replied that approximately 25 percent of the funds went to aviation to maintain the state's 254 rural airports (consisting of small airports such as Allakaket and airports other such as Bethel, Deadhorse, Kodiak, Sitka, Petersburg, and Wrangell that were 139 certificated by the FAA; there were 17 airports that fell in the 139 certificated category).

Representative Costello asked for verification that 45 percent of the budget went to the state's marine highway system, 25 percent went to aviation, and 14 percent went to highways. Ms. Siroky replied in the negative. She clarified that the percentage allocated to aviation accounted for 25 percent of the 40 percent portion designated to "Highways and Aviation."

Representative Costello wondered if the department regularly assessed how to increase safety on the Seward Highway. Ms. Siroky replied that the Seward Highway was a highway safety corridor. The department was working with the Department of Public Safety on enforcement activities as well as work with DOT staff to implement various safety infrastructure. She believed DOT posted a variety of boards to remind drivers of speed limits. Additionally, she believed the department had a long-term capital project to make improvements to the area.

Mr. Ottesen elaborated that DOT had traffic engineers in all three regions who monitored crash statistics with an emphasis on major injury and fatality crashes. Additionally, the engineers worked to devise infrastructure and non-infrastructure strategies that would reduce the numbers. He stated that fatalities were currently at the lowest level since statehood; Alaska was one of the best states in the country in that regard. He detailed that the Seward Highway safety corridors would not rank high enough to qualify as a highway safety corridor at present.

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Representative Costello asked how many new miles of road the state created since 2000. Ms. Siroky replied that she would follow up with an answer.

Representative Holmes spoke to the transfer of some facilities from DOT to the Department of Administration. She noted that there were some similarities between the departments' work. She noted an interest in working to determine how to create further efficiencies.

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^FY 15 BUDGET OVERVIEW: DEPARTMENT OF PUBLIC SAFETY

[2:35:01 PM](#)

GARY FOLGER, COMMISSIONER, DEPARTMENT OF PUBLIC SAFETY, introduced his staff.

DAN SPENCER, DIRECTOR, DIVISION OF ADMINISTRATIVE SERVICES, DEPARTMENT OF PUBLIC SAFETY (DPS), introduced additional department staff. He provided a PowerPoint presentation titled "Department of Public Safety Department Overview" dated February 7, 2014 (copy on file). He began with slide 2 titled "Department of Public Safety":

Our Mission

To ensure public safety and enforce fish and wildlife laws

Our Core Services

- Law Enforcement Patrol and Investigations
- Rural Law Enforcement
- Domestic Violence and Sexual Assault Programs
- Statewide Public Safety Programs
- Resource Protection
- Highway Safety

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Mr. Spencer continued with slide 3: "Organizational Chart." He relayed that the command structure of the organizational chart had not changed from the prior year. He noted that a few components had been consolidated into one program. He detailed slide 4: "Statewide Impact." He discussed the department's role as the primary statewide law enforcement

agency; DPS provided assistance to local and federal law enforcement agencies and to other agencies such as school districts. He referred to DPS resources including the Alaska Public Safety Information Network (APSIN), various criminal background checks, and sex offender registries.

Mr. Spencer explained slide 5: "Alaska State Troopers." He detailed that the Alaska State Troopers and Wildlife Troopers had a variety of detachments headquartered around the state. State trooper detachments included the Alaska Bureau of Investigations and the Statewide Drug and Alcohol Enforcement Unit [other units included the Village Public Safety Officer (VPSO) program office, and Judicial Services]. Wildlife trooper sections included detachments, the Wildlife Investigations Unit, Marine Section, and Aircraft Section.

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Mr. Spencer continued with slide 7: "Statewide Services." The Statewide Services group was included in a new component called Information Technology; it included APSIN, security guard licensing information, and the sex offender registry. He detailed that currently there were 3,131 individuals on the sex offender and child kidnapper registry; at present there were 132 individuals who were not in compliance, which could occur for a variety of reasons. There were currently 7,390 active concealed handgun permits; 2,242 were exempt.

Mr. Spencer looked at slide 8 related to fire and life safety. The state fire marshal conducted building plan reviews, worked with fire departments around the state, and had a smaller operation with the Joint Pipeline Office. Slide 9 pertained to the new Scientific Crime Detection Laboratory. He believed the lab was a "great and wonderful" entity; the lab had allowed the state to bring in a significant amount of equipment that would not have been feasible in the prior facility.

Mr. Spencer addressed the Division of Administrative Services on slide 11. He referred to the division as the division of bureaucracy. He highlighted the Council on Domestic Violence and Sexual Assault (CDVSA), which had been one of the governor's ongoing priorities. The Alaska Police Standards Council dealt with the certification of police and correctional officers around the state. The

Alaska Fire Standards Council worked with local fire departments and was responsible for setting training standards.

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Mr. Spencer discussed the FY 15 operating budget on slide 12. He relayed that the total difference in unrestricted general funds versus the adjusted base was \$130,000. The restricted general funds were about \$100,000 higher than the adjusted base. He detailed that the department accounted for approximately 3.5 percent of total agency operations general fund expenditures. Slide 13 showed the operating budget by organization; the Alaska State Troopers accounted for 51 percent of the budget, Alaska Wildlife Troopers represented 14.2 percent, the VPSO program had grown to 10.2 percent, and CDVSA had grown to 8.6 percent. The remaining programs represented much smaller increments, but remained essential to the agency.

Mr. Spencer looked at the budget by line item on slide 14. He relayed that similar to most agencies, DPS services were delivered by people; therefore, personal services accounted for the largest segment of the department's budget [56 percent]. Grants and benefits included funding for items such as domestic violence shelters and village public safety programs run by nonprofits around the state. He looked at the total number of DPS positions on slide 15:

- 885 Permanent Full Time
- 18 Permanent Part Time
- 21 Non-permanent
- 341 Alaska State Troopers
- 97 Alaska Wildlife Troopers
- 59 Court Services Officers
- Positions in 50 locations around the state

Mr. Spencer elaborated that DPS was in 50 locations depending on the time of year. Slide 16 included a Legislative Finance Division chart showing a change in budget over the years. The chart on slide 17 had also been prepared by the Legislative Finance Division; it showed the percent of the total department's budget by fund group. He pointed out that federal receipts in the department's budget were the same as the prior year, which was the lowest level of federal receipts since FY 01. The figure

included CIP receipts coming through the Alaska Highway Safety Office and the National Marine Fisheries Service (NMFS) agreement with the wildlife troopers, which was funded in the capital budget. He relayed that federal funding had been declining; the department suspected that the funding would not increase any time soon.

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Mr. Spencer looked at current year accomplishments on slide 18. He detailed that the Public Safety Academy Dining Hall had been completed with funding from a couple of years earlier; the hall was operated by a contractor that was responsible for providing and preparing food. He elaborated that the operation was overseen by Deputy Commissioner Vrabec. He added that Colonel Jim Cockrell, Director, Division of Alaska State Troopers was happy with the hall. He discussed funding from the prior year for the Hooper Bay post; the positions operated on a two-week on, two-week off rotation (Selawik and Emmonak also had similar posts). The post was currently fully staffed. He communicated that housing and office space was challenging, but the department worked through the issues. He looked at new aircraft in service; two helicopters were in service. The Helo helicopter was originally appropriated in 2012; it had been temporarily stationed in Anchorage and was currently stationed in Fairbanks where originally intended. The replacement helicopter was based in Anchorage. He addressed domestic violence and sexual assault prevention planning. Over the past year CDVSA worked with 14 communities on community prevention plans and continued to work with grantees and other groups throughout the state. He referenced a number of outreach programs including Coaching Boys into Men. He noted that the DPS budget backup included additional details on the programs. He discussed that highway fatalities had decreased, especially in highway safety corridors. He discussed that increasing highway safety included a combination of construction, reconstruction, configuration, and enforcement. The department believed safety efforts were working well.

Mr. Spencer addressed challenges on slide 18. He remarked that the state's population continued to grow and with the growth came an increased call for police services, which was an ongoing challenge. The VPSO recruitment, retention, and infrastructure continued to be a challenge; there were fewer VPSO positions filled than the department wanted. The

department was working to improve the number of filled positions. He noted that improvement had been made; the program had been successful and there were more officers than there had been in the past. He referenced that the prior year the legislature had included intent language in the budget that validated prior work on the program. He elaborated that if a program reached year-end and had not spent all of its allocated funds, it had the ability to take care of other program needs (e.g. office space improvements, four-wheelers, firefighting equipment, and other). Another challenge presented to the department was the decline in federal grants. In some cases federal funds had been high at the beginning of a program, but had declined. For example, the Bureau of Highway Patrol had been given supplemental funds by the legislature in FY 11 and FY 12 and unrestricted general funds in FY 13 and FY 14 of over \$3 million due to a decline in federal funds.

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Mr. Spencer continued speaking about challenges. The last challenge was absorbing cost increases. The prior year the department had an increase of approximately \$160,000 for dispatchers as a result of a classification study conducted by the Department of Administration (DOA). Subsequently, the positions had been reevaluated and classifications had been increased again; the cost was approximately \$320,000 that DPS had not received an appropriation for. He stressed that the department was not asking for additional funds and would find a way to absorb the costs. The department supported the pay increase as it believed the positions had been underpaid. He believed the increase would support job retention. He mentioned other increases that had not been seen over the years. He compared the increases to rising grocery store costs. He detailed that DPS had operating funds when it received the helicopter for the Interior, but over time it would need increased funding as the helicopter aged. He noted that typically the department had not asked for large increases over the years; it found a way to absorb the costs. He referenced additional increases for supplies and building rent (including rent for buildings managed by DOA for the Public Building Fund; as personal service costs increased the money charged to DPS for maintenance and operations increased as well).

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Mr. Spencer looked at performance indicators on slide 19. He relayed that in the prior year 100 percent of homicides reported to the Alaska State Troopers had been solved. He noted that the figure varied from year-to-year, but the target was to solve all of the cases. He addressed that 87 percent of sexual assault/sexual abuse victims indicated a positive program impact on their lives due to CDVSA services. He highlighted statewide public safety programs and relayed that the prior year had been a high fire-fatality year with 23 deaths; the five-year average was 17 fatalities, the target was 15. He noted that DPS could help to influence the number, but could not control it. He remarked that it only took one or two fires with multiple victims to increase the number.

Mr. Spencer discussed resource protection, which was conducted by wildlife troopers. He elaborated that 5.9 percent of wildlife violations detected as a percentage of total contacts, which was a slight increase over the prior year. He did not believe 5.9 percent was all that bad; he did not know the exact target, but it was within the range. There were 11 DUI fatalities in the prior year, which was 22 percent lower than the previous three-year average. He remarked that there was no question that the combination of highway safety corridors, DOT funding, and Bureau of Highway Patrol enforcement had helped. He added that the current question related to how to move forward.

Mr. Spencer addressed "FY 15 Significant Increases" on slide 20. The governor had requested an additional 15 VPSO positions and \$3,078,700 in unrestricted general funds and a new VPSO Support Trooper position for \$349,000. Currently there were 88 filled VPSO positions versus 121 authorized positions. The prior year the governor had requested 15 new positions per year with support troopers for 10 years. The goal was to get an officer in every village requesting one; the department continued to work towards the goal. He addressed why the department was requesting 15 new positions when the current positions were not filled. He relayed that the governor had made a commitment and would honor it. Additionally, the reality of filling positions was that on August 9, 2013 DPS had submitted a press release announcing that it had reached 101 positions employed; subsequently, 13 positions had been lost. The department did not know why the positions had been vacated; there were a variety of reasons why the state lost VPSOs. He relayed that DPS would provide the committee with a copy

of a PowerPoint presentation that addressed the reasons for VPSOs.

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Mr. Spencer stated that over the years DPS had hired more than 40 VPSOs in a year (slide 20); in other years there had only been a small net increase due to turnover. He acknowledged the challenge and stated that the department would love to increase the number to 121 filled positions. He remarked that vacant positions did no good. He elaborated that neither the department nor nonprofits had a perfect answer for how to fill the positions. He discussed that years earlier the department had asked for a funding increase, which had been granted by the legislature. Additionally, merit increases had been implemented and equipment had improved; the strategies had worked for a while, but the number had begun to decline. He relayed that Alaska State Troopers went through the academy prior to becoming troopers; it did not work the same way for VPSOs. He explained that VPSOs acted as law enforcement, health aides, fire fighters, search and rescue, and other. He explained that the number of VPSOs could increase by a significant number at any time. He stated that the ups and downs of VPSO hire was very different than what was seen anywhere else in the department. Part of the trouble was the jobs were influenced by the pressures of working in very small communities. The department would continue to ask for the funding increment and would continue to try to fill the positions.

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Mr. Spencer highlighted an increment to fund a forensic scientist position to provide timely DNA evidence processing; an existing position would be reclassified and the requested funding was to fill and keep the position filled. The goal was to have DNA analysis completed within 45 days; currently there were approximately 23 sexual assault screening cases waiting. The position would help to prevent DNA analysis backlogs. He addressed an increment of \$100,000 in general fund program receipts that would increase law enforcement agency participation in the Alaska Records Management System (ARMS); the program receipts would come from local law enforcement agencies wanting to participate in the program that would provide an electronic records storage system. He added that the agencies would

pay a per user fee to DPS that would be used to maintain the system. He shared that in 2008 the legislature had provide a capital appropriation to build ARMS; the system was operational and working well.

Mr. Spencer spoke to a grant in the amount of \$250,000 to help children exposed to violence. The increment would provide counseling, child advocates, and shelter staff training. An increment totaling \$287,500 for maintaining existing services to domestic violence and sexual assault victims was aimed at basic shelter costs. The final increment of \$100,000 would go to enhancing fish and wildlife enforcement. The increment would enable the department to use confiscated fish receipts (where the value was forfeited to the state when a person is convicted) for Bristol Bay enforcement; it would free up \$100,000 currently used in the area that could be used on a targeted enforcement program for moose and caribou hunting activities in the Copper River Basin area.

Mr. Spencer relayed that there were also smaller items included in the budget; the department characterized them as transfers in and out of general fund program receipts revenue. He elaborated that DPS had previously had authority for building plan reviews and a fire marshal; it had been more than the department needed; therefore, some of the authority had been transferred to the state troopers detachments and Statewide Drug Enforcement Unit to use some "finds and forfeitures" funding and fees for public records copying to offset the program. He believed the Legislative Finance Division had characterized the items as increments.

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Mr. Spencer addressed significant reductions in FY 15 on slide 21. He relayed that reductions meant that some department functions would have to be done differently and there was risk that some things would not be done as well as before. Reductions included:

- Disband Alaska Bureau of Highway Patrol and assign highway patrol duties to AST detachments, (\$2,200.0) GF
- Realign workload to improve efficiency, (\$640.3)
- Decommission Patrol Vessel Woldstad, (\$500.0)

- Move Patrol Vessel Stimson base of operations to Kodiak, (\$500.0)
- Reduce PFT count, (\$110.9)

Mr. Spencer elaborated on the items on slide 21. He communicated that the department's proposal to disband Alaska Bureau of Highway Patrol and assign highway patrol duties to AST detachments was not one it had made lightly. Additionally, DPS did not know what it would look like at the end of FY 15. He relayed that over the past four years several million dollars in general funds had been put into the program when federal funds had not been sufficient. The state continued to receive federal funds; DPS had recently reached a tentative agreement with the Alaska Highway Safety Office to continue to receive federal monies through the remainder of FY 14 and the first three months of FY 15. He explained that previously the department did targeted highway enforcement during high traffic times (e.g. Fourth of July, Labor Day, Alaska State Fair, and other) and officers including troopers and local police had typically been on overtime. The proposal was to return to this previous method of highway enforcement. The department recognized the value of the Bureau of Highway Patrol; however, it had to make a choice about making cuts in order to live with a smaller amount of money.

Mr. Spencer continued to discuss the department's proposed disbandment of the Bureau of Highway Patrol. He relayed that there were currently 19 uniformed positions assigned to the bureau including 16 troopers, 1 sergeant, 1 lieutenant, and 1 other. The department planned to release the positions to the detachments where they were (e.g. the Fairbanks Bureau of Highway Patrol would go to the Fairbanks headquarters). He expounded that as the troopers moved out to other vacant positions within DPS (there were currently 28 vacancies) the vacated Bureau of Highway Patrol would be reclassified to civilian positions with the intent that the reclassified positions would allow troopers to be on the road more in the long run. He relayed that the change would save \$2.2 million. He did not believe the total amount would be saved in FY 15. He relayed that the most money would be saved if the positions were reclassified to positions responsible for entering report information. He acknowledged there would be challenges with the change.

Mr. Spencer relayed that DPS recognized that high visibility, high impact patrols were a good thing. He stated that DPS still believed in traffic safety corridors and enforcement, but he did not know if the services would be provided at the exact same level. He discussed the presence of computers in police cars where officers could enter information. He noted that the \$2.2 million reduction in conjunction with a \$640,300 reduction related to the realignment of workload to increase efficiency both represented work in progress. The department did not believe it was providing any unnecessary services at present and it did not want to lose uniform positions. He explained that uniform positions could respond to crime reports whereas civilian positions could not; however, he stressed the essential nature and cost effectiveness of civilian positions. He could not predict the ultimate outcome, but information would be known the following session.

Mr. Spencer addressed the proposal to save \$500,000 with the decommissioning of the patrol vessel Woldstad. He referred to a \$2.4 million increment provided by the legislature two years earlier to repower the vessel that had a unique propulsion system. A marine engineer had assessed the vessel and had determined that an additional \$1.3 million was needed. He discussed that simultaneously the wildlife troopers were looking to determine how fisheries enforcement had changed over the years. The department proposed the purchase of a 58-foot seiner for use as an enforcement vessel. The Woldstad was responsible for the Bristol Bay region; DPS proposed to run the vessel through the upcoming fishery and sell it after the season ended. He believed there would be an amendment in the capital budget to reallocate the repower appropriation to the purchase of the replacement vessel; the proceeds from the sale of the Woldstad would be used to outfit the new vessel. He relayed that wildlife troopers believed the new vessel would be a better patrol base. He observed that it would also be easier to maintain over the long-term.

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Mr. Spencer highlighted a proposal to move the vessel Stimson, which patrolled the Aleutians, to Kodiak. He acknowledged that it would take more time to reach much of the patrol area from Kodiak; however, its location in the

Dutch Harbor area was expensive. He elaborated that parking was difficult to come by and parking the boat cost \$100,000 annually (not including electricity). The department estimated that it would save a minimum of \$500,000 in FY 15. The department understood that the change could negatively impact a community; however, as funding became tighter it was necessary to determine how to do things better. Lastly, DPS had eliminated a Woldstad boat officer position for a savings of \$110,900; there continued to be three positions to run the boat over the upcoming year.

[3:13:58 PM](#)

Mr. Spencer looked at FY 15 capital projects on slide 22:

- Alaska State Troopers law enforcement equipment replacement: \$500.0 GF
- Alaska Wildlife Troopers law enforcement equipment replacement: \$500.0 GF
- VPSO equipment: \$500.0 GF
- Alaska Wildlife Troopers Vessel Repair and Maintenance: \$1,000.0 GF
- Alaska Wildlife Troopers Marine Fisheries Patrols: \$1,200.0 GF
- Statewide Deferred maintenance; \$1,350.0 GF
- Statewide Domestic Violence shelter repair, renovation, and improvements: \$1,000.0 GF/\$1,000.0 Other

Mr. Spencer expounded on items on slide 22. He noted that the fourth bullet point related to aircraft and vessel repair and maintenance. He detailed that the funding did typically go to some repowering; however, the Woldstad was an extraordinary case that required more funding. The \$1.2 million increment for wildlife trooper marine fisheries patrols was in anticipation of an agreement with NMFS (the cooperative agreement had been running for 8 to 10 years); the actual amount may ultimately differ. He relayed that in the past a significant amount of the money had run into the operating budget as CIP receipts; it had also been used by DPS for "big ticket" items with the agreement of NMFS.

Mr. Spencer spoke to an annual appropriation for statewide deferred maintenance to keep facilities operating smoothly (slide 22). He relayed that the department's 80 housing units statewide and offices in various communities required

significant funds and time (funding included two staff positions). He highlighted the statewide domestic violence shelter repair, renovation, and improvements. He noted that the buildings were not brand new with state of the art furnaces and other. The department proposed an increment for \$1 million in general funds and \$1 million from the Rasmuson Foundation and possibly other sources to obtain a professional assessment of the facilities statewide. He elaborated that the assessment would determine life safety needs (e.g. the need for a new furnace, new lighting, roof, door locks, and other); the assessment would create a statewide catalog of needs and necessary repairs. Subsequently a priority list would be developed. The department believed the increments would be beneficial. He added that how the funds would be dispersed was not known at present.

[3:17:49 PM](#)

Co-Chair Austerman noted that the committee had seen slides 23 and 24 ["Department of Public Safety Continued Budget Growth Compared to 10-Year Plan (Non-Formula Only) (GF Only)" and "Department of Public Safety Continued Budget Growth Compared to 10-Year Plan (Non-Formula Only) (All Funds)"].

Mr. Spencer replied that the presentation had concluded. The department was available for questions. He reiterated an earlier statement that a VPSO PowerPoint would be provided to members.

Co-Chair Austerman referred to a performance indicator related to domestic violence and sexual assault on slide 19. He noted that the information that 87 percent of victim service participants felt positively about the program did not indicate whether domestic violence had increased or decreased. He wanted to know if the department was actually decreasing sexual assault and domestic violence. He asked the department to keep the request in mind when making future presentations.

Co-Chair Austerman pointed to the request for new VPSO positions on slide 20. He remarked that Mr. Spencer had relayed several times during the presentation that the proposed increase was based on the governor's commitment.

Mr. Spencer replied in the affirmative.

Co-Chair Austerman responded that it was fine that it was the governor's commitment; however, there had been two years where nothing had happened in the program that was based on a governor's commitment. He stated that the legislature was more than willing to fund a program that worked. He wondered why additional positions were requested if the department could not support or make the program work. He believed in the VPSOs and believed more were needed; however, if the positions could not be filled [more positions should not be requested]. He stressed that the department had worked on the program for a number of years through various commissioners and had never been able to make it succeed. He stated that he was close to being fed up with the current approach. He underscored that if DPS could not come up with a plan that showed how to make the program work, he did not want to see a request for funds. He referred to other ideas that had been proposed that had never been brought forward to the legislature. He wanted a plan showing how success would be achieved.

Co-Chair Austerman addressed the proposed decommissioning of the Woldstad. He relayed that he needed to see significant numbers from the department to justify the change. He referred to the \$100,000 the department proposed it would save in moorage fees and reasoned that there would be costs associated with basing the Stimson to Kodiak as well. He wanted to know the net difference in cost. He wondered if the difference would be \$5,000, \$50,000, or other. He had lived on the ocean and he could not believe that a 58-foot vessel would replace the Woldstad effectively. He would prefer to spend the \$3.7 million to refurbish the vessel. He compared the refurbishment to the vessel Tustumena that was 50 years old and still in service. He did not believe the Woldstad was inferiorly built. He reiterated the need for justifications on the proposals.

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Representative Wilson asked what happened to money allocated to the department for unfilled VPSO positions. Mr. Spencer replied that the money was used in the department's budget. He elaborated that the funding was used for a coordinator to run the programs, equipment, and facilities. Funds were also specified for equipment. He

stressed that work in rural communities was more expensive than in urban areas.

Representative Wilson wondered what would have happened with the money if the VPSO positions had all been filled. She knew that many communities wanted a VPSO, but she believed the program made it difficult for some small communities to have the required services. She asked about background checks. She observed that there were currently two types of background checks; a more stringent one for pre-K and Head Start programs and another K-12 teachers. She believed the check should be the same for all grades. She wondered about the cost difference between the two different checks. Additionally, she wondered how long the checks took.

Mr. Spencer would follow up with an answer.

[3:26:11 PM](#)

Vice-Chair Neuman believed in 1990 the state had 425 Alaska State Troopers with less than 400,000 Alaskans; currently there were about 375 troopers with 738,000 Alaskans. He referred to slide 19 related to domestic violence and sexual assault. He recalled working on difficult legislation related to sexual assault in the past. He stated that 23 percent of all sexual assaults were reported and that a perpetrator assaulted 19 to 24 children prior to being caught. He pointed to a \$250,000 increment to help children exposed to violence (slide 20). He surmised that the money spent on aiding victims was not proportionate to the number of victims experiencing lifelong trauma caused by the crimes. He wondered why more money was not directed to the programs.

Commissioner Folger understood Vice-Chair Neuman's point. He would follow up at a later time.

Representative Gara shared concerns of the prior speakers related to the VPSO program. He stated that the VPSO expansion program had been a complete failure. He remarked that the goal of filling the positions would address concern about sexual assault because people would be protected; however, the positions continued to be unfilled. He asked how many VPSO positions had been filled in FY 10 when the governor's plan had begun compared to the number of filled positions at present.

Mr. Spencer replied that on December 31, 2010 there had been 70 VPSOs; currently there were 88. There had been a high of 101.

Representative Gara observed that over five years 75 new VPSOs should have been added; however, only 17 officers had been added. He asked rhetorically how long it would take to figure out how to make the program work. He asked if the proposed program only allowed VPSOs to respond to misdemeanors. He wondered if the officers could also intervene in sexual assaults.

Mr. Spencer deferred the question to his colleague.

COLONEL JIM COCKRELL, DIRECTOR, DIVISION OF ALASKA STATE TROOPERS, DEPARTMENT OF PUBLIC SAFETY (via teleconference), answered that a VPSO could respond to any crime, which frequently included felony offences such as sexual assault.

[3:30:49 PM](#)

Representative Gara asked for verification that there were currently 33 vacant VPSO positions. Mr. Spencer replied in the affirmative.

Representative Gara surmised that the department did not require a budget increase in the present year given that 33 positions would not be filled in the upcoming year. He noted that 18 positions had been filled in 5 years. Mr. Spencer replied that three months earlier there had been 100 positions filled; the number fluctuated.

Representative Gara explained that the legislature was working to find places to save money where it was not being utilized. He stated that there were many areas that needed more funding.

Mr. Spencer reiterated that the department would provide committee members with the VPSO presentation and the committee would make its decision. He added that DPS would rather aim high than low. He agreed that the department had its work cut out to fill the vacant positions.

Representative Gara proposed sending VPSOs to the same academy provided to troopers. He asked whether the department would commit to not spending money allocated for

new VPSO positions if the positions were not filled. Mr. Spencer was unable to commit to not spending the funds at present. He could look into the issue.

Co-Chair Austerman believed the message to the department related to the VPSO program was clear. He elaborated that issues repeatedly brought to the legislature regarding the VPSO program related to the high cost of living and housing. He remarked that the department did not bring forward a proposal to address the problems.

[3:34:26 PM](#)

Representative Gara clarified that he wanted the program to work.

Co-Chair Austerman agreed.

Mr. Spencer replied that the problem was not new to the past five years; the state had been working on the problem in the 1970s. He relayed that there had been constables, regional police officers, and then VPSOs. The state was still trying to find a program that would work.

Co-Chair Austerman surmised that if the goal was to be fair across the state that maybe the positions should all be state trooper positions. He stressed that DPS was responsible for presenting a plan to the legislature.

HB 266 was HEARD and HELD in committee for further consideration.

HB 267 was HEARD and HELD in committee for further consideration.

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ADJOURNMENT

[3:35:15 PM](#)

The meeting was adjourned at 3:35 p.m.