

HB

325

(File 5)

HFIN

FILE

**ENVIRON-
MENTAL
CONSER-
VATION**

DEC #1

NO OBJ

Department of Environmental Conservation
Amendment

Sponsor: Representative Mark Hanley at the request of Legislative Finance

DELETE:

| | |
|--|---------------------------------|
| Department of Environmental Conservation | |
| Environmental Health | |
| Drinking Water | \$489.6 |
| | Alaska Drinking Water Loan Fund |

ADD:

| | |
|--|------------------|
| Department of Environmental Conservation | |
| Environmental Health | |
| Drinking Water | \$489.6 |
| | Federal Receipts |

PURPOSE: Properly classify fund source as federal receipts.

Incorrect fund source was submitted in the Governor's Amended budget for two increments: \$203.8 for technical assistance for on-lot domestic wastewater sites and \$285.8 for the State Drinking Water Revolving Fund. See attached memorandum for additional information.

MEMORANDUM

State of Alaska


Department of Environmental Conservation
Division of Administrative Services

TO: Annalee McConnell
Office of Management and Budget

DATE: April 8, 1998

FILE NO: G:\baf99budget\dw-fs-ch.doc

PHONE NO: 465-5256

FROM: 
Barbara Frank
Division of Administrative Services

SUBJECT: Request for Technical Amendment

A budget amendment is being requested to correct the funding source for one increment and one prior amendment in the Environmental Health BRU's, Drinking Water Component.

The component has an increment for 285.8 ADWF (4 new positions) and an amendment for 203.8 ADWF (no positions). The fund source on both of these is incorrect as follows:

We need to do a technical amendment to change the funding source for both items from ADWF to Federal (Total 489.6).

1. An amendment for 203.8, "Technical Assistance and Education for On-Lot Domestic Wastewater Sites", was originally requested as ADWF. This activity is covered under the Clean Water Act but is not part of the loan program. The correct fund source is Federal. The Clean Water Act provides federal funding for a variety of activities. Part of the federal funding is set aside in the ACWF for a loan program and only a loan program. Other activities - not associated with the loan program - are direct federal funding.

2. An increment for 285.8 and 4 new positions, "Safe Drinking Water Act", was originally requested as ADWF. This activity is covered under the Safe Drinking Water Act but is not part of the loan program. The correct fund source is Federal. The Safe Drinking Water Act provides federal funding for a variety of activities. Part of the federal funding is set aside in the ADWF for a loan program and only a loan program. Other activities - not associated with the loan program - are direct federal funding.

If there is anything further you need, please contact me directly or Barbara Towne of my staff at 465-5235.

cc: Joan Brown, Office of Management and Budget
Barbara Towne, Budget Analyst

DEC #2

NO OBJ

AMENDMENT

To: HB 325

By: Therriault

DELETE

Department of Environmental Conservation
Spill Prevention and Response
Response Fund Administration

564.6 Oil/Haz fund

Deletes increment to Military and Veterans Affairs for LEPC grants. This deletion returns the LEPC grant level to the Governor's requested level of \$543.4, which is still an increase from the FY 98 level of \$351.4

withdrawn

Department of Environmental Conservation
Amendment

Sponsor: Kohring

ADD:

Department of Environmental Conservation
Air and Water Quality
Water Quality

\$1,113.3
Federal Receipts
\$240.6
General Fund Match
7 Full-time Positions

PURPOSE: Restore federal 319 Non-Point Source funding, general fund match and positions. The federal funds available have been reduced by \$350.0 in the grants line.

INTENT: "It is the intent of the legislature that the Department of Environmental Conservation use federal funds received for wetlands grants and for nonpoint source water pollution pass-through grants for water related research and water related activities in the following order of priority: (1) research projects assisting in remediation of water bodies on the Environmental Protection Agency list of impaired water bodies; (2) government research projects to collect scientific baseline data for use in agency decision making; (3) nongovernment scientific water data projects or activities in collaboration with and approved by a lead resource agency; (4) water related permitting activities including community involvement and public procedures required under AS 44.62."

adopted
as amended

DEC
3A

Department of Environmental Conservation
Amendment # 3A

Sponsor: Rep. Kohring

| | | |
|---|---------|---|
| Commissioner's Office | 21.3 | General Funds |
| Environmental Health Division | | |
| Seafood/Sanitation, Travel | 7.5 | General Funds |
| Laboratory Services | 103.2 | General Funds |
| AK Drinking Water Fund | | ADWF |
| Approve Partial Increment for Technical Assistance for On-Lot Domestic Wastewater Sites (septic systems) | 50.0 | Federal Funds |
| Transfer Increment to Statewide Public Service Div. | -50.0 | ADWF Federal Funds |
| Personal Services | 142.9 | General Funds Reverses Fund Source Change from GF to ADWF |
| Travel | 16.8 | General Funds |
| Contractual Services | 77.8 | General Funds |
| Municipal Solid Waste | | |
| Travel | 4.0 | General Funds |
| Contractual | 25.0 | General Funds |
| Statewide Public Services Division | 50.0 | Federal Funds (ADWF) |
| Approve Partial Increment for Technical Assistance for On-Lot Domestic Wastewater Sites (septic systems) (Transfer from Drinking Water) | | <u>AK DRK WATER FUND</u> |
| Air & Water Quality Division | | |
| Water Quality | | |
| 319 Funds | 240.3 | GF Match |
| 319 Funds | 1463.3 | Federal Receipts |
| Personal Services | (100.0) | General Funds |
| Travel | 100.0 | General Funds |
| Spill Prevention & Response | | |
| Contractual | 226.7 | Oil/Hazardous Fund |

NO OBJ

INTENT: "It is the intent of the legislature that the Department of Environmental Conservation use federal funds received for wetlands grants and for nonpoint source water pollution pass-through grants for water related research and water related activities in the following order of priority: (1) research projects assisting in remediation of water bodies on the Environmental Protection Agency list of impaired water bodies; (2) government research projects to collect scientific baseline data for use in agency decision making; (3) nongovernment scientific water data projects or activities in collaboration with and approved by a lead resource agency; (4) water related permitting activities including community involvement and public procedures required under AS 44.62." ^{with emphasis}

↳ restoration

Failed 4-7

Department of Environmental Conservation
Amendment to Amendment # 3A

Sponsor: Rep. Kohring

Air & Water Quality Division

BRU: Water Quality Grants

319 Grant Funds

(200.) Federal Receipts

Purpose: This Amendment to Amendment 3A is for the purpose of deleting a portion of the federal grant funds for the 319 (Non-Point Source Pollution) Program. Members of the budget subcommittee strongly believe that ADEC has inappropriately awarded grant funds to entities that oppose development in Alaska and are using this funding source for such purposes. Therefore, the grant program receipt authority is reduced to approximately 50% of the requested FY 99 grants (account #77000). The budget subcommittee will review the FY 99 grant awards to determine if future receipt authority will be increased or decreased in the next Legislative session..

INTENT: "It is the intent of the legislature that the Department of Environmental Conservation use federal funds received for wetlands grants and for nonpoint source water pollution pass-through grants for water related research and water related activities in the following order of priority: (1) research projects assisting in remediation of water bodies on the Environmental Protection Agency list of impaired water bodies; (2) government research projects to collect scientific baseline data for use in agency decision making; (3) non-government scientific water data projects or activities in collaboration with and approved by a lead resource agency; (4) water related permitting activities including community involvement and public procedures required under AS 44.62."

ROLL CALL. HOUSE FINANCE COMMITTEE

DATE 4/17/98 p
 SUBJECT DEC 3A Amu

| MEMBER | YES | NO |
|-------------|-----|----|
| KOHRING | ✓ | |
| MARTIN | ✓ | |
| MOSES | | ✓ |
| MULDER | ✓ | |
| DAVIES JOHN | | ✓ |
| DAVIS GARY | | ✓ |
| GRUSSENDORF | | ✓ |
| FOSTER | | ✓ |
| KELLY | | ✓ |
| TERRIAULT | | ✓ |
| HANLEY | ✓ | |

TOTAL 4 7

PASSED _____
 FAILED _____

DEC #4

Nb Obj

Department of Environmental Conservation
Amendment

Sponsor: Kohring

ADD:

Department of Environmental Conservation
Air and Water Quality
Air and Water Quality Director

\$49.9
Interagency Receipts

PURPOSE: Allow increment for budgeted Joint Pipeline Office RSA with the
Department of Natural Resources.

AMENDMENT # _____

withdrawn

Rep. Dennis

DEC #5

OFFERED IN THE HOUSE

HB 325

ADD

Department of Environmental Conservation
Administration
Office of the Commissioner

21.3 General Fund

The incumbent Deputy Commissioner is on loan from the Environmental Protection Agency. The Department reimburses the Environmental Protection Agency for partial costs of the position. Costs reimbursed to the Environmental Protection Agency are less than the typical costs for a Deputy Commissioner, thus the proposed reduction.

If an agency negotiates a creative agreement which provides an ability to direct funding to other services, the legislative action should be to reward the agency rather than cutting the funding.

This eliminates incentives to pursue creative options and when, in this case, the inter agency personnel agreement terminates, the Department will have insufficient funding for the actual costs of a Deputy Commissioner. The current agreement with the Environmental Protection Agency ends in July and we do not know if it will be renewed.

Rep. Dennis

DEC #6

AMENDMENT # _____

OFFERED IN THE HOUSE

HB 325

Failed 4-7

ADD

| | |
|--|------------------------------|
| Department of Environmental Conservation | |
| Administration | |
| Administrative Services | 12.2 General Fund |
| | 11.4 Oil/Haz Fd |

The Division of Administrative Services has staff in Anchorage, Fairbanks, Juneau and one position in Palmer. These staff support Department of Environmental Conservation offices in fifteen locations throughout the State of Alaska. Travel funds are critical to provide necessary on site support services.

Some examples of on site services delivered by the Division of Administrative Services are

- human resources issue resolution;
- computer network installation, maintenance and support;
- administrative training to ensure staff compliance with State of Alaska laws;
- development of cost recovery systems for recovery of fees, federal receipts and response funds which are in excess of 28 million dollars annually; and
- participation in Oil and Hazardous Substance preparedness drills as part of the incident command system.

DATE 4/17/98
 SUBJECT DEC #6

| MEMBER | YES | NO |
|-------------|-----------------|----|
| MARTIN | MARK | ✓ |
| MOSES | ✓ | |
| MULDER | | ✓ |
| DAVIES JOHN | ✓ | |
| DAVIS GARY | | ✓ |
| GRUSSENDORF | ✓ | |
| FOSTER | ✓ | |
| KELLY | MARK | ✓ |
| KOHRING | | ✓ |
| HANLEY | | ✓ |
| TERRIAULT | | ✓ |

TOTAL # 4 | 7

PASSED _____
 FAILED _____

Rep. Alexier
DEC #7

AMENDMENT # _____

OFFERED IN THE HOUSE

HB 325

passed B-2

ADD

Department of Environmental Conservation
Administration
Administrative Services

26.3 Federal
~~26.3 Gen Fund~~
26.3 Oil/Haz Fd

Communication with the general public is a critical element of the public health and emergency response services in the Department of Environmental Conservation. Failure to communicate accurately and timely could result in the loss of human life or property. The publication specialist in the Division of Administrative Services is responsible for external communications. The Department of Environmental Conservation must keep Alaskans and other consumers informed to help protect health and resources from illness, contaminants, polluted water, oil spills, dirty air, vermin and disease associated with solid and hazardous waste, and contaminated foods of all types. Federal amendments to the safe drinking water act include a requirement to provide public information about public water systems.

DATE

4/17/98

SUBJECT

DEC #7

MEMBER

YES

NO

| | | |
|--------------|---|---|
| MOSES | ✓ | |
| MULDER | ✓ | |
| DAVIES, JOHN | ✓ | |
| DAVIS, GARY | ✓ | |
| GRUSSENDORF | ✓ | |
| FOSTER | ✓ | |
| KELLY | ✓ | |
| KOHRING | | ✓ |
| MARTIN | | ✓ |
| THERRAULT | ✓ | |
| HANLEY | | |

TOTAL

8

2

PASSED

FAILED

AMENDMENT # _____

OFFERED IN THE HOUSE

passed 7-4 Rep. Dennis

HB 325

DEC #8

ADD

Department of Environmental Conservation
Division of Environmental Health
Drinking Water

153.8 ADWF
~~203.8 Federal~~

This is a reduction on a one-time contractual increment request to provide educational assistance such as brochures and videos for home owners on the proper maintenance of their on-lot septic systems. Proper maintenance of on-lot septic systems is critical in preventing drinking water contamination. This type of educational assistance is particularly important since the Department of Environmental Conservation is no longer reviewing septic systems at the time a house sells. Approximately 50% of homes outside Anchorage rely on septic systems for proper sewage disposal.

According to the Notice in the Federal Register, if a state does not use its allocation, these grant funds will be "reallocated and awarded to States" that have obligated their grant funds. Thus, not using these dollars for Alaskan needs will simply serve to benefit residents of other states.

A technical amendment was previously submitted to change the funding source on this item from Alaska Drinking Water Fund to Federal Receipts.

DATE

4/17/98

SUBJECT

DEC #8

MEMBER

YES

NO

| | | |
|--------------|---|---|
| MULDER | ✓ | |
| DAVIES, JOHN | ✓ | |
| DAVIS, GARY | ✓ | |
| GRUSSENDORF | ✓ | |
| FOSTER | ✓ | |
| KELLY | ✓ | |
| KOHRING | | ✓ |
| MARTIN | | ✓ |
| MOSES | ✓ | |
| HANLEY | | ✓ |
| TERRIAULT | | ✓ |

TOTAL

| | |
|---|---|
| 7 | 4 |
|---|---|

PASSED _____

FAILED _____

Rep. Davies

DEC #9

AMENDMENT # _____

OFFERED IN THE HOUSE

HB 325

Failed 3/8

ADD

Department of Environmental Conservation
Division of Environmental Health
Seafood and Sanitation Inspections

~~7.5 General Fund~~
185.7 General Fund Program
Receipts

This program receipt transfer (172.5) would have provided the ability to increase annual inspections of high-risk facilities. This transfer would have brought the inspection frequency to an average of once each 18 months.

In addition, a part of this transfer (13.2) would have provided the following public education/outreach efforts: Paralytic Shellfish Poisoning: the incidents of PSP are on the rise, especially with "El Nino" and increased water temperatures; Hazard Analysis Critical Control Point Training for meat processors: federal rules for meat processors have recently been amended but USDA has not provided for any training to help these processors understand the new rules; updating food safety brochures for consumers; provide a food safety curriculum for Alaskan schools; and distribution of a food safety manual for use by food service workers.

The 7.5 GF increment would have provided travel support to the inspectors, enabling them to travel to inspection sites. Travel costs cannot be covered with program receipts.

DATE 4/17/90
 SUBJECT DEC #9

| MEMBER | YES | NO |
|--------------|-----|----|
| DAVIES, JOHN | ✓ | |
| DAVIS, GARY | | ✓ |
| FOSTER | | ✓ |
| GRUSSENDORF | ✓ | |
| KELLY | | ✓ |
| KOHRING | | ✓ |
| MARTIN | | ✓ |
| MOSES | ✓ | |
| MULDER | | ✓ |
| HANLEY | | ✓ |
| THERRIAULT | | ✓ |

TOTAL 3 8

PASSED _____

FAILED _____

AMENDMENT # _____

Rep. Lewis

OFFERED IN THE HOUSE

HB 325

DEC #10

withdrawn

ADD

Department of Environmental Conservation
Division of Environmental Health
Laboratory Services

103.2 General Fund

The division would have to take this component's targeted General Fund reduction of 103.2 from personal services. An Environmental Laboratory Technician, Chemist I, and Environmental Microbiologist would be eliminated.

Specific service impacts include:

-Reduced marine toxin testing (PSP) and microbiological testing of bivalve and seafood products; this would lead to a reduction in the commercial sales of Alaska-produced shellfish because shellfish must be tested before it can be sold.

-Reduced red meat testing for E-coli, Salmonella, and Listeria; this testing is required under the federal meat inspection program, thus would lead to a reduction in the number of Alaska commercial meat processors.

-Further slow down the approval process of commercial labs for drinking water analysis; prior cuts to this program area have already resulted in a 3-6 month turnaround for drinking water certifications. These cuts, on top of the increasing numbers of contaminants that must be analyzed, will further exacerbate the situation. Certification of commercial labs for drinking water analyses is required by state and federal law.

AMENDMENT # _____

Withdrawn

Rep. Dennis

OFFERED IN THE HOUSE

HB 325

DEC #11

DELETE

Department of Environmental Conservation
Division of Environmental Health
Drinking Water

(285.8) Alaska Drinking Water Fund

ADD

Department of Environmental Conservation
Division of Environmental Health
Drinking Water

285.8 Federal

This is a technical budget amendment to correct the funding source.

This activity is covered under the Safe Drinking Water Act but is not part of the loan program. The correct fund source is Federal. The Safe Drinking Water Act provides federal funding for a variety of activities. Part of the federal funding is set aside in the ADWF for a loan program and only a loan program. Other activities - not associated with the loan program - are direct federal funding.

AMENDMENT # _____

Rep. Davies

OFFERED IN THE HOUSE

HB 325

DEC #12

ADD

withdrawn

Department of Environmental Conservation
Division of Environmental Health
Drinking Water

75.0
~~200.0~~
~~312.5~~ General Fund

Most of the general fund cut (250.0) would be associated with a total elimination of Class C Public Water System approval and oversight. Class C Public Water Systems currently comprise 49% of the statewide total of Public Water Systems.

Services include plan review and approval, technical assistance, and contaminant monitoring.

The balance of the reduction (62.5) would be taken from the Domestic Wastewater Program. Certified Installers Program would be eliminated. Septic systems would only be able to be installed by registered engineers, significantly increasing installation or repair costs to homeowners, with no appreciable increase in public health protection.

AMENDMENT # _____

adopted 10/11
~~*no obj*~~

Rep. Lewis

OFFERED IN THE HOUSE

HB 325

DEC #13

ADD

| | |
|--|--------------------|
| Department of Environmental Conservation | 90.0 |
| Division of Environmental Health | 125.0 |
| Municipal Solid Waste | 144.4 General Fund |

All general funds in this component go to support Class III landfills which serve rural communities. Landfills in rural areas are frequently in very poor condition and the incremental improvements made through technical assistance and inspections result in significant reductions in public health risk.

Services include permitting, technical assistance, review and approval of solid waste management plans, review of monitoring data, and inspections.

The loss of the Environmental Specialist IV would see these services reduced in rural areas of the State.

Services lost with the elimination of the Analyst Programmer: ability to accurately track time and send correct billings to permittees; ability to track and report on performance measures to the public, the legislature, and department management; ability to coordinate statistical data from solid waste database with contaminated sites and public water systems databases; efficient and effective tracking of time and information on solid waste management in Alaska.

The travel reduction would reduce the staff's ability to obtain training, a necessary part of efficient job performance.

In addition, this reduction may well result in Alaska not receiving EPA approval of its Solid Waste Program. After last year's proposal to reduce the Municipal Solid Waste Program by nearly 80%, the Legislature realized that EPA approval of the program was essential for Alaskan communities. An analysis done at that time revealed that reductions in excess of the 145.9 approved last year would likely result in a program that EPA could not approve.

ROLL CALL: HOUSE FINANCE COMMITTEE

DATE 4/17/98
 SUBJECT DEC 13

| MEMBER | YES | NO |
|-------------|-----|----|
| DAVIS, GARY | ✓ | |
| FOSTER | ✓ | |
| GRUSSENDORF | ✓ | |
| KELLY | ✓ | |
| KOHRING | ✓ | |
| MARTIN | | ✓ |
| MOSES | ✓ | |
| MULDER | ✓ | |
| DAVIES JOHN | ✓ | |
| THERRIAULT | ✓ | |
| HANLEY | ✓ | |

TOTAL

| | |
|----|---|
| 10 | 1 |
|----|---|

PASSED _____
 FAILED _____

AMENDMENT # _____

Failed 3-E Rep. Alvarez

OFFERED IN THE HOUSE

HB 325

DEC #14

ADD

Department of Environmental Conservation

Statewide Public Service

Statewide Public Service

28.5 General Fund

Significantly restores travel to directly help small businesses and communities improve compliance and reduce operating costs without enforcement consequences and/or penalties.

Without these funds, small businesses/communities face increasing hardship as costs shift to them to receive on-site services.

Many small businesses/communities otherwise will be unable to afford to receive on-site compliance assistance.

ROLL CALL: HOUSE FINANCE COMMITTEE

DATE

4/17/98

SUBJECT

DEC 14

| MEMBER | YES | NO |
|--------------|-----|----|
| FOSTER | | ✓ |
| GRUSSENDORF | ✓ | |
| KELLY | | ✓ |
| KOHRING | | ✓ |
| MARTIN | | ✓ |
| MOSES | ✓ | |
| MULDER | | ✓ |
| DAVIES. JOHN | ✓ | |
| DAVIS GARY | | ✓ |
| HANLEY | | ✓ |
| THERRIAULT | | ✓ |

TOTAL

| | |
|---|---|
| 3 | 8 |
|---|---|

PASSED _____

FAILED _____

AMENDMENT # _____

Wimavann
HB 325

Rep. Dennis
DEC #15

OFFERED IN THE HOUSE

ADD

Department of Environmental Conservation
Statewide Public Service
Statewide Public Service

50.0 Interagency Receipts

Ensures that technology and training programs for environmentally safe management practices of drilling muds would be funded for Alaskan companies to participate and transfer this information to the Russian Far East.

AMENDMENT # _____

Withdrawn

Rep. Davies

OFFERED IN THE HOUSE

HB 325

DEC #16

ADD

Department of Environmental Conservation
Air and Water Quality
Air and Water Director

49.9 Inter Agency Receipts

Restore increment for liaison with Joint Pipeline Office which was requested by and is fully paid for by Alyeska.

AMENDMENT # _____

Withdrawn Rep. Alaves

OFFERED IN THE HOUSE

HB 325

DEC #17

ADD

| | |
|--|--------------------------|
| Department of Environmental Conservation | |
| Air and Water Quality | |
| Water Quality | 240.6 General Fund Match |
| | 1,463.3 Federal |

DELETE

| | |
|--|---------------------------------------|
| Department of Environmental Conservation | |
| Air and Water Quality | |
| Water Quality | (178.6) General Fund Program Receipts |

Restore funding for the non point source pollution control program commonly referred to as the "319" program. Without these funds, the State of Alaska will no longer develop a strategy for controlling nonpoint source pollution. Alaska will lose seven million dollars annually from the federal state revolving fund to pay for landfill and waste water projects. The State of Alaska will lose an additional million for watershed protection, including coastal watersheds. Grants for local nonpoint pollution prevention will be eliminated. The State of Alaska will not prepare an annual assessment of water bodies or monitor implementation of recovery plans. Grants which could be used in the State of Alaska to help protect water quality in environmentally sensitive areas will be lost. These funds will be directed to other states. The State of Alaska will not offer technical assistance and training to local water quality monitoring projects or technical assistance to local communities to protect watersheds.

Delete general fund program receipts for wastewater permitting. The separate reduction of 123.4 eliminated all travel support for the wastewater permitting program. Without travel support, the department can not continue to issue the full complement of permits and certifications to federal permits, so it would not be able to do the permit work or collect the program receipts.

passed 10/11

Rep. Lewis

DEC #18

AMENDMENT # _____

OFFERED IN THE HOUSE

HB 325

ADD

Department of Environmental Conservation
Spill Prevention and Response
Contaminated Sites

567.9
794.6 Oil/Haz Fd

Restores Response Funds for Department oversight of cleanup of the Ketchikan Pulp Corporation (KPC) and Alaska Pulp Corporation (APC) contaminated sites.

Without restoration of these cuts, the federal government will oversee the cleanup of the KPC mill site and reuse of the property will be significantly delayed, as state cleanup standards and federal standards must be met in order to resolve liability issues.

For the Alaska Pulp Corporation site, these cuts will mean the federal government will assume oversight activities for remaining environmental investigation and cleanup tasks, thus delaying project closure and this could result in the site being listed on the National Priorities List.

ROLL CALL: HOUSE FINANCE COMMITTEE

DATE

4/17/98

SUBJECT

DEC #18

| MEMBER | YES | NO |
|-------------|-----|----|
| GRUSSENDORF | ✓ | |
| KELLY | ✓ | |
| KOHRING | | ✓ |
| MARTIN | ✓ | |
| MOSES | ✓ | |
| MULDER | ✓ | |
| DAVIES JOHN | ✓ | |
| DAVIS GARY | ✓ | |
| FOSTER | ✓ | |
| THERRIAULT | ✓ | |
| HANLEY | ✓ | |

TOTAL

| | |
|----|---|
| 10 | 1 |
|----|---|

PASSED _____

FAILED _____

AMENDMENT # _____

Withdrawn

Rep. Rowles

OFFERED IN THE HOUSE

HB 325

DEC #19

DELETE

Department of Environmental Conservation
Spill Prevention and Response
Response Fund Administration

(564.6) Oil/Haz Fd

The sub committee proposed an increment to fund Local Emergency Planning Committees (LEPCs) to respond to oil and hazardous substance spills. Response to oil is outside the statutorily defined role for LEPCs.

SPAR has proposed a 35% increase over last year's allocation. 351.4 in FY 98 and 543.4 in FY 99. The original LEPC request to SPAR for FY 99 was 597.6.

adopted as amended
Rep. Davies

AMENDMENT # _____

OFFERED IN THE HOUSE

HB 325

DEC #20

DELETE

Department of Environmental Conservation
Facility Construction and Operation
Facility Construction and Operation

(200.0) General Fund

ADD

Department of Environmental Conservation
Facility Construction and Operation
Facility Construction and Operation

150.0 Federal
50.0 Alaska Drinking Water Fund

This fund source switch releases general funds and replaces the same level of funding from the Alaska Drinking Water fund and one time federal funds. These funds will be used for the Municipal Matching Grants program to administer construction of water and sewerage projects financed by the low interest loans made from the same funds.

elim 12/13

\$200 ~~PS~~ - attachment
pursuant to line
detachment.

\$110 TROUP
public safety:
Detachment

Adopt 4/18/98

DEC #21

Rep. Davies

AMENDMENT # _____

OFFERED IN THE HOUSE

TO HB 325

Technical Amendment

ADD

Department of Environmental Conservation
Administration
Administrative Services

1 PFT

Funding for this full-time position was restored. This amendment simply adds back the position.

Adopt
4/18/98

Amendment #22

Amendment to House Finance Committee Substitute HB 325/326

Offered by Hanley

ADD

Department of Environmental Conservation
BRU Environmental Health
Drinking Water Component

142.9 Alaska Drinking Water Fund

EXPLANATION: Technical change to amendment #3a.

4/18/98 10:13 AM

**FISH
&
GAME**

Adopted
FISH + GAME #1

6-5

BY REPRESENTATIVE MULDER 4/16/98

DELETE

Department of Fish and Game
Commissioner's Office
Commissioner's Office

100.0 Fish and Game Fund

FISH & GAME #2

Adopted

BY REPRESENTATIVE MULDER 4/16/98

DELETE

Department of Fish and Game
Commercial Fisheries
Central Regional Fisheries Management
Soldotna Office

75.0 General Funds

ADD

Department of Fish and Game
Habitat Permitting/Title 16
Kenai River Center

75.0 General Funds

FISH & GAME #3

Failed
3-8

41

BY: Rep. Gussendorf

AMENDMENT

OFFERED IN THE HOUSE

TO: CS HB 325

Department of Fish and Game

ADD

Habitat
Habitat

75.0 GF

Increment dealing with oil and gas leasing. The division's oil and gas budget is inadequate to review existing and proposed oil and gas development, leaving the state's fish and wildlife resources vulnerable and the state's leasing program open to challenge on fish, wildlife and environmental grounds.

FISH & GAME #2
43

Failed
3-8
4/16/98

AMENDMENT

OFFERED IN THE HOUSE

TO: CS HB 325

Department of Fish and Game

ADD

Habitat Permitting
Habitat Permitting/Title 16

100.
1750 GF

BY: Rep. Gusenodof

Would allow for permitting workload increases in Mat-Su and Southeast, and base funding for Kenai River Center.

Total number of Permits up 675 (38%) from the previous year.

FISH & GAME #5

failed :

3-7

AMENDMENT

OFFERED IN THE HOUSE

TO: CS HB 325

Department of Fish and Game

ADD

Subsistence Field Offices
Subsistence Field Offices

150.0 G. F.

BY: Rep. Hussendorf

**HEALTH
&
SOCIAL
SERVICES**

Rep. Davies

Failed 4-7

Amendment #

H&SS #1

Offered in the House.

ADD

Department of Health and Social Services

Medical Assistance

General Relief Medical 2,818.7 general funds

Rationale: GRM is designated for low income Alaskans to provide specific types of medical services including terminal illness, chemotherapy, diabetes, seizure disorder, mental illness, hypertension, etc. The GRM program has over 1600 persons currently utilizing the services.

no lobby
4/18/98

DHSS #2

AMENDMENT

OFFERED IN THE HOUSE FINANCE COMMITTEE

BY HANLEY

TO: CS (HFIN) HB 325/326

DELETE

Department of Health & Social Services
Medicaid Services BRU
Medicaid Services Component

70.0 GF

ADD

Department of Fish & Game
Commissioner's Office BRU
Commissioner's Office Component

70.0 GF

Letter of Intent

HB 325

HSS-3
Martin/Kelly
Kohring
Adopted

It is the intent of the House Finance Committee that funding for the General Relief Medical (GRM) program is deleted for the following reasons:

A major portion of GRM funding has been used to pay for free elective abortions and abortion related services with little or no regulatory overview or accountability for these expenditures.

The Department of Health and Social Services has failed to document that the women for whom it has provided free elective abortions and abortion related services qualify under the maximum income and asset levels allowed by the program's financial guidelines.

It is the policy of the House Finance Committee to use a portion of this money to fund increases in adoption and foster care.

It is further the policy of the House Finance Committee that the Governor and the Department should refrain from seeking to fund elective abortions through any other revenue source or program.

Adopt 4/18/98

AMENDMENT # HSS # 4

OFFERED IN THE HOUSE

BY REP. DAVIES

TO CSHB 325/326

DELETE

Department of Health & Social Services
Medicaid Services BRU
Medicaid Services Component

~~76.1~~
~~117.9 GF~~

ADD

Office of the Governor
Office of Management and Budget
Confidential Employees Association Bargaining Agreements

~~76.1~~
~~117.9 GF~~

Show in front section

Adopt 4/18/98
H&SS # 5

Amendment to House Finance Committee Substitute HB 325/326

Offered by Hanley

DELETE

Department of Health and Social Services
Medicaid Services BRU
Medicaid Services Component

(50.0) General funds

ADD

Department of Health and Social Services
COMPASS BRU
COMPASS Component

50.0 General funds

ADD INTENT LANGUAGE: "COMPASS grants will fund start-up costs for community coalitions. Each grant cannot exceed \$10,000, and each grantee can apply for a grant every three years. All grantees must measure and report their success."

WITHDRAWN

BY REP. MARTIN

4/16/98 pm

Draft letter of intent for deleted GRM funding:

It is the intent of the Legislature that funding for the general relief medical (GRM) program is deleted from the FY 99 operating budget for the following reasons:

A major portion of GRM funding has been used to pay for free elective abortions and abortion related services, yet most states and the federal government do not pay for this category of abortions.

According to numbers compiled by the State's office of vital statistics, the birthrate in Alaska has dropped from 21.3 live births per 1,000 population in 1988 to 16.6 per 1,000 in 1996, and the actual number of live births has dropped from 11,483 in 1988 to 9,999 in 1997, while the number of State-funded free abortions rose from 463 in 1988 to 843 in 1997. This is an increase of 82 percent in the number of abortions, while live births dropped by 13 percent over the same period. When compared to the falling statewide birthrate, the State's policy of funding abortions could be considered an insidious means by which State government is, in fact, inhibiting the growth of certain minority elements of its population.

In a 1994 settlement agreement, the DHSS agreed to ignore many of its own abortion regulations, yet these regulations were originally promulgated in order to protect the public. The stipulation in this agreement was entered into in a very short period of time and with little or no legislative input.

The State has failed to document that women who receive free, State-funded abortions under GRM also receive correct medical information, as required by 12 AAC 40.070, describing the negative physical and emotional side effects of the radical medical procedure used to expel the fetus, thus

leaving the State vulnerable to legal action for the cost of patients who become psychologically unbalanced as a result of the abortion.

The State may be further vulnerable to legal action because DHSS has not followed its own regulations covering GRM abortions, including: 7 AAC 47.200, requiring a physician to certify the abortion is medically necessary; 12 AAC 40.080, requiring a woman seeking a GRM abortion to be examined by an Alaska-licensed physician before she travels out of state for the abortion; 12 AAC 40.100, requiring a second doctor's opinion before an abortion is performed on a fetus older than 12 weeks; and AS 18.16.010, which requires the woman seeking a GRM abortion to be domiciled or physically present in Alaska for at least 30 days before the abortion.

Many of the State's regulations pertaining to free, State-funded abortions were developed before Roe v. Wade and are therefore not relevant to the financial situations of those seeking abortions nearly 30 years later. With the most recent Permanent Fund Dividend, every couple responsible for the conception of a fetus would have had more than \$2,600 available for their personal needs, over and above any other government welfare and/or Native corporation dividends. In light of this situation, it flies in the face of common sense and the accepted notion of what constitutes "poverty" to suggest the State should continue to provide free abortions for the "poor."

The State's policy of providing free elective abortions also constitutes an incentive for irresponsible males who, after helping to conceive a child, encourage or even coerce the mother to have it aborted for free. The lure of having the state take care of his problem for free, compared to providing a lifetime of support for a live child, is undoubtedly a powerful inducement.

The State may unknowingly be participating in funding partial birth abortions, a procedure which is abhorrent and repulsive to the majority of the people of Alaska.

The State's policy of free abortions further creates horror stories for the families of young girls who, after obtaining secret abortions without their parents knowledge or approval, suffer from deep psychological problems into their adult lives.

There is little or no verification that those seeking free abortions from the State actually meet the minimal income requirements of State law or regulations (7 AAC 47.150), yet the policy of State-funded abortions continues to target poor persons and evidence shows that over the years the State's policy of funding abortions has been designed to get rid of so-called undesirables. Reference DHSS testimony and fiscal note on HB 234.

The GRM program appears to have allowed a significant flow of Permanent Fund hold harmless funding to take place supporting abortion and abortion-related services. It is unconscionable that every Alaskan's Permanent Fund Dividend is directly reduced to pay for free abortions.

The State should not continue to have a policy of terminating the children of the poor, immigrants, or those on welfare with the express purpose of keeping down the cost of State-funded social programs, or for social engineering purposes.

Statistics from DHSS show that between 1988 and 1996, 32 percent of all State-funded abortions were of Alaskan Natives, a rate twice that of their portion of the overall population, and three times the rate of abortions of White children. Further, African-American children are aborted at a rate of

five times that of White children. This amounts to a de facto program of ethnic cleansing.

It is deplorable that the policy of free, State-funded abortions has significantly reduced the future representation in the Legislature for Alaskan Natives. Alaska Natives living in the rural areas of the State stand to lose at least one seat in the Alaska House of Representatives due to redistricting following the census of 2000.

This policy of State-funded abortions of Natives over the past two decades has killed as many as 4,000 unborn Native children, with an additional untold loss of hundreds more due to spontaneous abortions caused by scarring of the uterus that occurred during previous abortion operations. These numbers only mirror the lost generation of young Alaskan Natives who would now be marrying and raising a third generation lost to abortions, all because they have been labeled as "poor." Over the coming decades State-funded abortions would continue to shrink the population of Alaskan Natives who would support a subsistence lifestyle, thereby diminishing efforts to protect subsistence or assert sovereignty rights in a statewide election on these issues.

A policy of State-funded abortions with a disproportionate number of Alaskan Native abortions amounts to a de facto campaign of genocide, but one in which the tiny victims are not seen, which is the moral equivalent of the genocide evidenced at Nuremberg after WWII or more recently in Bosnia-Herzegovina.

After extensive review of the decline in Alaska's population of infants under four years old, the decline in the natural growth rate of minority populations, the unacceptable ratio of minority abortions compared to Whites, and the State's questionable role and rationale for its abortion

policies, the Legislature finds it repugnant, abusive and intolerable to continue to use State funding for such purposes.

It is further the intent of the Legislature that, inasmuch as the Governor, the Legislature, and the federal government have increased funding for adoption, pregnancy prevention, and parenting early development services for low-income Alaskans, through such programs as "Smart Start," that this is a higher and better use of state dollars than paying to abort the children of the poor.

It is further the intent of the Legislature that the Governor and the Department of Health and Social Services should refrain from seeking to fund elective abortions through any other revenue source or program.

REPRESENTATIVE
TERRY MARTIN
VICE-CHAIRMAN
BUDGET & AUDIT COMMITTEE
MEMBER
HOUSE FINANCE COMMITTEE

Alaska State Legislature



MAY 15 - JAN 15 258-8169
716 W. 4TH, SUITE 650
ANCHORAGE, AK 99504

JAN 15 - MAY 15 465-3783
STATE CAPITOL
JUNEAU, AK 99801-1182

HOME 333-6990
355 DONNA DRIVE, #11
ANCHORAGE, AK 99504

MEMORANDUM

To: House Finance Committee Members
From: Representative Terry Martin
Date: April 16, 1998
Subject: General Relief Medical

According to the Mike Gearney, Legislative Fiscal Analyst, report of April 13, 1998: of the 1,699 recipients of General Relief Medical (GRM), 843 (or half) of these recipients did not have to meet GRM requirements. The State of Alaska waives GRM qualification for abortion.

These recipients, all women, instead qualified for Medicaid which allows much more income (\$1,200 for a single mother after her expenses). Why did GRM pay these costs rather than Medicaid? Because these women did not have chronic problems, a disease, a condition of endangerment to their lives, or a family or pregnancy emergency. These recipients wanted elective abortions for reasons other than health which Federal money will not pay for.

Without GRM funding, the State will still be able to continue to pay for abortions for women in the cases of life endangerment, rape, incest, or sexual abuse.

According to *Division of Medical Assistance Report - February 27, 1998 - Demographics*: 53% of GRM recipients are male; apparently the only females served under GRM receive abortions (843 in 1997). The only pregnancy related service, in fact the only female service, is for elective, non health-threatening, abortion.

(Another disturbing fact from this report is that that less than 9% of GRM recipients are Native. Yet the *Abortion Services by Category of Service Report 1997* reveals that 31% of GRM funded abortions are for Natives. Why the wide racial discrepancy in the women receiving abortions?).

As for the remaining 50% of recipients, it appears that the Department of Health and Social Services does not follow existing State law (AS 47.25.230. and AS 47.25.240.). These statutes require the state to identify persons liable for support of the recipient of GRM who include the spouse, children, grandchildren, parents, grandparents, or siblings who are financially able to. The statute requires that the legally responsible relative reimburse the



state (with interest) for any relief granted in the event that the relative fails to provide for the immediate need.

Failure to provide identification of a third party involved who may have a responsibility to pay is intended to result in the applicant's ineligibility

In addition, financial household eligibility must include resources of legally responsible relatives who live with the applicant.

Applicable Statutes:

AS 47.25.230. Persons Liable For Support and Burial.

Every needy person shall be supported while living and upon dying, shall be given a decent burial by the spouse, children, parents, grandparents, grandchildren, or siblings of the needy person, if they, or any of them, have the ability to do so, in the order named. Every designated person who fails to support the needy person when directed by the department to do so, or fails to give the needy person a decent burial shall reimburse the state or a municipality for the funds expended by either the state or a municipality for the relief or burial of the needy person, and these sums with interest and costs may be recovered by the state or a municipality of the state in a civil action.

AS 47.25.240. Action Against Person Liable For Care of Recipient.

If, during the continuance of an allowance, the department ascertains that a person liable for the support of the recipient of assistance is able to provide the necessary care and support of the recipient, and the person liable for the care and support of the recipient fails or refuses to support and care for the recipient, the state has a claim for the assistance against the person liable for it. This claim may be enforced by civil action brought in the name of the state by the attorney general against the person liable for the recovery of the amount of money, with interest, paid to the recipient, together with the costs and disbursements of the action.

DEPARTMENT OF HEALTH & SOCIAL SERVICES

FY99 Impact of House Finance Sub-Committee

(Close-out Version)

ELIMINATE GENERAL RELIEF MEDICAL PROGRAM 2

ADJUST MEDICAID FORMULA GROWTH..... 3

DENY INCREMENT FOR HEALTH PURCHASING GROUP..... 4

REDUCE COMMUNITY BASED FAMILY ASSESSMENT AND CASE
MANAGEMENT PILOT INCREMENT. 5

DENY SUPERVISED VISITATION INCREMENT..... 6

DENY FOSTER PARENT RECRUITMENT INCREMENT..... 7

REDUCES THE NUMBER OF SOCIAL WORK AND SUPPORT POSITIONS
REQUESTED FROM 40 TO 35 POSITIONS. 7

DENY HEALTHY FAMILIES EXPANSION UNTIL CONTROL GROUP IS
ESTABLISHED..... 8

REDUCTION OF THE CHILDHOOD IMMUNIZATION INITIATIVE 9

REDUCTION OF THE TOBACCO USER REDUCTION PROJECT..... 10

AGENCY WIDE TRAVEL REDUCTION 11

RETIREMENT INCENTIVE PROGRAM SAVINGS 11

DENY ADDITIONAL PERSONNEL POSITION 13

DENY INCREMENT FOR COMPASS GRANTS 14

| | |
|--|---|
| | <p>The GRM program purchases medical services from a variety of provider types such as hospitals, physicians and pharmacies. If the inpatient hospital services for GRM are not reimbursed hospitals would report those costs as bad debt. However, without a GRM program it is unlikely that any other provider types would continue to provide or would increase services to indigents on a bad debt or charity basis.</p> <p>Given the Legislature's intent to eliminate the GRM program, there would be at June 30, 1998 an estimated \$1,000.0 of medical services which will have been provided to GRM clients; but not yet billed to or paid by the GRM program. Without, an appropriation to fund those claims the Medical Assistance program will have to suspend claims received after June 30, 1998 and request a supplemental general fund appropriation from the Legislature for those legal obligations of the state. Assuming the normal supplemental appropriation timeframe, some providers will have to wait up to 14 months to be paid for the services they had in good faith provided.</p> |
|--|---|

| | | | |
|-----------------------|--|--------------|-----------|
| BRU | Medical Assistance | | |
| Component | Medicaid Services | | |
| Reduction Description | Adjust Medicaid Formula Growth | | |
| Funding | Total funding loss (Net impact of House cuts) | Total | (3,220.0) |
| | | General Fund | (623.2) |
| | | Federal | (1,925.6) |
| | | Other - I/A | (671.2) |
| Explanation of Impact | <p>These cuts reduce entitlement growth for new eligible clients, rates and service utilization changes that the Governor Requested by \$3,220.0 in total funds.</p> <p>The cost and utilization of medical services is projected to increase a composite of approximately 7%. The House subcommittee cut the Governor's Request for the projected formula growth by \$1,550.3 of which \$623.2 is GFM and \$927.1 is federal funding. These projections were based upon analysis of data from the previous three fiscal years to capture the changing trends in the Alaska's economy and utilization of medical services patterns.</p> <p>792 new eligible clients (268 elderly and 524 disabled) are projected to be added to the Medicaid program during FY99. These two client groups are the most expensive: the elderly averaging \$9,392 each per year and the disabled \$12,155. The numbers of eligible children and adults are projected to remain</p> | | |

LABOR

LABOR #1
Adopted 4/16/98 no/obj

AMENDMENT

To: HB 325

By: Therriault

ADD

Department of Labor
Employment Security
Alaska Work Program

\$166.4 I/A receipts

Subcommittee reduced excess GF match, this increase of interagency receipts allows the Department of Labor to accept additional receipts from the Department of Health and Social Services - TANF program.

LABOR #2
Failed
4-7
4/14/98

AMENDMENT

OFFERED IN THE HOUSE

BY: Rep. Grussendorf

TO: CS HB 325

Department of Labor

ADD

Employment Security
Employment Security Services 4.8 G.F.

Employment Security
Unemployment Insurance 1.6 G.F.

ROLL CALL: HOUSE FINANCE COMMITTEE

DATE

4/16/98

SUBJECT

Lab - 2

| MEMBER | YES | NO |
|--------------|-----|----|
| DAVIES, JOHN | ✓ | |
| DAVIS, GARY | | ✓ |
| FOSTER | ✓ | |
| GRUSSENDORF | ✓ | |
| KELLY | | ✓ |
| KOHRING | | ✓ |
| MARTIN | | ✓ |
| MOSES | ✓ | |
| MULDER | | ✓ |
| HANLEY | | ✓ |
| TERRIAULT | | ✓ |

TOTAL

| | |
|---|---|
| 4 | 7 |
|---|---|

PASSED _____

FAILED _____

LABOR #3
W/D

AMENDMENT

OFFERED IN THE HOUSE

BY: Rep. Grussendorf

TO: CS HB 325

Department of Labor

ADD

Employment Security
Alaska Work Programs

166.4 GFM

LAW

LAW #1

Failed 4-7
AMENDMENT

OFFERED IN THE HOUSE

BY: Rep. Grussendorf

TO: CS HB 325

Department of Law

ADD

Criminal Division
Criminal Appeals/Special Litigation Component

50.0 Fish & Game Funds

Funds a part-time prosecutor to handle the Bristol Bay fishery cases and assist Public Safety by prosecuting cases in other fisheries.

DATE 4/16/98 pm
 SUBJECT ~~Bill of Amend~~
Law # 1

| MEMBER | YES | NO |
|--------------|-----|----|
| DAVIS, GARY | | ✓ |
| FOSTER | | ✓ |
| GRUSSENDORF | ✓ | |
| KELLY | | ✓ |
| KOHRING | | ✓ |
| MARTIN | | ✓ |
| MOSES | ✓ | |
| MULDER | | ✓ |
| DAVIES, JOHN | ✓ | |
| TERRIAULT | | ✓ |
| HANLEY | ✓ | |

TOTAL

| | |
|---|---|
| 4 | 7 |
|---|---|

PASSED _____
 FAILED _____

**MILITARY
&
VETERANS
AFFAIRS**

MILITARY & VETS #1
no/okg
4/16/98

AMENDMENT

To: HB 325

By: Therriault

DELETE

Department of Military and Veterans Affairs
Disaster Planning and Control
Disaster Planning and Control

\$50.0 GF

ADD

Department of Natural Resources
Agricultural Development
Agricultural Development

\$25.0 Stat Desig
\$50.0 Agric Loan
\$50.0 Gen Fund

Produce and field certification for export. Statutory designated receipts are provided by the contract orders from the Taiwan government.

Memorandum

TO: Representative Gene Therriault, Co-chair
House Finance Committee

FROM: Deborah B. Sedwick, Commissioner ^{DBS}
Department of Commerce & Economic Development

DATE: April 15, 1998

RE: Alaska Seed Potato Project

Thank you for your memo regarding Dr. Jenifer McBeath and the Alaska Seed Potato for Export project. You stated you are looking to Department of Commerce & Economic Development (DCED) for participation and evaluation of Dr. McBeath's seed potato project and its potential impact to Alaska farmers. In addition, you requested input from the department on the project's value and our perspective on what level of state support that should be provided for her testing program.

Dr. McBeath, through determination and energy, has made considerable progress in realizing her dream of exporting virus-tested seed potatoes from Alaska to Taiwan. She has utilized the assistance of Alaska's trade representative in Taiwan, Ida Yao, and recently received an order for 40 metric tons of Alaska seed potatoes from an agricultural cooperative in Taiwan – her largest order to date. These potatoes will need to be tested before they can be shipped. This year the combination of a bad harvest in Taiwan and McBeath's several years of working and testing her potatoes in Taiwan gives Alaska a good opportunity to enter the market.

If the legislature appropriates grant money to Dr. McBeath to continue her testing lab, the Department of Commerce and Economic Development would be happy to administer the grant. We have recommendations for grant specifications as follows:

- **Receipt of the money by Dr. McBeath should be tied to the development of a business feasibility study.** The study should include the value of the world market and Taiwan market for seed potatoes, Alaska's competitive advantages and disadvantages, the portion of the market Alaska has the capacity to supply, and the value to Alaska of the testing program. In order to evaluate the State's commitment to this project, we need to know how the benefits compare to the costs, in both the short and the long term.
- **A business plan needs to be developed.** To date, all the research, education, fund-raising, marketing and evaluation have been the responsibility of Dr. McBeath. The business plan should include the next steps, person or agency responsible and projected results.

- **Dr. McBeath should obtain financial commitments from other players** as a condition for the receipt of state grant money. Most grants have a match requirement, generally a producer or end user co-investment.
- **The University of Alaska should continue to be involved**, to provide scientific review. DCED does not have the ability to judge the quality of the science, which is necessary to insure project success. The University could also administer federal grant funds through USDA National Research Initiatives or Agricultural Experiment funds, which would be an additional co-investment.

It is the mission of the DCED, Division of Trade and Development to increase and strengthen demand for Alaska's products and services, both domestically and internationally. The DCED trade representative in Taiwan believes Alaska has the opportunity to open a niche market in Taiwan for Alaska agricultural products. My department will do its best to provide Alaska businesses with information from overseas markets and help promote Alaska products through access to these markets.

I appreciate your request for my input regarding this project. I hope this information is useful in making your decision. If DCED can be of any additional assistance, please do not hesitate to call me.

Cc: Priscilla Wohl, Trade Program Manager
Nancy Babcock, Taiwan Trade Specialist

| | | | | | |
|-------------------|------|---------|------|------------|---|
| Post-it® Fax Note | 7671 | Date | 4/6 | # of pages | 1 |
| To | Sara | From | NCO | | |
| Co./Dept. | | Co. | | | |
| Phone # | 6876 | Phone # | 2406 | | |
| Fax # | 3884 | Fax # | 3886 | | |

April 4, 1998

Sara,

The answer I received to your Ak potatoes export question is:

Seed:

- 1994 - 1,000 lbs to Canada
- 1995 - 1,000 lbs to Maine
- 1996 - 40,000 lbs to Washington State

Novelty Potatoes:

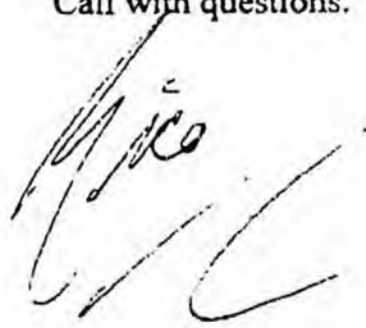
- 1996 - 20,000 lbs to Los Angeles
- 1997 - 20,000 lbs to Los Angeles

The Alaska Agriculture Development & Marketing Corporation:

- 1995 - 150 lbs to Taiwan as a donation for trials
- 1995 - 500 lbs to China as a donation for trials
- 1996 - 20 tons sold to China
- 1996 - 660 lbs sold to Taiwan
- 1997/8 - 40 tons to Taiwan (order)

That's all I have for now. I hope that is what you were looking for.

Call with questions.





(907) 474-7431
FAX (907) 474-7439

UNIVERSITY OF ALASKA FAIRBANKS

**Plant Pathology and Biotechnology Laboratory
Agricultural and Forestry Experiment Station
PO Box 757200 • Fairbanks, Alaska 99775-7200**

April 15, 1998

The Honorable Representative
Gene Therriault
State Capital
Juneau, AK 99801-1182

Dear Gene:

Yesterday, I received a letter via FAX from Ms. Lee, manager of Agronew Trading Co. in Taiwan, inquiring about the price, availability and time of delivery of the Kennebec and Russet Burbank varieties of seed potatoes. She also inquired about the availability and price of tablestock (fresh market) Kennebec potatoes.

This will be the fourth inquiry for seed potatoes and the second for tablestock potatoes. Previous inquiries about seed potatoes have resulted in the sale of 60 tons of lab-tested, Alaska premium Kennebec seed potatoes.

The 60 ton seed potato sale is the result of several year's effort. The virus-free seed potato program will continue to help potato producers in Alaska to improve the health of their crops and build up the supply of high quality seed and tablestock potatoes.

Best regards,

A handwritten signature in cursive script, appearing to read "Jif", written in black ink.

Jenifer Huang McBeath
Professor

NATURAL RESOURCES

DNR #1
w/D

By: Representative Pete Kelly

Department of Natural Resources
Division of Agriculture

BRU: Agricultural Revolving Loan Program Administration
Component: Agricultural Revolving Loan Program Administration

Delete: (100.0) Contractual ARLF

(Delete additional funding for collateral protection of ARLF Assets.)

BRU: Budget and Audit Committee
Component: Legislative Finance

ADD: 41.9 Personal Services ARLF
4.1 Travel ARLF
4.0 Contractual ARLF

(Transfer partial collateral protection funding to House Finance Committee to allow interim analysis of conversion of ARLF to a loan guarantee program and systematic recommendation of liquidation of ARLF Assets.)

DNR #2

Adopted
as Amended
4/16/98

By : Representative Pete Kelly

Department of Natural Resources
Division of Agriculture

BRU: Agricultural Development
Component: Agricultural Development

Delete: (35.4) Personal Services ARLF

(Delete personal services, Special Assistant position to remain part-time funded by ARLF Corporate receipts. Executive Director of Natural Resource Conservation & Development Project to remain a part-time position.)

ADD: 63.0 Personal Services ARLF

(Authorize (1) additional Agricultural Inspector I in the ^{mat-su} Fairbanks Area for the new meat plant in Delta Jct.)

ADD: 15.4 Contractual ARLF

(Authorize warrant increases from \$600/District to \$2,000/District. (11) Districts @ \$1,400/District increase = \$15,400)

ADD: 40.0 Contractual ARLF

(Re-Authorize funding for the Alaskan Grown Promotion. Funding to promotional material, joint advertising, and red meat promotions etc.)

Rep. Claries
DNR #3

AMENDMENT # _____

failed
4/16/98

OFFERED IN THE HOUSE

TO HB 325

DELETE

| | | |
|---|--------|----|
| Department of Natural Resources Statewide Fire Suppression Fire Suppression | <50.0> | GF |
|---|--------|----|

ADD

| | | |
|---|------|----|
| Department of Natural Resources Management and Administration Commissioner's Office | 50.0 | GF |
|---|------|----|

Rep - Dennis
DNR #4

AMENDMENT # _____

W/D

OFFERED IN THE HOUSE

TO HB 325

DELETE

Department of Natural Resources
Resource Development
Mining Development <10.0> GF

DELETE

Department of Natural Resources
Resource Development
Geological Development <10.0> GF

DELETE

Department of Natural Resources
Resource Development
Water Development <10.0> GF

ADD

Department of Natural Resources
Resource Development
Forest Management and Development 30.0 GF

Rep. Davies
DNR #5

AMENDMENT # _____

W/D

OFFERED IN THE HOUSE

TO HB 325

DELETE

| | | |
|---|--------|----|
| Department of Natural Resources Resource Development Geological Development | <25.0> | GF |
|---|--------|----|

DELETE

| | | |
|---|--------|----|
| Department of Natural Resources Resource Development Mining Development | <25.0> | GF |
|---|--------|----|

DELETE

| | | |
|--|--------|----|
| Department of Natural Resources Resource Development Water Development | <25.0> | GF |
|--|--------|----|

ADD

| | | |
|---|------|----|
| Department of Natural Resources Resource Development Land Development | 75.0 | GF |
|---|------|----|

Rep. Klavies

DNR #6

AMENDMENT # _____

no obj

OFFERED IN THE HOUSE

TO HB 325

ADD

Department of Natural Resources
Land Development
Land Development

Intent

House

It is the intent of the legislature that the department request from the legislature, through the Legislative Budget and Audit Committee, statutory designated program receipt authority in the amount of \$150.0 under AS 38.05.860 which supports the preparation of the specific land use plans and expedites the sale, lease, or other disposal of land or an interest in land.

PUBLIC SAFETY

PUBLIC SAFETY #1

failed
4/16/98pr

AMENDMENT

OFFERED IN THE HOUSE

TO: CS HB 325

Department of Public Safety

BY: Rep. Gussenday

ADD

Fish and Wildlife Protection
Enforcement and Investigative Services Unit \$312.0 G.F.

Funding for 4 Fish and Wildlife Protection Trooper Recruits
or 3 Full-Time Equivalents

PUBLIC SAFETY #2

failed

2-8

4/16/98 PM

AMENDMENT

OFFERED IN THE HOUSE

TO: CS HB 325

Department of Public Safety

ADD

Fish and Wildlife Protection
Delete Unallocated Reduction

BY: Rep. Hassendoff

150.0 G.F.

PUBLIC SAFETY #3

Failed

3-7

AMENDMENT

OFFERED IN THE HOUSE

TO: CS HB 325

Department of Public Safety

ADD

Alaska State Troopers
Rural Trooper Housing

60.9 General Fund

BY: Rep. Gussendorf

FWP will have to use its base budget rather than employee rent payments to help pay for housing in Dutch Harbor

PUBLIC SAFETY #4

Adopt
no lobby

AMENDMENT

OFFERED IN THE HOUSE

TO: CS HB 325

Department of Public Safety

BY: Rep. Gussendorf

ADD

Alaska State Troopers
Detachments

1,417.0 I/A

Increase security in the courtrooms requested by Alaska's Chief Justice.

Would add 22 Court Services Officers around the state. The Court Services Officers would provide security for out-of-custody felony hearings, domestic Violence hearings, contested divorce hearings, other hearings with potential for violence, prisoner transports, serving of writs, etc.

PUBLIC SAFETY #5
failed
3-7

AMENDMENT

OFFERED IN THE HOUSE

TO: CS HB 325

Department of Public Safety

ADD

Alaska State Troopers
Detachments

691.3 G-F

BY: Rep. Ben Gussendorf

Funds 8 existing but unfunded State Trooper Recruits

PUBLIC SAFETY #6

Failed

3-7

4/16/98
PR

AMENDMENT

OFFERED IN THE HOUSE

TO: HB 325

BY: Rep.

Jussendorf

ADD

Department of Public Safety
Village Public Safety Program
Contracts

428.0 GF

This amendment provides the funding for 5 vacant VPSO positions and some equipment as requested in the Governor's budget.

Department of Public Safety
AMENDMENT

Adopted
no lobby
#7
PUBLIC SAFETY

OFFERED IN THE HOUSE

BY: Representative Davis

TO: CS HB 325 (FIN)

DELETE

Department of Public Safety
Alaska State Troopers Detachment BRU
Detachments Component 31,306.5 GF

ADD

Department of Public Safety
Alaska State Troopers BRU
Detachments Component 31306.5 GF

PS-8

BY: Representative Davis

AMENDMENT

OFFERED IN THE HOUSE

TO: CS HB 325

DELETE

Department of Administration
BRU: Legal and Advocacy Services
Component: Office of Public Advocacy \$50.0 GF
Component: Public Defender Agency \$50.0 GF

ADD

Department of Public Safety
BRU: Fish and Wildlife Services \$ 100.
Component: Enforcement/Investigative Services \$50.0 GF

~~Department of Public Safety
BRU: Alaska State Troopers
Component: Detachments \$50.0 GF~~

REVENUE

BY: Rep. Gussendorf

REVENUE #1

W/D

Amendment

ADD

Department of Revenue

BRU: Child Support Enforcement Division

Component: Child Support Enforcement Division

110.0 GF

DELETE

Department of Revenue

BRU: Child Support Enforcement Division

Component: Child Support Enforcement Division

110.0 Federal indirect

Reinstate funding to that in the Governor's proposed budget and match the action of the Senate Finance subcommittee.

We have been informed by Region X that this is not an allowable use of federal indirect money.

BY:

Rep. Gussendorf

REVENUE #2

*failed
4/16/98
3-8*

Amendment

ADD

Department of Revenue

BRU: Alaska Permanent Fund Corporation

Component: Alaska Permanent Fund Corporation

4,494.0 PFund Receipts

This amendment restores the balance of the increment request for management and custodial fees to estimated cost.

BY: Rep. Gussendorf

REVENUE #3

Failed
4-7

4/16/98

Amendment

ADD

Department of Revenue

BRU: Alcohol Beverage Control Board

Component: Alcohol Beverage Control Board

76.0 GF Program Receipts

This amendment restores the increment request for an investigator position for Southeast Alaska.

**TRANSPOR-
TATION
&
PUBLIC
FACILITIES**

DOT #1
Adopted
7/0
4/16/98

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE FOSTER

To CS for HB325

Department of Transportation and Public Facilities

- (1) An unallocated reduction to Statewide Programs appropriation of -\$1,897,000 general funds was passed by the subcommittee, and placed in the "Commissioner's Office" component.
- (2) This amendment moves the total reduction out of the "Commissioner's Office" component and into:
 - (a) "Unallocated Reduction" component, Statewide Programs appropriation -\$1,097,000
 - (b) "Marine Highway Stabilization", front section of the operating budget -\$ 800,000

-\$1,897,000
- (3) The total general fund reduction to the Department of Transportation and Public Facilities remains the same as passed by the subcommittee.

DOT #2
Adopted
4/16/98

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE FOSTER

To CS for HB325

Technical Amendment

Department of Transportation and Public Facilities

Statewide Programs Appropriation

Marine Management BRU

Support Services Component

Marine Engineering BRU

Engineering Management Component

CIP Program Component

Overhaul Component

Marine Vessel Operations BRU

Vessel Operations Management Component

Reservation and Marketing Component

Southeast Shore Operations Component

Southwest Shore Operation Component

Southwest Vessel Operations Component

Southeast Vessel Operations Appropriation/BRU

Southeast Vessel Operations Component

This amendment moves the BRU and component budget structure for the Alaska Marine Highway System in order to have all Alaska Marine Highway BRU's and components in one location within the operating budget of the Department of Transportation and Public Facilities.

NO OBJ
adopted
AMENDMENT

DOT #3

Department of Transportation & PF By Representative Foster

Proposed technical amendment which combines

State Wide Programs
Northern Region Highways & Aviation
Central Region Highways & Aviation
Southeast Region Highways & Aviation

Into a single appropriation

This has been a single appropriation for several years. The appropriation structure was changed in the other body last year and adopted by the conference committee for the FY98 budget.

The reason for the proposed change is to allow the Department to spread the reduction more widely and reduce potential impact on a single BRU.

UNIVERSITY

passed 7/4

UNIVERSITY 1A

~~CORRECTIONS~~ #5

AMENDMENT

TO: CSHB 325 (FIN)

OFFERED BY REP. MULDER

DELETE

Department of Corrections
BRU: Administration & Operations
COMPONENT: Institutional Reductions 78.7 GF

Department of Corrections
BRU: Culturally Relevant CRCs in Nome and Bethel
COMPONENT: Culturally Relevant CRCs 160 GF

Department of Corrections
BRU: CRC Offender Supervision
COMPONENT: CRC Offender Supervision 376.0 GF

Department of Corrections
BRU: Electronic Monitoring
COMPONENT: Electronic Monitoring 130.3 GF

Department of Corrections
BRU: Recidivism Study
COMPONENT: Recidivism Study 100.0 GF

Department of Corrections
BRU: VPSO Parole Supervision Pilot Program
COMPONENT: VPSO Supervision Pilot Program 125.0 GF

Department of Corrections
BRU: Alternative Institutional Housing
COMPONENT: Alternative Housing 30.0 GF

ADD

Department of Corrections
BRU: Administration & Operations
COMPONENT: Community Corrections Director 150 GF

University of Alaska
BRU: University of Alaska
COMPONENT: Unallocated Reductions/Additions 850 GF

Continuation
UNIVERSITY 1A
~~CTS #2~~

AMENDMENT

To: HB 325

By: Therriault

DELETE:

| | |
|---|---------|
| Alaska Court System Unallocated Reduction Miscellaneous Reduction | \$150.0 |
|---|---------|

ADD:

| | |
|--|---------|
| University of Alaska University of Alaska Unallocated Reductions/Additions | \$150.0 |
|--|---------|

DATE

4/17/98a

SUBJECT

UA - IA

MOVL TO DIVIDE ?

| MEMBER | YES | NO |
|--------------|-----|----|
| MULDER | | ✓ |
| DAVIES, JOHN | ✓ | |
| DAVIS, GARY | | ✓ |
| GRUSSENDORF | ✓ | |
| FOSTER | ✓ | |
| KELLY | | ✓ |
| KOHRING | | ✓ |
| MARTIN | | ✓ |
| MOSES | ✓ | |
| HANLEY | ✓ | |
| THERRIAULT | | ✓ |

TOTAL

| | |
|---|---|
| 5 | 6 |
|---|---|

PASSED _____

FAILED _____

DATE 4/17/98a
SUBJECT UA 1-A

| MEMBER | YES | NO |
|--------------|-----|----|
| DAVIES, JOHN | ✓ | |
| DAVIS, GARY | ✓ | |
| FOSTER | | ✓ |
| GRUSSENDORF | | ✓ |
| KELLY | ✓ | |
| KOHRING | ✓ | |
| MARTIN | ✓ | |
| MOSES | | ✓ |
| MULDER | ✓ | |
| HANLEY | | ✓ |
| THERRIAULT | ✓ | |

TOTAL

| | |
|---|---|
| 7 | 4 |
|---|---|

PASSED _____
FAILED _____

Failed 5-6

f. s.

Rep. Llanes

AMENDMENT # _____
UNIVERSITY #1

OFFERED IN THE HOUSE

TO HB 325

ADD

University of Alaska

University of Alaska

Statewide Services and Programs

1,580.6 GF

This would fund salary increments for noncovered employees commensurate with employees covered by collective bargaining agreements.

ROLL CALL: HOUSE FINANCE COMMITTEE

DATE

4/17/98 a

SUBJECT

UA #1

| MEMBER | YES | NO |
|--------------|-----|----|
| DAVIS, GARY | | ✓ |
| FOSTER | | ✓ |
| GRUSSENDORF | ✓ | |
| KELLY | ✓ | |
| KOH:RING | | ✓ |
| MARTIN | | ✓ |
| MOSES | ✓ | |
| MULDER | | ✓ |
| DAVIES, JOHN | ✓ | |
| THERRIAULT | ✓ | |
| HANLEY | | ✓ |

TOTAL

| | |
|---|---|
| 5 | 6 |
|---|---|

PASSED _____

FAILED _____

Rep. Davies

f.s.

Failed 5-6

AMENDMENT # _____

UNIVERSITY #2

OFFERED IN THE HOUSE

TO HB 325

ADD

University of Alaska
Statewide Programs and Services
CEA Contract Provisions

163,200

GF

Fully funds the CEA contract through June 30, 1999.

ROLL CALL: HOUSE FINANCE COMMITTEE

DATE

4/17/98a

SUBJECT

U 2

| MEMBER | YES | NO |
|-------------|-----|----|
| FOSTER | | ✓ |
| GRUSSENDORF | ✓ | |
| KELLY | ✓ | |
| KOHRING | | ✓ |
| MARTIN | | ✓ |
| MOSES | ✓ | |
| MULDER | | ✓ |
| DAVIES JOHN | ✓ | |
| DAVIS GARY | | ✓ |
| HANLEY | | ✓ |
| TERRIAULT | ✓ | |

TOTAL

| | |
|---|---|
| 5 | 6 |
|---|---|

PASSED _____

FAILED _____

f.s.

Rep. Davies

Failed 5-6

AMENDMENT # _____

UNIVERSITY #3

OFFERED IN THE HOUSE

TO HB 325

ADD

University of Alaska
Statewide Programs and Services
United Academics Contract Provisions

1,212,500 GF

Fully funds the United Academics contract through June 30, 1999

DATE

4/17/98 a

SUBJECT

11-3

| MEMBER | YES | NO |
|-------------|-----|----|
| GRUSSENDORF | ✓ | |
| KELLY | ✓ | |
| KOHRING | | ✓ |
| MARTIN | | ✓ |
| MOSES | ✓ | |
| MULDER | | ✓ |
| DAVIS JOHN | ✓ | |
| DAVIS GARY | | ✓ |
| FOSTER | | ✓ |
| THERRIAULT | ✓ | |
| HANLEY | | ✓ |

TOTAL

5

6

PASSED

FAILED

f. s.

Rep. Mervin

passed 8-3

AMENDMENT # _____

UNIVERSITY #4

OFFERED IN THE HOUSE
TO HB 325

ADD

University of Alaska
Statewide Programs and Services
Statewide Services

Intent

It is the intent of the legislature that the University of Alaska Board of Regents honor all collective bargaining agreements in effect through June 30, 1999.

ROLL CALL: HOUSE FINANCE COMMITTEE

DATE 4/17/98a
 SUBJECT U-#

| MEMBER | YES | NO |
|-------------|-----|----|
| KELLY | | ✓ |
| KOHRING | | ✓ |
| MARTIN | ✓ | |
| MOSES | ✓ | |
| MULDER | ✓ | |
| DAVIES JOHN | ✓ | |
| DAVIS GARY | ✓ | |
| GRUSSENDORF | ✓ | |
| FOSTER | | ✓ |
| HANLEY | ✓ | |
| TERRIAULT | ✓ | |

TOTAL 8 3

PASSED _____
 FAILED _____

Rep. Davis

Fund 5-6

AMENDMENT # _____

UNIVERSITY #5
- conceptual -

OFFERED IN THE HOUSE
TO HB 325

ADD

| | | | |
|--|-----------|----|--|
| University of Alaska | | | |
| University of Alaska | | | |
| Budget Reductions/Additions - Systemwide | 2,057,600 | GF | |

Fully funds Regents' request.

DATE 4/17/98 a
 SUBJECT U#5

| MEMBER | YES | NO |
|-------------|-----|----|
| KOHRING | | ✓ |
| MARTIN | | ✓ |
| MOSES | ✓ | |
| MULDER | | ✓ |
| DAVIES JOHN | ✓ | |
| DAVIS GARY | | ✓ |
| GRUSSENDORF | ✓ | |
| FOSTER | | ✓ |
| KELLY | ✓ | |
| THERRIAULT | ✓ | |
| HANLEY | | ✓ |

TOTAL 5 | 6

PASSED _____

FAILED _____

Rep. Dennis

Failed 5-6

AMENDMENT # _____

UNIVERSITY #6

OFFERED IN THE HOUSE

TO HB 325

ADD

University of Alaska

University of Alaska

Budget Reductions/Additions - Systemwide

1,342,900

GF

Fully funds the Governor's Request

DATE 4/17/78 a
 SUBJECT U-#6

| MEMBER | YES | NO |
|--------------|-----|----|
| MARTIN | | ✓ |
| MOSES | ✓ | |
| MULDER | | ✓ |
| DAVIES. JOHN | ✓ | |
| DAVIS. GARY | | ✓ |
| GRUSSENDORF | ✓ | |
| FOSTER | | ✓ |
| KELLY | ✓ | |
| KOHRING | | ✓ |
| HANLEY | | ✓ |
| TERRIAULT | ✓ | |

TOTAL 5 | 6

PASSED _____

FAILED _____