

SB

130

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 2-26 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: FINANCE

**FISCAL NOTE(S) ATTACHED **
IN ACCORDANCE WITH AS 24.08.035
(see below)

DATE TURNED INTO OFFICE _____

Mr. President:

RESOURCES _____ Committee considered SB 130

making a supplemental appropriation to the Department of Natural Resources for recorders' offices; efd .

and recommended:

- replace with CS _____ same title
- attached amendment(s) and new title

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted and attached

** Committee attached or adopted fiscal note(s)
 zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Lois Jones
Bob Lujan
Lewis Stumpeloch
Frank Zant
Jim Duran
Paul A. Frank

John B. Coyle

 Chairman signature and recommendation

Committee Backup Attached

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

SENATE
BILL VERSION: SB 130
PUBLISH DATE: 3/5/87

REQUEST: _____

Revision Date: 3/3/87
Title: Supplemental Appropriation to DNR

Agency Affected: Natural Resources
BRU: Management & Administration

for Recorders' Offices
Sponsor: Kerttula & Szymanski
Requestor: _____

Components: Information/Records Management

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES	95.0					
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	95.0					

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER	95.0					
TOTAL	95.0					

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS :

The \$95.0 non-GF will cover personal services costs of existing, filled positions in the seven rural Recorder's Offices (Nome, Bethel, Palmer, Kenai, Homer, Sitka, Ketchikan) through June 30, 1987.

Prepared by: Virginia Stonkus, DNR Budget Analyst
Division: Management

Phone: 465-2424
Date: 3/3/87

Approved by Commissioner: [Signature]
Agency: Natural Resources

Date: 3/3/87

- Distribution (by preparer):
- Legislative Finance
 - Legislative Sponsor
 - Requestor
 - Office of Management and Budget
 - Impacted Agency(ies)
 - Senate Secretary

Alaska State Legislature

Senate Resources Committee



Sen. John P. (Jack) Coghill, Chairman
Sen. Paul Fischer, Vice Chairman
Sen. Lloyd Jones
Sen. Arliss Stupplewski
Sen. Jim Duncan
Sen. Fred Zharoff
Sen. Dick Eliason

Box V
Juneau, Alaska 99811
(907) 465-1907

March 3, 1987

MEMORANDUM

To: Members of the Senate Committee on Resources

From: Committee Staff

Re: SB 130, "Making a supplemental appropriation to DNR to keep recorder's offices open"

The passage of SB 130 would appropriate \$95,000 from the recorder's offices program receipts in the general fund to DNR to keep the offices open until the end of this fiscal year.

Offices slated for closure without this appropriation are in Nome, Bethel, Palmer, Homer, Kenai, Sitka and Ketchikan. The appropriation covers the cost of personal services for existing positions.

Included in your packet are:

DNR's position paper and fiscal note
A memorandum from Legislative Finance staff to Sen. Kerttula
Sponsor's letter to DNR

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

400 WILLOUGHBY AVE.
JUNEAU, ALASKA 99801-1796
PHONE: (907) 465-2400

March 3, 1987

The Honorable Jack Coghill
Chairman, Senate Resources Committee
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator Coghill:

Subject: Senate Bill 130, which makes a supplemental appropriation to the Department of Natural Resources for Recorder's Offices.

Position: The department supports this bill because it would allow use of \$95,000 in program receipts to operate the Recorder's Offices through the remainder of Fiscal Year 1987.

Please let me know if you would like additional information.

Sincerely,

Jennie Bestm gorsuch
for
Judith M. Brady
Commissioner

cc: Senator Szymanski
Committee Members
George Sullivan
Rod Swope

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

FINANCE DIVISION
POUCH WF-STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3795

MEMORANDUM

DATE: February 6, 1987

TO: Senator Jay Kerttula

FROM: W. Tom Maher, Fiscal Analyst
Legislative Finance Division

SUBJ: The Closure of Recorder Offices - a brief summary of events leading to the possible closure of seven field offices.

1.) Governor Sheffield's August 8, 1987 restriction plan resulted in a 13.4% general fund reduction to the Department of Natural Resource's (DNR) FY 87 Authorized budget. These restrictions were made in an attempt to reduce State spending due to a drastic drop in anticipated revenues.

2.) In applying the required restrictions, DNR's Division of Management, which is responsible for Recorder's Offices operations, expressed concern that any reductions in the Recorder's Office budget would severely effect its operations. DNR was advised by the Governor, through the Office of Management and Budget, that any reductions applied to the Recorder's Offices system would be recouped by requesting Legislative Budget and Audit Committee approval for the authority to receive and expend a like amount of program receipts.

3.) Two revised program (RPL's 10-7-0058, & 59) were prepared by the Department and the Office of Management and Budget requesting Legislative Budget and Audit Committee approval for a total of \$278,500 in program receipts for the operation of four offices: Homer, Nome, Bethel, and Sitka.

FEB 6 1987

4.) In the October 10 meeting of the LB&A, these RPLs were not approved.

5.) The Office of Management and Budget re-submitted these two RPL's to the December 17 meeting of the LB&A. Although the cover memo from OMB was revised to reflect the re-submittal of these RPLs, the backup documentation from the Department was the same as presented at the October 10 meeting in that only four offices were affected; Homer, Nome, Bethel, and Sitka.

6.) In the December 17 meeting of the LB&A, these RPLs were not approved.

Discussion: Because the Administration failed to require DNR to make necessary reductions in the Recorders Office System in a timely manner (August) and depended on the decision of the L.B&A Committee to keep the system operating a level deemed necessary, DNR took no action during the first half of this fiscal year. Today, to make up for this reduction which should have take place in August, DNR must close additional offices.

The administration, if not wanting to make reductions to this program, could have at any time, simply released the restriction placed on the Recorder's Office.

At the time of these requests, the Committee was being asked to allow other State programs to minimize the effect of Governor Sheffield's restrictions by granting increases in the use of program receipts.

These requests appeared to be inconsistent with Budget Review Director Jay Hogan's FY 88 budget instructions to State Agencies which prohibited the substitution of program receipts to offset specific general fund reductions which were required in Governor Sheffields restriction process. The Department's memorandum (from Barton to Hogan, 7/29/86) which served as backup for the RPL requests before the Committee states that "it is anticipated that this program will request continued funding by program receipts in subsequent fiscal years".

F. J. [unclear]

STATEWIDE RECORDER'S OFFICES

<u>Recorder's Office</u>	<u>FY 86 Actual Revenue Generated</u>	<u>FY 86 Actual Documents Processed</u>	<u>FY 87 Projected** Documents Processed</u>
Nome	\$ 23,700	2,734	2,398
Bethel	19,172	2,387	2,472
Fairbanks	<u>434,512</u>	41,316	40,982
Palmer	<u>392,403</u>	<u>38,057</u>	37,868
Anchorage	<u>1,181,973</u>	105,738	123,316
Kenai	181,416	18,441	19,238
Homer	79,156	8,305	7,798
Juneau	<u>121,868</u>	12,203	13,492
Sitka	31,448	3,079	3,142
Ketchikan	88,207	8,598	10,108
***Kodiak	41,611	4,790	4,468
***Glennallen (Chitna)	13,173	1,327	1,840
***Seward	28,328	3,389	3,568
***Valdez	<u>12,289</u>	<u>1,484</u>	<u>2,164</u>
TOTAL	\$2,649,256*	251,838	272,854

* Does not include recording fees in land contracts and leases collected by the Division of Land and Water Management.

** Projected from first six-month actual figures.

*** Administered by the Alaska Court System.

TYPE OF FUND:		NAME AND TELEPHONE NUMBER OF CONTACT:								
UNRESTRICTED		HIRIAM CAMPBELL 762-2224								
FUNDING SOURCE	FUND	REVENUE ACCOUNT	COLLOCATION CODE	PRIOR YEAR FY 86 ACTUAL	CURRENT YEAR FY 87 AUTHORIZED	CURRENT YEAR FY 87 CASH ESTIMATE	BUDGET YEAR FY 88			FY 89 ESTIMATE
							ADJUSTED BASE	INCREMENT/ DECREMENT	AGENCY REQUEST	
	11100	Recording Fees	10-44-1-108	2,718.0	2,990.0	2,990.0			3,100.0	3,130.0
	11100	UCC Fees	10-44-1-108	275.0	301.0	301.0			319.0	331.0
	11100	Document Recording Fees	10-44-1-108	37.0	45.0	45.0			45.0	48.0
TOTAL				3,030.0	3,336.0	3,336.0			3,464.0	3,509.0

EXPLANATION (SEE INSTRUCTIONS):

Recording fees and commercial code fees project growth in a downturn economy.

0044X

C21	REVENUE DETAIL
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AGENCY NATURAL RESOURCES

BRU MANAGEMENT AND ADMINISTRATION

COMPONENT INFORMATION/RECORDS MANAGEMENT

FY 88

Page 2 of 2

Revised Date _____



Alaska State Legislature

Senate

Official Business

Handwritten signature

Pouch V
State Capitol
Juneau, Alaska 99811

February 5, 1987

Robert Arnold
Deputy Commissioner
Dept. of Natural Resources
Box M
Juneau, Alaska 99811

Dear Mr. Arnold,

I am quite concerned over the message that the recording office in Palmer is being closed. I wish to strenuously object to its closure.

This will cause an unprecedented hardship on people in the Mat-Su Borough area. It will cause untold delays with the closing of loans for both businesses and housing, thus adding to the expense of these purchases.

The effect on the business community will be great. It will most certainly effect every bank and Credit Union in the area.

I am of the understanding that this is one recording office which generates more money income than what the expenses are. I feel it is entirely uncalled for to close an office that is making money for you.

Please give this your soonest consideration possible.

Sincerely,

Jay Kerttula
State Senate

Handwritten signature of Jay Kerttula

JK/jck

I am adamantly opposed to closure of this office at Palmer!