

FY 96

Agency

Overview/

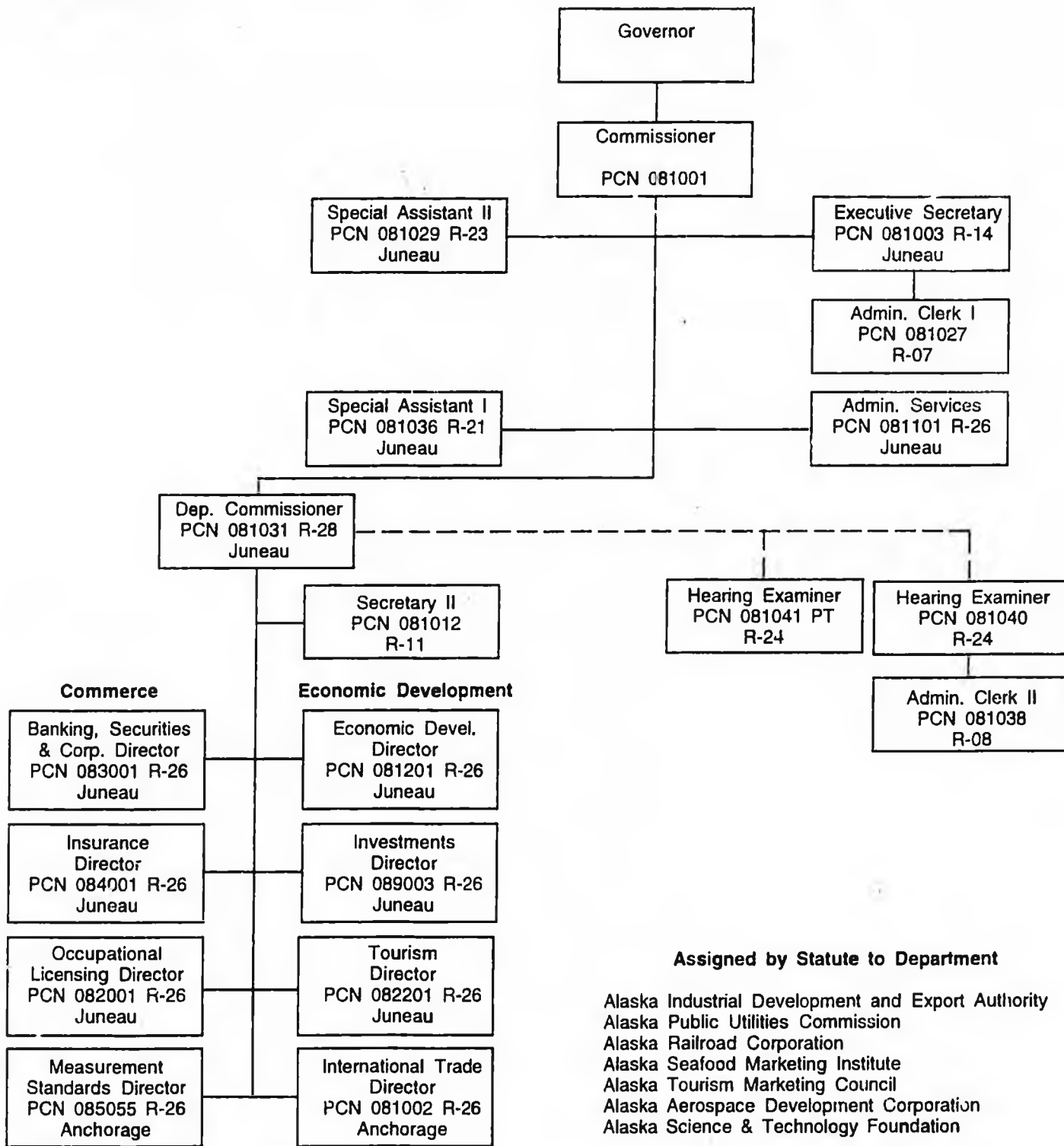
Attachments

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DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

State of Alaska



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State of Alaska
Department of Community and Regional Affairs

Mission

DCRA's mission is to empower individual Alaskans to help them build stronger, healthier communities. The department's three-fold strategy for achieving this mission focuses on Stronger Local Economies, Stronger Local Government and Increased Local Fiscal Accountability.

Core Services

The Division of Community and Rural Development provides human resource and economic development opportunities for Alaskans through a wide range of integrated programs that promote stronger local economies and self-reliant, healthy individuals and communities:

- Provide rural economic development opportunities
- Administer state and federal job training programs
- Administer child care programs
- Administer the Head Start Program in Alaska

The Municipal and Regional Assistance Division helps local and regional governments to become more self sufficient in providing effective government services to community residents:

- Help local governments improve financial management capacity and financial accountability
- Provide support for operation & maintenance of rural utilities through the Rural Utility Business Advisor (RUBA) program
- Provide community planning assistance
- Provide land management assistance
- Advise and assists local government officials regarding their roles and responsibilities
- Help coordinate capital project development by various state and federal agencies in communities
- Administer the State's municipal financial assistance programs
- Provide a "one-stop" source of information on Alaskan community data
- Provide staff support for the Local Boundary Commission (LBC)
- Provide for the Office of the State Assessor

The Division of Energy assists in the development of safe, reliable and efficient energy systems that are financially viable and environmentally sound:

- Administer the Power Cost Equalization (PCE) Program
- Administer grant and loan programs for energy development
- Administer programs that address the special needs of rural energy
- Maintain statistics on statewide energy generation
- Coordinate the State's response to energy-related emergencies
- Provide for alternative energy initiatives

DCRA 1/24/95

The Division of Administrative Services provides general oversight and administrative support services for all department programs:

- Personnel
- Fiscal (financial transactions)
- Internal Audit
- Budget
- Grants Administration
- Procurement and Property
- Data Processing (departmental management information system)

Constituencies Served

- Alaskan Businesses
- Parents and children
- Dislocated workers
- Local municipal governments
- Unincorporated community organizations
- Volunteer fire departments
- Alaska Natives
- The Legislature
- Rural utilities
- State and federal agencies

Department Overview

■ DCRA's MISSION

DCRA's mission is to empower individual Alaskans to help them build stronger, healthier communities.

While the basic mission of the Department of Community and Regional Affairs might be applicable to a community affairs department in any state, it takes on particular significance when applied to the Alaska geographical, historic and economic context. Many of Alaska's communities are relatively new. Communities are still very much in a condition of transition, especially in rural Alaska. The department serves more than 200 communities widely separated over very large geographic and logistic distances. The economic and cultural disparities among Alaska communities are often far greater than between communities in other states. Many smaller communities have barely established a cash economy. There are fundamental unmet needs for capacity building in local government skills. Far more than in other states, Alaska's DCRA serves as a bridge between the past and the future of local communities.

DCRA is, by its nature and its constitutional and statutory mandates, a community-oriented agency. The need for a presence and participation at the local level dictates a decentralized organization which is sensitive to local needs and versatile enough to address the broad spectrum of issues and concerns which affect different types of communities. In delivering services to Alaska communities, the department must constantly cope with the inefficiencies inherent in the state's geography, the lack of a comprehensive regional government structure, and the scarcity of human and financial resources in many developing communities.

A major emphasis of DCRA is to place access to departmental programs and resources as close and convenient as possible to the population being served. Regional offices are located in Kotzebue, Nome, Bethel, Dillingham, Fairbanks, Tok, Anchorage, Sitka and Juneau. The offices are staffed with Local Government Specialists, Planners, Economic Development Specialists and Community Development Specialists. Regional office staffs provide a variety of local governance services to all communities, incorporated and unincorporated, and serve as a service delivery means for DCRA's rural economic development and job training efforts.

The department's mission inherently includes a strong advocacy role. In addition to serving as a bridge between the past and the future for communities, DCRA serves as a bridge between the local community interests and the interests of state and federal agencies. It is critical for the successful development of rural Alaska that communities have the opportunity for substantive participation in the development process. From the state's perspective, DCRA serves as a catalytic agent for change, working to ensure that state and federal funded infrastructure projects such as water, sewer, power and roads are maintained and to help promote community economic development opportunities.

■ DCRA CONSTITUENCIES — AND STRATEGIES FOR SERVING THEM

The overriding goal of the Department is to empower communities, families and individuals to effectively tackle the governmental, economic and social challenges they face. Although it delivers programs statewide to assist these constituencies, DCRA has a special link to rural Alaska.

An underlying goal of the department is to operate in a strategic manner; identifying key departmental initiatives or goals which have the greatest constructive potential and then structurally aligning the department's functions and programs to more directly support those initiatives. A second underlying goal for the department is to maximize the linkages among departmental programs to promote a more holistic approach to constituent needs. In addressing its desire to help individuals, families and communities to help themselves, the department is focusing on three major long range goals: stronger local economies, stronger local governments and stronger families. A three-fold strategy has been implemented to accomplish these goals.

Strengthen local economies

The Division of Community and Rural Development (DCRD) operates three major programs focused on helping communities gain a higher degree of economic self sufficiency. These are the Rural Economic Development Initiative (REDI), the state-administered federal Job Training Partnership Act (JTPA), and the parent caregiver and community services consolidated under the Child Care programs. The basic operational concept for DCRD is maximum coordination between these program elements to provide a comprehensive approach to supporting community needs for economic development assistance.

The department created a new job class entitled Economic Development Specialists to facilitate this concept. The division now has four positions (three regional positions and one statewide position) providing economic development assistance. The Economic Development Specialists serve as catalysts to draw together the collective economic development opportunities of the department's existing programs such as grants, loans, job training and technical assistance. They work directly with communities to assess potential economic opportunities and turn those opportunities into specific community development projects.

A newly acknowledged cornerstone in the local economic base are the resources of child care assistance programs for parents, consumer education, related resource and referral services, and caregiver training. Available, affordable, high quality child care strengthens a community's support for existing local businesses, as well as strengthening a community's attraction for new economic enterprise and productive employees.

The cost and reliability of energy resources are critical elements in local economic development. DCRA's new division, the Division of Energy (DOE), is providing significant support for rural economic development. Recognizing the important role that energy plays in rural and economic development, the Legislature dissolved the Alaska Energy Authority in 1993 and moved its rural

development components into DCRA. Bringing these critical development resources into the department created additional coordination opportunities and provided the department a broader front on which to implement its strategic goals for rural economic development.

Another DCRA economic development initiative is the Community Development Quota (CDQ) program, one of the most significant rural development programs ever attempted for Western Alaska. Designed with the goal of involving Bering Sea coastal residents in the rapidly developing groundfish industry, the CDQ program focuses on job creation and retention, fishery and financial management training, and local control. Within the first 13 months of operation, hundreds of rural residents have found employment opportunities through the CDQ program. Besides direct employment, the CDQ program has resulted in numerous development projects throughout the coastal region.

Strengthen local governments

It is both desirable and necessary for communities to assume greater responsibilities for fiscal management at the local level. However, in parallel with the assumption of increased responsibilities, communities must improve their administrative capacity and their financial management systems. Many smaller communities still do not possess the level of administrative sophistication to successfully manage their financial resources or utility systems in an efficient and effective manner.

The department's Municipal and Regional Assistance Division (MRAD) is designed to support the development of self-sufficient, effective local governments. Community assistance is delivered primarily through the department's regional offices. MRAD programs include both direct and indirect financial assistance to incorporated and unincorporated communities in the areas of governmental and financial management, utility management, public planning processes, land use planning, and capital project planning. MRAD staff also operate several major community funding programs including State Revenue Sharing, Municipal Assistance, Municipal Organizational Grants, Shared Fisheries Business Program and the National Forest Receipts program.

The State Assessor's Office, located in MRAD, provides assistance to communities regarding taxation requirements and options. MRAD staff also support the Local Boundary Commission which oversees local government boundary changes as well as petitions for municipal incorporation and dissolution.

The Division of Energy also plays an important role in helping local governments that operate and maintain their community's power systems. DOE staff perform technical assistance for rural communities and then personally, or through contracts, maintain and upgrade community power and fuel facilities. The division is expanding its efforts to assist communities in managing their electric and fuel facilities, including the coordination of local, state and federal efforts.

Strengthen families

In addition to its support for economic development, the Division of Community and Rural Development's community-based programs provide direct support for families to be contributing members of the community. These programs include several child care programs and the Head Start Program.

The ability of some parents to work or go to school is often directly related to the availability of affordable, high quality child care. The department's child care programs address the full spectrum of child care needs from child care grants for eligible parents to grants and training for those who operate or work in child care centers.

Head Start is designed to improve the overall quality of life of low-income children and their parents. The program does this through a comprehensive program of education, health, nutrition, social services, parent involvement and career development.

DIVISION OF COMMUNITY AND REGIONAL DEVELOPMENT (DCRD)

◆ DCRD Mission

The mission of the Division of Community & Rural Development (DCRD) is to assure the highest quality provision of a diversity of human resource and economic development opportunities for Alaskans that promote and result in self-reliant and healthy individuals and communities.

MUNICIPAL AND REGIONAL ASSISTANCE DIVISION (MRAD)

◆ MRAD Mission/History

The fundamental purpose of the Municipal and Regional Assistance Division is to help local and regional governments to become more self sufficient in providing effective government services to community residents.

The writers of the state's constitution mandated the creation of a "local affairs agency." Article X, Section 14. Local Government Agency of the State Constitution states:

'An Agency shall be established by law in the executive branch of the state government to advise and assist local governments. It shall review their activities, collect and publish local government information, and perform other duties prescribed by law.'

The Alaska Constitution specifically provides for maximum local self government. However, the framers of Alaska's Constitution recognized that many local governments in the state were not fully developed and would not have the resources to achieve strong local self-determination unless they were assisted in this effort. Also, a large part of the state consists of the "unorganized borough" in which there is no regional form of government.

MRAD fulfills this mandated function by offering local governments and other community entities a broad range of support for local development efforts. This mandate is the only executive agency mandated by the constitution. Its presence symbolizes both the importance and the interest expressed by the founders in fostering strong local governments.

DIVISION OF ADMINISTRATIVE SERVICES (DAS)

◆ DAS Mission

The Division of Administrative Services (DAS) has historically maintained a service delivery attitude and is primarily responsible for assisting the divisions within the department in implementing their programs. The division also has the dual responsibility of ensuring such programs are administered in compliance with federal regulations; state laws, polices and procedures; and departmental policies and procedures as approved by the Office of the Commissioner.

In essence, the division's mission is to ensure the Commissioner's Office, Division Directors, and other program managers comply with administrative processes and at the same time provide assistance to divisions to ensure that administrative processes do not delay programmatic implementation. In addition, DAS provides direct service delivery to unincorporated communities and non-profit organizations by administering various grant programs.

DIVISION OF ENERGY (DOE)

◆ DOE Mission

The mission of the Division of Energy is to assist in the development of safe, reliable, and efficient energy systems throughout Alaska, that are financially viable and environmentally sound.

Alaska has more than 118 independent utilities serving a total population of under 600,000 and covering an enormous range of geographic and economic diversity. The Division of Energy places emphasis on lowering the costs and increasing the safety and reliability of rural power systems. Some rural utilities need assistance to remedy safety deficiencies and assure safety inspections of electrical systems. Emergency responses to utility systems failures are provided, as necessary, to protect the life, health, and safety of rural Alaskans.

In order to achieve the least cost energy supply, DOE will assess options to replace diesel generation and oil heat with alternatives based, if possible, on local sources of energy such as coal, wood, hydroelectric, solid waste, or wind.

Interties connecting community electrical systems will be investigated to determine if lower cost energy can be achieved. Where interties are not feasible, and alternatives to diesel are not locally available, DOE will work with the utilities to maximize the efficiency of diesel generation. Waste heat recovery and distribution systems will be investigated and implemented where feasible. Assistance for connecting new customers can be granted when lower energy costs for

the new customer are demonstrated or when the additions to the customer base of the utility result in overall utility rate reductions.

Bulk fuel delivery systems, storage systems, and purchasing cooperatives, are areas in which utilities and DOE can work together to achieve the goals of reducing risk to the environment and lowering total fuel cost to the utility. Working with the Bulk Fuel Task Force, Division of Energy will develop plans for maintenance, management, and scheduled replacement of bulk fuel storage facilities. Assistance for emergency bulk fuel repairs will be available from DOE based on critical need and funding availability. The Bulk Fuel Task Force is preparing an overall strategy to begin a systematic, long-term approach to resolve the enormous task of repair, improvement, new construction, and remediation. Cooperative effort from the federal, state, and local governments and private companies will be needed to face this crisis.

Small village utilities can find it difficult to provide professional management and experienced personnel for system operation and maintenance. DOE will work with these smaller utilities to investigate ways for their customers to realize the benefits from professional management. Electrical interties help to interconnect communities thus building a system large enough for economy of scale savings. Training programs will be used to increase utility operator knowledge. Circuit rider maintenance programs help to complete the goal of safe, efficient systems. DOE will continue efficient administration of the Power Cost Equalization Program. Also, in conjunction with Alaska Housing Finance Corporation, DOE will assess opportunities for reducing heating energy consumption.

Overview of the Department of Community and Regional Affairs



Mike Irwin, Commissioner
January 1995

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1/24/95

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

**Stronger
Local Governments**

**Reliable
Energy Systems**

**Fiscal
Accountability**

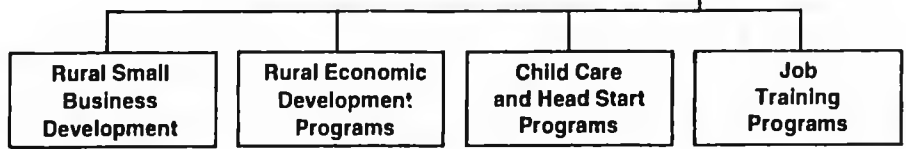
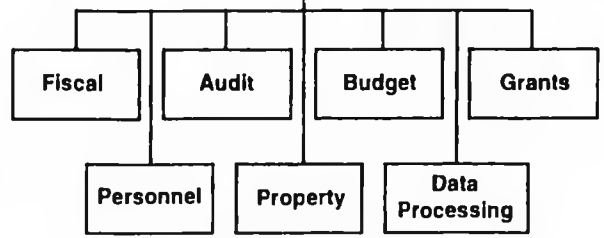
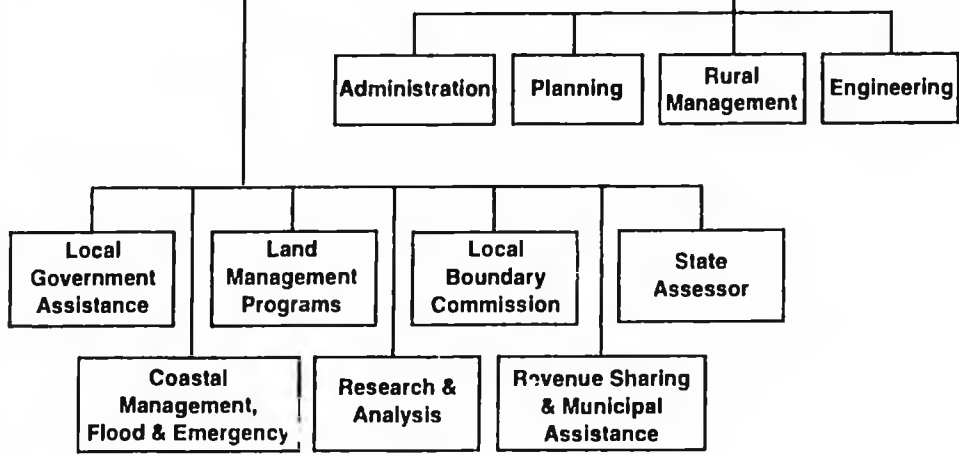
**Stronger
Local Economies**

**Municipal and
Regional Assistance
Division**

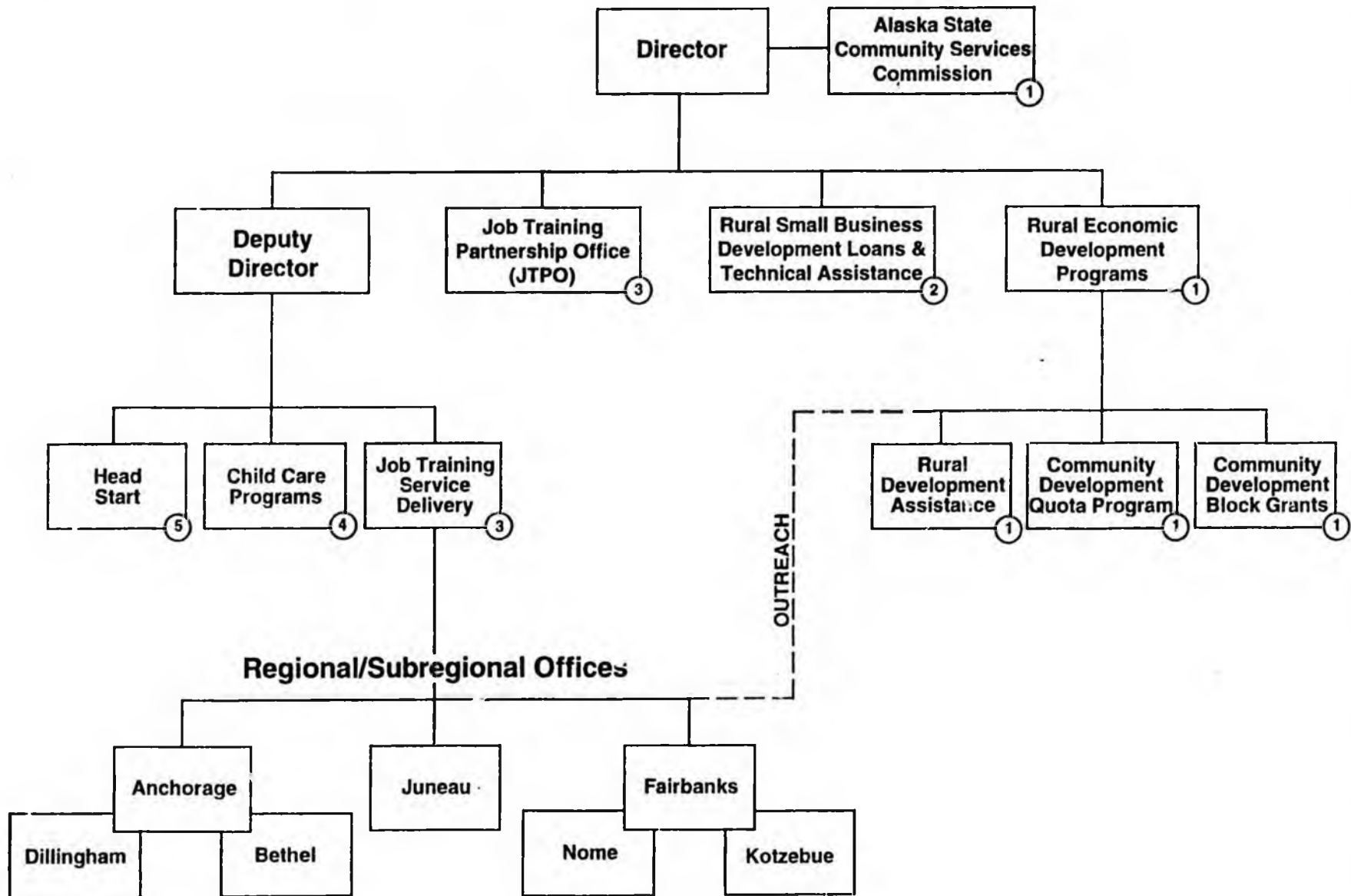
**Division of
Energy**

**Division of
Administrative
Services**

**Division of
Community and Rural
Development**



Division of Community and Rural Development



DIVISION OF COMMUNITY AND RURAL DEVELOPMENT (DCRD) PROGRAM DESCRIPTION

1. RURAL ECONOMIC DEVELOPMENT PROGRAMS:

RURAL DEVELOPMENT ASSISTANCE — AS 44.47.130, 19 AAC 60.010 — Provides funds for development aid to rural areas of the state.

COMMUNITY DEVELOPMENT GRANTS — AS 44.47.130 — Provides various services to low-income groups in the state with federal funds; provides funds for capital projects for economic and community development.

RURAL SMALL BUSINESS DEVELOPMENT LOANS AND TECHNICAL ASSISTANCE — AS 44.47; 19 AAC 70.010-900 — Implements and manages Rural Development Initiative Fund (RDIF) loans; provides department with assistance in development of new initiatives; provides technical assistance to field Economic Development Specialists.

COMMUNITY DEVELOPMENT QUOTA PROGRAM (CDQ) — 6 AAC 93.010-900; 50 CFR 657.20, 675.27, 676.24 — Provides staff support and technical assistance to eligible communities and their economic development organizations in a private/public partnership to recommend allocation of Bering Sea fisheries resources.

ALASKA STATE COMMUNITY SERVICE COMMISSION (ASCSC) — 45 CFR 2550 — Provides pass through grant funding and technical assistance to eligible Alaskan communities and volunteer service organizations to enhance the overall quality of life for community residents by expanding community and volunteer service development opportunities.

2. JOB TRAINING PROGRAMS:

JOB TRAINING PARTNERSHIP OFFICE (JTPO) — Administrative Order 122; P.L. 97-300; AS 44.47 — Administers the federal JTPA at the state level; provides funds to local service delivery areas which provide services to participants.

STATEWIDE EMPLOYMENT AND TRAINING (STEP) — Chapter 17, SLA 1993 — Provides training and employment services to unemployed and likely to become unemployed Alaskans in order to reduce demand for unemployment insurance benefits.

JOB TRAINING SERVICE DELIVERY — Administrative Order 113; 19 AAC 60.01; P.L. 97-300; AS 44.47 — Provides training and employment opportunities to low-income adults, youth, and workers who have been dislocated due to industry closure.

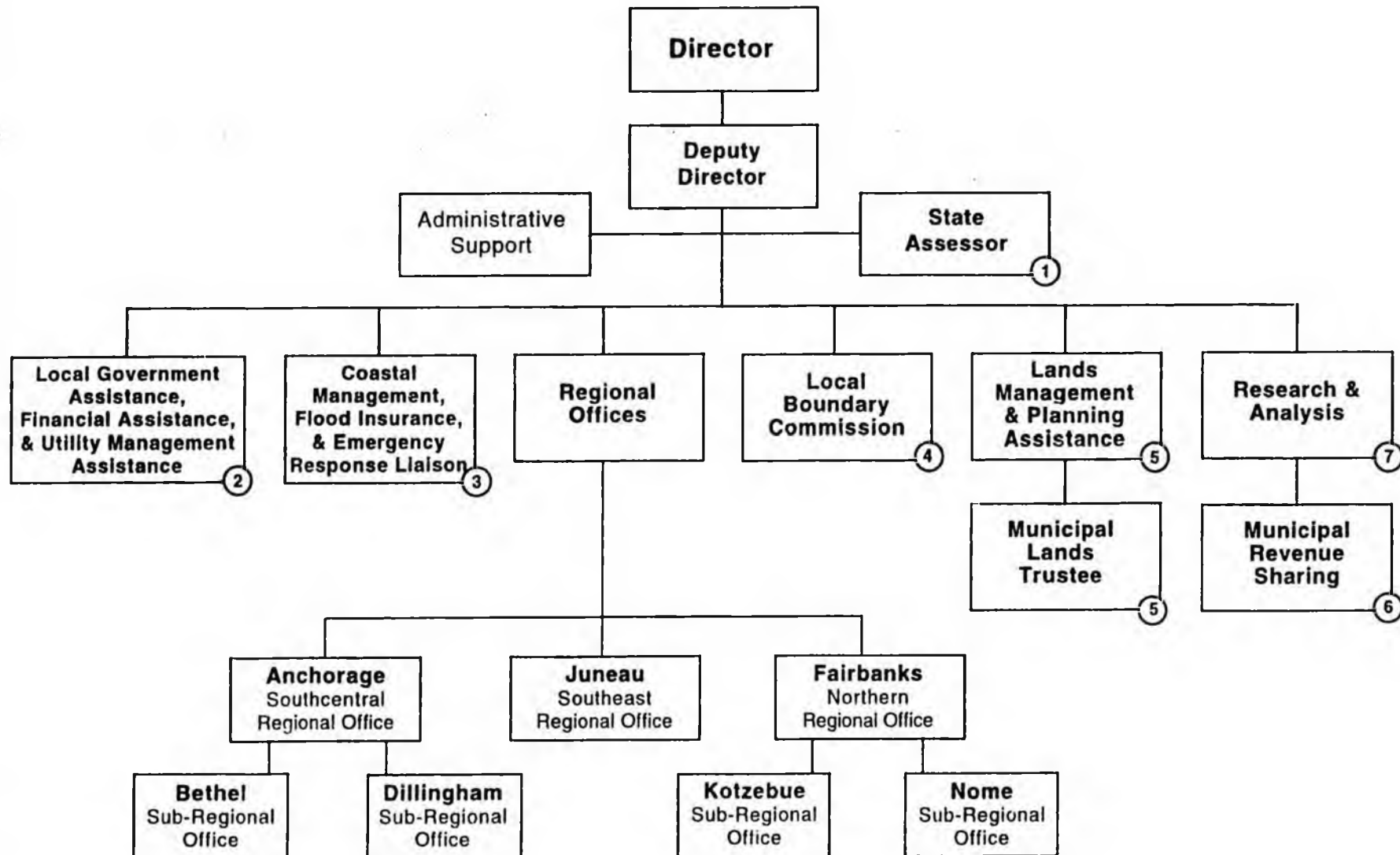
DIVISION OF COMMUNITY AND RURAL DEVELOPMENT, Continued...

3. CHILD ASSISTANCE PROGRAMS:

CHILD CARE/DAY CARE ASSISTANCE — AS 44.47.250-310; 45 CFR 98-99; 45 CFR 255-257; 19 AAC 65.010-070 — Provides day care assistance to low-income working/training parents and operating grants to child care facilities.

HEAD START — AS 37.07.080; 44.17.030-050; AS 47.05.050 — Provides state/local match for the federal Head Start program.

Municipal and Regional Assistance Division



MUNICIPAL AND REGIONAL ASSISTANCE DIVISION (MRAD) PROGRAM DESCRIPTION

1. **STATE ASSESSOR** — AS 29.45.105; AS 29.45.090; AS 14.17.140(2); AS 44.47.050(1) and (19) — The State Assessor's duties include correction of major errors in municipal assessment, valuation or taxation procedures; and production of annual full and true value determinations for property taxing municipalities to be used for local tax limitations and the school foundation program.
2. **LOCAL GOVERNMENT ASSISTANCE, FINANCIAL ASSISTANCE AND UTILITY MANAGEMENT ASSISTANCE** — Article X, Section 14 of the State Constitution; AS 44.47— Program provides financial, administrative, service delivery and planning assistance to local governments. Also provides the Financial Outreach Services to Encourage Recovery (FOSTER) Program and Rural Utilities Business Advisory (RUBA) Program.

ORGANIZATIONAL GRANTS — AS 29.05.180; AS 29.05.190 — Provides funds for two or three years on a descending scale to newly incorporated cities or boroughs, to defray the costs of transition to a new status.

3. **COASTAL MANAGEMENT, FLOOD INSURANCE, AND EMERGENCY RESPONSE LIAISON** — AS 44.47.050-44.47-095, AS 46.13.020 — Provides technical assistance and administers coastal resource districts for the federal Coastal Zone Management Program; ensures National Flood Insurance Program is provided to municipalities statewide; and participates in the State Emergency Response Commission.
4. **LOCAL BOUNDARY COMMISSION** — Article X, Section 12 of the State Constitution; AS 44.47 and AS 29 — Commission makes determinations on incorporations of boroughs or cities, annexations, detachments, and dissolutions; performs feasibility studies; holds public hearings in affected areas.
5. **LANDS MANAGEMENT PLANNING AND ASSISTANCE** — AS 44.47.050-100; SECTION 14(C)(3) OF P.L. 92.203 — Protects state and local government investments in buildings and facilities by actively working with agencies and communities to assure adequate site control for publicly-funded projects. Also provides general land management assistance to communities. Provides training and assistance on planning, mapping and other requirements of the Alaska Native Claims Settlement Act (ANCSA) which requires transfers of land from native corporations to municipalities or transfers in trust for future municipalities.

MUNICIPAL LANDS TRUSTEE (MLT) — AS 44.47.150 — Provides a trustee relationship between the state and unincorporated communities. Holds in trust land transferred under ANCSA from native corporations until the communities incorporate.

MUNICIPAL AND REGIONAL ASSISTANCE DIVISION. Continued...

6. MUNICIPAL REVENUE SHARING SECTION:

STATE REVENUE SHARING — AS 29.60.010-300 — Entitlement program for local governments and unincorporated communities which provides funds for road maintenance, fire protection, health facilities. Provides an on-going source of revenue for communities with little or no tax base. Program in existence since 1970.

MUNICIPAL ASSISTANCE — AS 29.60.350-370 — Entitlement program for municipal entities, the purpose of which is to reduce or maintain property taxes while providing important public services. The legislature may appropriate to the Municipal Assistance fund 30% or more of the Corporate Income Tax collected in the previous fiscal year.

SHARED FISHERIES BUSINESS TAX PROGRAM — AS 43.75.137 — Funding for the program is transmitted from the Department of Revenue to DCRA and allocated to municipalities based on a demonstration by the municipalities that they suffered significant effects from fisheries business activities.

NATIONAL FOREST RECEIPTS PROGRAM — AS 14.15.180 — 25% of the income earned from activities within the national forest is distributed to boroughs and cities within the national forest. Federal law requires that the funds be expended only for the benefit of public schools and public roads.

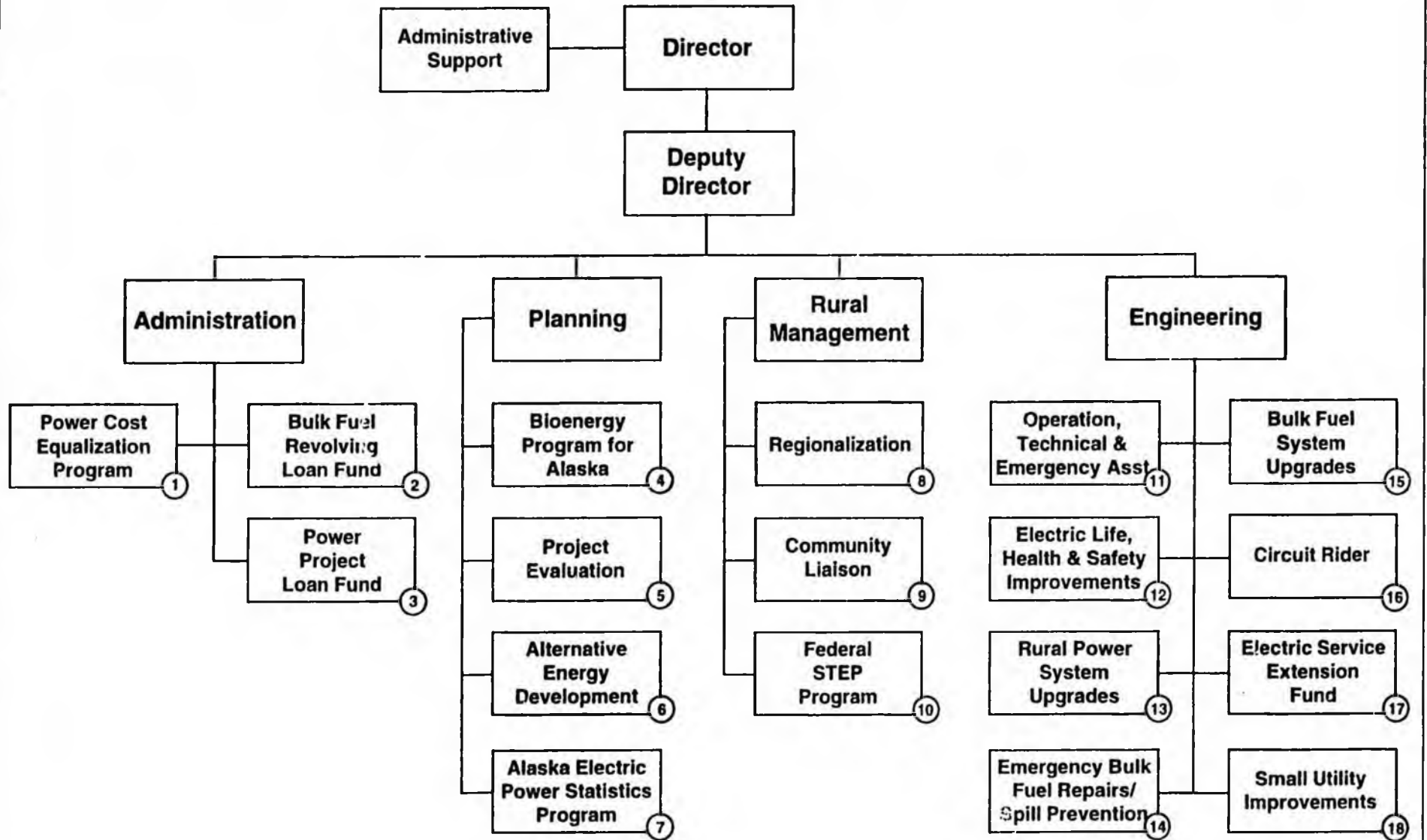
7. RESEARCH & ANALYSIS SECTION:

DATA COLLECTION AND INFORMATION MANAGEMENT — Technical development, research, data collection, and maintenance activities for the following Department databases: the DCRA Community Database, which produces Community Profiles, custom data reports, and computer data files; the Rural Alaska Project Identification and Delivery System (RAPIDS) Database, a compilation of both funded and potential capital improvement projects in rural communities; the Municipal Revenue/Expenditure Database; and the Municipal Officials Database, which produces the annual *Municipal Officials Directory*.

POPULATION AND SOCIOECONOMIC DATA — Provides technical support to municipalities for local population censuses or estimates, and certifies municipal populations for State Revenue Sharing and Municipal Assistance program purposes. Provides information and analysis of decennial U.S. Bureau of Census data to local, state, federal, and private requestors.

ISSUES ANALYSIS AND SPECIAL PROJECTS — Conducts research and analysis on special issues, and provides technical support for departmental projects.

Division of Energy



DIVISION OF ENERGY (DOE) PROGRAM DESCRIPTION

1. **POWER COST EQUALIZATION (PCE)** — AS 42.45.100 — Reduces electric rates paid by consumers in rural communities where diesel-fired generators meet most local electric needs.
2. **BULK FUEL REVOLVING LOAN FUND** — AS 42.45.250 — Provides assistance to rural communities for the bulk purchase of petroleum fuels.
3. **POWER PROJECT LOAN FUND** — AS 42.45.010 — Provides financing for development of new, small-scale power projects, conservation facilities, bulk fuel storage, transmission and distribution lines, or potable water supplies.

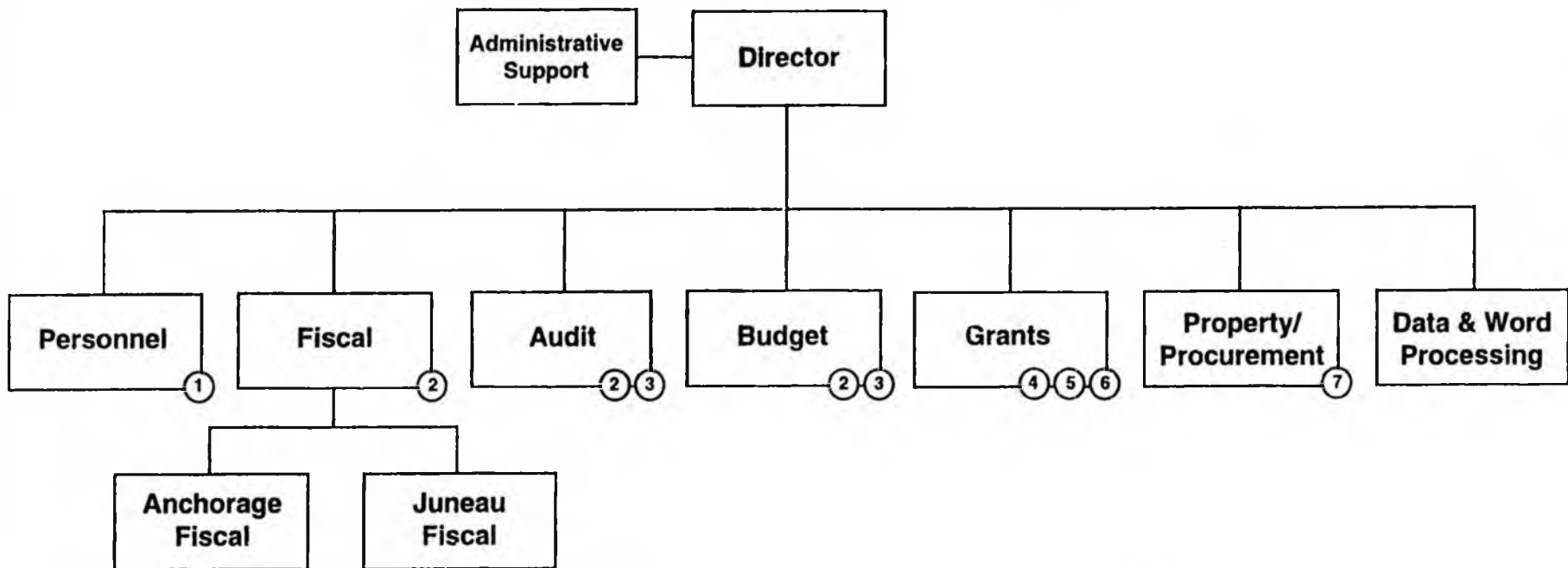
ASSISTANCE TO RURAL UTILITIES — AS 42.45.400 — This Rural Programs segment provides assistance and technical support through the following programs:

4. **BIOENERGY PROGRAM FOR ALASKA** — This federally-funded program promotes the use of wood waste and municipal solid waste for energy recovery.
5. **PROJECT EVALUATION** — Provides for the engineering, environmental and economic analysis of power projects throughout the state.
6. **ALTERNATIVE ENERGY DEVELOPMENT** — Funds the design, evaluation and development of alternatives to diesel energy in small communities, including hydroelectric power, interties, conservation, wood, coal, wind and others.
7. **POWER STATISTICS PROGRAM** — The annual *Alaska Electric Power Statistics* report provides comprehensive information on electric utilities in Alaska.
8. **RURAL UTILITY REGIONALIZATION** — Assists rural stand-alone utilities to upgrade systems, develop management plans and work towards the concept of consolidation either through electric cooperatives or in assisting utilities to join an existing regional utility.
9. **COMMUNITY LIAISON** — Division staff act as liaison between the Division and rural communities, Division directors, other state and federal departments, the Legislature and the Governor's Office.

DIVISION OF ENERGY, Continued...

10. **FEDERAL STEP PROGRAM** — The Division has developed a powerhouse operators training program which is funded by the State Training and Employment Program (STEP).
11. **OPERATION, TECHNICAL AND EMERGENCY ASSISTANCE** — Components of this program include: Rural Technical Assistance; Metering and Rural Data Acquisition; and Emergency Prevention.
12. **LIFE HEALTH SAFETY PROGRAM** — Assists utilities and communities in correcting problems that pose an immediate threat to life, health and safety in rural communities.
13. **RURAL POWER SYSTEMS UPGRADES PROGRAM** — Provides for the design and construction of new power systems and upgrades of existing electrical generation and distribution systems in rural communities.
14. **EMERGENCY BULK FUEL REPAIRS AND SPILL PREVENTION** — Provides for emergency repairs to bulk fuel storage and handling systems in rural Alaska.
15. **BULK FUEL SYSTEM UPGRADES** — Funds the design and upgrade of bulk fuel storage and handling facilities in rural communities which are dependent on seasonal fuel delivery and long-term storage.
16. **CIRCUIT RIDER** — Provides training to local operators; improves maintenance and operations of small community electric utility systems; reduces operating costs; prevents safety hazards and emergency situations; and reduces the need for future capital demands on the state.
17. **ELECTRIC SERVICE EXTENSION FUND** — AS 42.45.400 — Provides matching funds to electric utilities to help defray the high costs of extending new electrical service to residences and small businesses.
18. **UTILITY IMPROVEMENT GRANTS** — AS 42.45.180 — Provides matching grants to utilities participating in the PCE Program for projects that will reduce the cost of electric power transmission and generation.

Division of Administrative Services



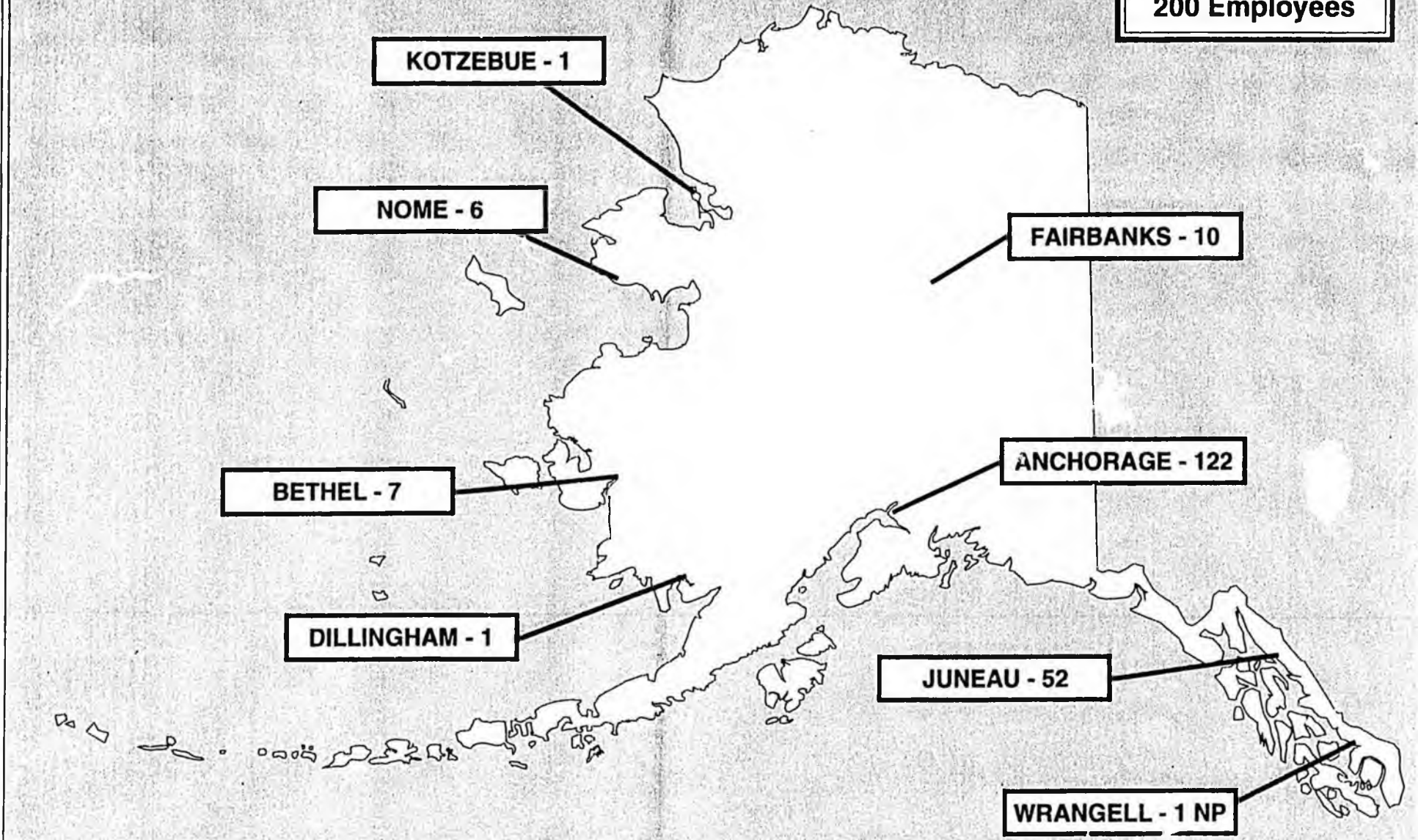
DIVISION OF ADMINISTRATIVE SERVICES (DAS) PROGRAM DESCRIPTION

The Administrative Services Division ensures departmental compliance with the following statutes and administers grants under three statutory programs.

- 1. PUBLIC OFFICERS AND EMPLOYEES — AS 39**
- 2. FISCAL PROCEDURES ACT — AS 37.05.010 - 37.05.995**
- 3. EXECUTIVE BUDGET ACT — AS 37.07.010 - 37.07.130**
- 4. GRANTS TO NAMED RECIPIENTS — AS 37.05.316**
- 5. GRANTS TO UNINCORPORATED COMMUNITIES — AS 37.05.317**
- 6. COMMUNITY PROJECT MATCHING GRANTS — AS 37.06.020**
- 7. PUBLIC CONTRACTS — AS 36**

Department of Community and Regional Affairs FY 96 Staffing by Location

**STATEWIDE
200 Employees**



STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

P.O. BOX 110300 - DIMOND COURT HOUSE
JUNEAU, ALASKA 99811-0300
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November 30, 1994

The Honorable Walter J. Hickel
Governor
State of Alaska

Dear Governor Hickel:

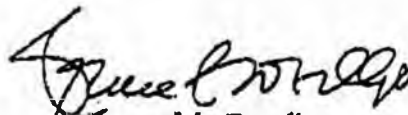
On behalf of the Criminal Justice Work Group formed by you in Administrative Order No. 138, I am pleased to present to you a report entitled *Options for Cost Containment in the Criminal Justice System*.

This report was specifically requested by you, because meeting the challenge of the responsibilities of our criminal justice system will become more difficult as state revenues continue to decline in the future.

This report does not contain detailed proposals, but rather represents the collective "brainstorming" of criminal justice agencies. Not surprisingly, the one consensus reached by the group was that real progress cannot be made in cost *reduction* unless the legislative and executive branches take meaningful steps to control alcohol. You yourself have endorsed one option toward that end: raising alcohol taxes.

Your leadership in criminal justice matters during the last four years has been much appreciated, and we hope that the initiatives begun during your Administration will carry forward to create an even better criminal justice system in the years ahead.

Very truly yours,



Bruce M. Botelho
Attorney General

Options For Cost Containment In The Criminal Justice System

By the Governor's Criminal Justice Work Group*
November 30, 1994

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* The Criminal Justice Work Group was formed by Governor Walter J. Hickel in Administrative Order No. 138 to make recommendations on fiscal, operational and policy matters relating to criminal justice. The group is comprised of the attorney general, the commissioners of administration, corrections, public safety, and health and social services, and the directors of the office of management and budget, the office of public advocacy and the public defender agency. In addition, regular contributors to the discussions include the administrative director of the Alaska court system, members of the legislature, the executive director of the Alaska Judicial Council, the president of the Alaska Association of Chiefs of Police and the deputy chief of the Anchorage Police Department.

Introduction

The Criminal Justice Work Group was requested by the Governor to explore cost containment in the criminal justice system. In other words, assuming criminal justice agencies would not receive increases to their budgets, how would the members of the work group propose to handle an ever-increasing criminal caseload? The group was asked to provide a list of options for legislative, judicial and executive action, without undue regard to the popularity of the proposals. The Governor also asked the group to identify "what drives the cost of the criminal justice system."

Because of the short timeframe in which the group's discussions have occurred, there has been insufficient opportunity to fully explore many of the options listed and there was no consensus on any topic except one.

The one concensus item involves alcohol. It was the unanimous observation by all the members of the work group that what "drives" the system is alcohol, and that real progress cannot be made in cost *reduction*—or in the reduction of a wide range of social problems—unless the legislative and executive branches are serious about controlling alcohol. The group strongly believes that all the other options listed in this report are stop-gaps and half-measures that may only help contain costs for a short while, and simply amount to tinkering, without addressing the root cause of the vast majority of crime.

Part I: Alcohol in Alaska

The work group unanimously agrees that alcohol is far and away the number one cause of crime in Alaska and that reducing alcohol use by even a small amount would reduce crime and the resulting pressure on criminal justice agencies. The group's strongest recommendation, therefore, is that the executive and legislative branches take meaningful steps to curb the use of alcohol.

The role played by alcohol in crime in Alaska cannot be overemphasized. It is estimated to contribute to or cause 80-95% of the violent criminal offenses here, and a very large number of all state prisoners—particularly, and most tragically, Alaska Natives—were intoxicated at the time of the commission of their offense. The Governor's Task Force on Community Jails has noted that the care of incapacitated persons is one of the major problems facing rural police, jails and health facilities.

The liquor industry has stated in legislative hearings that an increase in tax will decrease use of alcohol. Studies elsewhere have shown this to be true, and that use will decline most in younger people who find it harder to afford. This, the work group believes, is the best argument that can be made for raising alcohol taxes.

It is no doubt true that serious alcoholics will abuse alcohol no matter what the level of tax, and whether they have to pay \$8.99 for a bottle from a liquor store in Anchorage or \$50 from a bootlegger in Bethel. By reducing other alcohol-related crime (such as DWI and domestic violence), criminal justice agencies can devote more attention to these hard-core drinkers and the problems they create.

Until alcohol use declines, the cost of the criminal justice system will likely continue to grow, no matter what other steps are taken. Although a return to prohibition may not be feasible, other ideas for stemming alcohol use and abuse include:

- (1) increasing the state tax on alcohol,
- (2) giving communities more flexibility to tax alcohol at the local level,
- (3) creating penalties for providing alcohol to a person on probation,
- (4) requiring identification cards for all alcohol purchases that can be revoked upon conviction of an alcohol-related offense, and
- (5) court-mandated use of "Antabuse"*.

*The group cautions, however, that "Antabuse" can cause dangerous reactions in some people and that it should be administered only after a physical exam and in conjunction with alcohol counselling.

Part II: Other Options

Courts

(1) **Electronic Monitoring:** Electronic monitoring provided by the private sector has been used in Alaska and elsewhere as a substitute for pretrial detention ordered by the courts for both adult and juvenile offenders. Improvements in technology reduce the risks, yet the cost remains prohibitive for many defendants. A subcommittee has been appointed to review this area further.

(2) **Video-conferencing:** The court system currently uses video-conferencing in Fairbanks and Anchorage to reduce prisoner transportation costs. The Anchorage court also uses a similar system connected to McLaughlin Youth Center for juvenile cases, the only such system in the country. Additional court sites are under consideration for expansion of video conferencing. This technology could be expanded, and has the added advantage of increasing courtroom security.

(3) **Tribal Courts and Councils:** Tribal court action in minor criminal offenses could be effective in many cases if properly structured and voluntary. The group agreed that each agency should carefully review the recommendations regarding agency interactions with local and tribal organizations made by the Alaska Judicial Council in its 1993 report. The Judicial Council recommendations in the 1993 report do not include any recognition of "tribal sovereignty," but rather focus on taking advantage of voluntary local resources to help both the state and local communities.

(4) **Monetary Sanctions:** A court committee has been studying a "day-fines" system mandated by statute, and the Supreme Court will shortly review the work of the committee. The committee may also recommend needed legislative changes. The legislature could maximize the use of day-fines by giving judges discretion to use them for all nonviolent offenses.

Department of Corrections

The work group recognizes that the problems facing the Department of Corrections are the most difficult in the criminal justice system. The department's workload is determined by other agencies through arrest, prosecution, and sentencing decisions, with relatively little leeway for the department to institute significant cost-savings measures independently.

(1) **Diversion of prisoners to lower-cost contract beds.** The Department has expanded its use of lower cost Community Residential Center beds through a liberalized furlough policy and revisions in the classification system. Current efforts to transfer up to 250 higher risk prisoners to lower cost contract beds in another state are underway. The work group, while recognizing that there are some drawbacks to out-of-state transfers, recognizes that this may be the most effective way to avoid contempt fines in the short term.

(2) **Reduction of Supervision of Offenders on Mandatory Release.** Offenders with less than two-year sentences are not supervised during their mandatory release periods (the term deducted from the sentence for statutory good time). If the ceiling were raised to include offenders sentenced to three years, there would be a reduction in demand for community corrections services.

(3) **Population Management Legislation.** The department could reduce its population through a legislatively authorized "automatic early release" program in periods of high prison population.

(4) **Offender User Fees.** Fees for certain services such as medical care, and collection from third party payors, may reduce some demand for medical or other services, as well as bringing in additional revenue. Legislation to this effect was included in a omnibus bill last year and generated little controversy. The department would probably proceed slowly in instituting such fees, however, due to high tension levels in overcrowded institutions at present.

Raising Revenue

(1) **Forfeiture of Property.** Several state and federal court rulings have made it more difficult to forfeit valuable property used in crimes. Forfeiture of property in connection with drug offenses is nonetheless a means of raising revenue. Statutory changes would be helpful in improving the forfeiture process. It is doubtful that it is cost-effective to forfeit automobiles in drunk driving cases, because the costs of storage, maintenance and sale often exceed the proceeds.

(2) **Forfeiture of Permanent Fund Dividends.** Dividends could be forfeited for multi-year periods for some offenses. The dividends would not, however, then be available for child support and other statutory purposes.

Sentencing Commission Recommendations

The Alaska Sentencing Commission made several recommendations in its 1992 report to the governor and legislature, and those recommendations should be considered further. For example, the work group believes that there should be expanded state immunity for ordinary negligence in the release and supervision of offenders. Some of the other recommendations do not require legislation. The commission report should be reviewed by criminal justice agencies and acted upon where appropriate.

Increased Plea Bargaining

Court rules permit plea bargaining, as long as the plea is voluntary and all the conditions are stated in open court. Although an attorney general's policy generally prohibited plea bargaining between 1975 and the early 1990s, the Attorney General's February 3, 1994 memorandum allows negotiations about the charge to "protect the public, achieve fair and just results, and provide for efficient administration of the criminal justice system." The policy cautions against (although recognizing its usefulness in some cases) one form of plea bargaining: negotiating about the length of sentence.

Increased plea bargaining could save money, but there are pros and cons to doing so. If there is increased use of plea bargaining, there should be no change in the Attorney General's case screening standards.

Calculating the actual savings depends on the policies adopted. Greater savings would be realized if sentence bargaining were encouraged in all offenses (including class A and unclassified felonies) rather than only the less serious class B and C felonies. Greater savings would also be realized by resolving cases at a very early point in the case, and by agreeing to significantly reduced sentences, rather than only slightly reduced sentences.

The greatest benefit of increased charge and sentence bargaining, from a fiscal standpoint, would be reduction of prison crowding and shortening of sentence lengths as attorneys consider available prison space when deciding what sentence to recommend. The greatest drawback is public disapproval. Citizens often perceive plea bargaining as "soft on crime", and victims often find reduced charges or shorter jail sentences more difficult to understand if the case has been negotiated than if it proceeded to trial. Any change in policy should be designed to minimize any drawbacks, and should be monitored to assure fairness and uniformity in sentencing agreements.

De-Criminalizing Certain Offenses

The primary difference between a "crime" and a "violation" (also sometimes called an "infraction"), is that a crime carries the potential of serving time in jail, whereas a violation is only subject to payment of a fine. The difference in *cost* to the system is enormous, however. Adjudicating a crime is an expensive legal process because it usually involves (1) an arrest and booking, (2) pretrial incarceration, (3) appointment of a public defender, (4) a jury trial, and (5) post-trial incarceration. These costs are not present with violations.

The drawback to violations is that there is a limit to the fine that can be imposed without converting the offense into a "crime" for purposes of the right to counsel and the right to a jury trial. Although most violations carry a maximum fine of \$300, recent laws have authorized violation fines of \$1000 for possession of alcohol where prohibited by local option, and several thousand dollars for commercial fishing violations. Moreover, recent enactment of a "day fines" statute reflects the view that many crimes can be handled quite well with fines alone.

Among the common crimes that could be "de-criminalized" by eliminating the possibility for jail are: minor consuming, reckless driving, driving without a license, first-time shoplifting, criminal trespass, theft or damage to property less than \$50, and some types of disorderly conduct. It may be possible to contain costs even more by using an alternative dispute resolution process rather than the criminal justice system.

Increased Local Prosecution

In all areas of the state, with the exception of Anchorage and Juneau, state prosecutors handle all misdemeanor offenses—over 20,000 cases each year. In Anchorage and Juneau (and to a lesser extent Ketchikan and Sitka) municipal prosecutors handle misdemeanor cases under local ordinances. Savings could be realized by the Department of Law, the Public Defender Agency and the Department of Corrections if more municipalities undertook responsibility for prosecuting minor criminal matters occurring at the local level.

The number of misdemeanor crimes (such as DWI, assault, destruction of property, disorderly conduct and minor consuming) that occur in any city are to a great extent a reflection of local community policies such as bar closing hours, tolerance of alcohol abuse and local police patrol and arrest practices. As such, those offenses should be handled by municipal officials.

Municipalities with an adequate tax base (for example, Fairbanks, Barrow, Kenai and Unalaska) could undertake municipal prosecution of minor offenses. Indeed, Fairbanks recently repealed its municipal criminal ordinances, thus forcing the state to undertake the prosecution, defense and incarceration of those offenders. Further efforts by municipalities to repeal criminal ordinances should be resisted, and the state should adopt a policy to decline to prosecute any cases that could have been prosecuted under a repealed ordinance.

Conclusion

The work group strongly believes that the most meaningful—perhaps the only meaningful—step that can be taken to reduce costs is to reduce alcohol use. The group also recommends that criminal justice agencies continue to explore options for cost containment that are within their authority, and that the options set out in this report be studied further if the legislature is unwilling to provide additional funding.

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

DIVISION OF PERSONNEL AND
OFFICE OF EQUAL EMPLOYMENT OPPORTUNITY

1994

SALARY SURVEY REPORT



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1/24/95

STATE OF ALASKA
SALARY SURVEY REPORT
JULY, 1994

Division of Personnel/OEEO
Department of Administration

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STATE OF ALASKA 1994 SALARY AND BENEFITS SURVEY

AS 39.27.035 requires the director to prepare an annual pay schedule setting out the base pay for all classes of positions in the state's partially exempt and classified service, taking into account the statistics and reasonable internal pay relationships. This practice has been superseded by the collective bargaining process for the vast majority of state employees. Therefore, as the resources of the division were reduced the annual salary survey was discontinued in favor of other higher priority statutorily and contractually required services. In fiscal year 1994 the Alaska State Employees Association obtained a court's direction to the state to re-institute the annual salary survey in consultation with the unions.

This report presents the results of the study of the competitive position of the state by the Division of Personnel and Office of Equal Employment Opportunity in accordance with the provisions of Alaska Statute Section 39.27.030.

Purpose of Study: The primary purpose of this portion of the state salary survey is to compare the wages of state employees with those in competing labor markets. State of Alaska wages for selected occupations were compared with those in the Alaska public and private sectors, Alaska federal government, and with state governments in Washington, Oregon, and California. A survey of employer provided benefits in the same survey areas is also included to provide a broader picture of each employer's compensation package.

SALARY SURVEY METHODOLOGY

Job Classes:

The following forty-eight benchmark job classes were selected in consultation with representatives of the Alaska State Employees Association, AFSCME Local 52, representing the General Government Bargaining Unit (GGU); the Alaska Public Employees Association, representing the Supervisory Bargaining Unit (SU); the Confidential Employees Association, representing the Confidential Bargaining Unit (CU); the Public Safety Employees Association, representing the Public Safety Bargaining Unit (PSU); and Public Employees Local #71, AFL-CIO, representing the Labor, Trades, and Crafts Bargaining Unit (LTC). The job classes represent a cross section of occupations and ranges. Brief descriptions of the jobs are provided in the appendix.

Accountant II
Accountant IV
Accounting Technician II
Accounting Clerk II
Adult Probation Officer II
Administrative Clerk II
Administrative Assistant I
Aircraft Mechanic
Analyst/Programmer III

Fish & Wildlife Tech II
Laboratory Technician II
Laborer
Legal Secretary I
Licensed Practical Nurse
Loan/Collection Officer I
Management Analyst III
Mechanic
Medical Records Assistant

Attorney IV
Cook I
Correctional Officer II
Data Processing Technician II
Data Processing Manager I
Drafting Technician II
Electrician
Eligibility Technician II
Employment Security Spec I-B
Engineer I
Environmental Specialist III
Equipment Operator V
Fish & Wildlife Enforcement Officer
Fisheries Biologist II
Forest Technician III

Motor Vehicle Representative III
Natural Resources Officer II
Natural Resources Manager II
Nurse II
Physical Therapist
Plumber
Psychiatric Nurse Assistant III
Radio Dispatcher II
Secretary I
Sergeant, Public Safety
Social Worker III
Stockhandler
State Trooper
Wildlife Biologist III
Youth Counselor II

Survey Sample:

The survey sample consists of data from the states of Oregon, Washington, and California (these states constitute Alaska's prime recruitment area); public and private employers in Juneau and Anchorage; and the U. S. Government.

The Alaska survey sample was limited to Juneau and Anchorage to obtain base salaries and eliminate the issue of pay for cost of living in other areas. Not only are Juneau and Anchorage base pay areas, but are where approximately 64% of the state work force is located, so it is also the primary market area.

The cost of living in the various election districts in Alaska is addressed by statute and collective bargaining. It will be addressed as required by AS 39.27.030 in a separate report.

Public agencies surveyed include the City and Borough of Juneau, the Municipality of Anchorage, the University of Alaska, and the Juneau and Anchorage School Districts. The public data also includes the prevailing wage rates for labor, trades, and crafts jobs which are covered by AS 36.05.010, Department of Labor pay rates for public construction projects. This data is averaged with other public data in the final pay comparisons.

Federal data was obtained from the Office of Personnel Management in Anchorage. Most federal workers in Alaska receive a 25% tax-free cost of living adjustment (COLA). The reported salaries include this adjustment or other special rates, if applicable (i.e. engineers have a special schedule). No attempt was made to adjust for the "tax-free" nature of the COLA, as tax rates vary by overall gross adjusted income which is affected by deductions, family compositions, etc. The rates reported are actual salaries.

As available, private employer data was obtained from the State of Alaska Department of Labor (DOL). The strength of this survey is in its size. The DOL wage rate survey covers a large

sector of private employers: 154 occupations, 1516 employers, and 28,556 employees statewide. To maintain sample consistency, the data used for our survey selected data for the Juneau and Anchorage areas only. As with most surveys, responses are voluntary, and although efforts are made to obtain wage information from employers, some choose not to respond. Because salaries are competitive, employers are reluctant to provide information, even though confidentiality is assured. The Department of Labor survey reported a return rate of 59%.

If the Department of Labor did not survey a benchmark job, we gathered the data by sending a survey to the Juneau and Anchorage employers from the Department of Labor's "100 largest employer" list who were likely to have job matches. Survey forms followed the same format used by the Department of Labor. A description of each job was provided and the firm was asked to match these jobs with theirs and to provide the hourly rates and the number of hours worked per week of all current employees in the job class.

Surveys were sent to sixty-three employers on March 11, 1994. If a response was not received by April 8, telephone followup was conducted to encourage reply. Responses were received from thirty-four of these employers during the months of April and May, 1994. This is a return rate of 54%. A list is provided in the appendix.

We appreciate the cooperation of the firms and agencies who participated and the time they spent to gather and provide us with extensive pay and benefit information.

Compilation of Salary Data:

Hourly rates and number of hours worked per week were requested in the survey. Where monthly or other rates were provided, they were converted to hourly rates. Employers were asked to provide the actual pay rates of actual employees. The total data was used to calculate the mean and median, so each employee counted equally. All private data was averaged together as a group. Likewise, all Alaska public data was averaged as a group. Federal and other states were reported separately.

For private employers, the interquartile range of salaries was used for the minimum and maximum. Private industry tends to have a much wider variance of pay than public agencies and the interquartile range is a standard statistical method which is used to eliminate the statistically unsound influence of extremely high or extremely low salaries. The interquartile eliminates the lowest and highest quarter (25%) and uses the middle range of the data. The Department of Labor also uses this standard methodology. In their Wage Rates publication it is called the "middle range."

Cost of living differentials were added to Oregon (+15%) and Washington (+6%) salaries to equate them to Anchorage salaries. California's cost of living is equivalent to Anchorage, so no adjustment was needed. The adjustment was calculated by averaging the Runzheimer International, Inc. and American Chamber of Commerce Researchers Association (ACCRA) comparative cost of living survey data for Seattle and Olympia, Washington; Portland and Salem, Oregon; and Los Angeles and Sacramento, California. The Department of Labor considers Runzheimer and ACCRA to be the best available sources for cost of living indices at

this time. Their data differs somewhat and each has their strengths and weaknesses, so rather than choosing one over the other, an average of both was used. Additional information about these surveys can be found in DOL's Economic Trends publication. Geographic differentials were not assigned for comparisons in Alaska.

Table I which is provided in this report lists the number of employees, minimum, maximum, mean, and median or midpoint by job class for private, public, federal, and the other states. Mean and median were calculated from the actual employee pay rates. This information was not provided by Oregon, so a midpoint was calculated from the average of the minimum and maximum for that state.

Table II, the summary comparisons of the combined survey sample averages the rates for private, public, federal, and the average of other states (shown as C-O-W) to derive one rate which is then compared to the average State of Alaska pay for each bargaining unit. A ratio comparison is calculated by dividing the state average by the survey average. Ratios greater than 1.00 indicate that the state pays more than the survey average.

Benefits Survey Methodology:

Table III of benefits that follows indicates the responses to survey forms that were sent to the same employers who were surveyed for salary information.

The responses for the Federal Government, and for the States of Washington, Oregon and California are reported directly. The responses for the Alaska public (Juneau and Anchorage municipalities, school districts, and the University of Alaska) and Alaska private employers are reported as a mean where amounts are required (in terms of money, percentages, number of days, etc.). Where Yes/No answers or codes are required, these are reported as actual responses. If no response was given to a specific question, it was not included in calculation of the mean.

Information was requested for the majority of employees. Where information on different systems or benefits was given, the information used in this survey reflects the majority of employees.

More detailed information is given on State of Alaska benefits to aid comparison. The State of Alaska information is presented by bargaining unit in Table IV.

As with any benefits survey, comparison of results must be tempered by the fact that the benefits systems used by each respondent differ. For example, most Alaska public employers offer PERS retirement benefits, while private employers in Alaska each have different systems, some being defined contributions, others defined benefit. Thus, there is no simple way to indicate any details of retirement plans where, for example, employees have the option of paying variable amounts into the retirement system, or to show differences between different types of defined contribution plans.

* The various bargaining units have received approximately 3.6% increases above the non-represented employees paid under the statutory pay scale. Also, the bargaining units have received or been offered at least an additional 2.5% increase as of July 1, 1995. The total pay gap between the non-represented and represented employees is therefore will be at least 6.2% (which is the compounded total of the two pay increases) as of July 1, 1995.

RECOMMENDATION

Prior to collective bargaining, the salary survey process was the means for making pay and benefit recommendations for most state employees. Since the salary survey statute was adopted, collective bargaining under the Public Employment Relations Act (PERA) has superseded this process for the vast majority of state employees. This statutory pay scale now only affects state employees in the classified and partially exempt services that are not represented by collective bargaining representatives.

* The Personnel Board finds that while it appears that state employees are generally adequately compensated and may be ahead of the market for most job classes, the non represented employees have not received reasonable cost of living increases received by and/or offered to the represented employees. The State Personnel Act requires that the statutory pay plan "reflect the principle of like pay for like work" (AS 39.25.150(2)(B)). The law further requires that the annual pay schedule be developed "taking into account the statistics and reasonable internal pay relationships" (AS 39.27.035). A pay gap of at least 6.2% between represented and non represented employees constitutes an unreasonable inequity based on the merit principle of like pay for like work. Therefore, it is recommended that the statutory pay scale be increased by 6.2% as of July 1, 1995.

FINDINGS

SALARY SCHEDULE

There are two important considerations under Alaska Statutes when making salary setting decisions: external comparison and internal consistency.

The surveying of salaries paid by other states and other Alaskan employers provides an external comparison to State of Alaska salaries.

Internal consistency is at the heart of the State of Alaska's constitutionally mandated merit system of employment. Alaska statutes require the Personnel Rules to provide for the director of personnel to prepare a pay plan that ". . . shall provide for fair and reasonable compensation for services rendered, and reflect the principle of like pay for like work." For example, it is not consistent with the statute for employees with substantially the same duties to be paid under substantially different pay schedules.

External Comparison

The data from the 1994 Salary Survey indicates that state employees in the benchmark positions, on the average, have higher wages than comparable positions in the other employers surveyed. However, these results must be considered in light of the accuracy and reliability of the data.

First, only 48 of approximately 1000 job classes were surveyed. The number of job classes surveyed is necessarily small due to: limits on Division of Personnel/OEEO resources; ensuring that the survey is not too cumbersome for responding employers; and the difficulty of matching state job duties to job duties in the private and public (not including the State of Alaska) sectors to create valid job comparisons.

Second, there is a relatively wide variation in comparisons of hourly pay between specific jobs. For example, the average for the General Government Unit Employees, which represents the largest surveyed group with positions in 37 of the 48 benchmark job classes, is 8% higher than the average of the other employers surveyed. However, within the GGU benchmark job classes, individual comparisons range from 18% less to 40% more than the average of the other employers surveyed.

In conclusion, the relatively small number of job classes surveyed and the relatively wide variation in the comparison of specific jobs significantly limits the reliability of specific "market comparison" conclusions from the salary survey. In general, the survey indicates that state employees are adequately compensated and may be ahead of the market for most job classes.

Internal Comparison

On the other hand, internal comparison within state government is extremely precise because, for the most part, the same pay scales and job classifications are used making comparisons very accurate.

TABLE I
SALARY DATA BY JOB CLASS

KEY

- AK Private - Alaska private employers in the Juneau and Anchorage areas
- AK Public - Alaska public employers in the Juneau and Anchorage areas (City and Borough of Juneau, Municipality of Anchorage, University of Alaska, Juneau and Anchorage School districts)
- AK Federal - Federal Employees in Alaska
- CA State - California State employees
- OR State - Oregon State employees
- WA State - Washington State employees
- AK State AS 39 - Alaska State employees not represented by a collective bargaining unit and paid statutory rates set by the legislature in Alaska Statute 39.27 (approximately 400 employees)
- AK State GGU-1 - Alaska State employees in the General Government Bargaining Unit classified as "Class 1" employees (do not have the right to strike) (approximately 1420 employees)
- GGU-2 - Alaska State employees in the General Government Bargaining Unit classified as "Class 2 or 3" employees (do have the right to strike) (approximately 6200 employees)
- GC - Alaska State employees in the General Government Bargaining Unit paid on the Correctional Officers salary schedule (do not have the right to strike) (approximately 730 employees)
- GY - Alaska State employees in the General Government Bargaining Unit paid on the 40-hour salary schedule (do not have the right to strike) (approximately 150 employees)
- AK State CU - Alaska State employees in the Confidential Bargaining Unit (approximately 150 employees).
- AK State SU - Alaska State employees in the Supervisory Bargaining Unit (approximately 1030 employees)
- AK State PSU - Alaska State employees in the Public Safety Bargaining Unit (approximately 410 employees)
- AK State LTC - Alaska State employees in the Labor, Trades and Crafts Bargaining Unit (approximately 1590 employees)
- AK Title 36 - Employees of contractors and subcontractors working on public construction projects and paid under the Little Davis-Bacon rates set under AS 36.05

Accounting Clerk II P1202-09	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	10.00	15.00	11.55	12.57	553
AK Public	9.68	18.92	13.03	13.18	76
AK Federal	11.02	14.33	12.12	na	na
CA State	10.23	12.44	na	11.49	709
OR State**	9.08	13.55	11.32	na	127
WA State**	9.44	11.90	11.90	11.34	355
AK State AS 39	11.61	15.52	na	na	na
AK State GGU-1 GGU-2	12.08 11.97	15.88 15.72	13.09	13.35	56
AK State CU	12.03	15.80	13.15	12.93	3

Accountant II P1205-15	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	16.12	27.83	22.06	21.93	180
AK Public	16.43	26.64	19.96	20.60	22
AK Federal	20.21	26.29	22.23	na	na
CA State	16.78	20.18	na	17.87	391
OR State**	14.37	22.71	18.54	na	86
WA State**	12.47	15.82	15.82	15.15	286
AK State AS 39	18.12	25.07	na	na	na
AK State GGU-1 GGU-2	18.86 18.69	25.81 25.57	20.77	21.07	23
AK State SU	18.87	25.74	20.21	20.21	1

Accountant IV P1207-20	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	17.93	38.74	24.92	29.57	30
AK Public	23.88	30.83	27.59	27.28	7
AK Federal	24.22	44.24	32.54	na	14
CA State	20.18	24.34	na	22.13	233
OR State**	na	na	na	na	na
WA State**	15.43	19.74	19.74	19.46	43
AK State AS 39	23.91	32.34	na	na	na
AK State GGU-1 GGU-2	24.87 24.55	33.74 33.44	29.21	28.66	5
AK State SU	24.82	33.59	29.40	28.65	11

* Data is from Department of Labor survey
 ** WA and OR adjusted for cost of living
 *** Public contract rates per Title 36, Chapter 05

Accounting Tech. II PI211-14	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	13.25	18.30	16.12	15.55	94
AK Public	11.97	19.48	14.19	15.10	24
AK Federal	13.65	17.75	15.02	na	58
CA State	11.42	13.98	na	12.96	790
OR State**	10.04	15.57	12.81	na	296
WA State**	17.46	22.34	22.34	21.62	5
AK State AS 39	15.78	21.80	na	na	na
AK State GGU-1 GGU-2	16.42 16.28	22.51 22.31	18.14	18.58	54
AK State CU	16.35	22.42	18.14	18.14	1

Audit Probation Officer II P4343-16	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	na	na	na	na	na
AK Public	na	na	na	na	na
AK Federal	na	na	na	na	na
CA State	18.48	26.00	na	26.69	211
OR State**	15.27	23.84	19.56	na	213
WA State**	14.01	17.89	16.21	16.29	260
AK State AS 39	18.12	25.07	na	na	na
AK State GGU-1 GGU-2	18.86 18.69	25.81 25.57	21.72	21.69	37

Administrative Clerk II PI134-03	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	8.80	11.80	8.80	10.58	170
AK Public	9.97	17.87	11.66	11.99	82
AK Federal	9.85	12.95	10.94	na	230
CA State	9.86	11.98	na	10.98	na
OR State**	8.98	12.93	10.96	na	1981
WA State**	9.24	11.53	10.12	10.15	682
AK State GGU-1 GGU-2	11.38 11.28	14.90 14.76	12.34	12.45	494
AK State CU	11.34	14.84	12.03	12.39	10
AK State AS 39	10.94	14.71	14.16	14.16	2

* Data is from Department of Labor survey
 ** WA and OR adjusted for cost of living
 *** Quilt contract rates per Title 16, Chapter 05

Administrative Assistant, I P1912-12	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	10.83	11.31	10.93	12.23	171
AK Public	10.60	27.13	15.50	16.64	200
AK Federal	na	na	na	na	na
CA State	12.31	19.21	na	16.25	1511
OR State**	10.22	15.57	12.90	na	2197
WA State**	10.37	13.06	13.06	12.66	177
AK State GGU-1 GGU-2	14.46 14.33	19.56 19.40	15.72	16.14	83
AK State SU	14.50	19.58	17.00	17.51	8
AK State AS 39	13.90	18.90	14.80	15.21	3

Aircraft Mechanic P9563-53	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	15.95	21.11	17.50	18.02	258
AK Public	na	na	na	na	na
AK Federal	20.66	24.10	21.52		16
CA State	16.33	17.93	na	17.07	1
OR State**	na	na	na	na	na
WA State**	17.01	19.74	18.38	18.38	2
AK State AS 39	na	na	na	na	na
AK State LTC	17.74	22.56	21.90	21.78	5

Analyst/Programmer, III P1623-17	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	16.74	25.97	25.30	21.97	89
AK Public	18.09	29.37	25.25	24.34	9
AK Federal	20.21	25.29	22.23	na	60
CA State	20.18	24.34	na	22.14	1077
OR State**	14.31	22.71	18.51	na	115
WA State**	14.34	18.34	17.01	16.98	140
AK State AS 39	19.42	26.82	na	na	na
AK State GGU-1 GGU-2	20.20 20.02	27.59 27.34	21.53	21.88	5

* Data is from Department of Labor survey
 ** WA and OR adjusted for cost of living
 *** Public contract rates per Title 36, Chapter 95

Attorney IV 97145-24	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	25.78	37.74	30.79	36.33	90
AK Public	25.00	37.80	29.49	29.01	14
AK Federal	24.22	31.48	26.64	na	na
CA State	32.26	39.04	na	35.58	169
OR State**	23.52	38.22	33.37	na	90
WA State**	na	na	na	na	na
AK State AS 39	31.29	43.06	34.77	34.42	75

Cook I P9100-57	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	8.37	12.26	10.00	10.62	52
AK Public	10.26	14.20	11.57	12.10	5
AK Federal	18.76	21.88	19.54	na	14
CA State	11.50	13.98	na	13.07	107
OR State**	10.61	14.32	12.52	na	65
WA State**	9.44	11.90	11.90	11.24	98
AK State AS 39	na	na	na	na	na
AK State LTC	14.12	17.71	17.19	17.15	11

Correctional Officer II P7653-13	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	na	na	na	na	na
AK Public	na	na	na	na	na
AK Federal	na	na	na	na	na
CA State	17.68	21.48	na	20.26	13,335
OR State**	12.08	16.31	14.20	na	774
WA State**	11.36	14.34	14.34	13.40	2,237
AK State AS 39	14.80	20.29	na	na	na
AK State GC	16.37	22.41	19.45	18.93	160

* Data is from Department of Labor survey
 ** WA and OR adjusted for cost of living
 *** Public contract rates per Title 35, Chapter 35

Data Processing Technician I 91512-14	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	12.06	18.50	14.50	15.23	69
AK Public	13.54	21.91	16.94	17.23	15
AK Federal	na	na	na	na	na
CA State	10.83	15.27	na	13.88	495
OR State**	9.53	13.55	11.54	na	13
WA State**	11.53	14.69	14.69	14.02	47
AK State AS 39	15.78	21.80	na	na	na
AK State GGU-1 GGU-2	16.42 16.28	22.51 22.31	19.40	18.73	27

Data Processing Manager I P1641-21	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	20.71	29.16	22.58	24.23	10
AK Public	28.29	36.85	29.62	31.11	6
AK Federal	16.70	21.71	18.37	na	3
CA State	22.17	26.75	na	25.27	212
OR State**	na	na	na	na	na
WA State**	18.34	23.47	23.47	23.25	25
AK State AS 39	25.57	35.09	na	na	na
AK State GGU-1 GGU-2	26.60 26.36	36.17 35.84	28.79	28.79	2
AK State SU	26.55	36.00	31.40	29.99	7
AK State CU	26.49	36.02	29.36	29.36	1

Drafting Technician II P8424-12	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	15.35	19.26	17.55	17.68	84
AK Public	14.85	35.69	17.29	21.28	4
AK Federal	11.02	14.33	12.12	na	6
CA State	13.62	16.55	na	14.77	90
OR State**	11.56	15.74	13.65	na	9
WA State**	13.67	17.46	17.46	16.51	22
AK State AS 39	13.90	18.90	na	na	na
AK State GGU-1 GGU-2	14.46 14.33	19.56 19.40	14.76	14.99	10

* Data is from Department of Labor survey
 ** WA and OR adjusted for cost of living
 *** public contract rates per Title 36, Chapter 05

Electrician P9342-52	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	13.23	25.32	18.00	19.73	93
AK Public AK Title 36***	16.19	25.53	21.05	20.55 25.32	24
AK Federal	20.66	24.10	21.52	na	63
CA State	16.71	18.35	na	17.33	91
OR State**	13.03	17.83	15.43	na	62
WA State**	14.01	16.21	16.21	15.51	56
AK State AS 39	na	na	na	na	na
AK State LTC	18.98	24.00	22.62	22.17	5

Eligibility Technician II P4172-14	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	na	na	na	na	na
AK Public	na	na	na	na	na
AK Federal	11.02	14.33	12.12	na	2
CA State	na	na	na	na	na
OR State**	11.30	15.00	13.15	na	250
WA State**	12.76	16.21	14.01	13.58	73
AK State AS 39	15.78	21.80	na	na	na
AK State GGU-1 GGU-2	16.42 16.28	22.51 22.31	18.04	17.86	75

Employment Sec Specialist I-B P4649-14	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	na	na	na	na	na
AK Public	na	na	na	na	na
AK Federal	na	na	na	na	na
CA State	12.31	17.70	na	15.83	2504
OR State**	11.30	15.00	13.15	na	335
WA State**	12.47	15.82	15.82	14.29	530
AK State AS 39	15.78	21.80	na	na	na
AK State GGU-1 GGU-2	16.42 16.28	22.51 22.31	18.04	18.64	93

* Data is from Department of Labor survey
 ** WA and OR adjusted for cost of living
 *** Public employees per Title 36, Chapter 05

Engineer I P8913-19	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	22.44	38.63	32.15	30.69	104
AK Public	22.02	31.60	28.02	26.87	18
AK Federal	25.83	33.10	28.53	na	87
CA State	21.57	26.33	na	22.77	727
OR State**	14.86	20.34	17.60	na	212
WA State**	15.82	20.24	20.24	18.76	16
AK State AS 39	22.38	30.74	na	na	na
AK State GGU-1 GGU-2	23.28 23.06	31.50 31.21	28.17	27.35	32

Environmental Specialists III P8311-18	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	na	na	na	na	na
AK Public	na	na	na	na	na
AK Federal	20.21	26.29	22.23	na	15
CA State	19.68	23.76	na	21.61	190
OR State**	19.56	27.17	23.37	na	9
WA State**	13.37	17.01	15.43	15.69	87
AK State AS 39	20.89	28.75	na	na	na
AK State GGU-1 GGU-2	21.72 21.53	29.48 29.21	23.06	23.72	64

Equipment Operator V 9353-53	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	15.00	25.91	22.50	20.72	15
AK Public AK AS 36***	15.86	25.80	21.96	22.03 21.41	62
AK Federal	20.66	24.10	21.52	na	52
CA State	14.25	15.62	na	14.67	1614
OR State**	10.04	15.57	12.81	na	14
WA State**	na	na	14.69	14.47	15
AK State AS 39	na	na	na	na	na
AK State LTC	17.74	22.56	22.56	22.18	29

* Data is from Department of Labor survey
 ** WA and OR adjusted for cost of living
 *** Public contract rates per Title 36, Chapter 05

Fish & Wildlife Enforcement Off P6212-13	Min:	Max	Median/ Midpoint	Mean	Total Employees
AK Private	na	na	na	na	na
AK Public	na	na	na	na	na
AK Federal	16.70	21.71	18.37	na	1
CA State	13.47	19.42	na	17.34	243
OR State**	na	na	na	na	na
WA State**	13.06	17.01	16.62	16.11	15
AK State AS 39	14.80	20.29	na	na	na
AK State GGU-1 GGU-2	15.39 15.25	20.97 20.77	16.98	16.56	5

Fisheries Biologist II P6161-16	Min:	Max	Median/ Midpoint	Mean	Total Employees
AK Private	na	na	na	na	na
AK Public	na	na	na	na	na
AK Federal	16.72	21.71	18.37	na	18
CA State	19.28	23.23	na	20.35	112
OR State**	15.00	20.25	17.53	na	116
WA State**	14.34	18.34	17.46	17.34	40
AK State AS 39	18.12	25.07	na	na	na
AK State GGU-1 GGU-2	18.86 18.69	25.81 25.57	20.77	21.30	31

Forest Tech III P6607-11	Min:	Max	Median/ Midpoint	Mean	Total Employees
AK Private	na	na	na	na	na
AK Public	na	na	na	na	na
AK Federal	13.65	17.75	15.02	na	54
CA State	17.13	20.82	na	18.06	5
OR State**	9.95	13.03	11.49	na	47
WA State**	10.61	13.37	12.20	12.21	4
AK State AS 39	13.11	17.68	na	na	na
AK State GGU-1 GGU-2	13.64 13.52	18.21 18.04	13.90	13.90	1

* Data is from Department of Labor survey
 ** WA and OR adjusted for cost of living
 *** Public contract rates per Title 15, Chapter 15

Fish & Wildlife Technician-II P5113-09	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	na	na	na	na	na
AK Public	na	na	na	na	na
AK Federal	11.02	14.33	12.12	na	na
CA State	8.76	10.10	na	na	na
OR State**	11.30	15.00	13.15	na	61
WA State**	11.90	15.05	13.37	13.57	5
AK State AS 39	11.61	15.62	na	na	na
AK State GGU-1 GGU-2	12.08 11.97	15.88 15.72	12.34	12.46	33

Laboratory Technician II P5616-12	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	15.25	22.50	18.50	18.00	64
AK Public	11.97	25.44	17.55	18.13	4
AK Federal	13.65	17.75	15.02	na	3
CA State	17.55	20.18	na	18.92	31
OR State**	11.03	15.00	13.02	na	12
WA State**	13.67	15.43	15.43	15.18	13
AK State AS 39	13.90	18.90	na	na	na
AK State GGU-1 GGU-2	14.46 14.33	19.56 19.40	18.72	18.72	2

Laborer P9398-58	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	8.50	20.00	12.00	12.96	95
AK Public AK AS 36***	11.09	18.30	12.23	13.85 21.55	19
AK Federal	14.00	16.33	14.58	na	84
CA State	11.73	12.79	na	12.16	17
OR State**	8.66	11.97	10.27	na	63
WA State**	10.12	11.63	10.61	10.77	79
AK State AS 39	na	na	na	na	na
AK State LTC	13.32	16.62	15.67	15.67	4

* Data is from Department of Labor survey
 ** WA and OR adjusted for cost of living
 *** Public contract rates per Title 36, Chapter 05

Legal Sec. I: P1145-10	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	15.45	19.62	17.55	17.41	99
AK Public	12.29	15.63	14.61	14.15	5
AK Federal	13.65	17.75	15.02	na	na
CA State	13.64	16.57	na	15.65	14
OR State**	na	na	na	na	na
WA State**	11.10	14.01	14.01	13.30	176
AK State AS 39	12.31	16.59	na	na	na
AK State GGU-1 GGU-2	12.91 12.70	16.98 16.82	13.90	14.00	62

Licensed Practical Nurse P5116-13	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	12.90	16.63	14.56	14.66	150
AK Public	na	na	na	na	na
AK Federal	12.49	15.80	14.07	na	15
CA State	11.42	13.51	na	12.61	230
OR State**	10.16	14.32	12.24	na	78
WA State**	11.63	14.69	14.52	14.00	8
AK State AS 39	14.80	20.29	na	na	na
AK State GGU-1 GGU-2	15.39 15.25	20.97 20.77	17.57	17.37	21

Loan/Collection Officer I: P2113-16	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	15.09	21.17	18.12	18.94	72
AK Public	na	na	na	22.09	1
AK Federal	20.21	26.29	22.23	na	7
CA State	13.57	20.18	na	17.39	233
OR State**	na	na	na	na	na
WA State**	13.06	16.62	15.82	15.28	36
AK State AS 39	16.12	25.07	na	na	na
AK State GGU-1 GGU-2	18.86 18.69	25.81 25.57	23.36	23.35	6

* Data is from Department of Labor survey
 ** WA and OR adjusted for cost of living
 *** Public contract rates per Title 11, Chapter 15

Management Analyst III P1811-18	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	20.09	33.40	30.25	25.95	32
AK Public	na	na	na	na	na
AK Federal	20.21	26.29	22.23	na	40
CA State	19.21	23.18	na	21.42	67
OR State**	16.79	23.44	20.12	na	18
WA State**	13.37	17.01	16.62	16.41	17
AK State AS 39	20.89	28.75	23.14	23.14	1
AK State GGU-1 GGU-2	21.72 21.53	29.48 29.21	25.57	25.47	7

Mechanic P9324-54	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	11.00	19.38	15.86	15.48	170
AK Public AK AS 36***	15.86	26.53	20.91	21.35 22.48	48
AK Federal	20.66	24.10	21.52	na	33
CA State	14.57	15.98	na	15.08	51
OR State**	10.91	15.48	13.20	na	17
WA State**	14.69	17.01	17.01	16.97	20
AK State AS 39	na	na	na	na	na
AK LTC State	16.65	21.17	19.95	20.29	9

Medical Records Assistant P1140-10	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	10.01	13.70	11.38	12.13	40
AK Public	na	na	na	na	na
AK Federal	11.02	14.33	12.12	na	3
CA State	15.46	18.60	na	17.44	14
OR State**	10.22	14.88	12.55	na	21
WA State**	10.85	13.67	13.37	12.92	70
AK State AS 39	12.31	16.59	na	na	na
AK State GGU-1 GGU-2	12.81 12.70	16.98 16.82	14.02	13.59	5

* Data is from Department of Labor survey
 ** WA and OR adjusted for cost of living
 *** Public contract rates per Title 36, Chapter 05

Motor Vehicle Rep III P7551-10	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	na	na	na	na	na
AK Public	na	na	na	na	na
AK Federal	na	na	na	na	na
CA State	12.57	14.95	na	14.13	498
OR State**	12.39	16.48	14.44	na	55
WA State**	12.17	15.43	14.01	13.53	218
AK State AS 39	12.31	16.59	na	na	na
AK State GGU-1 GGU-2	12.81 12.70	16.98 16.82	14.02	14.20	16

Natural Resource Officer II P6653-16	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	na	na	na	na	na
AK Public	na	na	na	na	na
AK Federal	20.21	26.29	22.23	na	10
CA State	19.68	23.76	na	21.74	143
OR State**	na	na	na	na	
WA State**	15.43	19.74	19.74	19.33	34
AK State AS 39	18.12	25.07	na	na	na
AK State GGU-1 GGU-2	18.86 18.69	25.81 25.57	23.06	22.70	40

Natural Resource Manager II P6655-20	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	na	na	na	na	na
AK Public	na	na	na	na	na
AK Federal	24.22	31.48	25.03	na	41
CA State	26.35	32.03	na	30.25	18
OR State**	na	na	na	na	na
WA State**	17.01	21.79	21.79	21.37	31
AK State AS 39	23.91	32.84	na	na	na
AK State GGU-1 GGU-2	24.87 24.65	33.74 33.44	30.12	29.40	3
AK State SU	24.82	33.59	30.30	30.25	14

* Data is from Department of Labor survey

** WA and OR adjusted for cost of living

*** Due to rounding, rates may not sum to 100%

Nurse II PS111-15	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	19.00	23.00	21.00	20.89	721
AK Public	15.86	27.61	23.13	25.28	99
AK Federal	22.26	27.27	24.77	na	192
CA State	16.52	21.29	na	19.52	888
OR State**	16.79	32.13	24.46	na	74
WA State**	14.97	21.61	18.18	17.80	535
AK State AS 39	16.89	23.35	na	na	na
AK State GGU-1 GGU-2	17.57 17.41	24.09 23.86	18.69	18.89	37

Physical Therapist P5446-18	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	20.50	24.75	22.96	22.65	41
AK Public	20.57	38.34	31.25	29.72	9
AK Federal	20.21	26.29	22.23	na	1
CA State	15.98	19.33	na	18.40	8
OR State**	14.98	21.75	18.37	na	34
WA State**	14.34	18.34	na	na	0
AK State AS 39	20.89	28.75	na	na	na
AK State GGU-1 GGU-2	21.72 21.53	29.48 29.21	24.95	24.95	2

Plumber P9364-52	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	15.00	20.00	19.00	18.79	90
AK Public AK AS 36***	15.05	21.05	21.05	20.00 26.00	16
AK Federal	19.71	22.99	20.53	na	4
CA State	16.71	18.35	na	17.39	66
OR State**	14.85	17.83	16.34	na	21
WA State**	14.01	16.21	16.21	15.84	14
AK State AS 39	na	na	na	na	na
AK State LTC	18.98	24.00	24.00	24.00	1

* Data is from Department of Labor survey
 ** WA and OR adjusted for cost of living
 *** Public contract rates per Title 36, Chapter 05

Psychiatric Nurse Asst. II: PS172-10	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	na	na	na	na	na
AK Public	11.10	14.10	11.48	11.85	6
AK Federal	na	na	na	na	na
CA State	12.72	15.30	na	14.46	3,717
OR State**	na	na	na	na	na
WA State**	11.51	14.69	14.69	13.73	118
AK State AS 39	12.31	16.59	na	na	na
AK State GGU-1 GGU-2	12.81 12.70	16.98 16.82	14.46	14.42	62

Radio Dispatcher: II: PI115-12:	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	na	na	na	na	na
AK Public	15.48	25.91	22.00	21.54	43
AK Federal	na	na	na	na	na
CA State	12.84	15.60	na	14.25	521
OR State*	11.74	17.09	14.42	na	47
WA State*	11.10	14.01	13.67	13.13	72
AK State AS 39	13.90	18.90	na	na	na
AK State GGU-1 GGU-2	14.46 14.33	19.56 19.40	16.15	16.31	12

Secretary: I PI151-10	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	10.00	15.97	12.50	13.06	413
AK Public	10.27	20.58	13.81	14.85	61
AK Federal	11.02	14.33	12.12	na	36
CA State	11.52	14.12	na	13.33	328
OR State**	7.82	11.78	9.80	na	540
WA State**	10.12	12.76	12.76	12.36	330
AK State AS 39	12.31	16.59	12.70	12.71	3
AK State GGU-1 GGU-2	12.91 12.70	16.98 16.82	13.90	14.19	78

* Data is from Department of Labor survey
 ** WA and OR adjusted for cost of living
 *** Public employees are in Table 35, "Public"

Sergeant: P.S. P7705-78	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	na	na	na	na	na
AK Public	24.24	36.10	33.43	32.72	37
AK Federal	na	na	na	na	na
CA State	21.49	26.12	na	24.40	595
OR State**	20.39	30.06	25.23	na	90
WA State**	22.73	29.14	na	na	123
AK State AS 39	na	na	na	na	na
AK State PSU****	23.50	32.73	29.31	29.73	17

**** recent arbitration 3.64 increase not included

Social Worker: III P4113-16	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	na	na	na	na	na
AK Public	14.87	23.48	18.09	18.48	10
AK Federal	20.21	26.29	22.23	na	11
CA State	na	na	na	na	na
OR State*	15.73	20.91	18.32	na	719
WA State*	14.34	18.34	18.34	17.23	449
AK State AS 39	18.12	25.07	na	na	na
AK State GGU-1 GGU-2	18.86 18.69	25.81 25.57	21.53	21.54	59

Stockhandler: P9577-57	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private*	8.49	11.50	10.37	10.47	170
AK Public	10.30	21.96	19.74	17.93	8
AK Federal	15.90	18.55	16.56	na	101
CA State	12.56	13.66	na	12.89	273
OR State**	8.75	12.31	10.53	na	23
WA State**	9.68	12.17	11.63	11.29	114
AK State AS 39	na	na	na	na	na
AK State LTC	14.12	17.71	16.69	16.94	10

* Data is from Department of Labor survey
 ** WA and OR adjusted for cost of living
 *** Public contract rates per Title 36, Chapter 05

State Trooper P7703-76	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	na	na	na	na	na
AK Public	18.72	34.63	27.63	27.36	231
AK Federal	na	na	na	na	na
CA State	17.68	21.47	na	20.19	4,193
OR State*	19.03	24.47	21.75	na	390
WA State*	14.77	17.72	na	na	611
AK State AS 39	na	na	na	na	na
AK State PSU****	20.28	28.26	26.25	24.64	45

**** recent 3.6% arbitration increase not included

Wildlife Biologist III P6143-18	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	na	na	na	na	na
AK Public	na	na	na	na	na
AK Federal	24.22	31.48	25.03	na	42
CA State	21.62	26.08	na	24.29	18
OR State*	17.28	23.44	20.36	na	84
WA State*	14.34	18.34	16.22	16.38	12
AK State AS 39	20.89	28.75	na	na	na
AK State SU	21.72	29.40	27.97	27.97	2
AK State GGU-1 GGU-2	21.72 21.53	29.48 29.21	26.36	25.68	17

Youth Counsel II P7612-13	Min	Max	Median/ Midpoint	Mean	Total Employees
AK Private	na	na	na	na	na
AK Public	na	na	na	na	na
AK Federal	na	na	na	na	na
CA State	19.40	23.58	na	23.16	876
OR State*	11.30	15.37	13.34	na	203
WA State*	13.37	17.01	15.43	15.61	279
AK State AS 39	14.80	20.29	na	na	na
AK State GY	15.39	20.96	17.57	17.02	71

* Data is from Department of Labor survey
 ** WA and OR adjusted for cost of living
 *** Public contract: minimum per Title 35, Chapter 95

TABLE II

SUMMARY COMPUTATIONS

The following table shows average hourly pay for each job class for Alaska private, public, federal, and California, Oregon, Washington combined (C-O-W). The average of these is shown in the table as "AVERAGE". This overall average for each class is compared with the mean state salary by bargaining unit. The ratio of the state to the survey average is immediately below the state average for each bargaining unit. For example, the survey average for Accountant IV is 27.57. The state GGU mean is 28.66. The ratio is 1.04. This means that the GGU's average pay is 4% more than the survey average.

(Overall averages, which are simple means of all job classes represented by bargaining unit, are provided at the bottom of the table.)

Job Class*	Private	Public	Federal	C-O-W	AVERAGE	GGU/ ratio	SU/ ratio	CU/ ratio	LTC/ ratio	PSU/ ratio	Statute/ ratio
Accountant IV	29.57	27.28	32.64	20.80	27.57	28.66 1.04	28.65 1.04				
Accountant II	21.93	20.60	22.23	17.19	20.49	21.07 1.03	20.21 .99				
Acct Tech II	15.65	15.10	15.02	15.76	15.38	18.58 1.21		18.14 1.16			
Acct Clk II	12.57	13.18	12.12	11.38	12.31	13.35 1.08		12.93 1.05			
Ad Prob Off II				20.85	20.85	21.69 1.04					
Admin Clerk II	10.58	11.99	10.84	10.70	11.03	12.45 1.13		12.39 1.12			14.16 1.28
Admin Asst I	12.23	16.64		13.94	14.27	16.14 1.13	17.51 1.23				15.21 1.07
Aircraft Mech	18.02		21.52	17.73	19.09				21.78 1.14		
A/P III	21.97	24.34	22.23	19.21	21.94	21.88 1.00					
Attorney IV	36.33	29.01	26.64	34.48	31.61						34.42 1.09
Cook I	10.62	12.10	19.54	12.28	13.63				17.15 1.26		
Corr Off II				15.95	15.95	18.93 1.19					
UP Tech II	15.23	17.23		13.15	15.20	18.73 1.23					

Job Class*	Private	Public	Federal	C-O-W	AVERAGE	GGU/ ratio	SU/ ratio	CU/ ratio	LTC/ ratio	PSU/ ratio	Statute/ ratio
Pl Mgr I	24.23	31.11	18.37	24.26	24.49	28.79 1.18	29.99 1.22	29.36 1.20			
Plant Tech II	17.68	21.28	12.12	14.98	16.52	14.99 .91					
Electrician	19.73	22.94		16.12	19.60				22.17 1.13		
Plig Tech II		12.12		13.37	12.74	17.86 1.40					
ISS IB				14.42	14.42	18.64 1.29					
Engineer I	30.69	26.87	28.53	19.71	26.45	27.35 1.03					
Env Spec III			22.23	20.22	21.22	23.72 1.12					
Equip Op V	20.72	22.26	21.52	13.98	19.52				22.18 1.13		
WEO			18.37	16.98	17.67	16.56 .94					
F B II			18.37	18.44	18.40	21.30 1.16					
For Tech III			15.02	13.92	14.47	13.90 .96					
FWT II			12.12	13.36	12.74	12.46 .98					
Lab Tech II	18.00	18.13	15.02	15.71	16.71	18.72 1.12					
Laborer	12.96	17.70	14.50	11.07	14.08				15.67 1.11		
Legal Sec I	17.41	14.15	15.02	14.48	15.26	14.00 .92					
LPN	14.66		14.07	12.95	13.89	17.37 1.25					
Loan Coll/Off I	18.94	22.00	22.23	16.34	19.88	23.35 1.17					

Job Class*	Private	Public	Federal	C-O-W	AVERAGE	GGU/ ratio	SU/ ratio	CU/ ratio	LTC/ ratio	PSU/ ratio	Statute/ ratio
Mjt An III	26.96		22.23	19.32	22.84	25.47 1.12					25.47 1.12
Mechanic	15.48	21.92	21.52	15.08	18.50				20.29 1.10		
Med Rec Asst	12.13		12.12	14.30	12.85	13.59 1.06					
MV Rep III				14.07	14.07	14.20 1.01					
Nat Res Off II			22.23	20.54	21.38	22.70 1.06					
Nat Res Mgr II			25.03	25.81	25.42	29.40 1.16	30.25 1.19				
Nurse II	20.89	25.88	24.77	20.59	23.03	18.89 .82					
Phys Therapist	22.65	29.72	22.23	17.70	23.08	24.95 1.08					
Plumber	18.79	23.00	20.53	16.52	19.71				24.00 1.22		
Psy Nur Ast III		11.85		14.10	12.97	14.42 1.11					
Radio Dis II		21.54		13.93	17.74	16.31 .92					
Secretary I	13.05	14.85	12.12	11.83	12.97	14.19 1.09					12.71 .98
Sgt. PS		32.72		25.19	28.95					29.73 1.03	
Social Wkr III	na	18.48	22.23	17.78	19.50	21.54 1.10					
Stock Handler	10.47	17.93	16.56	11.57	14.13				16.94 1.20		
St Trooper		27.36		19.40	23.38					24.64 1.05	
Wild Biol III			25.03	20.34	22.69	25.68 1.13	27.97 1.23				

Job Class*	Private	Public	Federal	C:O-W	AVERAGE	GGU/ ratio	SU/ ratio	CU/ ratio	LTC/ ratio	PSU/ ratio	Statute/ ratio
Youth Couns II				17.37	17.37	17.02 .98					
Averages						1.08	1.15	1.13	1.16	1.04	1.11

* See pages 1 and 2 for complete title of job class, and Appendix A for job class descriptions.

TABLE III

1994 SURVEY BENEFITS DATA

QUESTION	Ak Public	Ak Private	Fed. Gov't	WA State	OR State	CA State
Are the majority of your employees covered by a collective bargaining agreement?	N2 Y4	N17 Y13		Y	Y	Y
How many hours in the normal working week?	39.17	40.18	40	40	40	40
What is the normal rate of overtime payment?	1.5	1.5	1.5	1.5	1.5	1.5
Overtime is paid after how many hours/week?	39.58	37.85	40	40	40	40
How many paid holidays are there each year?	11.33	8.80	10	11	10	13
Do you offer:						
- paid or reimbursed child care?	N5 Y1	N6 Y24	N		N	N
- profit sharing/annual bonuses?	N6	N12 Y17	N	N	N	N
- annual merit increase?	N3 Y3	N11 Y18	Y	N	Y	Y
- performance bonus?	N6	N23 Y6	Y	N	N	Y
- annual cost-of-living increase?	N5 Y1	N17 Y12	Y	Y	N	Y
Cost of Benefits Package as percentage of payroll	38.98	33.50	50		45	31.50
LEAVE:						
Type of leave:						
- Annual/Sick	N1 Y5	N7 Y23	Y	Y	Y	Y
- Personal*	Y2	N20 Y6	N	N	N	N
* Combination of Annual and Sick Leave..						
(Annual) Leave accrual rate for the majority of your employees (days per year)?						
- First year	17.25	10.63	13.00	12.00	12.00	10.50
- Third year	18.75	13.21	20.00	14.00	12.00	10.50
- Sixth year	21.00	18.02	20.00	15.00	15.00	15.00
- Eleventh year	24.00	21.19	20.00	17.00	18.00	18.00
- Twentieth yr.	24.00	22.87	26.00	22.00	24.00	21.00

1994 Survey Benefits Data

QUESTION	Ak Public	Ak Private	Fed. Gov't	WA State	OR State	CA State
(Personal) leave accrual rate for the majority of your employees (days per year)?						
- First year	20.50	16.83				
- Third year	23.50	19.17				
- Sixth year	26.00	23.33				
- Eleventh year	30.00	26.67				
- Twentieth yr.	33.00	27.33				
Does unused annual/personal leave accumulate from year to year?	Y5	N6 Y19	Y	Y		Y
Can unused annual/personal leave be cashed out at termination?	Y5	N2 Y22	Y	Y		Y
Sick leave accrual rate for the majority of your employees (days per year)?						
- First year	15.25	11.11	13.00	12.00	12.00	8.00
- Third year	15.25	15.34	13.00	12.00	12.00	8.00
- Sixth year	15.25	22.43	13.00	12.00	12.00	8.00
- Eleventh year	15.25	30.61	13.00	12.00	12.00	8.00
- Twentieth yr.	15.25	31.41	13.00	12.00	12.00	8.00
Can unused sick leave be cashed out at termination?	N3 Y1	N20 Y4	N	Y	N	N
Does sick leave accumulate each year?	Y4	N6 Y17	Y	Y	Y	Y
INSURANCE						
Overall cost of health insurance premium per month?			** see foot note ¹			
- Employee	371.88	172.90		324	217.26	160.00
- Spouse	409.42	275.86			327.02	319.00
- Family	411.87	420.79			341.52	415.00
Medical expense coverage						
- percentage	80.83	78.70		80	90	80
- \$ amount	2750	4687.5		4000	3500	3000
Do you have a cafeteria plan?	N5 Y4	N24 Y4	N	N	Y	N
If yes, amount employees receive per month.	318.75	220.50			355.81	
Amount of medical plan's deductible						
- employee	125.00	270.00		100	100	250
- family	243.30	631.15		300	300	500

1994 Survey Benefits Data

QUESTION	Ak Public	Ak Private	Fed. Gov't	WA State	OR State	CA State
Does employee participate in payment of premium?						
- employee	N6	N11 Y17	Y	N	N	N
- spouse	N5 Y1	N3 Y25	Y	N	Y	Y
- family	N5 Y1	N3 Y25	Y	N	Y	Y
Medical plan coverage#	F	F-27 E-1	F	F	F	F
%age of plan paid by employer for:						
- employee (E)	100	84.26	60	100	100	100
- spouse/family (F)	82.67	62.48	60	100		89
Dental plan coverage#	F	F-26 E-1	F	F	F	F
%age of plan paid by employer for:						
- employee (E)	100	77.39	60	100	100	100
- spouse/family (F)	82.67	61.04	60	100	100	100
Vision plan coverage#	F	F-14	F	F	F	F
%age of plan paid by employer for:						
- employee (E)	85.00	83.36	60	100	100	100
- spouse/family (F)	82.67	71.07	60	100		100
Prescription drugs plan coverage#	F	F-27 E-1	F	F	F	F
%age of plan paid by employer for:						
- employee (E)	100	84.54	60		100	
- spouse/family (F)	82.67	69.67	60			
Employee assistance plan coverage#	F-5 E-1	F-15	F	N/A	F	F
%age of plan paid by employer for:						
- employee (E)	100	100			100	100
- spouse/family (F)	80	96.67			100	100
Life insurance coverage#	F-3 E-2	E-14	F	E	E	E
%age of plan paid by employer for:		F-11				
- employee (E)	100	94.78	33	100	100	100
- spouse/family (F)	100	80.60	33			
RETIREMENT PLAN						
Do you have a formal retirement plan?	Y	N1 Y25	Y	Y	Y	Y
Percentage of salary paid by employee into retirement fund?	6.75	0.45	7.00		0	5.00

1994 Survey Benefits Data

QUESTION:	Ak: Public	Ak Private	Fed.. Gov't	WA State	OR.. State	CA State
Retirement Benefit Calculation - retirement benefit is calculated by using:						
- av. monthly comp'n. over	3	4.0	3.0		1.0	1.0
- percentage multiplier	2	1.79	1		1.67	2.0
- number of years service	10	27.14				
- next percentage multiplier	2.5	2.88				
- next no. of years service	10	12.50				
- next percentage multiplier	2.5	2.50				
- next no. of years service	10	10				
Does your retirement plan provide Medical coverage upon retirement?	N1 Y4	N12 Y9	Y	N	Y	Y
What percent does employer pay?	11.25	65.92	75		8.60	9.94
Retirement plan based on (1) defined benefit (B) or (2) defined contribution (C)?	B	B8 C8	B		B	B
34. Does your retirement plan have portability?	N	N7 Y5	Y		N	Y
How many years to vesting	5	5.72	5		5	5
Age or length of service for retirement:						
- Age: Early Retirement	55	55.33	50	50	55	50
Normal Retirement	60	61.31	55	65	58	60
- Length of service	30	30	30	25		

1. Federal Government employees select from a variety of health plans. Normally the Federal Government pays 60% of the cost of the six largest high-value health plans, and these responses are based on this. The Federal Government does not pay more than 75% of the cost of a health plan.

TABLE IV

STATE OF ALASKA BENEFITS DATA BY BARGAINING UNIT

QUESTION	GGU	SU	LTC	CU	PSU	Statutory
Are the majority of your employees covered by a collective bargaining agreement?	Y	Y	Y	Y	Y	N
How many hours in the normal working week?	37.5/ 40	37.5	37.5	37.5	40- 41.25	37.5
What is the normal rate of overtime payment?	1.5	1.5	1.5	1.5	1.5	1.5
Overtime is paid after how many hours/week?	37.5/ 40	40	37.5	37.5	40	37.5
How many paid holidays are there each year?	11 ¹	11 ²	11 ²	11 ²	11 ³	11
Do you offer:						
- paid or reimbursed child care?	N	N	N	N	N	N
- profit sharing/annual bonuses?	N	N	N	N	N	N
- annual merit increase?	Y	Y	Y	Y	Y	Y
- performance bonus?	N	N	N	N	N	N
- annual cost-of-living increase?	N	N	N	N	N	N
Cost of Benefits Package as percentage of payroll	38%	34%	39%	39%	39%	na
LEAVE						
Type of leave:						
- Annual/Sick	Y	N	Y	N	N	N
- Personal*	N	Y	N	Y	Y	Y
* Combination of Annual and Sick Leave						
(Annual) Leave accrual rate for the majority of your employees (days per year)?						
- First year	15	na	15	na	na	na
- Third year	21		21			
- Sixth year	24		24			
- Eleventh year	30		30			
- Twentieth yr.	30		30			

1994 State of Alaska Benefits Data by Bargaining Unit

QUESTION	GGU	SU	LTC	CU	PSU	Statutory
(Personal) leave accrual rate for the majority of your employees (days per year)?						
- First year	na	24	na	24	24	24
- Third year		27		27	27	27
- Sixth year		30		30	30	30
- Eleventh year		36		36	36	36
- Twentieth yr.		36		36	36	36
Does unused annual/personal leave accumulate from year to year?	Y ⁴	Y	Y ⁵	Y	Y	Y
Can unused annual/personal leave be cashed out at termination?	Y	Y	Y	Y	Y	Y
Sick leave accrual rate for the majority of your employees (days per year)?						
- First year	15	na	15	na	na	na
- Third year	15		15			
- Sixth year	15		15			
- Eleventh year	15		15			
- Twentieth yr.	15		15			
Can unused sick leave be cashed out at termination?	N	na	N	na	na	na
Does sick leave accumulate each year?	Y	na	Y	na	na	na
INSURANCE						
Overall cost of health insurance premium per month?						
- Employee						
- Spouse						
- Family	423.5	423.5 ⁶	500 ⁷	423.5 ⁶	386.7 ⁶	423.5
Medical expense coverage						
- percentage	80	80	na	80	na	80
- \$ amount	5000	5000		5000		5000
Do you have a cafeteria plan?	N	N	na	N	na	N
If yes, amount employees receive per month						
Amount of medical plan's deductible						
- employee	250	250	na	250	na	250
- family	500	500		500		300

1994 State of Alaska Benefits Data by Bargaining Unit

QUESTION	GGU	SU	LTC	CU	PSU	Statutory
Does employee participate in payment of premium? - employee - spouse - family	N N N	N N N	Note 7	Y	Note 8	N N N
Medical plan coverage# %age of plan paid by employer for: - employee (E) - spouse/family (F)	100 100	100 100	na	100 100	na	100 100
Dental plan coverage# %age of plan paid by employer for: - employee (E) - spouse/family (F)	100 100	100 100	na	100 100	na	100 100
Vision plan coverage# %age of plan paid by employer for: - employee (E) - spouse/family (F)	100 100	100 100	na	100 100	na	100 100
Description drugs plan coverage# %age of plan paid by employer for: - employee (E) - spouse/family (F)	100 100	100 100	na	100 100	na	100 100
Employee assistance plan coverage# %age of plan paid by employer for: - employee (E) - spouse/family (F)	100 100	100 100	na	100 100	na	100 100
Life insurance coverage# %age of plan paid by employer for: - employee (E) - spouse/family (F)	100 na	100 na	100 na	100 na	100 na	100 na
RETIREMENT PLAN						
Do you have a formal retirement plan?	Y	Y	Y	Y	Y	Y
Percentage of salary paid by employee into retirement fund?	6.75	6.75	6.75	6.75	7.5	6.75

1994 State of Alaska Benefits Data by Bargaining Unit

QUESTION	GGU	SU	LTC	CU	PSU	Statutory
Retirement Benefit Calculation - retirement benefit is calculated by using:						
- av. monthly comp'n. over	3 yrs.	3 yrs.	3 yrs.	3 yrs.	3 yrs	3 yrs.
- percentage multiplier	2	2	2	2	2%	2
- number of years service	10	10	10	10	10	10
- next percentage multiplier	2.25	2.25	2.25	2.25	2.5	2.25
- next no. of years service	10	10	10	10	10	10
- next percentage multiplier	2.5%	2.5	2.5	2.5		2.5
- next no. of years service	10+	10+	10+	10+		10+
Does your retirement plan provide Medical coverage upon retirement?	Y	Y	Y	Y	Y	Y
What percent does employer pay?	100%	100	100	100	100	100
Retirement plan based on (1) defined benefit (B) or (2) defined contribution (C)?	B	B	B	B	B	B
Does your retirement plan have portability?	N	N	N	N	N	N
How many years to vesting	5	5	5	5	5	5
Age or length of service for retirement:						
- Age: Early Retirement	55	55	55	55		55
Normal Retirement	60	60	60	60		60
- Length of service	30	30	30	30	20	30

NOTES:

1. Employee's birthday and Lincoln's Birthday are floating holidays.
2. Lincoln's birthday is a floating holiday
3. Lincoln's birthday is a floating holiday. Airport Safety Officers in this Unit get a floating holiday for their birthday.
4. General Government Bargaining Unit employees may accumulate up to 60 days annual leave in any one year.
5. Labor Trades and Crafts employees may accumulate up to 450 hours annual leave in any one year.
6. Supervisory Unit and Confidential Unit employees currently contribute \$4.70 towards the cost of health insurance.

1994 State of Alaska Benefits Data by Bargaining Unit

7. The State of Alaska pays this amount for each unit employee to Public Employees Local 71 which administers a health plan.
8. The State of Alaska pays this amount for each unit employee to Public Safety Employees Association which administers a health plan. Public Safety Employees Association members pay \$68.00 towards the cost of health insurance.

ALASKA SALARY SURVEY

JOB CLASS DESCRIPTIONS

Administrative Clerk II: This is the full proficiency level clerk who performs a variety of office clerical assignments of average difficulty and/or defined clerical service in support of a specific program. Positions perform a variety of typing and/or processing documents.

Accounting Clerk II: This is the journey level accounting clerk performing posting, calculating, coding, verifying, and other activities to process and maintain financial records. This level requires knowledge of clerical accounting, accounts coding, and the use and purposes of documents to maintain and adjust records and may check the work of others.

Accounting Technician II: Positions perform moderately difficult technical accounts maintenance, reconciliation, and reporting for a variety of programs or areas, with more than one funding source, varying types of advanced or deferred payments or modifications to programs, and preparation of statements and reports which require extensive searching to determine relevance or usefulness of the data.

Accountant II: This is the journey level accountant performing a variety of professional level accounting including auditing and analyzing accounts; preparing and modifying accounting systems; and interpreting, summarizing, and reporting financial data. Work at this level involves a variety of programs and accounts and types of disbursements and revenues.

Accountant IV: These positions perform very complex accounting functions. As financial managers, they develop and coordinate accounting services and related business and financial management activities through subordinate accounting staff responsible for complex accounting functions and systems. With the State, these involve multi-agency or multi-system interactions. May serve as the finance officer for a smaller agency.

Administrative Assistant I: These positions perform a variety of general administrative support services and special projects as staff assistant to a line program supervisor or administrative officer. Performs budget preparation, purchasing, personnel functions, monitors expenditures, responds to inquiries and complaints, and prepares administrative correspondence.

Adult Probation Officer II: This is the full performance level with independent responsibility for a varied caseload. Positions perform office and/or field work in probation and parole casework, pre-sentence investigation, intake, supervision and guidance of parolees and probationers.

Aircraft Mechanic: Performs skilled maintenance, repair, service, and overhaul of aircraft. Makes minor and major repairs, changes engines, replaces or repairs parts including engine, airframe, and sheet metal parts. Maintains work reports and logs.

Appendix A

Analyst/Programmer III: Performs computer programming work including detailed program design, coding, testing, debugging, and documentation. This is the full proficiency level for programming or computer system support.

Attorney IV: This is the full working level. Positions render a variety of legal services, provide legal advice, prepare formal opinions, draw up legal documents, and serve as defense attorney or prosecuting attorney for all types of cases. Negotiate settlements or changes of plea.

Cook II: This is the journey level cook who prepares a variety of foods in an institution kitchen. Using recipes, verbal instruction, or individual discretion prepares food items in large quantities for meals.

Correctional Officer II: Performs the full range of security duties among prisoners in an adult correctional institution. Maintains order and discipline, patrols and inspects facilities and grounds, observes prisoners and visitors for unusual behavior, keeps records.

Data Processing Tech: Monitors, controls, and operates computer equipment at the full performance level. Loads input and output, makes test and operational runs, detects error message and makes corrections to equipment and production failures.

Data Processing Manager I: This is the first full management level responsible for the planning, organizing, & coordinating of data processing activities for an agency. Prepare and administer budgets, plan and schedule work, establish procedures, supervise staff of analyst/programmers, and control projects.

Drafting Technician II: This is the full performance level. Performs drafting duties to prepare drawings and plans. Plans layouts, determines scale, method of presentation, sectional views and pictorial presentations using standard drafting equipment including computer (CAD) systems.

Electrician: Performs journey level electrical work in the maintenance, inspection, repair, adjustment, and installation of electrical systems.

Eligibility Technician II: This is the journey level who performs the full range of duties related to determining and authorizing benefits for public assistance applicants. Work includes in-depth interviews, data collection, and eligibility determination.

Employment Security Specialist IB: Positions perform employment and unemployment work of average difficulty. Work involves intake/placement, interviewing job applicants, matching applicants with employers job orders, interviewing unemployment insurance claimants, and making eligibility determinations.

Engineer I: This is the professional registered level which typically leads a group of technical/professional engineering staff and is responsible for assigned projects involving the design and/or construction of highways, airports, harbor facilities, utilities, or other structures.

Environmental Specialist III: This is the advanced or lead level. Positions provide specialized technical expertise in a specific segment of an environmental protection program, i.e. hazardous waste, waste water, oil pollution, solid waste. Provide technical leadership on projects to field staff.

Equipment Operator V: Operates specialized motor equipment and power construction equipment used in the construction and maintenance of roads and other facilities, such as motor graders, shovels, backhoes, front loaders, asphalt distributors, and crawler tractors.

Fish and Wildlife Enforcement Officer: Positions perform patrol and apprehend violators of fish and game laws, issue citations, gather and preserve evidence, and attend court proceedings. These officers have limited authority, not full police authority, and weapons are restricted.

Fishery Biologist II: This is the full working level with responsibility for research project segments or fisheries management activities in a district. Positions study fishery resources to recommend regulations, area closures, and fishing limits. Positions review and monitor habitat changes, and conduct population studies.

Forest Technician III: This is a paraprofessional level which leads field crews in fire prevention, fire suppression and resource management programs. Duties include issuance of burning permits, site inspections, dispatching fire suppression forces, leading fire fighting crews, determining timber stand volumes and other field data, preparing maps of timber sales, etc.

Fish and Wildlife Technician II: Positions perform biological field sampling and research functions requiring a fundamental knowledge of research procedures. Positions perform creel census, port sampling, remove and read fish tags, collect biological samples, tag fish, conduct test fishing, enter data on computers, etc.

Laboratory Technician II: This is the full performance level who performs tests and procedures independently. Positions prepare reagents and culture media, inoculate and streak cultures, examine growth, perform standard tests for pathogens, and other routine testing of human specimens in a medical laboratory.

Laborer: Performs varied manual, unskilled or limited semi-skilled work in maintenance and construction. Loads and unloads, lifts, and moves supplies and equipment, assists with repair and maintenance of buildings, machine feeding and offbearing, patches pavement, shovels snow, removes brush, cleans culverts and roadsides, digs ditches.

Legal Secretary I: Serves as secretary to attorney(s) to provide administrative and office detail and perform a variety of legal clerical tasks. Takes and transcribes dictation of briefs, legal opinions, contracts, etc., prepares correspondence, legal notices, gathers material for attorneys; maintains records and sets up files.

Licensed Practical Nurse: Cares for ill, injured, and convalescent persons in hospital or institutional settings.

Loan/Collection Officer I: Performs professional journey level lending and/or collection activities for well-established programs. Processes applications for a variety of lending programs and/or collects monies on delinquent or defaulted loans.

Management Analyst III: This is the full professional working level. Incumbents perform complex and extensive studies at a conceptual and innovative level to identify, analyze, and document management procedure and policy problems and recommend corrective action. Evaluate resources and organization, work standards, conduct time and motion studies, etc.

Mechanic: Performs journey level work in the maintenance, repair, and overhaul of gasoline, diesel, and electrically powered equipment. Diagnoses, adjusts, repairs, and replaces defective automotive parts and components such as engines, transmissions, carburetors, lines, switches, etc.

Medical Records Assistant: Responsible for the day-to-day establishment, maintenance, and management of all medical records in a hospital/institution. Assures compliance with state and federal regulations.

Motor Vehicle Representative III: In addition to routine motor vehicle and drivers licensing duties, positions administer road tests to drivers, perform specialized license functions, and/or prepare and issue special permits such as oversize or overweight permits.

Natural Resources Officer II: This is the full professional level in areas of resource planning, adjudicating resource use, and professional research related to the management of natural resources. Positions research land status, write reports on resource issues, and evaluate proposals for resource use.

Natural Resources Manager II: Supervises a staff or unit with responsibility for significant statewide resource management functions, i.e. forestry, parks, lands. In a decentralized organization, supervises several units through subordinate supervisors. Responsible for management of at least one, often more, major projects.

Nurse II: This is the journey level registered nurse who performs the full range of professional level nursing duties. Administers treatment, medications, and nursing care to patients, makes nursing assessment and reports patient condition and reactions.

Physical Therapist: This is the journey level who administers individual physical therapy treatment programs using the full range of therapeutic procedures. Prepares reports of treatment, evaluation and discharge summaries for patients.

Plumber: Performs journey level plumbing work which involves the installation, modification, and repair of new and existing utility, supply and disposal systems and equipment which is subject to the Uniform Plumbing Code.

Psychiatric Nursing Assistant III: This is the journey level which performs a variety of subprofessional psychiatric nursing duties to provide care, treatment and rehabilitation to patients. Observes, reports, and charts patient behavior, assists in patient activities and therapies, interacts with patients to contribute to their rehabilitation.

Radio Dispatcher II: Receives, evaluates, and relays information to, from, and between public safety units, agencies, and the public by means of telephone, radio-telephone, and other electronic means. Dispatches commissioned officers to accidents and crime scenes. Answers questions and determines if dispatching police or other emergency personnel is necessary.

Secretary I: Performs a variety of clerical duties as the personal assistant of an executive. Relieves the supervisor of administrative detail by scheduling meetings and travel, screening calls and providing information, composing and typing correspondence, gathering materials, routing mail, filing, etc.

Sergeant, Public Safety: Supervises a post, team, or shift of law enforcement officers (at least four subordinates) who provide for enforcement of laws and assist and protect the public safety.

Social Worker III: This is the journey level providing a full range of social casework services covering such areas as adoption, foster home care, child protection, individual and family counseling.

Stockhandler: Performs heavy manual work in unloading, receiving, handling, storing, and retrieving supplies, materials, and equipment in a warehouse, storeroom or supply center.

State Trooper: This is the working level commissioned officer who performs law enforcement work alone or under direction of a higher ranking officer. Positions conduct patrols, make arrests and issue citations, conduct investigations of crimes, complaints and patrol findings. make reports and testify in court.

Wildlife Biologist III: This is the area management wildlife biologist, project leader of a research or development project or assistant area wildlife biologist in a complex management

area. Positions supervise research projects related to game populations harvest, transplant feasibility, habitat improvement, etc.

Youth Counselor II: This is the journey level which serves as primary counselor to a group of residents in a juvenile correctional facility. Positions actively participate in the development implementation, and administration of treatment programs, and supervise group living situations.

PRIVATE FIRMS RESPONDING
TO DIVISION OF PERSONNEL/OEEO SURVEY

Alaska Commercial Company
Alaska Petroleum Contractors
Alaska USA Federal Credit Union
Alyeska Pipeline Service Co.
American Guard & Alert Wackenhut of Alaska
Anchorage Cold Storage
Anchorage Daily News
Anchorage Hilton
Anchorage Telephone Utility
ARCO Alaska, Inc.
Enstar Natural Gas Co.
Federal Express
First National Bank of Anchorage
Hope Cottages
Inter-Alaska Hotel, Inc.
ITT Federal Services Corp.
J. C. Penneys
MarkAir, Inc.
Martin Marietta Services
Matanuska Telephone Association, Inc.
Nabors Alaska Petroleum Service, Inc.
Natchiq, Inc.
National Bank of Alaska
NorthWest Airlines
Ogden Facility Management of Alaska, Inc.
Our Lady of Compassion Care Center
Providence Hospital
Sealaska Corporation
Spennard Builders Supply, Inc.
Tesoro Northshore company
United Parcel Service
Unocal Corp
Valley Hospital
Veco, Inc.

ALASKA SALARY SURVEY

	Hourly Rate of Pay	# of Workers at this Wage	# Hrs. Worked Per. Week Per. Employee	Union Affiliated	
				Yes	No
<p><u>Adult Probation Officer II:</u> This is the full performance level with independent responsibility for a varied caseload. Positions perform office and/or field work in probation and parole casework, pre-sentence investigation, intake, supervision and guidance of parolees and probationers.</p> <p>Your job title: _____</p> <p>Salary Structure:</p> <p>Minimum: ____ At 5 Yrs: ____ Maximum: ____</p>					
<p><u>Aircraft Mechanic:</u> Performs skilled maintenance, repair, service, and overhaul of aircraft. Makes minor and major repairs, changes engines, replaces or repairs parts including engine, airframe, and sheet metal parts. Maintains work reports and logs.</p> <p>Your job title: _____</p> <p>Salary Structure:</p> <p>Minimum: ____ At 5 Yrs: ____ Maximum: ____</p>					
<p><u>Analyst/Programmer III:</u> Performs computer programming work including detailed program design, coding, testing, debugging, and documentation. This is the full proficiency level for programming or computer system support.</p> <p>Your job title: _____</p> <p>Salary Structure:</p> <p>Minimum: ____ At 5 Yrs: ____ Maximum: ____</p>					

Salary Schedule
Monthly Salaries

(Recommended)

Range	Step A	Step B	Step C	Step D	Step E	Step F
05	1551	1593	1638	1684	1736	1782
06	1638	1684	1736	1782	1833	1886
07	1736	1782	1833	1886	1945	2006
08	1833	1886	1945	2006	2063	2127
09	1945	2006	2063	2127	2197	2258
10	2063	2127	2197	2258	2328	2398
11	2197	2258	2328	2398	2478	2555
12	2328	2398	2478	2555	2645	2734
13	2478	2555	2645	2734	2829	2932
14	2645	2734	2829	2932	3037	3152
15	2829	2932	3037	3152	3254	3375
16	3037	3152	3254	3375	3499	3625
17	3254	3375	3499	3625	3748	3878
18	3499	3625	3748	3878	4005	4155
19	3748	3878	4005	4155	4284	4442
20	4005	4155	4284	4442	4577	4746
21	4284	4442	4577	4746	4895	5072
22	4577	4746	4895	5072	5240	5434
23	4895	5072	5240	5434	5614	5824
24	5240	5434	5614	5824	6021	6225
25	5614	5824	6021	6225	6455	6698
26	5824	6021	6225	6455	6698	6939
27	6021	6225	6455	6698	6939	7201
28	6225	6455	6698	6939	7201	7454

PRELIMINARY DRAFT OF FISCAL MODEL BEING DEVELOPED

Attachment # 1
1/23/95

FIVE YEAR PROJECTION - MID CASE

NOTE: This projection does not reflect any decisions by the Knowles Administration; it is intended to illustrate the potential fiscal gap in the absence of budget or revenue adjustments, and the fiscal effects of relying on reserve funds to balance the budget. The FY 95 budget is that approved last spring plus estimated supplementals of \$80 million. The FY 96 operating budget is the Hickel administration proposal. The projection will be updated when the Knowles Administration amendments are presented.

Scenario 1A: Fall 94 DOR Mid Case Revenues;
Status Quo Budget/Uses Constitutional Budget Reserve to fill the fiscal gap.

	<u>FY 95</u>	<u>FY 96</u>	<u>FY 97</u>	<u>FY 98</u>	<u>FY 99</u>	<u>FY 2000</u>
Average Oil Price (\$/bbl.)	16.22	16.72	17.18	18.30	19.13	20.00
Oil Production (MMbbl/day)	1.606	1.595	1.489	1.408	1.366	1.291
REVENUES (\$ Millions):						
GENERAL FUND FORECAST	1,911.0	1,959.3	1,943.6	1,989.0	2,005.6	1,997.7
OTHER REVENUE SOURCES	361.8	108.6	125.0	125.0	125.0	125.0
TOTAL UGF REVENUES	2,272.8	2,067.9	2,068.6	2,114.0	2,130.6	2,122.7
EXPENDITURES (\$ Millions):						
OPERATING - AGENCY	1,095.7	1,143.4	1,193.5	1,245.8	1,300.3	1,357.3
OPERATING - FORMULA	436.3	466.4	496.6	528.7	562.9	599.3
- EDUCATION	639.2	666.0	709.1	754.9	803.8	855.7
DEBT SERVICE	133.0	111.2	100.0	72.8	59.6	44.0
CAPITAL	100.4	125.0	125.0	125.0	125.0	125.0
LOANS/TRANSFERS/SUPPS.	162.4	78.0	78.0	78.0	78.0	78.0
TOTAL EXPENDITURES	2,567.0	2,590.0	2,702.1	2,805.2	2,929.6	3,059.3
PROJECTED FISCAL GAP	-294.2	-522.1	-633.5	-691.2	-799.0	-936.6
CONST. BUDGET RESERVE						
BALANCE IF FISCAL GAP FILLED ENTIRELY WITH CBR	1,600.0	1,427.9	1,144.4	453.2	0.0	0.0
REMAINING FISCAL GAP					345.7	936.6

NOTES

This scenario has no new revenues, major budget changes, or sale of assets (e.g. AHFC portfolio)

Mid case oil price scenario (FY 95 incorporates December DOR update).
Mid case production scenario from DOR.

FY 95 = \$48.6 Rev Adj; \$200 AHFC (One Time Amount); \$60 AIDEA; \$36.7 Executive Life; \$18.5 DNR land Sale.
FY 96 = \$48.6 Rev Adj; \$25 AHFC; \$30 Executive Life; \$5 increased program receipts in Hickel budget.

Agency spending projected to increase at rate of inflation. These projections are being refined.
Formula rate of increase = inflation + population. These projections are being refined.
Education rate of increase = inflation + population. These projections are being refined.

Includes: state G.O.; school debt reimbursement; U of A; lease/purchase; housing authority.

FY 95 Hickel, approximate estimate thereafter.

FY 95 includes new leg. and \$80 supplementals; thereafter \$50 supp., \$25 oil fund transfer + \$3 estim. new leg.

The Knowles Administration will be working to reduce the level of supplementals required in the future; however, in this draft, \$50 million in supps. is included for FY 96-2000 to provide an "apples and apples" comparison with FY 95.

Total CBR amount used FY 95 - FY 99 = \$2.63 billion.

Balances are year-end amounts. FY 96 & 97 balances reflect \$350/yr. BP settlement payment.

PRELIMINARY DRAFT OF FISCAL MODEL BEING DEVELOPED

FIVE YEAR PROJECTION - WITH ONE LOW YEAR

NOTE: This projection does not reflect any decisions by the Knowles Administration; it is intended to illustrate the potential fiscal gap in the absence of budget or revenue adjustments, and the fiscal effects of relying on reserve funds to balance the budget. The FY 95 budget is that approved last spring plus estimated supplementals of \$80 million. The FY 96 operating budget is the Hickel administration proposal. The projection will be updated when the Knowles Administration amendments are presented.

Scenario 1B: Shows effect of one year of low-case oil prices (FY 97). Mid case prices for other years. Status Quo Budget/Uses Constitutional Budget Reserve to fill the fiscal gap.

	<u>FY 95</u>	<u>FY 96</u>	<u>FY 97</u>	<u>FY 98</u>	<u>FY 99</u>	<u>FY 2000</u>
Average Oil Price (\$/bbl.)	16.22	16.72	14.61	18.30	19.13	20.00
Oil Production (MMbbl/day)	1.606	1.595	1.484	1.408	1.366	1.291
REVENUES (\$ Millions):						
GENERAL FUND FORECAST	1,911.0	1,959.3	1,607.7	1,989.0	2,005.6	1,997.7
OTHER REVENUE SOURCES	361.8	108.6	125.0	125.0	125.0	125.0
TOTAL UGF REVENUES	2,272.8	2,067.9	1,732.7	2,114.0	2,130.6	2,122.7
EXPENDITURES (\$ Millions):						
OPERATING - AGENCY	1,095.7	1,143.4	1,193.5	1,245.8	1,300.3	1,357.3
OPERATING - FORMULA	436.3	466.4	496.6	528.7	562.9	599.3
- EDUCATION	639.2	666.0	709.1	754.9	803.8	855.7
DEBT SERVICE	133.0	111.2	100.0	72.8	59.6	44.0
CAPITAL	100.4	125.0	125.0	125.0	125.0	125.0
LOANS & TRANSFERS	162.4	78.0	78.0	78.0	78.0	78.0
TOTAL EXPENDITURES	2,537.0	2,590.0	2,702.1	2,805.2	2,929.6	3,059.3
PROJECTED FISCAL GAP	-294.2	-522.1	-969.4	-691.2	-799.0	-936.6
CONST. BUDGET RESERVE						
BALANCE IF FISCAL GAP FILLED ENTIRELY WITH CBR	1,600.0	1,427.9	808.5	117.3	0.0	0.0
REMAINING FISCAL GAP					681.6	936.6

NOTES

This scenario has no new revenues, major budget changes, or sale of assets (e.g., AHFC portfolio)

Mid case oil price scenario (FY 95 incorporates December DOR update).
Mid case production scenario from DOR.

FY 95 = \$48.6 Rev Adj; \$200 AHFC (One Time Amount); \$60 AIDEA; \$36.7 Executive Life; \$16.5 DNR land Sale.
FY 96 = \$48.6 Rev Adj; \$25 AHFC; \$30 Executive Life; \$5 increased program receipts in Hickel budget.

Agency spending projected to increase at rate of inflation. These projections are being refined.

Formula rate of increase = inflation + population. These projections are being refined.

Education rate of increase = inflation + population. These projections are being refined.

Includes: state G.O.; school debt reimbursement; U of A; lease/purchase; housing authority.

FY 95 Hickel, approximate estimate thereafter.

FY 96 includes new leg. and \$80 supplementals; thereafter \$50 supp., \$25 oil fund transfer + \$3 estim. new leg.

The Knowles Administration will be working to reduce the level of supplementals required in the future; however, in this draft, \$50 million in supps. is included for FY 96-2000 to provide an "apples and apples" comparison with FY 95.

Total CBR amount used FY 95 - FY 99 = \$2.63 billion.

Balances are year-end amounts. FY 96 & 97 balances reflect \$350/yr. BP settlement payment.

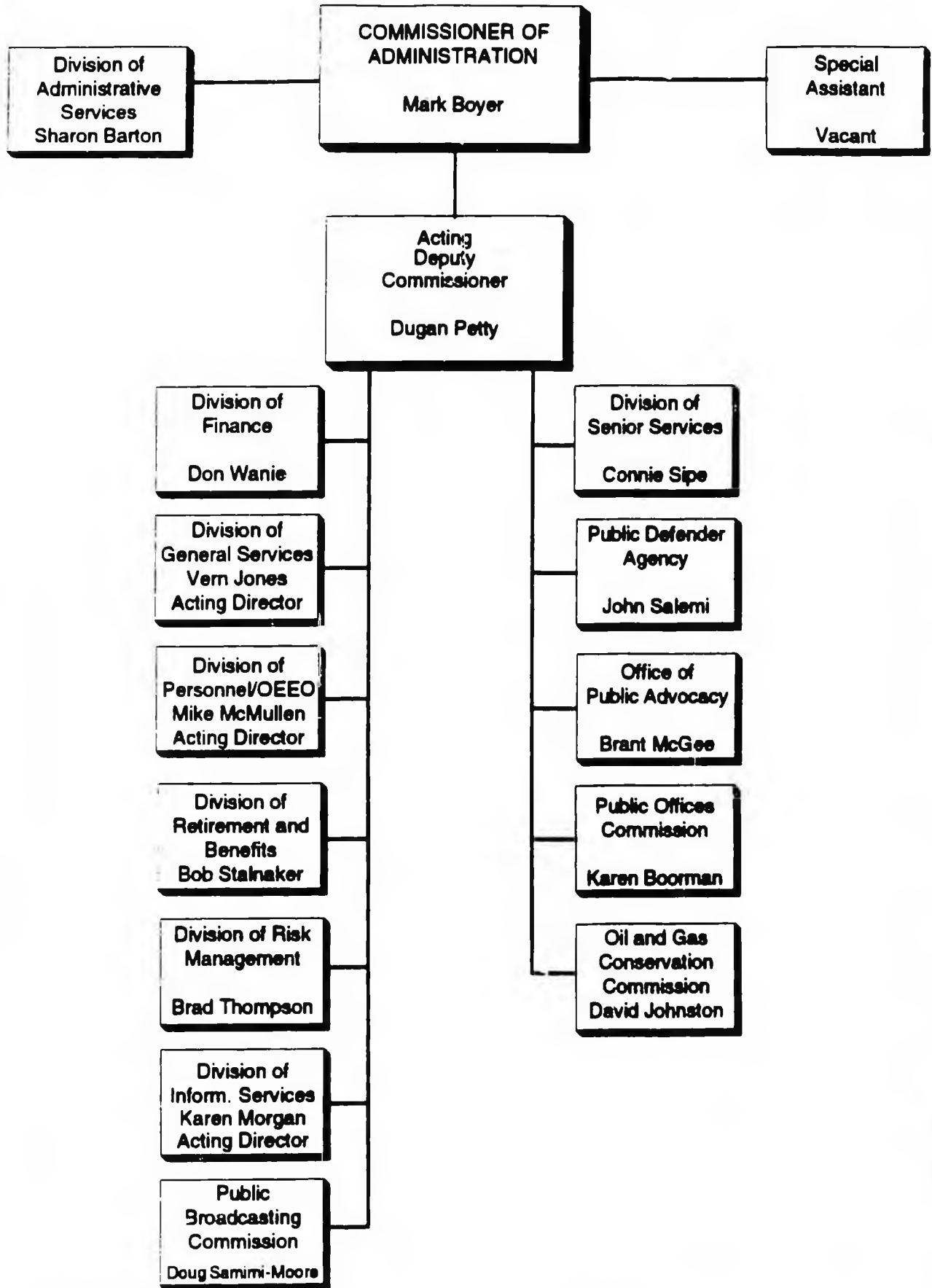
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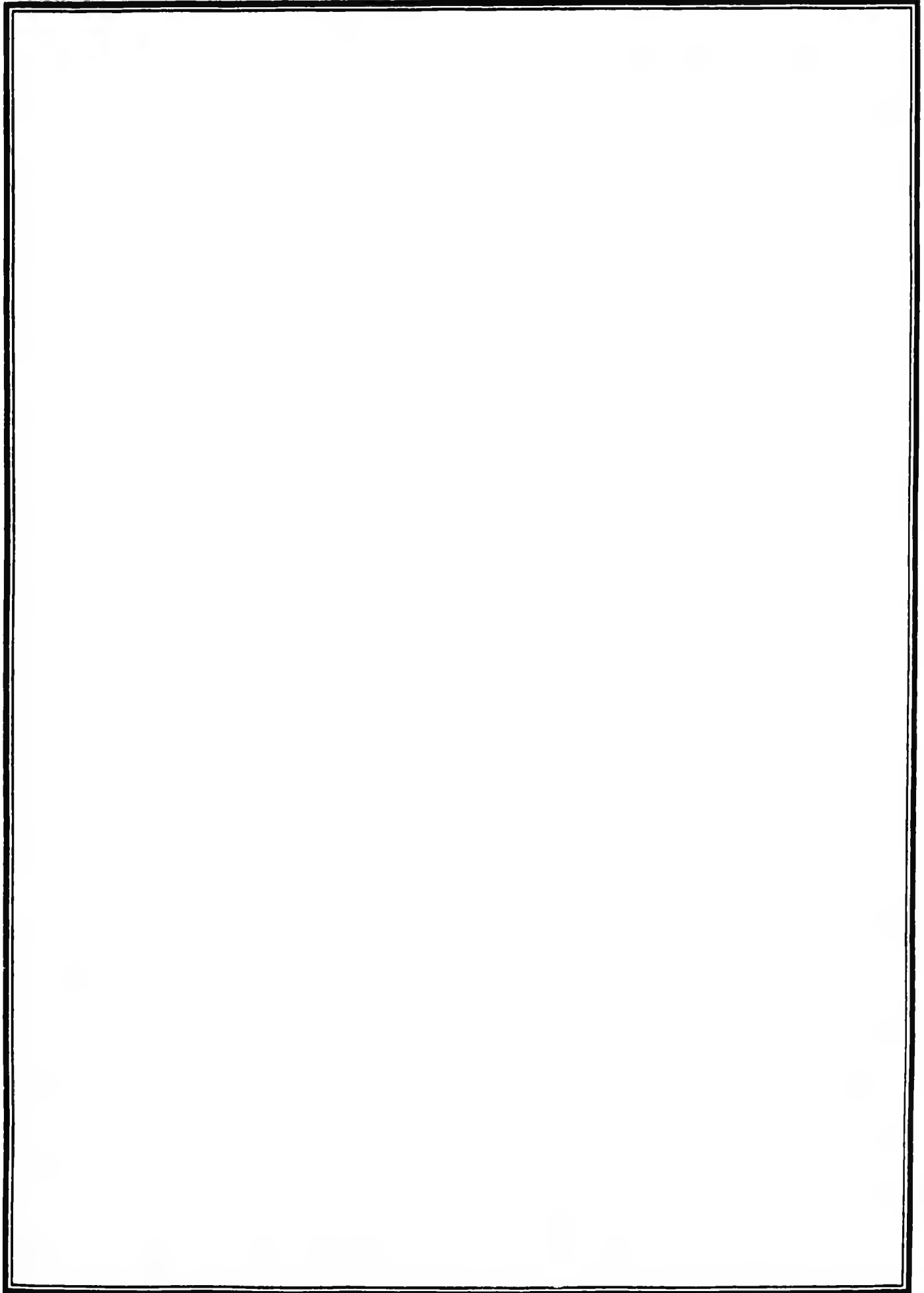
Subcommittee Assignments

	1
Committee	Chair
DC&RA	Kelly
DC&ED	Kelly
DOT/PF	Foster
DM&VA	Foster
Public Safety	Parnell
Courts	Parnell
Corrections	Mulder
Law	Parnell
DNR	Therriault
DEC	Therriault
Fish & Game	Hanley
Labor	Mulder
Administration	Kohring
Revenue	Martin
University	Martin
H&SS	Hanley
Education	Kohring
Governor	Hanley/Foster
Legislature	Hanley/Foster

1-23-95

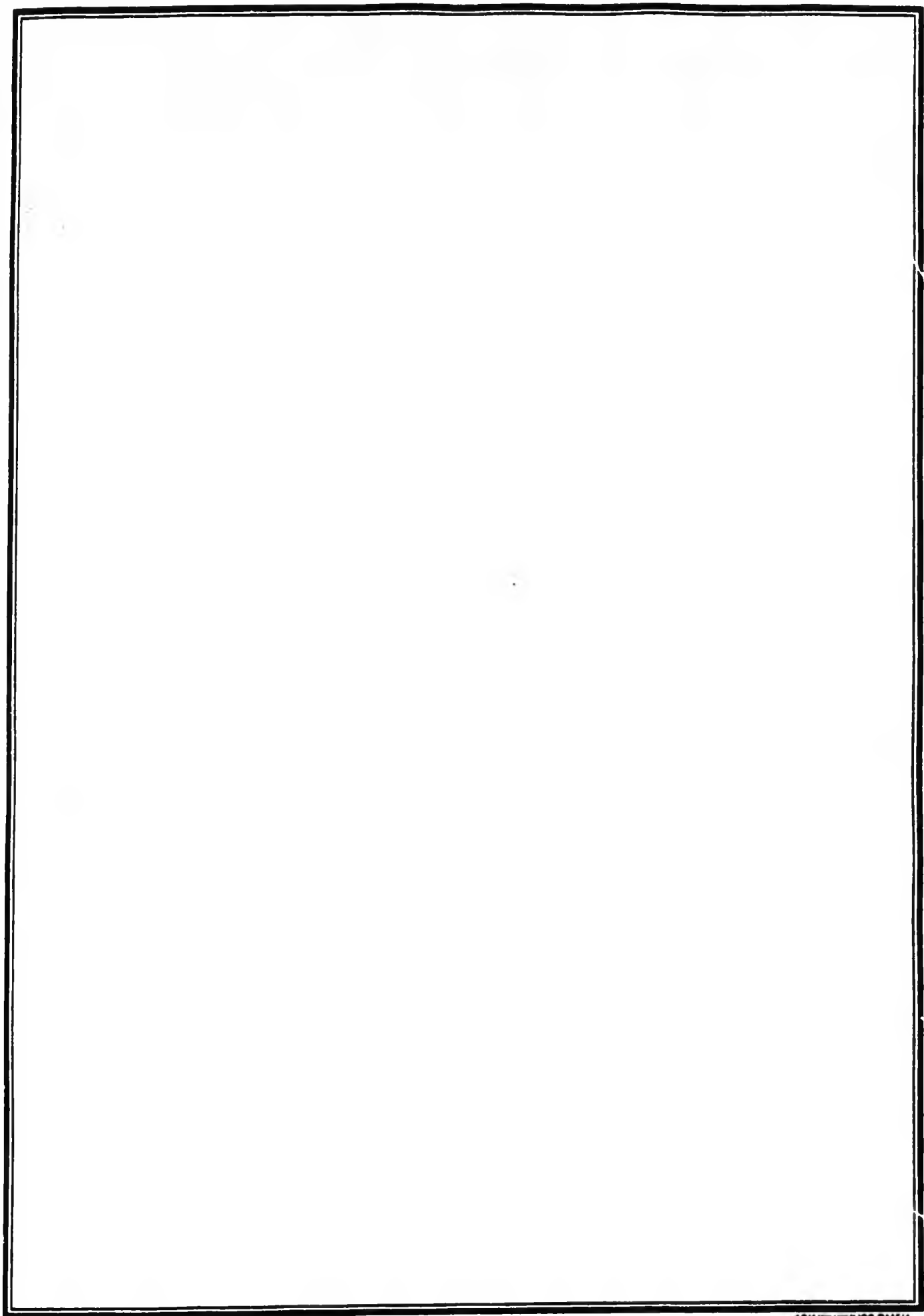
DEPARTMENT OF ADMINISTRATION ORGANIZATION CHART





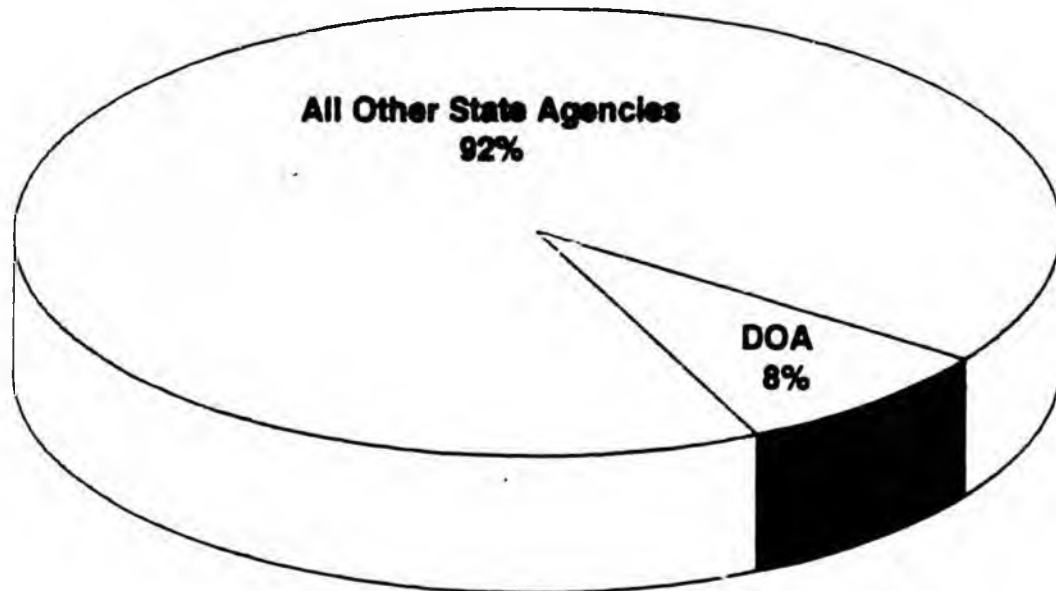
**DEPARTMENT OF ADMINISTRATION
FUNCTIONAL ORGANIZATION**

Director Paul F. ...	Services to State Agencies	Services to the Public	Services Internal to the Department
Commissioner's Office Mark Boyer 465-2200	Budget Review Committee State Bond Committee Student Loan Corp. Correctional Industries Telecom. Info. Council	Public Information	Department Management
Administrative Services Sharon Barton 465-2277		Municipal Grants Hearing Officer	Personnel, Fiscal, Property, Supply, Budget, Word Processing
Personnel/OEEO/ Labor Relations Mike McMullen/Acting 465-4432	Contract Negotiations Contract Administration Grievance Handling Eligible Hire Lists Classification and Pay Productivity Impr. Center (PIC) Personnel Board	Recruitment EEO	
Finance Don Wanis 465-2240	Payroll Accounting Systems Management	Annual Financial Report 1099s, W-2s	
General Services Dugan Patty 465-5685	Purchasing Property Control Leasing and Facilities Central Duplication and Mail	Surplus Property Vendor Lists	RFP Review
Retirement and Benefits Robert F. Stalnaker 465-4471	Employee Health Insurance Deferred Compensation PER/TRS Boards	Retirement Programs SBS Administration EPROS	
Risk Management J. Brad Thompson 465-2180	Property Insurance Liability Insurance Self-Insurance	Claims Administration	
Information Services Karen Morgan/Acting 465-5784	Data Base Support, Customer Support Utilization Accounting State Data Centers Telecom. Equip. Mntnce. Telephone Network Data Network Facilities	RATNet	
Public Broadcasting Commission Doug Samimi-Moore 465-2646		Grants and Technical Assistance to Public Radio/TV Grantees	
Senior Services Connie Sipe 465-4791		Pioneers' Homes Longevity Bonus Grants and Technical Assistance to Senior's Organizations LTC Ombudsman Adult Protective Services	
Public Defender John Salemi 279-7541		Defense for Indigents	
Office of Public Advocacy Brant McGee		Defense for Indigents Guardians Ad Litem Conservator Services	
Public Offices Commission Karen Boorman 276-4176		Campaign Finance, Conflict of Interest, Lobbyists Legislative Ethics/Financial Disclosures	
Oil and Gas Conservation Commission David W. Johnston Commissioner 279-1433		Oversees oil and gas drilling, development and production, and reservoir depletion and metering operations on all lands subject to the state's police powers.	



DEPARTMENT OF ADMINISTRATION

**FY 96 Operating Budget
Comparison of DOA to Total State Operating Budget—GF
\$2,169,716.5**



Grants to Individuals and Non-profits

- Older Alaskans Commission—Grants
- Longevity Bonus
- Public Broadcasting Commission

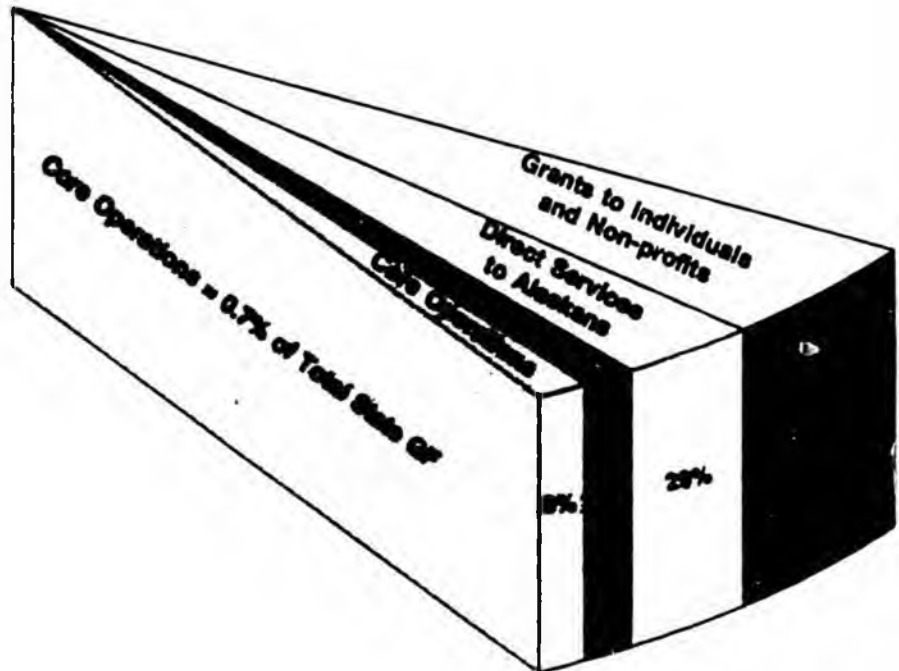
Direct Services to Alaskans

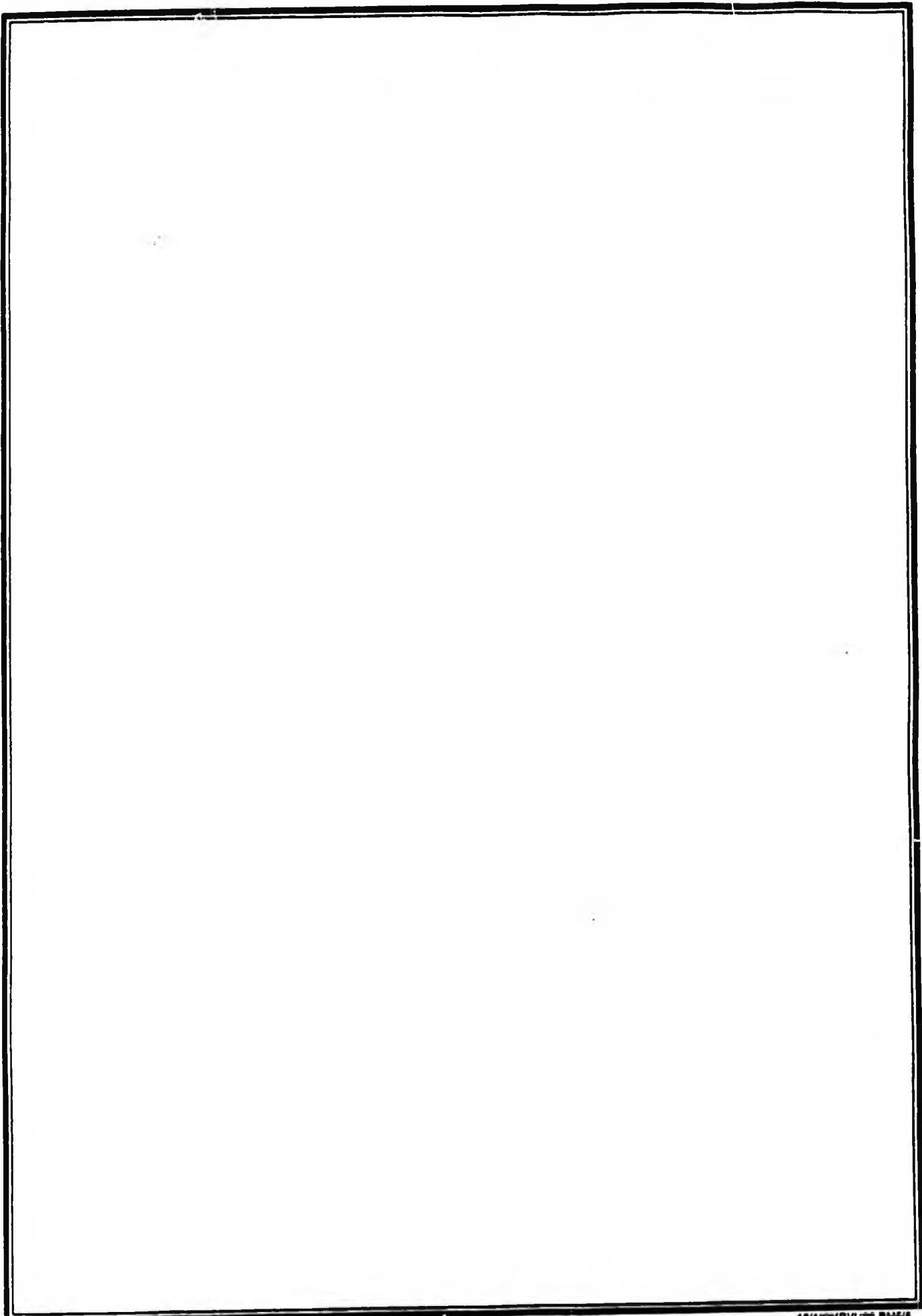
- Pioneers' Homes
- Senior Services
- Public Defender
- Citizens' Foster Care Review
- Office of Public Advocacy
- Alaska Public Offices Commission
- APBC—Administration
- EPORS
- RATNet
- AOGCC

Leasing

Core Operations

- Office of the Commissioner
- Administrative Services
- Personnel/OEEO
- Finance
- General Services
- Retirement and Benefits
- Information Services





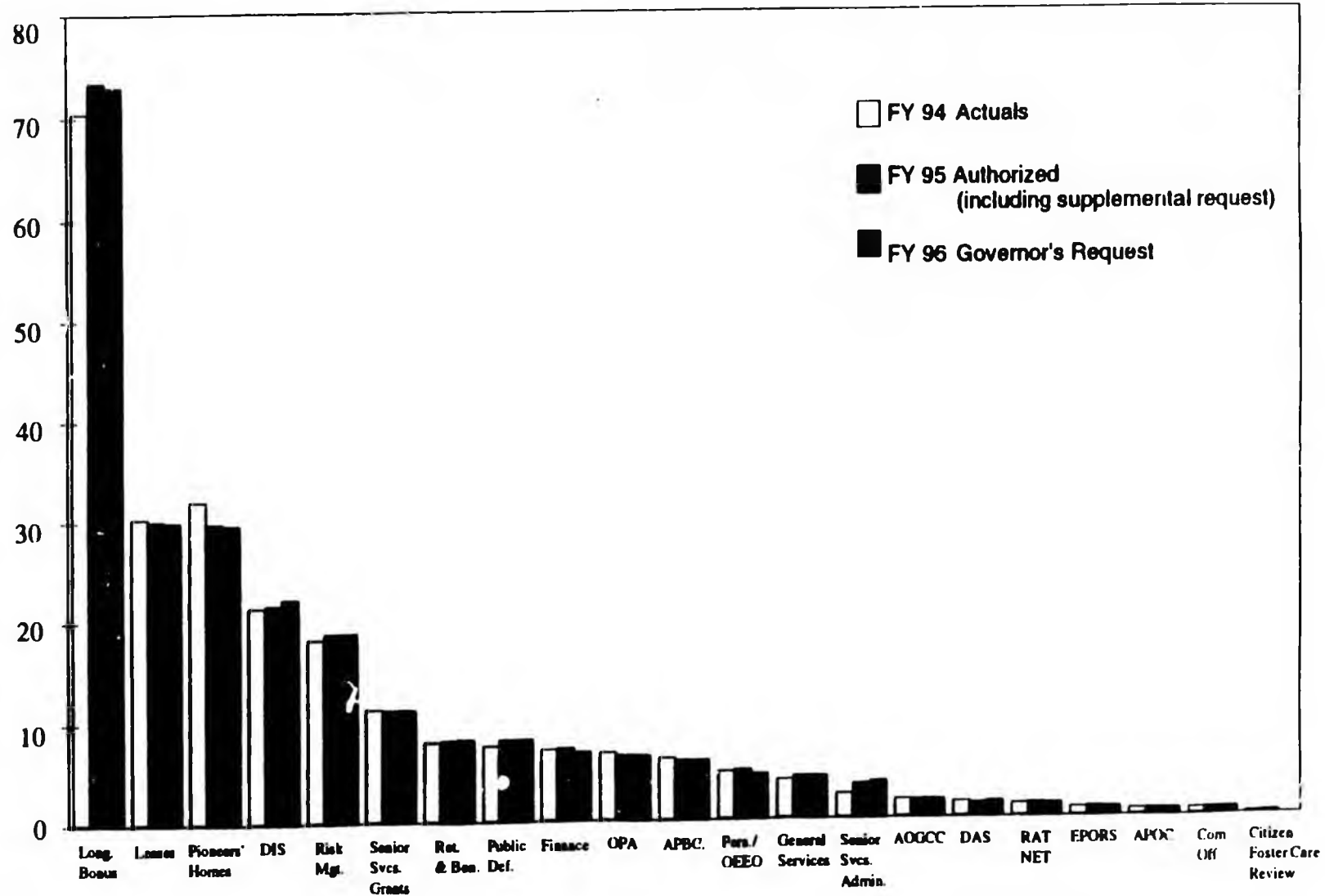
DEPARTMENT OF ADMINISTRATION

**General Fund—Operating Budget
FY 92-FY 96 Comparison
(FY 96 Dollars)**

	FY92	FY93	FY94	FY95	FY96	FY92-96 Variance
Longevity Bonus	63,073.7	66,607.5	70,414.1	73,409.9	72,952.6	9,878.9
Senior Services Administration	1,218.5	1,056.9	1,185.5	2,041.6	2,101.3	882.8
Senior Services Pioneer Homes	28,915.1	30,379.3	30,313.9	30,039.3	29,842.3	927.2
Senior Services Grants	4,723.3	5,679.3	5,847.2	5,431.6	5,631.6	908.3
Public Defender	7,759.1	7,486.5	7,845.9	8,015.8	8,104.7	345.6
Office of Public Advocacy	6,281.3	6,803.5	6,996.9	7,119.5	6,710.0	428.7
Commissioner's Office	551.3	539.9	512.1	477.2	478.5	-72.8
Citizens' Foster Care Review	0.0	0.0	115.8	169.3	0.0	0.0
Administrative Services	1,335.5	1,237.8	1,214.6	1,004.4	1,007.5	-328.0
Personnel/OEEO	3,458.7	3,406.5	4,097.1	4,162.1	3,740.5	281.8
Finance	3,031.0	6,592.5	6,692.2	6,384.0	6,389.1	3,358.1
General Services	2,545.6	2,311.6	2,149.1	2,385.1	2,389.0	-156.6
Retirement And Benefits	2,404.5	700.2	16.2	0.0	0.0	-2,404.5
EPORS	723.2	792.9	842.7	887.4	847.4	124.2
Alaska Oil and Gas Conservation	1,445.0	1,685.6	1,688.8	1,649.7	1,658.7	213.7
Alaska Public Offices Commission	571.8	648.4	633.8	647.8	648.2	76.4
Risk Management	0.0	0.0	0.0	0.0	0.0	0.0
Information Services	11,807.7	2,761.7	2,465.3	2,218.6	355.0	-11,452.7
RATNet	1,734.6	1,375.2	1,252.9	1,258.0	1,129.7	-604.9
Alaska Public Broadcasting Commission	6,508.8	6,169.9	6,137.4	5,871.2	5,871.6	-637.2
Leasing And Facilities	26,029.4	25,935.3	26,551.8	24,663.4	24,390.5	-1,638.9
TOTALS	174,118.1	172,170.5	176,973.3	177,835.9	174,248.2	130.1

DEPARTMENT OF ADMINISTRATION

FY 94-96 OPERATING BUDGET COMPARISON BY PROGRAM—All Funds



**DEPARTMENT OF ADMINISTRATION
FY 95-96 Operating Budget Summary**

Component	FY-95 Authorized		FY-96 Governor		Variance	
	GF	Total	GF	Total	GF	Total
Longevity Bonus Grants	73,409.9	73,409.9	72,952.6	72,952.6	(457.3)	0.0
Pioneers' Homes	30,039.3	30,039.3	29,842.3	29,842.3	(197.0)	0.0
Senior Services Admin.	2,041.6	3,399.8	2,101.3	3,630.2	59.7	230.4
Nutr., Trans. and Support	1,766.1	5,680.1	1,766.1	5,505.1	0.0	(175.0)
Senior Employment	198.3	1,802.3	198.3	1,752.3	0.0	(50.0)
Home and Community Based	2,412.2	2,457.2	2,612.2	2,732.2	200.0	275.0
Senior Residential	1,055.0	1,055.0	1,055.0	1,055.0	0.0	0.0
Public Defender	7,792.8	7,792.8	8,104.7	8,104.7	311.9	0.0
Public Advocacy	6,589.5	6,614.5	6,710.0	6,750.0	120.5	135.5
Commissioner's Office	477.2	592.2	478.5	593.5	1.3	1.3
Citizens' Foster Care Review	104.3	104.3	0.0	0.0	(104.3)	(104.3)
Administrative Services	1,004.4	1,399.5	1,007.5	1,539.5	3.1	140.0
Personnel/EEO	3,604.3	3,796.8	3,610.4	3,756.1	6.1	(40.7)
Productivity Improvement Center	130.1	719.0	130.1	719.0	0.0	0.0
Finance	6,384.0	6,384.0	6,389.1	6,389.1	5.1	5.1
General Services	2,385.1	4,250.8	2,389.0	4,254.7	3.9	3.9
Retirement and Benefits	0.0	8,043.1	0.0	8,043.1	0.0	0.0
EPORS	847.4	847.4	847.4	847.4	0.0	0.0
AOGCC	1,649.7	1,749.7	1,658.7	1,758.7	9.0	9.0
APOC	647.8	647.8	648.2	648.2	0.4	0.4
Risk Management	0.0	18,579.7	0.0	18,579.7	0.0	0.0
Information Services	94.6	21,501.5	355.0	22,125.4	260.4	623.9
RATNet	1,189.7	1,239.7	1,129.7	1,258.6	(60.0)	18.9
APBC	5,871.2	5,871.2	5,871.6	5,871.6	0.4	0.4
Leases	24,570.1	29,621.1	24,390.5	29,521.5	(179.6)	(99.6)
Total	174,264.6	237,598.7	174,248.2	238,230.5	(16.4)	974.2

DEPARTMENT OF ADMINISTRATION

FY 96 Major Issues

- Labor Contract Negotiations
- Citizen's Foster Care Review Sunset
- State Cash Flow
- Statewide Telecommunications Network
- 40-Hour Workweek
- Kenai Microwave
- Participant Directed Supplemental Benefits System
- Public Employees' Retirement System (PERS) - Third Tier
- Labor Relations Staffing Level
- RATNet Funding

DEPARTMENT OF ADMINISTRATION

**FY 96 CIP Budget
Department Request**

(As of 1/18/95 - No decision on Governor's CIP)

Electronic Imaging - Personnel Applications	364.0
State Personnel Systems Review	325.0
Pioneers' Homes Repair and Maintenance	326.0
Juneau Property Warehouse Forklift Purchase	35.0
State Asset Management and Inventory System - Phase I	25.0
Statewide Consolidated Data Network	1,953.0
Video Teleconference Capabilities	964.0
Telecommunications Plan Implementation and Demonstration Project	3,100.0
Statewide Information Services Equipment Replacement	1,446.0 (ISF)
System for PERS/TRS Records Management	997.0 (Ret. Sys. Receipts)

**Department of Administration
FY 96 Operating Budget**

DIVISION OVERVIEWS

Department of Administration Office of the Commissioner

Mission

To provide management oversight and policy direction to departmental programs, and to interface with the judicial, legislative, and executive branches of government to assure the effective, efficient, and economical delivery of public services to Alaskans.

Core Services

- **Provide policy direction and leadership about departmental programs**
- **Provide inter/intra agency coordination as necessary**

Customers

- **The public**
- **The Governor**
- **The legislature**
- **State agencies**
- **Departmental programs**

FY 96 Priorities

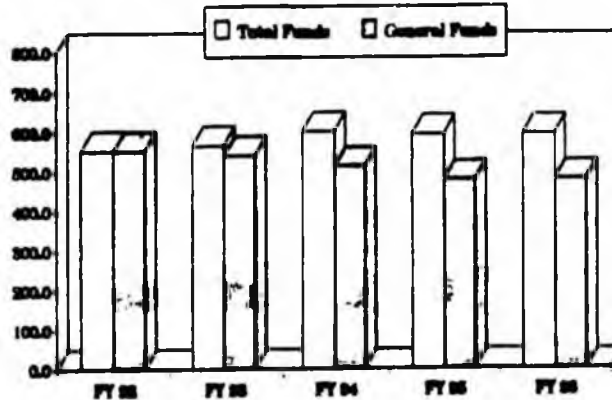
- **Conclude major labor negotiations**
- **Evaluate and establish department-wide goals and mission statements that reflect the policies of the Governor**
- **Promote policy development**
- **Initiate telecommunications projects that will improve access to and within state government**

Commissioner's Office

Commissioner: Mark Boyer

● Commissioner's Office Component

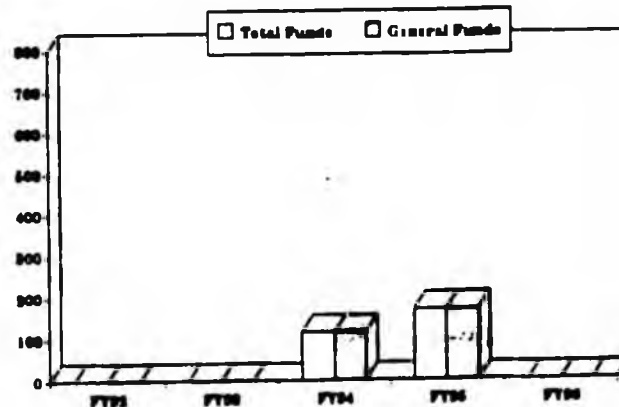
	FY 95 Authorized	FY 96 Governor's Request
General Fund	477.2	478.5
I/A Receipts	115.0	115.0
Total Funds	592.2	593.5
Positions	7	7



FY 92—FY 96 Summary

● Citizens' Foster Care Review

	FY 95 Authorized	FY 96 Governor's Request
General Fund	104.3	0
Total Funds	104.3	0
Positions	2	0



FY 92—FY 96 Summary
Funding Sunsets on June 30, 1995

Department of Administration Division of Administrative Services

Mission

To facilitate delivery of all DOA programs by providing efficient and cost-effective business management support, to effectively administer state municipal grants programs, and to provide fair and impartial adjudication of appeals and claims against the state as provided by law.

Core Services

- Provide administrative training to DOA support team
- Develop and implement the department budget
- Provide personnel and payroll management support
- Oversee departmental procurement
- Distribute and administer Municipal and Matching Grants
- Analyze and make recommendations on administrative appeals

Customers

- Department of Administration program managers and employees
- Private sector vendors
- Office of Management and Budget
- Legislature
- Incorporated municipalities and organized boroughs (Municipal and Capital Matching Grants)

FY 96 Priorities

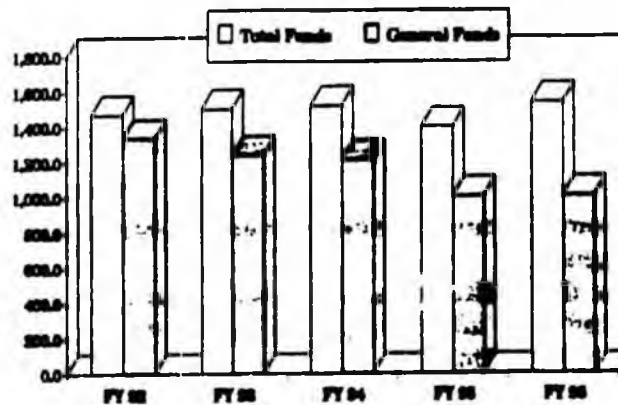
- Implement a comprehensive training program for all DOA administrative staff
- Improve management reporting for all DOA revenue generating programs
- Develop improved checks and balances in the department's procurement procedures
- Upgrade the computer skills of all division staff

Division of Administrative Services

Director: Sharon Barton

- Administrative Services Component**

	FY 95 Authorized	FY 96 Governor's Request
General Fund	1,004.4	1,007.5
I/A Receipts	395.1	532.0
Total Funds	1,399.5	1,539.5
Positions	26	25



FY 92—FY 96 Summary

Department of Administration Division of Personnel/OEEO

Mission

Administer a human resources system to develop and implement policies that will result in a qualified, productive, and diversified work force to fulfill the state's responsibilities to the people of Alaska.

Core Services

- **Develop policies to ensure compliance with all relevant statutory and regulatory requirements**
- **Protect and promote diversification of the state work forces**
- **Fairly, efficiently, and cost effectively provide a pool of qualified applicants to the executive branch departments**
- **Develop policies to increase employee productivity and foster employee growth**

Customers

- **Executive branch departments**
- **Employees**
- **Applicants for state positions (all working age residents are potential applicants)**

FY 96 Priorities

- **Reengineer the hiring system to increase efficiency and responsiveness to departments' needs**
- **Reengineer the classification and pay system to increase efficiency and responsiveness to departments' needs**
- **Marshall necessary resources for the state's labor relations efforts to meet statutory and contractual obligations to negotiate and administer collective bargaining agreements and to process grievances to final conclusions in a timely manner**

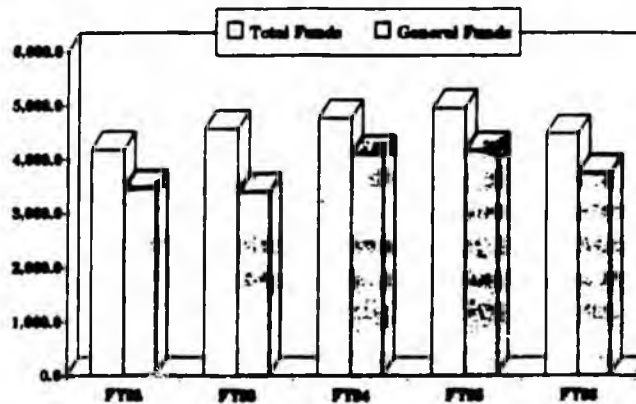
Division of Personnel/OEEO

Acting Director: Michael McMullen

- Personnel/OEEO Components**

(Personnel/OEEO and Productivity Improvement Center)

	FY 95 Authorized	FY 96 Governor's Request
General Fund	3,734.4	3,740.5
I/A Receipts	731.4	734.6
CIP Funds	0	0
Total Funds	4,515.8	4,475.1
Supplemental Request	186.1*	0
Positions	63	59



FY 92—FY 96 Summary

* Department request, OMB decision pending.

Department of Administration Division of Finance

Mission

To uphold the public's trust in the safety, soundness, integrity, and stability of the state's financial systems through effective and efficient policies and compliance with statutory/regulatory fiscal procedures and generally accepted accounting principles.

Core Services

- Centralized statewide accounting
- Centralized statewide payroll; all branches of government
- Financial systems security
- Financial policy and procedures development
- Travel policy and procedures development
- Accounting and payroll training

Customers

- State agencies; all three branches of government
- Employees and former employees
- Retirees
- Vendors

FY 96 Priorities

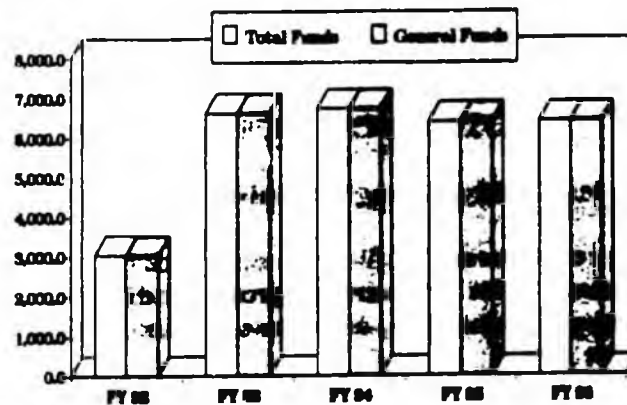
- Complete update and distribution of Administrative (policy) manual and AKPAY and AKBAS user (procedure) manuals and training programs
- Address outstanding Legislative Auditor recommendations on comprehensive annual financial report
- Release FY 95 Comprehensive Annual Financial Report concurrent with Legislative Auditor's Opinion

Division of Finance

Director: Don Wanie

● Finance Component

	FY 95 Authorized	FY 96 Governor's Request
General Fund	6,384.0	6,389.1
Total Funds	6,384.0	6,389.1
Positions	45	45



FY 92—FY 96 Summary

NOTE: AKSAS operating costs transferred in from Computer Services Component in FY 93.

Department of Administration Division of General Services

Mission

To assist state agencies by cost effectively and fairly acquiring the goods and services needed to accomplish their public missions.

Core Services

- Provide procurement leadership through training, consultation, and guidance to customer agencies
- Provide policies and procedures that foster a competitive process and guide efficient property management and surplus property disposal
- Effectively acquire supplies, services, and leased office space that meet statewide procurement needs
- Effectively manage and dispose of state property
- Facilitate statewide reutilization of surplus federal property
- Provide economical and dependable duplicating and quick copy services to state agencies in Anchorage and Juneau
- Provide central mail processing and distribution in Juneau

Customers

- State agencies
- Alaska vendors
- Political subdivisions
- Commercial property owners
- Nonprofit organizations qualified to receive surplus federal property
- Minority businesses qualified to receive surplus federal property
- Citizens of the state

FY 96 Priorities

- Establish a mechanism to empower agency procurement staff through effective training and direct policy guidance, consultation, and oversight
- Add value, efficiency, and cost savings to the procurement process
- Continue efforts to bring leases into compliance with the Americans with Disabilities Act
- Manage large allocations of excess property resulting from military downsizing by providing an increased level of service to customer agencies and efficiently administering operational compliance
- Replace expiring leases in cooperation with customer agencies

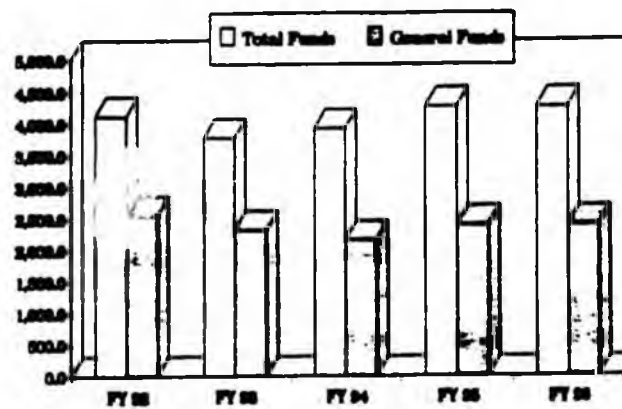
Division of General Services

Director: Dugan Petty

- **General Services Components**

(Purchasing, Central Duplication and Mailing, Property Management)

	FY 95 Authorized	FY 96 Governor's Request
General Fund	2,385.1	2,389.0
I/A Receipts	1,590.9	1,590.9
Surplus Property	274.8	274.8
Total Funds	4,250.8	4,254.7
Positions	54	54

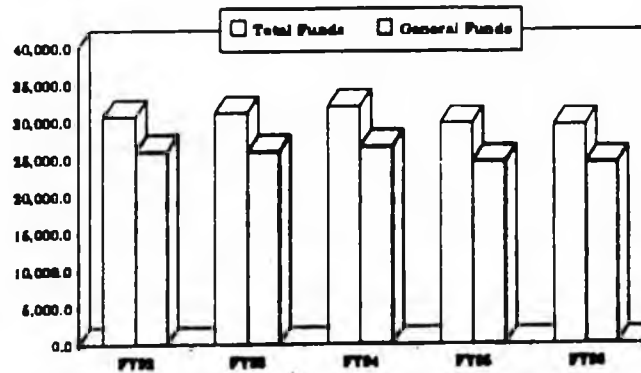


FY 92—FY 96 Summary

● **Leasing Component**

FY 95 Authorized FY 96 Governor's Request

General Fund	24,570.1	24,390.5
I/A Receipts	5,051.0	5,131.0
Total Funds	29,621.1	29,621.1
Supplemental Request	93.0*	0
Positions	0	0



FY 92—FY 96 Summary

* Department request, OMB decision pending.

Department of Administration Division of Retirement and Benefits

Mission

To develop, manage, and administer programs to attract and retain qualified state employees and to extend those services to certain political subdivisions in an effective, efficient, and secure manner.

Core Services

- Administer the comprehensive public employee benefit components of the state's personnel system and member political subdivisions
- Record keeping for member accounts
- Counsel members to better understand and use the retirement and benefit plans
- Payment of benefits to eligible individuals

Customers

- 212 employer members in the Public Employees', Teachers', Judicial, Elected Public Officers, and National Guard and Naval Militia Retirement Systems
- Persons employed by the 212 member employers in the Public Employees', Teachers', Judicial, Elected Public Officers, and National Guard and Naval Militia Retirement Systems
- Beneficiaries of the above-mentioned plans
- Employees of the State of Alaska and 42 political subdivisions participating in the Group Health and Life Insurance Plan
- Employees of the State of Alaska and 13 political subdivisions participating in the Supplemental Annuity Plan and Supplemental Benefits System

FY 96 Priorities

- Develop flexibility in the state benefits plans; develop an environment for more employee participation and involvement in the benefits they receive
- Increase confidence and security in the benefit plans through testing, integration, and implementation of new retirement information processing systems
- Expand the content of communication materials to both employers and employees about issues related to planning for retirement

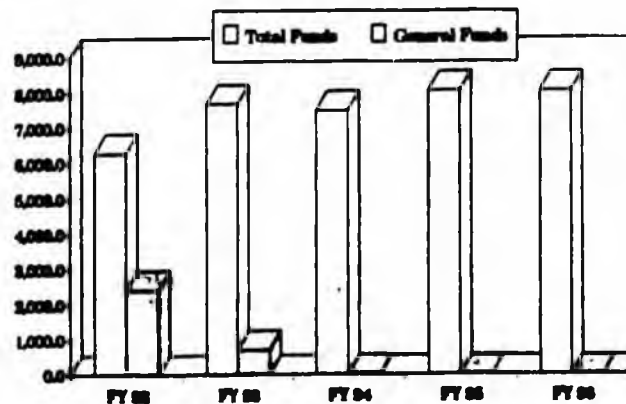
Division of Retirement and Benefits

Director: Robert Stalnaker

- Retirement and Benefits Component**

FY 95 Authorized FY 96 Governor's Request

Benefits System Receipts	3,959.9	3,959.9
Public Employee's Retirement	2,225.7	2,225.7
Teachers' Retirement	1,785.2	1,785.2
Judicial Retirement	39.2	39.2
National Guard Retirement	33.1	33.1
Total Funds	8,043.1	8,043.1
Positions	70	70

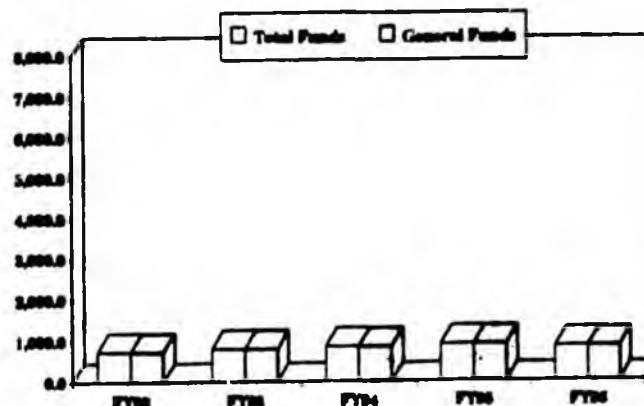


FY 92—FY 96 Summary

- Elected Public Officials Retirement System Component (EPORS)**

FY 95 Authorized FY 96 Governor's Request

General Fund	847.4	847.4
Total Funds	847.4	847.4
Supplemental Request	40.0*	0
Positions	0	0



FY 92—FY 96 Summary

* Department request, OMB decision pending.

Department of Administration Division of Risk Management

Mission

To effectively mitigate the state's risk of financial loss by educating, insuring, and defending state department operations, assets, and employees from accidental loss and injury.

Core Services

- **Claims Administration**—property, workers' compensation, general liability, professional errors and omissions, aviation and marine
- **Safety**—develop reports showing injury trends and patterns to assist departments in workplace safety and loss control programs
- **Insurance Advisors**—assist state departments in contract agreements, insurance, and indemnification clauses
- **Premium Allocation**—risk management protection is charged to state departments based on prior claims experience and future loss exposure

Customers

- **State Departments**—operations protected from fiscal impact in the event of physical damage to buildings or equipment
- **State Employees**—injured during state employment, medical expenses and disability benefits are paid
- **Alaskans**—who contract with state departments or who claim the state are liable for their damages or injuries

FY 96 Priorities

- **Safety Program**—provide customized management reports highlighting high frequency claim categories or new loss trends. Future loss projections will be compared to prior years experience to measure agency work place safety effectiveness
- **Cost of Risk Allocation**—Enhance system to provide each agency billing by divisional unit to ensure equitable distribution and positive reward to line managers with improved loss records

Division of Risk Management

Director: Brad Thompson

- Risk Management Component**

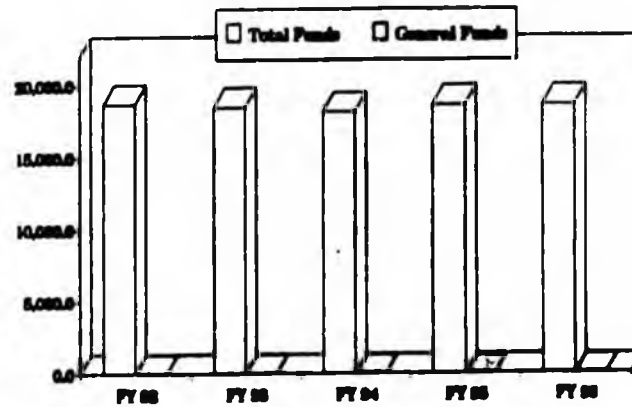
FY 95 Authorized

FY 96 Governor's Request

I/A Receipts
Total Funds
Positions

18,579.7
18,579.7
7

18,579.7
18,579.7
7



FY 92—FY 96 Summary

Department of Administration Division of Information Services

Mission

To enhance state government's ability to communicate effectively and cost efficiently with the citizens of Alaska; and to increase productivity of state employees by providing reliable and cost-effective planning, management, and operation of the state's centralized information and communication resources.

Core Services

- Information Services—communications and computing.

Customers

- Primarily other state agencies, including the executive, legislative, and judicial branches of state government
- Rural communities through the delivery of RATNet programming
- Indirectly, other governmental entities; local governments, the federal government, local schools, libraries; and nonprofit entities and individual citizens who rely on communication infrastructure or information provided through computing facilities

FY 96 Priorities

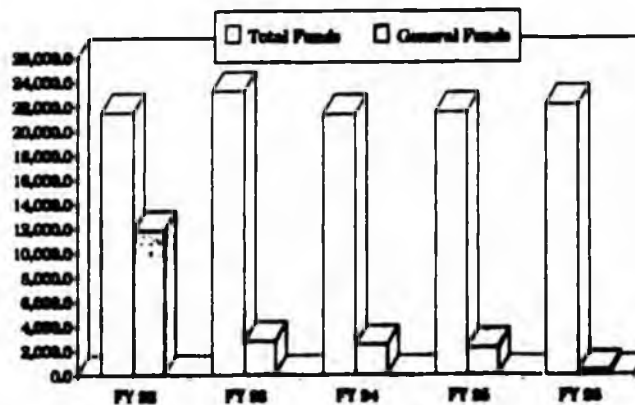
- Full implementation of network study report recommendations to provide a single consolidated network
- Participation in statewide telecommunication policy initiatives
- Continued emphasis on client services
- Full implementation of rate-based services
- Development and implementation of cost-effective policies for managing information in a comprehensive manner to serve the people of the state
- Participation in statewide effort to enhance public access to computerized information

Division of Information Services

Director: John Valensi

● Telecommunications and Computer Services Components

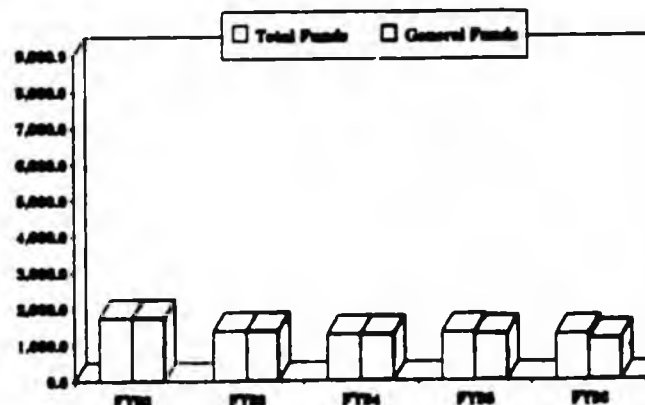
	FY 95 Authorized	FY 96 Governor's Request
General Funds	2,218.6	355.0
I/A Receipts	19,222.9	21,725.4
IAR/Oil & Hazardous Waste	60.0	45.0
Total Funds	21,501.5	22,125.4
Positions	144.0	145.0



FY 92—FY 96 Summary

● RATNet Component

	FY 95 Authorized	FY 96 Governor's Request
General Fund	1,189.7	1,129.7
I/A Receipts	0	18.2
IFC Gifts/Grants/Requests	50.0	110.7
Total Funds	1,239.7	1,258.6
Supplemental Request	68.3*	0
Positions	6	6



FY 92—FY 96 Summary

* Department request, OMB decision pending.

Department of Administration Division of Senior Services

Mission

To ensure the dignity, security, and independence of Alaska seniors by providing direct financial payments, coordinating a full continuum of services ranging from home and community-based care to assisted living to institutional care, and protecting vulnerable adults who may be subject to abuse or who are consumers of assisted living and nursing home services.

Core Services

- Development of an aging services network for present and future generations of seniors
- Long-term institutional care for Alaska seniors
- Home and community care service plans as alternatives to institutional care
- Cash bonus program for Alaska seniors
- Grants administration, monitoring, and services development
- Protective services for vulnerable adults
- Licensing of assisted living homes for seniors

Customers

- Alaska seniors and their families
- Representatives of Alaska seniors, including the legislature and Governor
- Communities in which senior services are provided
- Senior organizations
- Senior service provider agencies

FY 96 Priorities

- Construct the special dementia care unit in the Ketchikan Pioneers' Home, using FY 95 Mental Health Trust Capital Fund RSA from the Department of Health and Social Services
- Seek approval of Mental Health Trust Capital funding for remodeling and construction of the proposed special dementia care unit in the Fairbanks Pioneers' Home; finish day therapy room addition to Palmer special unit
- Maintain 80 percent training level of all Homes' staff in both the Mandt aggression control and the Alzheimer's "successful living" training curricula

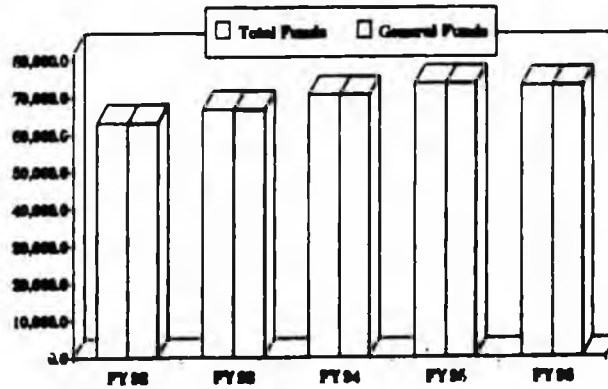
- **Begin licensing newly-built assisted living homes in the private sector, under the new Assisted Living regulations to be promulgated in late FY 96; train facility operators about new regulations**
- **Take the CHOICE Medicaid home care project to full capacity, serving 400 seniors statewide with community care alternatives to nursing home placement; apply for federal renewal of three-year waiver which ends mid-FY 96**
- **Start cross-training of division staff from the protective services unit with the Pioneers' Homes staff, and local community service providers on topics of mutual concern**
- **Prepare division's first statewide information and referral booklet for seniors**
- **Start grant programs for community-based care coordination in two new communities (Juneau/Fairbanks), expand Anchorage grant**

Division of Senior Services

Director: Connie Sipe

● Longevity Bonus Component

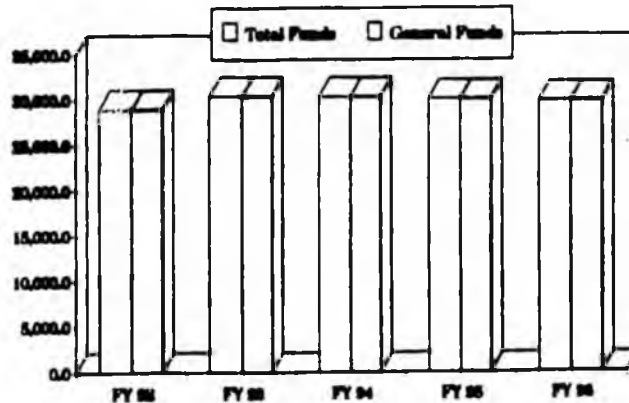
	FY 95 Authorized	FY 96 Governor's Request
General Fund	73,409.9	72,952.6
Total Funds	73,409.9	72,952.6
Positions	0	0



FY 92—FY 96 Summary

● Pioneers' Homes Component

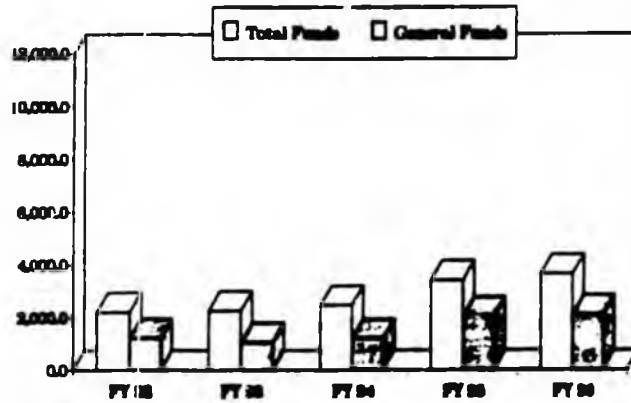
	FY 95 Authorized	FY 96 Governor's Request
General Fund	30,039.3	29,842.3
Total Funds	30,039.3	29,842.3
Positions	478	477



FY 92—FY 96 Summary

● **Senior Services Administration Component**

	FY 95 Authorized	FY 96 Governor's Request*
General Fund	1,463.3	1,891.1
GF/MHTIA	578.3	210.2
I/A Receipts	161.2	209.7
Federal Receipts	1,129.2	1,319.2
CIP Receipts	67.8	0
Total Funds	3,399.8	3,630.2
Positions	49	38

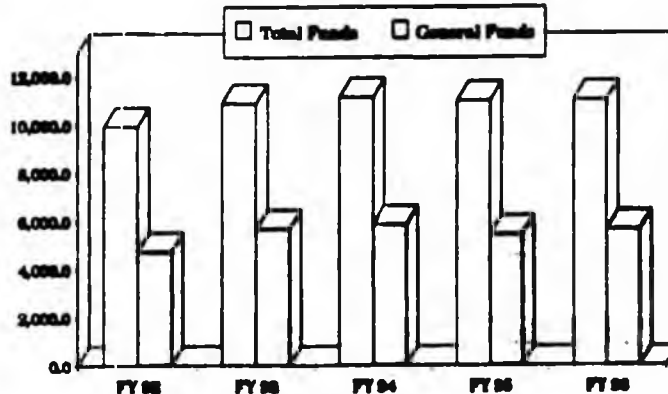


FY 92—FY 96 Summary

● **Senior Services Grants Components**

(Nutrition, Transportation and Support; Senior Employment Services; Home and Community Based Care; Senior Residential Services)

	FY 95 Authorized	FY 96 Governor's Request
General Fund	3,810.0	4,010.0
GF/MHTIA	1,621.6	1,621.6
I/A Receipts (Medicaid)	50.0	0
Federal Receipts	5,513.0	5,413.0
Total Funds	10,994.6	11,044.6
Positions	0	0



FY 92—FY 96 Summary

Department of Administration Alaska Public Defender Agency

Mission

To provide quality legal service, consistent with constitutional guarantees, to indigent persons who are parties in certain kinds of state court litigation

Core Services

- **Provide legal representation to financially disadvantaged people who are engaged in certain types of state court litigation**

Customers

- **Individuals accused of crimes**
- **Parents whose children have been taken into custody of the state**
- **Juveniles who are facing petitions of delinquency**
- **Individuals who have mental illnesses and who are being held against their will in state mental facilities**
- **Individuals who face contempt proceedings for violating court orders**

FY 96 Priorities

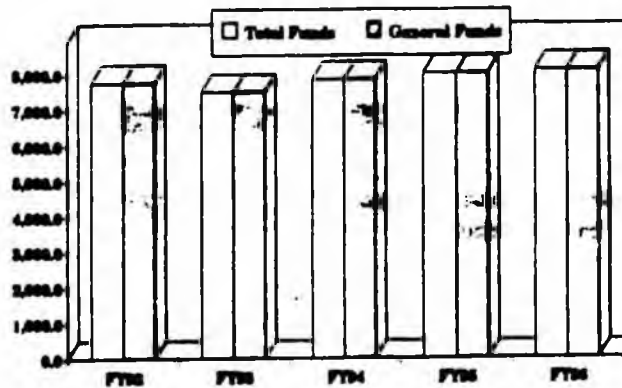
- **Stabilize funding base to adequately meet the demands of an increasing caseload**
- **Enhance utilization of computer network and caseload management system as a means of realizing staff efficiencies and enhancing administrative capacity**
- **Establish caseload standards for staff attorneys and a method for "referring out" cases when caseloads exceed acceptable levels**

Public Defender Agency

Director: John Salemi

● Public Defender Agency Component

	FY 95 Authorized	FY 96 Governor's Request
General Fund	7,792.8	8,104.7
Total Funds	7,792.8	8,104.7
Supplemental Request	223.0*	0
Positions	102	101



FY 92—FY 96 Summary

* Department request, OMB decision pending.

Department of Administration Office of Public Advocacy

Mission

To protect the rights of vulnerable Alaskans by providing excellent, cost-effective legal and guardian representation to abused and neglected children, incapacitated adults, and others

Core Services

- **Legal and guardian representation to some 10,000 clients throughout the state when appointed by the courts**

Customers

- **Abused and neglected children involved in legal proceedings**
- **Incapacitated adults who need assistance in protecting their social, financial, and medical interests**
- **Indigent criminal defendants when the Public Defender Agency has a conflict of interest**

FY 96 Priorities

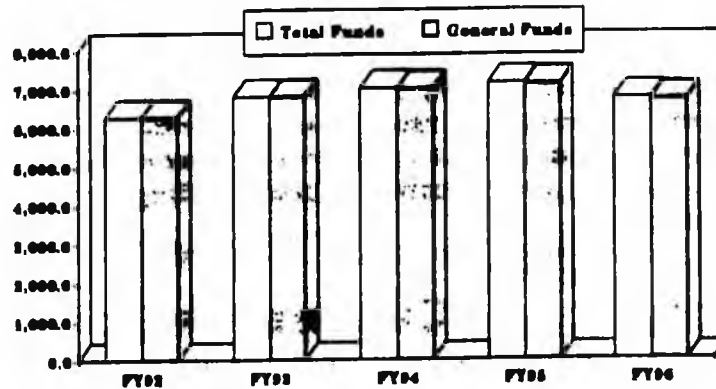
- **Expand the volunteer guardian ad litem program (CASA) to the Kenai and Palmer areas**
- **Complete the Public Guardian Trust Account computerization project**
- **Develop cost/case management system**
- **Implement the Public Guardian cost recoupment regulations**

Office of Public Advocacy

Director: Brant McGee

● Office of Public Advocacy Component

	FY 95 Authorized	FY 96 Governor's Request
Federal Funds	0	15.0
General Fund	5,978.4	6,098.9
GF/MHTIA	611.1	611.1
Federal Receipts	0	15.0
I/A Receipts	25.0	25.0
Total Funds	6,614.5	6,750.0
Supplemental Request	530.0*	0
Positions	36	36



FY 92—FY 96 Summary

* Department request, OMB decision pending.

Department of Administration Alaska Public Offices Commission

Mission

Promote fairness and openness in elections, minimize the effect of undisclosed influences on public decision-making and encourage participation in democracy so that the public may have confidence in state and local government.

Core Services

- Inform the electorate by providing disclosed information
- Ensure that disclosed information is accurate and complete
- Encourage citizen participation in government
- Investigate and adjudicate complaints of reporting and conduct violations

Customers

- Individual members of the public
- Public and private interest groups
- Elected and appointed officials
- Political action committees, political parties, and large contributors
- Lobbyists and employers of lobbyists
- News media
- Other state and federal agencies

FY 96 Priorities

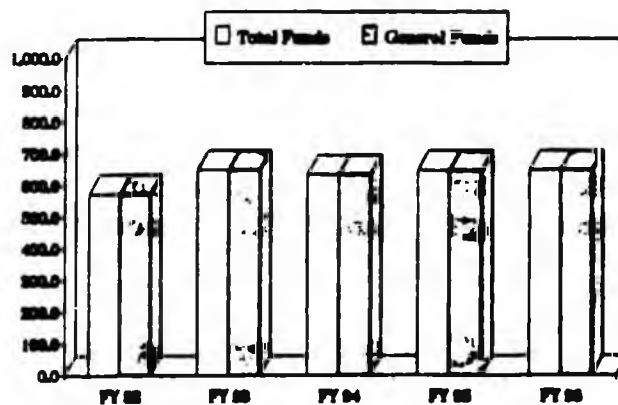
- Improve quality of and access to the disclosed information for the public
- Improve compliance assistance to filers by reestablishing statewide training programs and increasing viewing opportunities
- Support changes to APOC statutes to achieve consistency among the laws, facilitate filing by those subject to the law and reduce inefficiencies in administration but continue to protect the public's interest in disclosure
- Implement filing of campaign disclosure reports by computer

Alaska Public Offices Commission

Director: Karen Boorman

Alaska Public Offices Commission Component

	FY 95 Authorized	FY 96 Governor's Request
General Fund	647.8	648.2
Total Funds	647.8	648.2
Supplemental Request	49.5*	0
Positions	9	9



FY 92—FY 96 Summary

* Department request, OMB decision pending.

Department of Administration Alaska Public Broadcasting Commission

Mission

The goal of the Alaska Public Broadcasting Commission is to provide an integrated public broadcasting system which will enhance the ability of Alaskans to: a) make informed decisions as participants in local, state, and national government; b) understand complex issues in both private and public sectors; c) further their general education, welfare, health and safety, cultural enrichment, and entertainment; d) understand in detail the problems, needs, and strengths of their local communities and encourage them to participate in solving those problems, meeting those needs and celebrating those strengths; and e) have access to public broadcast media.

Core Services

- Allocate appropriated funds to Alaska public radio and public television stations
- Provide leadership in public telecommunications technology
- Develop and deliver public broadcasting services to Alaskans

Customers

- People of Alaska
- The Governor and his administration
- Public broadcasting boards of directors and staff
- The legislature
- Corporation for Public Broadcasting and other national public broadcasting agencies and organizations

FY 96 Priorities

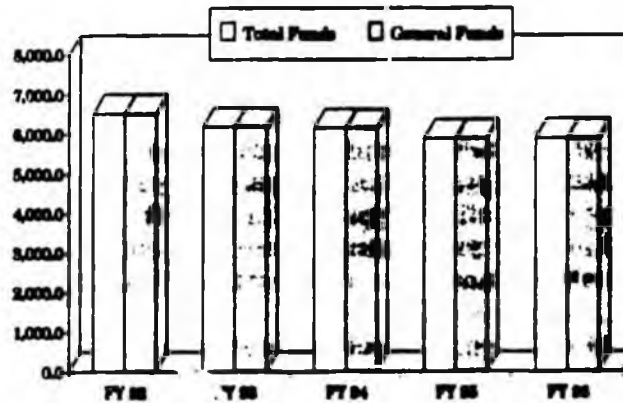
- Continue pro-active leadership role of Alaska public broadcasting through technological and financial restructuring and strategic planning
- Continue efforts on behalf of Alaskans to improve technical interconnection and access to data, video, and audio services from education, state government, the University, and public broadcasting
- Streamline the public broadcasting system to improve the delivery of public broadcasting services
- Increase the delivery of nongovernmental operating funds for public broadcasting services by 5-10 percent in the next two years

Alaska Public Broadcasting Commission

Executive Director: Doug Samimi-Moore

- Alaska Public Broadcasting Commission Component**

	FY 95 Authorized	FY 96 Governor's Request
General Fund	5,871.2	5,871.6
Total Funds	5,871.2	5,871.6
Positions	2	2



FY 92—FY 96 Summary

Department of Administration Alaska Oil and Gas Conservation Commission

Mission

To promote the conservation and efficient production of Alaska's oil and natural gas while protecting health, safety, and the environment.

Core Services

- Prevent waste of Alaska's oil and gas resources
- Protect correlative rights of the mineral interest owner
- Maximize recovery of oil and gas for the benefit of Alaska's citizens
- Protect fresh water by preventing oil and gas contamination
- Administer Alaska's Underground Injection Control program for oil and gas wells
- Inspect oil field drilling, production, and metering activities
- Approve drilling and workover operations
- Approve oil pool development rules
- Adjudicate disputes between owners
- Maintain state production records
- Maintain well history files and well log records

Customers

- Oil and gas industry
- Concerned citizens and organizations
- Alaska Department of Natural Resources
- Alaska Department of Revenue
- U.S. Department of the Interior
- U.S. Environmental Protection Agency

FY 96 Priorities

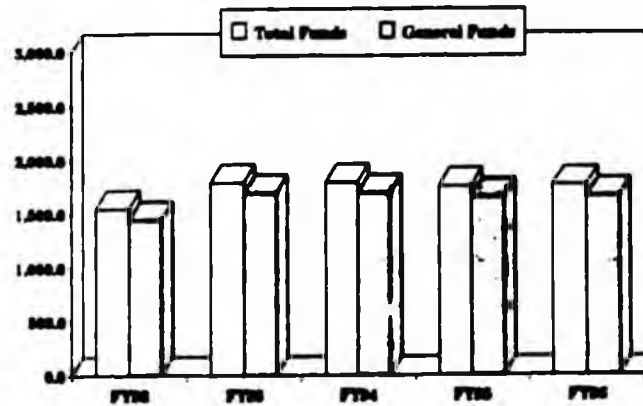
- Adopt new oil and gas drilling and development regulations to reflect new technologies and foster efficient and safe production of Alaska's oil and gas
- Work with industry to improve quality and efficiency of oil field development, enhance oil field inspections, streamline approval process
- Review North Slope EOR processes to ensure optimum oil and gas recovery
- Review well testing and commingling of oil at the North Slope facilities
- Seek commitment of Oil and Gas Conservation Tax revenues for funding oil and gas conservation programs

Alaska Oil and Gas Conservation Commission

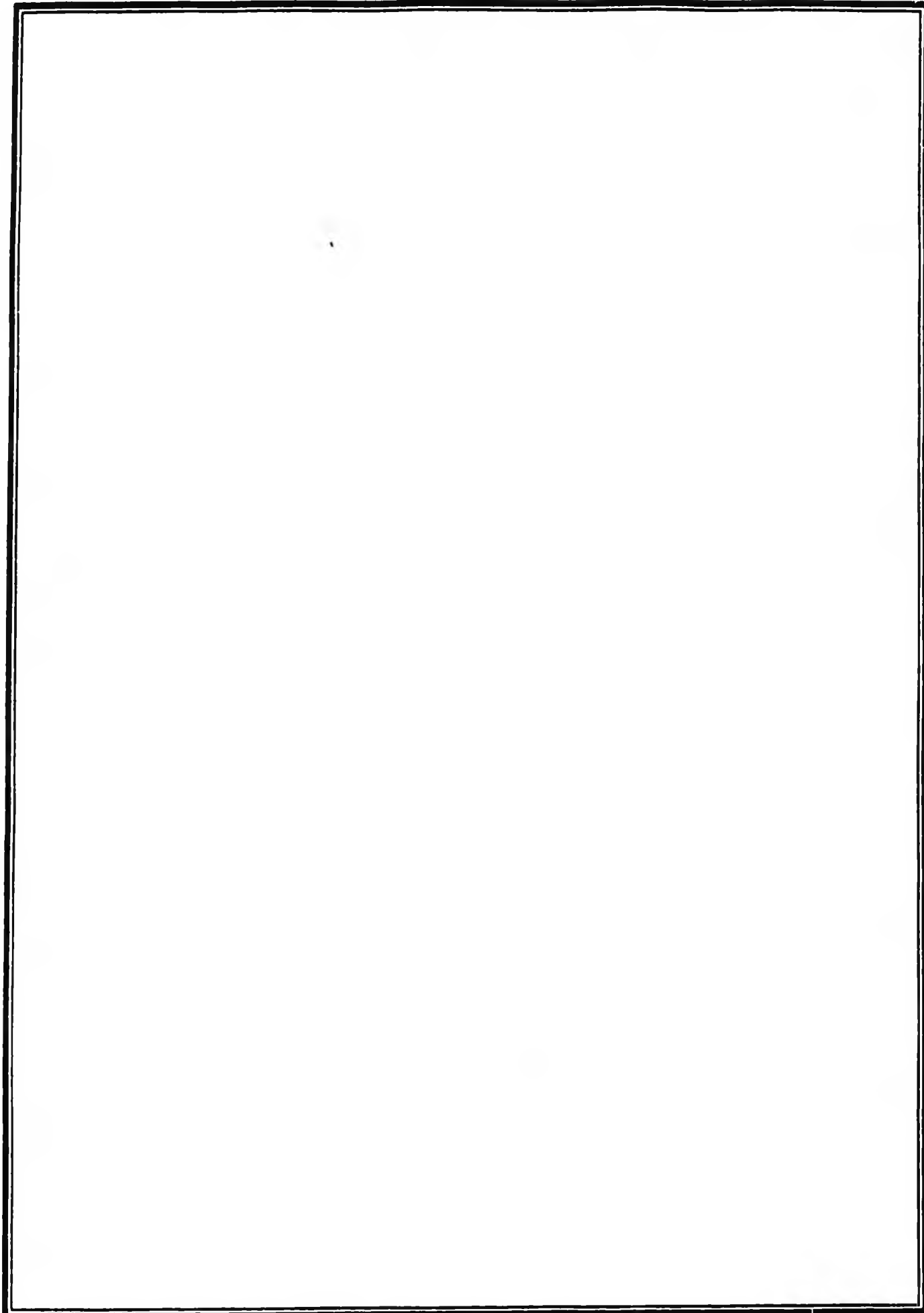
Commissioner/Chair: David Johnston

● Oil and Gas Conservation Commission Component

	FY 95 Authorized	FY 96 Governor's Request
General Fund	1,649.7	1,658.7
Federal Receipt	100.0	100.0
Total Funds	1,749.7	1,758.7
Positions	22	21



FY 92—FY 96 Summary



Appendices

Appendix 1

DEPARTMENT OF ADMINISTRATION

Five-Year Comparison—Total Funds

FY96 Dollars	FY92	FY93	FY94	FY95	FY96
Longevity Bonus	68,751.9	72,258.4	73,948.2	75,430.9	72,952.6
Senior Services Administration	2,395.0	2,445.6	2,588.2	3,493.4	3,630.2
Senior Services Pioneers' Homes	31,518.2	32,956.6	31,835.4	30,866.3	29,842.3
Senior Services Grants	10,824.7	11,807.8	11,707.3	11,297.3	11,044.6
Public Defender	8,457.6	8,121.6	8,239.7	8,236.5	8,104.7
Office of Public Advocacy	6,846.8	7,380.7	7,374.3	7,341.2	6,750.0
Commissioner's Office	600.9	612.8	630.4	608.5	593.5
Permanent Planning Board	0.0	0.0	121.6	174.0	0.0
Administrative Services	1,601.1	1,628.3	1,596.4	1,438.0	1,539.5
Personnel	4,552.3	4,954.5	5,003.0	5,079.6	4,475.1
Finance	3,310.0	7,151.8	7,043.8	6,559.7	6,389.1
General Services	4,482.8	4,060.8	4,102.0	4,367.8	4,254.7
Retirement And Benefits	6,836.4	8,317.9	7,842.5	8,264.5	8,043.1
EPORS	788.3	859.5	885.0	911.8	847.4
AOGCC	1,684.1	1,937.1	1,878.6	1,797.9	1,758.7
Alaska Public Offices Commission	623.3	703.4	665.6	665.6	648.2
Risk Management	20,337.2	20,006.7	18,997.9	19,091.2	18,579.7
Information Services	23,390.1	25,158.2	22,384.4	22,093.4	22,125.4
RATNet	1,890.8	1,491.9	1,315.8	1,344.0	1,258.6
Alaska Public Broadcasting Commission	7,094.8	6,693.3	6,445.4	6,032.8	5,871.6
Leasing And Facilities	33,481.7	33,768.3	33,595.4	30,532.4	29,521.5
TOTALS	239,467.9	252,335.4	248,201.0	245,626.9	238,230.5

Appendix 2

DEPARTMENT OF ADMINISTRATION
FY 95 Operating Budget
FY 95 Authorized / FY 96 Governor's Request

COMPONENT		FY 95 AUTHORIZED	FY 96 REQUEST	VARIANCE
Longevity Bonus Grants	General Funds	73,409.9	72,952.6	(457.3)
	Total	73,409.9	72,952.6	(457.3)
Senior Services Pioneers' Homes	General Funds	30,039.3	29,642.3	(197.0)
	Total	30,039.3	29,642.3	(197.0)
	Permanent FT	476.0	477.0	1.0
	Permanent PT	81.0	85.0	4.0
Senior Services Administration	Federal Receipts	1,129.2	1,319.2	190.0
	General Fund Match	145.9	145.9	0.0
	General Fund	1,317.4	1,735.2	417.8
	GF/Prog. Receipts	0.0	10.0	10.0
	GF/MHTIA	578.3	210.2	(368.1)
	I/A	161.2	209.7	48.5
	CIP	67.8	0.0	(67.8)
	Total	3,399.8	3,630.2	230.4
	Permanent FT	49.0	38.0	(11.0)
Permanent PT	7.0	0.0	(7.0)	
Nutrition, Transportation and Support	Federal Receipts	3,914.0	3,739.0	(175.0)
	General Fund Match	644.4	644.4	0.0
	General Fund	1,121.7	1,121.7	0.0
	Total	5,680.1	5,505.1	(175.0)
Senior Employment Services	Federal Receipts	1,554.0	1,554.0	0.0
	General Fund Match	198.3	198.3	0.0
	I/A	50.0	0.0	(50.0)
	Total	1,802.3	1,752.3	(50.0)
Home and Community Based Care	Federal Receipts	45.0	120.0	75.0
	General Fund	790.6	990.3	200.0
	GF/MHTIA	1,621.6	1,621.6	0.0
	Total	2,457.2	2,732.2	275.0
Senior Residential Services	General Fund	1,055.0	1,055.0	0.0
	Total	1,055.0	1,055.0	0.0
Public Defender Agency	General Fund	7,792.8	7,793.8	0.8
	GF/Prog. Receipts	0.0	311.1	311.1
	Total	7,792.8	8,104.7	311.9
	Permanent FT	102.0	101.0	(1.0)
	Permanent PT	1.0	4.0	3.0
Office of Public Advocacy	Federal Receipts	0.0	15.0	15.0
	General Fund	5,978.4	5,978.9	0.5
	GF/Prog. Receipts	0.0	120.0	120.0
	GF/MHTIA	611.1	611.1	0.0
	I/A	25.0	25.0	0.0
	Total	6,614.5	6,750.0	135.5
	Permanent FT	36.0	36.0	0.0
Permanent PT		0.0	0.0	

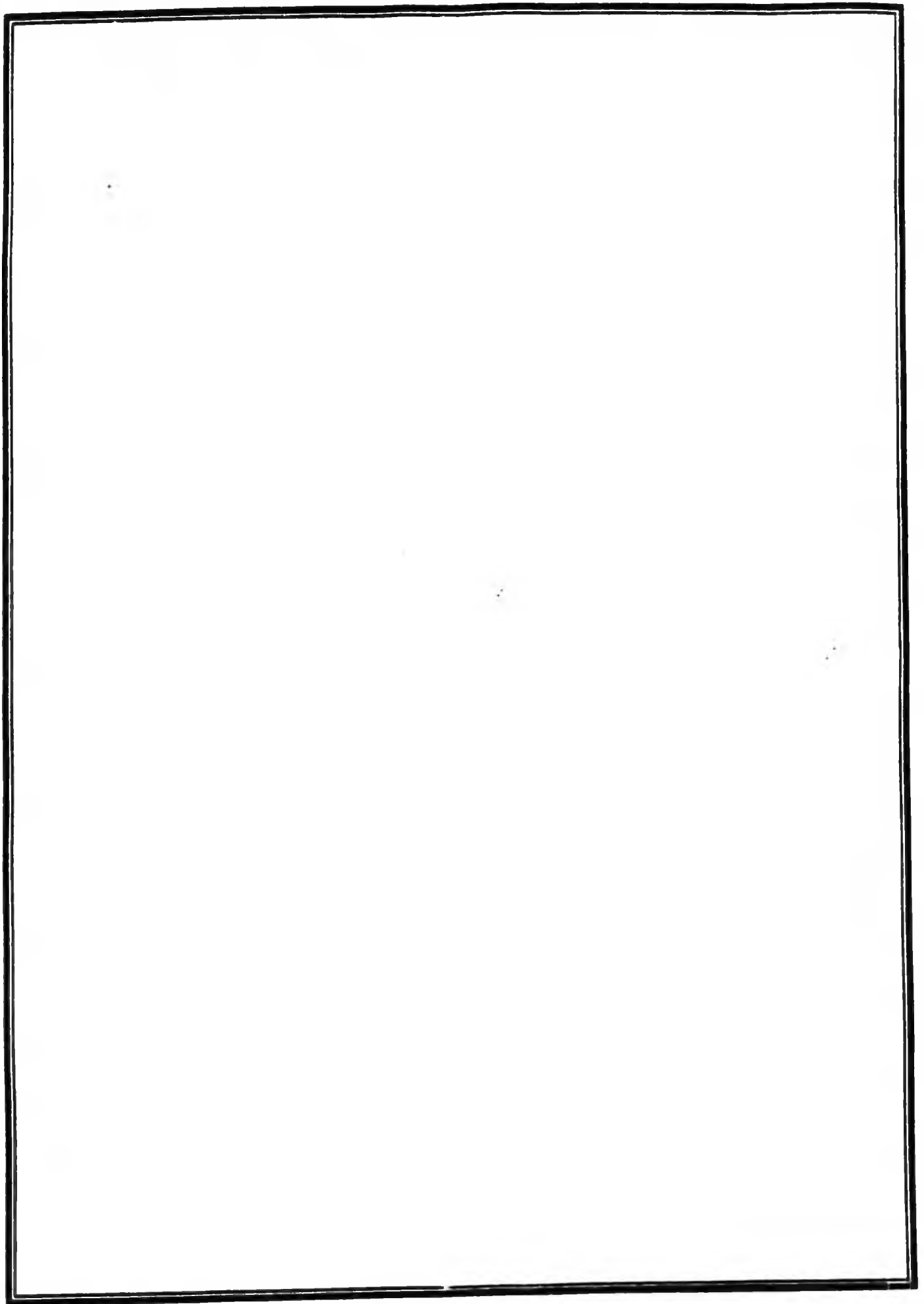
Appendix 2
(Continued)

COMPONENT		FY 95 AUTHORIZED	FY 96 REQUEST	VARIANCE
Office of the Commissioner	General Fund	477.2	478.5	1.3
	I/A	115.0	115.0	0.0
	Total	592.2	593.5	1.3
	Permanent FT	7.0	7.0	0.0
	Permanent PT	0.0	0.0	0.0
Permanency Planning Board	General Fund	104.3	0.0	(104.3)
	Total	104.3	0.0	(104.3)
	Permanent FT	2.0	0.0	(2.0)
	Permanent PT	0.0	0.0	0.0
Administrative Services	General Fund	1,004.4	1,007.5	3.1
	I/A	395.1	532.0	136.9
	Total	1,399.5	1,539.5	140.0
	Permanent FT	26.0	25.0	(1.0)
	Permanent PT	0.0	0.0	0.0
Personnel/EEO	General Fund	3,604.3	3,610.4	6.1
	I/A	142.5	145.7	3.2
	CIP	50.0	0.0	(50.0)
	Total	3,796.8	3,756.1	(40.7)
	Permanent FT	57.0	55.0	(2.0)
	Permanent PT	0.0	0.0	0.0
Productivity Improvement Center	General Fund	0.0	0.0	0.0
	GF/Prog. Receipts	130.1	130.1	0.0
	I/A	588.9	588.9	0.0
	Total	719.0	719.0	0.0
	Permanent FT	6.0	4.0	(2.0)
	Permanent PT	0.0	2.0	2.0
Finance	General Fund	6,384.0	6,389.1	5.1
	Total	6,384.0	6,389.1	5.1
	Permanent FT	45.0	45.0	0.0
	Permanent PT	0.0	0.0	0.0
Purchasing	General Fund	1,662.8	1,664.5	(18.3)
	Total	1,662.8	1,664.5	(18.3)
	Permanent FT	23.0	23.0	0.0
	Permanent PT	0.0	0.0	0.0
Property Management	General Fund	43.4	43.4	0.0
	GF/Prog Receipts	282.8	282.8	0.0
	Surplus Property	274.8	274.8	0.0
	Total	601.0	601.0	0.0
	Permanent FT	7.0	7.0	0.0
	Permanent PT	1.0	1.0	0.0
Central Duplication and Mail	General Fund	376.1	396.3	22.2
	I/A	1,590.9	1,590.9	0.0
	Total	1,967.0	1,989.2	22.2
	Permanent FT	24.0	24.0	0.0
	Permanent PT	1.0	1.0	0.0
Retirement and Benefits	Ben. Sys. Receipts	3,959.9	3,959.9	0.0
	PERS	2,225.7	2,225.7	0.0
	TRS	1,785.2	1,785.2	0.0
	Judicial Ret. Sys.	39.2	39.2	0.0
	Nat. Guard Ret. Sys.	33.1	33.1	0.0
	Total	8,043.1	8,043.1	0.0
	Permanent FT	70.0	70.0	0.0
	Permanent PT	0.0	0.0	0.0

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This briefing book was prepared prior to the arrival of Commissioner Boyer and is based on the Hickel budget. Over the next few weeks, mission statements and priorities may be reworked to more accurately reflect the priorities of the Governor Knowles Administration.



Appendix 2
(Continued)

COMPONENT		FY 95 AUTHORIZED	FY 96 REQUEST	VARIANCE
EPORS	General Fund	847.4	847.4	0.0
	Total	847.4	847.4	0.0
AOGCC	Federal Receipts	100.0	100.0	0.0
	General Fund	1,649.7	1,658.7	9.0
	Total	1,749.7	1,758.7	9.0
	Permanent FT	22.0	21.0	(1.0)
	Permanent PT	0.0	0.0	0.0
APOC	General Fund	594.2	594.6	0.4
	GF/IProg. Receipts	53.6	53.6	0.0
	Total	647.8	648.2	0.4
	Permanent FT	9.0	9.0	0.0
	Permanent PT	1.0	1.0	0.0
Risk Management	I/A	18,579.7	18,579.7	0.0
	Total	18,579.7	18,579.7	0.0
	Permanent FT	7.0	7.0	0.0
	Permanent PT	0.0	0.0	0.0
Computer Services	ISF Fund	13,494.6	13,844.6	350.0
	Total	13,494.6	13,844.6	350.0
	Permanent FT	99.0	100.0	1.0
	Permanent PT	0.0	0.0	0.0
Telecommunications Services	ISF Fund	8,006.9	8,280.8	273.9
	Total	8,006.9	8,280.8	273.9
	Permanent FT	45.0	45.0	0.0
	Permanent PT	0.0	0.0	0.0
RATNet	General Fund	1,114.7	1,114.7	0.0
	GF/Prog Receipts	75.0	15.0	(60.0)
	I/A	0.0	18.2	18.2
	IFC Gifts/Grants/Bequests	50.0	110.7	60.7
	Total	1,239.7	1,258.6	18.9
	Permanent FT	6.0	6.0	0.0
	Permanent PT	0.0	0.0	0.0
APBC	General Fund	5,871.2	5,871.6	0.4
	Total	5,871.2	5,871.6	0.4
	Permanent FT	2.0	2.0	0.0
	Permanent PT	0.0	0.0	0.0
Leases	General Fund	24,570.1	24,390.5	(179.6)
	I/A	5,051.0	5,131.0	80.0
	Total	29,621.1	29,521.5	(99.6)
Internal Service Fund (Front Section Appropriation)	General Fund	2,124.0	0.0	(2,124.0)
	GF Prog. Receipts	94.6	355.0	260.4
	I/A	19,222.9	21,725.4	2,502.5
	IAR/Oil & Haz Waste	60.0	45.0	(15.0)
TOTAL GENERAL FUN		176,388.6	174,248.2	(2,140.4)
TOTAL ALL FUND SOL	S	237,598.7	238,230.5	631.8

DEPARTMENT OF ADMINISTRATION
Status of Labor Contract Negotiations

LABOR RELATIONS

Negotiation goals and objectives:

- Maximize the quality, cost effectiveness and productivity of government services to the public.
- Enhance management flexibility to respond effectively to changes in economic conditions and operational needs.
- Realign cost of wages and benefits to provide a compensation package within appropriate standards.
- Realign the cost of wages and benefits to reflect the current and foreseeable economic environment.
- Prioritize benefits and funding to meet labor and management's common interest in providing for employee's greatest benefit needs.
- Modify the contract to provide opportunities for improving productivity, accountability, consistency, and efficiency of State government operations.

Status of negotiations in meeting goals:

The State has negotiated agreements with five bargaining units. In these agreements, the State advanced its objectives to increase productive work hours while containing costs and to increase management's flexibility to respond effectively to changes in economic conditions and operational needs. At the same time, the State maintained a competitive wage and benefit package for its employees.

While there are no easy answers in adapting to the State's changing economic conditions and needs for government services, the State's goal for sound management will remain a primary concern as negotiations continue with the other bargaining units.

Appendix 3
(Continued)

Unit	Size	Expires	Status
1. General Government (GGU) Class 1 (can not strike)		04/30/93	Contract expired. Negotiations ongoing, may result in interest arbitration.
Class 2 & 3 (can strike)		12/31/92	Contract expired. Negotiations ongoing.
2. Inlandboatmen (IBU)		03/31/96	Third tentative agreement ratified September 1994, to be submitted for legislative approval January 1995. Salary increase 3.5 percent effective July 1, 1995, requires legislative appropriation.
3. Labor, Trades and Crafts (LTC)		06/30/95	Tentative agreement (including 40-hour workweek) effective July 1, 1995-June 30, 1997, to be submitted to Legislature January 1995. 1992-94 terms extended six months to June 30, 1995, by agreement.
4. Marine Engineers (MEBA)		06/30/96	Fall 1994 reopener rescheduled to January 1995.
5. Masters, Mates & Pilots (MM&P)		03/31/95	Negotiations begin February 1995 for successor.
6. Supervisory (SU)		06/30/95	Three-year tentative agreement (including 40-hour workweek) effective July 1, 1995, to June 30, 1998, to be submitted to Legislature January 1995.
7. Public Safety (PSEA)		12/31/95	Arbitrator's award for 1992-94 received and amended. Extended one year by agreement. Negotiations begin Summer 1995.
8. Correspondence Teachers (ACSEA)		12/31/95	Negotiations begin Fall of 1995. No changes in monetary terms in 1st half FY 96.
9. Confidential (K)		06/30/96	Negotiations begin Fall, 1995. Salary increase 2.5 percent effective July 1, 1995, legislative appropriation required.

Appendix 3
(Continued)

Unit	Size	Expires	Status
10. Alaska Vocational Technical Center (AVTEC)		06/30/96	Negotiations begin Winter, 1995.
11. Mt. Edgecumbe Teachers		06/30/97	Salary increase of 2 percent effective July 1, 1995, legislative appropriation required.

Note: *Negotiations generally commence 90-120 days prior to contract expiration and may extend beyond termination date. Interest arbitration is possible if impasse is reached with GGU, SU or CEA.*

Appendix 4

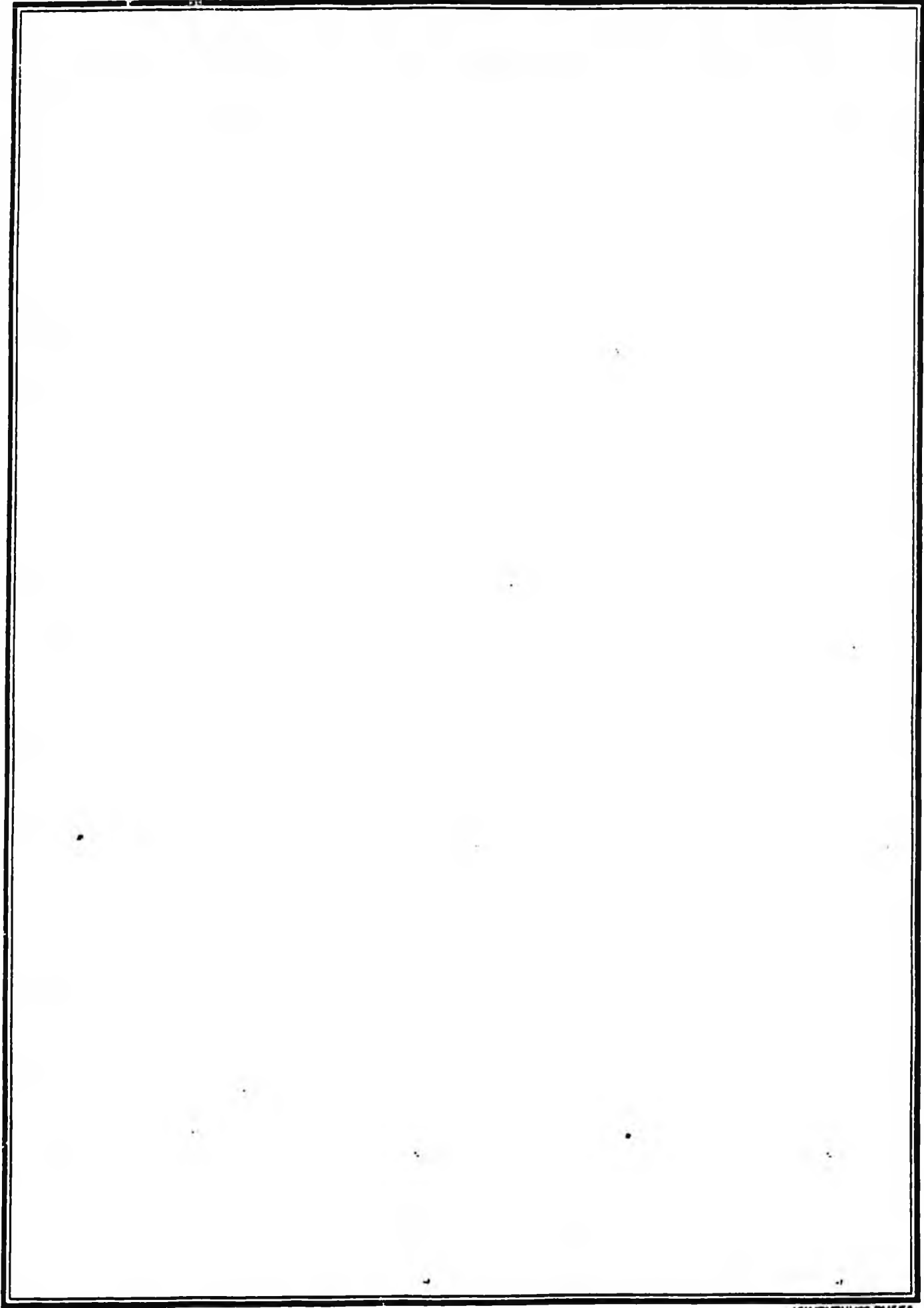
DEPARTMENT OF ADMINISTRATION

Annual/Biennial Reports to the Legislature

- Alaska Lobbyist Directory—Alaska Public Offices Commission
- Alaska Summary of Lobbying Activity—Alaska Public Offices Commission
- APBC Long Range Plan—Alaska Public Broadcasting Commission
- APOC Biennial Report—Alaska Public Offices Commission
- Comprehensive Annual Financial Report—Division of Finance
- EEO Annual Report—Division of Personnel/OEEO
- Division of Information Services Management Information Plan
- Municipal and Matching Grant Appropriation Reports—Division of Administrative Services
- Nonpermanent and Emergency Employee Report—Division of Personnel/OEEO
- Alaska Commission on Aging Annual Report—Senior Services Division
- PERS and TRS Annual Financial Report—Division of Retirement and Benefits
- Pioneers' Benefits Annual Report—Senior Services Division
- Procurement Report—Division of General Services
- Public Defender Agency Annual Report—Public Defender Agency
- Risk Management Annual Report—Division of Risk Management
- Statewide Information Management Plan—Division of Information Services
- Citizens Foster Care Review Report—Commissioner's Office
- Directory of State Computer Applications and Telecommunications Facilities—
Division of Information Services

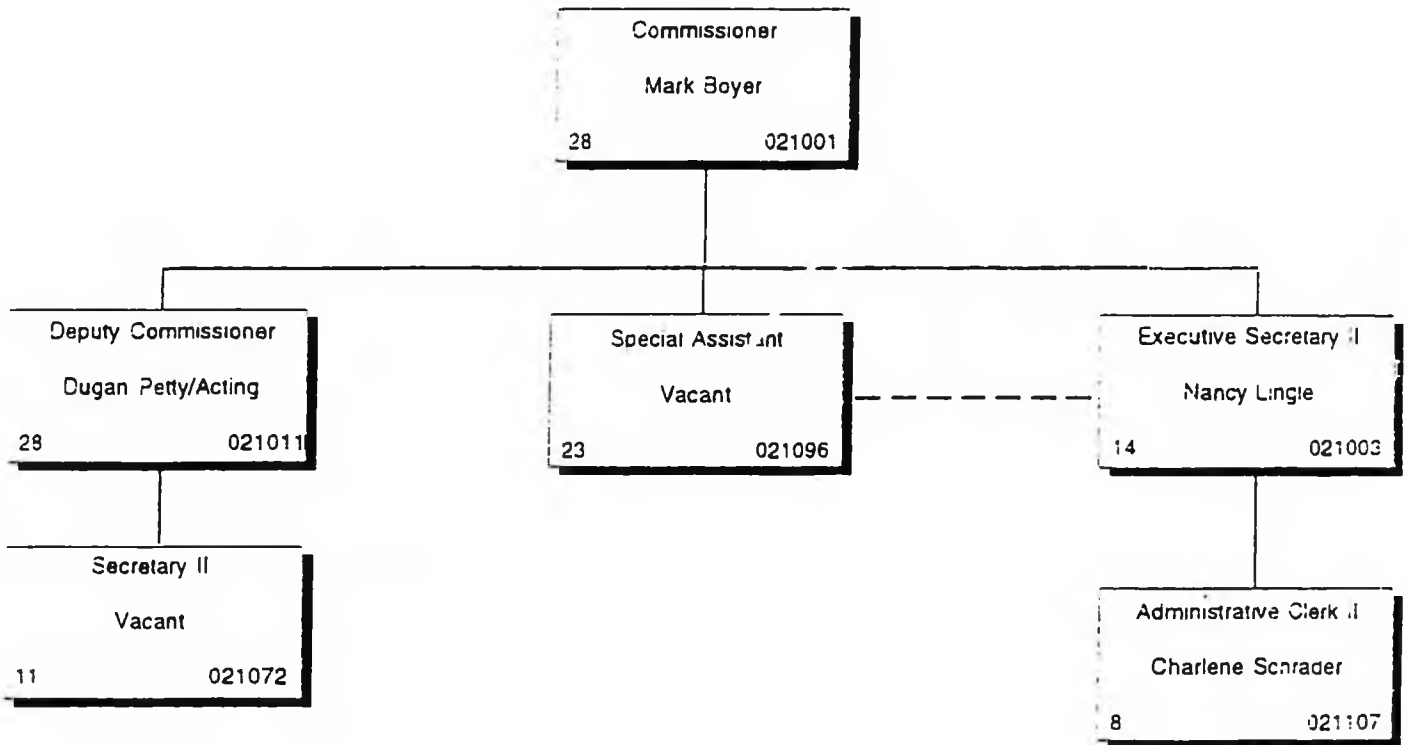
Appendix 5
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Component	Service Provided	FY 94 Fee	FY 95 Fee	Proposed FY 96 Fee	FY-96 Budget Increase from Fee Change	Regulation #	Statute #
Pioneers' Homes	Basic Assisted	\$700-780/mo	\$780-\$860/mo.	\$860/mo.	\$0.0	2AAC 41.015	AS 47.55
Pioneers' Homes	Enhanced Assisted Living Care	N/A	\$965/mo.	\$965/mo.	\$0.0	2AAC 41.015	AS 47.55
Pioneers' Homes	Residential Care	\$600-\$665/mo.	\$665-\$735/mo.	\$735/mo.	\$0.0	2AAC 41.015	AS 47.55
Longevity Bonus	Computer disk with names and addresses of recipients by zip code.	\$10/disk/Zip Code \$20/disk/Anch \$30/disk/Statewide	\$10/disk/Zip Code \$20/disk/Anch \$30/disk/Statewide	\$10/disk/Zip Code \$20/disk/Anch \$30/disk/Statewide	\$0.0		AS 09.25.110
Productivity Improvement Center	Training Tuition	1/2 day	\$50.00	\$50.00	\$50.00	\$0.0	AS 39.25.050
		1 day	\$95.00	\$95.00	\$95.00	\$0.0	AS 39.25.050
		2 days	\$180.00	\$180.00	\$180.00	\$0.0	AS 39.25.050
		3 days	\$260.00	\$260.00	\$260.00	\$0.0	AS 39.25.050
		5 days	\$360.00	\$360.00	\$360.00	\$0.0	AS 39.25.050
Productivity Improvement Center	Computer Training	1 day	\$145.00	\$145.00	\$145.00	\$0.0	AS 39.25.050
		2 day	\$185.00	\$185.00	\$185.00	\$0.0	AS 39.25.050
Productivity Improvement Center	In-house Consulting	Hourly Fee	\$75.00	\$75.00	\$75.00	\$0.0	AS 39.25.050
		Daily Fee	\$575.00	\$575.00	\$575.00	\$0.0	AS 39.25.050
Telecom. Services	Kenai Peninsula Microwave System	\$16,000.00 per channel	\$16,000 per channel	\$16,000 per channel	\$0.0		AS 44.21.310B
RATNet	Earth Station Repair	\$70.00/hour	\$70.00/hour	Same as FY-94	\$0.0		AS 44.21.310B
Computer Services	US Gov't Marine Fisheries/Political Subdivisions	Annual Charge based on usage	Annual Charge Based on usage	Annual Charge Based on usage	\$0.0		AS 44.21.300B
AOGCC	Drilling Permits	\$100/per application	\$100/per application	\$100 per application	\$0.0		AS 31.05.090
AOGCC	Well File Copies	\$.25/page	\$.25/page	\$.25/page	\$0.0	6AAC 95.130(a)	
AOGCC	Statistical Reports	\$.25/page	\$.25/page	\$.25/page	\$0.0	6AAC 95.130(a)	
Property Management	State surplus equipment disposal	Amount of sale	Amount of sale	Amount of sale	\$0.0		AS 44.68.110
Property Management	Federal surplus property handling	% of acquisition cost	% of acquisition cost	% of acquisition cost	\$0.0		AS 44.68.120
Senior Services Administration	Assisted living licensing applications	N/A	N/A	Not yet set	\$10.0		AS 44.33.910

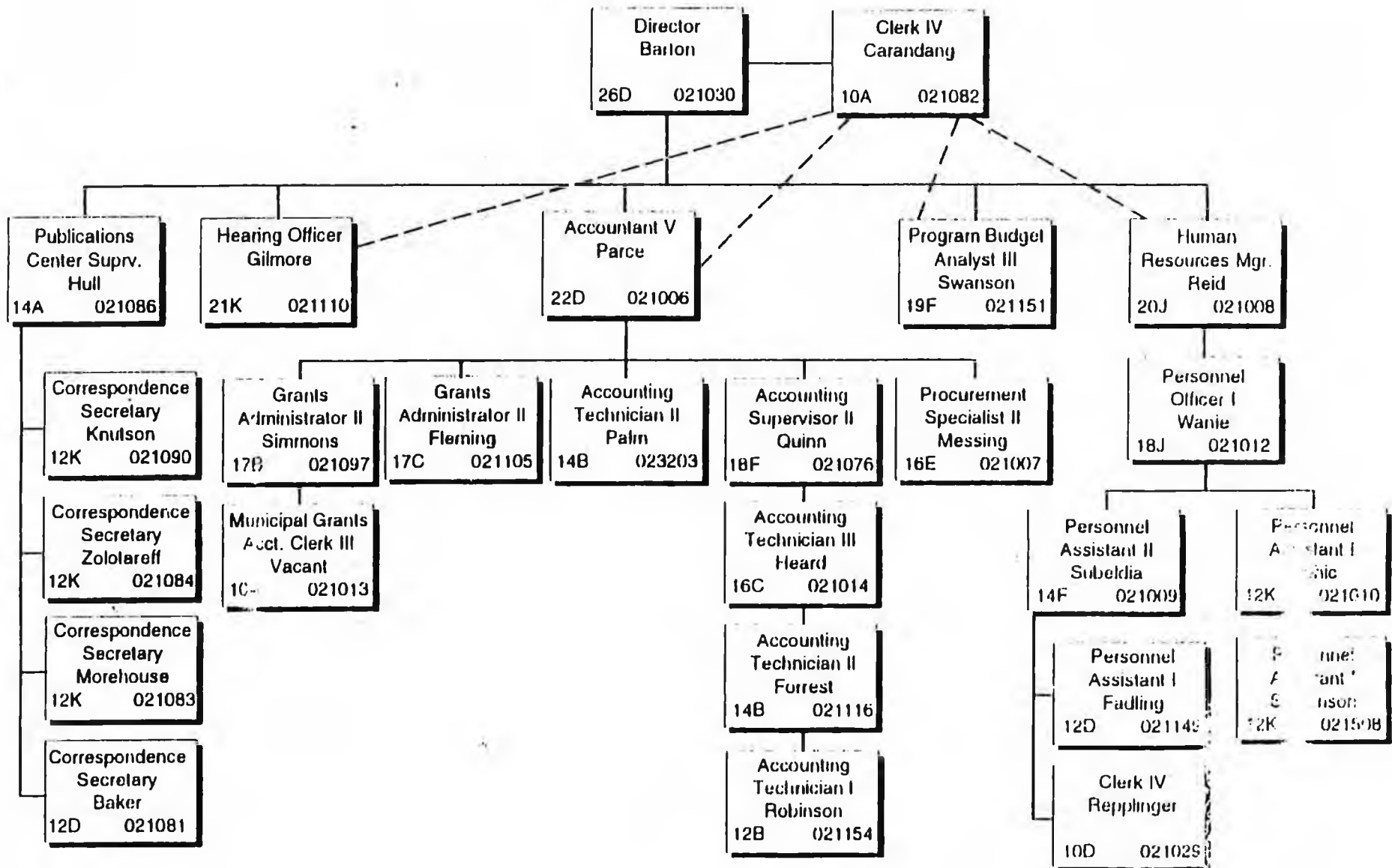


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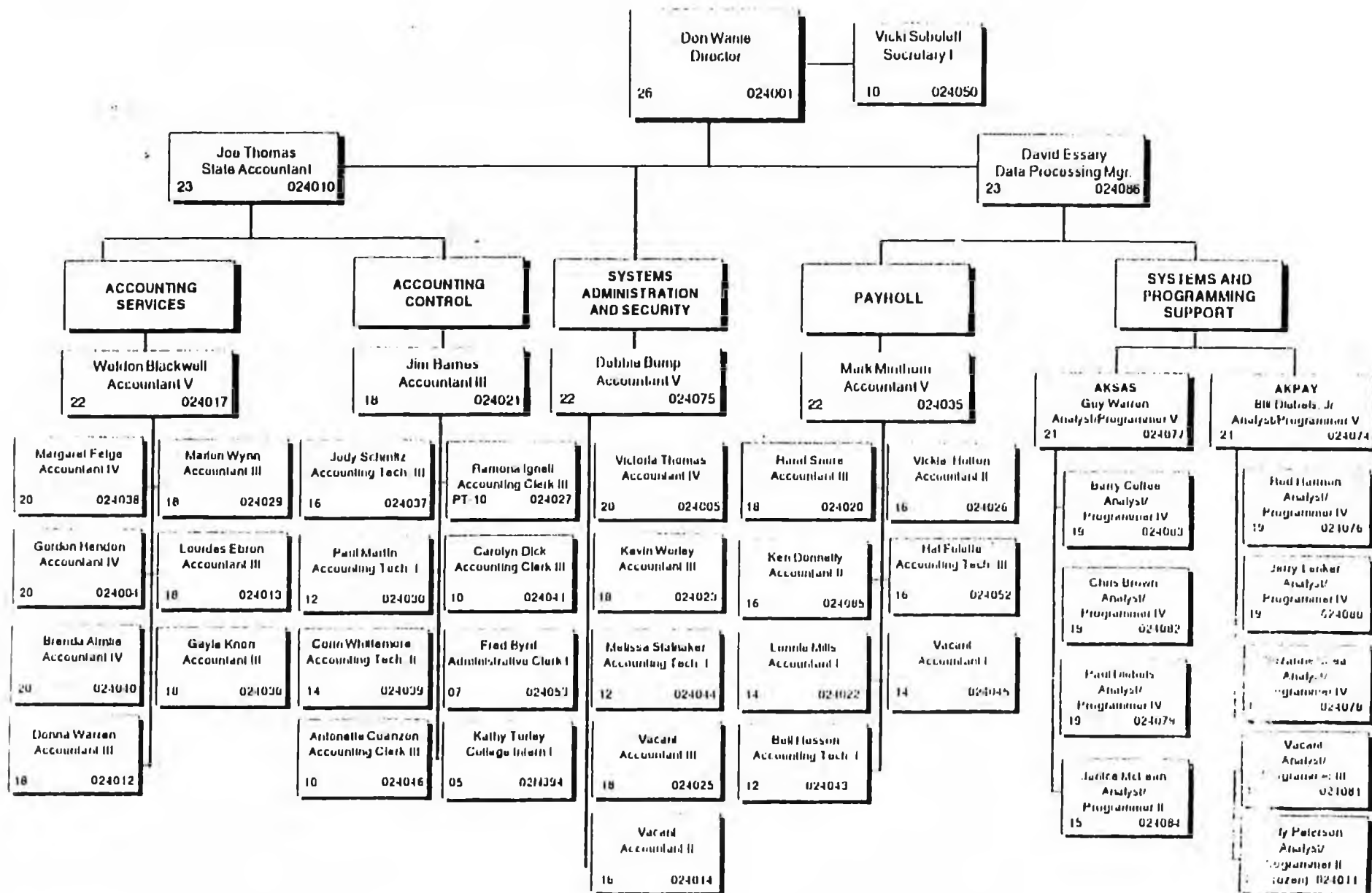
DEPARTMENT OF ADMINISTRATION
COMMISSIONER'S OFFICE



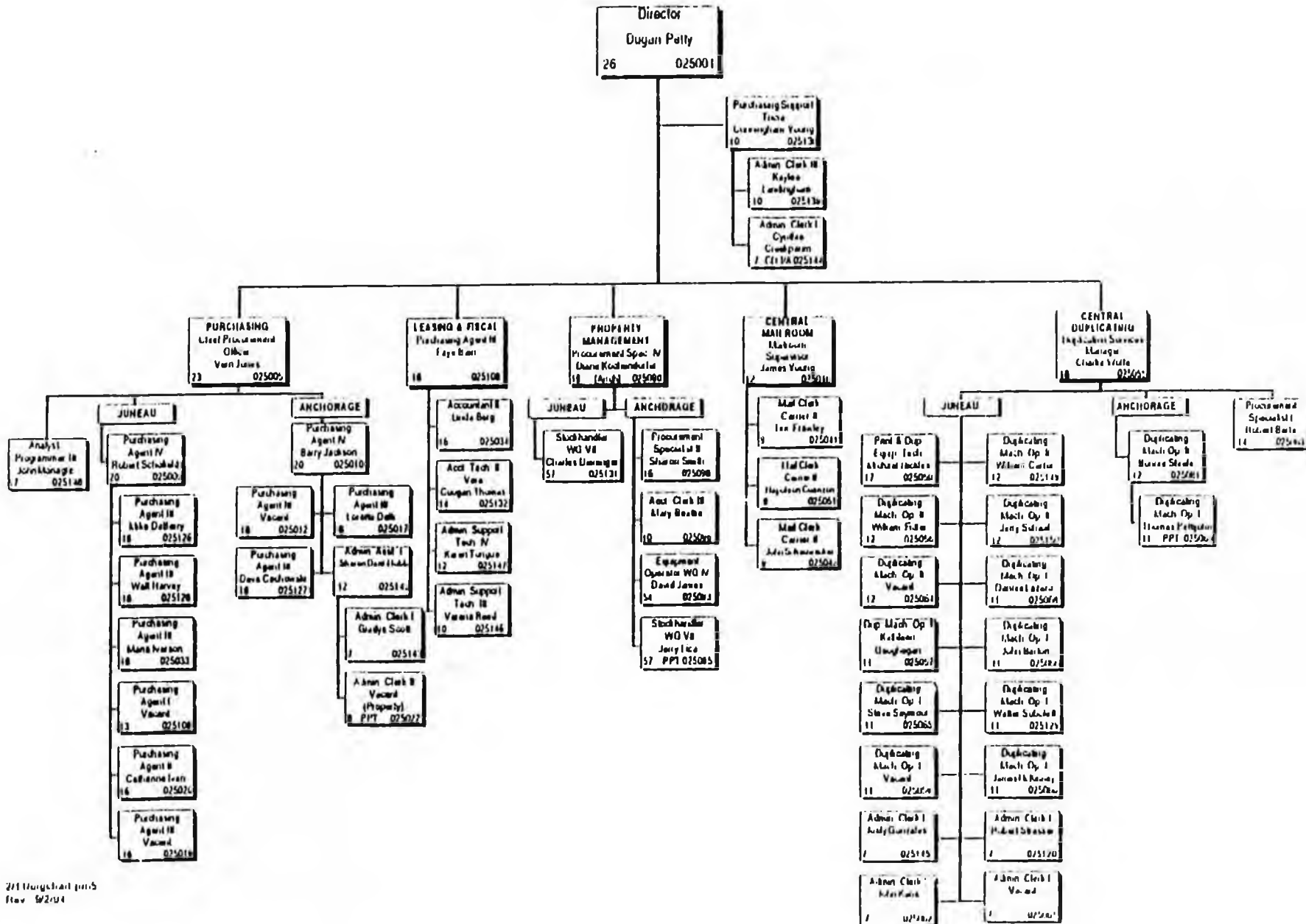
**DEPARTMENT OF ADMINISTRATION
DIVISION OF ADMINISTRATIVE SERVICES**



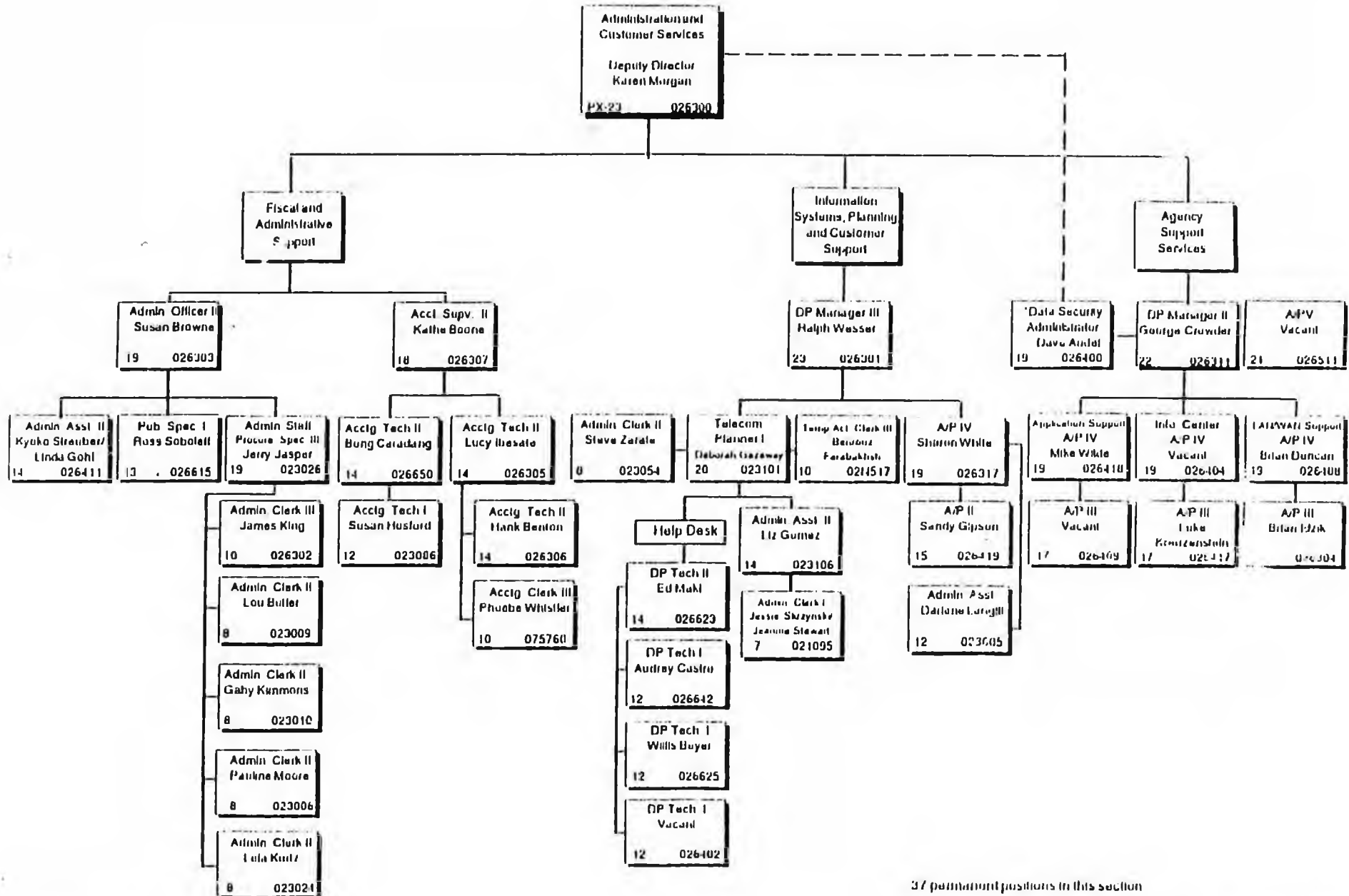
DEPARTMENT OF ADMINISTRATION
DIVISION OF FINANCE



Department of Administration
Division of General Services
As of September 1, 1994



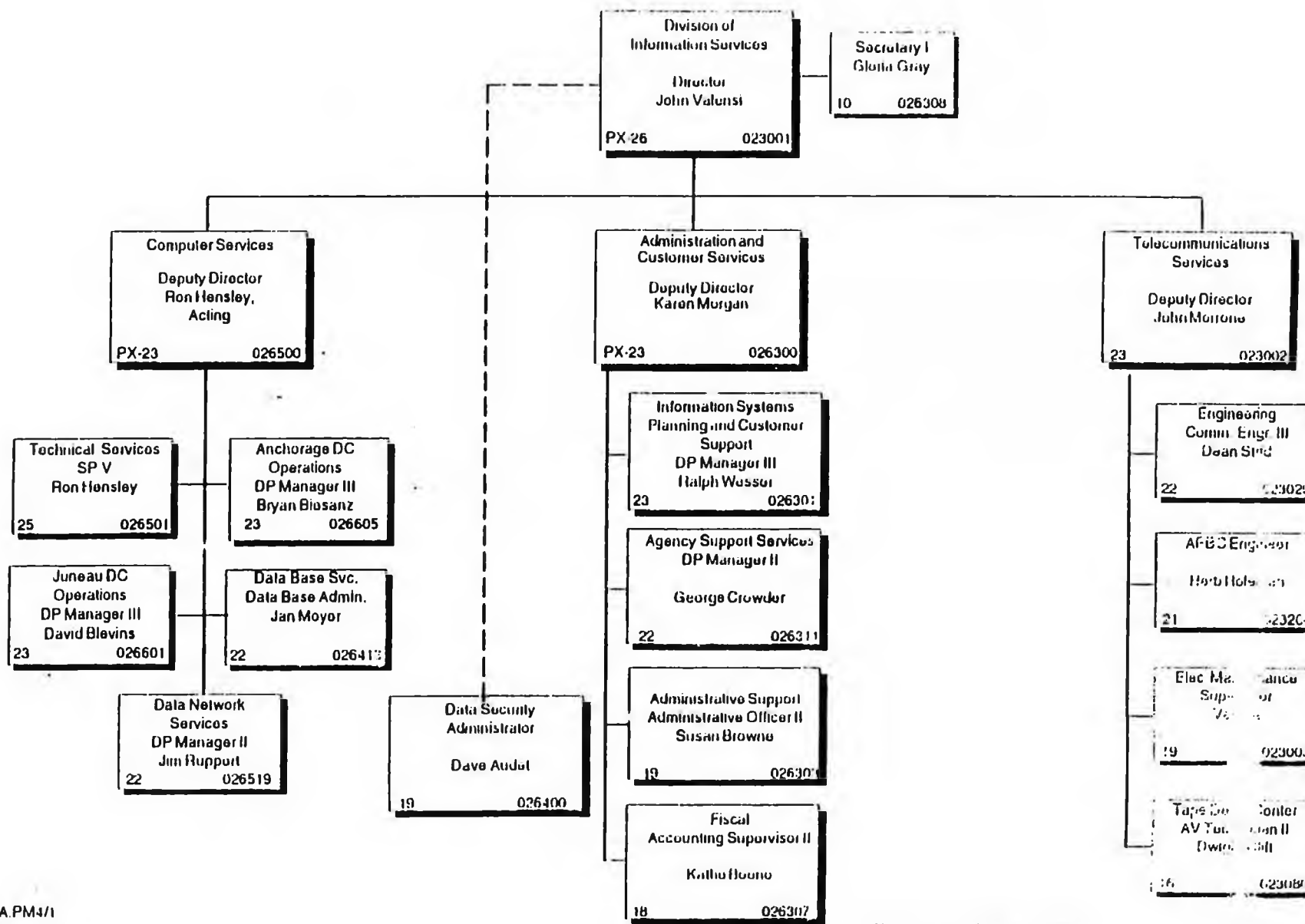
Alaska Department of Administration
 Division of Information Services
 (As of October 14, 1994)



37 permanent positions in this section

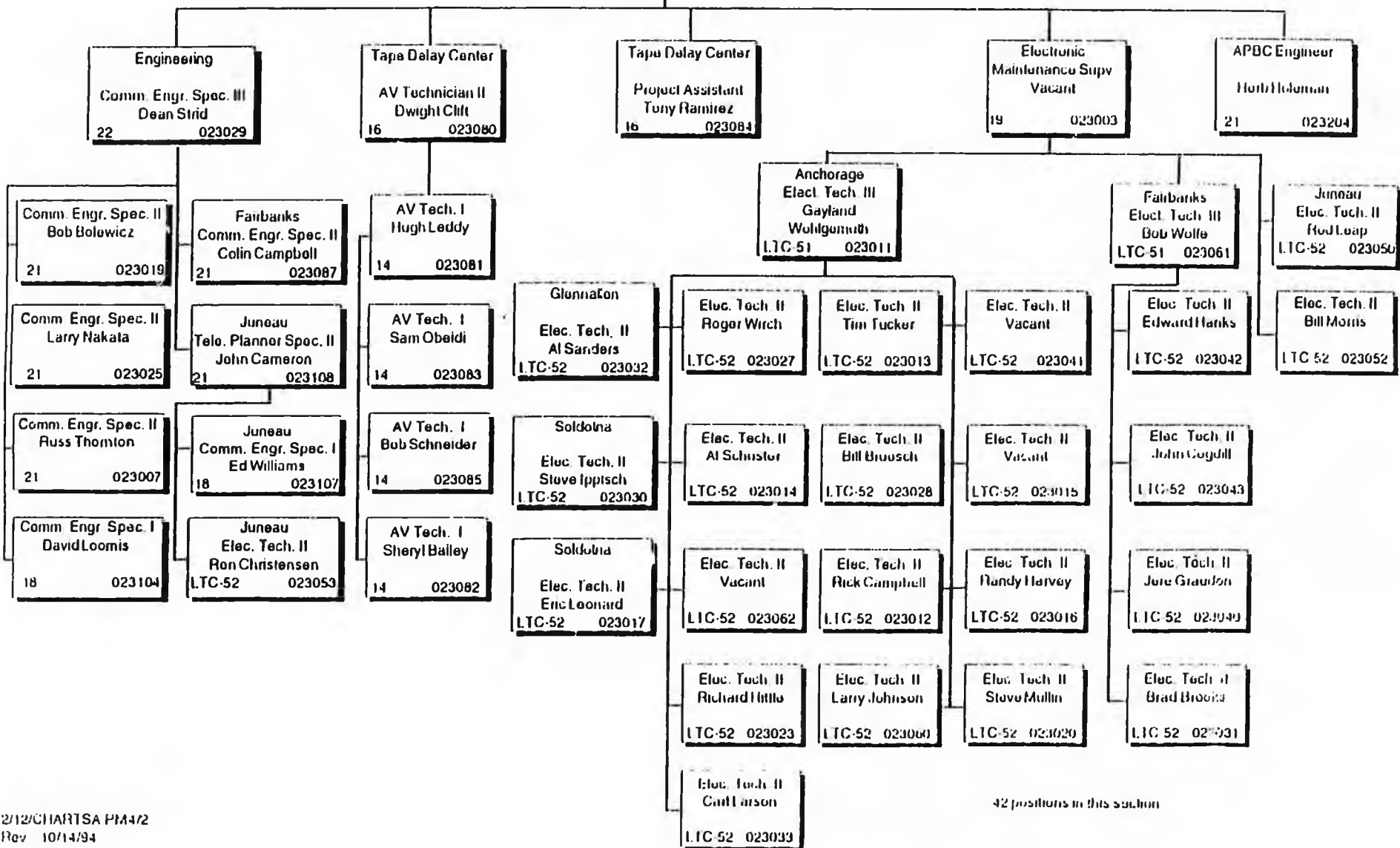
* Data Security Administrator reports directly to Senior Information Director regarding sensitive security issues

Alaska Department of Administration
 Division of Information Services
 (As of October 14, 1994)



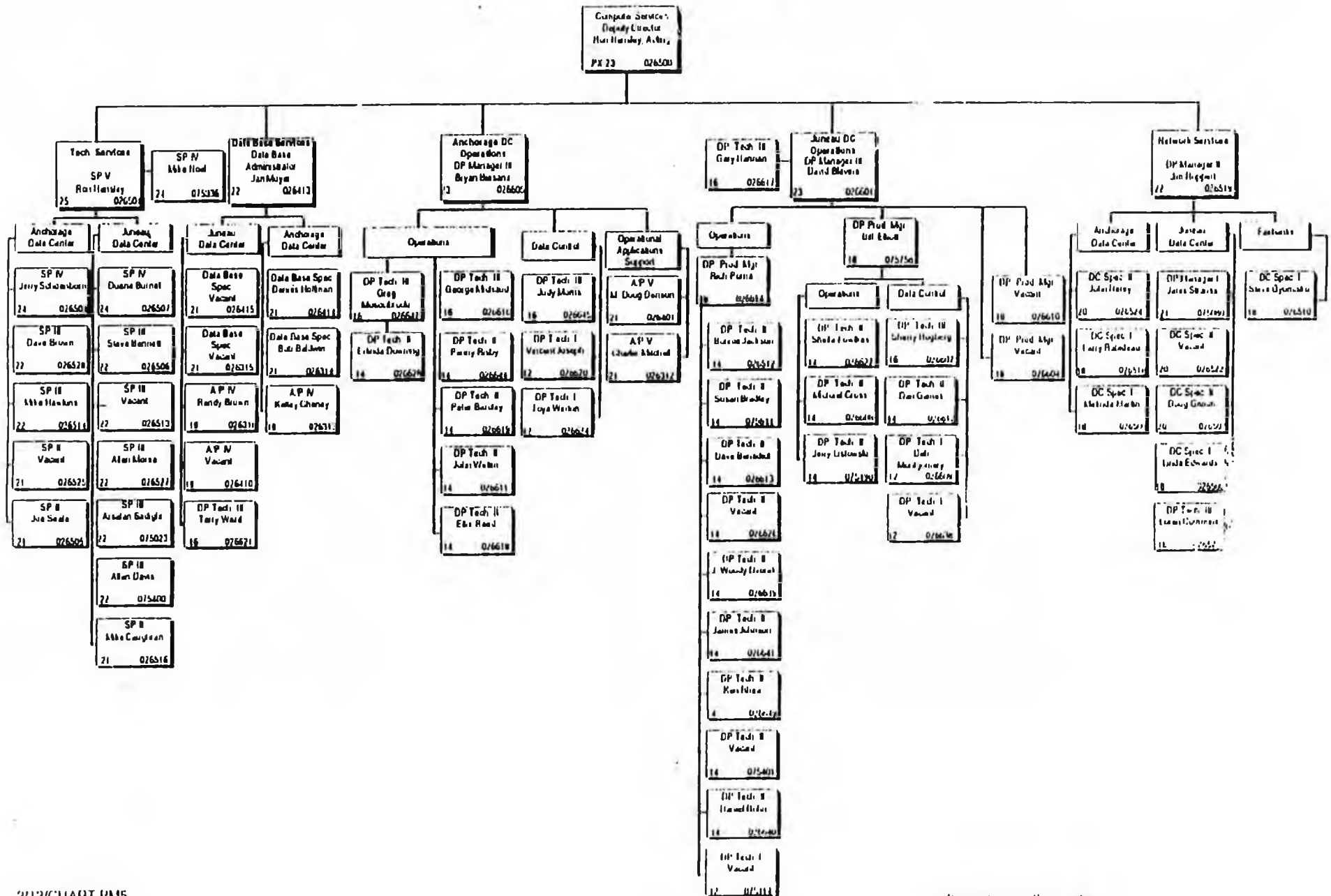
Alaska Department of Administration
 Division of Informa. Services
 (As of October 14, 1994)

Telecommunications
 Services
 Deputy Director
 John Morrone
 23 023002

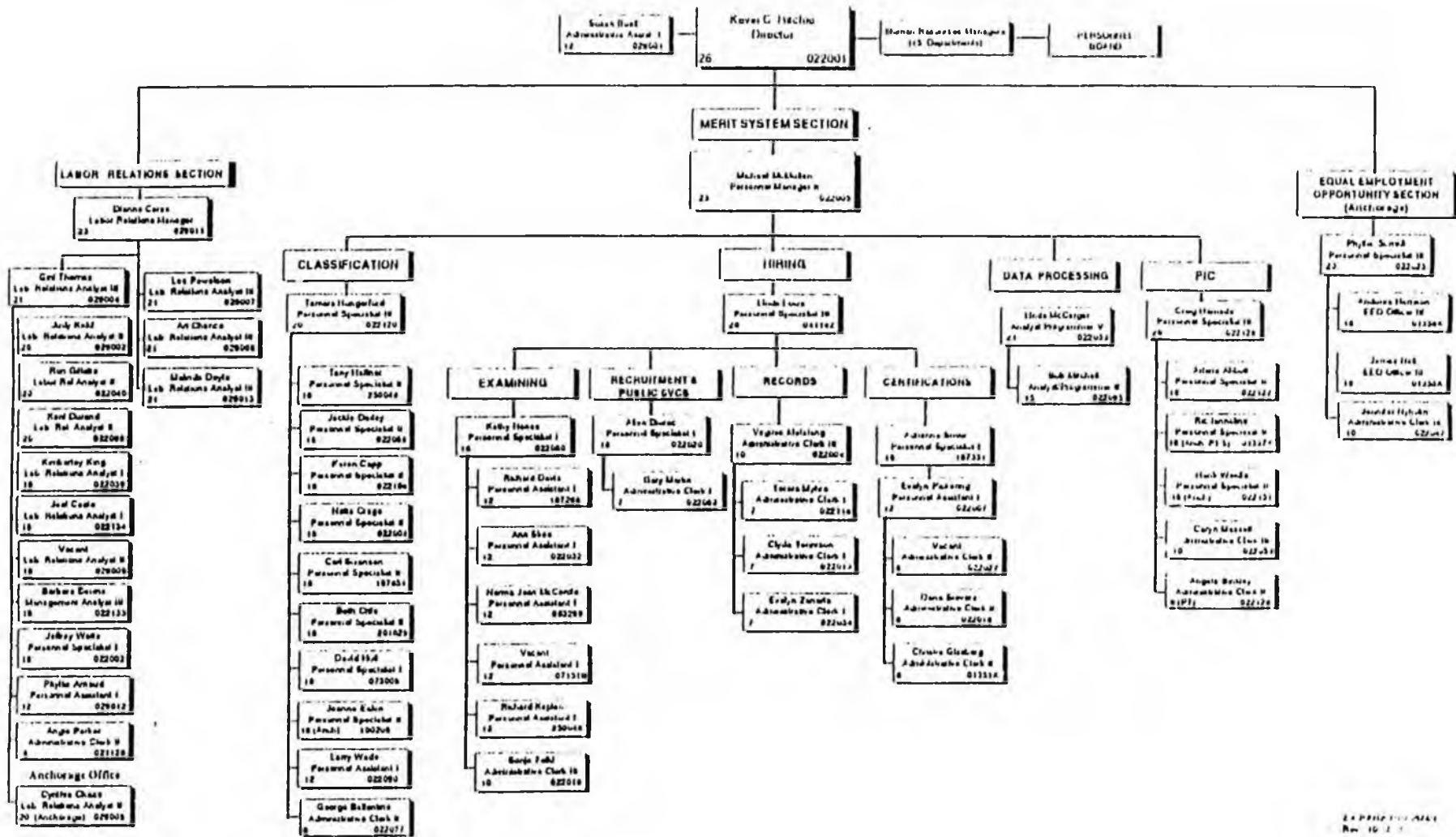


42 positions in this section

Department Administration
 Division of Information Services
 (As of October 14, 1994)



Department of Administration
Division of Personnel/Office of Equal Employment Opportunity



DEPARTMENT OF ADMINISTRATION
DIVISION OF RETIREMENT & BENEFITS

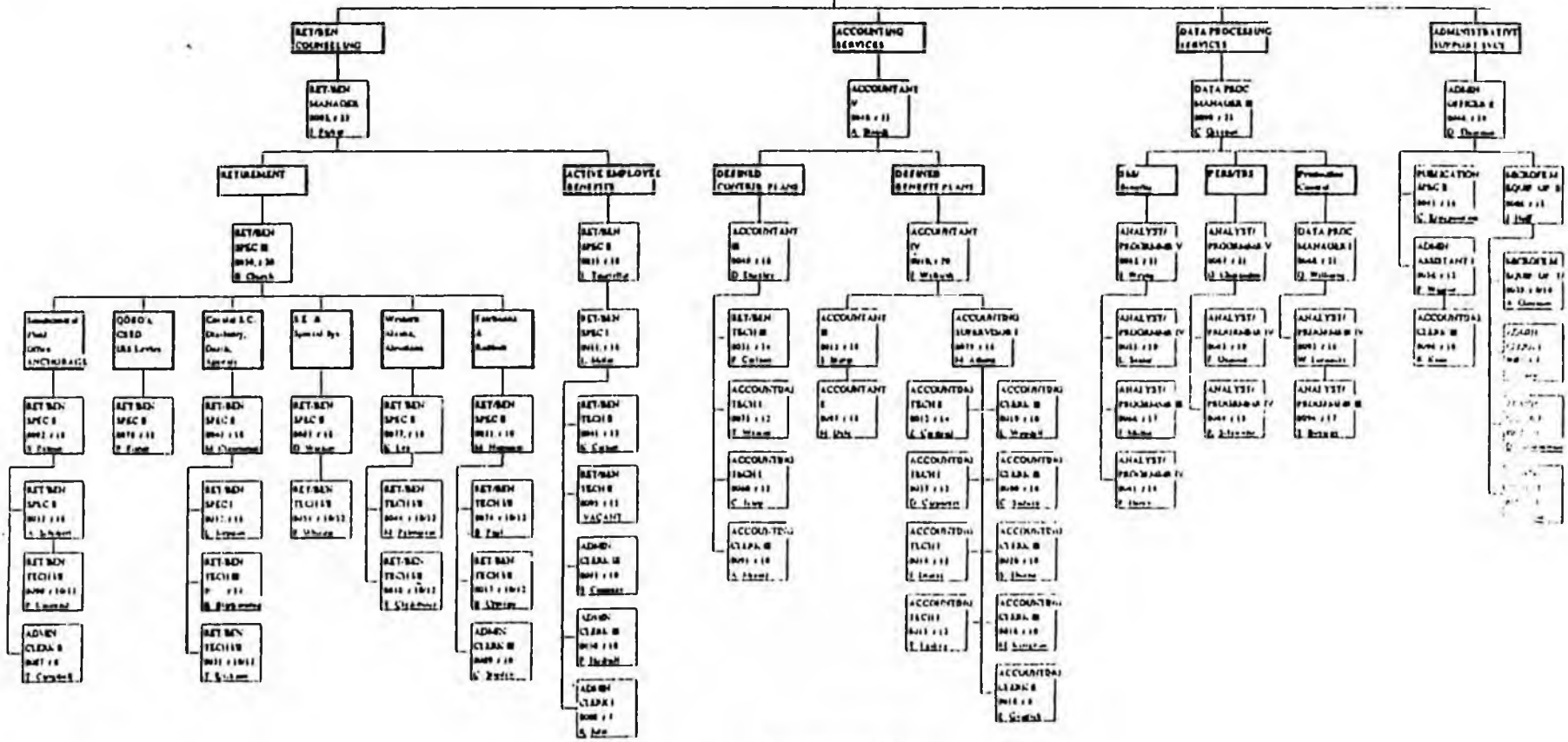
DIRECTOR
HWL 134
B. Stahak

INTERNAL
AUDITOR II
HWL 119
K. Chiswick

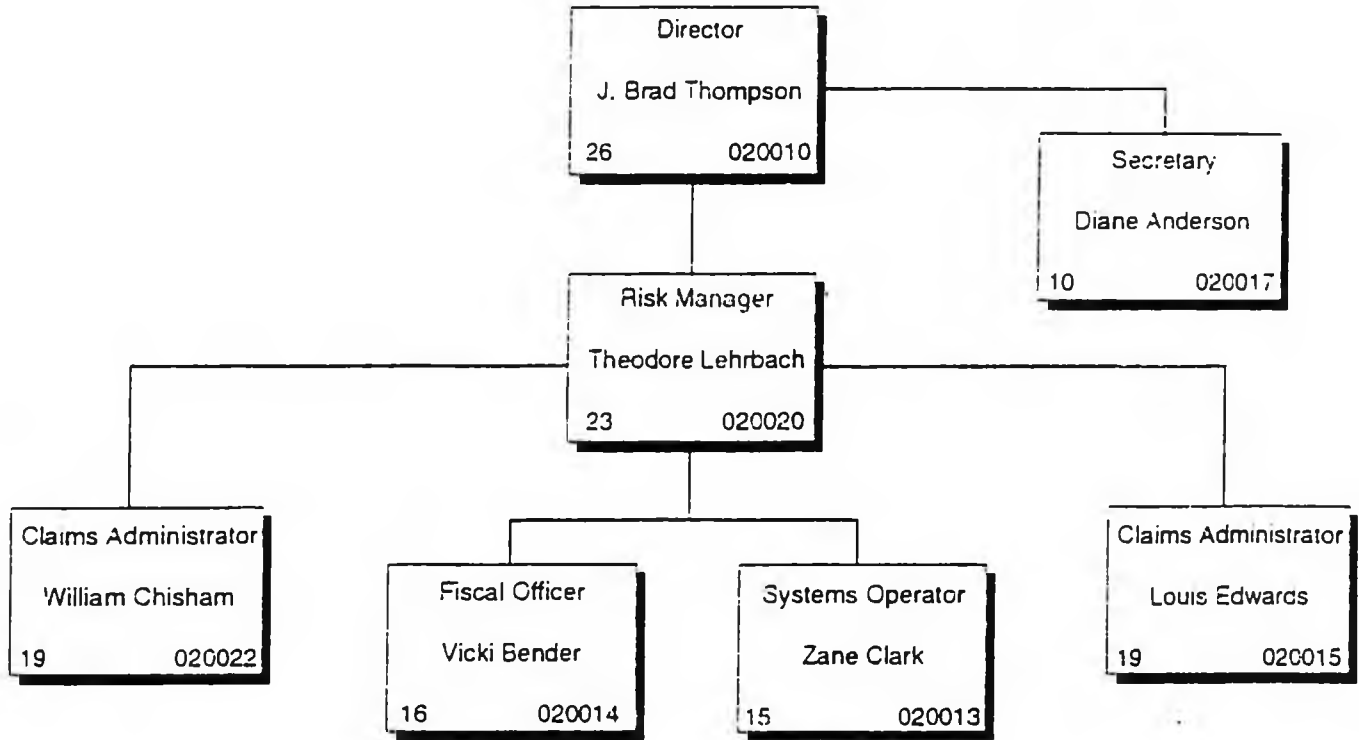
SECRETARY
HWL 118
M. Stroh
ADMIN
CLERK II
HWL 117
J. Lee

DEAD
All positions are listed in Annex except the Supervisor of Field Office (Analogous)

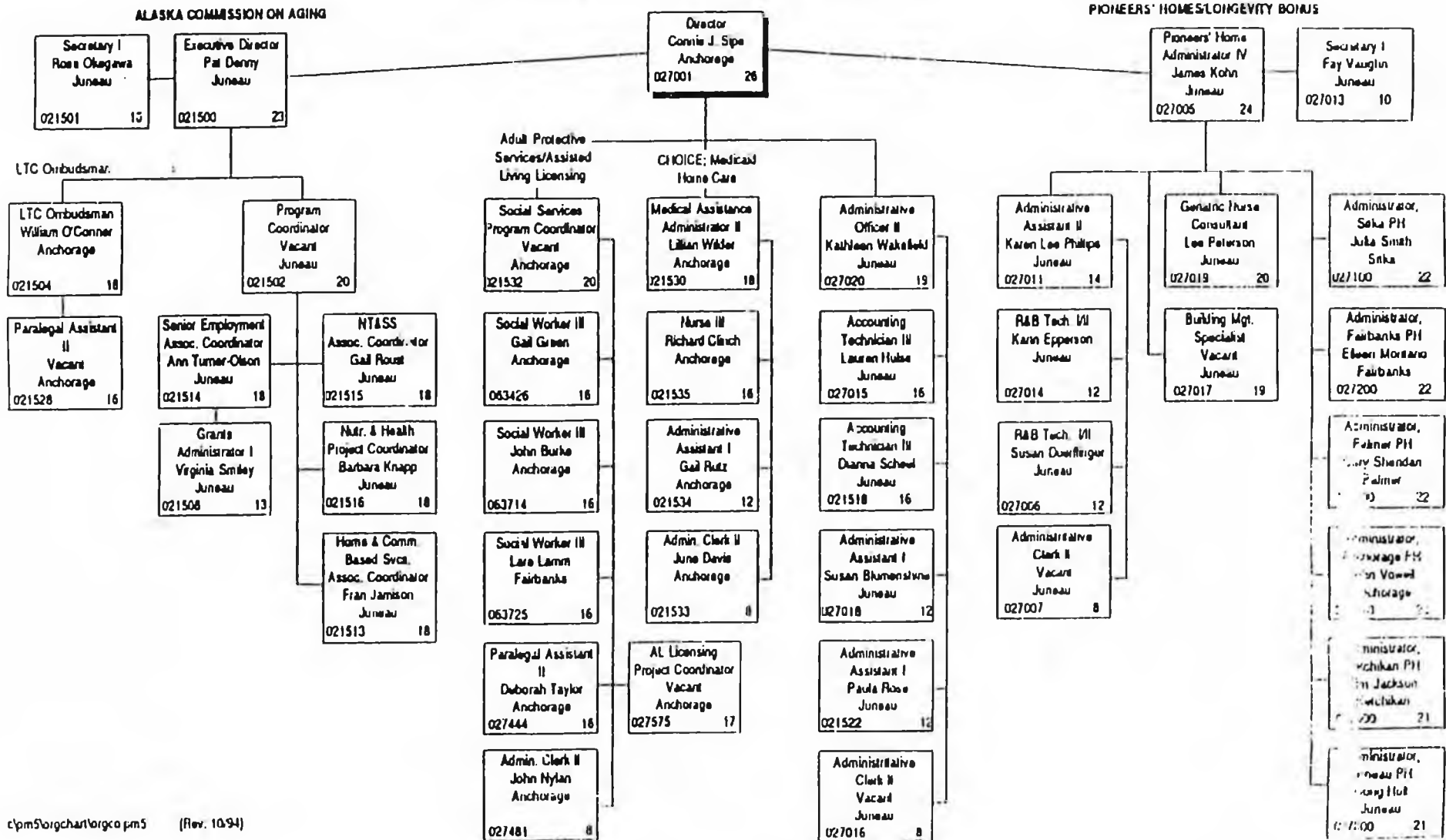
Kabuti Stahak 9/26/74
Robert J. Stahak, Director



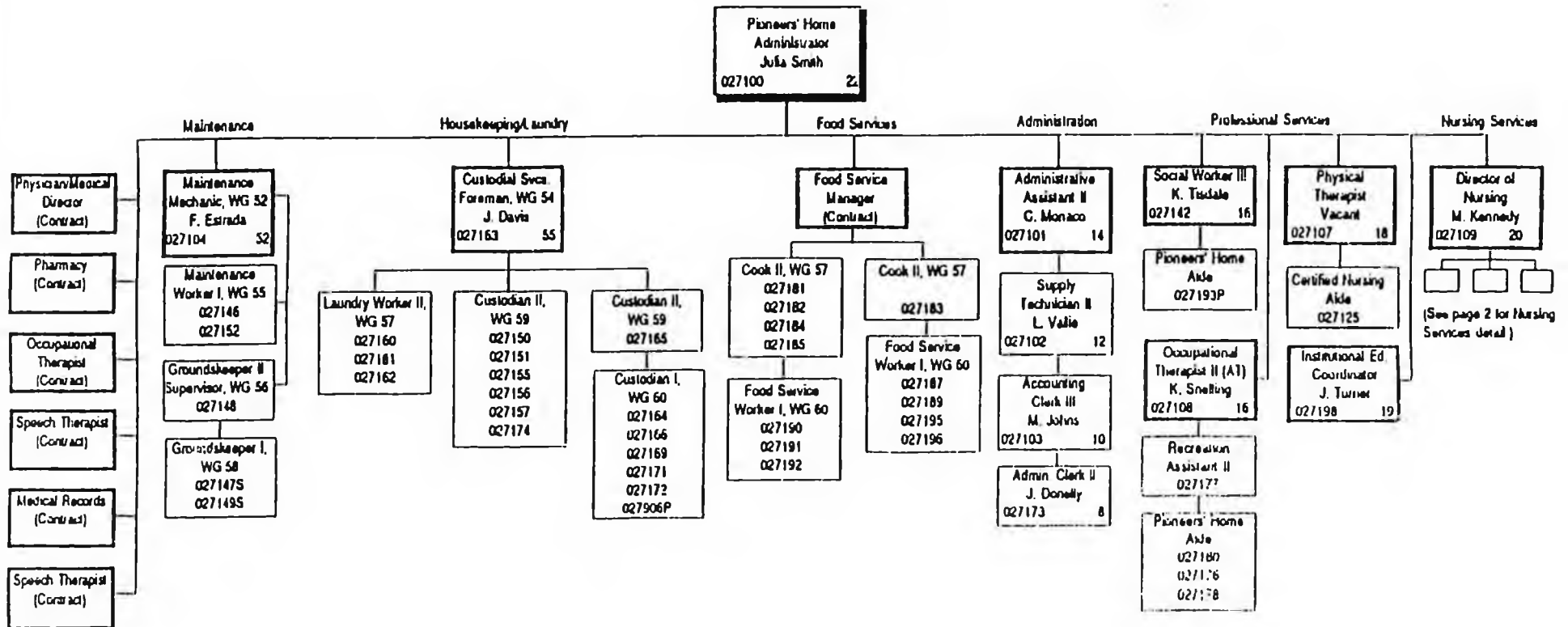
DEPARTMENT OF ADMINISTRATION
DIVISION OF RISK MANAGEMENT



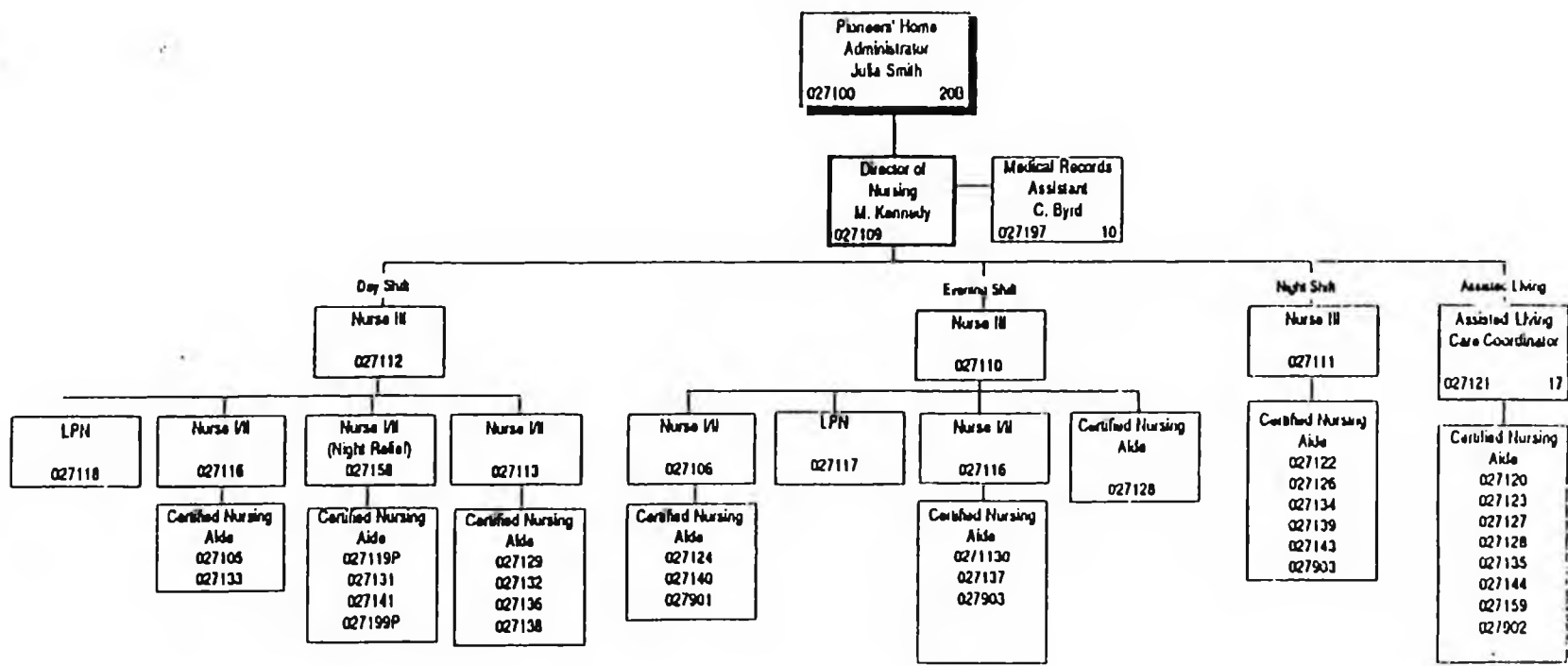
Department of Administration Division of Senior Services Senior Services Administration



Department of Administration
Division of Senior Services
Sitka Pioneers' Home

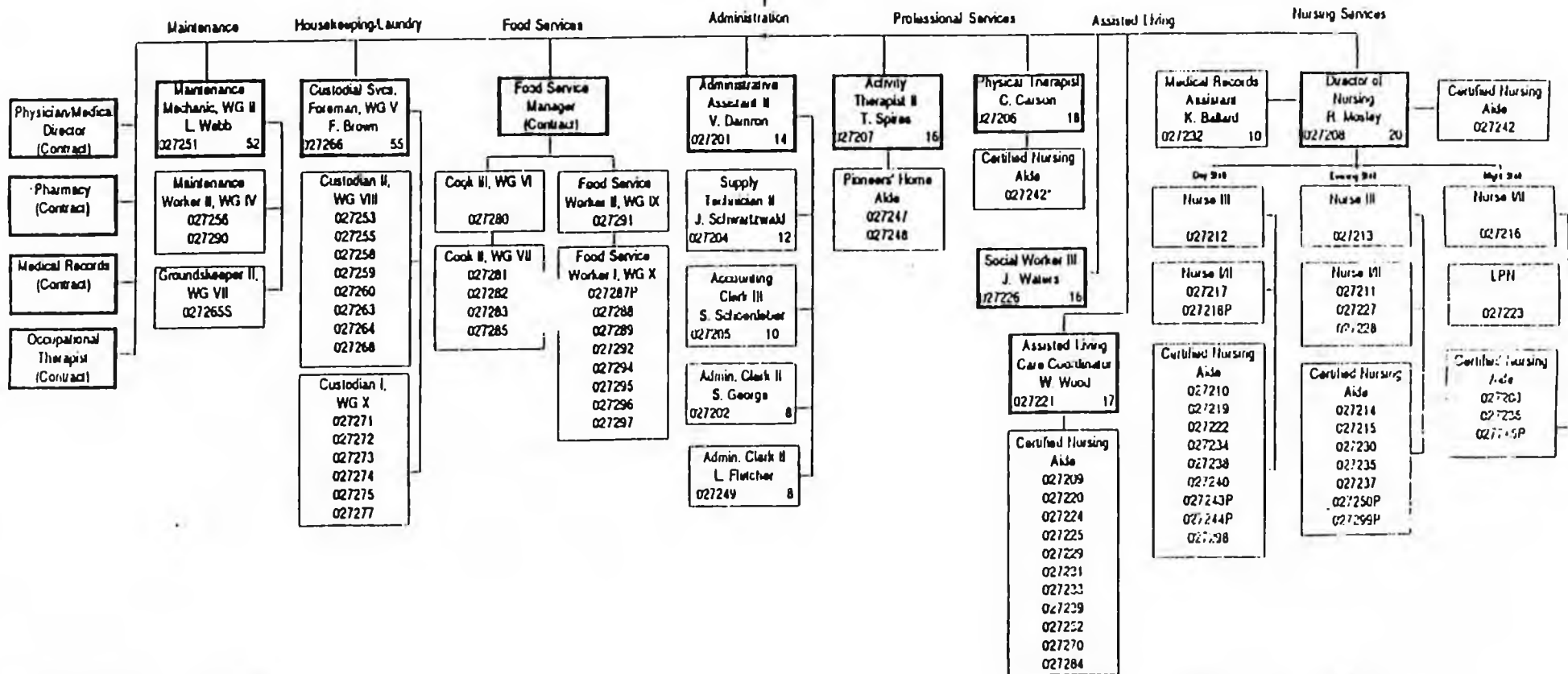


Department of Administration
Division of Senior Services
Sitka Pioneers' Home
Nursing Services



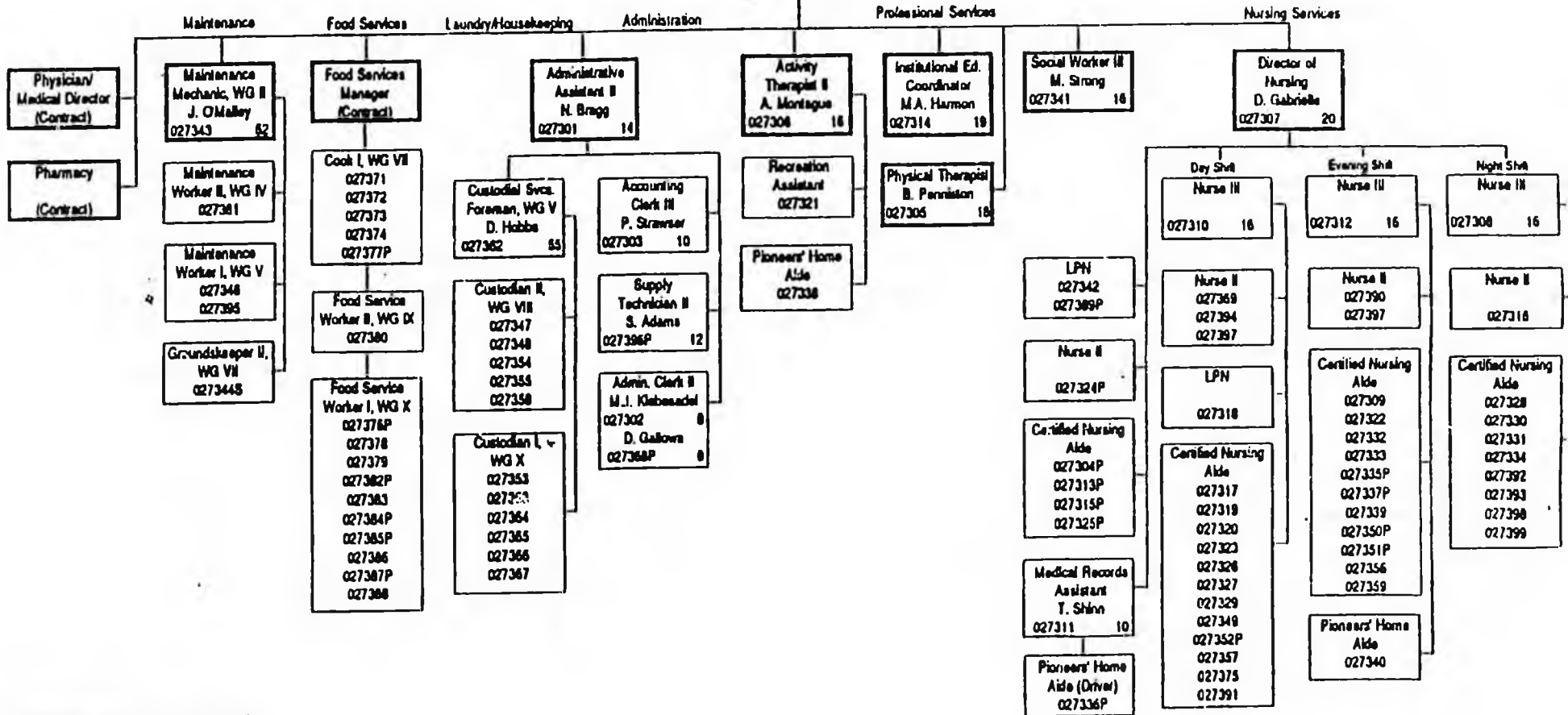
Department of Administration
Division of Senior Services
Fairbanks Pioneers' Home

Pioneers' Home
Administrator
Eileen Montano
027200 22



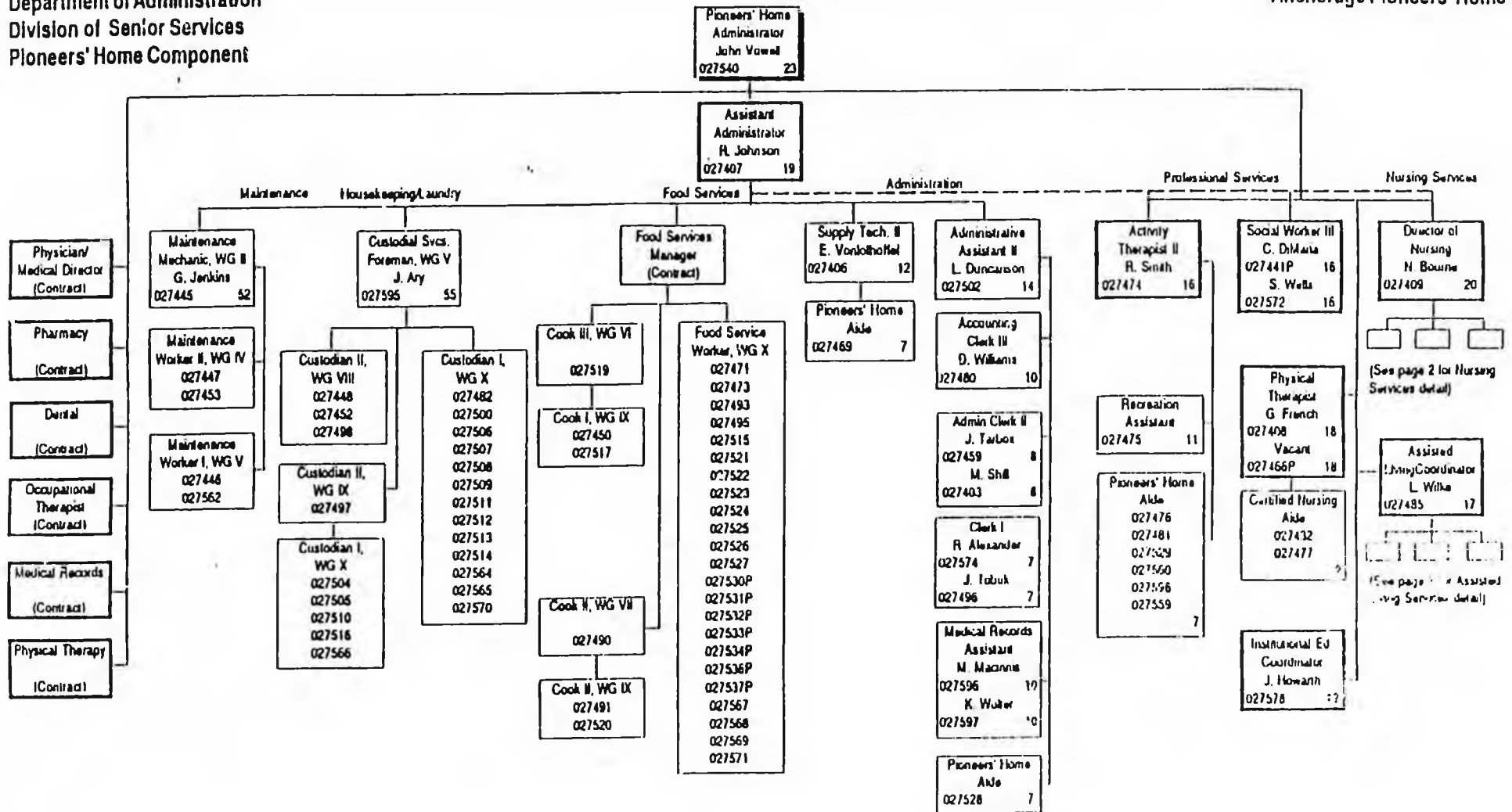
**Department of Administration
Division of Senior Services
Palmer Pioneers' Home**

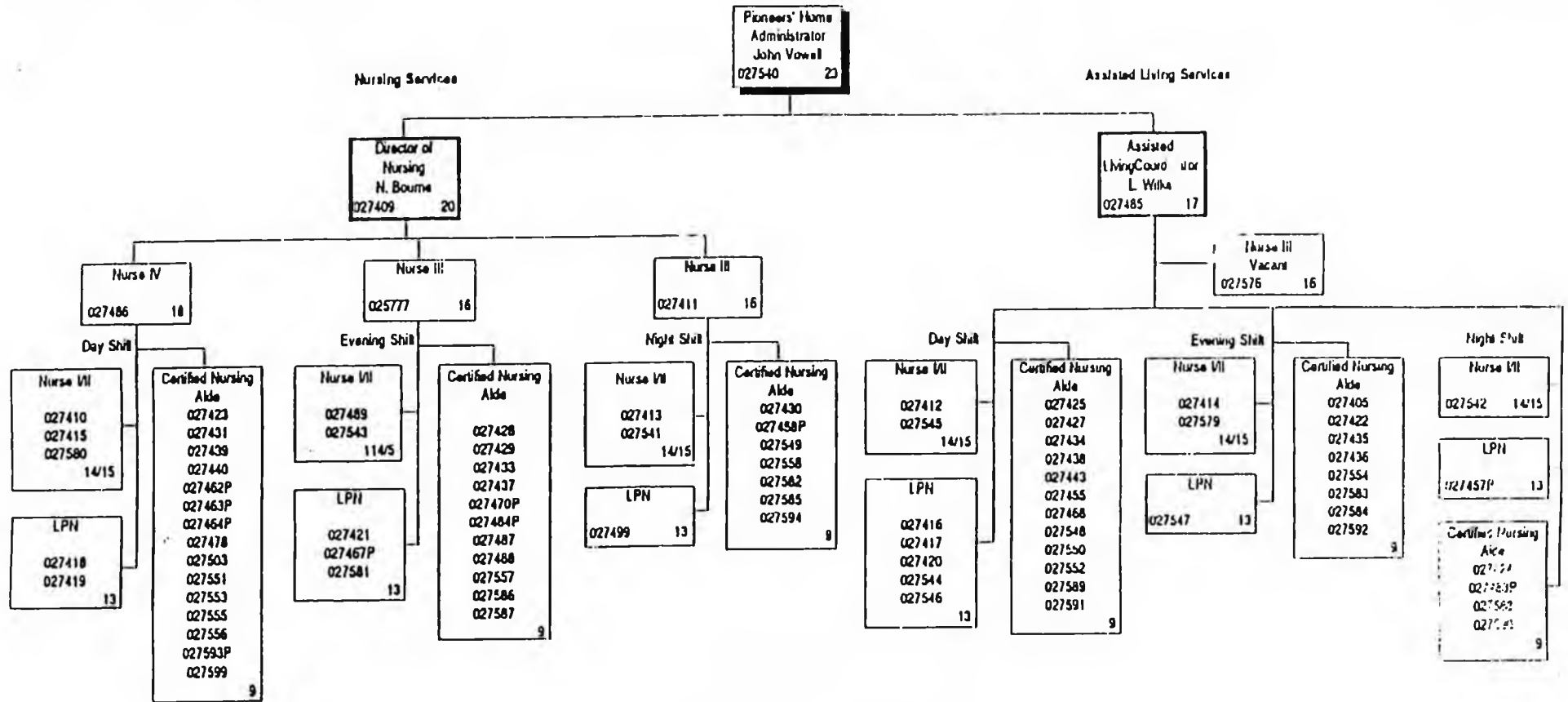
Pioneers' Home
Administrator
Gary Sheridan
027300 22



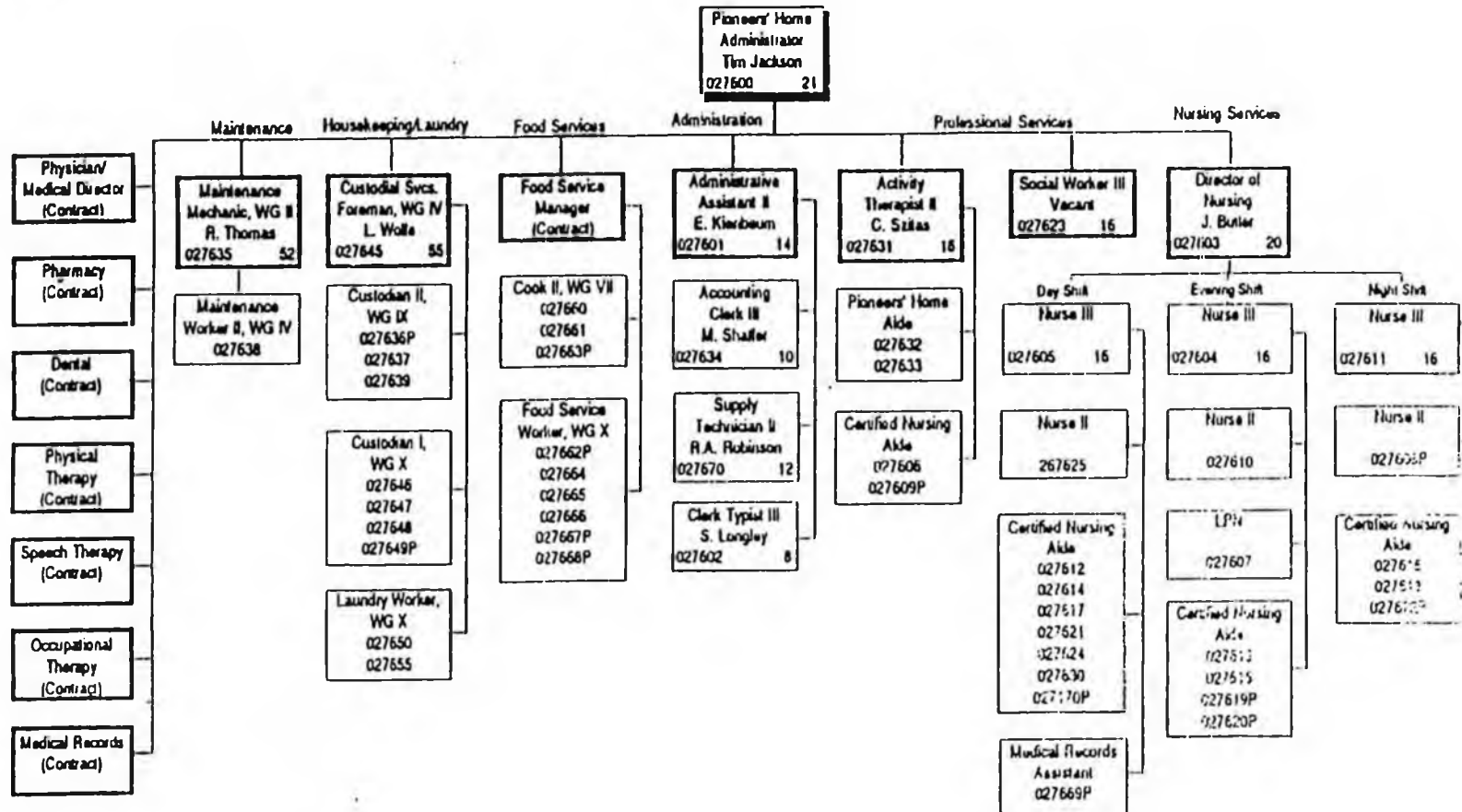
Department of Administration
 Division of Senior Services
 Pioneers' Home Component

Anchorage Pioneers' Home

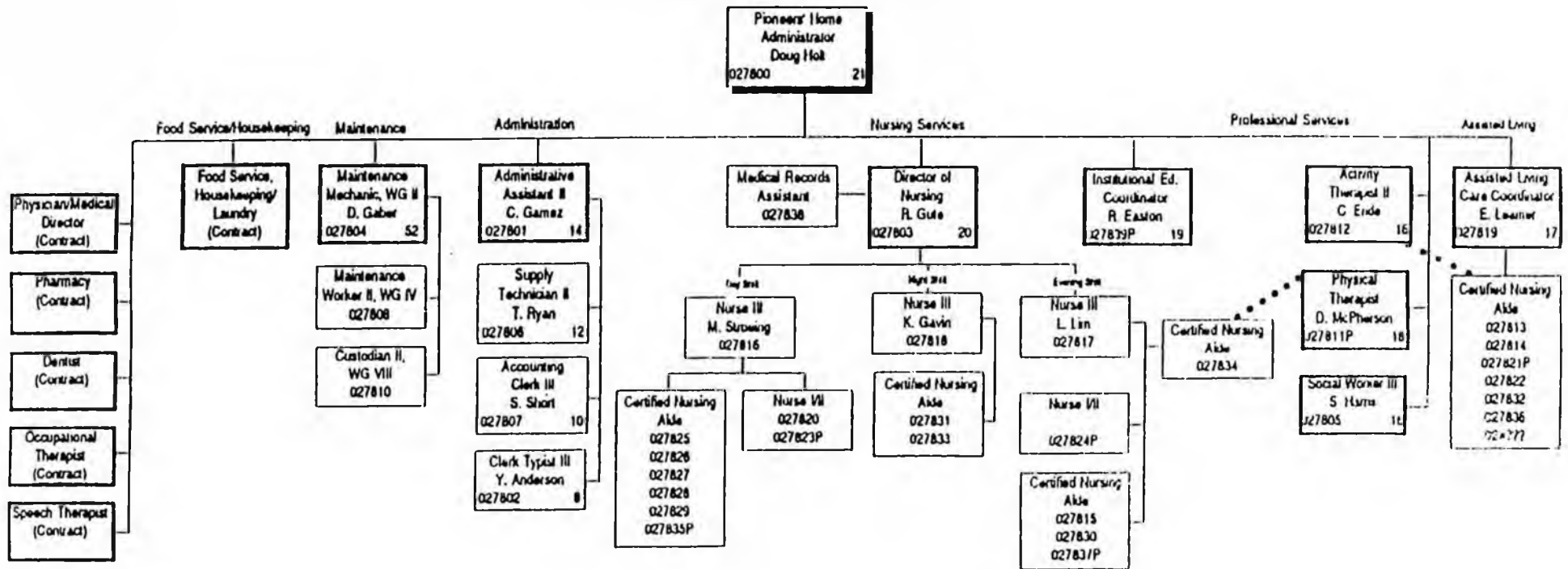




Department of Administration
Division of Senior Services
Ketchikan Pioneers' Home

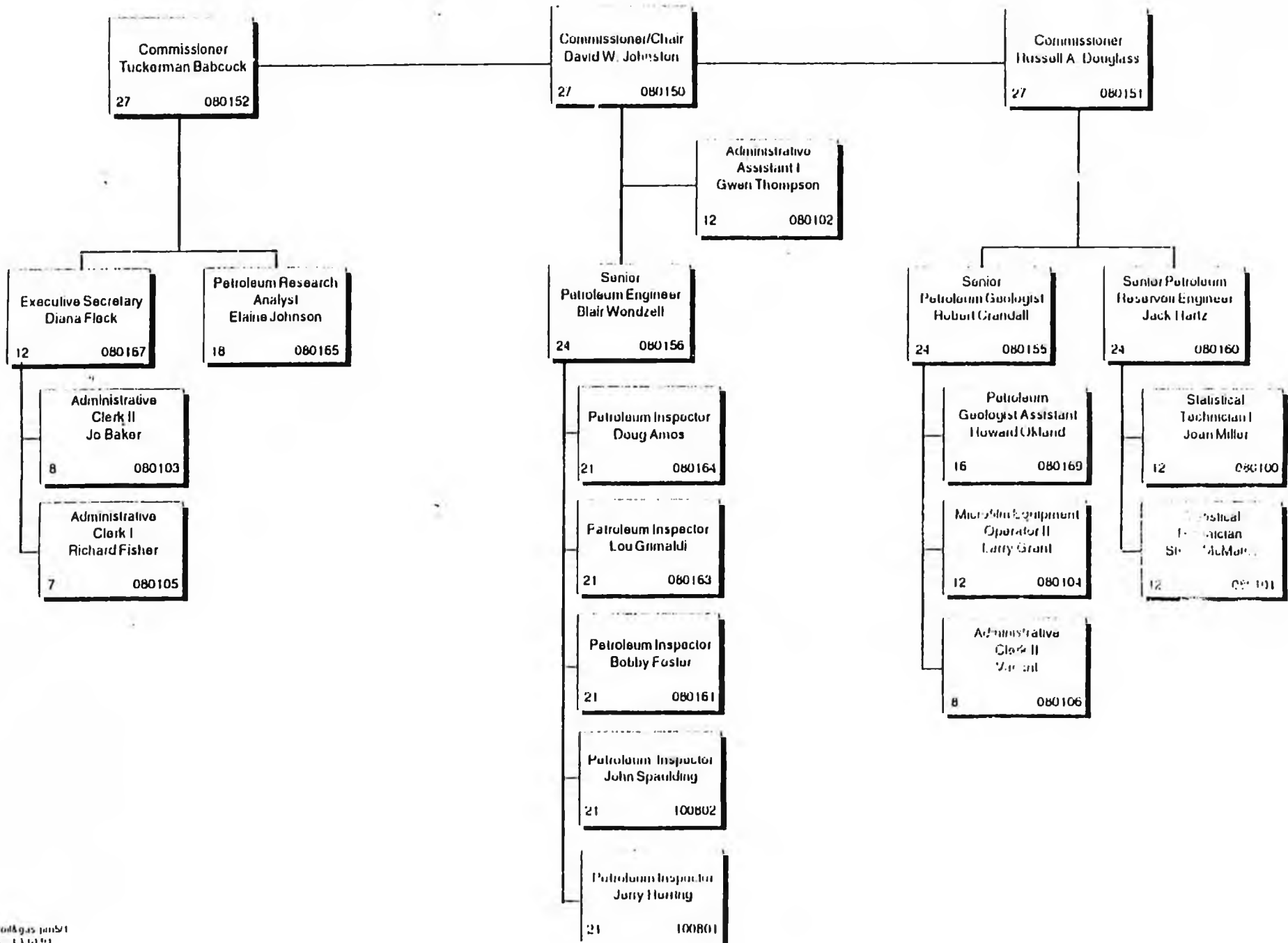


Department of Administration Division of Senior Services Juneau Pioneers' Home

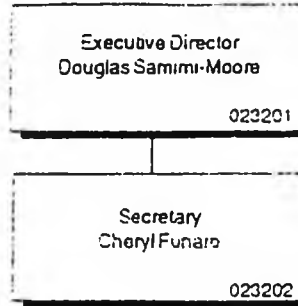


..... Position shared by both departments

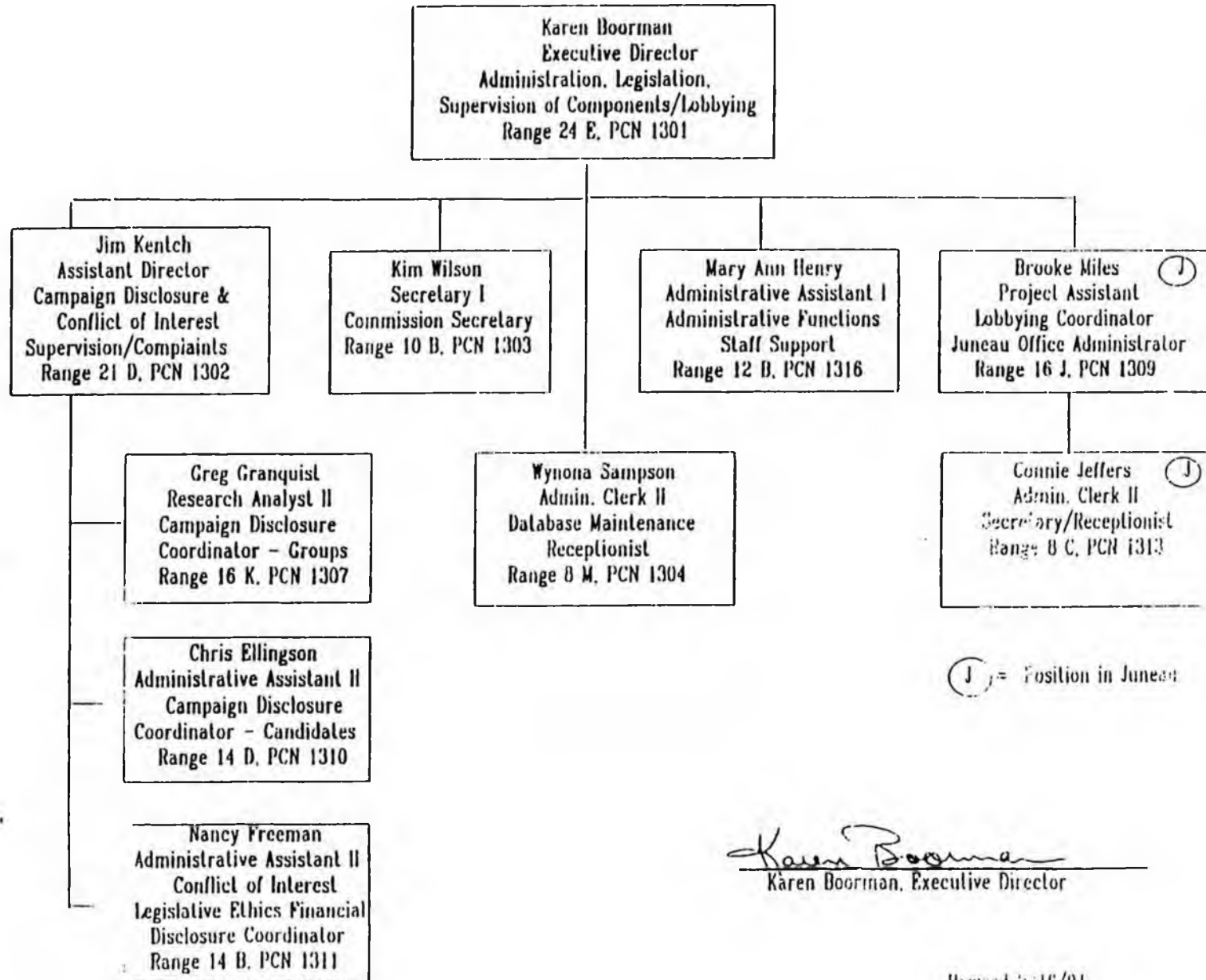
**DEPARTMENT OF ADMINISTRATION
ALASKA OIL AND GAS CONSERVATION COMMISSION**



DEPARTMENT OF ADMINISTRATION
ALASKA PUBLIC BROADCASTING COMMISSION



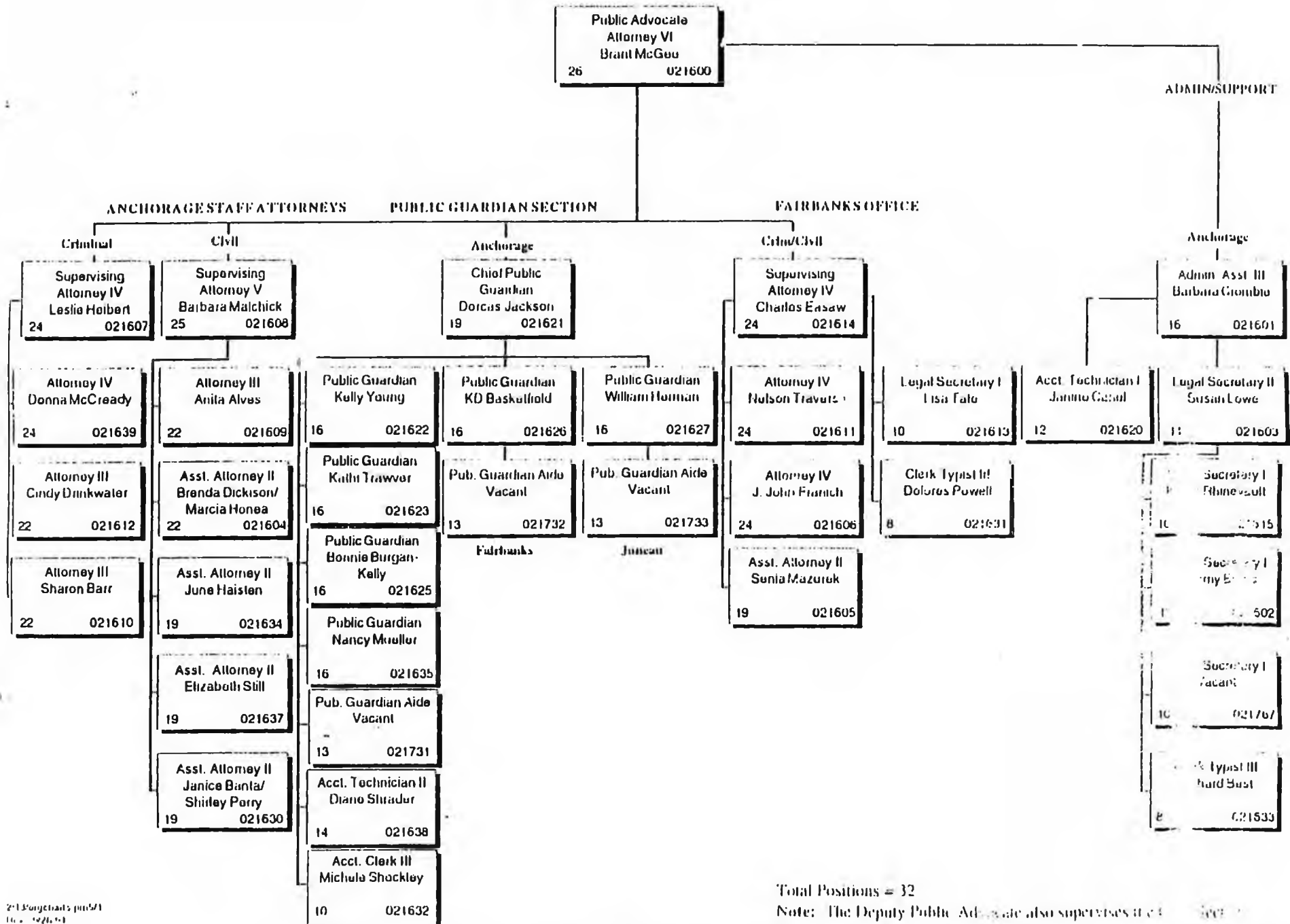
DEPARTMENT OF ADMINISTRATION
ALASKA PUBLIC OFFICES COMMISSION



(J) = Position in Juneau

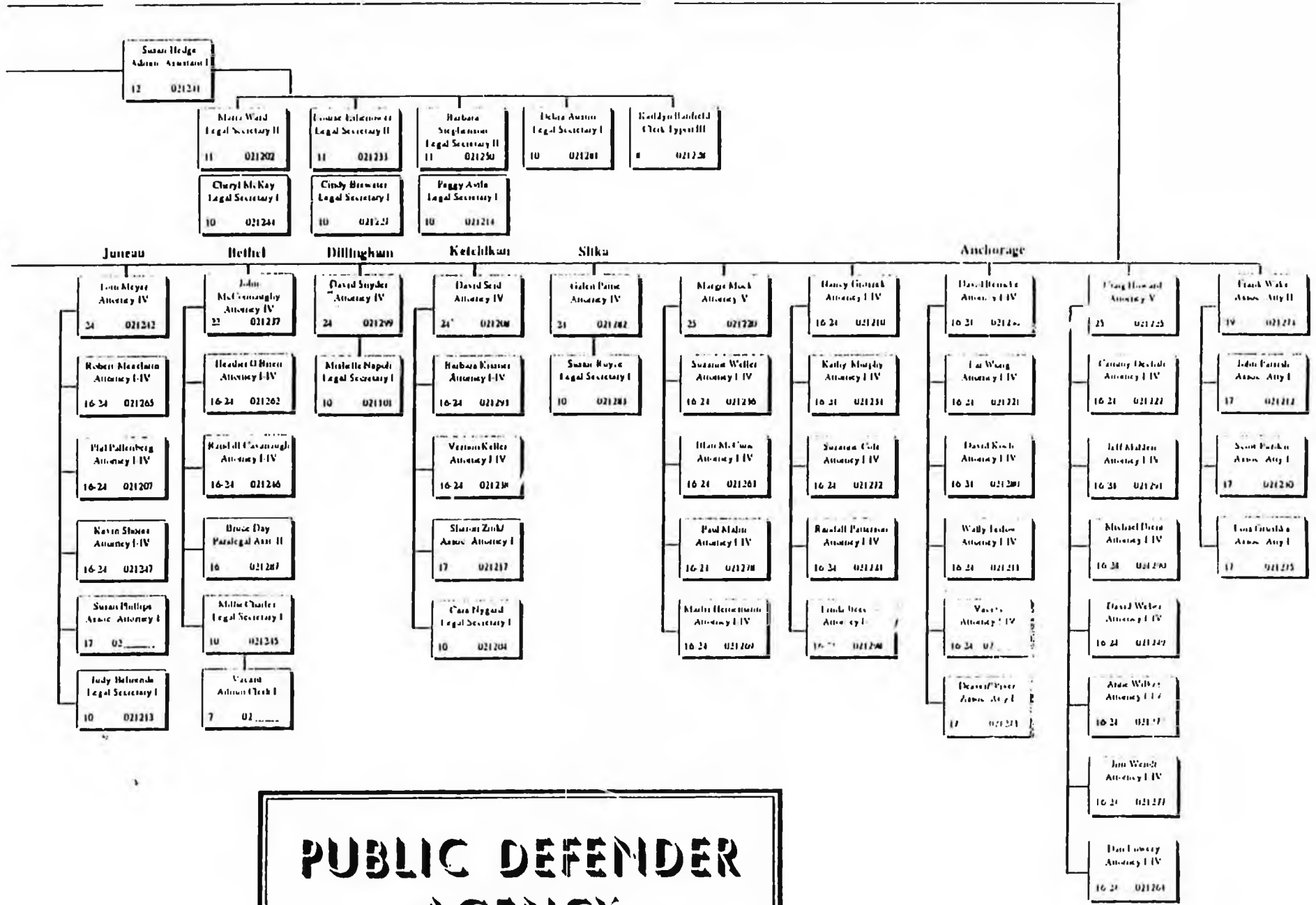
Karen Boorman
Karen Boorman, Executive Director

**DEPARTMENT OF ADMINISTRATION
OFFICE OF PUBLIC ADVOCACY**

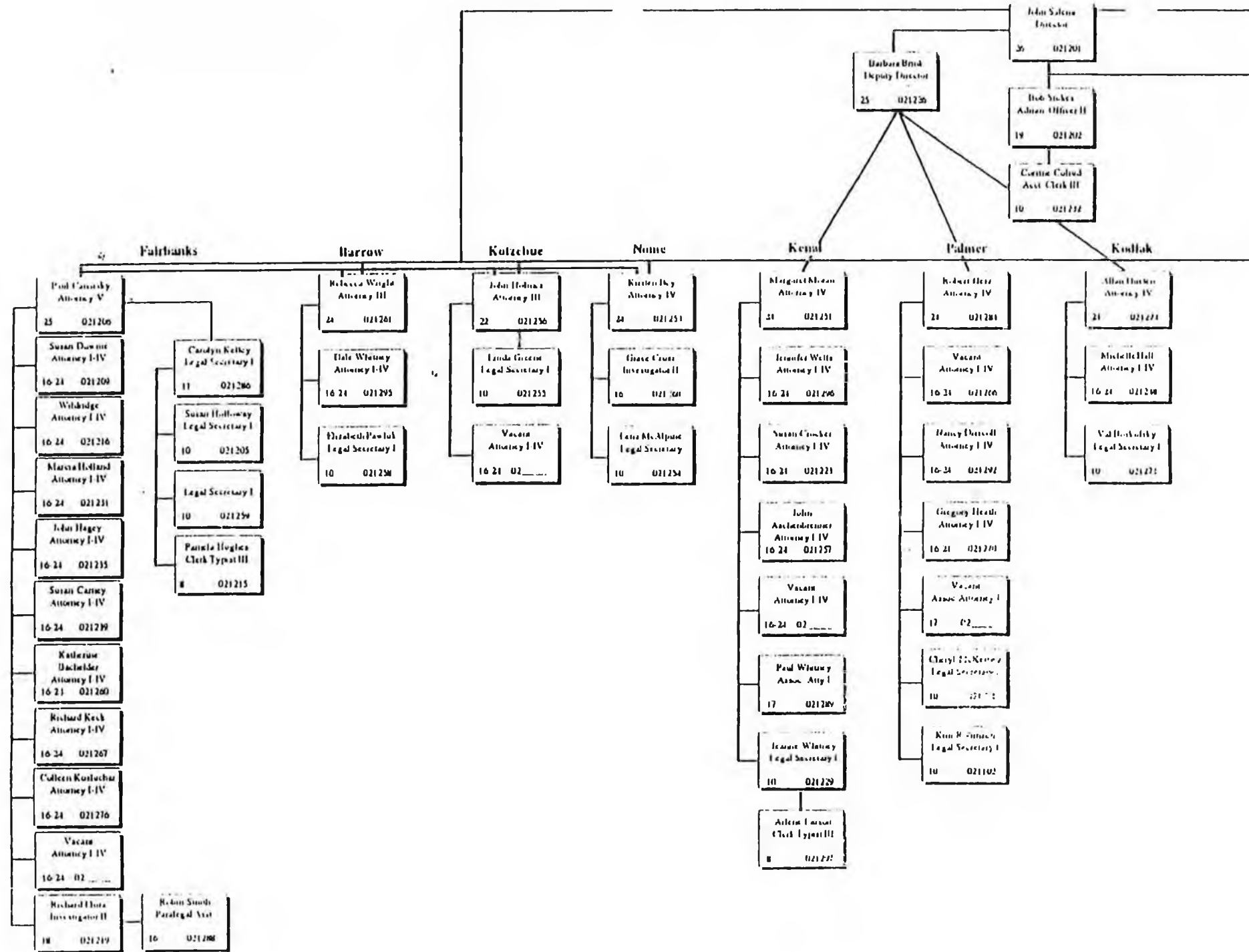


Total Positions = 32

Note: The Deputy Public Advocate also supervises the



**PUBLIC DEFENDER
AGENCY**



Attachment # 4
1/23/95

**DEPARTMENT OF CORRECTIONS
FACT SHEET
January 22, 1995**

◆	Total Offenders in system	6,783
◆	Incarcerated:	
	In-State Correctional Centers	2,704
	Out of State Correccetional Centers	159
	Felons	2,290
	Misdemeanants	494
◆	Probation/Parole Supervision	3,214
◆	Community Residential Placements	626
◆	Cost of Services:	
	In-State Correctional Centers	\$113 per manday, average
	Out of State Correctional Centers	\$59 per manday, average
	Community Residential Center	\$57 per manday, average
	Probation/Parole Suupervision	\$6 per manday, average
◆	Employees	1,329
◆	Alcohol involved offenses	85%-90% of total
◆	In-State Correctional Centers	12
◆	Probation/Parole Offices	14
◆	Budget	
	FY 95 Authorized	117,639.1
	FY 95 Fiscal Notes	2,608.5
	FY 95 Total	120,247.6
◆	Projected FY 95 Supplemental	13,000.0

Average Monthly DOC Inmate Population: Actual Counts*, With 206 Out-of-State Placements and Current CRC*, Wildwood Beds

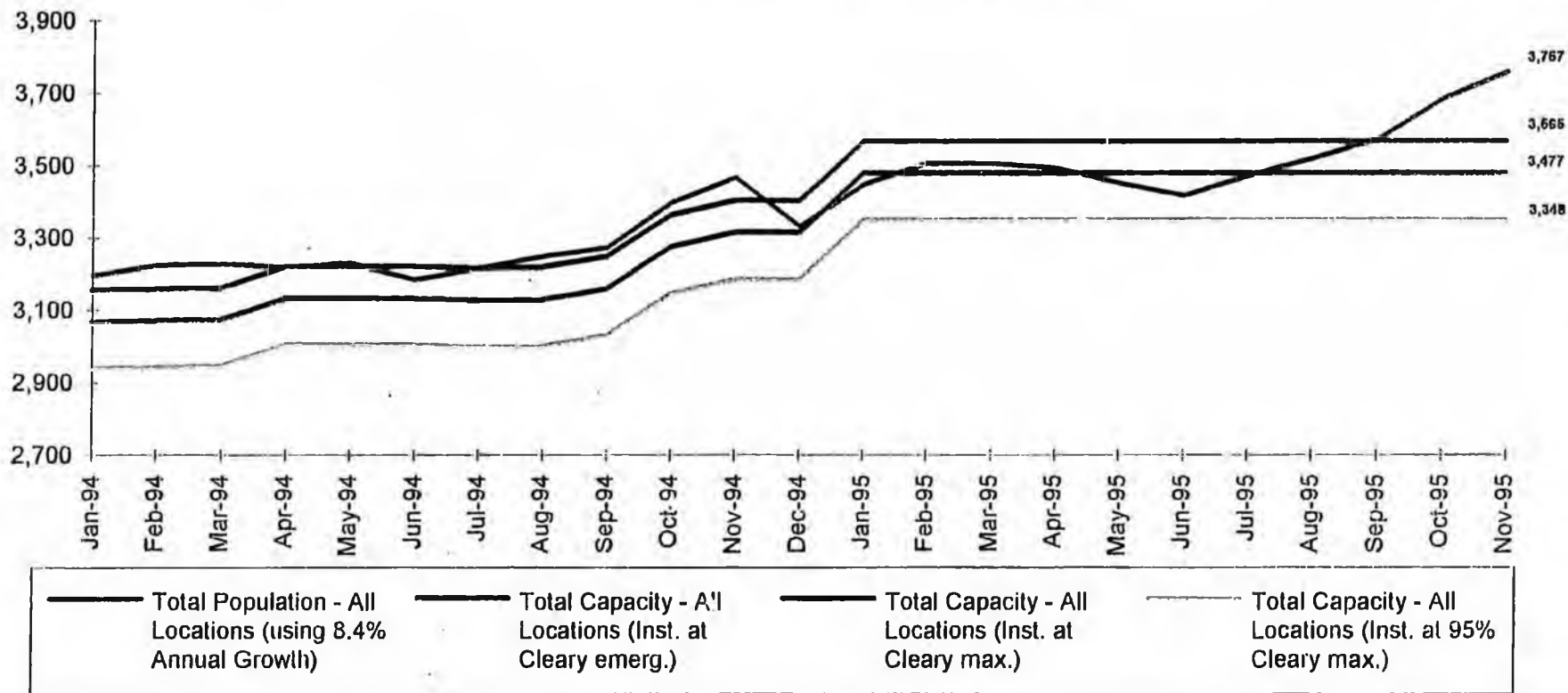


Exhibit B to Pugh Affidavit
P. 2 of 8

*Projected populations were computed using a 8.4% Annual Growth Rate.
Projected populations do not consider the impact of Juvenile Wavler or Conspracy crime bills

*41 CRC beds lapsed In January, 1095

Average Monthly DOC Inmate Population: Actual Counts*, Without 205 Out-of-State Placements and Current CRC*, Wildwood Beds

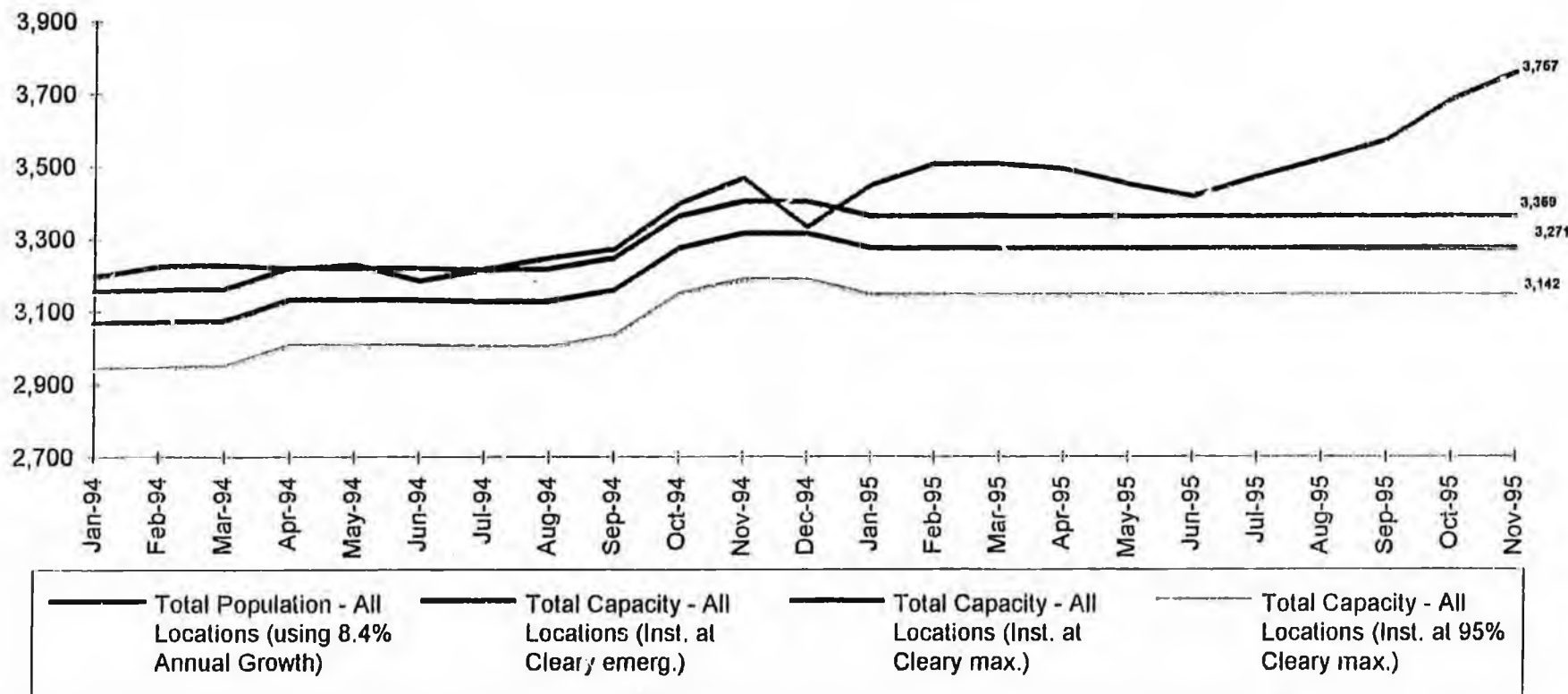


Exhibit B to Pugh Affidavit
P. 4 of 8

*Projected populations were computed using a 8.4% Annual Growth Rate.
Projected populations do not consider the impact of Juvenile Wavier or Conspiracy crime bills

*41 CRC beds lapsed in January, 1995

Average Monthly DOC Inmate Population: Actual Counts*, With 206 Out-of-State Placements and Current CRC*, Wildwood Beds

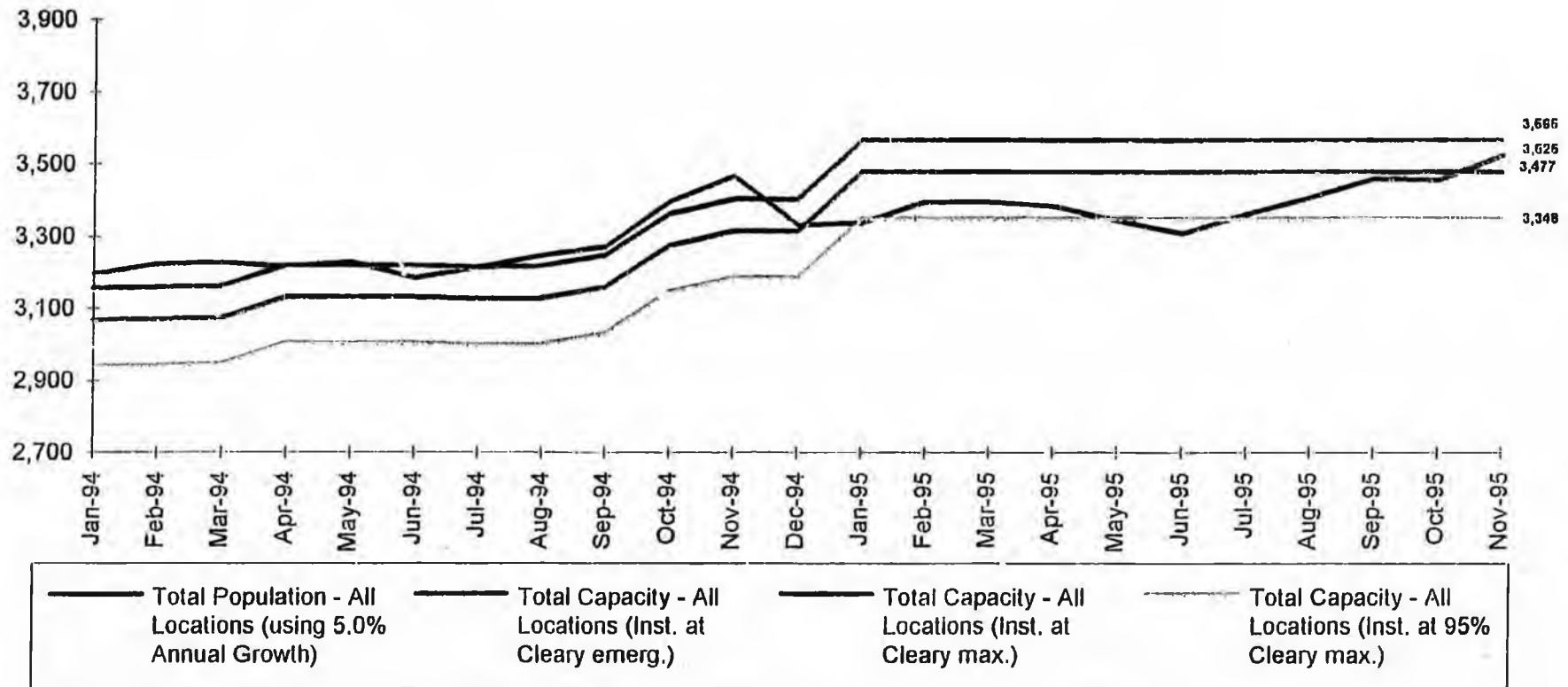


Exhibit B to Pugh Affidavit
P. 6 of 8

*Projected populations were computed using a 5.0% Annual Growth Rate.
Projected populations do not consider the impact of Juvenile Wavler or Conspiracy crime bills

*41 CRC beds lapsed in January, 1995

Average Monthly DOC Inmate Population: Actual Counts*, Without 206 Out-of-State Placements and Current CRC*, Wildwood Beds

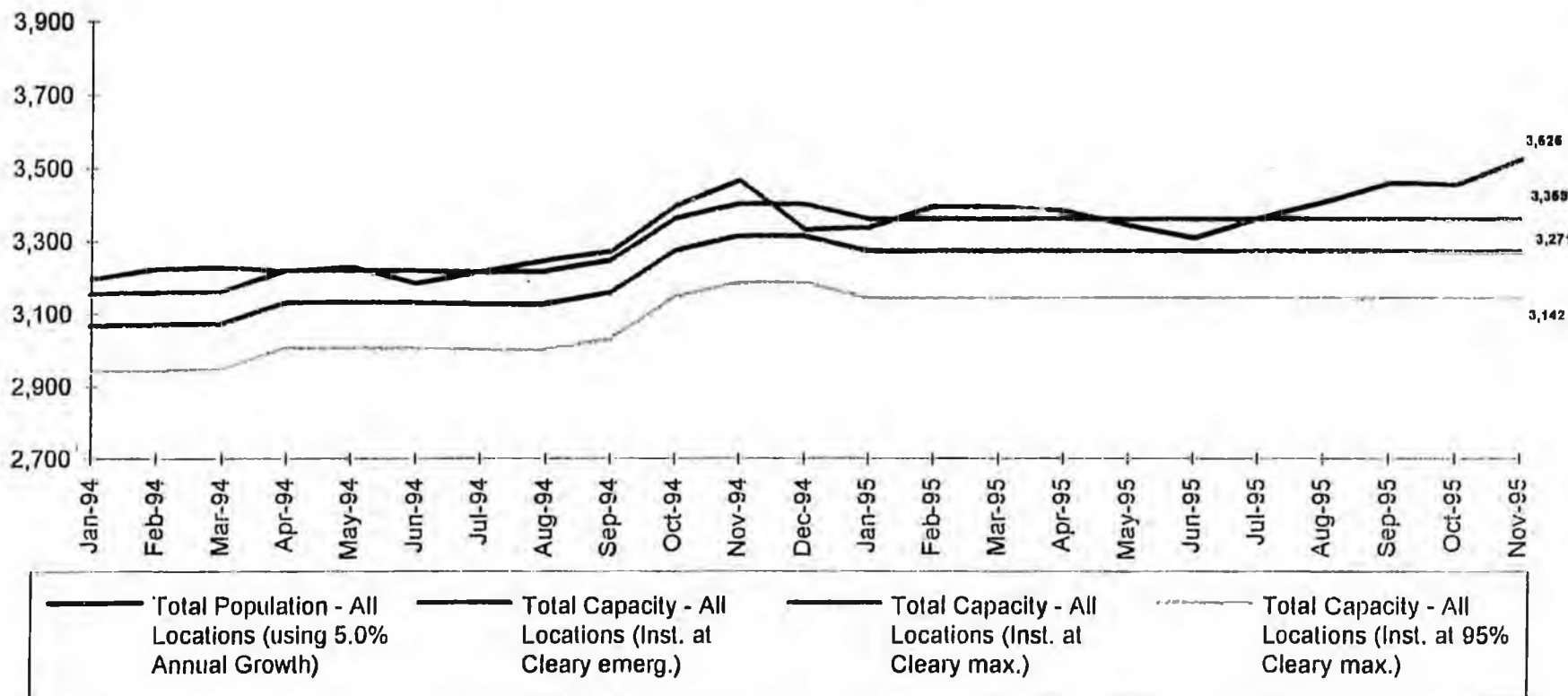
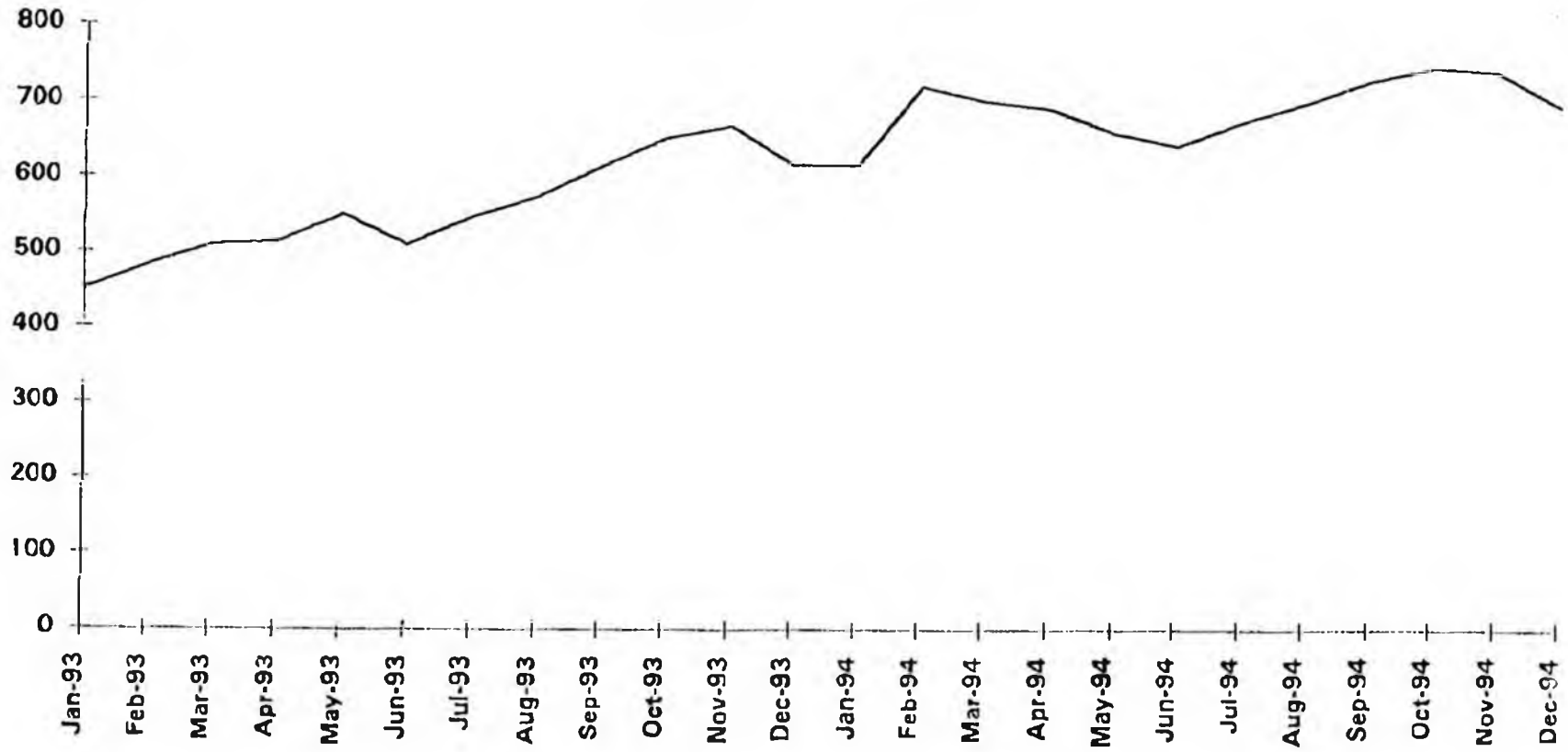


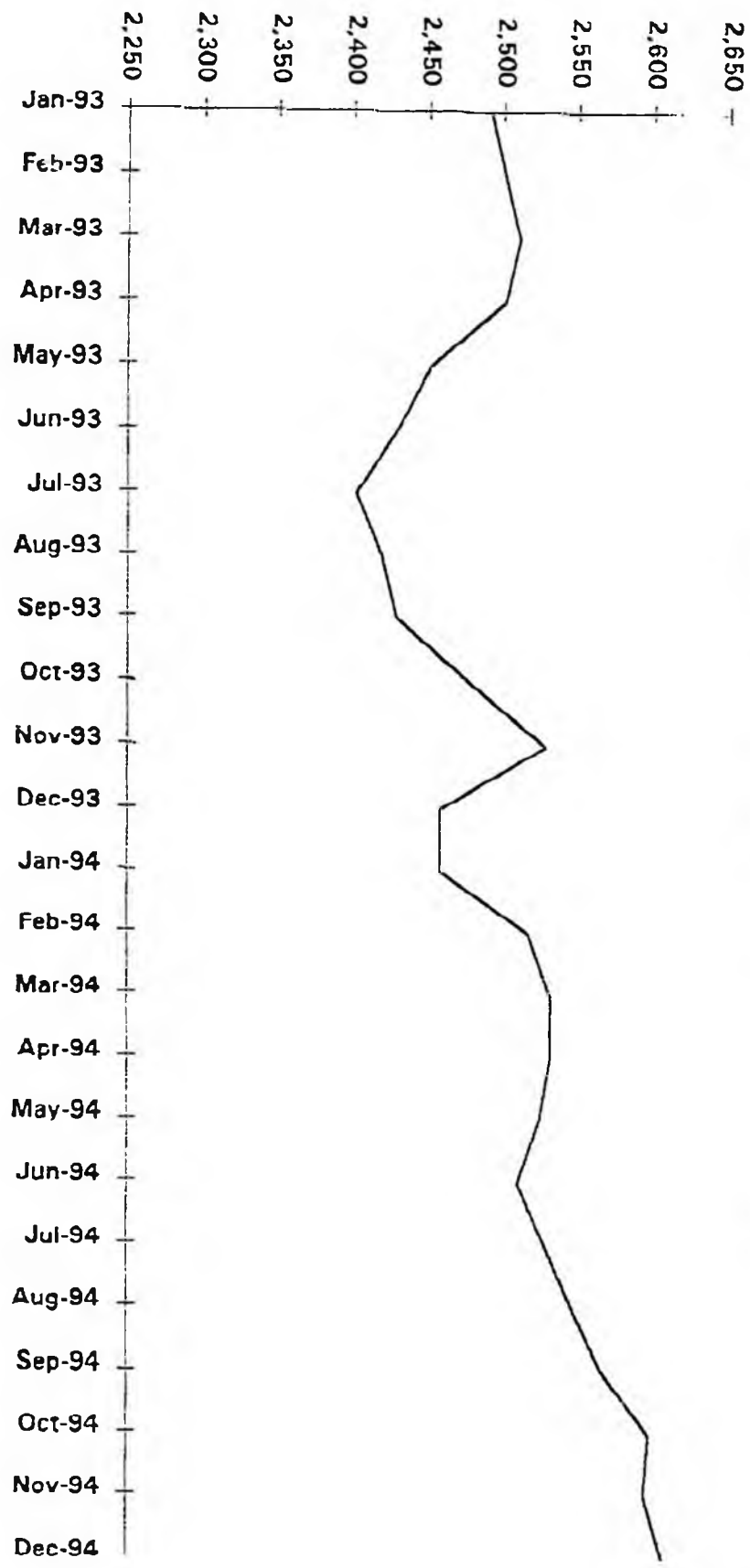
Exhibit B to Pugh Affidavit
P. 8 of 8

*Projected populations were computed using a 5.0% Annual Growth Rate.
Projected populations do not consider the impact of Juvenile Wavler or Conspiracy crime bills

*41 CRC beds lapsed in January, 1995

DOC Incarcerated Misdemeanant Population January 1993 - December 1994





DOC Incarcerated Felon Population January 1993 - December 1994

Attachment #5
1/23/95

Department of Education

House Finance Committee Overview

January 23, 1995



Department of Education
House Finance Committee Overview
January 23, 1995

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Mission/Functions	2
FY96 Organization Chart	3
Divisions/Programs	5
Formula Programs	9
Issues	13
Funding Summary	15
Funding History (All Funds)	16
FY95 to FY96 Comparison (All Funds)	17
Highlights FY96 General Fund Changes	18
Position Changes From FY95 Authorized to FY96 Request By Division	19

**State Board of Education
Members**

Stowell Johnstone, Chair

June Nelson, First Vice-Chair

Patti Norheim, Second Vice-Chair

Judy Norton

Robert Walp

Donald Fancher

John Hotzfield

Roger Jarvis, Military Advisor

Annette Evans, Student Advisor

**Department of Education
Commissioner**

Jerry Covey

Mission Statement

To assure student success and maintain and improve the quality of the state's education system, to assist adults in assuming a productive role in the Alaska economy by providing basic education and vocational rehabilitation services, and to maintain and make available to the public current and historical information, records and heritage.

Functions

Statutes governing operation of the Department of Education are included within AS 14, 23, 43 and 44.

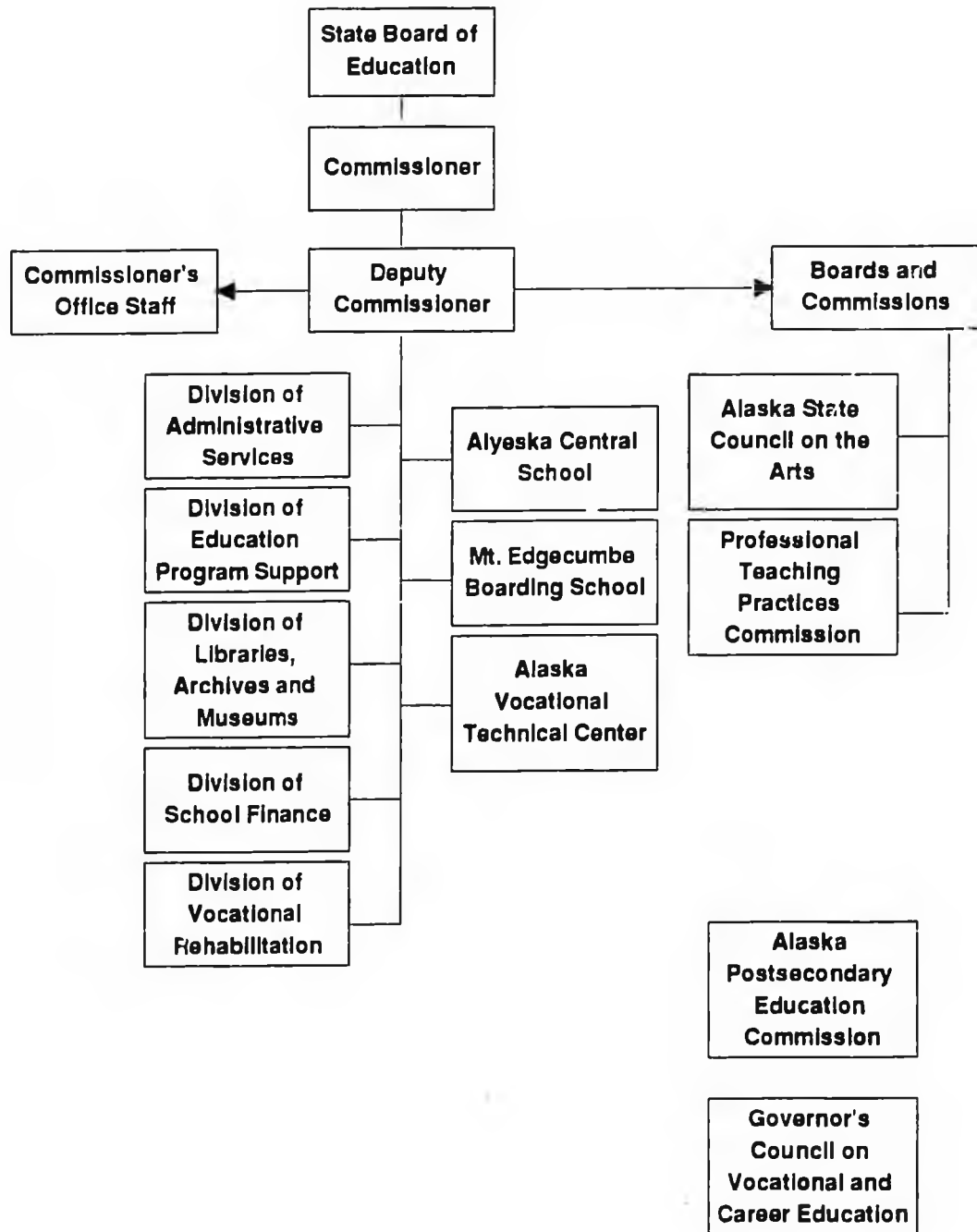
Duties of the Department - AS 14.07.020

- * Exercise general supervision over public schools
- Study conditions/needs of schools and recommend plans for improvement
- * Provide advisory/consultative services to public school personnel
- * Prescribe by regulation a minimum course of study
- * Provide services to children in detention facilities
- * Supervise pre-elementary schools receiving state or federal funds
- * Provide elementary and secondary correspondence study programs
- * Provide educational opportunities in vocational education and training, and basic education for individuals over sixteen
- * Administer grants awarded under certain programs
- * Establish school bus driver training and bus inspection programs

Additional statutory responsibilities

- * Teacher Certification
- * Administration of grants to school districts
 - Foundation
 - Tuition
 - Pupil Transportation
 - School Construction (Debt Retirement and Capital Account)
- * Vocational Education
- * Vocational Rehabilitation
- * State Museums
- * State Library
- * State Archives and Records Management
- * Mt. Edgecumbe High School
- * Alaska Vocational Technical Center (AVTEC)
- * Professional Teaching Practices Commission
- * Alaska State Council on the Arts

Alaska Department of Education FY96 Organization



Divisions/Programs

Divisions/Programs

Alaska Vocational Technical Center

The Alaska Vocational Technical Center (AVTEC), located in Seward, provides vocational training to students seeking entry level employment and for individuals seeking training to improve their job skills. The courses offered meet industry employment demands and allow graduates the opportunity to acquire employment in Alaska.

Alaska Postsecondary Education Commission

The Alaska Postsecondary Education Commission (ACPE), comprised of 14 members, was established in 1974 to assure that Alaskans have the opportunity to pursue postsecondary education by providing student financial assistance and that quality education programs are available to students in the state.

Alaska State Council on the Arts

The Alaska State Council on the Arts (ASCA) is an eleven member board appointed by the governor to promote access to, awareness of and participation in the arts in Alaska.

Alyeska Central School

The Alyeska Central School (ACS), Alaska's centralized correspondence school, provides a cost effective educational program for Alaskan students who elect to complete their studies at home.

Education Program Support

The Division of Education Program Support's (EPS) objective is to ensure that all Alaskan students will receive and succeed in a "world class" education. EPS provides leadership, advocacy, supervision and technical support to school districts to assure student success and the delivery of quality education within the framework of state and federal mandates. Programs administered by EPS include Community Schools, Special and Supplemental Services, Basic Education and Instructional Improvement, Education Special Projects, Adult Basic Education, Vocational Education and Child Nutrition Services.

Executive Administration

Executive Administration includes the State Board of Education, Commissioner's Office, Human Resources and the Division of Administrative Services. The State Board of Education provides policy direction to the department which is carried out by the leadership and oversight of the commissioner. The Division of Administrative Services (DAS) provides management support to all divisions including finance and accounting, data processing, procurement and supply. Also included under DAS is the Teacher Certification Unit which is responsible for issuing Alaska certification to all eligible applicants and approving teacher education training programs at institutions of higher education. Human Resources provides employee relations, collective bargaining and payroll services.

Governor's Council on Vocational and Career Education

The Governor's Council on Vocational and Career Education is a thirteen member council appointed by the governor to advise the governor, legislature, State Board of Education, the Job Training Council, the Board of Regents and the business community on issues concerning vocational education and training programs in the state.

Kotzebue Technical Center

The Kotzebue Technical Center provides adult vocational training programs in building industrial technology, office occupations, health occupations and employability and communication skills. The Department of Education's budget includes funding for the Kotzebue Technical Center through a grant to the Northwest Arctic Borough School District.

Libraries, Archives and Museums

The Division of Libraries, Archives and Museums collects, maintains and preserves papers and objects important to the state's history. The State Library serves as the information resource for and about state government to state agencies, the legislature and the general public. Archives and records management stores and preserves the public papers of the state. State museums preserve and exhibit the cultural heritage of Alaska.

Mt. Edgecumbe Boarding School

The Mt. Edgecumbe Boarding School in Sitka provides a rigorous academic program for students with needs that are not met through their own high school, correspondence program, or a boarding home.

Professional Teaching Practices Commission

The Professional Teaching Practices Commission (PTPC) is a nine-member commission appointed by the governor to establish criteria for and monitor the professional conduct of educators in Alaska.

School Finance

The Division of School Finance requests and distributes state and federal funds to school districts in support of public education. In addition, the division is responsible for the collection, analysis and compilation of education program and finance data. The division provides statewide oversight for educational facilities renovation and construction and evaluates and ranks bond reimbursement and capital project grant requests. The coordination of the development of the student performance standards and the administration of the statewide student assessment program is also accomplished through this division.

State Board of Education

The State Board of Education is the head of the department and consists of seven members appointed by the governor. The board sets the policies and goals for the Department of Education. Support for the state board is provided by the commissioner's office and all department staff.

Vocational Rehabilitation

The Division of Vocational Rehabilitation is a combined federal/state program under the authority of the federal Rehabilitation Act of 1973, as amended. The division's mission is to assist individuals with disabilities to overcome barriers to employment, and achieve independence and community integration. In addition, the division is responsible for administering the Small Business Enterprise Program, the federal assistive technology program, monitoring compliance with the requirements of the Americans With Disabilities Act for state agencies, determining eligibility for social security benefits through the disability determination unit, and providing support to the Independent Living Council for statewide services.

Formula Programs

Formula Programs

Foundation Program

The Foundation Program provides the primary state financial support for the 54 school districts, Mt. Edgecumbe Boarding School and the state's centralized correspondence study program. In FY95, about \$629 million will be distributed to the school districts, according to "Basic Need", as determined by AS 14.17.021, less required local contributions and deductions for eligible Impact Aid. Alaska Statutes 14.17.170 requires that foundation payments are distributed to school districts for the first nine months of the fiscal year based on the total funding received during the preceding fiscal year. The last three months of payments are adjusted to provide each district with its revised entitlement based on current year student count data. The amount requested is based on student count projections, submitted by each school district. The actual funds needed for this program may vary depending upon the actual student counts, local contributions, and federal PL 81-874 receipts.

Cigarette Tax Distribution

Alaska Statutes 43.50.140 provides that the proceeds derived from the payment of taxes, fees, penalties and license fees received by the Department of Revenue shall be paid into a state fund entitled "School Fund." Funds shall be used exclusively for rehabilitation, construction and repair of the state's school facilities, and for the cost of insurance on school facilities. The funds are distributed in direct proportion to the number of students enrolled in the participating city/borough school districts. Cigarette tax funds are offset against reimbursement for school bond debt in accordance with AS 14.11.100(b).

Tuition Students

Tuition payments are made to individual school districts to compensate for the loss of revenue caused by children living in mission homes or other nonprofit institutions and children who custody has been placed elsewhere by decree of the court. The residence of the child is exempt from local property tax. The program provides revenue in excess of basic need comparable to excess local contributions. Administrative regulation 4 AAC 09.030 provides that the tuition rate shall be based upon the amount expended annually from local funds for current operation and capital outlay for the prior year divided by the average daily membership (ADM). Approximately 826 students are being served statewide under this program.

Boarding Home Grants

Boarding Home grants are paid to school districts serving high school students who cannot complete a high school education where they reside. Boarding care costs and transportation to and from the boarding home are paid for by the Boarding Home grants. These funds are paid on a reimbursement basis to provider districts. In the current year, approximately 40 students are being served through this program.

Youth in Detention

This program provides reimbursement to school districts for the additional cost of providing educational programs to incarcerated youth in facilities such as the Johnson Youth Center, McLaughlin Youth Center, Fairbanks Youth Center, Bethel Youth Facility and the Nome Youth Facility.

Formula Programs (continued)

Schools for the Handicapped

This program provides funding for support services to special education students who cannot be served adequately in the mainstream classroom environment. Funding is provided to the Special Education Service Agency (SESA) in accordance with AS 14.30.600-660 for outreach services to school districts that serve low incidence severely disabled students. The Alaska Youth Initiative is a cooperative program of the Departments of Education and Health and Social Services and is designed to prevent out-of-state institutionalization of Alaska's trouble youth by providing comprehensive services in Alaska. The Providence Heights School serves students who are patients of the Alaska Psychiatric Hospital and the Alaska State School for the Deaf provides services for students who are not able to receive an adequate program in their home district.

Pupil Transportation

In accordance with AS 14.09.010, the department may provide for the transportation of students. Subject to availability of funds, the department reimburses school districts for the cost of all approved regular routes, special education routes, other conveyance routes, and in-lieu-of agreements. In addition, the department may provide transportation for children attending non-public schools, where the distances and routes traveled are comparable to those traveled by public school students and integrating non-public student transportation into existing systems where feasible.

Child Nutrition Programs

This program distributes federal funds for reimbursement of meals served to eligible children and adults in approved agencies. The federal funds earned by sponsors for reimbursable meals or milk served in participating schools, child or adult day care facilities, residential child care institutions, homeless shelters, or camps help subsidize the meal costs incurred by the sponsor.

Community Schools

Through grants to local school districts, the department provides funding to make school facilities available for community use, when they are not needed for regular school activities. In many communities, the school is the center of local activities, providing a place for both youth and adults to attend instructional classes. For many rural communities, the school is the only facility available for these activities to occur.

Significant Issues

- **Equity and adequacy of funding for school districts**
- **Funding for school construction and maintenance projects**
- **Potential liability to pollution at REAA school sites**
- **Development and implementation of student performance standards and assessment to coincide with national Goals 2000 school reform initiative**
- **Non-public pupil transportation**
- **Access to education through technology**
- **Alaska Youth: School to work transition**
- **"Healthy Start" for all children entering school**

Funding Summary

House Finance Committee Overview

Department of Education Funding History (All Funds)

(Does not include Alaska Postsecondary Education Commission)

	FY91 Actual	FY92 Actual	FY93 Actual	FY94 Actual
Formula Programs				
Foundation	526,382.6	560,353.4	612,698.6	610,598.4
Additional District Support	372.6	2,131.2	3,422.2	3,358.1
Cigarette Tax	2,600.0	2,500.0	2,700.0	2,721.0
Tuition Students	13,878.5	13,878.5	13,580.4	1,853.7
Boarding Home Grants	223.2	230.0	340.0	151.2
Youth in Detention	794.9	800.0	800.0	800.0
Schools for the Handicapped	2,772.6	2,977.5	2,977.5	2,977.5
Pupil Transportation	24,737.0	28,572.0	28,572.0	29,025.9
Child Nutrition	13,814.4	15,625.0	17,503.5	19,720.5
School Debt Reimbursement	116,688.6	127,671.8	125,407.9	99,798.2
Community Schools	579.0	595.5	588.5	599.6
Subtotal Formula Programs	702,843.4	755,334.9	808,590.6	771,604.1
Federal Receipts	34,438.4	35,580.2	59,677.8	36,708.1
General Fund	542,101.2	582,083.9	612,495.9	623,924.1
Other Funds	126,303.8	137,670.8	136,416.9	110,971.9
Total Formula Funding	702,843.4	755,334.9	808,590.6	771,604.1
Agency Operations				
School Finance	2,348.0	2,690.7	2,343.9	1,586.4
Education Program Support	47,879.3	46,816.2	49,235.0	51,993.8
Executive Administration	2,210.8	3,147.3	3,102.5	3,340.4
Correspondence Study State	0.0	5,328.6	3,757.1	3,904.3
Professional Teaching Practices	183.6	123.9	174.2	187.3
Alaska State Council on the Arts	1,960.2	1,819.0	1,694.2	1,694.2
Kotzebue Technical Center Grant	965.7	914.5	848.7	848.7
Alaska Vocational Technical Center	4,801.1	4,867.8	4,528.2	4,606.3
Mt. Edgecumbe Boarding School	3,489.0	3,615.2	4,172.1	4,170.2
Vocational Rehabilitation	14,067.5	14,988.4	16,680.1	15,805.1
Libraries, Archives & Museums	7,427.2	7,208.7	6,951.8	6,825.4
Subtotal Agency Operations	85,332.4	91,520.3	93,487.8	94,962.1
Federal Receipts	45,770.9	52,205.2	57,550.7	59,509.7
General Fund	30,258.5	28,743.4	27,007.2	26,786.8
Other Funds	9,303.0	10,571.7	8,929.9	8,665.6
Total Agency Operations Funding	85,332.4	91,520.3	93,487.8	94,962.1
Total Education	788,175.8	846,855.2	902,078.4	866,566.2
DOE Positions:				
Full-Time	412.0	413.0	386.0	377.0
Part-Time	99.0	99.0	106.0	103.0

**Department of Education
FY95 to FY96 Comparison (All Funds)**

(Does not include Alaska Postsecondary Education Commission)

	FY95 Authorized	FY96 Dec. 15	FY95/96 Change	% Change
<i>Formula Programs</i>				
Foundation	629,338.0	649,913.9	20,575.9	3.3%
Additional District Support	3,639.8	0.0	-3,639.8	-100.0%
Cigarette Tax	2,668.1	2,655.0	-13.1	-0.5%
Tuition Students	1,731.2	1,731.2	0.0	0.0%
Boarding Home Grants	355.0	355.0	0.0	0.0%
Youth in Detention	800.0	800.0	0.0	0.0%
Schools for the Handicapped	3,447.6	3,471.0	23.4	0.7%
Pupil Transportation	31,564.8	32,344.4	779.6	2.5%
Non-Public Pupil Transportation	0.0	3,000.0	3,000.0	100.0%
Child Nutrition	22,000.0	22,000.0	0.0	0.0%
School Debt Reimbursement	103,345.3	80,322.4	-23,022.9	-22.3%
Community Schools	600.0	600.0	0.0	0.0%
Subtotal Formula Programs	799,489.8	797,192.9	-2,296.9	-0.3%
Federal Receipts	43,806.1	42,791.0	-1,015.1	-2.3%
General Fund	642,853.7	666,029.8	23,176.1	3.6%
Other Funds	112,830.0	88,372.1	-24,457.9	-21.7%
Total Formula Funding	799,489.8	797,192.9	-2,296.9	-0.3%
<i>Agency Operations</i>				
School Finance	1,934.2	2,222.0	287.8	14.9%
Education Program Support	54,177.7	59,628.7	5,451.0	10.1%
Executive Administration	3,402.8	3,212.3	-190.5	-5.6%
Correspondence Study State	3,532.2	3,532.2	0.0	0.0%
Professional Teaching Practices Comm	188.2	188.2	0.0	0.0%
Alaska State Council on the Arts	1,537.4	1,519.9	-17.5	-1.1%
Kotzebue Technical Center Grant	814.0	814.0	0.0	0.0%
Alaska Vocational Technical Center	4,627.4	4,627.4	0.0	0.0%
Mt. Edgecumbe Boarding School	4,066.1	4,066.1	0.0	0.0%
Vocational Rehabilitation	19,042.3	19,155.5	113.2	0.6%
Libraries, Archives & Museums	7,158.7	7,164.9	6.2	0.1%
Subtotal Agency Operations	100,481.0	106,131.2	5,650.2	5.6%
Federal Receipts	64,400.8	69,823.4	5,422.6	8.4%
General Fund	26,457.3	26,548.6	91.3	0.3%
Other Funds	9,622.9	9,759.2	136.3	1.4%
Total Agency Operations Funding	100,481.0	106,131.2	5,650.2	5.6%
Total Education	899,970.8	903,324.1	3,353.3	0.4%
<i>DOE Positions</i>				
Full-Time	374.0	372.0	-2.0	-0.5%
Part-Time	106.0	100.0	-6.0	-5.7%

Highlights FY96 General Fund Changes

	FY96 Dec. 15	FY96 Proposed Change	FY96 Revised
<ul style="list-style-type: none">• Foundation Program Increase due to projected increase in Average Daily Membership (ADM) of approximately 2,300 and a decrease in PL 81-874 and Public School Fund revenues.	23,012.9	-6,512.0	16,500.9
<ul style="list-style-type: none">• Schools for the Handicapped Special Education Services Agency - formula based on 2% of special education funding or \$85 per student.	23.4	0.0	23.4
<ul style="list-style-type: none">• Pupil Transportation Funding to reimburse school districts for the cost of providing transportation for public school students.	1,107.0	497.8	1,604.8
<ul style="list-style-type: none">• Non-Public Pupil Transportation Funding to reimburse school districts for the costs of providing transportation for non-public school students as required by statute.	2,672.6	0.0	2,672.6
<ul style="list-style-type: none">• School Debt Reimbursement Funding required to reimburse municipal districts has declined based on the estimate of outstanding debt for FY96.	-23,022.9	0.0	-23,022.9

**Department of Education
Position Changes From FY95 Authorized
to FY96 Request By Division**

(Does not include Alaska Postsecondary Education Commission)

	FY95		FY96		Change	
	Authorized		Dec. 15			
	PFT	PPT	PFT	PPT	PFT	PPT
School Finance	18	1	17	2	-1	1
Education Program Support	61	2	61	0	0	-2
Executive Administration	37	5	39	1	2	-4
Correspondence Study State	23	25	21	26	-2	1
Professional Teaching Practices Comm	2	0	2	0	0	0
Alaska State Council on the Arts	3	2	4	1	1	-1
Alaska Vocational Technical Center	26	36	27	34	1	-2
Mt. Edgecumbe Boarding School	17	26	15	25	-2	-1
Vocational Rehabilitation	116	0	116	4	0	4
Libraries, Archives & Museums	71	9	70	7	-1	-2
Total Positions	374	106	372	100	-2	-6

1/23/95

NON-PUBLIC PUPIL TRANSPORTATION

January 23, 1995

Following are estimated costs per district for transporting non-public students in FY96. Estimates were provided by the districts listed.

Anchorage	\$3,000,000 - \$5,000,000
Fairbanks, current annual cost	321,740
Fairbanks, potential additional	201,085
Kenai Peninsula	Not Available
Kodiak	87,386
Ketchikan	43,000
Mat-Su	<u>450,000 - 500,000</u>
Total	\$4,103,211 - \$6,153,211

These estimates include current non-public student ridership as well as potential ridership based on criteria established by the 1/25/94 court decision in Ten Eyck v. Dept. of Education. In that decision, the court upheld the constitutionality of AS 14.09.020 and ruled that non-public students are eligible to ride public school buses in districts that provide transportation to public school students. Non-public school students may be transported up to the maximum distance which the district transports a public student.

Currently, Fairbanks transports the most non-public students on 8 essentially dedicated school buses (the district has indicated that if non-public busing were to end, that only 5 buses could be eliminated). The other districts listed above transport fewer than 50 non-public students each and incorporate those riders into existing routes.

Anchorage, Mat-Su and Kenai School Districts currently transport only a handful of non-public students, but it is in these districts that the greatest potential exists for substantial increases in ridership, costs and conflicts to occur. The majority of the state's non-public school students are located within these districts' boundaries. While few non-public school students currently utilize the transportation authorized by AS 14.09.020, the potential exists for costs to increase to, and exceed, the estimates provided above by the districts. Anchorage is also concerned about the potential conflict of transporting non-public school students while denying transportation of its alternative school students and students who elect to attend a school other than their assigned attendance center.

The Alaska Civil Liberties Union Foundation (ACLUF) has voiced concern and opposition to the concept of using public funds to provide transportation for non-public school students. The ACLUF has threatened to sue the state over this issue. Copies of correspondence submitted by the ACLUF, school districts and legislators in response to a request for public comment on regulations proposed to interpret AS 14.09.020 are available from the department.

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

**DEPARTMENT OVERVIEW
TO
HOUSE FINANCE COMMITTEE**

1/24/95

Attachment #1
1/25/95

Alaska Department of Environmental Conservation



410 Willoughby Ave, Suite 105
Juneau, AK 99801-1795
(907) 465-5050

Mission: To protect public health from environmental threats, and to conserve, protect and improve Alaska's environment for present and future generations.

Environmental Health Division

465-5280

① Assures wholesome fish, meat, and dairy products for consumers and enforces basic standards of sanitation in public facilities.

- seafood inspection
- pesticide program
- laboratory monitoring operations, lab certification
- meat/poultry/animal health & dairy program
- environmental sanitation

Environmental Quality Division

465-5260

→ Ensures compliance with air, land and water pollution laws to protect public health and the environment.
~

- public drinking water
- air quality management
- water quality management
- solid waste management
- hazardous waste management
- industrial wastewater control
- domestic wastewater control
- pollution prevention office
- environmental analysis laboratory

Facilities Construction and Operation Division

465-5180

→ Provides financial and technical assistance to local communities for construction and operation of water, sewer, and solid waste projects.

- Village Safe Water program
- 50% matching grants for facility construction
- Alaska Clean Water Fund administration
- operator training and certification
- remote maintenance worker assistance

Spill Prevention and Response Division

465-5250

→ Improves the state's capability to prevent, respond to, and clean up pollution from oil and hazardous substances.
4

- government preparedness and response
- industry preparedness
- contaminated sites remediation
- underground storage tanks

Information & Administrative Services Division

465-5010

→ Provides overall financial, employee and informational services to the public and within the department.
36

- financial services
- personnel
- media/publications/library
- information systems and data management
- supply and procurement

**FY96 Operating Budget Structure
Department of Environmental Conservation**

BRU (Budget Request Unit)

Component

Administration BRU

Commissioner's Office
Information & Administrative Services
Telecommunication Chargeback
Response Fund Administration

Statewide Programs BRU

Regional Management

Environmental Quality (EQ) BRU

EQ Director
Monitoring & Lab
Drinking Water
Wastewater & Water Treatment
Solid & Hazardous Waste
Air Quality
Water Quality

Spill Prevention & Response (SPAR) BRU

SPAR Director
Contaminated Sites
Underground Storage Tanks
Industry Preparedness
Government Preparedness

Environmental Health (EH) BRU

EH Director
Animal Industries
Seafood/Sanitation Inspections
Palmer Lab

Facility Construction & Operations (FCO) BRU

Facility Construction & Operations

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 Department of Environmental Conservation
 Departmental Operating Budget - By Fund Source(000's)

1/24/95

Fund Source	FISCAL YEAR (FY) AUTHORIZED										* FY96 GOV REQUEST
	FY86	FY87	FY88	FY89	FY90	FY91	FY92	FY93	FY94	FY95	
Federal	3,292.1	3,326.8	3,559.9	5,353.1	5,486.3	5,842.9	6,790.5	10,264.6	8,694.9	9,937.8	11,248.2
GF Match	1,427.2	1,352.9	1,438.2	1,786.7	1,798.3	1,959.9	2,182.7	2,474.7	2,435.0	2,448.3	2,572.6
General Fund (GF)	11,153.9	9,360.2	10,653.5	13,384.2	16,486.5	25,267.9	19,818.4	15,622.5	13,465.3	12,933.1	12,820.3
GF/Program Receipts	95.0	95.0	95.0	95.0	95.0	95.0	394.1	2,573.9	3,305.2	3,093.1	4,953.1
Interagency	331.8	393.6	428.1	456.5	470.2	549.8	454.5	449.0	1,120.0	980.7	624.5
Response Fund					4,371.8	6,810.8	7,193.7	10,627.7	11,370.6	10,342.9	9,858.9
CIP	511.9	750.5	806.5	944.3	729.8	740.5	335.7	337.7	433.7	1,144.9	1,256.4
Ak Clean Water Fund						88.4	90.5	92.7	127.7	149.8	296.5
Tank Fund							6,767.8	3,892.3	5,191.5	3,991.3	3,991.3
TOTAL	16,811.9	15,279.0	16,981.2	22,019.8	29,437.9	41,355.2	44,027.9	46,335.1	46,143.9	45,021.9	47,621.8
Front of Budget Items							46,085.5	42,780.0			
Spill Reserve									34066.1		
Response Fund (other agencies)									2569.4	2698.6	2266.5
EVOS Restoration									2284.6		
Grand Total	16,811.9	15,279.0	16,981.2	22,019.8	29,437.9	41,355.2	90,113.4	89,115.1	85,064.0	47,720.5	49,888.3

* Subject to change

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Epidemiology

Maternal, Child, and Family Health

Medicaid Services Unit

Public Health Laboratories

Emergency Medical Service Certification and Licensing

Bureau of Vital Statistics

Community Health Services

Office of the Medical Examiner

DEPARTMENT OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

"The mission of the State of Alaska Department of Health and Social Services is to promote and protect the physical, emotional, social, and economic well-being of Alaskans so that each person can be as self-sufficient as possible."

GENERAL INFORMATION

The Office of the Commissioner leads the Department in its efforts toward accomplishing this mission. The Office also provides executive leadership in fulfilling the Governor's goals for Alaska's health and social services programs and represents the Governor on issues relating to these areas. The Office defines the Department's policies, and focuses management direction and program coordination between the Department's seven Divisions, following these policies. In addition to the Department's seven Divisions, the Office of the Commissioner oversees the following agencies:

Alaska Mental Health Board - The Board is composed of 12 members appointed by the Governor and the Commissioner or the Commissioner's designee. It assists the Governor, the Department, and the Alaska State Legislature to ensure an integrated and comprehensive mental health system.

Governor's Council on Disabilities and Special Education - The Council is composed of 26 members appointed by the Governor who represent persons with disabilities, principal State agencies, and private providers. It serves as a forum and advocate for coordinated delivery programs for the disabled and as principal planning agency for development of appropriate services. The Council also serves as the State's special education advisory council.

Medical Care Advisory Committee - The Committee is composed of 11 members appointed by the Commissioner to hold public meetings and advise the Commissioner on Medicaid program policy. The Committee is required by federal law and must have at least 50% consumer representation, with the balance being provider representatives. The Committee meets three to four times a year in various locations throughout the state.

Medicaid Rate Advisory Commission - The Commission establishes reimbursement rates for hospitals, nursing homes, rural health clinics, home health agencies, and outpatient surgical centers on behalf of Medicaid clients. It conducts fiscal and compliance audits of the State's Medicaid providers (hospitals and nursing homes) and performs audits in compliance with the State's single audit requirements for qualifying Department grantees and contractors which do not fall under the single audit requirements.

Office of Hearing and Appeals - This office conducts impartial administrative hearings on appeals of actions taken by the Department.

Public Information Office - The Public Information Office is located in Anchorage and provides leadership and assistance in areas of media coverage and response, represents the Department at meetings and conferences pertaining to health and social services, and responds to queries regarding the programs and services provided by the Department.

DIVISION PROGRAMS / SECTIONS OF THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES

Division of Administrative Services

Budget Section
Facilities Section
Finance Section
Information Systems Section
Personnel and Payroll
Planning Section
Supply Section

Division of Alcoholism and Drug Abuse

Alcohol Abuse Programs
Drug Abuse Programs
Alcohol Safety Action Program
Alcohol Prevention Program
Youth Substance Abuse Programs
Inhalant Abuse Services
Inmate Substance Abuse Programs
Federal Block Grant Allocation of
Prevention and Treatment

Division of Family and Youth Services

Child Protective Services
Adoption and Guardianship
Youth Corrections
Youth Correctional Facilities
Juvenile Delinquency Prevention
Foster Care for Children, Youth,
and Adults
Alaska Youth Initiative
Residential Care for Children,
Youth, and Adults
Adult Protective Services
Community Care Licensing
Child Protection Day Care
Interstate Compact on the
Placement of Children
Interstate Compact on Juveniles
Grants

Division of Medical Assistance

Medicaid Payments
General Relief Medical Payments
Medical Care Advisory Committee
Certification and Licensing
Home & Community-Based Services

Division of Mental Health and Developmental Disabilities

Community Mental Health Services
Community Developmental Disabilities
Services:

- Family Support
- Individualized Services
- Programs for Children with
Special Health Care Needs
- Respite Services

The Alaska Psychiatric Institute
The Harborview Developmental Center
Alaska Youth Initiative
Village Suicide Prevention
Rural Human Service System Project
Youth Peer Helper Program
Alaska Family Resource Specialist
Program

Division of Public Assistance

Aid to Families and Dependent Children
Food Stamps
Medicaid
General Relief Assistance
General Relief Medical
Energy Assistance
Adult Public Assistance
Job Opportunities & Basic Skills
Food Stamp Employment and Training
Child Care
Permanent Fund Dividend Hold
Harmless
Alaska Longevity Bonus Hold Harmless

Division of Public Health

Public Health Nursing
Epidemiology
Maternal, Child, and Family Health
Public Health Laboratories
Emergency Medical Services
Bureau of Vital Statistics
Community Health Services
Office of the Medical Examiner

DIVISION OF ADMINISTRATIVE SERVICES

"To provide service and support to programs within the Department of Health and Social Services and its related public."

GENERAL INFORMATION

The Division of Administrative Services provides an array of administrative and management support functions for the Department through the division's sections which include: finance, budget, supply, planning, personnel and payroll, information systems, and facilities.

These sections primarily support the program divisions and offices in achieving their immediate and long term goals of serving needy and vulnerable Alaskans. External services are provided in a number of areas: health facility construction licensing; reviews of Certificates of Need for hospitals; grant management and technical assistance to capital grantees; health care planning activities; and assisting recruitment, examination, and certification of people interested in jobs with the Department.

Administrative functions are funded primarily with State general funds. Services are provided directly by division staff in offices located in Juneau and Anchorage. However, most services are provided primarily through the Department's central office in Juneau.

SPECIFIC SUPPORT SERVICES

Personnel and Payroll

The personnel and payroll section is the basic administrative unit responsible for personnel management within the Department. Procedural functions include: initiate and maintain personnel, payroll, leave, training and related records. Programmatic functions include labor relations, position classification, employee development, manpower planning and eligible list certification, and staff consultations. The office maintains records on more than 2000 positions in more than 50 geographic locations.

Budget Section

This section provides technical budget support to the Department as well as management guidance and analysis to the Commissioner's Office. It is responsible for analyzing, monitoring, and controlling the Department's annual operating and capital budgets, budget amendments, revised programs, supplementals, and fiscal notes. It is also responsible for Departmental financial procedures, processing, and control and position authorization control.

Planning Section

The planning section engages in health and social services planning and research, Certificates of Need (CON), preparation of Healthy Alaskans 2000 plan and Hospital Data Survey. In accomplishing these tasks, the staff works closely with other divisions in the Department, local, State and federal government agencies and other interested agencies.

Facilities Section

The facilities section supports planning for capital improvements, capital grants, inventory of health facilities, certification of revenue sharing, and construction licensing of health facilities.

DIVISION OF ADMINISTRATIVE SERVICES (CONT.)

Finance Section

The finance section is responsible for assisting all Divisions within the Department in fulfilling their financial obligations by providing prompt and accurate payments to vendors for health and social service programs and commodities; maximizing \$500 million in federal claims processing, maintaining adequate cash management and meeting federal reporting requirements in a timely manner. Staff also process all professional services contracts, streamline the review and approval of all contractual documents and provide clear interpretation of respective regulations.

Supply Section

This section is responsible for procurement and leasing for the Department. Supply is headquartered in Juneau and purchases for the Southeast region. They are also responsible for any leases the Department originates and maintain handling of all Departmental mail. There is a regional supply office in Anchorage which purchases for Southcentral, Western and Northern regions.

Information Systems

The information systems section is responsible for Department-wide management and coordination of information and telecommunication activities including the Department's Wide Area Network.

DIVISION OF ALCOHOLISM AND DRUG ABUSE

"To maintain and continue to improve a comprehensive program of prevention, intervention, and treatment for all Alaskans that may be affected by alcohol, other drug, and inhalant abuse."

GENERAL INFORMATION

The Division of Alcoholism and Drug Abuse (ADA) was established by AS 47.37.020, and is responsible for administering:

- Alcohol Abuse Programs
- Alcohol Safety Action Program
- Alcohol Prevention Programs
- Federal block grant allocation of prevention and treatment
- Drug Abuse Programs
- Youth Substance Abuse Programs
- Inhalant Abuse Services
- AIDS Intervention Program

The Division administers services which are mandated by statute through the grant-in-aid process (AS 47.30.475 - 47.30.500). Nonprofit, municipal, and public agencies provide direct service through separate division grants which employ individuals statewide. The Division maintains grant files, provides administrative support and technical assistance, and monitors all State funded programs to ensure compliance with State rules and regulations regarding the grant-in-aid process as well as federal laws and regulations pertaining to block grant funds. Grantees are surveyed annually and fiscal audits are conducted on a biennial or annual basis.

The Division maintains three offices: one located in Juneau and two in Anchorage. The Juneau office serves as the administrative, budgetary, planning, policy analysis, program development, and fiscal control point. One of the Anchorage offices serves as the monitoring and technical assistance portion of the operation, the other is the Alcohol Safety Action Program (ASAP) office. This section coordinates Statewide court system alcohol and misdemeanor services, provides alcohol and misdemeanor screening, monitoring services for the Anchorage Court System, and provides technical assistance, training, and on-site reviews of Statewide court services.

PROGRAM SUMMARIES

Drug Abuse Programs

All state-funded drug prevention and treatment programs are paid for through this program. There are approximately 53 agencies funded by the Division. AIDS prevention and intervention services are coordinated with the Division of Public Health.

Alcohol Abuse Programs

Funds are awarded to agencies around the State to provide alcohol abuse and alcoholism prevention, intervention, and treatment services. There are approximately 53 agencies including Inmate Substance Abuse programs funded by the Division. These agencies provide education, emergency care, outpatient care, outreach, intermediate care, after-care, correction services, detoxification, counseling, referral services, and community patrol services. Comprehensive grants are for services designed and requested by the communities they serve.

DIVISION OF FAMILY AND YOUTH SERVICES

" To protect children and vulnerable adults at risk of abuse and neglect and to rehabilitate juvenile offenders while providing community protection. These activities can be best carried out by involving and strengthening families."

GENERAL INFORMATION

The Division of Family & Youth Services (DFYS) provides a continuum of prevention, early intervention, and treatment services for children, youth, and adults. Services are designed to break the cycles of neglect, abuse, exploitation, delinquency, and dependency. Some services are provided directly by the Division while others are purchased through grants and contracts with private providers.

The Division provides direct services to Alaskans through two sections. The Family Services section provides protective and supportive services for children, youth, and adults who are at risk of abuse, neglect, or exploitation. There are 36 Family Services field offices. The Youth Services section provides services which promote public safety and reduce risks to citizens by preventing and treating delinquency among youth. There are 14 Youth Services field offices and five Youth Facilities. The field offices are managed by three regional offices, and the State Office in Juneau provides administrative support to the Director, the regional offices, and the field offices.

FAMILY CENTERED SERVICES

The Division recognizes that the best way to protect Alaska's children and youth is through strengthening families and communities. Therefore DFYS has implemented a family centered approach to services. Family centered service is both a philosophical approach and a method of service delivery in which culturally appropriate, community based resources are utilized to protect and/or rehabilitate children, protect dependent adults, strengthen families, promote permanency for children, and reduce the incidence and duration of out-of-home placement. This model emphasizes personal responsibility, builds upon the strengths of families and communities, and promotes community involvement.

PROGRAM SUMMARIES

Child Protective Services (CPS)

The purpose of CPS is to identify, treat, and reduce child abuse and neglect and to ensure that reasonable efforts are made to protect and maintain children in their own homes. However, if a child is at risk of imminent harm and conditions cannot be remedied, removal of the child is warranted. From that point forward, casework services are directed toward permanency for the child, through family reunification where possible. If a parent is unable or unwilling to provide security, affection, and continuing care for a child, an alternative permanent plan is developed and implemented. DFYS staff provide protective services for children by accomplishing the following: investigating reports of harm, assisting families in diagnosing and resolving problems, referring families to community resources, initiating legal intervention if children are unable to remain safely in their own homes, and providing out-of-home placements and permanency planning when necessary.

DIVISION OF FAMILY AND YOUTH SERVICES (CONT.)

Adoption and Guardianship

When efforts to reunite children with their birth parents are unsuccessful, adoption or guardianship may be considered. Adoption provides legally permanent homes for children. Legal guardianship may be an appropriate arrangement for children living in alternate family situations where the parents are willing to provide care for the children at least until they reach age eighteen. Adoption and guardianship subsidies may be available to those families who would not be able to care for hard-to-place children without financial and/or medical assistance.

Youth Corrections

The mission of Youth Corrections is to reduce or prevent juvenile delinquency by meeting the needs of juvenile offenders in a manner consistent with the protection of the public. DFYS provides a preventive and rehabilitative approach to youth offenders through the provision of the following services: juvenile delinquency prevention, referral screening, short-term detention of pre-adjudicated youth, investigation of alleged offenses, identification of youth's and family's strengths and needs, legal intervention, informal and formal probation, out-of-home placement, and long-term confinement/treatment of adjudicated offenders.

Youth Correctional Facilities

DFYS operates five nationally accredited youth correctional facilities located in Anchorage, Bethel, Fairbanks, Juneau, and Nome. All five facilities provide short-term detention, and four facilities provide long-term confinement/treatment.

Juvenile Delinquency Prevention

Juvenile delinquency prevention services are designed to provide a wide range of assistance at the onset of delinquent behavior with the intention of limiting or preventing the entry of young offenders and first time offenders into the juvenile correction system. These services are purchased from private providers and include sex offender treatment; individual, group, and family counseling; emergency shelter and family mediation; parenting classes; diversion services; and non-secure attendant services to juvenile offenders to eliminate jailing of youth in adult facilities.

Foster Care for Children, Youth, and Adults

Foster care placement is the last option considered when reasonable efforts to protect a child, youth, or vulnerable adult in his or her own home have been exhausted. The first preference considered in all foster care placements is a relative's home.

Alaska Youth Initiative (AYI)

AYI provides individualized services to severely emotionally and/or behaviorally disturbed youth at risk of being placed in highly restrictive, out-of-state treatment facilities. Services are provided through a cooperative agreement among DFYS, the Division of Mental Health and Developmental Disabilities, and the Department of Education.

Residential Care for Children, Youth, and Adults

Residential care facilities for children and youth provide treatment services within a therapeutic environment which is staffed 24 hours a day. Placement may be short-term emergency shelter or long-term residential treatment.

DIVISION OF FAMILY AND YOUTH SERVICES (CONT.)

Residential care is appropriate for children and youth who are unable to function in less restrictive settings and who exhibit severe emotional and/or behavioral problems. Through adult residential care, dependent adults or elderly persons can be placed in nursing homes, group homes, or other residential facilities.

Adult Protective Services (APS)

APS consists of a continuum of supportive and/or protective services to adults age eighteen and older who are not able to function independently and who may be subject to abuse, neglect, or economic harm. DFYS investigates reports of harm, makes referrals to community resources, and may assist in arranging adult foster care or residential care. An adult has the right to terminate an investigation or refuse service at any time. Legal intervention may be required in order to provide protective services to an adult who is incapacitated and in immediate need of protective service.

Community Care Licensing

The licensing of community care facilities is a preventive service that reduces predictable risks to the health, safety, and well-being of children and vulnerable adults in out-of-home care. Licensing requirements set forth acceptable standards of care, and the licensing and monitoring processes provide support and quality control services to the care providers. DFYS licenses child foster homes, family child care homes, family child care group homes, child care centers, residential child care facilities, adult foster homes, adult residential care facilities, and child placement agencies.

Child Protection Day Care

Child protection day care services provide day care for young children who are at risk of being abused or neglected within their families. The services are designed to lessen that risk by providing child care relief, offering support to both the children and the parents, monitoring for reoccurring abuse or neglect, and providing positive role models for the parents.

Interstate Compact on the Placement of Children (ICPC)

The Interstate Compact on the Placement of Children establishes procedures for the interstate placement of children and fixes the responsibilities of those involved in placing the children. The primary goals of the ICPC are to protect the children being placed, ensure that they receive the services they need, and facilitate permanent placements for those children in state custody.

Interstate Compact on Juveniles (ICJ)

The Interstate Compact on Juveniles provides the procedural means to affect and regulate the movement of juvenile offenders across state lines while serving the welfare of the youth and the protection of communities.

Grants

The Grants program provides a variety of support services to families through grants to local communities. These grants include Family Support and Home Based Services grants, Foster Care Demonstration grants, Non-Secure Attendant Shelter Care grants, Indian Pass Through grants, Child Care Licensing grants, Human Services Matching grants, and Kawerak and Tlingit-Haida Social Services grants.

DIVISION OF MEDICAL ASSISTANCE

"To ensure access to medical care by low income Alaskans who meet regulatory eligibility and medical need requirements, provide leadership in shaping changes to Alaskan health care systems and financing programs, and to ensure that Alaskan health care facilities adhere to federal and state standards."

GENERAL INFORMATION

The primary goal of the Division of Medical Assistance (DMA), is to enable needy Alaskans access to medical care through the same network of medical providers servicing the general population, and to conduct medical surveillance which assures that medical services provided are appropriate and of the proper duration and scope for the illness involved.

To achieve this goal, the Division's primary objective is to maintain medical payment and coverage policies that balance fiscal constraints and reasonable access, and encourage medical professionals to accept medical assistance clients. The challenge is to maintain a program that meets the health care needs of the recipients, is accepted by providers, and affordable within State resources. Developing strategies to achieve this balance between fiscal constraint and reasonable access to needed medical care is an on-going Division focus.

PROGRAM SUMMARIES

Medicaid

Persons are automatically eligible for Medicaid if they receive financial assistance from Aid to Families with Dependent Children (AFDC), Old Age Assistance, Aid to the Blind, Aid to the Disabled, or the Federal Supplemental Security Income Program. Other eligibles include foster children, mental health inpatients under 22 or over 65 years of age, certain nursing home residents, and all low income children under age 6 who are not eligible for AFDC because of income. Federal law permits each state to define the scope of its Medicaid program. The Alaska Legislature by statute (AS 47.07.020 and AS 47.07.030) identifies the eligible groups and medical services which the Medicaid program covers in Alaska.

General Relief Medical (GRM)

GRM covers poor adults who do not qualify for Medicaid because they are not blind, disabled, or over the age of 65. GRM is 100 percent state-funded, and until FY 86, offered the same general scope of medical services as Medicaid. However, in FY 87 major reductions in GRM services were approved by the legislature (see AS 47.25.195). The program covers only the cost of major medical non-elective inpatient hospital care, pregnancy-related services, prescribed drugs, and limited physician visits for a small group of citizens with specific serious medical conditions.

The Medical Assistance budget purchases a wide range of medical services, primarily through Medicaid. These services include but are not limited to hospital services, physician services, nursing home services, prescribed drugs and medical supplies, dental care, eyeglasses, nurse-midwife services, medical transportation, home health services, family planning, rural health clinics, and treatment for speech, hearing and language disorders.

During FY 94 approximately 86,000 Alaskans were eligible to receive medical care under these programs. Of those eligible Alaskans approximately 70,000 actually received medical care during the year.

DIVISION OF MEDICAL ASSISTANCE (CONT.)

Approximately 60 percent of all persons served by the Division through the Medicaid Program are children, most of whom are also receiving state financial assistance under AFDC. Except for those persons requiring nursing home care and GRM hospital services, medical care is provided at no cost to the recipient.

Certification and Licensing

The Health Facilities Licensing and Certification section's primary function is to perform the annual inspection of over 50 health facilities. All hospitals, nursing homes (including the nursing wing of each pioneer home), home health agencies, rural health clinics, and stage renal disease centers, freestanding birth centers, mobile X-Ray, outpatient physical therapy services, speech pathology services, occupational therapist and physical therapists in independent practice, and surgery centers are reviewed to ensure these facilities comply with the health and safety requirements of state and federal law. This section licenses Alaska facilities for all medical services, not just those purchased by the Medical Assistance Division. In addition, this section is responsible for authorization of all Medicaid admissions to nursing homes and for conducting an annual inspection of care of each Medicaid-eligible individual in each nursing home.

Medical Care Advisory Committee

This committee, authorized under Title 42, Section 431.12, is a seven member group appointed by the Commissioner to advise the Division of Medical Assistance concerning Medicaid policies and programs. It receives staff support from the Division of Medical Assistance.

Home and Community-Based Services

In FY 94, DMA began offering home and community-based services, such as respite care and environmental modifications, to people who would otherwise need long term care in institutions. A waiver authorization unit within DMA oversees this program, which is offered through federally-approved Medicaid waivers. The program is expected to serve over 800 people per year by the third year of operation.

DIVISION OF MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES

"To plan for and provide appropriate prevention, treatment, and support for individuals and families impacted by mental disorders or developmental disabilities while maximizing self-determination."

GENERAL INFORMATION

Most administrative staff of the Division of Mental Health and Developmental Disabilities (MHDD) are located in Juneau. Others work out of Division offices in Anchorage and Fairbanks. Additionally, direct care staff are located in our institutions in Anchorage and Valdez.

The community mental health and community developmental disabilities programs are funded by the state through grants to local programs. These programs employ local workers to provide mental health and developmental disabilities services in their own communities.

PROGRAM SUMMARIES

Community Mental Health Programs

The community mental health program provides a statewide comprehensive array of outpatient, residential, and locally provided inpatient mental health services to persons with mental illnesses or severe emotional dysfunctions. Thirty-one local non-profit providers receive grants for comprehensive community mental health centers. In addition, specialized mental health services are provided through 76 grants or contracts with single-service or limited service providers.

Psychiatric emergency services at all of the community mental health centers provide screening and referral, brief therapy for problem resolution, crisis/referral telephone lines, and emergency outreach and crisis intervention. In three locations emergency services also include crisis/respite facilities.

Specialized community support programs for adults with severe long term mental illness are available through all of the community mental health centers and 10 limited service providers. Specific services provided are: evaluation and diagnosis; treatment planning; case management; living skills training; medication management; psychiatric and nursing services; vocational skills training; a variety of residential treatment options; supportive individual and family counseling; a drop in center; psychosocial rehabilitation; and crisis intervention. Services for individuals with severe mental illness also include a consumer run advocacy and support group, a family education and support group, and legal advocacy services.

Services for youth with serious emotional disturbances are provided at 20 community mental health centers and 5 limited service providers. The specialized programs include: case management; children's day treatment; outreach and home based therapy; residential treatment options; individual and family therapy; and other support services. Services for youth with the most serious problems are provided through the Alaska Youth Initiative (AYI) program, an innovative individualized "wrap-around" service program.

General community mental health services for persons experiencing depression, suicidal ideation or behavior, or other serious individual or family psychiatric dysfunction are provided by 16 community mental health centers and 2 limited service providers. The services include: evaluation and diagnosis; brief strategic individual and family psychotherapy; psychiatric and nursing service; and case consultation. Other general mental health services are community organization, public education, and advocacy.

DIVISION OF MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES (CONT.)

Fifteen community mental health centers and 60 limited service providers (villages) have peer helper programs, village-based suicide prevention programs or provide services through village paraprofessional human service workers who are specially trained and supervised.

The Division funds psychiatric evaluation and treatment services at local hospitals and client and client escort travel between the client's house and the hospital. The funds are used to supplement client resources on a "payor of last resort" basis. In FY 93 eight hospitals throughout the state provided psychiatric evaluations and two provided designated psychiatric treatment services.

Community Developmental Disabilities Programs

Developmental disabilities services are driven by two central goals. 1) maximize the potential of individual developmentally disabled citizens to live as normal a life as possible and 2) reduce the risk of institutionalization. Additionally, all developmental disabilities services are guided by the following service principles:

- Services are the result of on-going planning.
- Services are built around the individual's wants and needs.
- Individuals are allowed to choose the locality in which they live and work.
- Services are age appropriate.
- The person has options from which to choose.
- Services are aimed at maximizing community participation.
- Services are culturally appropriate.
- Individuals are provided supports and services necessary to succeed in their chosen environment.
- Services are designed to promote and utilize natural and informal community supports, including family, friends, and other non paid citizens.

The major categories of services provided by community developmental disabilities services are individualized programs, in-home training, shared care, foster care, group homes, independent/semi-independent living, vocational training, case management, services for children who experience special health care and developmental needs, special needs child care, respite care, and natural family support.

Institutions

The Alaska Psychiatric Institute in Anchorage provides inpatient psychiatric care for a wide range of persons including adults and adolescents who are acutely psychiatrically disturbed. Longer term care with special efforts toward transition to the community is provided for patients with serious persistent mental illness. A special security unit evaluates and treats forensic patients who need services regarding competency to stand trial or who cannot be managed in a jail setting. Patients are admitted on a voluntary and involuntarily committed basis.

Harborview Developmental Center in Valdez is a licensed intermediate care facility for individuals with developmental disabilities. Its developmental model, as opposed to medical model, is progressive and has helped pave the way for discharging over 100 clients in the last 15 years. The center also provides nursing care for patients who exhibit difficult behaviors associated with mental disorders. Center staff share their expertise with other care givers from around the state. As a result of this training, more individuals with needs for both nursing care and treatment for mental disorders can receive the services in their own communities.

DIVISION OF PUBLIC ASSISTANCE

"To provide cash, food, and housing assistance to low-income Alaskans who do not have enough resources to provide their own basic needs, and to promote the economic self-sufficiency of public assistance recipients."

GENERAL INFORMATION

The Division of Public Assistance (DPA) is responsible for the administration of the following programs:

- Aid to Families with Dependent Children (AFDC)
- Food Stamps
- Medicaid
- General Relief Assistance
- General Relief Medical
- Energy Assistance
- Adult Public Assistance
- Job Opportunities and Basic Skills (JOBS)
- Food Stamp Employment and Training (E&T)
- Child Care Programs
- Permanent Fund Dividend (PFD) Hold Harmless
- Alaska Longevity Bonus (ALB) Hold Harmless

In several of these programs benefits are funded wholly or in part with federal funds: AFDC (50 percent federal), Food Stamps (100 percent federal), Medicaid (50 percent federal), and Energy Assistance (100 percent federal). Food Stamp program benefit funding is not contained in the state budget. Partial federal funding is also provided for services under the JOBS and Food Stamp Employment and Training programs. The federal government also pays 50 percent of the cost of administering AFDC, Food Stamps, and Medicaid. Along with the contribution of federal money to these programs comes a set of federal rules governing conditions of eligibility for benefits as well as rules and procedures for overall program operation. The remaining programs are funded entirely from state general funds.

The Division of Public Assistance conducts business through a mix of private vendor contracts and state staffed facilities. Most of the activities administered by state staff are prohibited by federal law from transfer to the private sector. At present, the Division has offices in the following locations:

SOUTHEAST	SOUTHCENTRAL	NORTHERN	SOUTHWEST
Juneau	Anchorage	Fairbanks	Bethel
Sitka	Homer	Kotzebue	
Ketchikan	Kodiak	Nome	
	Kenai		
	Wasilla		

The Division of Public Assistance also contracts with the North Slope Borough for assistance in taking applications. The Division has fee agents in approximately 175 additional communities around the state, bringing the total number of communities having Division representation to approximately 190.

DIVISION OF PUBLIC ASSISTANCE (CONT.)

The Division will serve approximately 35,500 families each month during FY 95 (July 1994 through June 1995). Since many families are served only seasonally or for a short period of need, the above numbers may represent a duplicated count of families served over the course of a full year; a conservative estimate would place the unduplicated count of families who will receive aid at 40,000 families, consisting of approximately 85,000 persons. One out of every eight Alaskans seeks some type of cash, food, medical, or energy assistance from the Division.

PROGRAM SUMMARIES

Aid to Families with Dependent Children (AFDC)

AFDC is a nationwide state and federal financial aid program that helps needy families with children who are deprived of support and care because at least one parent is unemployed, absent, disabled, or deceased. The amount of assistance is intended to be adequate to provide the basic necessities for eligible families, thereby enabling the family to stay together. Approximately 12,500 families receive AFDC benefits each month.

Food Stamps

Food stamps provide federally funded assistance to low income households to purchase food. The objective is to improve the nutrition level of low-income recipients. Eligibility for food stamps and the amount of benefits which participants receive are determined by each household's size and financial situation. The amount of benefits is also adjusted for local food costs.

Medicaid

Medicaid is a state/federal medical assistance program that provides medical assistance to certain low-income, needy individuals and families. Medicaid benefits are available to any person receiving a cash benefit from Aid to Families with Dependent Children (AFDC), Adult Public Assistance (APA), or Supplemental Security Income (SSI). Medicaid benefits are also available to low-income pregnant women and children and to certain groups of persons who meet the AFDC or APA income and resource limit, but do not otherwise qualify for a cash payment.

General Relief Assistance (GRA)

General Relief Assistance is a state funded program designed to meet the emergency subsistence needs of Alaskans, many of whom have no other way to meet their basic needs. Strict income requirements and a demonstrated need (such as an eviction notice) must be met. If eligible, a maximum monthly payment of \$120.00 per person is allowed to meet critical subsistence needs. Payments are made directly to landlords and vendors on behalf of clients. The great majority of GRA payments are made to cover rent for people who are homeless or face eviction. This program also provides limited funds for the burial of needy individuals.

General Relief Medical (GRM)

General Relief Medical is a state-funded program designed to meet the immediate and specific medical needs of low income Alaskans who are not eligible for Medicaid benefits because they do not meet federal Medicaid eligibility requirements. Strict income and resource requirements must be met and medical need must be demonstrated.

DIVISION OF PUBLIC ASSISTANCE (CONT.)

Energy Assistance Program (EAP)

The Energy Assistance Program is a federally funded program providing cash assistance to help low income households pay home energy bills. The benefits are in the form of a once per year payment, usually made to home energy providers on behalf of each eligible household. Benefit amounts vary depending on household income, fuel costs, and geographic location. Payments cover oil, natural gas, electricity, propane, wood, and other heating products. Similar programs are administered directly by several Native organizations, so EAP does not provide service in every Alaskan community.

Adult Public Assistance (APA)

Adult Public Assistance is a state-funded program that provides cash assistance to aged (Old Age Assistance), blind (Aid to the Blind), and disabled persons (Aid to the Disabled) who meet certain income and resource requirements. APA supplements the federal Supplemental Security Income (SSI) program for the aged, blind, and disabled, and uses basically the same rules as the SSI program to determine eligibility. The essential difference between APA and SSI is APA's higher payment standard. In FY 95 the APA program will provide an average supplemental payment of \$337 to 10,479 APA clients each month. APA clients receive Medicaid coverage.

Job Opportunities and Basic Skills Program (JOBS)

JOBS is a work program designed to help AFDC recipients to attain employment and self-sufficiency. JOBS services include case management, employment counseling, adult education, work experience, life skills training, vocational training, supportive services, and child care. JOBS targets those who are or are likely to become long-term welfare dependent.

Food Stamp Employment and Training (E&T)

This work program helps food stamp recipients seek rapid entry into employment through a self-directed job search or other training activity. Optional activities include adult education, employment counseling, and vocational training. Child care may be provided to participants.

Child Care

Child care is available to families who are low-income and at risk of needing AFDC, or have found employment and are no longer in need of AFDC benefits. Child care is also provided to participants in the JOBS and E&T work programs. Child care consumer information is provided to AFDC recipients. Parents exercise their own choice among licensed or legally exempt child care providers, and a percentage of the cost of child care is subsidized based on family income.

Permanent Fund Dividend Hold Harmless

The Permanent Fund Dividend (PFD) law provides that the Department may not consider the Permanent Fund Dividend as income or a resource in determining eligibility for public assistance programs unless required to do so by federal law or regulation. Individuals who would be found ineligible to receive public assistance solely because of receiving the dividend are eligible to receive cash assistance under the PFD Hold Harmless program for a period not to exceed four months each year.

Receipt of the PFD results in most AFDC, Food Stamp, and SSI recipients losing federal benefits for at least one month each year. The amount of hold harmless assistance issued is equal to the benefit a household would have received had it not gotten the dividend.

DIVISION OF PUBLIC ASSISTANCE (CONT.)

After the four month period, the recipient must once again meet all eligibility requirements for public assistance programs, or benefits are discontinued.

Alaska Longevity Bonus Hold Harmless (ALB HH)

The Alaska Longevity Bonus Hold Harmless program is a state program for the aged. Before May 1984, Alaska Longevity Bonus payments were made only to Alaska residents with more than 25 years of continuous residency. These payments were not counted as income for the Adult Public Assistance, Medicaid, and Supplemental Security Income programs.

In May 1984, a lawsuit required the state to shorten the 25 year residency requirement to one year. Congress then changed the law and required assistance programs to count Longevity Bonus payments received under the new, one year residency requirement. This change in federal law would have caused a large number of elderly Alaskans to lose millions of dollars in state and federal assistance. The Alaska Longevity Bonus Hold Harmless program replaces medical assistance benefits lost because of the receipt of countable Longevity Bonus payments.

DIVISION OF PUBLIC HEALTH

"To use the best available scientific knowledge to set public health policy and ensure provision of services which guarantee the health of all Alaskans, so that they can live full lives with optimum well being."

GENERAL INFORMATION

The Division of Public Health (DPH) is responsible for administration of the following programs:

- Public Health Nursing Services
- Epidemiology
- Maternal, Child, and Family Health
- Medicaid Unit
- Public Health Laboratories
- Emergency Medical Services
- Bureau of Vital Statistics
- Community Health Services
- Medical Examiner

The Division provides public health services through State staffed public health centers and clinics. The Division has staffed services in the following locations:

SOUTHEAST	SOUTHCENTRAL	NORTHERN	WESTERN
Craig	Anchorage	Fort Yukon	Bethel
Haines	Homer	Fairbanks	
Juneau	Kenai	Galena	
Ketchikan	Kodiak	Delta	
Petersburg	Seward	Tok	
Sitka	Dillingham		
Wrangell	Wasilla		
	Palmer		
	Glennallen		
	Valdez/Cordova		

The Division also provides grants to the following regional agencies for services in the areas of public health nursing, community health aide training and supervision, audiology, eye care, residential prenatal care, and emergency medical services, and home care, health clinic, infant learning, and injury prevention.

The Division estimates that 250,000 individuals will be screened, tested, immunized, treated, and counseled this year. A conservative, unduplicated estimate is that 190,000 individuals will be served. In addition, 460,000 laboratory tests will be performed, 120 radiations sources will be inspected, and 254 communities will be provided services through grants for clinics, health aides, health observers, and trained emergency medical technicians.

DIVISION OF PUBLIC HEALTH (CONT.)

PROGRAM SUMMARIES

Public Health Nursing Services

Nursing services statewide provide a major portion of the Division's service delivery for health assessment, health promotion, and disease prevention. Public health nurses provide screening, testing, immunizations, and treatment.

Epidemiology

The section of epidemiology identifies, plans and implements morbidity and mortality prevention activities in order to control outbreaks of infectious disease, chronic diseases, injuries, and exposure to hazardous materials. Epidemiological programs include AIDS and control of sexually transmitted disease, control of tuberculosis, and immunizations. The section also acts as the research core for the division, performing studies and investigations tied to federal and international programs.

Maternal, Child, and Family Health (MCFH)

This section assesses the health care status and needs of families in the State, with a focus on vulnerable populations such as women, and children, and collaborates with others to assure these populations access to needed public health services. Programs and services delivered, in partnership with grantees and contractors, by the Section include: prematernal and family planning services, adolescent health, infant mortality review, genetics and metabolic screening, early intervention services for very young children with developmental delays (ILP), audiology and communication disorders, domestic violence prevention, medical and case management services for special needs children, specialty clinics, oral health, chronic disease nutrition, maternal and child health nutrition, the Supplemental Food and nutrition program for Women, Infants, and Children (WIC), and fetal alcohol syndrome project support.

Medicaid Services Unit

The mission of the Healthy Baby, Healthy Kids Program is to improve the availability, accessibility, effectiveness and utilization of preventative health services, thus improving health outcomes in the State of Alaska. The Healthy Baby, Healthy Kids Program directly support public and private efforts to provide prevention, early detection and intervention services in order to enhance the health status of Medicaid-eligible persons under 21 and high risk pregnant women. This support is provided through the key public health functions of assessment, policy development and assurance.

Public Health Laboratories

Public health laboratories provide and coordinate diagnosis, reference, consultation and training in microbiology, immunology, and virology statewide through three regional laboratory facilities. The Public Health laboratories establish standards for testing, provide diagnostic support for early detection and surveillance, and provide services to other departments. Radiological health provides registration and inspections of X-Ray equipment, maintains a radon monitoring and data collection program, and provides radiological expertise to State programs and to the Alaska State Legislature.

Emergency Medical Service Certification and Licensing

EMS Certification and Licensing provides certification for Emergency Medical Technicians

DIVISION OF PUBLIC HEALTH (CONT.)

(EMTs), EMT instructors, ambulance services, air ambulances and medevac services. The section also provides overall planning, education, and coordination for a comprehensive statewide emergency medical services system. This section works with the State Advisory Council on EMS to review EMS capital grants and operating grants. An injury prevention office has been established to promote involvement of EMS providers in injury prevention activities. The major goal of the EMS program is to reduce deaths and disabilities resulting from injuries and acute illnesses by immediately accessing and stabilizing patients, and transporting them to the best available medical facility.

Grants are awarded to regional EMS programs to maintain and develop comprehensive EMS systems and to give all types of emergency medical training. Mini-grants to volunteer ambulance services are made for maintenance and repair, equipment purchases, technician training, and general operating costs.

Bureau of Vital Statistics

The Bureau of Vital Statistics records and safeguards records of vital events for residents of and visitors to Alaska. The Bureau also compiles, analyzes, and publishes statistical information concerning these vital events (births, deaths, marriages, divorces, and adoptions). This information is used by health professionals and officials in Alaska as well as by those in other states and federal government to help identify needs and establish policies and initiatives to address those needs. Vital statistics are crucial in identifying the nature and extent of health problems, developing strategies to address those problems and measuring the effectiveness of State and the Federal prevention and intervention efforts. Records of vital events are also essential to estimating the size and distribution of population changes providing information fundamental to planning throughout government and in much of private enterprise.

Community Health Services

The section of Community Health Services provides support for community-based primary care, health promotion, and home care programs. Access to these programs is assured through assessment, policy development, and provision of financial and technical assistance. The section administers grants for community health training and supervision, rural primary care mid-level practitioner clinics, local planning for health promotion projects, project development for avoidance of tobacco use, and home care service delivery.

Office of the Medical Examiner

The Office of Medical Examiner was established by statute in FY 94. The primary focus of this office is to determine the cause of death for forensic and medical purposes. The successful operation of this service is dependent on a very close and cooperative arrangement with the Department of Law, the Court System, and Public Safety. The program is headed by a board certified forensic pathologist.

KEY CONTACT LIST

Office of the Commissioner - Juneau

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Juneau, Alaska 99811-0601
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Division of Medical Assistance

P.O. Box 110660
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(907) 465-3355

Regional Office of the Commissioner - Anchorage

P.O. Box 240249
Anchorage, Alaska 99524-0249
(907) 561-4211

Division of Mental Health and Developmental Disabilities

P.O. Box 110620
Juneau, Alaska 99811-0620
(907) 465-3370

Division of Administrative Services

P.O. Box 110650
Juneau, Alaska 99811-0650
(907) 465-3082

Division of Public Assistance

P.O. Box 110640
Juneau, Alaska 99811-0640
(907) 465-3347

Division of Alcoholism and Drug Abuse

P.O. Box 110607
Juneau, Alaska 99811-0607
(907) 465-2071

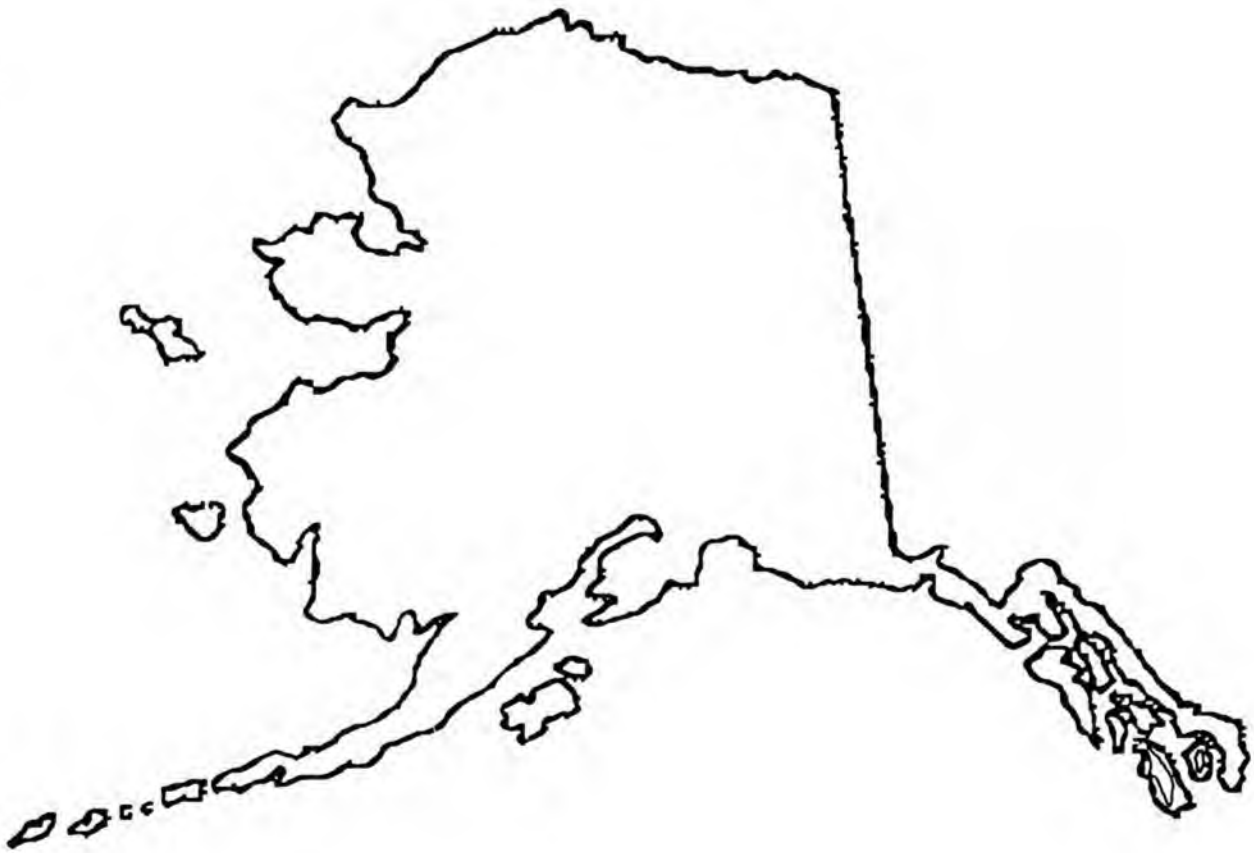
Division of Public Health

P.O. Box 110610
Juneau, Alaska 99811-0610
(907) 465-3090

Division of Family and Youth Services

P.O. Box 110630
Juneau, Alaska 99811-0630
(907) 465-3191

Alaska



Department of Labor

DEPARTMENT OF LABOR

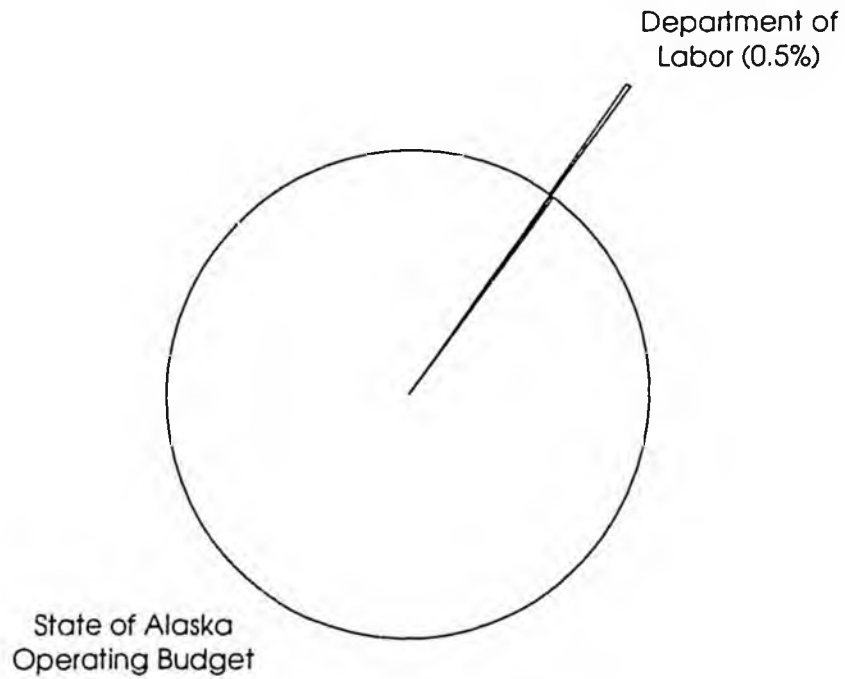
AGENCY CONTACTS

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Special Assistant	465-2700
Arbe Williams, Director Administrative Services Division	465-5981
Paul Grossi, Director Worker's Compensation Division	465-6059
John Abshire, Director Labor Standards & Safety Division	465-4855
Director Employment Security Division	465-2712

ALASKA DEPARTMENT OF LABOR

FY 96 BUDGET OVERVIEW

FY 95 General Fund Operating Budget Comparison



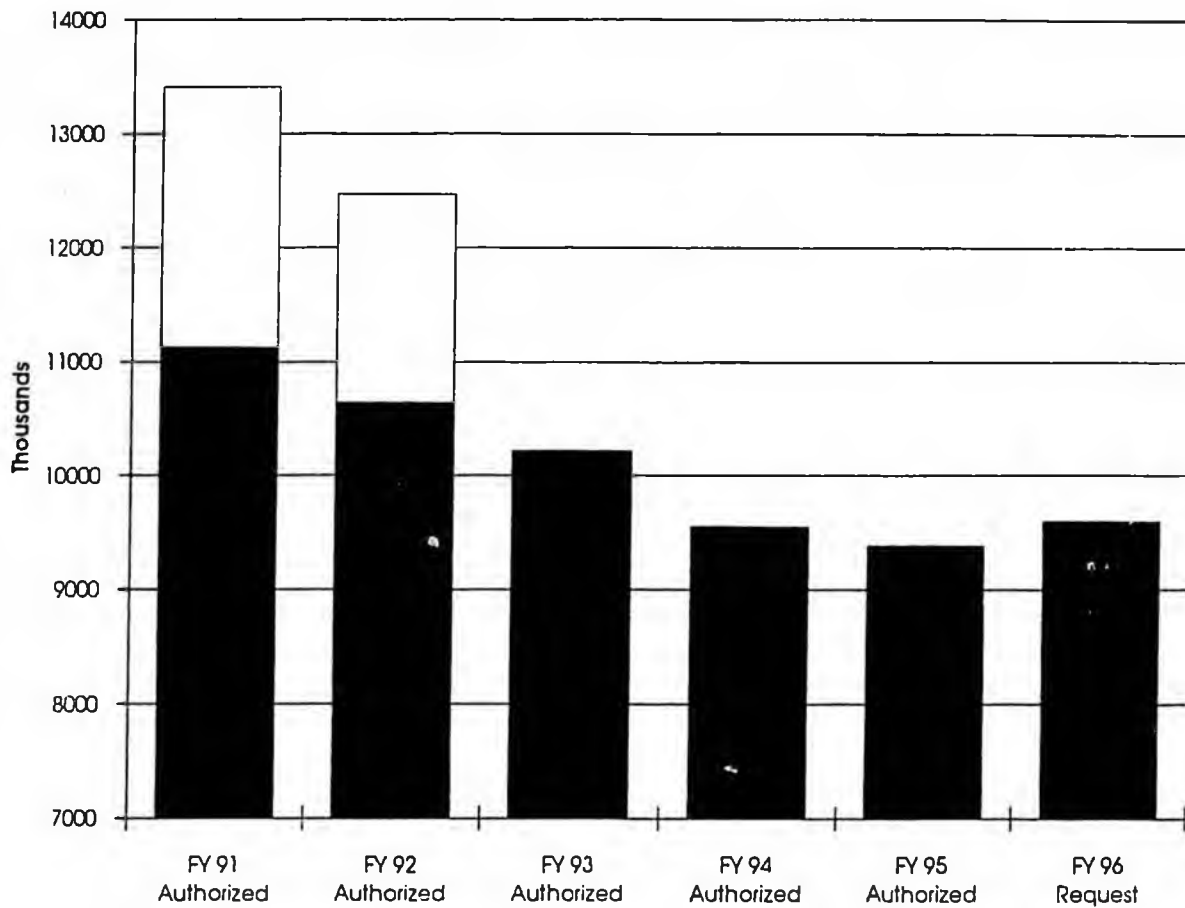
**State of Alaska
FY 95 Authorized Budget Comparison**

12/28/94

Source: Legislative Finance Summary dated 12/28/94

	General Funds		Total Funds	Positions			
				PFT	PPT	Non- Perm	
1. Education	661,644.2	1. Education	909,098.5	1. University of Alaska	3,456	298	0
2. Health & Social Services	343,298.0	2. Health & Social Services	826,858.3	2. Transportation	2,689	777	0
3. Administration	173,595.1	3. University of Alaska	424,950.9	3. Health & Social Services	2,037	77	41
4. University of Alaska	169,208.7	4. Transportation	335,416.5	4. Corrections	1,293	5	0
5. Transportation	129,104.0	5. Administration	259,186.1	5. Administration	1,119	96	69
6. Corrections	111,479.3	6. Community & Regional Aff.	150,383.0	6. Public Safety	858	54	12
7. Community & Regional Aff.	96,515.6	7. Revenue	131,397.7	7. Fish & Game	750	791	73
8. Public Safety	89,667.1	8. Corrections	120,247.6	8. Revenue	744	53	73
9. Alaska Court System	45,463.1	9. Public Safety	99,682.2	9. Alaska Court System	655	35	22
10. Natural Resources	44,170.3	10. Environmental Conservation	97,516.8	10. Labor	613	130	1
11. Commerce	44,057.9	11. Fish & Game	91,590.4	11. Natural Resources	593	245	838
12. Fish & Game	41,267.0	12. Commerce	69,604.2	12. Environmental Conservation	484	22	9
13. Revenue	31,856.9	13. Natural Resources	65,796.5	13. Education	475	109	8
14. Legislature	27,578.9	14. Labor	59,288.6	14. Law	430	6	0
15. Law	21,091.1	15. Law	51,012.0	15. Commerce	392	16	0
16. Environmental Conservation	18,474.5	16. Alaska Court System	45,502.4	16. Legislature	242	272	0
17. Governor	16,645.1	17. Legislature	27,863.9	17. Community & Regional Aff.	190	5	1
18. Labor	9,383.5	18. Military & Vet Affairs	22,457.9	18. Governor	174	4	50
19. Military & Vet Affairs	6,874.2	19. Governor	19,850.4	19. Military & Vet Affairs	155	0	45
Total	2,081,374.5	Total	3,807,703.9	Total	17,349	2,995	1,242

Alaska Department of Labor - General Funds



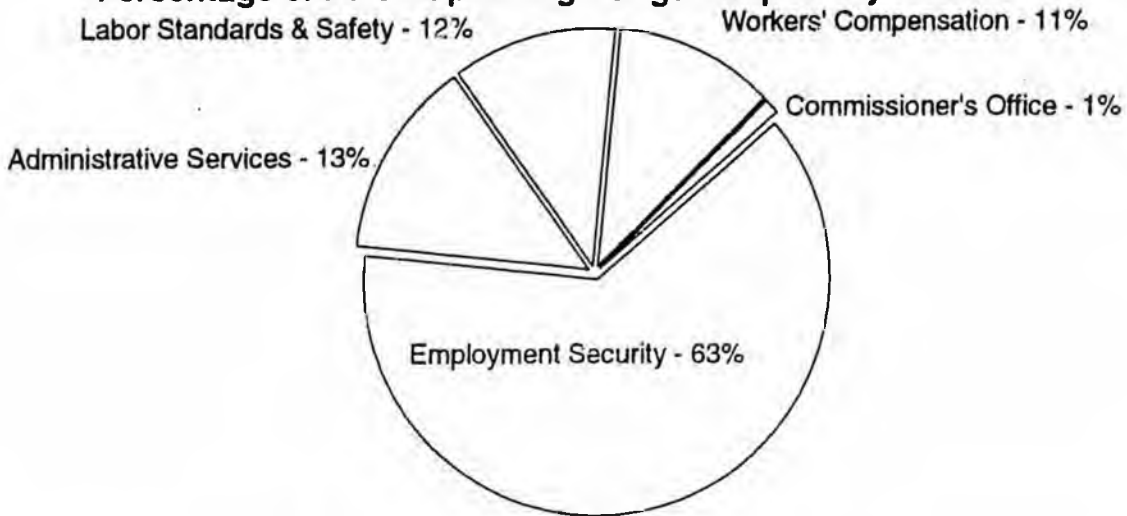
Note: During FY 91 & FY 92 the State Training & Employment Program (STEP) was classified as general funds. In FY 93 STEP classification was changed to non-general funds. Amounts for the STEP program are shown as unshaded in the appropriate years.

Major Fund Changes

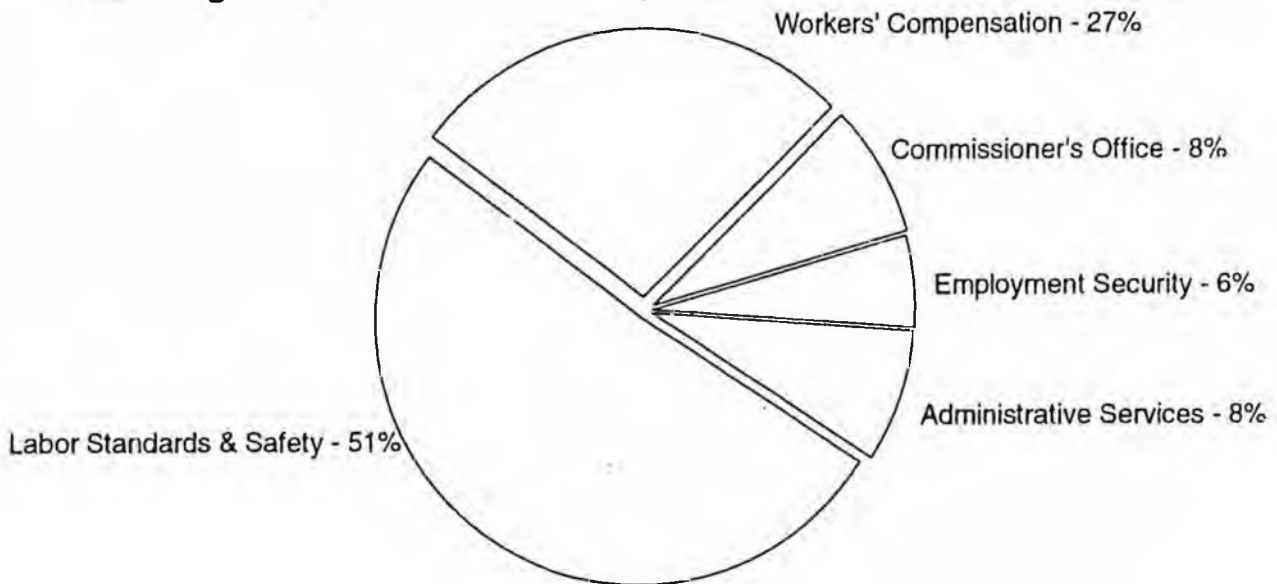
FY 91 - FY 92	Decreases for 5%+ reductions and STEP
FY 92 - FY 93	Increase for DP Chargeback, STEP fund source change, Unallocated & Misc cuts
FY 93 - FY 94	Reductions to Labor Market Info, Comm Offc, Work Comp, Labor Standards & Safety
FY 94 - FY 95	Reductions to Data Processing, Labor Market Info, Occ Safety & Health, Telecomm & Misc cuts
FY 95 - FY 96	Transfers between GF types, increase program receipts for Occ Safety & Health

Department of Labor

Percentage of FY 96 Operating Budget Request by Division



Percentage of FY 96 General Fund Operating Budget Request by Division

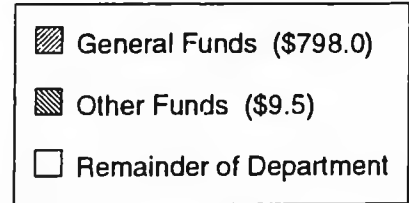
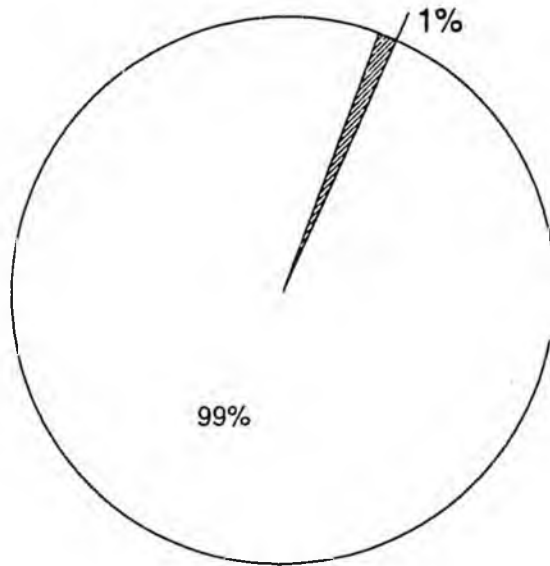


The Department is comprised of the Commissioner's Office and four divisions:

- Administrative Services Division
- Employment Security Division
- Labor Standards & Safety Division
- Workers' Compensation Division

4 The Department of Labor's mission as set out in Title 23 is to foster and promote the welfare of the wage earners in the state, improve their working conditions and advance their opportunities for profitable employment.

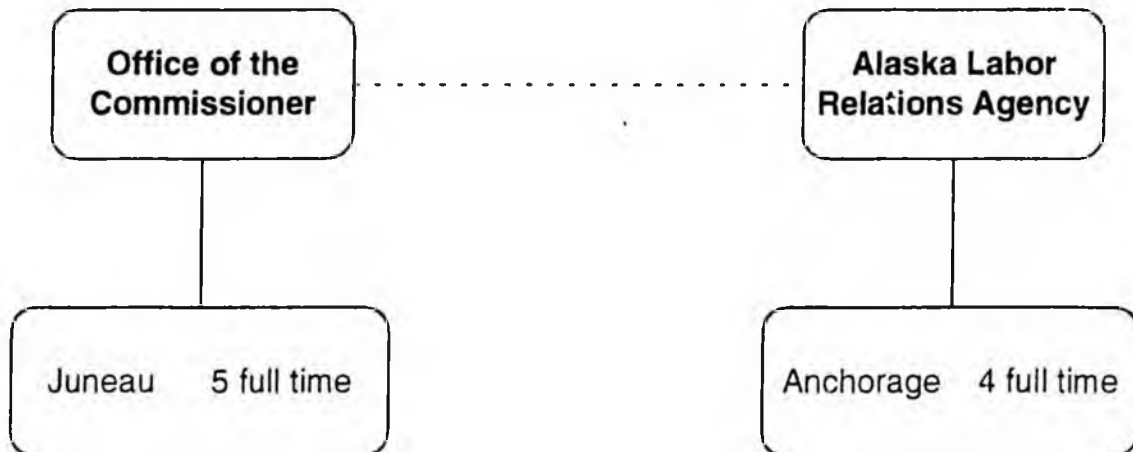
COMMISSIONER'S OFFICE



Department of Labor's FY 96 Budget Request

The Office is comprised of two sections:

- Office of the Commissioner
- Alaska Labor Relations Agency



COMMISSIONER'S OFFICE

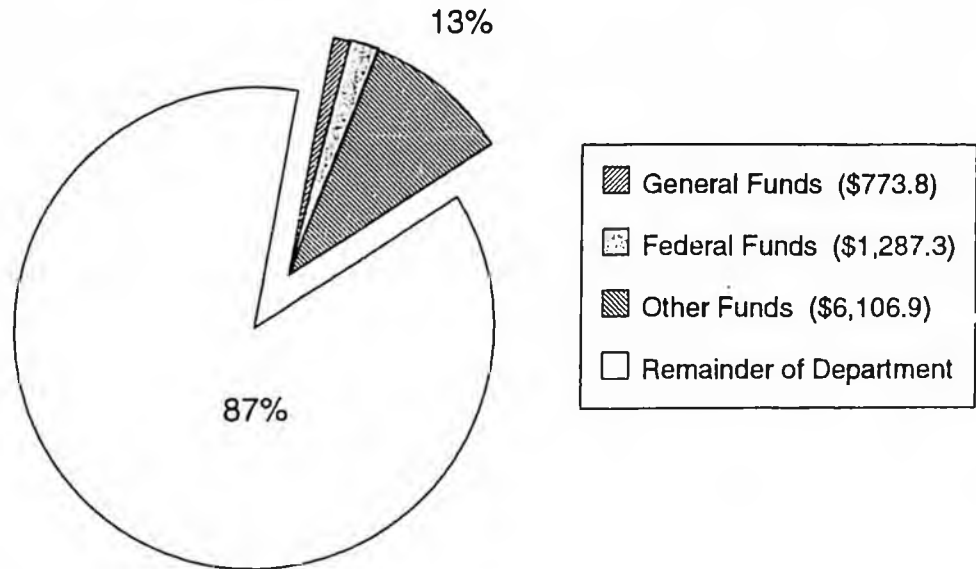
COMMISSIONER'S OFFICE

The Commissioner's Office is the policy arm of the department and focuses operations on the purpose of the department which is to foster and promote the health, safety, and economic well being of Alaska's workers.

ALASKA LABOR RELATIONS AGENCY

The Alaska Labor Relations Agency administers the Public Employment Relations Act and the Alaska Railroad's laws for public employers in the state. This includes the State, University, Railroad, political subdivisions, and school districts. The Agency's principal role is to referee disputes between organized labor and public employers. The Agency's methods can be informal, through conciliation, or formal, through quasijudicial administrative hearings.

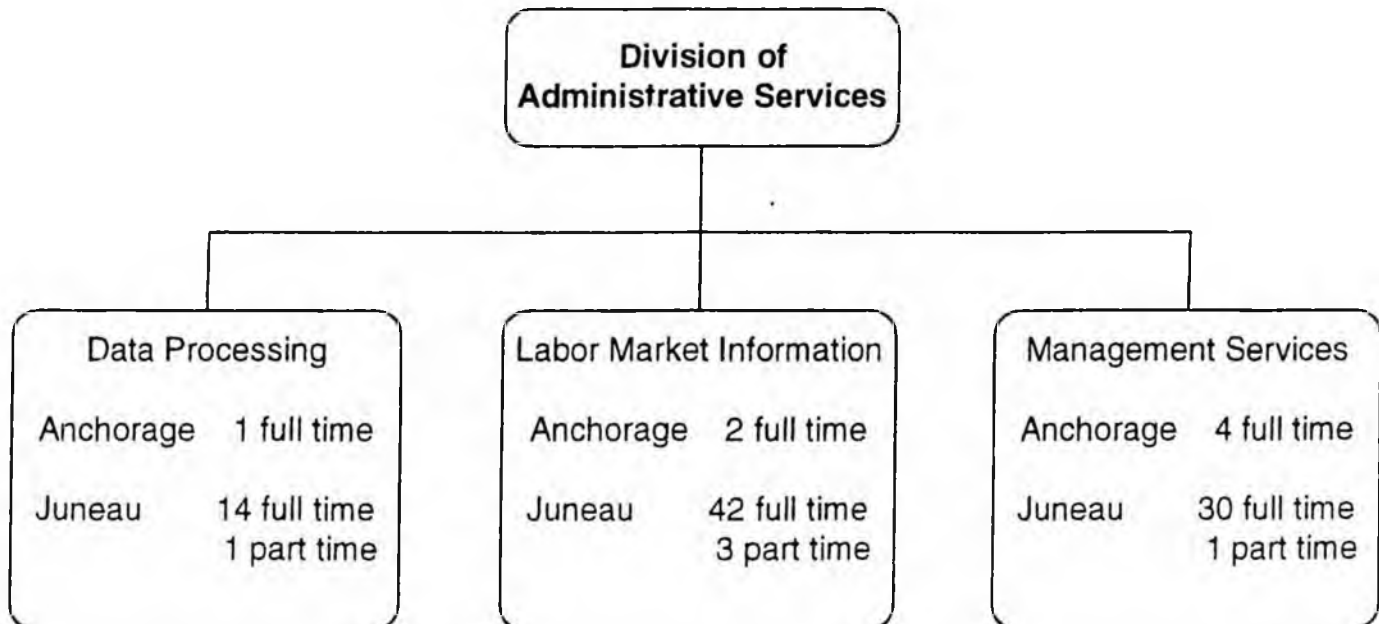
ADMINISTRATIVE SERVICES DIVISION



Department of Labor's FY 96 Budget Request

The Division is comprised of three sections:

- Data Processing
- Labor Market Information
- Management Services



ADMINISTRATIVE SERVICES DIVISION

DATA PROCESSING

The Data Processing section provides the internal data processing support necessary for department programs to operate as efficiently, effectively and economically as possible. Services include: production of computer generated forms; equipment installation, maintenance and repair; data base management; and computer security.

LABOR MARKET INFORMATION

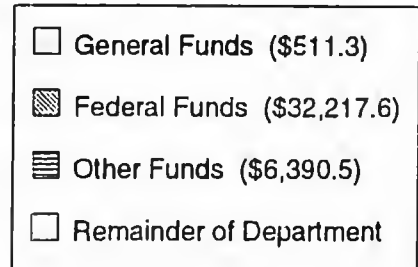
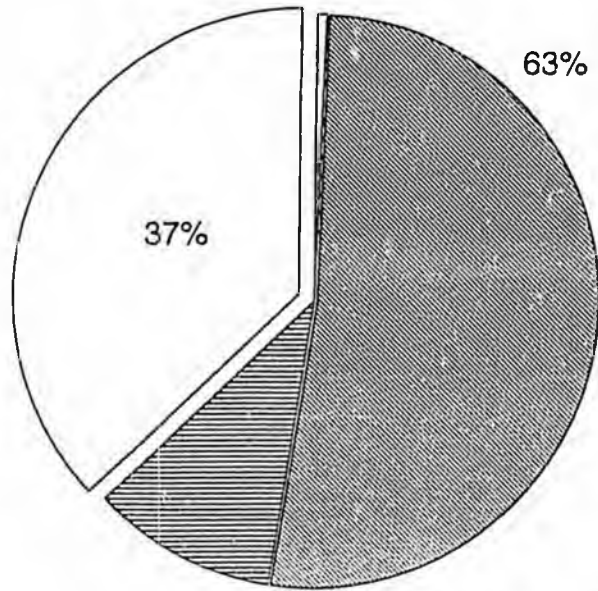
The Labor Market Information section works cooperatively with other federal and state agencies to gather, edit, estimate, project, analyze, and distribute most of Alaska's economic and demographic data. Information produced includes:

- employment by industry
- wage rates and earnings
- unemployment
- occupational injuries
- occupational employment and other career information
- pre and post training earnings
- housing: permits, costs, affordability and vacancies
- population

MANAGEMENT SERVICES

The Management Services section provides services within the department of Labor. These services include: personnel/payroll/training functions; budget preparation and monitoring; bill paying, contract review, grants review and other fiscal functions; and centralized mail, procurement and supply activities. These services are performed with the objective to ensure that the department's internal operations are as efficient, effective and economical as possible so that each division's programs can concentrate on serving the public as well as possible.

EMPLOYMENT SECURITY DIVISION



Department of Labor's FY 96 Budget Request

**Division of
Employment Security**

The Division's budget is comprised of four sections:

- Alaska Work Programs (JOBS)
- Employment/Unemployment Services
- Governor's Committee on Employment of People with Disabilities
- State Training & Employment Program

Anchorage	110 full time 2 part time	Juneau	168 full time 24 part time	Seward	4 full time 1 part time
Bethel	1 full time 1 part time	Kenai	25 full time 1 part time	Sitka	6 full time
Dillingham	2 full time	Ketchikan	18 full time	Soldotna	3 full time
Eagle River	8 full time	Kodiak	7 full time 2 part time	Tok	1 full time 1 part time
Fairbanks	47 full time 1 part time	Kotzebue	2 full time 1 part time	Valdez	6 full time 1 part time
Glennallen	1 full time 1 part time	Nome	4 full time	Wasilla	23 full time
Homer	5 full time	Petersburg	2 full time		

EMPLOYMENT SECURITY DIVISION

ALASKA WORK PROGRAMS

The Alaska Work Programs enables Aid to Families with Dependent Children and Food Stamp recipients to attain economic self-sufficiency. Services provided include: assessment, testing, counseling, employability planning, case management, job readiness and job search activities, placement and job development assistance to the program participants.

EMPLOYMENT/UNEMPLOYMENT SERVICES

The Employment/Unemployment Services program promotes employment and economic stability by responding to the needs of employers and job seekers. Services include: providing an electronically linked statewide labor exchange; paying unemployment insurance benefits to eligible claimants; vocational assessment and counseling; training in job finding, resume writing and other employability enhancement areas. Special employment assistance is offered to persons with disabilities, youth, veterans and other special target groups. The program also collects and accounts for unemployment insurance taxes paid by employers and employees.

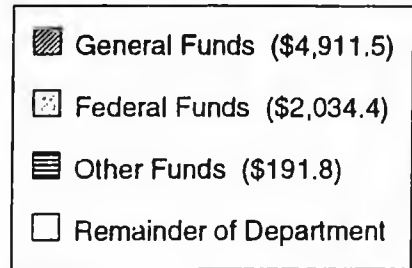
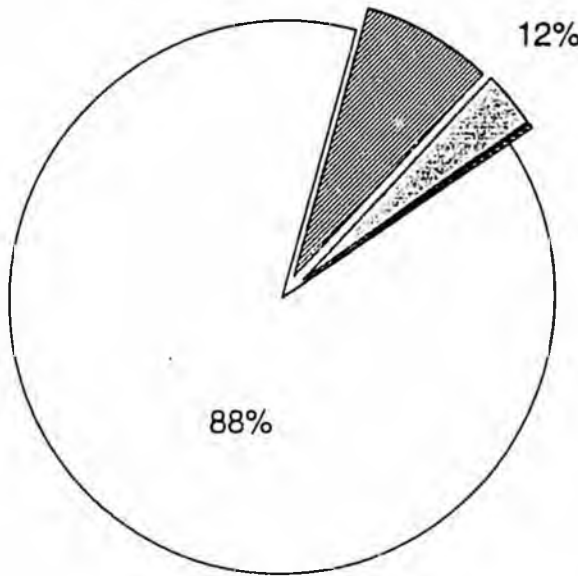
GOVERNOR'S COMMITTEE ON EMPLOYMENT OF PEOPLE WITH DISABILITIES

The Committee carries on a program to promote the employment of citizens of the state who have disabilities by creating statewide interest in the rehabilitation and employment of people with disabilities. The Committee provides education and facilitates interaction with public and private groups and individuals, and empowers people with disabilities to gain, retain and advance in employment.

STATE TRAINING & EMPLOYMENT PROGRAM

The State Training & Employment Program (STEP) attempts to reduce current and future claims against unemployment benefits by: providing workers with the training needed to secure employment; foster job growth in the state by making a skilled work force available to new and expanding firms and increasing training opportunities for workers who are affected by economic fluctuations and technological change. Services provided include: industry specific training; institutional and classroom training; support services; job search and counseling.

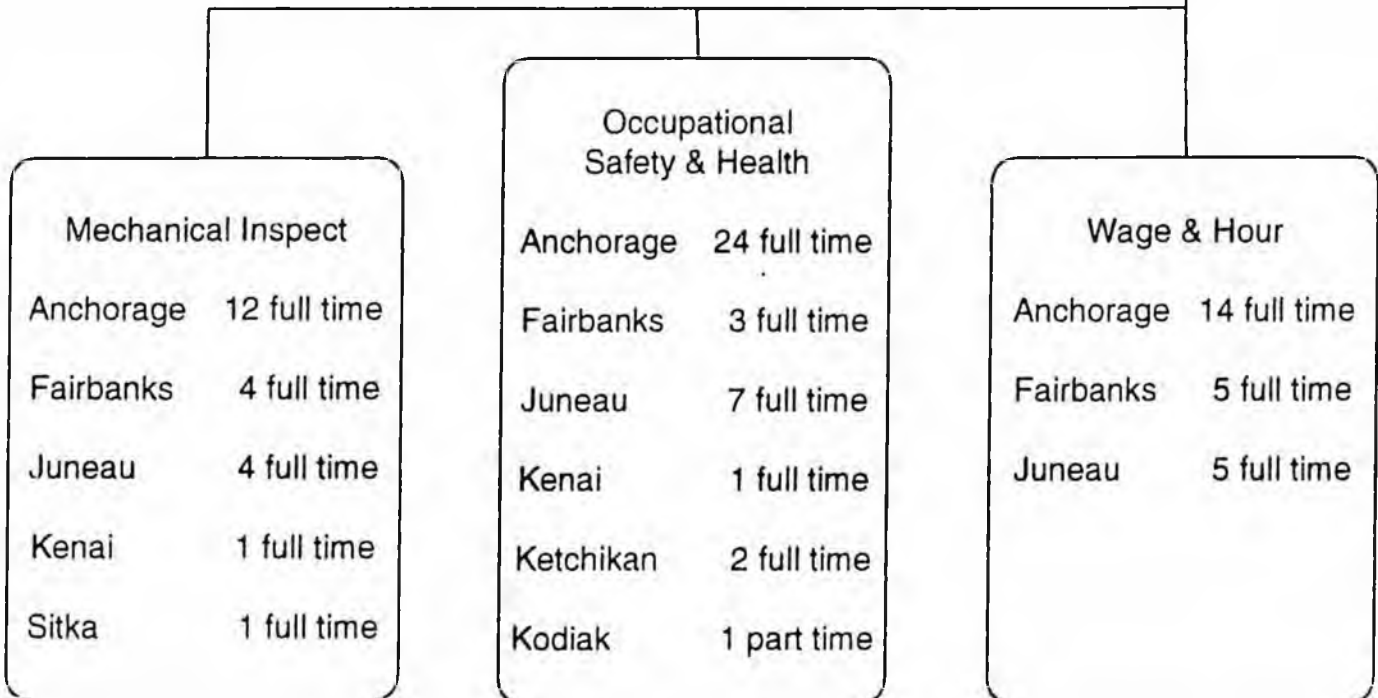
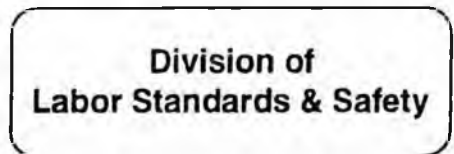
LABOR STANDARDS & SAFETY DIVISION



Department of Labor's FY 96 Budget Request

The Division is comprised of four sections:

- Alaska Safety Advisory Council
- Mechanical Inspection
- Occupational Safety & Health
- Wage & Hour



LABOR STANDARDS & SAFETY DIVISION

ALASKA SAFETY ADVISORY COUNCIL

The Alaska Safety Advisory Council provides assistance to various state agencies by making recommendations on proposed legislation and regulations dealing with safety, health, and injury prevention, also the Council works to promote coordination of state and federal programs that deal with accident prevention. In addition the Council organizes, promotes and holds the annual Governor's Safety Conference to bring together Alaskans interested in safety & health matters.

MECHANICAL INSPECTION

The Mechanical Inspection program provides the public with protection from the following dangers: improperly installed or improperly maintained boilers, pressure vessels, elevators, wheelchair lifts and recreational devices such as ski lifts, tramways, and amusement rides; sub-code electrical and plumbing installations and incompetent installers.

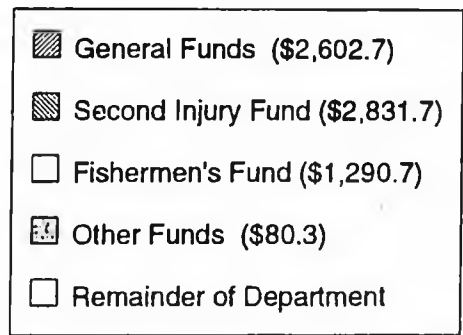
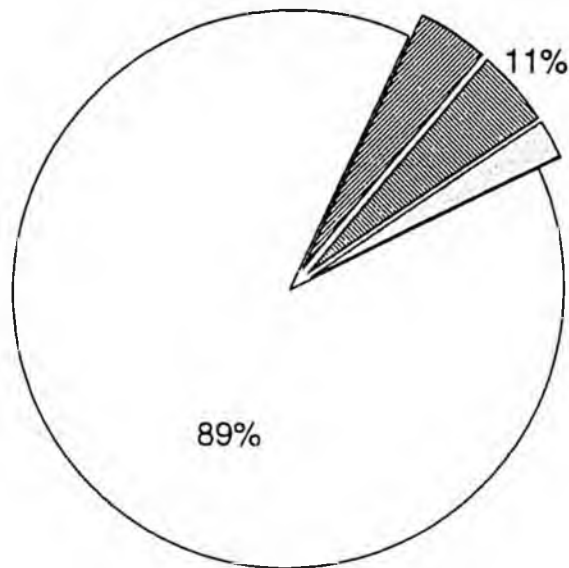
OCCUPATIONAL SAFETY & HEALTH

The Occupational Safety & Health program, through regulation development and enforcement, inspections, training and the distribution of applicable information, attempts to lower the number of industrial fatalities, injuries and illnesses suffered by Alaskan workers. The program also certifies individuals to perform hazardous work including asbestos removal, hazardous painting and explosives handling.

WAGE & HOUR

The Wage & Hour program promotes the welfare of the wage earner in the state by enforcing all state labor laws relative to payment of wages, minimum wage, overtime, family leave, employment preference and prevailing wage; and to protect the minor from abuse and exploitation in the workplace. The program also protects the general public from unscrupulous business operations of unlicensed construction contractors and employment agencies.

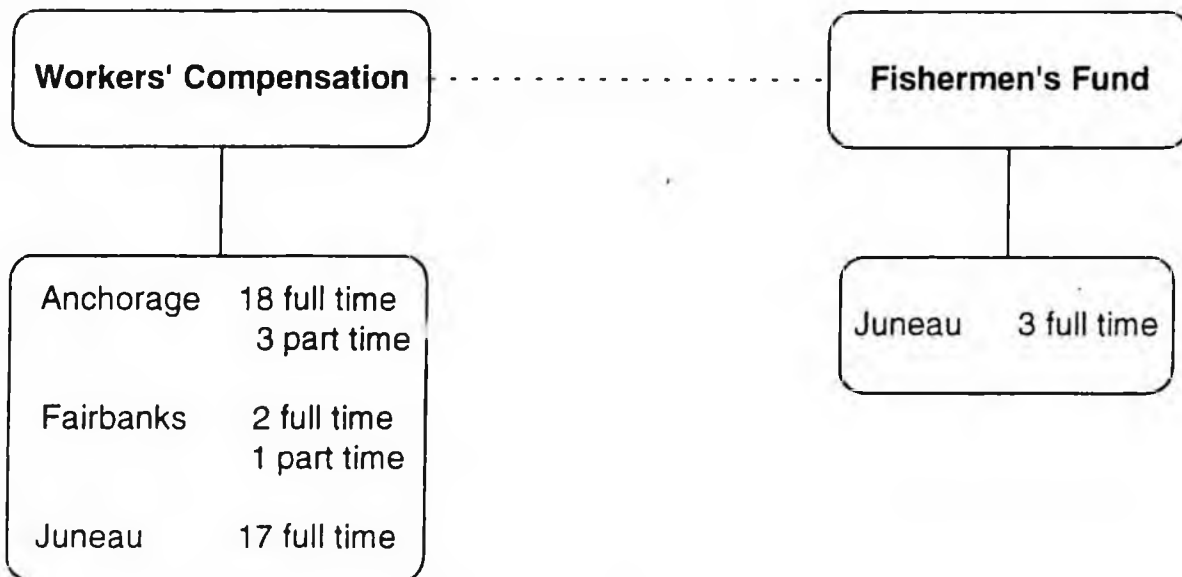
WORKERS' COMPENSATION DIVISION



Department of Labor's FY 96 Budget Request

The Division is comprised of two sections:

- Workers' Compensation
- Fishermen's Fund



WORKERS' COMPENSATION DIVISION

WORKERS' COMPENSATION

The Workers Compensation program, through adjudications, the Second Injury Fund, rehabilitation benefits, administration, and monitoring of self-insurers, assures that Alaska employers provide timely and correct payment of medical costs and partial replacement of wages to employees who are injured or become ill as a result of work conditions and, if necessary, retraining for an injured worker's return to gainful employment.

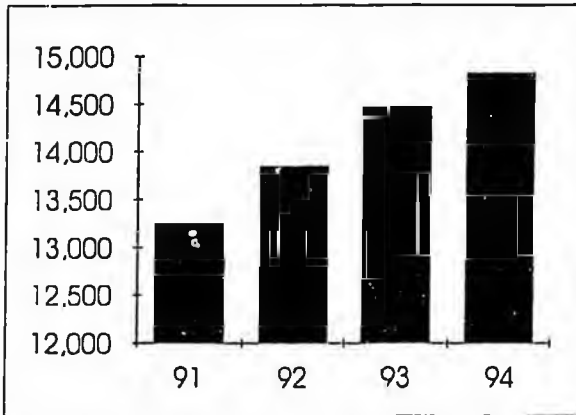
FISHERMEN'S FUND

The Fishermen's Fund program provides assistance with the costs for treatment and care of Alaska licensed commercial fishermen who are injured or become ill due to commercial fishing activities in Alaska.

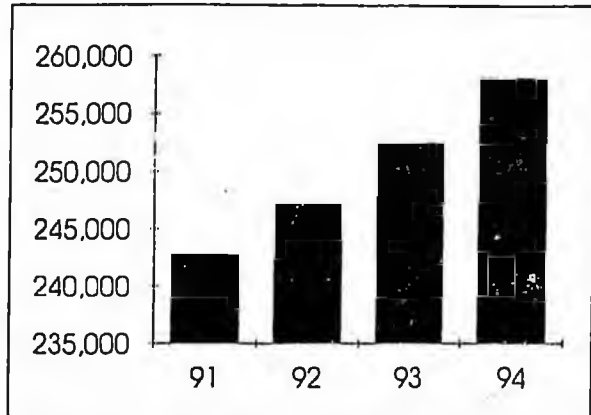
Department of Labor

GF Budget versus Alaska Work Force

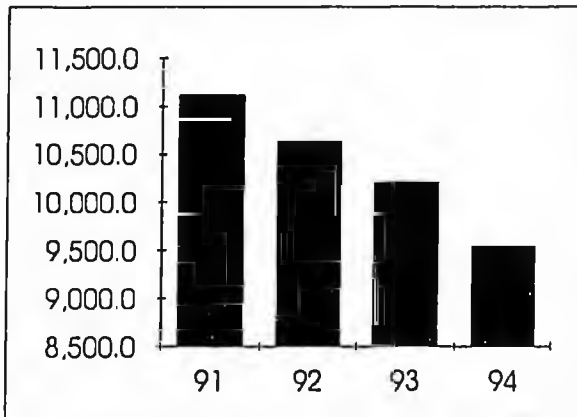
Number of Employers



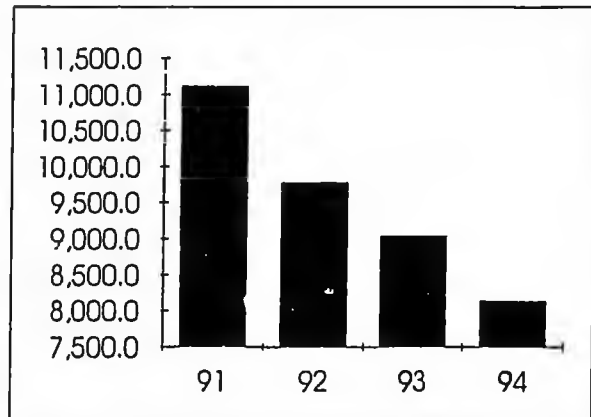
Number of Employees



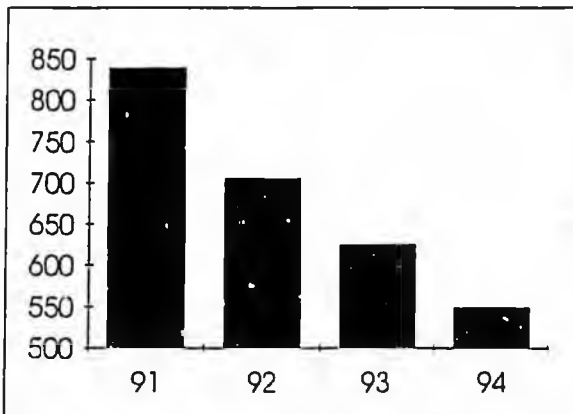
General Fund Budget



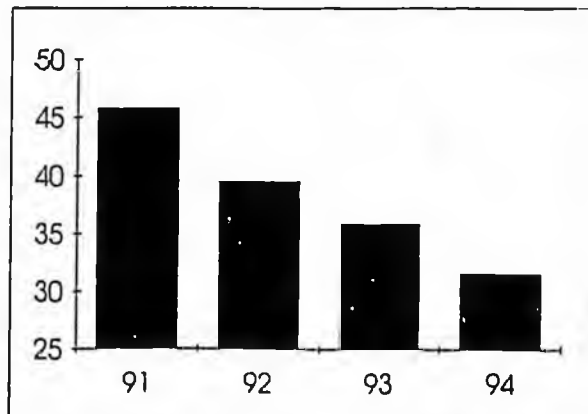
GF Budget in 1991 Dollars



1991 Dollars per Employer



1991 Dollars per Employee



STATE OF ALASKA

DEPARTMENT OF EDUCATION OFFICE OF THE COMMISSIONER

TONY KNOWLES, GOVERNOR

GOLDBELT PLACE
801 WEST 10TH STREET, SUITE 200
JUNEAU, ALASKA 99801-1894

February 7, 1995

The Honorable Mark Hanley
The Honorable Richard Foster
Co-Chairs, House Finance Committee
State Capitol
Juneau, AK 99801-1182

Dear Co-Chairs Hanley and Foster:

During the Department of Education's overview before the House Finance Committee on January 23, committee members asked specific questions regarding the court decision on the transportation of non-public school students and the reauthorization of federal Impact Aid. Enclosed for your information are copies of the court's decision in *Ten Eyck v. State of Alaska*, correspondence between the department and school districts regarding Impact Aid, and the federal Impact Aid statute, with the appropriate text highlighted on page 248.

In response to the court's decision regarding transportation of non-public school students, the department prepared draft regulations that were distributed for public comment in August of 1994. Because of the negative public response and lack of funding for non-public pupil transportation, the State Board of Education tabled the regulations. Copies of the draft regulations on non-public pupil transportation and public comments received are enclosed for your information. The department has requested \$3,000,000 in FY96 for non-public pupil transportation reimbursement, which includes \$327,400 currently being reimbursed to the Fairbanks School District for dedicated transportation routes for Monroe High School.

In recent years the total receipt of Impact Aid has been about \$75,000,000. Local districts have a net benefit of approximately \$32,000,000, due to an annual reduction in the general fund amount of state aid to the same districts of \$43,000,000. The district benefit comes from the portion of the Impact Aid which is designated as Indian Lands add-on and Special Education add-on, as well as the 10% minimum, which is not considered under the state law in determining foundation entitlement. Impact Aid appropriations have reduced Alaska's receipt and the FY96 deduct is now estimated at \$35,000,000. The amount of local revenue which a school district can receive is limited, in order to comply with the federal revenue disparity test. Disparity is a measure of the differences in revenue available to fund the current operations of each individual school district. Prior to October 1994, disparity calculations and the 25% maximum disparity were set by federal regulation. Based on the recent re-authorization, this process is now controlled by district wealth values and disparity standards set forth in federal statutes.


Letter, Mr. Mark Hanley
February 7, 1995
Page 2 of 2

Revenue disparity will be calculated utilizing actual data from two years prior. An exception to the two year prior data rule exists in the federal law if a state substantially revises its public school funding formula. Beginning in FY98 the disparity limit is set at 20%. If further restrictions of local contributions are not implemented by July 1, 1995 or if a substantially revised formula is not submitted to and approved by the U.S. Secretary of Education by July 1, 1997, the general fund portion of the foundation program entitlement may increase by \$35,000,000 to \$43,000,000 in FY98.

The reauthorization of federal Impact Aid changing the disparity requirement from 25% to 20% for FY98 will require the state to address the existing local cap in FY96 either through regulation or by making a commitment to substantially revise the Foundation Program. Another option is to do nothing and gamble that the actual disparity in FY96 and subsequent years will be less than 20%, without placing further restrictions on local contributions. The FY93 disparity was 19.81% which is the most recent year available. As the committee chair suggested there are a variety of other options. Regardless of the avenue taken, if the state continues to recognize Impact Aid in the formula, failure to meet the required disparity standard in FY96 may result in substantial monetary penalties in the future.

These are complex issues that will require the collective efforts of the administration, the legislature, school districts and the public to find solutions. The department has devoted significant resources to these issues and will be happy to assist you and the members of the committee in your deliberations.

Sincerely,



Jerry Covey
Commissioner

cc: House Finance Committee Members

Enclosures

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA

FOURTH JUDICIAL DISTRICT

CAMILLE TEN EYCK and ROBERT
TEN EYCK on their own behalf and
as next friends and parents of
MEGHAN TEN EYCK, HAYLEY TEN EYCK
and CAITLIN TEN EYCK, and on
behalf of all other persons
similarly situated,

Plaintiffs,

v.

STATE OF ALASKA, DEPARTMENT OF
EDUCATION; and JERRY COVEY,
COMMISSIONER OF EDUCATION,

Defendants.

Filed in the Trial Courts
STATE OF ALASKA, FOURTH DISTRICT

JAN 25 1994

Clerk of the Trial Courts

By _____ Deputy

Case No. 4PA-93-2135 Civil

MEMORANDUM DECISION

This is a suit for injunctive and declaratory relief seeking to require the state Department of Education to continue the funding of bus transportation to qualifying nonpublic school students. Plaintiffs filed this case as a class action and have moved for court recognition of their status as representatives of the class. Also before the court are the defendants', State of Alaska, Department of Education, and Jerry Covey, Commissioner of Education [collectively, the state], motion for partial summary judgment on the issue of the constitutionality of AS 14.09.020 and plaintiffs' cross motion for summary judgment. In addition, the plaintiffs seek recognition as public interest litigants. These motions are discussed below.

FACTUAL AND PROCEDURAL HISTORY

Plaintiffs Camilla Ten Eyck and Robert Ten Eyck brought the present motion on their own behalf, as parents of Meghan Ten Eyck, Hayley Ten Eyck, and Caitlin Ten Eyck, and on behalf of all other persons similarly situated. The Ten Eyck family resides in North Pole. The Ten Eyck children attend Immaculate Conception Elementary School [ICS], a private Catholic school in Fairbanks, and are transported to school on buses funded by the state under AS 14.09.023.^{1/}

Since the fall of 1980, the state has been reimbursing the Fairbanks North Star Borough School District [Fairbanks District] for the transportation of students attending ICS and Monroe High School, a Catholic high school in Fairbanks [collectively, Monroe/ICS]. In 1990, the state Department of Education [DOE] entered into a five year pupil reimbursement agreement with the Fairbanks District. Since that time, the Fairbanks District has operated on the understanding that it would be fully reimbursed for up to nine "regular route" buses to provide service to nonpublic school students in the Fairbanks area unless the pro-ration reimbursement from the state falls below 89 percent of the approved expenses.

DOE has reimbursed the Fairbanks District for the

^{1/}The buses are privately owned and are operated under contract with the Fairbanks North Star Borough School District.

transport of nonpublic school students under that agreement for the past three years. Of the approximately 600 students that attend Monroe/ ICS, an average of 233 currently use the publicly funded buses. Monroe/ICS has never provided bus service to its students.

The events leading up to the cessation of public funding of buses for these private school students and precipitating this suit began in June 1993. At that time, when the Kenai Peninsula Borough School District [Kenai District] sought a clarification from DOE concerning the state's policy on transporting nonpublic school students on routes extending beyond existing public school bus routes. The Kenai District verbally requested a route extension to its existing bus schedule in order to pick up a nonpublic school student living beyond the existing public school bus route.^{1/}

Duane Guiley, Director of Finance for DOE, denied the request based on his understanding that AS 14.09.020 authorized transportation of nonpublic school students only on routes necessary to transport public school students. Subsequently, Guiley learned that DOE was reimbursing the Fairbanks District for the transportation of nonpublic school students on dedicated nonpublic routes to and from Monroe/ICS.

^{1/}Until that time, the Kenai District had been allowing nonpublic school students living along established public school routes to ride public school buses to their nonpublic schools.

Guilay conferred with the Commissioner of Education and the Department of Law to determine whether reimbursement for the transportation of the nonpublic school students was legal. The Department of Law advised that a formal 1978 Attorney General Opinion had concluded that the busing of nonpublic school students violated the direct benefits clause of the Alaska Constitution. The Department further opined that the 1978 opinion was a valid statement of existing case law.^{2/}

On August 13, 1993, Guilay and Covey informed Barbara Martin, Assistant Superintendent of Business, and Rick Cross, Superintendent of the Fairbanks District, of the possibility that funds would be disapproved for nonpublic school transportation. DOE notified the Fairbanks District by letter dated August 19, 1993, of its final decision to disapprove funding for the transportation of nonpublic school students in Fairbanks.

On August 20, 1993, Covey officially notified all school superintendents that DOE would no longer approve funding for any nonpublic school student transportation and that districts were no longer to transport nonpublic school students on

^{2/}The Department of Law also noted that, regardless of the statute's constitutionality, the transportation provided to nonpublic school students in Fairbanks appeared to go beyond the statute. That issue is not presented in this case. The state has stipulated that, for purposes of this case, the nonpublic segments of bus routes in Fairbanks comply with AS 14.09.020. The evidence that North Pole students are transported to Fairbanks to attend public school facilities supports this conclusion.

either dedicated nonpublic school routes or existing public school routes. Covey requested that any affected districts supply revised transportation schedules and vehicle needs. Kodiak, Kenai, and Ketchikan^{1/} each replied that it had been busing nonpublic school students along existing public school routes. No school district other than Fairbanks reported bus routes^{2/} dedicated solely to nonpublic school students.

During the course of this litigation, the Department of Law discovered and disclosed a memorandum dated December 17, 1979, from then Attorney General Avrum M. Gross to Marshall Lind, the Commissioner of DOE. In the memorandum, Gross stated his opinion that, based on the Supreme Court's decision in Sheldon Jackson College v. State,^{3/} the busing of nonpublic school students would not violate Article VII, Section 1 of the Alaska

^{1/}Kodiak and Kenai responded in writing and Ketchikan responded verbally.

^{2/}"bus route" is defined in 4 AAC 27.990(2) as:

the shortest distance necessary to transport a given group of pupils to and from a pickup point nearest their homes and their regular attendance center, but does not include the distance from where a transportation vehicle is garaged to the start of its route.

In Fairbanks, eight routes are used exclusively for the transport of nonpublic school students. The same buses are used at other times of the day to transport public school students.

^{3/}599 P.2d 127 (Alaska 1979).

Constitution. He advised that his new opinion superseded the opinion of June 12, 1978.^{1/} The Department of Law asserts in this case that the December 1979 opinion expressed by Gross does not affect the state's position in the current action.

Plaintiffs brought the instant action seeking a declaratory judgment that AS 14.09.020 is constitutional and a permanent injunction prohibiting the state from withholding reimbursement under the statute. Plaintiffs have alleged a denial of rights under the state constitution, breach of contract for failure to perform in accordance with the Pupil Reimbursement Agreement^{2/}, and violations of procedural due process by being deprived of the opportunity to be heard before DOE made its final decision to disapprove funding for nonpublic school students.

The state did not oppose a temporary restraining order, which the court issued on August 25, 1993. Beginning on September 21, 1993, the court held a consolidated evidentiary hearing on the plaintiffs' motion for a preliminary injunction and the merits of the case. On September 23, 1993, the court issued a preliminary injunction continuing the application of AS

^{1/}The June 12, 1978, opinion was relied upon by the state in its August 20, 1993, decision halting bus service to private school students. The state officials were unaware of the December 17, 1979, Attorney General opinion.

^{2/}Plaintiffs assert that they are third party beneficiaries under the agreement and reasonably relied on the agreement in making educational and life decisions.

14.09.020 and requiring the state to continue to reimburse any school districts providing bus transportation to nonpublic school students.^{2/}

DISCUSSION

Motion for Class Certification

Whether this case may be maintained as a class action and the identity of the class to be represented are matters governed by Alaska Civil Rule 23. Civil Rule 23 provides that one or more members of a class may sue or be sued as representative parties on behalf of all members of that class only if:

- (1) the class is so numerous that joinder of all members is impracticable;
- (2) there are questions of law or facts common to the class;
- (3) the claims or defenses of the representative parties are typical of the claims or defenses of the class; and
- (4) the representative parties will fairly and adequately protect the interests of the class.

In the instant case, plaintiffs would define the class as including all students attending or wishing to attend nonpublic schools in Alaska, together with their parents, who are aggrieved by the state's decision to discontinue funding for transportation of students to nonpublic schools under AS 14.09.020.

^{2/}The court did not require the plaintiff to post a bond.

Clearly, such an expansive description of the class yields members so numerous as to make their joinder impracticable.

Assuming class representation is otherwise appropriate, the membership proposed by plaintiffs is too broad, including individuals who have little or no connection with the claim being litigated and who are not now and would never be affected by DOE's decision.^{10/} Moreover, the parameters of the proposed class would be dependent on a general and indefinite state of mind, such that there is "no rational or reasonable process of defining and determining the extent and character of the class, and what individuals are in the class." Vietnam Veterans Against the War, 63 F.R.D. at 680.

This court, however, has the discretion to limit or redefine the class in an appropriate manner if the proposed parameters of the class do not meet a minimum standard of definiteness. 7A C. Wright, A. Miller & M. Kane, Federal Practice and Procedure, §1760 at 123-24 (1986). Notwithstanding the many differing theories advanced by plaintiffs, this case turns on the constitutionality of AS 14.09.020. Plaintiffs here are challeng-

^{10/} See Vietnam Veterans Against the War v. Benicks, 63 F.R.D. 675, 680 (1974) (class defined as "persons who attend or participate or who wish to attend or participate in any public assembly or demonstration," was too vague and imprecise to be adequate under Federal Rule of Civil Procedure 23). The Alaska Supreme Court has recognized the identity between Civil Rule 23 and the corresponding federal rule and has found federal case law persuasive. Nolan v. Sea Airactive, Inc., 627 P.2d 1035, 1041 (Alaska 1981).

ing the stated attempt to enforce a constitutional provision.

Thus, the class must be limited to only those students, together with their parents, against whom the constitutional provision was being invoked, *i.e.*, nonpublic school students riding buses funded under AS 14.09.020, rather than all students in the state, as there is no justiciable controversy present unless the class is so limited. The fact that the specific members of the class may change during the course of the action is not important. 7A C. Wright, A. Miller, M. Kane, Federal Practice & Procedure, §1760 at 120 (1986).

Having determined that it is possible to define a class, the court must next examine the size of that class. In Fairbanks alone, an average of 233 students are bused under AS 14.09.020 to Monroe/ICS. In addition, the Kodiak Island Borough School District, the Kenai Peninsula Borough School District, and the Ketchikan School District bus nonpublic school students at state expense. The number of nonpublic school students riding state funded buses is sufficiently large to make joinder impractical:

While not disputing the numerosity of the potential class, the state argues that issues of fact distinguish members of the class residing in different school districts. Ostensibly, the state is referring to the fact that nonpublic school students in districts other than Fairbanks are transported on regularly scheduled public school routes, not dedicated nonpublic school

routes. The state contends that these factual issues make it impossible for the representative parties to protect the interests of the class fairly and adequately.

The supreme court addressed a similar issue in State v. Alex, 646 P.2d 203 (Alaska 1982). There, commercial fishers brought a class action against private aquaculture associations and the state, alleging that a statute authorizing the private aquaculture associations to collect mandatory assessments on the sale of salmon by commercial fishers was unconstitutional. Defendants appealed the trial court's certification of the class, contending that plaintiffs could not provide adequate representation for the class because they had interests antagonistic to other members of the class.

In upholding the trial court's certification of the class, the court reasoned that, in a suit to strike down a statute as unconstitutional, the requirement of adequate representation loses vitality as a finding of unconstitutionality will affect all class members equally:

Thus, even if [a] plaintiff is not a proper representative in the traditional sense, striking a class claim will not effectively change the end result if the party successfully proceeds on an individual basis.

Id. at 214, quoting 7 C. Wright & A. Miller, Federal Practice and Procedure, §1771, at 664 (1972).

The Alex court also noted that, in an action to declare a statute unconstitutional, "there are only two sides to the ar-

gument; either the statute is constitutional or it is not." Id. If there are no inherent conflicts amongst the interests of the individual class members, e.g., rights to different shares of a limited fund, "the interests of class members antagonistic to the representatives' constitutional attack will usually be adequately represented by the defendants." Id.

While the plaintiffs here seek to uphold, not strike down, the constitutionality of a statute, the reasoning in Alax is still applicable. The state contends that the statute at issue is unconstitutional, but has stipulated to the fact that the busing of nonpublic school students in Fairbanks conforms to AS 14.09.020. The issue before the court then is not whether the state is implementing the statute properly, but whether AS 14.09.020 violates Article VII, Section 1 of the Alaska Constitution.

While the use of dedicated nonpublic school routes in Fairbanks may test the outer limits of the statute, a finding that AS 14.09.020 is unconstitutional after an examination of the facts as they exist in Fairbanks would affect all nonpublic school students riding public school buses in the same way. That is, either the statute is constitutional and state funded busing of nonpublic school students continues or the statute violates the direct support clause and the practice must cease. The basic interest of all class members is the same, i.e., receiving state funded transportation to nonpublic schools. It is irrelevant

whether the students elsewhere in the state "piggy-back" rides on existing bus routes. The claims and defenses of the class members are similar and any factual distinctions alluded to by the state do not prevent the named plaintiffs from fairly and adequately representing the interests of all class members.

Having determined that the requirements of Rule 23(a) are met, the court must next determine whether the action falls within Rule 23(b) before it may certify the case as a class action. Plaintiffs do not specify which type of class action under Rule 23(b) they are seeking. The state argues that, if the action is certified as a class action, it should fall under Rule 23(b)(2). The court agrees.

Civil Rule 23(b)(2) allows a class action to be maintained where:

The party opposing the class has acted or refused to act on grounds generally applicable to the class, thereby making appropriate final injunctive relief or corresponding declaratory relief with respect to the class as a whole.

A.R.Civ.P. 23(b)(2). Two factors must be present in order for an action to fall within section (b)(2):

(1) the opposing party's conduct or refusal to act must be 'generally applicable' to the class and

(2) final injunctive or corresponding declaratory relief must be appropriate for the class.

7A C. Wright, A. Miller & M. Kane, Federal Practice & Procedure,

§1775 at 447-48 (1986). An action is "generally applicable" if the party opposing the class is not required to act directly against each member of the class, but acts generally as to the entire class. Id.

Courts apply Rule 23(b)(2) where the party opposing the class has acted on grounds that are applicable to the entire class, e.g., a regulatory scheme. For example, in Alex, the court noted that an action challenging the constitutionality of a statute properly fall within Rule 23(b)(2). State v. Alex, 646 P.2d at 213 n.10.

Here the state is acting under a constitutional provision that applies equally to all members of the class. The state is not required to act individually against each class member and the injunctive and declaratory relief sought by plaintiffs would affect all class members similarly. Thus, plaintiffs may bring a class action suit under Alaska Civil Rule 23(b)(2) on behalf of all nonpublic school students riding buses funded by the state under AS 14.09.020 to and from nonpublic schools and the parents of those students.

Cross Motions for Summary Judgment -- The Law

In 1961, the fledgling Alaska Supreme Court determined that a statute providing for free transportation of students to nonpublic schools violated the Alaska Organic Act provision prohibiting the appropriation of public money for support of nonpub-

lic schools and was not validated with the enactment of Article VII, Section 1 of the Alaska Constitution.^{11/} Matthews v. Quintin, 362 P.2d 932 (Alaska 1961), cert. denied, 368 U.S. 817 (1962).^{12/} The state relies entirely on Matthews in its motion for partial summary judgment.

In 1972, ten years after the Matthews decision, the Alaska Legislature enacted AS 14.09.020, similar to the statute previously struck down and which provides, in pertinent part:

In those places in the state where the department or a school district provides transportation for children attending public schools, the department also shall provide transportation for children who . . . attend nonpublic schools that are administered in compliance with state law where the children, in order to reach the nonpublic schools, must travel distances comparable to, and over routes the same as, the distances and routes over which the children attending public schools are transported. . . .

Plaintiffs here ask the court to find that the provision of

^{11/}Article VII, Section 1 reads:

The legislature shall by general law establish and maintain a system of public schools open to all children of the state and may provide for other public educational institutions. Schools . . . so established shall be free from sectarian control. No money shall be paid from public funds for the direct benefit of any religious or other private educational institution.

^{12/}The three member court was sharply divided. Justice Diamond dissented from what he called a "harsh and unjust conclusion." Id. at 944.

transportation to nonpublic school students under AS 14.09.020 is constitutional. The state asserts that under Matthews AS 14.09.020 is unconstitutional.

At first blush, the issues in this case appear easily resolved under Matthews. The difficulty arises, however, in light of the 1979 Supreme Court decision in Sheldon Jackson College v. State, 599 P.2d 127 (1979).

In Sheldon Jackson, the court examined the state tuition grant program, AS 14.40.776(a). The program awarded state residents attending private colleges in state an amount generally equal to the difference between the tuition charged by a public college in the same area.^{11/} The court held that the program was not neutral and was, in its effect, a direct benefit to the educational functions of nonpublic educational institutions and, thus, violated Article VII, Section 1 of the state constitution.

In Sheldon Jackson, the court established guidelines for use in determining generally the type of government action intended to be prohibited by Article VII's direct benefit clause. First, a court is directed to examine whether the provision governing aid to nonpublic schools provides a neutral and nonselective benefit. Next, the court must determine whether the state aid program provides aid to education conducted outside the pub-

^{11/}The grants were \$1,850 for each eligible student in 1975-76, and \$2,500 per student in 1976-77.

lic schools. Third, the court must consider the magnitude of the benefit. Finally, the court must look behind the superficial form of the benefit and determine whether funds are merely being channeled through an intermediary to the private school.

In establishing these guidelines, the Sheldon Jackson court pointedly commented that it was not relying on Matthews and, thus, did not have the occasion to either overrule or reaffirm Matthews. 599 P.2d at 130 n.20. The court acknowledged, however, that a "substantial question . . . can be raised as to [Matthews'] vitality in light of the analysis which we employ in the present opinion." Id. Thus, this court must now analyze the statute at issue under both Matthews and Sheldon Jackson.^{14/}

^{14/}As the state points out, a number of states have interpreted constitutional provisions prohibiting benefits to religious or private schools to extend to busing of nonpublic school students. See, e.g., Opinion of the Justices, 216 A.2d 668 (Del. 1966); Enaldi v. Engelking, 488 P.2d 860 (Idaho 1971), cert. denied, 406 U.S. 957 (1972); Spears v. Honda, 449 P.2d 130 (Hawaii 1968); Nooksack Valley School District, No. 506, 207 P.2d 198 (Wash. 1949). The state neglects to mention, however, that many other states have upheld such statutes and that, beginning in the early 1970's, there was a noticeable shift in the courts towards upholding statutes providing public funding for the transportation of nonpublic school students. See, e.g., Attorney General v. School Committee of Essex, 439 N.E.2d 770 (Mass. 1982) (statute providing transportation to students attending nonpublic schools in compliance with compulsory attendance requirements did not violate provision of state constitution prohibiting aid to private schools); Americans United, Inc. as Protestants v. Ind. School Dist. No. 622, 179 N.W.2d 146 (Minn. 1970), appeal dismissed 403 U.S. 908 (1971) (statute authorizing use of public funds to transport students to sectarian schools did not violate constitutional provision prohibiting use of public money for support of parochial schools); Loringfield School Dist. v. Dept. of Ed., 397 A.2d 1184 (Penn.), appeal dismissed 443 U.S. 801 (continued...)

Underlying this court's analysis is the general principle of statutory construction that first affords a statute a presumption of constitutional validity. See Mathava, 362 P.2d at 945.^{14/} The state, as the party challenging the constitutionality of the statute, bears the burden of overcoming this presumption.

First, AS 14.09.020 on its face confers benefits equally upon students attending public and nonpublic schools. Transportation is available to nonpublic school students only in those places where publicly funded transportation is provided for public school students. AS 14.09.020. Moreover, the language provides for the equal treatment of public and nonpublic school

^{14/}(...continued)

(1979) (statute requiring that both nonpublic school and public school pupils be transported to their schools within district and within ten miles outside district boundaries did not violate Establishment Clause nor Equal Protection Clause). See also Zobrest v. Catalina Foothills School Dist., 113 S. Ct. 2462 (1993) (upholding against an Establishment Clause challenge the provision of sign language interpreter to deaf nonpublic school student under the Individuals with Disabilities Education Act). In upholding busing statutes, courts generally equate provisions of transportation services with other services such as sewers, streets, sidewalks, and police and fire protection, which are furnished to nonpublic schools as members of the general public. They also stress that public busing permits the safe and expeditious compliance with compulsory education laws. Any benefit to the schools, it is reasoned, is incidental and not connected with their educational purposes.

^{14/}The issues here do not present an Establishment Clause question as AS 14.09.020 makes no distinction between religious and secular aid. The distinction is strictly between public and nonpublic schools.

students by requiring that busing be provided only where nonpublic school students "travel distances comparable to, and over routes the same as," the distances and routes over which public school students travel. *Id.*

The state argues that, as applied, the statute confers benefits to nonpublic school students not available to public school students. In support of this argument, it notes that in the Fairbanks District public school students are not bused to the school of their choice. A public school student may attend a school other than that assigned only on a space available basis and without publicly funded transportation to that school.^{14/}

Nothing in AS 14.09.010 or .020, however, prohibits the use of public funds to transport a public school student to the school of his or her choice. Whether a district denies public school students busing to any public school in the district has no bearing on the statutorily imposed duty of the district to bus nonpublic school students to their nonpublic schools. Thus, the fact that DOE or a local school district determines that public school students are not eligible to be bused beyond the schools assigned does not require the court to invalidate AS 14.09.020.

^{14/}On the other hand, in the Fairbanks District, some public school students are bused beyond the school in their local attendance center to Howard Luke Alternative School, Hutchison Career Center, or other special education programs.

Nevertheless, the court cannot accept a construction of AS 14.09.020 that would allow nonpublic school students to be transported to wherever they choose to attend school. At its extreme, such a construction would lead to an absurd result, an entitling Fairbanks students to be transported to nonpublic schools in Anchorage on a daily basis. Such a construction, however, is prevented by the very language of the statute.

AS 14.09.020 must be construed to mean that a student is eligible for transportation to a nonpublic school if the student lives the required distance from the nonpublic school or along a designated hazardous route.¹⁷ Based on the principles of equality embodied in the statute, only nonpublic school students living within a distance that is equal to or less than the furthest distance a public school student would be bused by that district are eligible for transportation under AS 14.09.020. A student is not entitled to transportation under AS 14.09.020 to nonpublic schools beyond these parameters.¹⁸ Based on this reading, the statute does not favor nonpublic school students and

¹⁷ See *Matthews*, 362 P.2d at 938 (crucial distance in determining eligibility for publicly funded transportation was distance to school student is attending, not distance to nearest public school).

¹⁸ The hardship this may create for some students cannot affect the court's decision.

does not offend the concept of neutrality.^{19/}

Second, the funds expended under AS 14.09.020 do not aid education outside the public schools. In analysing this factor in Sheldon Jackson the court recognized that:

any state assistance that relieves the burden on a private school to provide for the health and welfare of its students will free the school to concentrate its funds on its private educational mission. . . .

599 P.2d at 130. The court suggested, based on the comments of the framers of the constitution, that Article VII would not bar such incidental support. 599 P.2d at 130.

The court's analysis in Sheldon Jackson requires a more extensive inquiry than that employed in Matthevs. In Matthevs, the court rejected the child benefit theory and concluded that publicly funded transportation provides a direct benefit to non-public schools. 362 P.2d at 941.^{20/} Without further inquiry,

^{19/} See Attorney General v. School Committee of Essex, 439 N.E.2d 770, 777 (Mass. 1982) (where legislature intended equal treatment of private school students, statute would not be interpreted to provide transportation to private school students to wherever they choose to attend, but must be construed to place a measure of reasonableness on the transportation of private school students).

^{20/} Plaintiffs urge the court to adopt the child benefit theory "since the logic of the Matthevs case has not been followed by later Alaska Supreme Court decisions. . ." Plaintiff's reply brief, October 15, 1993, at 14. Matthevs was not overruled by the court in Sheldon Jackson, 599 P.2d at 130 n.20, or any other case. Consequently, while this court may review the statute at issue under both Matthevs and Sheldon Jackson, this court is not free to ignore totally the court's findings in Matthevs and adopt the child benefit theory here.

the court held that any aid that accrued directly to a nonpublic school was prohibited under the direct benefits clause in the Organic Act and would not be sustained under the analogous provision in the constitution. Id. With the benefit of the full transcripts of the constitutional convention, Sheldon Jackson expanded the court's role in reviewing a statute challenged under Article VII, Section 1 to include an inquiry as to whether the aid acts as a direct subsidy to the educational objectives of the nonpublic schools. 599 P.2d at 130.

Thus, under the second prong of the Sheldon Jackson analysis, the direct benefits clause of the constitution does not preclude incidental support to nonpublic schools that does not amount to aid to education outside the public schools.^{21/} Here, the funding of transportation for nonpublic schools is analogous to the provision of fire and police protection, traffic control, sewers, or other health and welfare services from which the entire community benefits and which have no role in the teaching function of the nonpublic school.^{22/} Any benefit received by the

^{21/} 599 P.2d at 130, citing Rosser v. Div. of Publ. Works of Md., 426 U.S. 736, 762 (1976); Maak v. Pittenger, 421 U.S. 349, 366 (1975).

^{22/} In Sheldon Jackson, the court stated:

[T]hough the police and fire protection afforded a private school may provide the school with quite direct benefits, as when a campus fire is extinguished, such benefits are provided without regard
(continued...)

school does not relieve it of an expense necessary for the education of its students..

The bus transportation in this case is such incidental support. It does not relieve the private schools from providing this service as the schools do not now and have never done so.^{21/} AS 14.09.020 does not, therefore, interfere with Article VII's "mandate that Alaska pursue its educational objectives through public education." Id. at 131.^{21/}

^{22/} (...continued)

to status and affiliation, and have universally been presumed to be constitutional.

599 P.2d at 130. The Matthews court also considered the police power of the state and noted that such powers must be exercised within constitutional limits and cannot be used to validate a statute otherwise in violation of the constitution. 362 P.2d at 944. This statement is not inconsistent with Sheldon Jackson in which the court implied that statutes protecting the health and welfare of the community would be upheld under Article VII, Section 1 of the constitution only if the statute is applied equally to all students and the benefit to the nonpublic school is not great. See 599 P.2d at 130.

^{21/} During the time period after Matthews when the busing program was halted, parents mobilized to provide transportation for Monroe/ICS students. The schools took no action.

^{24/} See Snyder v. Town of Newtown, 161 A.2d 770, 778-79 (Conn. 1960) (busing fosters education only to extent that children are protected from danger of modern traffic and hazards of bad weather and gathered in modern schools for better educational opportunities); Bloss v. School Com. of Springfield, 379 N.E.2d 578 (Mass. 1978) (lending of textbooks by a school committee to private school students was an unconstitutional use of public property to maintain or aid private schools; but was distinguished from the provision of busing, which "has no role in the teaching function, the school's essential enterprise"); American
(continued...)

Third, the analysis in Sheldon Jackson requires that the court find that the aid amounts to substantial assistance before it finds that the aid violates the direct benefits clause of the constitution.^{21/} In Sheldon Jackson, the court struck down a statute pursuant to which the college directly received approximately six hundred thousand dollars from 1975 through 1976.

Unlike the situation there, where the elimination of the state aid program clearly resulted in a dollar for dollar reduction in revenue to the college,^{21/} the financial hardship to nonpublic schools resulting from the elimination of public busing is not as easily calculated. The benefit cannot simply be measured as the cost to the state for the transportation, for these sums are not paid to the nonpublic school, either directly or indirectly.

^{21/} (...continued)

United Inc. as Protestants, 179 N.W.2d at 156 (busing does not directly involve support of the educational process).

^{21/} 599 P.2d at 130 ("A trivial, though direct, benefit may not rise to the level of a constitutional violation, whereas a substantial, though arguably indirect, benefit may.").

^{21/} After the loss of the grants, the college reported that:

it had suffered "a substantially diminished capacity" to function as an educational institution as a result of the termination of the tuition grant program, as reflected in a reduction of students, faculty, income and curriculum offerings.

599 P.2d at 132.

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The provision of transportation does not lighten the financial burden faced by the nonpublic schools by freeing transportation funds to make them available for educational purposes. Recognizing that the magnitude of the benefit is difficult to measure and may not be accurately represented by the amount of state spending, the court finds that any aid that accrues to nonpublic schools under AS 14.09.020 is attenuated at best and that the benefit received by the nonpublic schools is remote, too incidental, and too indirect to render the statute constitutionally infirm.¹⁷ See Attorney General v. School Committee of Essex, 439 N.R.2d 770, 775 (Mass. 1982) (benefits busing brings to schools are not substantial aid, but aid which is quite remote).

The state suggests that under Article VII, Section 1, the "benefit" to the nonpublic school cannot be measured only in monetary terms, but must also be viewed in light of the "attractive services" the state expenditures allow nonpublic schools to offer their students. Specifically, the state contends that public funding for transportation allows the nonpublic schools to draw a more diverse student body and not only relieves the nonpublic school of that expense, but also enables the school to collect tuitions from those students who would not otherwise be able to procure transportation to the school. It is argued that

¹⁷That the cost to the state of conferring this benefit may vary slightly from year to year is not significant to the court's analysis here.

the elimination of publicly funded busing would require nonpublic schools to expend resources to provide that service and lose the tuitions of the students who would be unable to attend either because of the added cost of transportation or the unavailability of alternative methods of transport to and from the nonpublic schools.

This argument, however, lacks factual support. There is no basis for concluding that the costs of student transportation would be shifted to and borne by the nonpublic schools. Moreover, taken at face value, application of the state's argument would preclude any state aid to support health and welfare programs for students of nonpublic schools. Any such spending would reduce the burden on the nonpublic schools to provide those services and make those schools more attractive to potential students. Under Sheldon Jackson, a distinction must be made between aid for health and welfare programs and aid to education.

The fact that the funding of transportation under AS 14.09.020 encourages attendance at nonpublic schools to some degree cannot be ignored. The same could be said, however, for the existence of indoor plumbing, police and fire protection, telephone service, and other benefits derived from governmental services. Moreover, whether attendance is really benefitted is questionable where, as here, there is often a waiting list of students wanting to attend Monroe/ICS. If publicly funded transportation were eliminated and alternate busing were not funded by

the nonpublic schools, some students would find alternate means of transportation. In such a case, nonpublic schools would lose the tuition income of those students who would not be able to arrange alternate transportation, but only to the extent that the school would not then be able to fill those slots with new students. See *Tobrest v. Catalina Foothills School Dist.*, 113 S.Ct. 2462 (1993) (only indirect benefit school may receive under Individuals with Disabilities Education Act is handicapped student's tuition, and only if school could not otherwise fill that slot).

Moreover, there is an observable public benefit from the busing of these students. Nonpublic school students are transported more safely, more efficiently, and with less impact on the environment on public buses than if the students were forced to provide their own means of transportation to and from school. Based on the legitimate purposes of protecting the health and welfare of students required to attend school under the state's compulsory education law, and because the busing does not directly aid the educational function of the nonpublic schools, the court finds that the magnitude of the benefit derived under AS 14.09.020 does not violate Article VII, Section 1 of the constitution.^{28/}

^{28/}Plaintiffs argue that the cost of busing nonpublic school students must be balanced against the burden of educating those students in the public schools. This court, however, does not believe that a determination of whether funds expended by the state violate a constitutional provision turns on whether the
(continued...)

The final prong of the analysis established in Sheldon Jackson requires the court to examine whether funds channeled through an intermediary actually amount to direct aid to nonpublic schools. Plaintiffs argue that it is the independent bus contractors, and not the nonpublic schools, that actually benefit under AS 14.09.020. They assert that no money ever reaches the nonpublic schools and, thus, the elimination of funding would not save the nonpublic schools any money.

Plaintiffs' position is untenable under Sheldon Jackson. Whether DOE pays the bus contractors directly, reimburses the public schools districts, or releases the funds directly to the nonpublic schools, the result is the same and the accounting entry used by the state does not affect the constitutionality of the AS 14.09.020. Yet, it remains true that these funds are not paid, either directly or indirectly, to Monroe/ICS, inasmuch as these schools have never provided transportation services and thus receive no measurable direct financial benefit.

Based on the above reasoning, the court finds that AS 14.09.020 does not provide a significant direct benefit to the educational purpose of nonpublic schools and, as such, does not violate Article VII, Section 1 of the constitution.

18/ (...continued)

overall cost to the state would be increased if all nonpublic school children were to transfer to public schools if transportation were not provided.

Motion to Declare Plaintiffs Public Interest Litigants

Plaintiffs seek public interest litigant status. The court must determine whether plaintiffs seek to protect the public interest in bringing this action. The four criteria for determining whether a particular lawsuit involves the public interest are:

- 1) Is the case designed to effectuate strong public policies?
- 2) If the plaintiff succeeds will numerous people receive benefits from the lawsuit?
- 3) Can only a private party have been expected to bring the suit?
- 4) Would the purported public interest litigant have sufficient economic incentive to file suit even if the action involved only narrow issues lacking general importance?

Loeb v. Rasmussen, 822 P.2d 914 (Alaska 1991); Citizens Coalition v. McAlpine, 810 P.2d 162 (Alaska 1991); Anchorage Daily News v. Anchorage School Dist., 803 P.2d 402 (Alaska 1990). A litigant must satisfy all four criteria to be deemed a public interest litigant. Anchorage Daily News, 803 P.2d at 404.

Both parties agree that there are valid public purposes served by AS 14.09.020. The state argues, however, that plaintiffs' ultimate motivation is the protection of private economic interests; that is, the real issue is not the availability of safe transportation, but the state funding of such transportation. In addition, the state reasons that because students at-

tending non-qualifying nonpublic schools are not entitled to transportation under AS 14.09.020, plaintiffs' true motive cannot be the protection of the health and welfare of all students. Nevertheless, the court finds that plaintiffs' efforts to enforce and uphold the constitutionality of a statute properly enacted by the legislature sufficiently raise issues of public concern to satisfy the first criterion.

Next, plaintiffs argue that their efforts will benefit hundreds of public and nonpublic school students by assuring the continuity of their respective educational programs, now and in the future. The state contends in response that the harm to public school students from the influx of students from the nonpublic schools would be temporary and merely addresses the need for districts to have time to plan for an increase in students. Moreover, the state argues that if plaintiffs prevail, public school students would actually be harmed because an increase in the number of students eligible for transportation decreases the amounts of money available to transport each student. Nevertheless, given the health and safety issues previously recognized by both parties and the court, and benefits to the individual students and the community as a whole, the second criterion is met. See Southeast Alaska Conservation Council v. State, 665 P.2d 544, 554 (Alaska 1983) (every Alaskan would have benefited from suit brought to protect state's natural resources).

Plaintiffs then argue that only the students and their

parents benefit from the busing and the court cannot expect a school district to bring suit to enforce the statute. The state, on the other hand, contends that a school district could bring suit to protect its limited financial interests under the contract or to advance public safety arguments. While the district may be motivated to institute a legal action to protect its financial interest under the remaining term of its contract with the private bus company, it is unlikely that this limited financial interest would compel the district to bring a suit to determine the weightier issue of the constitutionality of a statute which, if successful, would require the district to provide transportation to nonpublic students until the legislature decided otherwise.^{12/}

Finally, plaintiffs state that they would not reap any economic benefits by prevailing in this case because free transportation would be available if their children attended public schools. The state contends that plaintiffs' argument is foreclosed by the fourth criterion. The state asserts that plaintiffs' economic interest in the litigation is equal to the cost of transporting these children to Monroe/ICS for the rest of their education or paying their share of the busing. Using low

^{12/} See School Committee of Essex, 439 N.E.2d at 773 (school committee lack standing to challenge constitutionality of statute requiring town to provide transportation to nonpublic school students because no personal or property rights of the committee were involved).

and estimates, the state calculates that the cost of providing busing to Monroe/ICS is \$112,000 per year. Using the average figure of 233 Monroe/ICS students riding the buses, the state calculates each student's share to be \$480 per year. Because the Ten Eycks have three children, the state argues that the cost to the Ten Eycks would be \$1,440 per year. Given that their youngest child is in kindergarten, the state contends that the cost of transportation to the Ten Eycks over the next 12 years would be substantial.

This approach, however, is too simplistic. It assumes that the Ten Eycks will be forced to bear the full cost of the busing and ignores the likelihood that, as in the past, car pools would be organized to transport students to Monroe/ICS. It assumes that the cost will be imposed for the academic lives of the Ten Eyck children. In addition, free public education and free transportation to public schools will be available to plaintiffs regardless of the outcome of this suit. Thus, it can just as accurately be argued that plaintiffs are, in essence, attempting to protect their ability to pay tuition to the private schools. The real and immediate economic benefit pales compared to the potential costs of engaging in constitutional litigation against the State of Alaska. Any minimal economic interest plaintiffs may have in litigating this issue does not defeat the issues of general importance to the community. Accordingly, the fourth criterion is met. See Citizen Coalition, 810 P.2d at 171.

CONCLUSION

Based on the foregoing analysis, the plaintiff's motion for class certification is GRANTED, in part, and DENIED, in part. Class action status is certified as defined herein. The state's motion for partial summary judgment on the constitutionality of AS 14.09.020 is DENIED and plaintiffs' cross motion for summary judgment on the same issue is GRANTED. Plaintiffs' motion for public interest litigant status is GRANTED.

DATED at Fairbanks, Alaska, this 25 day of January, 1994.

1-25-94
L.C. JG
H.S.H. H.C. JG
K.L.P.M.

R.D.S.P.
RICHARD D. SAVELL
Superior Court Judge

STATE OF ALASKA

DEPARTMENT OF EDUCATION OFFICE OF THE COMMISSIONER

WALTER J. HICKEL, GOVERNOR

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(907) 465-2800
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NUMBERED MEMORANDUM 95-16

TO: Superintendents
Business Managers

FROM: Jerry Covey, Commissioner

DATE: November 16, 1994

SUBJECT: Impact Aid and Local Revenues

The Improving America's School Act, P.L. 103-382, signed on October 20, 1994, contained the revised Impact Aid Program legislation. Under that legislation, Impact Aid is now Title VIII of the Elementary and Secondary Education Act of 1965, and P.L. 81-874 and P.L. 81-815 are repealed.

Under the new Impact Aid law the disparity standard for equalized states, drops from 25% to 20% in 1998. The data used to measure disparity between school districts is from two years prior. The local cap in the foundation program, AS 14.17.025(b)(2), will require adjusting from 23% of basic need to approximately 19% beginning in FY96. AS 14.17.025(c) allows the department through regulation, to reduce the maximum local revenues a district may receive from its municipality to comply with federal equalization requirements. The department intends to promulgate regulations to this effect. I have enclosed a spreadsheet using projected FY95 foundation data to illustrate the effect of the change in the local cap.

If you have any questions, please contact Eddy Jeans, project assistant, at 465-8685.

Enclosure

cc: Eddy Jeans, Project Assistant
School Finance

TITLE VIII

H. R. 6-232

~~"(3) RECEIPT OF INFORMATION.—Such parents shall receive, in a manner and form understandable to such parents, including, if necessary and to the extent feasible, in the native language of such parents, the information required by this subsection. At a minimum, such parents shall receive—~~

~~"(A) timely information about projects funded under part A; and~~

~~"(B) if the parents of participating children so desire, notice of opportunities for regular meetings for the purpose of formulating and responding to recommendations from such parents.~~

~~"(4) SPECIAL RULE.—Students shall not be admitted to or excluded from any federally assisted education program merely on the basis of a surname or language-minority status.~~

"TITLE VIII—IMPACT AID

"SEC. 8001. PURPOSE.

"In order to fulfill the Federal responsibility to assist with the provision of educational services to federally connected children, because certain activities of the Federal Government place a financial burden on the local educational agencies serving areas where such activities are carried out, and to help such children meet challenging State standards, it is the purpose of this title to provide financial assistance to local educational agencies that—

"(1) experience a substantial and continuing financial burden due to the acquisition of real property by the United States;

"(2) educate children who reside on Federal property and whose parents are employed on Federal property;

"(3) educate children of parents who are in the military services and children who live in low-rent housing;

"(4) educate heavy concentrations of children whose parents are civilian employees of the Federal Government and do not reside on Federal property;

"(5) experience sudden and substantial increases or decreases in enrollments because of military realignments; or

"(6) need special assistance with capital expenditures for construction activities because of the enrollments of substantial numbers of children who reside on Federal lands.

"SEC. 8002. PAYMENTS RELATING TO FEDERAL ACQUISITION OF REAL PROPERTY.

"(a) IN GENERAL.—Where the Secretary, after consultation with any local educational agency and with the appropriate State educational agency, determines for a fiscal year ending prior to October 1, 1999—

"(1) that the United States owns Federal property in the local educational agency, and that such property—

"(A) has been acquired by the United States since 1938;

"(B) was not acquired by exchange for other Federal property in the local educational agency which the United States owned before 1939; and

8001-
8002(C)(1)(4)

“(C) had an assessed value (determined as of the time or times when so acquired) aggregating 10 percent or more of the assessed value of—

“(i) all real property in the local educational agency (similarly determined as of the time or times when such Federal property was so acquired); or

“(ii) all real property in the local educational agency as assessed in the first year preceding or succeeding acquisition, whichever is greater, only if—

“(I) the assessment of all real property in the local educational agency is not made at the same time or times that such Federal property was so acquired and assessed; and

“(II) State law requires an assessment be made of property so acquired; and

“(2) that such agency is not being substantially compensated for the loss in revenue resulting from such ownership by increases in revenue accruing to the agency from the conduct of Federal activities with respect to such Federal property, then such agency shall be eligible to receive the amount described in subsection (b).

“(b) AMOUNT.—

“(1) IN GENERAL.—(A)(i) The amount that a local educational agency shall be paid under subsection (a) for a fiscal year shall be calculated in accordance with paragraph (2), except that such amount shall be reduced by the Secretary by an amount equal to the amount of revenue, if any, that such agency received during the previous fiscal year from activities conducted on such Federal property.

“(ii) For purposes of clause (i), the amount of revenue that a local educational agency receives during the previous fiscal year from activities conducted on Federal property shall not include payments received by the agency from the Secretary of Defense to support—

“(I) the operation of a domestic dependent elementary or secondary school; or

“(II) the provision of a free public education to dependents of members of the Armed Forces residing on or near a military installation.

“(B) If funds appropriated under section 8014(a) are insufficient to pay the amount determined under subparagraph (A), the Secretary shall ratably reduce the payment to each eligible local educational agency.

“(C) Notwithstanding any other provision of this subsection, a local educational agency may not be paid an amount under this section that, when added to the amount such agency receives under section 8003(b), exceeds the maximum amount that such agency is eligible to receive for such fiscal year under section 8003(b)(1)(C).

“(2) APPLICATION OF CURRENT LEVIED REAL PROPERTY TAX RATE.—In calculating the amount that a local educational agency is eligible to receive for a fiscal year, the Secretary shall apply the current levied real property tax rate for current expenditures levied by fiscally independent local educational agencies, or imputed for fiscally dependent local educational agencies, to the current annually determined aggregate assessed value of such acquired Federal property.

8002(a)(1)(C) -

(b)(2)

"(3) DETERMINATION OF AGGREGATE ASSESSED VALUE.—

Such aggregate assessed value of such acquired Federal property shall be determined on the basis of the highest and best use of property adjacent to such acquired Federal property as of the time such value is determined, and provided to the Secretary, by the local official responsible for assessing the value of real property located in the jurisdiction of such local educational agency for the purpose of levying a property tax.

"(c) APPLICABILITY TO TENNESSEE VALLEY AUTHORITY ACT.—

For the purpose of this section, any real property with respect to which payments are being made under section 13 of the Tennessee Valley Authority Act of 1933 shall not be regarded as Federal property.

"(d) OWNERSHIP BY UNITED STATES.—The United States shall be deemed to own Federal property for the purposes of this Act, where—

"(1) prior to the transfer of Federal property, the United States owned Federal property meeting the requirements of subparagraphs (A), (B), and (C) of subsection (a)(1); and

"(2) the United States transfers a portion of the property referred to in paragraph (1) to another nontaxable entity, and the United States—

"(A) restricts some or any construction on such property;

"(B) requires that the property be used in perpetuity for the public purposes for which the property was conveyed;

"(C) requires the grantee of the property to report to the Federal Government (or its agent) regarding information on the use of the property;

"(D) except with the approval of the Federal Government (or its agent), prohibits the sale, lease, assignment, or other disposal of the property unless such sale, lease, assignment, or other disposal is to another eligible government agency; and

"(E) reserves to the Federal Government a right of reversion at any time the Federal Government (or its agent) deems it necessary for the national defense.

"(e) LOCAL EDUCATIONAL AGENCY CONTAINING FOREST SERVICE LAND AND SERVING CERTAIN COUNTIES.—Beginning with fiscal year 1995, a local educational agency shall be deemed to meet the requirements of subsection (a)(1)(C) if such local educational agency meets the following requirements:

"(1) ACREAGE AND ACQUISITION BY THE FOREST SERVICE.—

The local educational agency serves a school district that contains between 20,000 and 60,000 acres of land that has been acquired by the Forest Service of the Department of Agriculture between 1915 and 1990, as demonstrated by written evidence from the Forest Service satisfactory to the Secretary.

"(2) COUNTY CHARTER.—The local educational agency serves a county chartered under State law in 1875 or 1890.

"(f) SPECIAL RULE.—Beginning with fiscal year 1994, and notwithstanding any other provision of law limiting the period during which fiscal year 1994 funds may be obligated, the Secretary shall treat the local educational agency serving the Wheatland R-II School District, Wheatland, Missouri, as meeting the eligibility requirements of section 2(a)(1)(C) of the Act of September 30, 1950

(Public Law 874, 81st Congress) (as such section was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) (20 U.S.C. 237(a)(1)(C)) or subsection (a)(1)(C).

***SEC. 8003. PAYMENTS FOR ELIGIBLE FEDERALLY CONNECTED CHILDREN.**

***(a) COMPUTATION OF PAYMENT.—**

*(1) **IN GENERAL.**—For the purpose of computing the amount that a local educational agency is eligible to receive under subsection (b), (d), or (f) for any fiscal year, the Secretary shall determine the number of children who were in average daily attendance in the schools of such agency, and for whom such agency provided free public education, during the preceding school year and who, while in attendance at such schools—

*(A)(i) resided on Federal property with a parent employed on Federal property situated in whole or in part within the boundaries of the school district of such agency; or

*(ii) resided on Federal property with a parent who is an official of, and accredited by, a foreign government and is a foreign military officer;

*(B) resided on Federal property and had a parent on active duty in the uniformed services (as defined in section 101 of title 37, United States Code);

*(C) resided on Indian lands;

*(D)(i) had a parent on active duty in the uniformed services (as defined by sec on 101 of title 37, United States Code) but did not reside on Federal property; or

*(ii) had a parent who is an official of, and has been accredited by, a foreign government and is a foreign military officer but did not reside on Federal property;

*(E) resided in low-rent housing;

*(F) resided on Federal property and is not described in subparagraph (A) or (B); or

*(G) resided with a parent employed on Federal property situated—

*(i) in whole or in part in the county in which such agency is located, or in whole or in part in such agency if such agency is located in more than one county; or

*(ii) if not in such county, in whole or in part in the same State as such agency.

*(2) **DETERMINATION OF WEIGHTED STUDENT UNITS.**—For the purpose of computing the basic support payment under subsection (b), the Secretary shall calculate the total number of weighted student units for a local educational agency by adding together the results obtained by the following computations:

*(A) Multiply the number of children described in subparagraphs (A) and (B) of paragraph (1) by a factor of 1.0.

*(B) Multiply the number of children described in paragraph (1)(C) by a factor of 1.25.

*(C) Multiply the number of children described in subparagraphs (A) and (B) of paragraph (1) by a factor of .85 if the local educational agency has—

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"(i) a number of such children described in such subparagraphs which exceeds 6,500; and

"(ii) an average daily attendance for all children which exceeds 100,000.

"(D) Multiply the number of children described in subparagraphs (D) and (E) of paragraph (1) by a factor of .10.

"(E) Multiply the number of children described in subparagraphs (F) and (G) of paragraph (1) by a factor of .05.

"(3) SPECIAL RULE.—The Secretary shall only compute a payment for a local educational agency for children described in subparagraph (F) or (G) of paragraph (1) if the number of such children equals or exceeds 2,000 and such number equals or exceeds 15 percent of the total number of students in average daily attendance in the schools of such agency.

"(b) BASIC SUPPORT PAYMENTS AND PAYMENTS WITH RESPECT TO FISCAL YEARS IN WHICH INSUFFICIENT FUNDS ARE APPROPRIATED.—

"(1) BASIC SUPPORT PAYMENTS.—

"(A) IN GENERAL.—From the amount appropriated under section 8014(b) for a fiscal year, the Secretary is authorized to make basic support payments to eligible local educational agencies with children described in subsection (a).

"(B) ELIGIBILITY.—A local educational agency is eligible to receive a basic support payment under subparagraph (A) for a fiscal year with respect to a number of children determined under subsection (a)(1) only if the number of children so determined with respect to such agency amounts to the lesser of—

"(i) at least 400 such children; or

"(ii) a number of such children which equals at least 3 percent of the total number of children who were in average daily attendance, during such year, at the schools of such agency and for whom such agency provided free public education.

"(C) MAXIMUM AMOUNT.—The maximum amount that a local educational agency is eligible to receive under this subsection for any fiscal year is the sum of the total weighted student units, as computed under subsection (a)(2), multiplied by the greater of—

"(i) one-half of the average per-pupil expenditure of the State in which the local educational agency is located for the third fiscal year preceding the fiscal year for which the determination is made;

"(ii) one-half of the average per-pupil expenditure of all of the States for the third fiscal year preceding the fiscal year for which the determination is made;

"(iii) the comparable local contribution rate certified by the State, as determined under regulations prescribed to carry out the Act of September 30, 1950 (Public Law 874, 81st Congress), as such regulations were in effect on January 1, 1994; or

"(iv) the average per-pupil expenditure of the State in which the local educational agency is located, multiplied by the local contribution percentage.

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"(2) PAYMENTS WITH RESPECT TO FISCAL YEARS IN WHICH INSUFFICIENT FUNDS ARE APPROPRIATED.—

"(A) IN GENERAL.—For any fiscal year in which the sums appropriated under section 8014(b) are insufficient to pay to each local educational agency the full amount computed under paragraph (1), the Secretary shall make payments in accordance with this paragraph.

"(B) LEARNING OPPORTUNITY THRESHOLD PAYMENTS.—

(i) For fiscal years described in subparagraph (A), the Secretary shall compute a learning opportunity threshold payment (hereafter in this title referred to as the 'threshold payment') by multiplying the amount obtained under paragraph (1)(C) by the total percentage obtained by adding—

"(I) the percentage of federally connected children for each local educational agency determined by calculating the fraction, the numerator of which is the total number of children described under subsection (a)(1) and the denominator of which is the total number of children in average daily attendance at the schools served by such agency; and

"(II) the percentage that funds under paragraph (1)(C) represent of the total budget of the local educational agency, determined by calculating the fraction, the numerator of which is the total amount of funds calculated for each local educational agency under this paragraph (not including amounts received under subsection (f)), and the denominator of which is the total current expenditures for such agency in the second preceding fiscal year for which the determination is made.

"(ii) Such total percentage used to calculate threshold payments under paragraph (1) shall not exceed 100.

"(iii) For the purpose of determining the percentages described in subclauses (I) and (II) of clause (i) that are applicable to the local educational agency providing free public education to students in grades 9 through 12 residing on Hanscom Air Force Base, Massachusetts, the Secretary shall consider only that portion of such agency's total enrollment of students in grades 9 through 12 when calculating the percentage under such subclause (I) and only that portion of the total current expenditures attributed to the operation of grades 9 through 12 in such agency when calculating the percentage under subclause (II).

"(C) RATABLE DISTRIBUTION.—For fiscal years described in subparagraph (A), the Secretary shall make payments as a ratable distribution based upon the computation made under subparagraph (B).

"(c) PRIOR YEAR DATA.—

"(1) IN GENERAL.—Except as provided in paragraph (2) and subsection (f), all calculations under this section shall be based on data for each local educational agency from not later than the fiscal year preceding the fiscal year for which the agency is making application for payment.

"(2) EXCEPTION.—Calculations for a local educational agency that is newly established by a State shall, for the first year of operation of such agency, be based on data from

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the fiscal year for which the agency is making application for payment.

"(d) CHILDREN WITH DISABILITIES.—

"(1) IN GENERAL.—From the amount appropriated under section 8014(c) for a fiscal year, the Secretary shall pay to each eligible local educational agency, on a pro rata basis, the amounts determined by—

"(A) multiplying the number of children described in subparagraphs (A)(ii), (B) and (C) of subsection (a)(1) who are eligible to receive services under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) by a factor of 1.0; and

"(B) multiplying the number of children described in subparagraph (D) of subsection (a)(1) who are eligible to receive services under such Act by a factor of 0.5.

"(2) USE OF FUNDS.—A local educational agency that receives funds under paragraph (1) shall use such funds to provide a free appropriate public education to children described in paragraph (1) in accordance with the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.).

"(e) HOLD-HARMLESS AMOUNTS.—

"(1) IN GENERAL.—(A) Except as provided in paragraph (4)(A), the total amount that the Secretary shall pay a local educational agency under subsection (b) shall not be less than 85 percent of the amount such agency received for the preceding fiscal year—

"(i) in the case of fiscal year 1995 only, under subsections (a) and (b) of section 3 of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such section was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994); or

"(ii) in the case of fiscal years 1996, 1997, 1998, or 1999, under such subsection (b).

"(B) For fiscal year 1995 only, the Secretary shall pay, to each local educational agency that is not eligible for a payment under subsection (b) but that received a payment under section 3 of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such Act was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) for fiscal year 1994, an amount which is not less than 65 percent of the payment such agency received under such section 3 for fiscal year 1994.

"(2) TWO-YEAR APPLICABILITY.—Paragraph (1)(A) shall apply to any one local educational agency for a maximum of two consecutive fiscal years.

"(3) PHASE-OUT PAYMENT.—A local educational agency which received a payment under section 3(e) of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such section was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) for fiscal year 1994 is eligible to receive a payment, under subsection (b) for fiscal year 1995, in an amount which is not less than 85 percent of the amount received by such agency in fiscal year 1994 under such section 3(e).

"(4) RATABLY REDUCTIONS.—(A)(i) If necessary in order to make payments to local educational agencies in accordance with paragraphs (1) and (2), the Secretary first shall ratably

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reduce payments under subsection (b) to local educational agencies that do not receive a payment under this subsection.

"(ii) If additional funds become available for making payments under subsection (b) for such fiscal year, payments that were reduced under clause (i) shall be increased on the same basis as such payments were reduced.

"(B)(i) If the sums made available under this title for any fiscal year are insufficient to pay the full amounts that all local educational agencies in all States are eligible to receive under paragraphs (1) and (2) after the application of subparagraph (A) for such year, the Secretary shall ratably reduce payments to all such agencies for such year.

"(ii) If additional funds become available for making payments under paragraphs (1) and (2) for such fiscal year, payments that were reduced under clause (i) shall be increased on the same basis as such payments were reduced.

"(F) ADDITIONAL ASSISTANCE FOR HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.—

"(1) RESERVATION.—From amounts appropriated under section 8014(b) for a fiscal year, the Secretary shall provide additional assistance to meet special circumstances relating to the provision of education in local educational agencies eligible to receive assistance under this section.

"(2) ELIGIBILITY.—(A) A local educational agency is eligible to receive additional assistance under this subsection only if such agency—

"(i)(I) has an enrollment of federally connected children described in subsection (a)(1) which constitutes a percentage of the total student enrollment of such agency which is not less than 50 percent if such agency receives a payment on behalf of children described in subparagraphs (F) and (G) of such subsection, or not less than 40 percent if such agency does not receive a payment on behalf of such children; and

"(II) has a tax rate for general fund purposes which is at least 95 percent of the average tax rate for general fund purposes of comparable local educational agencies in the State;

"(ii)(I) has an enrollment of federally connected children described in subsection (a)(1) which constitutes at least 85 percent of the total student enrollment of such agency; and

"(II) has a tax rate for general fund purposes which is at least 125 percent of the average tax rate for general fund purposes of comparable local educational agencies in the State; or

"(iii) is a local educational agency whose boundaries are the same as a Federal military installation.

"(B) If the current expenditures in those local educational agencies which the Secretary has determined to be generally comparable to the local educational agency for which a computation is made under subsection (b)(1)(C) are not reasonably comparable because of unusual geographical factors which affect the current expenditures necessary to maintain, in such agency, a level of education equivalent to that maintained in such other agencies, then the Secretary shall increase the local contribution rate for such agency by such an amount

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which the Secretary determines will compensate such agency for the increase in current expenditures necessitated by such unusual geographical factors. The amount of any such supplementary payment may not exceed the per-pupil share (computed with regard to all children in average daily attendance), as determined by the Secretary, of the increased current expenditures necessitated by such unusual geographic factors.

"(C) Any local educational agency determined eligible under clause (iii) of subparagraph (A) shall be deemed to have met the tax effort requirements for eligibility under clause (I)(II) or (II)(II) of such subparagraph.

"(3) MAXIMUM PAYMENTS.—

"(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall determine the maximum amount that a local educational agency may receive under this subsection in accordance with the following computations:

"(i) The Secretary shall first determine the greater of—

"(I) the average per-pupil expenditure of the State in which the local educational agency is located or the average per-pupil expenditure of all the States;

"(II) the average per-pupil expenditure of generally comparable local educational agencies located in the State of the local educational agency, as defined in regulations issued by the Secretary; or

"(III) the average per-pupil expenditure of three generally comparable local educational agencies located in the State of the local educational agency, as defined in regulations issued by the Secretary.

"(ii) The Secretary shall next subtract from the amount determined under clause (i) the average amount of State aid per pupil received by the local educational agency.

"(iii) The Secretary shall next multiply the amount determined under clause (ii) by the total number of students in average daily attendance at the schools of the local educational agency as determined by the Secretary under subsection (a)(1).

"(iv) If the tax rate used by the local educational agency is greater than 95 percent, but less than 100 percent, of the tax rate of comparable local educational agencies, the Secretary shall next multiply the amount determined under clause (iii) by the percentage that the tax rate of the local educational agency is of—

"(I) the average tax rate of its generally comparable local educational agencies; or

"(II) the average tax rate of all the local educational agencies in the State in which the local educational agency is located.

"(v) The Secretary shall next subtract the total amount of payments received by a local educational agency under subsections (b) and (d) for a fiscal year from the amount determined under clause (iii) or clause (iv), as the case may be.

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"(B) SPECIAL RULE.—With respect to payments under this subsection for a local educational agency described in clause (ii) or (iii) of paragraph (2)(A), the maximum amount of such payments shall be computed by taking the product of the average per-pupil expenditure in all States multiplied by 0.7, except that such amount may not exceed 125 percent of the average per-pupil expenditure in all local educational agencies in the State.

"(4) CURRENT YEAR DATA.—The Secretary shall, for purposes of providing assistance under this subsection, use—

"(A) student and revenue data from the fiscal year for which the local educational agency is applying for assistance under this subsection; and

"(B) the most recent data available which is adjusted to such fiscal year.

"(5) REDUCTION IN PAYMENTS.—If funds appropriated to carry out this subsection are insufficient to pay in full the amounts determined under paragraph (3), the Secretary shall ratably reduce the payment to each eligible local educational agency.

"(g) ADDITIONAL PAYMENTS FOR LOCAL EDUCATIONAL AGENCIES WITH HIGH CONCENTRATIONS OF CHILDREN WITH SEVERE DISABILITIES.—

"(1) IN GENERAL.—If any local educational agency receives Federal funds from sources other than this title to carry out the purposes of this title for any fiscal year due to the enrollment of children described under subsection (a), then the Secretary shall consider such funds as a payment to such agency under this part for such fiscal year.

"(2) SPECIAL RULE.—Notwithstanding any other provision of law, if funds appropriated pursuant to section 8014(b) for payments under subsection (b) to such agency for a fiscal year which, when added to the funds described in paragraph (1) received by such agency for such fiscal year, exceed the maximum amount described under subsection (b)(1)(C), then the Secretary shall make available from the funds appropriated under section 8014(b) for such fiscal year such excess amounts to any local educational agency serving two or more children described under subparagraph (B) or (D) of subsection (a)(1) who have a severe disability and a parent serving in the uniformed services (as defined by section 101 of title 37, United States Code) who is assigned to a particular permanent duty station for compassionate reasons (compassionate post assignment) for the total costs associated with such children who are provided an educational program provided outside the schools of such agency.

"(3) REMAINING FUNDS.—If funds remain after payments are made under paragraph (2) for any fiscal year, then such remaining funds shall be made available for expenditures under subsection (d) in such fiscal year on a pro rata basis consistent with the requirements of such subsection.

"(4) RATABLE REDUCTIONS.—If amounts available to carry out paragraph (2) for any fiscal year are insufficient to pay in full the total payment that all eligible local educational agencies are eligible to receive under such paragraph for such year, then the Secretary shall ratably reduce such payments to such agencies for such year.

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"(f) OTHER FUNDS.—Notwithstanding any other provision of law, a local educational agency receiving funds under this section may also receive funds under section 6 of the Act of September 30, 1950 (Public Law 574, 61st Congress) (as such section was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) or such section's successor authority.

"(i) MAINTENANCE OF EFFORT.—A local educational agency may receive funds under sections 8002 and 8003(b) for any fiscal year only if the State educational agency finds that either the combined fiscal effort per student or the aggregate expenditures of that agency and the State with respect to the provision of free public education by that agency for the preceding fiscal year was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second preceding fiscal year.

"SEC. 8004. POLICIES AND PROCEDURES RELATING TO CHILDREN RESIDING ON INDIAN LANDS.

"(a) IN GENERAL.—A local educational agency that claims children residing on Indian lands for the purpose of receiving funds under section 8003 shall establish policies and procedures to ensure that—

"(1) such children participate in programs and activities supported by such funds on an equal basis with all other children;

"(2) parents of such children and Indian tribes are afforded an opportunity to present their views on such programs and activities, including an opportunity to make recommendations on the needs of those children and how the local educational agency may help such children realize the benefits of such programs and activities;

"(3) parents and Indian tribes are consulted and involved in planning and developing such programs and activities;

"(4) relevant applications, evaluations, and program plans are disseminated to the parents and Indian tribes; and

"(5) parents and Indian tribes are afforded an opportunity to present their views to such agency regarding such agency's general educational program.

"(b) RECORDS.—A local educational agency that claims children residing on Indian lands for the purpose of receiving funds under section 8003 shall maintain records demonstrating such agency's compliance with the requirements contained in subsection (a).

"(c) WAIVER.—A local educational agency that claims children residing on Indian lands for the purpose of receiving funds under section 8003 shall not be required to comply with the requirements of subsections (a) and (b) for any fiscal year with respect to any Indian tribe from which such agency has received a written statement that the agency need not comply with those subsections because the tribe is satisfied with the provision of educational services by such agency to such children.

"(d) TECHNICAL ASSISTANCE AND ENFORCEMENT.—The Secretary shall—

"(1) provide technical assistance to local educational agencies, parents, and Indian tribes to enable such agencies, parents, and tribes to carry out this section; and

"(2) enforce this section through such actions, which may include the withholding of funds, as the Secretary determines

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8004(d)

to be appropriate, after affording the affected local educational agency, parents, and Indian tribe an opportunity to present their views.

"(e) COMPLAINTS.—

"(1) IN GENERAL.—(A) Any tribe, or its designee, which has students in attendance at a local educational agency may, in its discretion and without regard to the requirements of any other provision of law, file a written complaint with the Secretary regarding any action of a local educational agency taken pursuant to, or relevant to, the requirements of this section.

"(B) Within ten working days from receipt of a complaint, the Secretary shall—

"(i) designate a time and place for a hearing into the matters relating to the complaint at a location in close proximity to the local educational agency involved, or if the Secretary determines there is good cause, at some other location convenient to both the tribe, or its designee, and the local educational agency;

"(ii) designate a hearing examiner to conduct the hearing; and

"(iii) notify the affected tribe or tribes and the local educational agency involved of the time, place, and nature of the hearing and send copies of the complaint to the local educational agency and the affected tribe or tribes.

"(2) HEARING.—The hearing shall be held within 30 days of the designation of a hearing examiner and shall be open to the public. A record of the proceedings shall be established and maintained.

"(3) EVIDENCE; RECOMMENDATIONS; COST.—The complaining tribe, or its designee, and the local educational agency shall be entitled to present evidence on matters relevant to the complaint and to make recommendations concerning the appropriate remedial actions. Each party to the hearing shall bear only its own costs in the proceedings.

"(4) FINDINGS AND RECOMMENDATIONS.—Within 30 days of the completion of the hearing, the hearing examiner shall, on the basis of the record, make written findings of fact and recommendations concerning appropriate remedial action, if any, which should be taken. The hearing examiner's findings and recommendations, along with the hearing record, shall be forwarded to the Secretary.

"(5) WRITTEN DETERMINATION.—Within 30 days of the Secretary's receipt of the findings, recommendations, and record, the Secretary shall, on the basis of the record, make a written determination of the appropriate remedial action, if any, to be taken by the local educational agency, the schedule for completion of the remedial action, and the reasons for the Secretary's decision.

"(6) COPIES PROVIDED.—Upon completion of the Secretary's final determination, the Secretary shall provide the complaining tribe, or its designee, and the local educational agency with copies of the hearing record, the hearing examiner's findings and recommendations, and the Secretary's final determination. The final determination of the Secretary shall be subject to judicial review.

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"(7) CONSOLIDATION.—In all actions under this subsection, the Secretary shall have discretion to consolidate complaints involving the same tribe or local educational agency.

"(8) WITHHOLDING.—If the local educational agency rejects the determination of the Secretary, or if the remedy required is not undertaken within the time established and the Secretary determines that an extension of the time established will not effectively encourage the remedy required, the Secretary shall withhold payment of all moneys to which such local agency is eligible under section 8003 until such time as the remedy required is undertaken, except where the complaining tribe or its designee formally requests that such funds be released to the local educational agency, except that the Secretary may not withhold such moneys during the course of the school year if the Secretary determines that such withholding would substantially disrupt the educational programs of the local educational agency.

"(9) REJECTION OF DETERMINATION.—If the local educational agency rejects the determination of the Secretary and a tribe exercises the option under section 1101(d) of the Education Amendments of 1978, to have education services provided either directly by the Bureau of Indian Affairs or by contract with the Bureau of Indian Affairs, any Indian students affiliated with that tribe who wish to remain in attendance at the local educational agency against whom the complaint which led to the tribal action under such subsection (d) was lodged may be counted with respect to that local educational agency for the purpose of receiving funds under section 8003. In such event, funds under such section shall not be withheld pursuant to paragraph (8) and no further complaints with respect to such students may be filed under paragraph (1).

"(f) CONSTRUCTION.—This section is based upon the special relationship between the Indian nations and the United States and nothing in this section shall be construed to relieve any State of any duty with respect to any citizens of that State.

"SEC. 8005. APPLICATION FOR PAYMENTS UNDER SECTIONS 8002 AND 8003.

"(a) IN GENERAL.—A local educational agency desiring to receive a payment under section 8002 or 8003 shall—

"(1) submit an application for such payment to the Secretary; and

"(2) provide a copy of such application to the State educational agency.

"(b) CONTENTS.—Each such application shall be submitted in such form and manner, and shall contain such information, as the Secretary may require, including—

"(1) information to determine the eligibility of the local educational agency for a payment and the amount of such payment; and

"(2) where applicable, an assurance that such agency is in compliance with section 8004 (relating to children residing on Indian lands).

"(c) DEADLINE FOR SUBMISSION.—The Secretary shall establish deadlines for the submission of applications under this section.

"(d) APPROVAL.—

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8005(d)

"(1) IN GENERAL.—The Secretary shall approve an application submitted under this section that—

"(A) except as provided in paragraph (2), is filed by the deadline established under subsection (c); and

"(B) otherwise meets the requirements of this title.

"(2) REDUCTION IN PAYMENT.—The Secretary shall approve an application filed not more than 60 days after a deadline established under subsection (c) that otherwise meets the requirements of this title, except that, notwithstanding section 8003(e), the Secretary shall reduce the payment based on such late application by 10 percent of the amount that would otherwise be paid.

"(3) LATE APPLICATIONS.—The Secretary shall not accept or approve any application that is filed more than 60 days after a deadline established under subsection (c).

"(4) STATE APPLICATION AUTHORITY.—Notwithstanding any other provision of law, a State educational agency that had been accepted as an applicant for funds under section 3 of the Act of September 20, 1950 (Public Law 874, 81st Congress) (as such section was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) in fiscal year 1994 shall be permitted to continue as an applicant under the same conditions by which such agency made application during such fiscal year only if such State educational agency distributes all funds received for the students for which application is being made by such State educational agency to the local educational agencies providing educational services to such students.

***SEC. 8006. PAYMENTS FOR SUDDEN AND SUBSTANTIAL INCREASES IN ATTENDANCE OF MILITARY DEPENDENTS.**

"(a) ELIGIBILITY.—A local educational agency is eligible for a payment under this section if—

"(1) the number of children in average daily attendance during the school year for which the determination is made is at least 10 percent or 100 more than the number of children in average daily attendance in the school year preceding the school year for which the determination is made; and

"(2) the number of children in average daily attendance with a parent on active duty (as defined in section 101(18) of title 37, United States Code) in the Armed Forces who are in attendance at such agency because of the assignment of their parent to a new duty station between May 15 and September 30, inclusive, of the fiscal year for which the determination is made, as certified by an appropriate local official of the Department of Defense, is at least 10 percent or 100 more than the number of children in average daily attendance in the preceding school year.

"(b) APPLICATION.—A local educational agency that wishes to receive a payment under this section shall file an application with the Secretary by October 15 of the school year for which payment is requested, in such manner and containing such information as the Secretary may prescribe, including information demonstrating that such agency is eligible for such a payment.

"(c) CHILDREN TO BE COUNTED.—For each eligible local educational agency that applies for a payment under this section, the Secretary shall determine the lesser of—

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8006(c)

"(1) the increase in the number of children in average daily attendance from the school year preceding the fiscal year for which the determination is made; and

"(2) the number of children described in subsection (a)(2).

"(d) PAYMENTS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), from the amount appropriated for a fiscal year under section 8014(d), the Secretary shall pay each local educational agency with an approved application an amount equal to one-half of the national average per-pupil expenditure multiplied by the number of such children determined under subsection (c) for that local educational agency.

"(2) RATABLE REDUCTION.—(A) If the amount appropriated to carry out this section for any fiscal year is insufficient to pay the full payment that all eligible local educational agencies are eligible to receive under this section for such year, then the Secretary shall ratably reduce the payments to such agencies for such year.

"(B) If additional funds become available for making payments under paragraph (1) for such fiscal year, payments that were reduced under subparagraph (A) shall be increased on the same basis as such payments were reduced.

"(e) NOTIFICATION PROCESS.—

"(1) ESTABLISHMENT.—The Secretary shall establish, with the Secretary of Defense, a notification process relating to the closure of Department of Defense facilities, or the adjustment of personnel levels assigned to such facilities, which may substantially affect the student enrollment levels of local educational agencies which receive or may receive payments under this title.

"(2) INFORMATION.—Such process shall provide timely information regarding such closures and such adjustments—

"(A) by the Secretary of Defense to the Secretary; and

"(B) by the Secretary to the affected local educational agencies.

"SEC. 8007. CONSTRUCTION.

"(a) PAYMENTS AUTHORIZED.—From the amount appropriated for each fiscal year under section 8014(e), the Secretary shall make payments to each local educational agency—

"(1) that receives a basic payment under section 8003(b);

and

"(2)(A) in which the number of children determined under section 8003(a)(1)(C) constituted at least 50 percent of the number of children who were in average daily attendance in the schools of such agency during the preceding school year;

"(B) in which the number of children determined under subparagraphs (B) and (D)(i) of section 8003(a)(1) constituted at least 50 percent of the number of children who were in average daily attendance in the schools of such agency during the school year preceding the school year for which the determination is made and in which the agency at any 2 times during the four fiscal years preceding the date of enactment of the Improving America's Schools Act of 1994 was denied by a vote of the agency's eligible voters a bond referendum for the purposes of school construction or renovation;

"(C) that receives assistance under section 8003(f); or

8006(a)(1) -
8007(a)(2)(C)

"(D) that receives assistance under section 8006.

"(b) AMOUNT OF PAYMENTS.—The amount of a payment to each such agency for a fiscal year shall be equal to—

"(1) the amount appropriated under section 8014(e) for such year; divided by

"(2) the number of children determined under section 8003(a)(2) for all local educational agencies described in subsection (a), but not including any children attending a school assisted or provided by the Secretary under section 8008 or section 10 of the Act of September 23, 1950 (Public Law 815, 81st Congress) (as such Act was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994); multiplied by

"(3) the number of such children determined for such agency.

"(c) USE OF FUNDS.—Any local educational agency that receives funds under this section shall use such funds for construction, as defined in section 8013(3).

"SEC. 8008. FACILITIES.

"(a) CURRENT FACILITIES.—From the amount appropriated for any fiscal year under section 8014(f), the Secretary may continue to provide assistance for school facilities that were supported by the Secretary under section 10 of the Act of September 23, 1950 (Public Law 815, 81st Congress) (as such Act was in effect on the day preceding the date of the enactment of the Improving America's Schools Act of 1994).

"(b) TRANSFER OF FACILITIES.—

"(1) IN GENERAL.—The Secretary shall, as soon as practicable, transfer to the appropriate local educational agency or another appropriate entity all the right, title, and interest of the United States in and to each facility provided under section 10 of the Act of September 23, 1950 (Public Law 815, 81st Congress), or under section 204 or 310 of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such Acts were in effect on January 1, 1958).

"(2) OTHER REQUIREMENTS.—Any such transfer shall be without charge to such agency or entity, and prior to such transfer, the transfer shall be consented to by the local educational agency or other appropriate entity, and may be made on such terms and conditions as the Secretary deems appropriate to carry out the purposes of this title.

"SEC. 8009. STATE CONSIDERATION OF PAYMENTS IN PROVIDING STATE AID.

"(a) GENERAL PROHIBITION.—Except as provided in subsection (b), a State may not—

"(1) consider payments under this title or under the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such Act was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) in determining for any fiscal year—

"(A) the eligibility of a local educational agency for State aid for free public education; or

"(B) the amount of such aid; or

"(2) make such aid available to local educational agencies in a manner that results in less State aid to any local edu-

8007(a)(2)(D) -
8009(a)

educational agency that is eligible for such payment than such agency would receive if such agency were not so eligible.

"(b) STATE EQUALIZATION PLANS.—

"(1) IN GENERAL.—A State may reduce State aid to a local educational agency that receives a payment under section 8002 or 8003(b) (except the amount calculated in excess of 1.) under subparagraph (B) of section 8003(a)(2)) or under the Act of September 30, 1950 (Public Law 874, 81st Congress) as such Act was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994 (other than an increase in payments described in paragraphs (2)(B), (2)(C), (2)(D), or (3)(B)(ii) of section 8(d) of such Act of September 30, 1950) for any fiscal year if the Secretary determines, and certifies under subsection (c)(3)(A), that such State has in effect a program of State aid that equalizes expenditures for free public education among local educational agencies in such State.

"(2) COMPUTATION.—

"(A) IN GENERAL.—For purposes of paragraph (1), a program of State aid equalizes expenditures among local educational agencies if, in the second fiscal year preceding the fiscal year for which the determination is made, the amount of per-pupil expenditures made by, or per-pupil revenues available to, the local educational agency in the State with the highest such per-pupil expenditures or revenues did not exceed the amount of such per-pupil expenditures made by, or per-pupil revenues available to, the local educational agency in the State with the lowest such expenditures or revenues by more than—

change to disparity requirement

- "(i) 25 percent for fiscal year 1995, 1996, or 1997; and
- "(ii) 20 percent for fiscal year 1998 or 1999.

"(B) OTHER FACTORS.—In making a determination under this subsection, the Secretary shall—

"(i) disregard local educational agencies with per-pupil expenditures or revenues above the 95th percentile or below the 5th percentile of such expenditures or revenues in the State; and

"(ii) take into account the extent to which a program of State aid reflects the additional cost of providing free public education in particular types of local educational agencies, such as those that are geographically isolated, or to particular types of students, such as children with disabilities.

~~"(3) Except as provided in paragraph (2), if the Secretary determines that the State has substantially revised its program of State aid, the Secretary may certify such program for any fiscal year only if—~~

~~"(A) the Secretary determines, on the basis of projected data, that the State's program will meet the disparity standard described in paragraph (2) for the fiscal year for which the determination is made; and~~

~~"(B) the State provides an assurance to the Secretary that, if final data do not demonstrate that the State's program met such standard for the fiscal year for which the determination is made, the State will pay to each~~

8009(5)

affected local educational agency that amount by which the State reduces State aid to the local educational agency.
(c) PROCEDURES FOR REVIEW OF STATE EQUALIZATION PLANS.—

(1) WRITTEN NOTICE.—

(A) IN GENERAL.—A State that wishes to consider providing State aid to any local educational agency shall submit to the Secretary, not later than 120 days before the beginning of the fiscal year, a written notice of such State's intention to consider such program providing State aid.

(B) CONTENTS.—Such notice shall be in the form and contain the information the Secretary requires, including a description of the program and how such local educational agency is affected by such State's intention to consider such program providing State aid.

(2) OPPORTUNITY TO PRESENT VIEWS.—Before making a determination under subsection (b), the Secretary shall afford the State, and local educational agencies in the State, an opportunity to present their views.

(3) QUALIFICATION PROCEDURES.—If the Secretary determines that a program of State aid qualifies under subsection (b), the Secretary shall—

(A) certify the program and so notify the State; and

(B) afford an opportunity for a hearing, in accordance with section 8011(a), to any local educational agency adversely affected by such certification.

(4) NON-QUALIFICATION PROCEDURES.—If the Secretary determines that a program of State aid does not qualify under subsection (b), the Secretary shall—

(A) so notify the State; and

(B) afford an opportunity for a hearing, in accordance with section 8011(a), to the State, and to any local educational agency adversely affected by such determination.

(d) TREATMENT OF STATE AID.—

(1) IN GENERAL.—If a State has in effect a program of State aid for free public education for any fiscal year, which is designed to equalize expenditures for free public education among the local educational agencies of that State, payments under this title or under the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such Act was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) for any fiscal year may be taken into consideration by such State in determining the relative—

(A) financial resources available to local educational agencies in that State; and

(B) financial need of such agencies for the provision of free public education for children served by such agency, except that a State may consider as local resources funds received under this title or under the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such Act was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) only in proportion to the share that local tax revenues covered under a State equalization program are of total local tax revenues.

(2) PROHIBITION.—A State may not take into consideration payments under this title or under the Act of September 30,

8009(c) -
(d)

1950 (Public Law 874, 81st Congress) (as such Act was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) before such State's program of State aid has been certified by the Secretary under subsection (c)(3).

“(e) REMEDIES FOR STATE VIOLATIONS.—

“(1) IN GENERAL.—The Secretary or any aggrieved local educational agency may, not earlier than 150 days after an adverse determination by the Secretary against a State for violation of subsections (a) or (d)(2) or for failure to carry out an assurance under subsection (b)(3)(B), and if an administrative proceeding has not been concluded within such time, bring an action in a United States district court against such State for such violations or failure.

“(2) IMMUNITY.—A State shall not be immune under the 11th amendment to the Constitution of the United States from an action described in paragraph (1).

“(3) RELIEF.—The court shall grant such relief as the court determines is appropriate.

“SEC. 8010. FEDERAL ADMINISTRATION.

“(a) PAYMENTS IN WHOLE DOLLAR AMOUNTS.—The Secretary shall round any payments under this title to the nearest whole dollar amount.

“(b) OTHER AGENCIES.—Each Federal agency administering Federal property on which children reside, and each agency principally responsible for an activity that may occasion assistance under this title, shall, to the maximum extent practicable, comply with requests of the Secretary for information the Secretary may require to carry out this title.

“(c) SPECIAL RULES.—

“(1) CERTAIN CHILDREN ELIGIBLE UNDER SUBSECTION (a) OR (b) OF SECTION 3 OF PUBLIC LAW 81-874.—Notwithstanding any other provision of law, for any fiscal year before fiscal year 1995, the Secretary shall treat as eligible under subsection (a) or (b) of section 3 of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such subsection was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994), and shall forgive the obligation of a local educational agency to repay any amounts that such agency received under such section for such fiscal year based on, any child who would be eligible under such subsections except that such child does not meet the requirements of subsection (a)(1)(B) or (b)(2)(B), respectively, of such section 3, if such child meets the requirements of paragraph (3) of this subsection.

“(2) CERTAIN CHILDREN ELIGIBLE UNDER SUBPARAGRAPHS (A) AND (G)(ii) OF SECTION 8003(a)(1).—(A) The Secretary shall treat as eligible under subparagraph (A) of section 8003(a)(1) any child who would be eligible under such subparagraph except that the Federal property on which the child resides or on which the child's parent is employed is not in the same State in which the child attends school, if such child meets the requirements of paragraph (3) of this subsection.

“(B) The Secretary shall treat as eligible under subparagraph (G) of section 8003(a)(1) any child who would be eligible under such subparagraph except that such child does not meet

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8010(c)(2)

the requirements of clause (ii) of such subparagraph, if such child meets the requirements of paragraph (3) of this subsection.

"(3) REQUIREMENTS.—A child meets the requirements of this paragraph if—

"(A) such child resides—

"(i) in a State adjacent to the State in which the local educational agency serving the school such child attends is located; or

"(ii) with a parent employed on Federal property in a State adjacent to the State in which such agency is located;

"(B) the schools of such agency are within a more reasonable commuting distance of such child's home than the schools of the local educational agency that serves the school attendance area where such child resides;

"(C) attending the schools of the local educational agency that serves the school attendance area where such child resides will impose a substantial hardship on such child;

"(D) the State in which such child attends school provides funds for the education of such child on the same basis as all other public school children in the State, unless otherwise permitted under section 5(d)(2) of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such section was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) or section 8009(b) of this title; and

"(E) such agency received a payment for fiscal year 1994 under section 8003(b) (or such section's predecessor authority) on behalf of children described in paragraph (2).

***SEC. 8011. ADMINISTRATIVE HEARINGS AND JUDICIAL REVIEW.**

"(a) ADMINISTRATIVE HEARINGS.—A local educational agency and a State that is adversely affected by any action of the Secretary under this title or under the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such Act was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) shall be entitled to a hearing on such action in the same manner as if such agency were a person under chapter 5 of title 5, United States Code.

"(b) JUDICIAL REVIEW OF SECRETARIAL ACTION.—

"(1) IN GENERAL.—A local educational agency or a State aggrieved by the Secretary's final decision following an agency proceeding under subsection (a) may, within 60 days after receiving notice of such decision, file with the United States court of appeals for the circuit in which such agency or State is located a petition for review of that action. The clerk of the court shall promptly transmit a copy of the petition to the Secretary. The Secretary shall then file in the court the record of the proceedings on which the Secretary's action was based, as provided in section 2112 of title 28, United States Code.

"(2) FINDINGS OF FACT.—The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case

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8011(b)(2)

to the Secretary to take further evidence. The Secretary may thereupon make new or modified findings of fact and may modify the Secretary's previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(8) REVIEW.—The court shall have exclusive jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"SEC. 8012. FORGIVENESS OF OVERPAYMENTS.

"Notwithstanding any other provision of law, the Secretary may forgive the obligation of a local educational agency to repay, in whole or in part, the amount of any overpayment received under this title, or under the Act of September 30, 1950 (Public Law 874, 81st Congress) or the Act of September 23, 1950 (Public Law 815, 81st Congress) (as such Acts were in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994), if the Secretary determines that the overpayment was made as a result of an error made by—

"(1) the Secretary; or

"(2) the local educational agency and repayment of the full amount of the overpayment will result in an undue financial hardship on the agency and seriously harm the agency's educational program.

"SEC. 3012. DEFINITIONS.

"For purposes of this title:

"(1) ARMED FORCES.—The term 'Armed Forces' means the Army, Navy, Air Force, and Marine Corps.

"(2) AVERAGE PER-PUPIL EXPENDITURE.—The term 'average per-pupil expenditure' means—

"(A) the aggregate current expenditures of all local educational agencies in the State; divided by

"(B) the total number of children in average daily attendance for whom such agencies provided free public education.

"(3) CONSTRUCTION.—The term 'construction' means—

"(A) the preparation of drawings and specifications for school facilities;

"(B) erecting, building, acquiring, altering, remodeling, repairing, or extending school facilities;

"(C) inspecting and supervising the construction of school facilities; and

"(D) debt service for such activities.

"(4) CURRENT EXPENDITURES.—The term 'current expenditures' means expenditures for free public education, including expenditures for administration, instruction, attendance and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities, but does not include expenditures for community services, capital outlay, and debt service, or any expenditures made from funds awarded under part A of title I and title VI. The determination of whether an expenditure for the replacement of

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equipment is considered a current expenditure or a capital outlay shall be determined in accordance with generally accepted accounting principles as determined by the State.

(6) FEDERAL PROPERTY.

(A) IN GENERAL.—Except as provided in subparagraphs (B) through (F), the term 'Federal property' means real property that is not subject to taxation by any State or any political subdivision of a State due to Federal agreement, law, or policy, and that is—

"(I) owned by the United States or leased by the United States from another entity;

"(II) held in trust by the United States for individual Indians or Indian tribes;

"(III) held by individual Indians or Indian tribes subject to restrictions on alienation imposed by the United States;

"(IV) conveyed at any time under the Alaska Native Claims Settlement Act to a Native individual, Native group, or village or regional corporation;

"(V) public land owned by the United States that is designated for the sole use and benefit of individual Indians or Indian tribes; or

"(VI) used for low-rent housing, as described in paragraph (10), that is located on land described in subclause (I), (II), (III), or (IV) of this clause on land that met one of those descriptions immediately before such property's use for such housing;

"(vii) part of a low-rent housing project assisted under the United States Housing Act of 1937; or

"(VIII) used to provide housing for homeless children at closed military installations pursuant to section 501 of the Stewart B. McKinney Homeless Assistance Act; or

"(ix) owned by a foreign government or by an international organization.

(B) SCHOOLS PROVIDING FLIGHT TRAINING TO MEMBERS OF AIR FORCE.—The term 'Federal property' includes, so long as not subject to taxation by any State or any political subdivision of a State, and whether or not that tax exemption is due to Federal agreement, law, or policy, any school providing flight training to members of the Air Force under contract with the Air Force at an airport owned by a State or political subdivision of a State.

(C) NON-FEDERAL EASEMENTS, LEASES, LICENSES, PERMITS, IMPROVEMENTS, AND CERTAIN OTHER REAL PROPERTY.—The term 'Federal property' includes, whether or not subject to taxation by a State or a political subdivision of a State—

"(i) any non-Federal easement, lease, license, permit, or other such interest in Federal property as otherwise described in this paragraph, but not including any non-Federal fee-simple interest;

"(ii) any improvement on Federal property as otherwise described in this paragraph; and

"(iii) real property that, immediately before its sale or transfer to a non-Federal party, was owned by the United States and otherwise qualified as Federal prop-

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(C)

erty described in this paragraph, but only for one year beyond the end of the fiscal year of such sale or transfer.

"(D) CERTAIN POSTAL SERVICE PROPERTY AND PIPELINES AND UTILITY LINES.—Notwithstanding any other provision of this paragraph, the term 'Federal property' does not include—

"(i) any real property under the jurisdiction of the United States Postal Service that is used primarily for the provision of postal services; or

"(ii) pipelines and utility lines.

"(E) PROPERTY WITH RESPECT TO WHICH STATE OR LOCAL TAX REVENUES MAY NOT BE EXPENDED, ALLOCATED, OR AVAILABLE FOR FREE PUBLIC EDUCATION.—Notwithstanding any other provision of this paragraph, 'Federal property' does not include any property on which children reside that is otherwise described in this paragraph if—

"(i) no tax revenues of the State or of any political subdivision of the State may be expended for the free public education of children who reside on that Federal property; or

"(ii) no tax revenues of the State are allocated or available for the free public education of such children.

"(F) PROPERTY LOCATED IN THE STATE OF OKLAHOMA OWNED BY INDIAN HOUSING AUTHORITY FOR LOW-INCOME HOUSING.—The term 'Federal property' includes any real property located in the State of Oklahoma that—

"(i) is owned by an Indian housing authority and used for low-income housing (including housing assisted under the mutual help ownership opportunity program under section 202 of the United States Housing Act of 1937); and

"(ii) at any time—

"(I) was designated by treaty as tribal land;

or

"(II) satisfied the definition of Federal property under section 403(1)(A) of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such Act was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994).

"(6) FREE PUBLIC EDUCATION.—The term 'free public education' means education that is provided—

"(A) at public expense, under public supervision and direction, and without tuition charge; and

"(B) as elementary or secondary education, as determined under State law, except that, notwithstanding State law, such term—

"(i) includes preschool education; and

"(ii) does not include any education provided beyond grade 12.

"(7) INDIAN LANDS.—The term 'Indian lands' means any Federal property described in paragraph (5)(A)(ii) or (5)(F).

"(8) LOCAL CONTRIBUTION PERCENTAGE.—

"(A) IN GENERAL.—The term 'local contribution percentage' means the percentage of current expenditures in the

State derived from local and intermediate sources, as reported to and verified by the National Center for Education Statistics.

"(B) HAWAII AND DISTRICT OF COLUMBIA.—Notwithstanding subparagraph (A), the local contribution percentage for Hawaii and for the District of Columbia shall be the average local contribution percentage for all States.

"(8) LOCAL EDUCATIONAL AGENCY.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'local educational agency'—

"(i) means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a county, township, independent school district, or other school district; and

"(ii) includes any State agency that directly operates and maintains facilities for providing free public education.

"(B) EXCEPTION.—The term 'local educational agency' does not include any agency or school authority that the Secretary determines on a case-by-case basis—

"(i) was constituted or reconstituted primarily for the purpose of receiving assistance under this title or the Act of September 30, 1950 (Public Law 574, 81st Congress) (as such Act was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) or increasing the amount of such assistance; or

"(ii) is not constituted or reconstituted for legitimate educational purposes.

"(10) LOW-RENT HOUSING.—The term 'low-rent housing' means housing located on property that is described in paragraph (5)(A)(iii).

"(11) REVENUE DERIVED FROM LOCAL SOURCES.—The term 'revenue derived from local sources' means—

"(A) revenue produced within the boundaries of a local educational agency and available to such agency for such agency's use; or

"(B) funds collected by another governmental unit, but distributed back to a local educational agency in the same proportion as such funds were collected as a local revenue source.

"(12) SCHOOL FACILITIES.—The term 'school facilities' includes—

"(A) classrooms and related facilities; and

"(B) equipment, machinery, and utilities necessary or appropriate for school purposes.

"SEC. 8014. AUTHORIZATION OF APPROPRIATIONS.

"(a) PAYMENTS FOR FEDERAL ACQUISITION OF REAL PROPERTY.—For the purpose of making payments under section 8002, there are authorized to be appropriated \$16,750,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

"(b) BASIC PAYMENTS; PAYMENTS FOR HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.—For the purpose of making payments under subsections (b) and (f) of section 8003, there are authorized

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8014(5)

to be appropriated \$775,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years, of which 6 percent shall be available, until expended, for each such fiscal year to carry out section 8003(f).

"(c) PAYMENTS FOR CHILDREN WITH DISABILITIES.—For the purpose of making payments under section 8003(d), there are authorized to be appropriated \$45,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

"(d) PAYMENTS FOR INCREASES IN MILITARY CHILDREN.—For the purpose of making payments under section 8006, there are authorized to be appropriated \$2,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

"(e) CONSTRUCTION.—For the purpose of carrying out section 8007, there are authorized to be appropriated \$25,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

"(f) FACILITIES MAINTENANCE.—For the purpose of carrying out section 8008, there are authorized to be appropriated \$2,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

TITLE IX—INDIAN, NATIVE HAWAIIAN, AND ALASKA NATIVE EDUCATION

"PART A—INDIAN EDUCATION

"SEC. 9101. FINDINGS.

The Congress finds that—

"(1) the Federal Government has a special responsibility to ensure that educational programs for all American Indian and Alaska Native children and adults—

"(A) are based on high-quality, internationally competitive content standards and student performance standards and build on Indian culture and the Indian community;

"(B) assist local educational agencies, Indian tribes, and other entities and individuals in providing Indian students the opportunity to achieve such standards; and

"(C) meet the special educational and culturally related academic needs of American Indian and Alaska Native students;

"(2) since the date of enactment of the Initial Indian Education Act in 1972, the level of involvement of Indian parents in the planning, development, and implementation of educational programs that affect such parents and their children has increased significantly, and schools should continue to foster such involvement;

"(3) although the number of Indian teachers, administrators, and university professors has increased since 1972, teacher training programs are not recruiting, training, or retraining a sufficient number of Indian individuals as educators to meet the needs of a growing Indian student population in elementary, secondary, vocational, adult, and higher education;

8014(cj)-
(7)

STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

DEPARTMENT OF EDUCATION

GOLDBELT PLACE
801 WEST 10TH STREET, SUITE 200
JUNEAU, ALASKA 99801-1894

MEMORANDUM NUMBER 95-09

TO: All parties interested in the regulations of the Department of Education
FROM: *Jerry Covey* Jerry Covey, Commissioner of Education
SUBJECT: pupil transportation DATE: August 10, 1994

Attached is a Notice of Proposed Changes in the Regulations of the Department of Education and material being proposed as regulation. The department is opening a period of public comment on these proposals. Additional copies of the proposed regulations are available from the Office of the Commissioner, Department of Education, Attn: Regulations Review, 801 West Tenth St., Suite 200, Juneau, Alaska 99801-1894.

Written responses must be received prior to 4:30 p.m. on September 20, 1994, and should be sent to the Commissioner of Education, Attn: Regulations Review, 801 West Tenth St., Suite 200, Juneau, Alaska 99801-1894. At any regularly scheduled meeting following that date, the State Board of Education will either adopt these or other proposals dealing with the same subject without further notice or may decide to take no action on them.

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Attachments: Notice of Proposed Changes
Proposed Regulations

**NOTICE OF PROPOSED CHANGES
IN THE REGULATIONS OF THE STATE BOARD OF EDUCATION**

Notice is given that the State Board of Education, under the authority of AS 14.07.020 and AS 14.07.060, proposes to adopt regulations in Title 4 of the Alaska Administrative Code, dealing with pupil transportation.

- (1) 4 AAC 27.015 is proposed to be adopted to set guidelines for providing transportation for private school students on public school buses.

Notice is also given that persons interested may present written statements or arguments relevant to the proposed action by writing to Commissioner's Office, Attn: Regulations Review, 801 West 10th Street, Suite 200, Juneau, Alaska, 99801-1894, so that they are received no later than 4:30 p.m. on September 20, 1994.

Persons with disabilities who need a special modification in order to comment on the proposed regulations should contact Mark Kissel at 465-2821 no later than 10 days before the close of the public comment period.

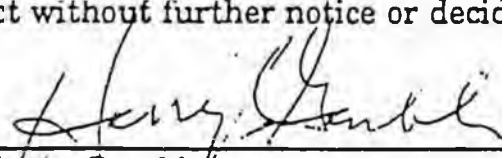
It is estimated that this action will require increased appropriations as follows: FY 1995, \$ 574,200; FY 96, \$ 594,300; FY 97, \$ 615,100; FY 98, \$ 636,600.

Copies of the proposed regulations may be obtained by writing to the Commissioner of Education at the above address.

The State Board of Education, after the deadline stated above, will either adopt these or other proposals dealing with the same subject without further notice or decide to take no action on them.

DATE:

August 12, 1994



Harry Gamble
Education Administrator

4 AAC 27 is amended by adding a new section to read:

4 AAC 27.015. TRANSPORTATION OF NONPUBLIC SCHOOL STUDENTS. (a) A district shall transport nonpublic school students in accordance with AS 14.09.020.

(b) To be eligible for transportation to a nonpublic school, a student must live the required distance from the nonpublic school as set out at 4 AAC 27.010, or along a designated hazardous route as set out in 4 AAC 27.035, in addition to the other requirements of AS 14.09.020.

(c) Where not inconsistent with AS 14.09.020, the regulations that apply to the transportation of public school students also apply to the transportation of nonpublic school students, including 4 AAC 27.010 (establishment of regular routes) and 4 AAC 27.060 (reimbursement to districts).

(d) A nonpublic school student is eligible for transportation only if the student lives within a distance that is equal to or less than the farthest distance a public school student is bused by that district.

(e) In AS 14.09.020, "nonpublic schools that are administered in compliance with state law" means non-exempt schools that meet the requirements of AS 14.45.030 and exempt school meet the requirements of AS 14.45.100-14.45-130. (Eff. ___/___/___; Register ___)

Authority: AS 14.07.030

AS 14.07.060

AS 14.09.020

FISCAL NOTE

Alaska Department of Education

Subject: Student Transportation

Citation: 4 AAC 27.015

Program Category:

Estimated appropriation required in thousands of dollars:

	FY 95	FY 96	FY 97	FY 98
100 Personnel Services				
200 Travel				
300 Contractual				
400 Commodities				
500 Equipment				
600 Land and Structures				
700 Grants, Claims, etc.	574.2	594.3	615.1	636.6
Total	574.2	594.3	615.1	636.6

Funding in thousands of dollars:

General Fund	574.2	594.3	615.1	636.6
Federal Funds				
Other				
Total	574.2	594.3	615.1	636.6

Positions:

Permanent Full-Time				
Part-Time/Seasonal				
Total No. of Staff Months				

Date: August 12, 1994

Prepared by: 

Harry Gamble
Education Administrator
465-2800

ADDITIONAL REGULATIONS NOTICE INFORMATION

AS 44.62.190(d)

Alaska Department of Education

Subject: pupil transportation

Citation: 4 AAC 27.015

Reason for Proposed Action: Development of program standards

Program Category and BRU:

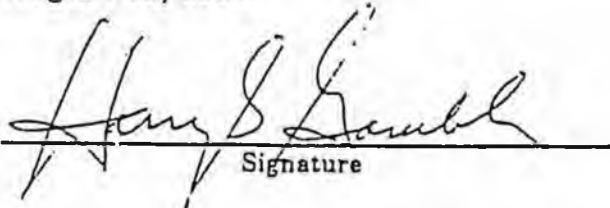
Cost of implementation to DOE and available funding (in thousands of dollars)

Cost	Initial Year (FY 95)	Subsequent Years
General Funds	574.2	+3.5%
Federal Funds	-0-	-0-
Other Funds (specify)	-0-	-0-

Contact: Harry Gamble, Education Administrator, 801 W. 10th Street,
Juneau AK 99801-1894; (907) 465-2800

Origin of Proposed Action: Staff of DOE

August 10, 1994


Signature

Prepared by: Harry Gamble
Education Administrator
465-2800

NON-PUBLIC PUPIL TRANSPORTATION

January 23, 1995

Following are estimated costs per district for transporting non-public students in FY96. Estimates were provided by the districts listed.

Anchorage	\$3,000,000 - \$5,000,000
Fairbanks, current annual cost	321,740
Fairbanks, potential additional	201,085
Kenai Peninsula	Not Available
Kodiak	87,386
Ketchikan	43,000
Mat-Su	<u>450,000 - 500,000</u>
Total	\$4,103,211 - \$6,153,211

These estimates include current non-public student ridership as well as potential ridership based on criteria established by the 1/25/94 court decision in Ten Eyck v. Dept. of Education. In that decision, the court upheld the constitutionality of AS 14.09.020 and ruled that non-public students are eligible to ride public school buses in districts that provide transportation to public school students. Non-public school students may be transported up to the maximum distance which the district transports a public student.

Currently, Fairbanks transports the most non-public students on 8 essentially dedicated school buses (the district has indicated that if non-public busing were to end, that only 5 buses could be eliminated). The other districts listed above transport fewer than 50 non-public students each and incorporate those riders into existing routes.

Anchorage, Mat-Su and Kenai School Districts currently transport only a handful of non-public students, but it is in these districts that the greatest potential exists for substantial increases in ridership, costs and conflicts to occur. The majority of the state's non-public school students are located within these districts' boundaries. While few non-public school students currently utilize the transportation authorized by AS 14.09.020, the potential exists for costs to increase to, and exceed, the estimates provided above by the districts. Anchorage is also concerned about the potential conflict of transporting non-public school students while denying transportation of its alternative school students and students who elect to attend a school other than their assigned attendance center.

The Alaska Civil Liberties Union Foundation (ACLUF) has voiced concern and opposition to the concept of using public funds to provide transportation for non-public school students. The ACLUF has threatened to sue the state over this issue. Copies of correspondence submitted by the ACLUF, school districts and legislators in response to a request for public comment on regulations proposed to interpret AS 14.09.020 are available from the department.

To: State Board of Education

Date: September 22, 1994

From: Commissioner's Office

Action Item 95-27

■ ISSUE

- The Board is being asked to adopt guidelines for providing transportation for private school students on public school buses.

■ BACKGROUND

- This proposal comes as a result of last fall's lawsuit on transporting private school students on public school buses.
- The department estimates that private school busing will cost the state \$574,000 in FY 95 and increase by 3.5 percent annually.
- The Board opened a period of public comment on this proposal at its August 1-3 meeting. The public comment period ended September 20. Letters of public comment follow this memo.
- The proposed regulation follows this memo, as does a memo to school districts regarding the transportation of public school students.
- In this memo, the department asked school districts to report the increased costs relative to the transportation of private school students.
- In the meantime, the department will take the request for more funds to the legislature. The legislative forum will determine whether to expand pupil transportation.

■ OPTIONS

- Adopt the regulation as proposed
- Amend the proposal
- Take no action

■ ADMINISTRATION'S RECOMMENDATION

Motion: I move to table proposed regulation 4 AAC 27.015, which interprets AS 14.09.020, the law that provides for transporting private school students on public school buses.

DEPARTMENT OF EDUCATION
OFFICE OF THE COMMISSIONER

GOLDBELT PLACE
801 WEST 10TH STREET, SUITE 200
JUNEAU, ALASKA 99801-1554

(907) 465-2800
FAX (907) 465-4156

NUMBERED MEMORANDUM 95-12

TO: Superintendents
Transportation Coordinators
FROM: *Jerry Covey*
Jerry Covey, Commissioner

DATE: September 8, 1994

SUBJECT: Busing of Private School Students

With school starting around the state, the Department of Education has been receiving inquiries concerning the busing of private school students. Draft regulations distributed under numbered memorandum 95-09, are currently out for public comment. The deadline for submitting comments to the department is September 20.

At this time, the department has taken the following position on the issue of public school districts transporting private school students:

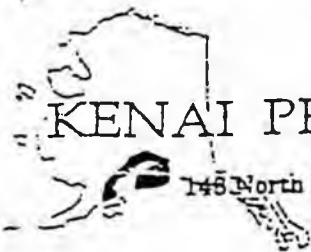
1. Districts may continue existing routes serving private schools if the routes were included in the district's transportation budget projection and the students were included in previous transportation student counts.
2. Private school students requesting transportation for the first time may be included as incidental riders on existing routes on a space available basis. Pick up and drop off times and locations are at the discretion of the district.
3. If current approved buses have existing capacity to support new private school students, with no increased cost to the state, districts may provide that additional service, through route extensions, route revisions, or establishment of new routes.
4. For the current school year, the department will not approve additional reimbursement for the purpose of transporting private school students, prior to a legislative appropriation. If a private school student transportation request is received by a school district that would result in additional routes, additional buses, or other increased cost, the school district should

Numbered Memorandum 95-12
Superintendents and Transportation Coordinators
September 8, 1994
Page 2 of 2

determine the most cost effective method of honoring the transportation request, and submit the cost data to the department's pupil transportation program administrator. The department will then include the projected additional costs in a FY95 supplemental request and in it's FY96 budget request to the legislature.

5. If the department receives a separate appropriation, pursuant to AS 14.09.020, then additional costs for transporting private school students can be approved for FY95 and subsequent years.

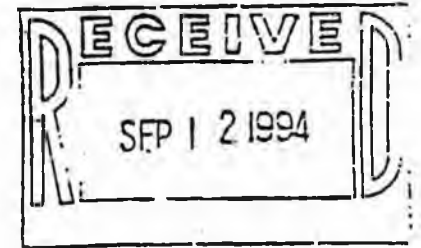
Until regulations are adopted, school districts should follow these guidelines when approached by parents or organizations requesting transportation services for their private school students.



KENAI PENINSULA BOROUGH SCHOOL DISTRICT

145 North Binkley Street • Soldotna, AK 99669-7598 • Phone 907/262-5846 • Fax 907/262-9645

September 7, 1994



State School Board of Education
Office of the Commissioner
801 W. 10th St., Suite 200
Juneau, AK 99801-1894

Subject: Proposed Pupil Transportation Regulations

Dear State School Board Members:

After reading the proposed pupil transportation regulations, I have some serious concerns that I feel the State Board needs to consider before any action is taken.

The issue of providing transportation for private schools is something that the state can do or not do, but for the state board to ask public school districts to administer transportation programs for private schools is certainly not defensible. I feel that these regulations will have an adverse effect on the operations of our district and the State.

There are many unanswered questions as I have asked myself the "what if" questions. Will the additional dollars required to provide these services be guaranteed by the Department of Education or the legislature? Who will determine the start and stop times of the private schools served? What happens when private schools are in session and the public schools are not? These are just a few of the questions that come to mind, and I will mention others more specifically as I address the proposed regulation changes

4AAC27.015 (b) If private school students are picked up within 1.5 miles of their school, who is going to pay for the hazardous busing proration, and who will determine the qualifications for designating the area as hazardous? Who will be responsible for the collection of such adjustments and submittal to the department?

4AAC27.015 (c) Will the public or private school determine the routing for schools; and will school district policy or private school policy prevail in determining routes? An example might be our district policy that provides transportation only on city and state maintained roads; a private school may either be located on or want to provide transportation on borough roads. Would our district then be expected to deny transportation services to public school students on borough maintained roads as per our district policy, while at the same time providing that service to private school students as per their policy?

4AAC27.015 (d) This portion of the new regulation will require that we operate a transportation contract for each private school. The longest route on the Kenai Peninsula is approximately 45 miles. This means that we would have to provide transportation within 45 miles of every private school. If this is the case, we would probably be adding more buses to our routes than the department is anticipating, or paying parents directly for transporting their students to private schools. I seriously question the constitutionality of such action.

I have been an administrator on the Kenai Peninsula for the last 15 years, and if I wanted to be an administrator in a private school I would have applied for such a position. I feel the board needs to consider all of the unintended consequences of their actions. If the board and the state want to provide transportation for private schools, fund it separately and do not put the public schools in the middle. We have enough programs and regulations to administer without adding more. We really do not want to administer private school programs nor should we be told to do so.

I urge you to fully consider the ramifications of all the proposed regulation changes. We will comply with whatever we are ultimately directed to do, but will do so with the intent to be part of the solution, not part of the problem.

Sincerely,



John K. Dahlgren, Associate Superintendent
Planning, Operations and Technology

cc: Commissioner Jerry Covey
Duane Guiley, Department of Finance
Senator Suzanne Little
Senator Judy Salo
Representative Gail Phillips
Representative Gary Davis
Representative Mike Navarre

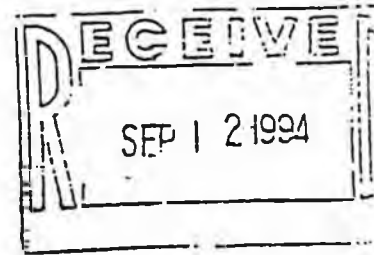


Saint John's Community School

18940 Monastery Drive, Eagle River, AK 99577

Administrator: Barbara Parker

Phone: (907) 696-3920



September 6, 1994

Department of Education
Commissioner
Regulations Review
801 West Tenth St.
Suite 200
Juneau, Alaska 99801-1894

Dear Sirs: ..

In regards to proposed regulation 4 AAC 27.015, I feel I must comment. The idea of providing public school buses to private schools may seem appealing, but does not make good economic sense. The added expense and administrative burden are not justified. Buses are available for occasional use, on a lease basis, and this is sufficient for now.

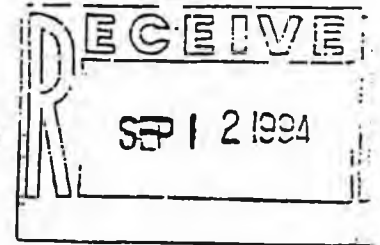
Sincerely,

Barbara Parker
Administrator

cc: Rep. Ed Willis

Senator Judith E. Salo

Alaska State Legislature



September 8, 1994

Jerry Covey, Commissioner of Education
Attn: Regulation Review
Department of Education
801 W 10th Street, Suite 200
Juneau, AK 99801-1894

Dear Commissioner Covey:

I would like to voice my opposition to the adoption of regulations which would provide private school transportation at a substantial cost to the state.

It is absurd to even consider this expenditure when we have been unable to increase the Unit Value for basic funding in our public schools. The effects of inflation over the last decade have seriously eroded the purchasing power of the \$61,000 basic unit. Surely this is a higher priority than funding private school transportation.

Local districts seem to have mutually satisfactory arrangements with private schools. A state mandate to provide more extensive services potentially violates Alaska's constitution and, it jeopardizes positive local interaction between private and public schools.

I am hopeful the proposed amendments to 4 ACC 27.015 will not be adopted.

Sincerely,

Judith E. Salo
A.T.M.
Judith/E. Salo

cc: Stowell Johnstone, Chairman State Board of Education
Bob Christal, Superintendent ASD
Dr. Walter Bromenenschenkel, Superintendent KPSD
Claudia Douglas, President NEA Alaska
Earl Rose, AASB

JES/atm

South Anchorage • Indian • Bird Creek • Girardwood • Hope • Kenai • Nikiski • Kalifornsky Beach

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☐ Interim Kenai: 34824 K-Beach Rd. • Kenai, AK 99611 • (907) 262-2254 • (907) 262-1884 FAX

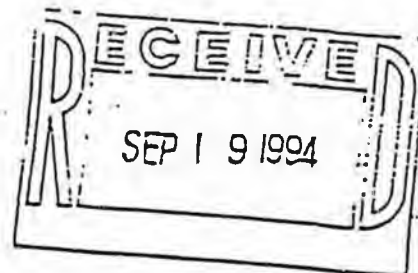
REPRESENTATIVE CON BUNDE
CHAIR HEALTH, EDUCATION
& SOCIAL SERVICES

Alaska State Legislature



House of Representatives

INTERIM:
715 WEST 4th AVENUE
ANCHORAGE, AK 99501-2133
OFFICE: (907)252-8168



September 16, 1994

The Honorable Jerry Covey,
Commissioner of Education
801 West 10th Street, Suite 200
Juneau, Alaska 99801-1894

Dear Jerry:

In response to your Memorandum Number 95-09, regarding pupil transportation, and specifically the Notice of Proposed Changes in the Regulations of the Department of Education, I do wish to comment.

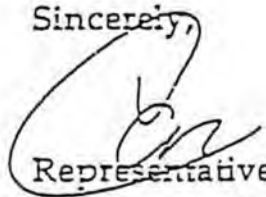
I am in opposition to the proposed 4 AAC 27.015, which would set guidelines for the transportation of private school students on public school buses. I question the validity of using state funds for transporting private school students. In light of the serious decline in state revenues, I feel it is prudent that we keep our shoulder to the wheel in meeting the basic responsibilities the state has to carry out our educational goals.

My staff contacted Tam Cook, and subsequently, Michael Ford, Legislative Counsel, for information and history on this issue. In my review of what was provided to me by Mr. Ford, I feel there perhaps needs to be further examination into the Fairbanks Superior Court decision, and the Supreme Court's assertion that AS 14.09.020 is, it found, unconstitutional. It would seem that the Department of Education would have pursued questioning this finding.

I would recommend that the Board of Education not adopt any new regulations regarding this matter. This may well be an issue that the legislature needs to address.

Please do not hesitate to contact my office if you have any further questions of me.

Sincerely,

A handwritten signature in dark ink, appearing to be 'Con Bunde', written over a circular scribble.

Representative Con Bunde

cc: State Board of Education



OFFICIAL BUSINESS

Alaska State Legislature

House of Representatives

REPRESENTATIVE
CYNTHIA TOOHEY
DISTRICT 13

STATE CAPITOL ROOM 102
JUNEAU, ALASKA 99801-1182
(907) 465-2919

716 WEST 4TH AVENUE, SUITE 330
ANCHORAGE, ALASKA 99501-2133
(907) 258-8195

September 15, 1994

The Honorable Jerry Covey
Commissioner of Education
801 West 10th Street, Suite 200
Juneau, AK 99801-1894

Dear Mr. ~~Covey~~ ^{Jerry}:

I am writing in response to the State Board of Education's notice of proposed regulations dealing with pupil transportation. Specifically, I am opposed to the proposed 4 AAC 27.015, which would set guidelines for transportation of private-school students on public-school buses.

My main reason for opposing this proposal is the estimated fiscal impact. In times of declining resources, we simply can not adopt regulations that codify expenses that do not meet the State's core educational mission. My staff contacted Mr. Harry Gamble in your office to find out the history of this issue. While I am aware that State law dating from 1972 sets out that transportation be provided by the State to private-school students, I am unsure if the Fairbanks Superior Court's decision upholding that law last summer was in line with the Supreme Court's prior ruling that an antecedent law was unconstitutional. I wonder why the Department of Education did not seek to pursue its assertion that AS 14.09.020 is, in fact, unconstitutional. Perhaps the Legislature needs to revisit this issue.

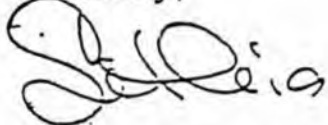
Pending a more final resolution of the debate over providing State-funded transportation to private-school students, I strongly urge you to recommend to the Board of Education that no new regulations dealing with the issue be adopted. Even if some monies are expended on such transportation between now and the point of final resolution, I think it will be best to

Page two, Jerry Covey, September 15, 1994.

hold off on sanctioning in regulation a practice that may not properly belong in statute.

Thank you for considering my comments on this matter. Please don't hesitate to contact my office if you require any more information from me.

Sincerely,

A handwritten signature in cursive script, appearing to read "C. Toohy".

Cynthia D. Toohy
Representative

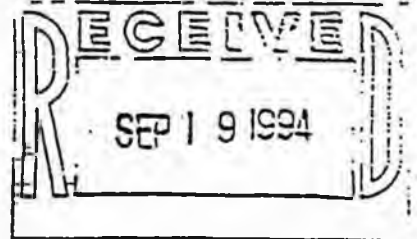
CC: State Board of Education



Matanuska-Susitna Borough School District

125 WEST EVERGREEN — PALMER, ALASKA 99645 — (907) 746-9200

Dr. Ell B. Sorensen, Superintendent



September 16, 1994

Mr. Jerry Covey
Commissioner of Education
Alaska Department of Education
801 W. 10th Street, Suite 200
Juneau, AK 99801-1894

SUBJECT: Proposed Pupil Transportation Regulations
Pertaining to Private School Transportation

Dear Commissioner Covey:

The District has reviewed the regulations proposed by the Alaska Department of Education on August 10, Memorandum 95-09, which would address the transportation of private school students. The proposed regulations require districts to assume responsibility for the transportation of non-public, private school students.

Currently, and historically, very few private school students have been transported to or from school on district school buses. At this time, three (3) to five (5) students are transported on a Talkeetna Elementary bus to a private school located near the district school. We are not aware of any private school students receiving transportation on district buses anywhere else in the district.

Using the proposed regulations as a guide and the little information that the district has of the private schools now operating within the school district, we explored the various means by which the district could provide transportation to students attending private schools within its boundaries.

Almost 95% of the district's 11,900 students enrolled in the district's 19 schools are located in the Mat-Su valley "core" area. All seven (7) of the private schools listed in the phone book are also located in the valley core area. According to information from six (6) of the seven (7) schools, combined enrollment is less than 600 students. None of these 600 students are transported to school on district school buses.

District bus routes operate within each of the district's 19 attendance centers in the valley "core" area. Very few buses travel past or near any of the private schools. Consequently, private school students do not use the district's school transportation system as incidental riders. District bus routing could not be designed to serve the district school and private school during the same time periods.

Some district students are transported 37.7 - 40.4 live route miles, one way, to or from school daily. Under the proposed regulation 4AAC27.015(d), private school students would be eligible for transportation up to 40.0 live miles, one way. This distance allowance, would, in effect, create a transportation/attendance center for each of the seven (7) private schools which covers the entire valley "core" area.

According to guidelines for transporting private school students issued by the Department on September 8, 1994, Memorandum 95-12, students who cannot access private schools as incidental riders on district buses could be transported on routes dedicated to the private school. In our district, all private school students would have to be transported on routing dedicated to their school. Using the current private school enrollment numbers given to the school district, the cost of this transportation calculated at the district's current contracted vehicle rate for a 170 day school year may run \$450,000 - \$500,000 annually.

Providing transportation to private school students raises several questions and concerns.

1. Developing and administering a transportation system for six (6) or seven (7) private schools will significantly increase the work load and administrative burden for district personnel.
2. The District would be responsible for a transportation system where it has no control or jurisdiction over student behavior/discipline on buses, school start/dismiss times and other factors which affect the operation of a cost efficient and safe transportation program.
3. The District currently uses the EDULOG transportation system for designing and maintaining the school bus transportation system. The data base for the EDULOG system relies on student resident location data, parent home and work phone numbers, etc. Developing the student data base is in itself a major project.

Keeping the data up to date may be difficult at best considering the District's access to parents whose children are enrolled in private schools. In the past the private schools have been very reluctant to share information about their students and total enrollments, names, grades, etc.

4. Managing the transportation on a daily basis will require a cooperative effort between public and private schools if the quality of service is to meet expectations.
5. What are the District's responsibilities relative to extra-curricular activity transportation? Is this transportation to be provided through the District's bus contractor also?
6. What if the private schools desire to have beginning and ending times during the day that don't coincide with the district schools beginning and ending times? Failure to cooperate could increase the costs by adding routes and buses.
7. Several churches and groups are considering establishing private schools in the borough as soon as the regulations are adopted. This will increase the costs as well as create a planning and logistics problem.
8. District budgets are planned a year in advance and bus contracts are based on five year bids. How will a district plan for those private schools that will ask for transportation after the school year has already begun? This could create a planning nightmare.

Considering the problems noted above, the District recommends that private schools operate their own transportation systems for those students who cannot be provided transportation on district buses as incidental riders.

1. Funding for private schools could flow through districts, with districts reporting the eligible operating costs for the private school operation to the Department of Education on the School Transportation Monthly Report. Funding and reporting could also be handled directly between the private school and the Department.

2. The public school proposal process to acquire transportation services provides a stable, cost effective daily vehicle rate for services. If funding and reporting goes through the districts, the district's bus contractor could be asked to provide additional vehicles to private schools at the contracted daily vehicle rate paid by districts.
3. Private schools should develop their own transportation systems; i.e., develop student data base, design bus routes and manage the transportation of their students directly with the bus contractor on a daily basis.
4. As districts enter into new service contracts with bus contractors, service for private schools could be incorporated.
5. Private schools should be required to conduct school bus safety training for students in accordance with AS 28.05.104.
6. Private schools should be required to comply with all Department regulations pertaining to operation of routes and regulations dealing with safety issues.

The District recommends the Department carefully consider the burden and additional costs to school districts if districts must provide transportation services to private schools. The difficulty of acquiring information necessary to provide transportation to public schools and the lack of jurisdiction necessary to deal with misconduct, etc., is also a major concern. Responsibility for the transportation of private school students should rest with the private schools where information, cooperation, jurisdiction and accountability are in place. In the event that the district will be responsible for the private schools transportation, it is my opinion that it will take a lot more time, communication, money and cooperation than is presently anticipated.

Sincerely,



Norm Falenske
Superintendent

k11

ALASKA

SEP 23 1994

CIVIL LIBERTIES UNION FOUNDATION

An Affiliate of the American Civil Liberties Union

P. O. Box 201844 - 419 Barrow Street - Anchorage, AK 99520-1844

Phone: 907-258-0044 Fax 907-258-0288

September 20, 1994

AkCLUF
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Nome

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Valdez

Dirk R. Nelson

Randall F. Burns
Executive Director

Commissioner Jerry Covey
Department of Education
Goldbelt Place
801 West 10th Street, Suite 200
Juneau, AK 99801-1894

Dear Commissioner Covey:

I am writing on behalf of the Board of Directors of the Alaska Civil Liberties Union Foundation (AkCLUF) to express the AkCLUF's strong opposition to the adoption of proposed administrative regulations pending before the State Board of Education that effectively mandate school districts to provide transportation to students attending private schools. The AkCLUF is opposed to implementing these regulations because we believe that they violate both the United States and Alaska Constitutions.

The rationale underlying the regulations is based on the case of Ten Evck vs. State of Alaska. The AkCLUF disagrees with the Board's decision to use this case as a rationale for formulating regulations for two reasons. First, this lower court decision is not binding precedent and should not be the basis of administrative regulations. Secondly, had this case been appealed to the Alaska Supreme Court, we believe it would have been reversed on constitutional grounds. (As you know from previous AkCLUF correspondence, that we were critical of the State of Alaska's decision not to appeal the Ten Evck decision.) We contend that the direct benefits clause of the Alaska Constitution, as interpreted by the Alaska Supreme Court in Matthews v. Quintin (Alaska 1961), prohibits using public money to fund busing to private religious schools.

Even assuming that the Ten Evck decision would not be overruled, the facts underlying that decision are unique to Fairbanks and should not be used to implement busing regulations statewide. For example, for the purpose of comparison, the situation in Anchorage is substantially different from that in Fairbanks. Anchorage is the largest school district in Alaska and would be the one most impacted by these regulations. Applying the regulations in Anchorage will produce some constitutional problems which were not at issue in Fairbanks. We believe that implementing these regulations in Anchorage would directly benefit religious schools in Anchorage in a way that did not occur in Fairbanks. We further foresee additional constitutional problems arising in Anchorage that were not present in Fairbanks, including equal protection problems and entanglement problems. Each of these issues will be addressed below.

Equal Protection Problem

Unlike the Ten Eyck case, which dealt with bussing children to two (2) private schools in Fairbanks, there are dozens of private schools in Anchorage, both religious and secular. As written, the regulations would require the Anchorage School District to provide bussing to any student wishing to attend any private religious school within Anchorage. For example, section (d) of the regulation states that a nonpublic school student is eligible for transportation only if the student lives within a distance that is equal to or less than the farthest distance a public school student is bused by that district. In Anchorage, some public school students are bused from as far away as Girdwood. It is our understanding that the Department of Education lists some 130 "schools" within the Anchorage and Eagle River bowls that might qualify for bussing services. These sites are all clearly located within an area less than the distance between Girdwood and Anchorage, effectively making every child attending a private, religious school in Anchorage and Eagle River eligible for bussing.

Currently, the Anchorage School District only provides bus transportation to children attending the public school to which they are assigned. Any children who want to attend an alternative public school must arrange transportation for themselves. Under the proposed regulations, the unusual situation would arise that certain students in Anchorage attending alternative public schools would not be entitled to bussing, but those attending private religious or secular schools would be. This raises an obvious equal protection problem. Furthermore, it is likely that providing transportation to students attending religious schools may encourage students to choose a private religious school over a public school. If so, this additional enrollment would be a direct benefit to the religious school in violation of the Article VII, Section 1 of the Alaska Constitution.

Establishment Clause Issues

Forcing the Anchorage School District to arrange new routes to provide bussing for private school children would cause a multitude of logistical problems. Currently, children may utilize already existing bus routes to attend private schools provided that the bus drivers are not required to deviate from these routes to accommodate the private school students. There are dozens of religious schools in Anchorage. Arranging for the hundreds of children who attend religious schools to use the public school busses would require an enormous amount of resources from the public school system and would probably involve hiring additional personnel.

In Lemon v. Kurtzman (1971), the United States Supreme Court set out a three-part test to be satisfied in order to withstand an Establishment Clause challenge: (1) the law must have a secular legislative purpose; (2) the principal or primary effect of the law must neither advance nor inhibit religion; and, (3) the law must not foster "an excessive government entanglement with religion." We believe that providing transportation to students who attend private religious schools will violate the Lemon test for two reasons. First of all, many of the religious schools in Anchorage already provide transportation to their students. Undoubtedly these schools will avail themselves of the new regulations and take advantage of the publicly funded bus transportation, thereby saving the costs of providing transportation themselves. This additional money will be used to promote their educational program in other ways, thereby advancing their religious purposes. Secondly, children who wish to attend a private school may be inclined to attend a religious school instead of a secular school because of the fact that transportation is provided to the religious schools. Again, this additional enrollment at religious schools

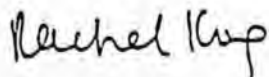
advances religion in violation of Lemon. Both of these issues pose serious federal constitutional problems.

As already mentioned, these issues were not of concern in the Fairbanks Ten Evck case. The religious schools at issue in the Ten Evck case had never previously provided transportation to their students. In ruling on the constitutionality of busing, Judge Savell specifically held that providing busing to the religious schools did not constitute a direct benefit in violation of the Alaska Constitution because the Fairbanks religious schools had never provided transportation for their pupils, therefore the schools did not receive an additional benefit from having their students bused at public expense. See Ten Evck at 22. If the public takes over providing transportation to religious school students in Anchorage, this will have the effect of enhancing religion and it would constitute a direct benefit in violation of the Alaska Constitution.

For the above reasons, the Alaska Civil Liberties Union Foundation stands ready to pursue this matter through the courts should the Board of Education decide to adopt the proposed regulations. The AkCLUF hopes the Board of Education will look closely at the impact of these regulations and determine that the regulations should not be adopted.

Either myself or co-executive director Randall Burns would be happy to discuss this matter further with you, your staff, or the members of the Board of Education, and we would be happy to answer any questions you might have. Please do not hesitate to contact this office in either event.

Respectfully yours,



Rachel King
Co-Executive Director

cc: All members, AkCLUF Board of Directors
All members, AkCLUF Litigation Committee



Anchorage School District

4600 DeBar Road
P.O. Box 196514
Anchorage, Alaska 99519-6514
Phone: (907) 333-9531

SCHOOL BOARD

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Bob Cristal

MEMORANDUM

TO: State Board of Education
FROM: Bob Cristal, Superintendent
Anchorage School District *Bob Cristal*
DATE: September 20, 1994
RE: Proposed 4 AAC 27.015/Transportation of Nonpublic School Students

FROM: The Anchorage School District administration ("ASD") has reviewed the proposed regulation and numbered memoranda pertaining to the transportation of nonpublic school students. We are strongly opposed to the adoption of this regulation. The regulation will impose substantial administrative and fiscal burdens on the ASD. It will also result in a more favorable treatment of private school students over public-school students who reside within the ASD's boundaries. Additionally, it is our belief that the proposed regulation is unconstitutional and illegal. In this regard, we believe that the Department's reliance on and interpretation of the unappealed superior court decision in the Ten Eyck case is erroneous. A discussion of our concerns follows below.

1. The Proposed Regulation Will Result In Unequal Treatment Of Public School Students In Violation Of The State And Federal Constitutions:

There are approximately 130 private schools within the ASD's boundaries that are approved by the Department for public bus transportation. See ADOE List of Eligible Private Schools (September 15, 1994). These schools have a combined enrollment of approximately 2,000 students who reside within the ASD's boundaries. The Department's proposed regulation would have the ASD



transport a large percentage of these students from their homes to various private schools regardless of whether the private schools are located beyond each student's regular public school attendance area. We would note that the State does not reimburse the ASD for transporting a public school student beyond his/her regular attendance area to another ASD school of choice. Thus, for example, a public school student wishing to attend an ASD alternative school outside his/her regular attendance area must provide his/her own transportation to and from the alternative school.

Even assuming that the proposed regulation is constitutional, we are at a loss to understand why the Department believes AS 14.09.020 affords more favorable treatment to a private school student than a public school student where both attend a school outside their regular attendance area. The students are similarly situated and are entitled to equal treatment under the law. There is no rational basis for treating them differently. If the State is going to finance bus transportation for the private school student beyond his/her regular attendance area, it must also do so for similarly situated public school students.

The inequities of this situation are more pronounced in light of the fact that many public school students from low income families or single parent families are unable to attend an alternative school within the ASD or take advantage of the district's "school choice" program for lack of transportation. In addition, there are "transient" or "homeless" children in our district who, due to domestic violence or abuse or simple economic realities, move from one attendance area to another during a school year. When these children move, they must attend the new attendance

The ASD is concerned that minority students are underrepresented in alternative school programs. Lack of transportation is often cited as a reason minority children do not apply to or attend alternative programs.

area school or find private transportation to their old school. Despite studies which indicate that at-risk children, in particular, achieve better if they remain in one school setting, the state does not reimburse the district for transporting such children to a school outside of their new attendance areas. Consequently, the educational programs of homeless or economically disadvantaged children are disrupted during the school year as they move from place to place within the district.

The proposed regulation improperly treats private school students more favorably than similarly situated public school students.

2. The Proposed Regulation Violates The Direct Benefit Clause of The Alaska Constitution.

The Department bases its proposed regulation on Superior Court Judge Richard Saville's decision in Ten Evck v. State, Dept. of Education, Case No. 4FA-93-2135 Civil (Super. Ct. Jan. 25, 1994). We believe that the Department's reliance on Ten Evck is misplaced and its interpretation of the court's opinion is flawed. First, as the Department is well aware, the superior court decision was not appealed to the Alaska Supreme Court which has previously ruled that transporting students to nonpublic schools at public expense violates the Alaska Constitution's prohibition against direct benefits to non-public schools. Matthews v. Quinlan, 362 P.2d 932, 934 (Alaska 1961). The lower court's decision in Ten Evck can not overrule the Supreme Court's decision in Matthews. Moreover, the Ten Evck decision is not binding on any other court in the state. Until such time as the Alaska Supreme Court overrules Matthews, it is unconstitutional under the Alaska Constitution to transport students to private schools at public expense.

Second, in Ten Evck, the court did not decide whether "dedicated" private school bus routes were constitutional or within the scope of AS 14.09.020.

These questions were not before the court.² Thus, Ten Eyck does not lend support to the Department's contention that it is both constitutional and legal under AS 14.09.020 to require dedicated nonpublic school routes under its proposed regulation. It is our view that such routes are illegal. They provide a direct benefit to nonpublic schools in violation of the Alaska Constitution. They also go beyond the scope of AS 14.09.020 which provides for transportation to private school students "over routes the same as . . . the routes over which the children attending public schools are transported." This statutory language plainly limits public transportation for private school students to that of incidental riders on an existing route over which children attending public schools are transported. In addition, as previously discussed in paragraph 1-above, dedicated private school bus routes illegally provide more favorable treatment to private school students than similarly situated public school students.

Third, the Ten Eyck decision was narrowly based on the factual situation in Fairbanks. The court held that there was no direct or substantial benefit to the two private schools in that case because neither private school had ever provided bus transportation for their students. Ten Eyck at 22 (emphasis added). Thus, the court concluded that public bus transportation did not relieve the private schools from providing bus transportation. In Anchorage, by contrast, several of the largest private schools provide regular school bus transportation for all of their students. Nothing in the Department's proposed regulation prohibits these private schools from discontinuing bus services and instructing their entire student

The parties stipulated to the fact that the "busing" of nonpublic school students in Fairbanks conformed to AS 14.09.020. Therefore, the constitutionality of "dedicated" private school bus routes was not before the court. The court was only asked to determine if AS 14.09.020, on its face, was constitutional.

bodies to request public bus service from the ASD. Thus, in Anchorage, the Department's proposed regulation will clearly provide a direct benefit to private schools by relieving them of the financial burdens associated with pupil transportation.

The court also noted that there were waiting lists at the two Fairbanks private schools involved in the case. Thus, it questioned whether attendance was really benefitted by the provision of public bus transportation. Ten Eyck at 25. In Anchorage, however, there are currently 130 private schools many of which regularly solicit or advertise for additional students. The Department's proposed regulation would enable the private schools which do not currently provide bus transportation to gain tuition paying students who otherwise would not be able to attend private schools located far from their homes. This is a substantial benefit to private schools.

Finally, the Department's reliance on Ten Eyck as authority for the legality of its proposed regulation seems irresponsible. If the Department were confident in Judge Saville's legal conclusions, and if the Department wished to use these conclusions as the basis for state wide regulations, the Department should have appealed the lower court's decision to the Alaska Supreme Court. Massive busing of private school students over dedicated private school routes should not be mandated until such time as the Alaska Supreme Court overturns its previous ruling in Matthews v. Quinton. The Department's proposed regulation guarantees that local school districts will be embroiled in time consuming and contentious litigation. We believe such litigation will ultimately lead to the conclusion that the busing of private school students in Alaska is unconstitutional.

3. The Proposed Regulation Will Result In Excessive Entanglement Between The ASD And Parochial Private Schools In Violation Of The Establishment Clause Of Our State And Federal Constitutions.

The efficiency and cost effectiveness of ASD's pupil transportation system is predicated on the ASD's authority to set a uniform annual school calendar for all schools in the district and dictate staggered daily school hours among the district's numerous schools. The daily starting and closing times for individual schools are coordinated to achieve the most efficient use of buses. The ASD's pupil transportation office determines bus schedules within the district and these determinations largely dictate the starting and ending time of the school day of district schools. The decisions are often made over the protests of individual school communities that would prefer to start the school day at a more "convenient" hour.

As a practical matter, the Department's proposed regulation will require close alignment and integration of private school calendars (such as beginning and ending dates), holidays and daily schedules with the ASD's school calendar and schedules. In our view, this constitutes "excessive entanglement" between the ASD and parochial private schools in violation of the Establishment Clause of the state and federal constitutions. Moreover, the coordination will require a huge investment of time and staff work by the ASD.

Significantly, the regulation is silent on whether the public school or the private school has the final say over the pupil transportation schedule for the private school. As discussed above, within the ASD the pupil transportation office determines school hours based on efficient routing of buses. Under the proposed regulation, it is unclear whether ASD may dictate school calendars and school hours to a private school as a condition of providing bus transportation to private school pupils. If the district can do this, the Constitutional entanglement problem arises. If the district can't do this, the system will be chaotic and very costly.

4. The Proposed Regulation Will Impose Substantial Administrative And Fiscal Burdens On The ASD.

Even if AS 14.09.020 and the proposed regulation are constitutional (a contention we do not accept), the logistics of providing dedicated private school bus routes may be insurmountable or, at the very least, extremely costly. In this regard, the Department's estimated fiscal note is woefully inadequate and unrealistic.

The ASD is currently able to operate an efficient, cost effective pupil transportation system by creating service areas within the district. With the exception of certain outlying areas such as Girdwood and parts of Eagle River, routes are generally less than four miles. The Department's proposed regulation would require the ASD to establish much longer routes which traverse the entire Anchorage bowl. Such routes are very costly. They would be necessary, however, because private schools draw students from all areas of the district, rather than from an attendance area in close proximity to the school. Thus, in most instances, it will not be possible to "integrate" dedicated private school routes into existing ASD routes. Most likely a separate shuttle/transfer system would have to be established.

Under a shuttle/transfer system, the ASD would provide a shuttle service from each student's home to a central location where the private school students would transfer to a second bus which would take them to their individual private schools. At the end of the day, this routing would occur in reverse. Different schedules would be required for elementary and secondary students attending the same K-12 private school.

For FY 94, the ASD's per student cost for bus transportation was \$364.83 for regular students and \$5,245.69 for special education students. Special education routes are considerably more expensive because the ASD must use a shuttle/transfer system to transport special education students beyond

their regular attendance area schools. A private school shuttle system would be less efficient than the district's special education shuttle. This is so because the district assigns special education students to the closest school with an appropriate special education program. By contrast, the ASD will have no control over which private school a student chooses to attend. The proposed regulation requires the ASD to transport a private school student who lives within a distance that is equal to or less than the farthest distance a public school student is bused by that district. Currently, the ASD buses a special education student to Anchorage from Girdwood. Thus, under the proposed regulation, the ASD will be required to bus a private school student from Anchorage to a private school in Girdwood, Eagle River or perhaps even Wasilla, despite the fact that there may be numerous private schools closer to the student's home.¹

Although it is uncertain as to how many private school students would request public transportation, an estimate of the cost of transporting 1000 private school students (50%) would be, at a minimum, around \$3.0 million dollars. Based on the ASD's per pupil cost for transporting special education students by means of a shuttle/transfer system, the cost could exceed \$5.0 million. Additional personnel such as safety officers, dispatchers, routing staff and bus drivers would need to be hired. Additional buses would most likely have to be purchased.⁴ The

The regulations are at best unclear as to the rights of a private school student to be transported at public expense out of district to private schools in adjoining districts. Nor do the regulations indicate which district would be responsible for said students.

It takes 6-9 months for a new school bus to be ordered and delivered. Thus, in addition to all of the other problems created by the proposed regulation, it may be impossible to implement

Department's estimated fiscal note isn't even close to being realistic. The ASD should not be required to assume such an enormous financial burden.

In sum, even without the constitutional infirmities, the proposed regulation is an administrative and financial nightmare. The sheer logistics may be insurmountable and the costs prohibitive.

5. Additional Concerns.

The proposed regulation raises a number of unanswered questions.

a. Does the regulation require a public school district to provide "activities" transportation to private school students if it provides such transportation to public school students?

b. Will the regulation require a public school district to provide transportation back and forth between the public and private schools for those private school students who enroll part-time under the Department's proposed part-time student regulations?

c. Are private school students subject to a public school's disciplinary actions for misconduct on a public school bus? May the public school exclude a student from riding the bus?

d. Does the regulation require a public school district to transport a student to another school district? For example, must the ASD bus a student from Anchorage to a private school in Wasilla?

private school bus routes for the 1995-96 school year because the necessary additional buses simply cannot not be obtained in time.

Conclusion/Recommendation

For the reasons discussed above, the proposed regulation is unconstitutional and goes beyond the scope of AS 14.09.010. It also imposes extreme administrative and financial burdens upon the ASD. Even if these infirmities could be overcome, the specific proposal raises more questions than it answers and, as a practical matter, could not be implemented in the time frame suggested by the Department. We urge the Department to table the proposed regulation until such time as the substantial legal, logistical and financial ramifications can be studied and resolved.

The ASD is the district most heavily impacted by the proposed regulation. We are prepared to work with the Department to explore whether there are legal and more cost effective alternatives to the proposed regulation. Rather than to proceed blindly, the Department should fully analyze the costs and administrative burdens of the proposed regulation before it requires the ASD and other school districts to commit substantial time and resources to implementing dedicated private school bus routes. The Department should carefully consider whether, in this time of declining revenues, this proposal embodies a wise allocation of funds and resources. The Department should also analyze the proposed regulation as applied to the different factual situations present in different school districts. To do otherwise will only result in wasteful, unjustified and illegitimate expenditures of public funds.

Thank you in advance for your thoughtful consideration of the concerns summarized in this memorandum. I am sure that a responsible approach to the situation will lead you to further analyze this situation and ultimately reject or significantly alter any mandate for the ASD or other districts to transport private school students at public expense.



Fairbanks North Star Borough School District

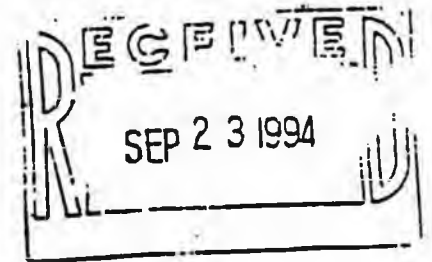
FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

520 Fifth Avenue

Fairbanks, Alaska 99701-4756

(907) 452-2000

September 15, 1994



Honorable Jerry Covey, Commissioner
Department of Education
801 West 10th Street, Suite 200
Juneau, Alaska 99501-1894

Re: Proposed Regulation 4 AAC 27.105
Action Item 95-07a
Comments of Fairbanks North Star Borough School District

Dear Commissioner Covey:

The Fairbanks North Star Borough School District thanks you for the opportunity to review and comment upon the Department's proposed regulation of busing of nonpublic school students.

1. Effect of Absence of Funding.

At the court trial in *Ten Eyck*, the School District participated to the limited extent of insisting that whatever determination was made by the court not create a risk that the School District be required to provide busing to nonpublic school students under circumstances in which the Department would not provide reimbursement to the School District for that busing. As you know, the School District's budget does not contain surplus monies by which busing may be furnished to nonpublic school students in the absence of Department funding. If, under the last sentence of AS 14.09.020, the Alaska legislature fails to fund busing for nonpublic school students, the School District should not be required to provide the service.

The reference in proposed 4 AAC 27.015(c) to 4 AAC 27.060 may not be sufficient to preserve that discretion to the School District, and may not fully reflect legislative intent. The last sentence of AS 14.09.020 implies that the legislature has reserved to itself the discretion to fund busing of public school students without funding busing for nonpublic school students. Certainly the inference may be drawn from the separate funding language in that last sentence.

2. Discretion of the School District in Providing Nonpublic Busing.

The language of 4 AAC 27.15(a) seems to provide that where the Department provides funding

September 15, 1994

Honorable Jerry Covey, Commissioner

Page 2

for nonpublic busing, the School District has no option but to provide busing for nonpublic school students. However, the statute provides "where a school district provides transportation for students attending public schools, the *department also shall* provide transportation" to nonpublic school students. (Emphasis added) Clearly the responsibility for provision of this service rests with the Department, not the local districts.

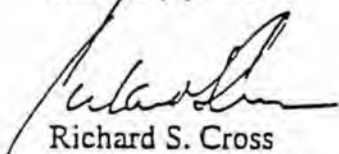
The School District suggests that the wording of 4 AAC 27.105(a) be returned to the Department's initial draft language that provided "(a) A district *may* transport students in accordance with AS 14.09.020." (Emphasis added) The ability of a school district to provide for this service at its discretion, rather than that of the Department, is a critical element in a district's ability to maintain control over staffing and funding of its pupil transportation program.

3. Miscellaneous Comments.

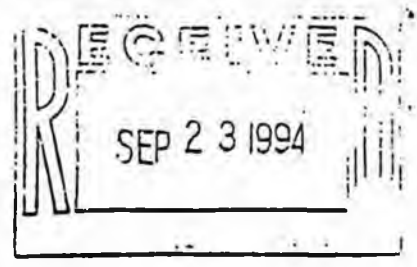
There appears to be a typographical or grammatical error in the last two lines of proposed 4 AAC 27.015(e). Should it not read "non-exempt schools that meet the requirements of AS 14.45.030 and exempt schools that meet the requirements of AS 14.45.100 - 14.45.130" where the underlined portion represent insertions?

Thank you for your consideration of our concerns in this matter.

Sincerely yours,



Richard S. Cross
Superintendent of Schools



SENATOR SUZANNE LITTLE

ALASKA STATE LEGISLATURE

September 15, 1994

State School Board of Education
Office of the Commissioner
801 W. 10th St., Suite 200
Juneau, Alaska 99801-1894

Dear State School Board Members,

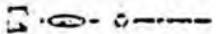
I am writing today to express my concern over the proposed changes to the pupil transportation regulations. It has been brought to my attention that the State School Board of Education is considering the adoption of regulations which would require public school districts to transport students who attend private schools. I have been in contact with local school district administrators who feel this mandatory busing policy would create not only an administrative problem, but would also be problematic in a fiscal capacity as well.

I share the opinion of the local school district administrators in that, the adoption of these proposed regulations will force either the Department of Education or the Legislature to provide additional dollars for the increase in service. The chance for an increase in funding from the Legislature is extremely remote as it took a Herculean effort to exempt education from budget reductions in the last Legislative session. Therefore, before the State Board of Education takes an action imposing unfunded mandates upon local school districts, please consider the ramifications of this action upon the children, parents, and schools of the districts.

Thank you for your time and attention with this matter. If I can be of further assistance, please do not hesitate to contact me.

Sincerely,

Suzanne Little
Senator Suzanne Little
Senate District D



4 AAC 27 is amended by adding a new section to read:

4 AAC 27.015. TRANSPORTATION OF NONPUBLIC SCHOOL STUDENTS. (a) A district shall transport nonpublic school students in accordance with AS 14.09.020.

(b) To be eligible for transportation to a nonpublic school, a student must live the required distance from the nonpublic school as set out at 4 AAC 27.010, or along a designated hazardous route as set out in 4 AAC 27.035, in addition to the other requirements of AS 14.09.020.

(c) Where not inconsistent with AS 14.09.020, the regulations that apply to the transportation of public school students also apply to the transportation of nonpublic school students, including 4 AAC 27.010 (establishment of regular routes) and 4 AAC 27.060 (reimbursement to districts).

(d) A nonpublic school student is eligible for transportation only if the student lives within a distance that is equal to or less than the farthest distance a public school student is bused by that district.

(e) In AS 14.09.020, "nonpublic schools that are administered in compliance with state law" means non-exempt schools that meet the requirements of AS 14.45.030 and exempt school meet the requirements of AS 14.45.100-14.45-130. (Eff. ___/___/___; Register ___)

Authority: AS 14.07.030

AS 14.07.060

AS 14.09.020

Alaska Department of Revenue

1995 Overview

Wilson Condon
Commissioner Of Revenue

CHILD SUPPORT ENFORCEMENT DIVISION

Child Support Enforcement is a Federal program administered as a Federal/State matching grant with the majority of operating funds provided by the Federal Government. The State, through the Child Support Enforcement Division (CSED) is responsible for the administration of the program's requirements promulgated through Federal and State statute and regulation with oversight by the Federal Government through recurrent reporting and program audits. The mission of the program is to ensure that the financial responsibility for supporting children rests with the parents rather than the taxpayer. CSED recovers monies provided for the welfare of children through public assistance from the absent parent and collects child support for non-welfare parents from the absent parent who is financially responsible.

ALCOHOLIC BEVERAGE CONTROL BOARD

The Alcoholic Beverage Control Board is responsible for control of manufacture, barter, possession and sale of alcoholic beverages within the State of Alaska. This control is exercised by board review and consideration of liquor license applications for renewal, issuance and transfer. Additionally, the board, as a quasi-judicial body, may suspend or revoke licenses and deny applications. The board may also adopt regulations. Under statute, the BRU is in the Department of Revenue for administrative purposes only.

Five board members are appointed by the Governor for overlapping three-year terms. Traditionally, members have been appointed to represent geographic areas of the state.

The board's staff is charged with enforcing compliance of alcoholic beverage statutes by over 1,800 licensees. Staff activity includes processing all license applications and fees, contacting local governments, inspecting all licensed premises, investigating alleged violations, and developing all agenda matters to be considered by the board at its monthly meetings. Additionally, the staff conducts public interest hearings on licensing matters at the direction of the board.

SHARED TAXES

This BRU accounts for all taxes and fees subject to refund provisions and subsequently issues warrants to respective communities as mandated by statutes. The following tax and license types are subject to sharing provisions:

- AS 43.35 Coin-Operated Device Tax
- AS 43.40 Aviation Fuel Tax
- AS 10.25 Electric and Telephone Co-operative Tax
- AS 04.11 Liquor License Fees
- AS 43.75 Fisheries Tax
- AS 43.77 Fishery Resources Landing Tax

This BRU is no longer funded as an operating component in order to comply with CSHB100, SLA 1989, Chapter 16. In prior fiscal years this BRU was part of the operating budget, resulting in supplemental requests each year for lack of sufficient funds. Beginning in FY91, this program was moved to the front section of the budget and is included in the operating budget request for information only.

ALASKA MUNICIPAL BOND BANK AUTHORITY

The Alaska Municipal Bond Bank Authority is organized to work with all Alaska municipalities and especially small or new and infrequent users of debt for capital projects. The Bond Bank makes it possible to: (1) borrow money in national markets to finance public projects such as schools, sewer systems, docks, roads and public buildings; (2) borrow money for these projects at the same interest rates as for larger municipalities.

The Bond Banks was created because these communities are at a disadvantage in the national financial market. Before the Bond Bank was created, these communities either paid exorbitant rates or were unable to finance capital projects.

The Bank Banks has an "A" rating. It makes capital funds available to Alaskan municipalities by selling Bond Bank bonds on the national market and loaning the proceeds to municipalities in exchange for their bonds. The advantage of the lower interest rate is passed directly to the municipality. The Bond Bank:

- Reviews, on request, the debt capacity, financial strengths and weaknesses of a municipality when considering a capital project;
- Provides market analysis of interest rate options so municipal leaders can make informed decisions about the future effect of debt payments;
- Works with the municipalities in preparing loan documents, determining debt schedules, etc.;
- Evaluates the loan request for ability to repay without undue hardship on the community in the future;
- Prepares the debt instruments for market, markets the bond issue, sells the issue at the most competitive price (negotiates for the best price in some circumstances), and issues the funds.

In FY94, the Bond Bank sold \$7,640,000 in General Obligation Bonds, \$2,500,000 in Revenue Bonds and \$3,325,000 in Revenue Refunding Bonds and earned a surplus of \$628,899 which was paid to the State of Alaska's General Fund. The Bond Bank is self-funded and does not require State General Funds. Since 1977, the Bond Bank will have paid \$18,435,503 in investment earnings to the State of Alaska which represents 99.1% of the original State of Alaska appropriation of \$18,601,413. In addition, a planned sale of \$5,260,000 General Obligation Bonds was postponed because of pending lawsuits which would have affected the ability to render adequate Bond Counsel opinion.

ALASKA PERMANENT FUND CORPORATION

The Alaska Permanent Fund was created by constitutional amendment in 1976 to preserve the benefits of Alaska's oil wealth for future generations. The principal of the Fund is inviolate, while the earnings of the Fund are disposed according to legislative appropriations and statutes. At present, 1/2 of 21% of 5 years' earnings are paid pro rata to the citizens of the State. An amount

equal to offset the effects of inflation is transferred to the principal of the Fund. The remainder (if any) of the earnings is placed in an earnings reserve account and invested along with the rest of the Fund until such time as the legislature determines the disposition of those reserves, or unless needed to meet the dividend payment or inflation-proofing requirements.

The Alaska Permanent Fund Corporation was created by statute in 1980 to serve as the manager of the assets of the Alaska Permanent Fund. The Corporation is an instrumentality of the State, and is guided by the policies established by a six-member Board of Trustees appointed by the Governor: two of the appointments are cabinet members, and four are public members. The operations, administration, and implementation of policy are vested with an executive director and, through the executive director, the staff of the Corporation.

Assets in excess of \$108.6 million from the Science and Technology Fund are placed with the Corporation, to be invested along with the assets of the Permanent Fund.

Under the Constitution, investments must be specifically set forth by the legislature. The legislature has set forth a statutory list of permissible investments, which generally are high-grade U.S. and non-U.S. fixed-income instruments, U.S. and non-U.S. equities, and U.S. real estate investments in completed and substantially-leased properties. In addition, all investments must meet the "prudent investor rule", which is the standard imposed on all large institutional funds (such as pensions funds).

The primary duties of the Corporation have remained essentially unchanged since inception in 1982, although additional investment authority has periodically been added by statute. The size of the Fund (at cost), however, has increased dramatically, rising from \$3.2 billion at June 30, 1982 to \$15 billion at June 30, 1994. It is anticipated that the Fund will rise to approximately \$16.1 billion (at cost) by the end of FY95. At current writing, the market value of the Fund is \$15 billion, and we anticipate its market value will rise to approximately \$16.7 billion by June 30, 1996. At present, the Fund is one of the 50 largest investment funds in the world.

The major goal and first priority of the Alaska Permanent Fund Corporation is to maintain the safety of the Fund's principal. To achieve that goal it is essential to provide an adequate level of investment management and administrative support. Over the long-term, other goals of the Corporation's Board of Trustees are: (a) to ensure that the Fund achieves an average real rate of return of 3% after considering effects of inflation; (b) to fully inflation-proof the Fund to maintain its value over time; and (c) to recognize the long-term importance of the Permanent Fund to the State of Alaska and its people. Investment asset allocation targets to be reached by June 30, 1997 are: (a) 45% of the Fund is to be invested in high quality fixed-income securities, of which no more than 5% is allocated to non-U.S. securities, and \$300 million has been allocated for the Alaska banks certificates of deposit program; (b) 35% of the Fund is to be invested in U.S. stocks; (c) 10% of the Fund in non-U.S. stocks; and (d) 10% of the Fund in equity real estate. To achieve these goals, the Alaska Permanent Fund Corporation must provide an adequate level of investment management, accounting, and administrative support, as well as reliable and objective information on all public policy and Fund-related investment issues to the state administration, the legislature, and the people of Alaska.

ALASKA HOUSING FINANCE CORPORATION

The Alaska Housing Finance Corporation was created in 1971 by the State of Alaska to provide Alaskans with low cost mortgage financing. AHFC's activities constitute a significant portion of the Alaskan residential housing market. The majority of funds used to purchase the mortgage loans are generated through the issuance of taxable and tax-exempt bonds.

In June 1992, Governor Hickel signed into law CSHB 595. This consolidated the housing functions of the state government under AHFC by merging the Alaska State Housing Authority (ASHA) and the energy and housing programs of the Department of Community and Regional Affairs (DCRA).

The authority of AHFC has expanded to provide for the financing, acquisition, rehabilitation, construction, weatherization, and operation of housing for low and moderate income Alaskans and citizens in rural Alaska, special needs, and senior citizen housing projects. AHFC is responsible for:

- Administering the Alaska Energy Efficient Home programs and the Housing Assistance Loan fund by providing money for rural assistance by originating, purchasing, or participating in small community housing mortgage loans.
- Providing, purchasing, or participating in senior housing mortgage loans or loans made for renovations and improvements of senior housing.
- Planning, studying, implementing, and assisting those programs for energy conservation and weatherization.
- Managing and operating low cost public housing projects; operating and administering those housing projects, provide for the construction, improvement, alteration, or repair of a housing or a public building project; arrange or contract for the financing, design, construction and acquisition of public buildings for lease to the state.
- Coordinating the State's housing strategy and homeless programs.

The goal of the Corporation's energy programs is to reduce the state's \$200 million heating bill by at least 25% by the year 2000 through cost-effective and practical energy efficiency measures and practices. The Corporation offers a comprehensive approach for improving the energy efficiency of housing in Alaska. This effort features market-driven efforts such as the Alaska Craftsman Home Program, Energy Rated Homes of Alaska as well as Weatherization.

Additionally, the Corporation administers the Supplemental and Senior Citizen Housing Development Funds.

These are critical elements of an economic development strategy to stem the high cost that Alaskans must pay just to stay warm. The \$200 million annual heating bill is a serious drain on the state's economy. In order to have self-sufficient rural economies we must have more self-sufficient homes and community facilities. The Corporation's energy programs are integral to the Corporation's efforts for rural economic development and housing assistance.

The Corporation continues to review ways to institute mortgage finance, refinance, and assistance programs that serve a public purpose in benefitting the people of the state.

During calendar year 1994, the Corporation completed a strategic planning process that resulted in goals and objectives being established to make affordable, safe and energy efficient housing available for all Alaskans. The process enabled the staff of the Corporation to investigate areas of program development that insures success of the corporation's mission.

Beginning in FY95, the Public Housing (PHD) budget was presented in both the operating and capital budgets per CSHB 595, sec 90. The Public Housing budget is primarily funded through the Department of Housing and Urban Development (HUD). PHD is the only housing authority in the nation having statewide jurisdiction.

ALASKA MENTAL HEALTH TRUST AUTHORITY

The Alaska Mental Health Trust Authority is being established in accordance with the Weiss v. State of Alaska decision. The mission of the Authority will be to administer the corpus of the settlement.

INCOME & EXCISE AUDIT DIVISION

The Income and Excise Audit Division of the Department of Revenue administers the State's tax laws to ensure collection of revenues for the State and equitable tax treatment for taxpayers. Tax types administered include: corporate income, motor fuel, tobacco, alcoholic beverages, mining license, estate, fisheries business, fishery resource landing, salmon enhancement, salmon marketing, seafood marketing assessment, coin-operated device tax and telephone and electric cooperative tax.

The division serves as a collection agency for Alaska Public Utilities Commission (APUC) by collecting and accounting for regulatory cost charges. The division administers the Shared Taxes and Fees programs by sharing a portion of revenue collected to the municipalities. The following taxes and fees are subject to sharing: electric and telephone cooperative, coin-operated device tax, aviation, motor fuel tax, liquor license fees, fisheries business tax, and fishery resource landing tax.

The division conducts field audits and desk reviews of a cross section of all tax types it administers. The division is headquartered in Juneau and maintains an audit office in Anchorage. The division establishes policies in tax matters, publishes tax rulings, and manages tax return forms. The division also administers the unclaimed property program which applies to a wide range of abandoned property. This program provides for a transfer of the custody of abandoned property remitted from holders to the State. The division seeks to locate the owners through publication of names. There is no statute of limitations to claim the property held by the division.

OIL & GAS AUDIT DIVISION

The primary services of the Oil & Gas Audit Division are to audit all royalty, production and separate accounting income tax returns; provide a forecast of revenue from these sources; assess oil and gas property tax throughout the State; conduct informal and participate in formal

hearings regarding the collection of oil and gas taxes. The Division also provides assistance and support to the Commissioner in developing long range programs to provide a stable source of revenue to the State.

The Division is comprised of five elements:

- The Audit Group administers the Oil and Gas Production Tax, Conservation Tax and Separate Accounting Income Tax for oil companies. In addition it conducts audits of Oil and Gas Royalties and net Profit Share lease agreements administered by the Department of Natural Resources.
- The Appeals Group conducts informal conferences on audit assessments and manages cases at formal hearings.
- The Petroleum Property Assessor is responsible for administration of and compliance with the Oil and Gas Property Tax (AS 43.56).
- The Economic Research and Analysis Group assists the audit group, administers the quarterly estimated tax collection program and provides forecasts of revenues to be generated from oil and gas resources.
- The Processing Group processes returns, maintains a master tax file system and establishes a statistical database on returns filed.

TREASURY MANAGEMENT

The Treasury Division is charged with the responsibility of managing the State's financial assets. This includes management of 18 separately invested funds totalling over \$9.7 billion, the collection and disbursement of all State funds and the issuance and oversight of all State debt. The Division serves as staff and investment counsel to the Alaska State Pension Investment Board (ASPIB) as well as the State Bond Committee. Funds under the management of the Treasury Division are divided into two components. This budgetary document reflects the 12 funds (\$2.4 billion) for which the Commissioner of Revenue has sole fiduciary responsibility;

12 Treasury Management funds

General Investment Fund
Alaska Bond Construction Fund
Budget Reserve Trust Fund
AHFC Special Pledge Fund
Investment Loss Trust Fund
Advance College Tuition Payment Fund
Public School Trust Fund
Alaska Children's Trust Fund
University of Alaska Trust Fund
Alaska Student Loan Corporation Custodial Funds
International Airports Construction Fund
International Airports Revenue Fund

To carry out the wide range of responsibilities assigned to the Treasury Division, the Division is structured as follows:

The Portfolio Management Section is responsible for managing the assets of the 12 funds within the appropriate statutory requirements and investment guidelines while ensuring adherence to the "prudent investor rule." Portfolio Management also assists in the development of investment policies, including asset allocation and performance measurement, and is responsible for implementation of those policies. Portfolio Management has direct responsibility for managing all fixed income investment portfolios as well as overseeing the activity of external equity and real estate managers.

The Cash Management Section functions as the State of Alaska's bank and cash control center. This section is essentially Alaska's largest bank. As the bank of the State, Cash Management collects all revenues, pays all expenditures and monitors the amount of cash available for investment on a daily basis. The agencies depend on Cash Management for the accounting, reconciliation, daily processing of all agency deposits, return items and warrant redemptions. Duties include the receipt of State taxes and royalty payments, Federal payments, investment income, State warrant redemption system, electronic payments, collection and processing of returned items and State agreement for compliance with the Federal Cash Management Improvement Act as well as managing all State banking relationships. Cash Management establishes policies and procedures to be followed by all State entities to ensure cash transactions are performed efficiently and with maximum security.

The Accounting Section is responsible for the safekeeping, accounting, auditing and reporting of all investment activity. This section is also responsible for providing automated data processing systems and administrative support for the entire Division. These duties require the preparation of monthly financial statements and reports for the funds as well as the coordination of the annual independent audit of 11 funds.

The Debt Management Section is responsible for the oversight of all State debt. This includes general obligation debt, lease-financing debt and international airport revenue debt as well as certain responsibilities related to the issuance of debt for the Alaska Housing Finance Corporation and the Alaska Industrial Development and Export Authority. This Section serves as staff to the State Bond Committee.

CHARITABLE GAMING DIVISION

The Charitable Gaming Division administers and enforces the laws and regulations of the State of Alaska in accordance with AS 05.15, AS 43.35, 15 AAC 160 and 15 AAC 035, which pertain to Games of Chance and Skill and Coin-Operated Amusement and Gaming Devices. The Division serves as the collection agency for fees, taxes, penalties, and interest due the State. The Division issues permits to qualified organizations, licenses qualified operators, distributors and manufacturers, and registers all third-party vendors being used by permittees for the sale of pull-tabs. The Division also administers a test to all members in charge and operators within the state. It ensures the qualifications of an individual to serve in the capacity of member in charge or as an operator. Tests are conducted four times a year. Failure of the test by a member in charge or operator results in the denial of a permit or license to conduct gaming.

The Division is responsible for enforcing the provisions of AS 43.35. The major focus will be on proper reporting of Class 2 and Class 3 gaming devices and payment of the taxes due.

The Division also performs inspections and audits. It conducts field inspections of gaming establishments to ensure compliance with the laws and regulations of the State. Both desk and field audits of permittees and licensees are conducted to ensure accurate reporting of income, expenses and distribution of net proceeds.

ALASKA STATE PENSION INVESTMENT BOARD

The Alaska State Pension Investment Board is required by statute to oversee the management of the pension funds that fall within their scope of responsibility. These six funds, totalling over \$7.5 billion, are as follows:

Public Employees' Retirement Trust Fund (PERS)
Teachers' Retirement Trust Fund (TRS)
Judicial Retirement Trust Fund (JRS)
Military Retirement Trust Fund (MRS)
State's Deferred Compensation Plan (ADC)
Supplemental Benefits System Investments (SBS)

The Treasury Division provides staff and a critical source of investment counsel to the ASPIB. The Division is responsible for managing the assets of the various funds. This is primarily accomplished by the Deputy Commissioner, Portfolio Management and Accounting Sections, and the Special Assistant to the Commissioner as follows:

The Deputy Commissioner is responsible for all administrative matters that come before the eight member Board. These matters include, but are not limited to, preparing for and conducting Board meetings, review of budget documents, legal matters, legislation, professional education of the Board members, and direct oversight of the Treasury Division staff.

The Portfolio Management Section is responsible for managing the assets of the funds within the appropriate statutory requirements and investment policies of the Board while ensuring adherence to the "prudent investor rule". Portfolio Management also assists in the development of investment policies, including asset allocation and performance measurement, and is responsible for the implementation of those policies. Portfolio Management has direct responsibility for managing all fixed income investment portfolios for PERS, TRS, JRS and MRS as well as overseeing the activity of external equity and real estate managers and all of the assets of SBS and ADC.

The Accounting Section is responsible for the safekeeping, accounting, auditing and reporting of all investment activity as well as automated data processing systems and administrative support. These duties require the preparation of monthly financial statements for the funds as well as the coordination of the annual independent audit of the PERS, TRS, JRS and MRS funds. Much of the automation which allows Treasury to efficiently manage and properly track investments is the result of efforts made by Accounting Section personnel.

The Special Assistant to the Commissioner is the liaison between the ASPIB, the Commissioner,

Deputy Commissioner and Treasury staff. Responsibilities of the position include preparation of Board meetings and special research projects.

The Cash Management Section, as the State's bank and cash control center, provides services for the accounting and processing of deposits and disbursements and maintains the banking relationships required for the funds.

COMMISSIONER'S OFFICE

The Commissioner's Office is responsible for the overall management of the Department's activities, including administration and enforcement of state tax laws and investment and management of nearly all state funds except those funds of separate authorities and corporations. These responsibilities are performed through the Income & Excise Audit, Oil & Gas Audit, Charitable Gaming, Treasury, Administrative Services and Permanent Fund Dividend divisions. Through the Child Support Enforcement Division, this office is also responsible for overseeing the enforcement and collection of child support obligations and orders.

The Commissioner's Office conducts numerous special project activities including ongoing review and analysis of departmental policies and procedures. In particular, this office conducts a continual review of oil and gas tax cases. These cases have priority status due to their significant impact on the state's income.

Through membership, the Commissioner provides support and financial advice to the following boards and authorities: Alaska Municipal Bond Bank Authority, State Bond Committee, Royalty Oil & Gas Advisory Board, Medical Facilities Authority, Alaska Permanent Fund Corporation, Alaska Housing Finance Corporation, Public School Advisory Board, Alaska Industrial Development & Export Authority, Alaska Student Loan Corporation, and the Alaska State Pension Investment Board.

The Commissioner also serves on the boards of the Alaska Municipal Bond Bank Authority, the Alaska Housing Finance Corporation, the Alaska Permanent Fund Corporation, the Alaska Mental Health Trust Authority, and the Alaska State Pension Investment Board. These agencies also receive administrative support from the Department. The Department also provides support services to the Alcohol Beverage Control Board; however, the Commissioner does not serve on its board of directors. The Department provides support services in the areas of budget, procurement, fiscal, personnel, data processing, supply and mail handling.

The Revenue Hearing Examiner Section conducts formal hearings on taxpayer, charitable gaming licensee, permanent fund dividend applicant and child support grievances, ultimately issuing formal written decisions. This section also reviews state and federal revenue statutes and drafts proposed statutes and regulations. It coordinates all departmental regulation adoption and amendment activities.

OIL & GAS TAX CASE REVIEW

The Oil & Gas Tax Case Review component provides funding for the Hearing Examiner Section to hear oil and gas tax case appeals. Other efforts include reviewing and approving audit plans and assessment policies; monitoring the progress of appeals; prescribing rules for settlement

discussions; requesting studies of economic, legal and other issues; and special projects to improve the state's ability and efficiency in auditing and collecting taxes.

ADMINISTRATIVE SERVICES DIVISION

The primary function of the Administrative Services Division is to provide core support services to the line divisions, corporations and other agencies so that they may focus their staff resources on meeting their program goals.

The Division is composed of four sections. The Personnel Section provides personnel and payroll services to the line divisions and other agencies attached to the Department for administrative purposes. The Fiscal/Budget Section serves as the general accounting section for the Department and is responsible for budget preparation, expenditure projections, accounts payable, travel accounting, records management and general accounting transactions. Supply/Mail Services implements the Department's purchasing policies and is responsible for general supply support. This section also provides central mail and courier services, lease management and property control. The Data Processing Section is responsible for programming and maintenance support for department-wide information systems. All data processing equipment and software purchases must be reviewed and approved by the Data Processing manager to ensure conformity with the Department's established standards and long term plans.

PERMANENT FUND DIVIDEND DIVISION

Under the provisions of AS 43.23 and 15 AAC 23, the PFD Division is responsible for annually distributing a PFD to each eligible Alaska resident. To accomplish this, the Division:

- disseminates information to the public about the program, including the eligibility and filing requirements;
- develops and distributes application forms;
- assists the public in completing and filing applications;
- annually receives and processes more than 558,000 applications;
- determines applicants' eligibility;
- provides an appeal process to those applicants determined ineligible;
- investigates potentially fraudulent applications, developing cases for criminal prosecution;
- makes payment to eligible applicants as well as assignees and garnishors of eligible applicants' PFD's;
- collects repayment of erroneously paid dividends.



Alaska Department of

**NATURAL
RESOURCES**

OVERVIEW

January 27, 1995

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THE DEPARTMENT OF NATURAL RESOURCES

OVERVIEW

- Charged by the Constitutions with the responsibility to manage and develop Alaska's land, water, and surface and subsurface resources.
- Oversees approximately 87 million acres of uplands and 65 million acres of tidelands, shore lands, and submerged lands and manages about 40% of the nation's freshwater resources.
- Consists of 8 divisions, the Pipeline Coordinator's office, Soil & Water Board, Mental Health Trust Land "Unit", and EVOS Trustees Council Staff.
- Operates offices in 22 Alaskan communities
- 597 full-time employees and 240 part-time employees (excluding emergency fire fighting positions).

THE COMMISSIONER'S OFFICE

- Maintains offices in Juneau and Anchorage and sets departmental goals and policies and provides support services to DNR's divisions and 25 boards and commissions.
- Supports the Pipeline Coordinator's Office, the Citizen's Advisory Commission on Federal Areas, the Mental Health Trust Unit, EVOS Trustee Council staff, and the Soil and Water Conservation Board which are organizationally housed within the Commissioner's Office.
- Since 1977, Alaskans have saved 25% of the petroleum revenues received by the state. The State of Alaska annually deposits a minimum of 25% of each petroleum royalty dollar into the Permanent Fund. 65% of the Permanent Fund's principal is from the state's petroleum revenues, the majority of which comes from land managed by the Department of Natural Resources.

DIVISION OF OIL & GAS

- Ensure that prospective oil and gas lands are made available for competi-

tive leasing on a timely and predictable basis, and that the state receives full value for the sale of these resources. Three Lease sales are currently scheduled for FY'95.

- **Advance innovative programs such as exploration licensing, expanded exploration incentive credits and coalbed methane that will promote exploration and development on both state and private lands in frontier interior basins.**
- **Ensure that all royalty, rental and bonus revenues due the state from leasing and production are received, and that shared federal royalties are properly received and allocated.**
- **Ensure that the surface operations of lessees and permittees are conducted in an environmentally, socially and economically sound manner.**
- **Advocate petroleum resource development throughout the state.**
- **Develop and advocate marketing strategies for Alaska oil and gas, including negotiating royalty oil purchase agreements with in-state refineries.**
- **Provide technical and policy support on oil and gas issues for the DNR Commissioner's and Governor's office and Alaska's Congressional delegation.**

The division's programs enable Alaskans to enjoy low taxes, continued growth of the Permanent Fund, and direct and indirect employment as a result of oil and gas development and subsequent state and local spending. The division's "customers" are all of the residents of Alaska who benefit from the availability of oil and gas revenues for education, public safety, revenue sharing to communities, capital improvement projects, the Permanent Fund and other state and local programs.

DIVISION OF LAND

- **Serves the state as a real estate developer and property manager by providing land for Alaskans to own and use.**
- **Issues and maintains sales contracts for parcels of land purchased by Alaskans.**
- **Issues leases that range from set-net fishing sites or aquatic farms to shore-based fish or timber processing facilities to North Slope oil support industry sites and commercial recreational lodge sites.**

- **Makes gravel and other materials available for residential, commercial, and industrial development; and is the states survey authority to establish property boundaries.**
- **Protects the state's assets by establishing and enforcing reasonable conditions to protect the environment when authorizing land use, stopping unauthorized uses, and planning for land and resource use and conservation.**
- **Responsible for stewardship of land retained in state ownership for public access, energy development, legislatively designated public use and recreation areas, and a host of the public use purposes.**
- **Maintains offices in Juneau, Anchorage, and Fairbanks to provide these essential services to all Alaskans.**

STATE PIPELINE COORDINATOR - JOINT PIPELINE OFFICE

- **The State of Alaska, BLM and other Federal agencies formed the Joint Pipeline Office in 1990. This was in response to the clear need for a coordinated approach to monitoring and regulating the Trans-Alaska Pipeline System (TAPS) and two pending gas pipeline projects.**
- **The office includes 65 employees, representing 11 federal and state agencies. Headed by the State Pipeline Coordinator and the Federal Authorized Officer, the JPO organization includes:**

•ADNR	•USDI, BLM
•ADEC	•EPA
•ADF&G	•US DOT, OPS
•ADOL	•US Army COE*
•ADOT&PF*	•US Coast Guard*
•ADCG	

*Indicates not physically present in JPO.

- **In response to congressional hearings on problems associated with TAPS, BLM and JPO have undertaken an accelerated contracting program to identify problems, identify recommended solutions and move to oversee the correction of identified problems.**
- **Monitors pipeline activities for compliance with the conditions of the right-of-way grant and lease, permit terms and conditions, and for compliance with applicable regulations for each agency.**

- **Responsible for permitting necessary for operation and maintenance of the pipeline system, as well as planning and permitting for three proposed gas pipelines.**
- **The 800-mile pipeline currently moves around 1.6 million barrels of oil per day from Prudhoe Bay to Valdez, where tankers transport the crude to west coast refineries.**
- **The pipeline has been in operation since 1977, and has safely transported over 10 billion barrels of oil to the Valdez terminal. Oil income accounts for about 85% of State revenue.**
- **Issues involving public safety and environmental protection, pipeline integrity and complaints by Alyeska employees of harassment, lack of training and lack of a quality assurance program and the JPO's response to these problems have all been the subjects of congressional hearings and are the areas JPO works most heavily in.**

DIVISION OF FORESTRY

- **Provides wildland fire management and suppression, enforces the Forest Resources and Practices Act and manages forest land.**
- **Protects the forest's natural values while supporting Alaska's economy through development of wood products in an environmentally sound manner.**
- **Major program contributions include:**
 - **State forest management consisting of: extensive public process; timber sale planning and design; contract administration; and reforestation. The state timber sale program supports regional timber industries and maintains diverse, productive forests for all forest users. Extrinsic programs include personal use timber and firewood, beach log salvage, Christmas trees, and forest access.**
 - **Forest Resources and Practices Act enforcement to ensure that timber management on private, municipal, and state land uses the best practices to provide jobs and timber receipts without bringing harm to water quality, fish habitat, and other forest resources. Private land responsibilities include very careful decisions on variations to the Act. Research and monitoring of the effectiveness of protection in the law is underway.**

- **Fire management to protect life, property, and resources threatened by fire, and to gain the benefits of fire for habitat and forest health in areas where other values are not threatened. Fight wildland fires in the most efficient and cost-effective manner to meet statutory requirements which provide wildland fire protection to all state, municipal and private lands. The 73 emergency fire fighter crews, predominantly from rural villages, and seasonal forest technicians fight fires in the Lower 48 during times of low fire incidence in Alaska.**
- **Stewardship and Community Forestry to disseminate forest management information and federal cooperative forestry funds to private owners and municipalities bringing the benefits of fire protection equipment, more productive commercial forests and enhanced urban forests to all Alaskans.**

PARKS AND OUTDOOR RECREATION

- **Maintains a large, mostly road-accessible highly developed park and recreation system.**
- **Operates more than 133 parks, recreation areas and historic sites, the state park system receives nearly 6 million annual visits, one quarter from non-resident tourists. Offers 2,500 campsites, fishing access sites, picnic area, visitor centers, trails, public use cabins and other recreation facilities, the park system is a key component for the state's tourism industry.**
- **Parks Maintenance and Operations - The division manages over \$100 million in developed recreation facilities in a highly cost-effective manner. Revenue collected from the recreational User Fee program is invested into maintenance of restrooms, hauling trash, and repair of vandalism. Parks now collect nearly one-third of its field operations budget from campground, boat launch, RV dump station and day use entry fees. The facilities are maintained and operated by a seasonal staff, temporary employees, over 30 private contractors, and more than 600 volunteers. They provide a variety of janitorial and facility maintenance services, and assist visitors at parks and campgrounds throughout the state.**
- **Public Safety - Parks staff inform and educate the visitors about hazards related to outdoor recreation, i.e. boating safety, stream crossing, wildlife encounters, etc. Thirty-two park rangers are commissioned as Peace Officers to enforce the law within state parks. They backup temporary employees, campground hosts, and members of volunteer "Park Watch" groups in deterring crime and behavior disruptive to park visitors. The vast majority of park rangers are seasonal employees.**

- **Resource Management** - State parks receive a wide variety of recreational uses. Residents and visitors to Alaska pursue fishing, launch boats from Deep Creek, operate ATVs and snowmachines in Chugach State Park or Chena River Recreation Area, or hunt for moose in many parks. Park managers issue Park Use Permits. These permits authorize and control a variety of activities that have potential impact on park resources. These activities vary from competitive events, such as races to moving mining equipment across frozen park land to mining claims outside park boundaries.
- **Managing Commercial Uses** - State parks has developed public-private sector partnerships which allow for small business to work in state parks. In FY94, over 400 businesses were permitted or licensed to work in state parks, providing a range of services form canoe rentals to sport fishing guides.
- **Volunteerism** - State Parks has the largest volunteer program in Alaska. Park Managers recruit, train and utilize over 600 volunteer workers each year. Last year, approximately 2,000 people responded to volunteer recruitment information. The volunteer program allows the State Park system to maintain high standards and quality services in its facilities. The volunteer is motivated by opportunities to learn new skills, meet people with similar interests, see a new area of the country, and to contribute to a worthy cause.
- **Engineering Support** - Development of new campgrounds, structures and buildings and the rehabilitation, expansion, and repairs of existing facilities in over 133 park units requires program direction and oversight by registered engineers. Parks contracts for \$2-4 million in construction each year. Engineers set design standards, supervise park designs, approve plans and specifications, and guarantee that construction is performed in compliance with approved plans.
- **History and Archaeology** - Manages the State of Alaska's historic preservation programs to identify, document, protect and restore sites and building, and to educate Alaskans and visitors about heritage resources. To carry out these programs, the Office of History and Archaeology seeks partnerships with local governments, Native organizations, historical societies, non-profit organizations, private owners and other government agencies. The Alaska Historical Commission advises the Governor on programs concerning history and prehistory, historic sites and building, and geographic names.

DIVISION OF GEOLOGICAL AND GEOPHYSICAL SURVEYS

- **Generates, assembles, and disseminates geologic data and information pertaining to Alaska's subsurface estate of minerals, coal, oil and gas, construction materials, and geothermal energy.**
- **Provides strategic guidance to avoid or mitigate potential geologic hazards that could be encountered during volcanic eruptions, access corridor development, and construction of urban and rural village infrastructure.**
- **Geologic reference samples archived in the ADGGS Geologic Materials Center are a popular source of data for petroleum and minerals companies.**
- **Reports and archive materials provide the public with a primary source of Alaska geologic knowledge that is the basis for a continuing stream of Alaskan resource development and socially-oriented engineering projects.**
- **The organization and public dissemination of all types of Alaska geologic data as a prime function of the division.**
- **Geologic knowledge is fundamentally necessary for the state to generate a sustainable economy from its subsurface resources, protect the state's interest during ongoing state vs. federal land negotiations, preserve the integrity of the natural environment, and contribute to the safety of its citizens.**
- **Acts as technical consultants to agencies of the state of Alaska in matters related to resource endowments and geologic hazards.**
- **Locates, identifies, and inventories subsurface resources of economic value including minerals, coal, and geothermal energy and annually reports on mineral industry activities within the state.**
- **Conducts strategic field surveys and geologic inventories to identify the locations of potential oil and gas fields.**
- **Identifies sources of sand, gravel, and other construction materials needed by municipalities throughout rural and urban Alaska.**
- **Identifies potential sources of natural gas or coal resources needed for local heat and power generation in rural Alaska.**
- **Provides help to rural Alaskans and other agencies in assessing the character of surficial geologic units underlying and impacting sites for municipal construction projects.**

- **Makes pre-engineering assessments of access corridors to identify geologic hazards to roads, bridges, and other structures so that they can be avoided or mitigated during later design and construction of the state's infrastructure.**
- **Provides the state's direct line of communication with respect to hazards associated with volcanic eruptions.**

DIVISION OF MINING & WATER MANAGEMENT

Mining Goals

- **Was created as a direct response to budget reductions in the former Division of Water. The merged division is responsible for making available for use and development the state's mineral and water resources and for managing these resources to assure the state's best interests are met.**
- **Assures the maximum amount of the state's mineral resources are available for exploration and prudent development,**
- **Provides technical assistance and oversight as required by law to assure that other public resources are not unreasonably or unduly damaged,**
- **Maintains mining claim lease, coal lease and permit files in a cost effective and timely manner to assure revenues from the state's mineral resources are collected timely, and**
- **Makes files easily accessible to the mineral users and the public.**

Water Goals

- **Manage the state's water resources held in trust through timely and responsible adjudication of applications for water use.**
- **Ensure safety of dams,**
- **Collect, interpret, and disseminate water resource data essential for domestic and commercial uses including export, and for prudent development of Alaska's resources,**
- **Secure Quiet Title to submerged lands beneath navigable inland waters with priority to waterbodies having potential for economic development,**
- **Provide leadership in the cooperative resolution of water management issues,**

- Implement procedures that assure a fair return for appropriation and for exportation of Alaska's water.

Significant objectives are:

- Administer State Coal Mining laws and promote development of coal resources
- Complete reclamation work on dangerous abandoned mine sites
- Assist permitting large-scale mining
- Maintain mineral property records
- Develop multi-year permit program
- Monitor/expedite multi-year reclamation plans
- Process/adjudicate 7,500 new mining claims
- Process/adjudicate annual labor/rental of 30,000+ mining locations
- Process deeds/contracts for ownership transfer, 4000 properties
- Adjudicate 450 APMA's
- Assist mining companies/small operators in permitting/compliance
- Inspection of dams for safety and maintain database of dams to ensure compliance
- Accept/process 1200 water-related applications
- Develop hydrological data to protect interests of individuals and communities from unexpected flooding & erosion
- Work with Federal agencies regarding navigability of 14 million acres of submerged lands
- Work with mining industry, providing hydrologic data necessary for mining operations
- Provide coordination of Alaska Water Management Council to ensure priorities are identified

DIVISION OF AGRICULTURE

- **Represents a \$30 million renewable resource industry.**
- **In 1993 agriculture employed in excess of 1500 Alaska residents at an average hourly salary of \$7.50.**
- **The agricultural business also represents one of many opportunities to diversify the Alaskan economy by creating opportunity for in-state production and marketing of food and fiber.**
- **Supports the Alaska agricultural community through marketing and inspection services, agricultural land management and resource conservation services, competitive farm development and operating loans, and plant materials development and testing.**

Agriculture Revolving Loan Fund:

- **Conventional financing for agribusiness is generally not available in Alaska due to restricted ag land title, perceived risk, and lack of private sector experience in agricultural lending practices.**
- **In FY 94 the ARLF filled this critical gap by providing \$1.9 million of low interest farm development, chattel, operating, and product processing loans.**
- **The ARLF through the Directors office has focused a great deal of its attention toward improving the delinquency rate of an inherited portfolio by restructuring loans to low risk borrowers with a productive history.**
- **Aggressively pursued delinquent loans through settlement action and/or litigation. As a result of this aggressive asset management program the projected value of land, equipment, stocks, judgements, and cash revenue returned to the ARLF portfolio in 1993, is \$7.7 million.**

Northern Latitude Plant Materials Center/Forest Nursery:

- **Recognized as the authority in Alaska on reclamation, revegetation, wetland rehabilitation, and commercialization of plant varieties adapted to northern climates.**
- **Virus free seed stocks have also reduced the need for field applications of hazardous insecticides and fungicides which in many parts of the lower 48 have had a long term effect on water quality as well as other negative environmental impacts. Last year Alaska growers produced 13,000,000**

pounds of potatoes with a market value of \$2.4 million.

- Data collected by the PMC on plant performance as a result of out-state testing is used to develop standards and specifications required by state and federal mine land reclamation regs, state and federal highway construction projects with revegetation requirements, and bio-engineering standards for stream bank stabilization projects involving valuable fish and wildlife habitat protection.
- In July of 1993, the PMC program was expanded to include the commercial production of tree seedlings adapted to northern climates. A.S. 41.17 requires the reforestation of all harvested state, municipal, and private forest lands.

Soil & Water Conservation Board:

- The Land Conservation program within the Division is the responsibility of the Alaska Soil and Water Conservation Board and the 10 Soil and Water Conservation Districts authorized under A.S. 41.10.
- The Alaska Conservation program is part of an active network of 3,600 Soil and Water Conservation Districts throughout the lower 48 involving some 17,000 locally elected land owners.
- Federal program assistance is available in forest management, mine land reclamation, wildlife habitat enhancement, and recreational development on private lands in Alaska.
- Because the native community represents the largest private land owner in Alaska, new federal programs focused on rural economic development and multi resource management are also now available to regional and village corporations through the unique state, federal, private partnership offered by the Alaska Soil and Water Conservation Program.

Agricultural Contract Management:

- As part of the Area Planning process the division has been actively involved in the interpretation of soil surveys, land cover type mapping, and wetland inventories to effectuate the classification of these lands for inclusion into the current 595,000 acre agricultural land bank.
- From 1978 to 1989 the state actively pursued the sale and/or lease of lands for agriculture development. Although the Div. of Lands was responsible for conducting the sale of agricultural lands and the issuance of contracts,

the Div. of Agriculture has traditionally taken the lead with regard to identifying tracts for sale, disposal design, establishing the development schedules, the approval and monitoring of conservation plans, and tracking revenue and billing.

- The Division currently administers 135 active land sale contracts, 28 grazing leases covering 151,000 acres, and 12 reindeer grazing permits involving 3.6 million acres of state land.
- Over the next 20 years this program will generate in excess of 5.6 million dollars in principle and interest payments to the General Fund.
- To effectively adjudicate these legally binding contracts for compliance, 300 on-site field inspections annually are required.

Agricultural Product Inspection:

- The primary mission of this program is to prevent loss of product sales due to poor quality and prevent fraud and misrepresentation of agricultural products sold in Alaska.
- Allows producers to comply with a number of state and federal mandated product quality regulations.
- The Division has a number of interagency agreements to carry out USDA inspection requirements.
- A majority of the inspection services provided by the Division, are required before producers can sell to wholesale, retail, and military markets in Alaska. Specialized testing, grading, analysis and inspection of plants, seeds, vegetables, fruits, eggs, nursery and green house stock are performed on farm and in retail and wholesale outlets throughout the state.
- In FY94, Division staff conducted over 3,000 inspections on 340,000 packaged products to facilitate commerce.
- The expanding demand for wholesaler inspection has resulted in an increase in federal receipts. Because agricultural product inspectors have personal contact with both producers and purchasers, they provide a key link in the development of the Alaskan agricultural industry.

Agricultural Marketing Service:

- The main objective of this program is the increased utilization and

sales of competitively priced Alaskan grown commodities over similar imported products.

- **As agricultural producers become more productive, the identification of niche markets, encouragement of value added processing, and influencing the demand for local products becomes increasingly important.**
- **Alaska currently occupies an average of 25 to 30% of the "in season" fresh market share from local grown potatoes, carrots, peas, and other cole crops. With an aggressive marketing campaign and support from the local producers it is reasonable to double the instate market share within the next 2 years.**
- **Other Alaskan commodities currently targeted for promotion under the ag marketing program are red meat (both domestic and semi-domestic), berries, and dairy products.**
- **Through 52 weekly market news reports, close coordination with military purchasing agents, the printing and distribution of farm product directories, transportation and product feasibility studies, the sponsorship of producer forums, the promotion of the Alaskan Grown campaign, expansion of the state wide farmers markets, and the Divisions participation in state fairs we hope to promote the increased wholesale and retail sales of Alaska grown commodities.**

SUPPORT SERVICES DIVISION

Administrative Services

- **Administrative Support Services** which includes the Director's Office, enable the operating programs to concentrate on serving the public and make money for the state.
- Both major leases for DNR offices in Anchorage and Juneau were successfully re-negotiated saving the State in excess of \$6.0 million in lease cost over the next 5 years and avoided the disruption and cost of having to relocate.
- The Financial Service Section oversees the preparation of the operating and capital budget, and accounts for \$80.0 million in annual appropriation expenditures.
- The Human Resource Section handles payroll and personnel functions for approximately 840 permanent and 2,000 temporary and emergency employees.
- The Human Resources/Payroll Project directly contributes to the Department's success in meeting its goals by providing managers and employees with the necessary staff to ensure that a quality and motivated work force is maintained, that minimal time and expense is spent by managers on unnecessary labor disputes, and that Department staff is educated on the most current human resource related programs, laws, and rules.
- The Resource Revenue Collection and Accounting Section accomplishes revenue collection and accounting for all DNR programs. External customers are 73,000 citizens and businesses who made over 115,000 payments in FY94 providing \$800 million in revenue.
- A portfolio of 33,936 subsidiary ledgers, including 17 types of contracts which bill, note defaults, and provide customer service for 10,000 lease and sales contracts are accurately maintained.

The Recorder's Office/UCC

- Provides a safe, secure and impartial place of record for all recorded instruments affecting real property in Alaska (deeds, mortgages, liens, and mining claims to name a few) and ensures ongoing public access to all records per statutory directive.

- Permanently preserves and protects all documents entrusted to its care for the long term benefit of all Alaskans.
- Operates recording facilities in fourteen rural and urban locations covering 34 recording districts (DNR staffs and operates offices in Fairbanks, Bethel, Nome, Juneau, Ketchikan, Sitka, Anchorage, Palmer, Kenai, Homer and Kodiak, while the Alaska Court System provides minimal front line recording services in Seward, Valdez and Glennallen).
- Maintains a computerized index of approximately three million documents recorded during the past 25 years, along with thousands of original hand written index ledgers and original transcript volumes dating from the late 1800's.
- Benefits the general public, business community, and mortgage and banking institutions who cannot function effectively without the public notice protection afforded by the recordation of their documents.
- Reported record setting revenues in FY94 by processing more than 250,000 documents and generating over \$4.5 million (more than \$2 million in excess of annual operating funding).
- Administers the Uniform Commercial Code central file office, a statewide repository for an estimated 20,000 secured transactions and search requests submitted annually.
- Keeps abreast of current technology options to ensure that ongoing operations remain effective and efficient, and continues efforts to increase the number of records available to the general public in every recording facility.

Information Resource Management (IRM)

- IRM produces over 10,000 resource integration maps annually, that describe ownership, access, status, resources, and base features.
- Maintains the state's land records information system - over 190,000 cases covering 130 million acres of land, involving two million transactions.
- Distributes over 200,000 microfilmed aperture cards of land status maps and surveys annually, to DNR public information and regional offices, various boroughs, and the University of Alaska.
- Provides mainframe computer programming support for the department's

applications.

- **Maintains the state's graphic land record system of over 9,700 townships.**
- **Trains over 150 DNR employees annually in the operation of DNR's systems for tracking resource activities and revenues.**
- **Provides distributed computing systems which automate routine tasks and improve access to public information.**

PUBLIC INFORMATION CENTER

- **The DNR PIC provides "one-stop shopping" for DNR's customers. Located in Anchorage, it provides services on a state-wide basis both directly and through support of DNR information offices in other locations.**
- **Services offered the public include help with land status research and applications for department authorizations, acceptance of payments, public use cabin reservations and information on DNR programs and activities.**
- **The PIC also sells or distributes DNR publications, maps, state park use decals and other DNR products. The PIC's staff supports DNR's divisions by serving as the initial point of public contact for the department, which allows division staff to more efficiently accomplish their missions; providing public affairs support; and providing internal communications and training.**
- **The PIC advocates for good customer service within the department, and alerts DNR managers to customer concerns.**
- **The PIC is accessible for DNR customers with physical disabilities.**